



**phs** Group

**SINGLE LET INDUSTRIAL INVESTMENT**

**PHS UNIT 1 BRACKEN HILL SOUTH WEST INDUSTRIAL ESTATE PETERLEE SR8 2LS** <sub>01</sub>

# INVESTMENT HIGHLIGHTS

- **Single let industrial unit** extending to **981.64 sq m (10,566 sq ft)**
- Located on the established **North West Industrial Estate** with over **375k sq m (4 million sq ft)** of **commercial space**
- Immediately adjacent to the **A19 trunk road** offering **direct access** to the regional **road network**
- Let to **Personnel Hygiene Services Limited** for 20 years from 27th May 2010 proving an **unexpired term of 5.2 years**
- **Rent review** higher of **OMV** or **uncapped RPI**
- Tenant in **occupation** for over **25 years**
- Rent **£65,400** representing **£66.52 per sq m (£6.18 per sq ft)**

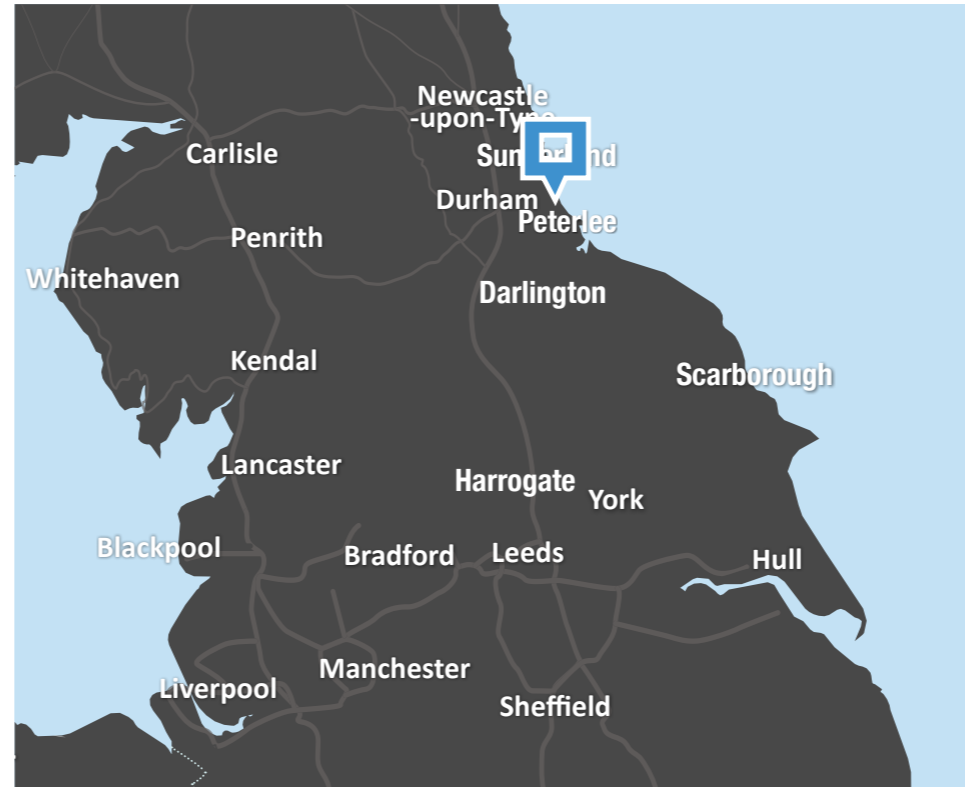
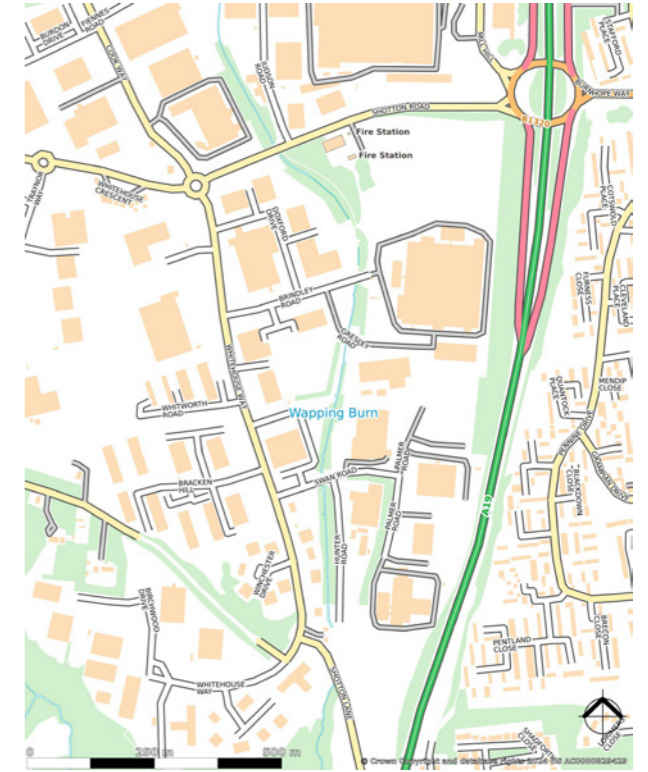
We are instructed to seek offers in excess of **£825,000** (Eight Hundred and Twenty-Five Thousand Pounds), which reflects a **net initial yield** of **7.51%** after purchaser's costs at 5.53%. This will rise further once the May 2025 rent review is settled. See below.

