



DURHAM ROAD RETAIL PARK DURHAM ROAD SUNDERLAND SR3 1TJ





## PROPERTY HIGHLIGHTS

- **New Build** Convenience & Roadside **retail development**
- Anchored by **B&M, Costa, Greggs**
- **WAULT** of **14.7 years** to expiry
- **32,452 sq ft** of accommodation on **4.18 acres**
- **8 electric vehicle charging points**
- Annual rent of **£627,500pa**
- **71%** of the income secured to **B&M and Costa for 15 years**
- **34%** of the income benefits from **indexed linked reviews**

We have been instructed to seek offers in excess of **£10,250,000**, which will provide the purchaser with an initial yield of **5.74%** upon completion

## LOCATION

The city of Sunderland is situated on the North East coast and is one of the major centres within the North East region. It is situated 19 Kilometres (12 miles) south east of Newcastle upon Tyne, 40 kilometres (25 miles) north of Middlesbrough and 432 Kilometres (269 miles) north of London. The city has a population of 274,200 people (Census 2021) and is part of the wider Tyne & Wear Conurbation, which has a combined population of 1,127,190 people.

The city is well located for transport links, with the A19 running north south and linking the city with Newcastle to the north and Teesside and York to the south. The city is also linked to the A1 to the west via the A1231 and A690. The city also benefits from excellent rail links both locally and nationally and has several stations within the Tyne & Wear Metro system, linking it to Newcastle International airport. The Grand Central line gives the city direct access to London and the South East.

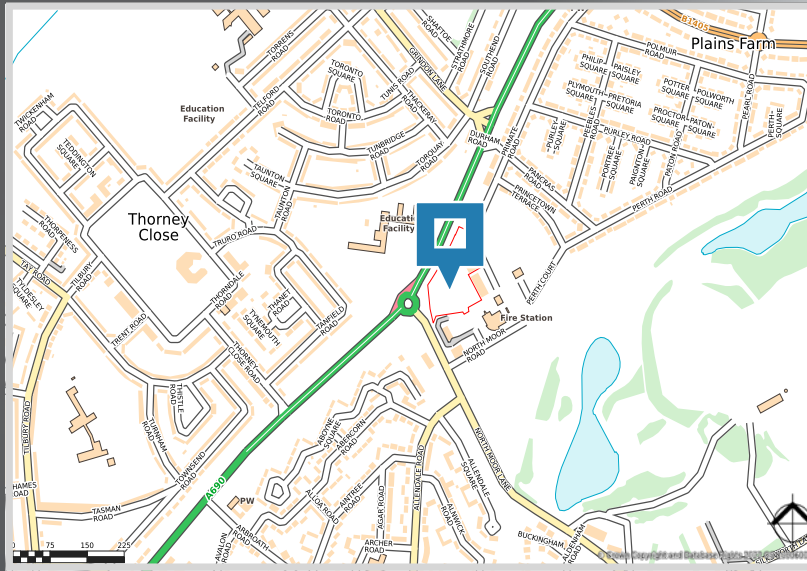
Adding to the accessibility of the city is the newly completed £180m Northern Spire Bridge linking the A1231 across the river to the west of the city centre. This is part of a plan to create a continuous dual carriage way link between the A19, City Centre and the Port of Sunderland.

## SITUATION

The development is situated in a densely populated residential area just off the A690 Durham Road which links the A19 to Sunderland City Centre, which lies approximately 3 miles to the north east of the site.

Nearby occupiers include McDonalds restaurant, a McDonalds Dark Kitchen in the former Co-op unit and Farrington Community Fire Station. The location is a densely populated residential area and the scheme will provide a new convenience centre for the local community.