## LOCATION

Peterlee is located in County Durham, approximately 14.5 km (9 miles) east of Durham. Sunderland and Newcastle are approximately 20 km (12.5 miles) and 28 km (17.5 miles) to the north, with Hartlepool and Middlesbrough approximately 16 km (10 miles) and 26.5 km (16.5 miles) to the south.

The town benefits from excellent road communications being located on the A19 trunk road one of the main north south routes through the region. The A19 provides direct access to the Tyne & Wear conurbation to the north and Teesside and North Yorkshire to the south.

East Coast mainline services are provided from Darlington and Durham, with Durham having a fastest journey time to London Kings Cross of approximately 2 hours 30 minutes. Newcastle International Airport and Durham Tees Valley airport are situated approximately 30 miles to the north and south respectively. Both airports provide regular flights to a number of national, European and international destinations.



## SITUATION

The property is located on the established and successful North West Industrial Estate which now comprises over 370k sq m (4 million sq ft) of commercial space and is home to a number of well-known UK and international businesses. Major occupiers include Caterpillar UK Ltd who are the world's largest manufacturer of construction equipment employing 1,400 on the estate. Other major occupiers include NSK (global bearings manufacturer employing 400 staff), TRW Automotive (employing close to 1,000 staff) and BHK.

North West Industrial Estate is immediately adjacent to the A19 trunk road offering direct access to the regional road network. The subject property occupies a prominent position on Bracken Hill just 0.5km (0.3 miles) from the A19. This area is popular with trade occupiers with Howdens, Wolsley, Screwfix and Tool Station all represented in the immediate area.



## DESCRIPTION

The property comprises a semi-detached purpose built warehouse unit. The building is of steel portal frame construction under a pitched metal deck roof incorporating roof lights to the main warehouse accommodation. The external elevations are a mix of brick and composite panels.

Internally the building provides open plan warehouse space. Integrated offices are located on the western elevation and are arranged over ground and first floor. There are two full height roller shutter doors, one to the west elevation and a second on the southern elevation facing the secure yard. The tenant has also installed some further single story internal warehouse office accommodation which incorporates first floor mezzanine. This is not included in the floor areas below.

Externally the property has a secure fenced yard area to the southern elevation and parking areas to the western elevation. The occupier utilises the building as a waste transfer station and as such the building benefits from various licences. The tenant has also invested in a separate underground tank system in the yard which included relaying the yard and entrance road.



## TENURE

Freehold.

## ACCOMMODATION

The property has the following Gross Internal Area

Accommodation	Sq m	Sq ft
Warehouse Area	809.24	8,710
Ground Floor Offices	86.2	928
First Floor Offices	86.2	928
<b>Total</b>	<b>981.64</b>	<b>10,566</b>

The property is situated within a landscaped site of 0.491 ha (1.21 acres).

## TENANCY

The building is let in its entirety to **Personnel Hygiene Services Limited**, guaranteed by PHS Group Limited, on a full repairing and insuring lease for a term of **20 years from 27th May 2010**. The lease incorporates 5 yearly rent reviews to the higher of Market Rent or **uncapped RPI**. The vendor will top up the rent to the latest available RPI figures (January 2025) with the purchaser benefitting from any further increase in RPI until the review in May 2025.

The current passing rent is therefore **£65,400** which reflects £6.18 per sq ft.

## COVENANT

**Personnel Hygiene Services Limited** (00770813) is a leading provider of fully serviced hygiene solutions focusing on washroom, healthcare and flooring hygiene in the UK, Ireland and Spain. Their services also include compliant waste disposal, water saving devices, electrical safety testing, industrial workwear supply and laundry, interior and exterior planting, rental crate hire and waste reduction and segregation. PHS currently employ 3,000 staff servicing some 120,000 customers.

**Personnel Hygiene Services Limited** (00770813) have a CreditSafe score of **A 100**.

Their last three years published accounts can be summarised as follows:

Year End	30th June 2024	30th June 2023	30th June 2022
Turnover	£241,240,000	£226,953,000	£225,032,000
Pre-Tax Profit	£23,449,000	£35,262,000	£98,916,000
Shareholder Funds	£338,263,000	£324,294,000	£292,855,000

## VAT

We understand the property is elected for VAT purposes. If the transaction is to acquire the property then it is anticipated that the sale will be treated as the Transfer of a Going Concern (TOGC).

## EPC

C-71.

## PROPOSAL

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## CONTACT

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Misrepresentation Act: These particulars shall not form part of any offer or contract and no guarantee is given as to the condition of the property or the accuracy of its description. An intending purchaser or tenant is not to rely on any representation made in these particulars and must satisfy himself as to their accuracy by his own investigation before entering into any contract. April 2025.