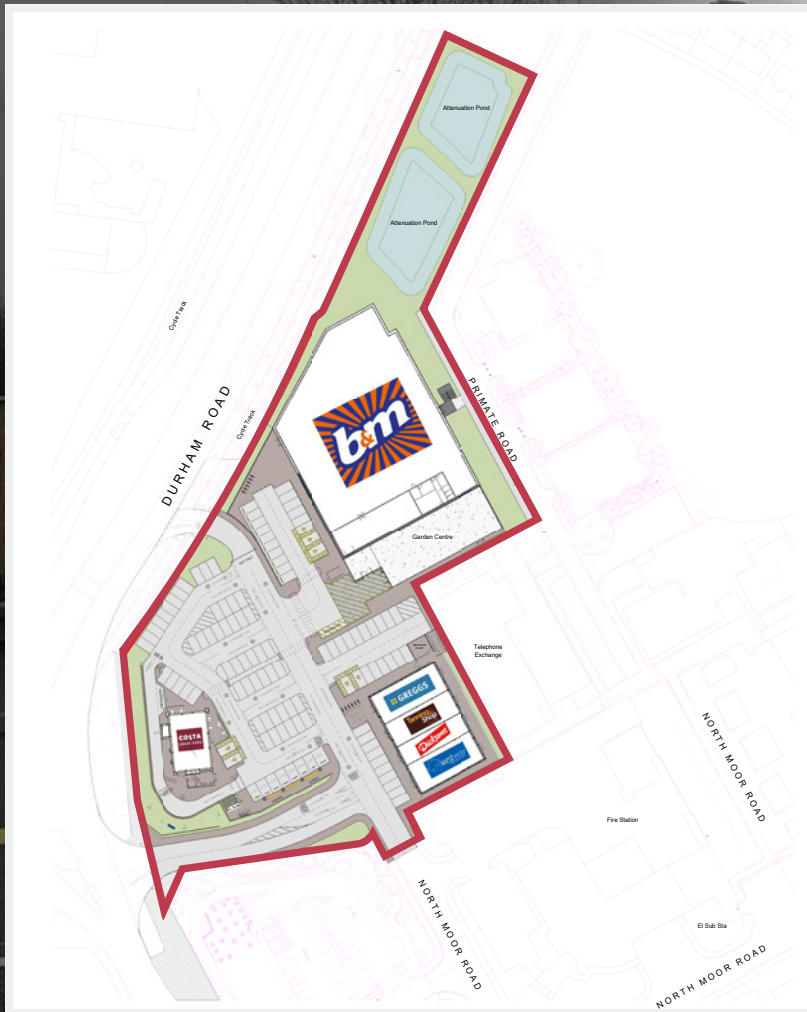
## SUNDERLAND

Sunderland is home to Nissan, the UK's biggest and most productive car plant. The city is also a European centre for electric vehicle research and production.

Sunderland is the second largest City in the North East by population and attracts a wide variety of businesses, including more than 80 internationally-owned companies. With sectors such as software and data technology, Sunderland sustains innovative and ambitious companies, from gaming studios to online retail support as well as the financial and customer services sector.

Sunderland is a city benefiting from an extensive regeneration programme, with over £1.5bn of investment scheduled in the next nine years to further support economic growth and create over 20,000 jobs. Significant regeneration schemes include the Vaux Site, a phased development of the former Vaux brewery which comprises a 26-acre City Centre office, retail, residential and leisure quarter.

The city will also benefit from the 370-acre International Advanced Manufacturing Park (IAMP) which will provide in excess of 1.6m sq ft of industrial space adjacent to Nissan and the A19 corridor.





ACCOMMODATION & TENANCY

Unit	Tenant	Size Sq ft	Lease length	Start Date	Break	Rent	Rent per sq ft	Review	Rent free	% of rent	Service Charge	EPC	Creditsafe score	Comment
Supermarket	B&M Retail Ltd	24,208	15 yrs	24/11/25		£336,000	£13.88	5 yrly OM capped at 12%	18 months	53.5%	Capped at £1 per sq ft with annual RPI's	A-8	88/100	5,086sq ft garden centre in addition to the store with a Good compound of 600sq ft. Tenant has an option for a further 15 years.
Drive Thru	Costa Ltd	1,808	15 yrs	12/11/25		£110,000	£60.84	5 yrly RPI 1-3%	6 months	17.5%	Based on floor area. No cap	A-12	53/100	Operational break Clause relating to letting to Starbucks, Caffè Nero, Greggs (drive Thru), Tim Hortons or Coffee#1
Unit 1	Greggs PLC	1,830	10 yrs	3/11/25		£45,000	£24.59	5 yrly OM	9 months	7.2%	Based on floor area. No cap	A-9	73/100	
Unit2	The Feel Good Group Ltd	1,528	10 yrs	12/12/25		£37,500	£24.54	5 yrly CPI 1-3%	9 months	6.0%	Based on floor area. No cap	A-9	65/100	
Unit 3	MI Dickson Limited	1,227	10 yrs	8/12/25	5yrs	£30,000	£24.45	5 yrly OM	6 months	6.0%	Basesd on floor area. No cap	A-10	76/100	
Unit 4	Westway Veterinary Centres Ltd	1,851	15 yrs	8/12/25	10 yrs	£45,000	£24.31	5 yrly CPI 1-3%	6 months*	7.2%	Based on floor area. Cap of £1.50per sq ft +CPI	A-8	82/100	*Rent free to be by way of reduced rent in years 1 & 2 to 75% of headline rent. Lease term of 15 years less 7 days.
Charging Points	Fastned Uk Ltd		30 yrs	5/12/25		£24,000		5 yrly RPI 1-4%		3.8%			32/100	There is also a variable top up of 0.5p/kWh, which may rise to 1p/kWh* and a rent cap of £75,000 indexed to RPI in line with the RR at 1-4%. Exclusivity given to Fastned over the site in relation to EV charging points.
		32,452				£627,500				100%				

TENURE

The property is Freehold.



**B&M Retail Ltd**

Company No – 01357507  
Creditsafe Score – 94/100  
Rating – **A – Very Low Risk**



B&M was formed in 1978 in Blackpool and has grown to occupy over 700 stores employing in excess of 35,000 staff. They serve over 4m customers every week. A summary of B&M Retail Limited last 3 years accounts are set out below:

Year End	29th March 2025	30th March 2024	25th March 2023
Turnover	£4,489,000,000	£4,417,000,000	£4,073,000,000
Pre-Tax Profit	£448,000,000	£475,000,000	£360,000,000
Shareholder Funds	£631,000,000	£623,000,000	£604,000,000

**Costa Limited**

Company No – 01270695  
Creditsafe Score – 53/100  
Rating – **B – Low Risk**



Costa was founded in 1971 by brothers Sergio & Bruno Costa who had relocated from Italy to London. It now trades from in excess of 3,400 stores across 31 Countries. The brothers sold to Whitbread in 1995, who subsequently sold to Coca Cola in 2019 in a deal worth £3.9bn. A summary of their last three years accounts are set out below:

Year End	31st Dec 2023	31st Dec 2022	31st Dec 2021
Turnover	£1,222,856,000	£1,117,450,000	£923,174,000
Pre-Tax Profit	(£9,632,000)	£245,950,000	(£42,370,000)
Shareholder Funds	£276,518,000	£374,260,000	£227,606,000

**Greggs PLC**

Company No – 00502851  
Creditsafe Score – 73/100  
Rating – **A – Very Low Risk**



Greggs was founded 75 years ago as a family bakery and has grown into one of the country's leading food on the go companies, trading from over 1,700 outlets throughout the UK employing 20,000 staff. A summary of their last three years accounts are set out below:

Year End	28th Dec 2024	31st Dec 2023	31st Dec 2022
Turnover	£2,014,400,000	£1,809,600,000	£1,512,800,000
Pre-Tax Profit	£203,900,000	£188,300,000	£148,300,000
Shareholder Funds	£570,500,000	£530,900,000	£446,000,000

**The Feel Good Group Ltd**

Company No – 05891329  
Creditsafe Score – 82/100  
Rating – **A – Very Low Risk**



The Feel Good Group was originally founded in 1990 and has grown to a chain of 115 stores around the country under the banner of The Tanning Shop. The group also includes wholesale brands Sunshine Supermarket and Blue Tanning & Beauty. A summary of their last three years accounts are set out below:

Year End	31st Dec 2024	31st Dec 2023	31st Dec 2022
Turnover	£29,441,300	£26,399,047	£22,670,475
Pre-Tax Profit	£5,511,573	£4,718,220	£4,072,967
Shareholder Funds	£8,184,721	£8,318,305	£8,715,945

**Westway Veterinary Centres Limited**

Company No – 07177168  
Creditsafe Score – 97/100  
Rating – **A – Very Low Risk**



Westway vets was established in 1975 and now operates out of 19 branches across Tyne & Wear, Durham and Northumberland. Westway is now part of the Vet partners group which turns over £430m per annum and has shareholders' funds of £144m. A summary of Westway Veterinary Centres Limited's last three years accounts are set out below:

Year End	30th June 2024	30th June 2023	30th June 2022
Turnover	£16,655,536	£15,690,104	£14,504,885
Pre-Tax Profit	£2,607,925	£2,625,566	£2,718,108
Shareholder Funds	£14,573,552	£12,030,216	£9,444,443

**M.I. Dickson Limited**

Company No – 00520749  
Creditsafe Score – 76/100  
Rating – **A – Very Low Risk**



Dickson's is a successful family owned North East business which was founded in 1953. Originally a butchers & bakery it has grown to become a chain of food on the go outlets with 30 stores. The business is now in the 3rd generation of family members. A summary of their last 3 years accounts are set out below:

Year End	30th June 2024	30th June 2023	30th June 2022
Turnover	£18,650,181	£17,602,534	£16,088,033
Pre-Tax Profit	(£25,150)	(£217,696)	£312,449
Shareholder Funds	£3,374,793	£6,122,916	£6,377,743





**Fastned UK Ltd**  
Company No – 11140404  
Creditsafe Score – 38/100  
Rating – C – Moderate Risk



Fastned was founded in the Netherlands in in 2012 when it was granted the right to build 201 highway locations. It launched its first site in the UK in 2019. It also operates out of France, Belgium and Switzerland. They will benefit significantly from the UK’s £950m rapid charging fund as one of the main operators in the UK market, operating from 35 locations. A summary of their last 3 years trading figures are set out below:

Year End	31st Dec 2024	31st Dec 2023	31st Dec 2022
Turnover	£4,917,303	£2,616,944	£917,653
Pre-Tax Profit	(£6,183,595)	(£3,007,493)	(£2,401,140)
Shareholder Funds	–£13,339,570	–£7,155,975	–£4,352,930

SERVICE CHARGE

The service charge budget for the coming year is circa £33,600pa. This breaks back to 90p per sq ft for B&M and Costa and circa £1.50per sq ft for the parade.

PROPOSAL

We have been instructed to seek offers in excess of **£10,250,000**, which will provide the purchaser with an initial yield of **5.74%** upon completion after costs of 6.7%.

Alternatively, the SPV can be acquired. Should this route be agreed, the vendor would look for a 50/50 split on the stamp duty saving based on acquisition costs of 2.3%.

VAT

The property is elected for VAT and it is anticipated VAT will be payable on the transaction.

CONTACT



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