METCALF HARLAND PROPERTY INVESTMENT

New Build Supermarket Investment

CHESTER ROAD, STANLEY, CO DURHAM, DH9 0TJ

LOCATION

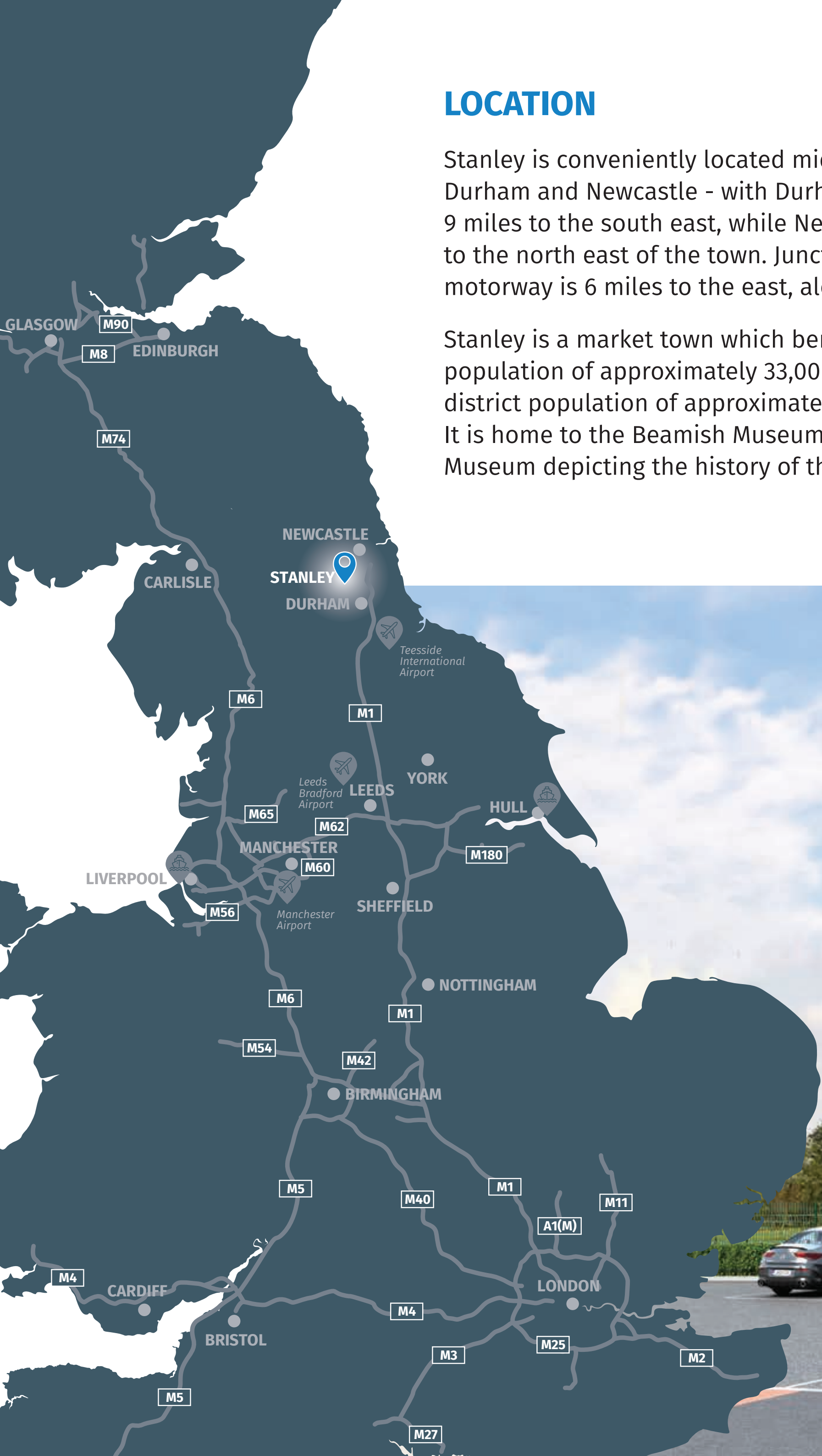
Stanley is conveniently located midway between Durham and Newcastle - with Durham being situated 9 miles to the south east, while Newcastle is 10 miles to the north east of the town. Junction 63 of the A1 (M) motorway is 6 miles to the east, along the A693.

Stanley is a market town which benefits from a population of approximately 33,000 people and a district population of approximately 54,000 people. It is home to the Beamish Museum, the famous Museum depicting the history of the North East.

PROPERTY HIGHLIGHTS

- **New Build Supermarket with additional EV charging points.**
- **25-year lease to Lidl Great Britain Ltd with breaks at 15 & 20.**
- **30-year lease to Fastned.**
- **Indexed linked reviews.**
- **Annual rent of £344,785pa.**

We are instructed to seek offers in excess of £6,400,000 which will reflect a net initial yield of 5.05% assuming standard purchaser's costs of 6.64%.



SITUATION

The property is situated on the A693 Chester Road, the main thoroughfare through the town linking the town to Consett and the A1. Nearby occupiers include Morrison's daily, North Durham Academy, Co-op Funeral Care, Starbucks, Greggs & Domino's. Other nearby retailers include Home Bargains, McDonald's & Toolstation.

TENURE

The property is freehold.

DEVELOPMENT

The development provides a new build Lidl supermarket with a GIA of 21,119 sq ft (1,962sq m) with 120 car parking space, 8 of which are let to Fastned for EV charging. The site will extend to approximately 1.165 hectares (2.88 acres).

ACCOMMODATION & TENANCY

Use	Tenant	Lease length	Break	Rent	% of income	Size sq ft	Rent per sq ft/space	Reviews	Rent free
Supermarket	Lidl Great Britain Limited	25 years	15 & 20	£316,785	92%	21,119	£15.00	5 yrly CPI between 1-2.5%	3 months
EV charging points	Fastned UK Limited	30 years		£28,000	8%	8 No spaces	£3,500.00	5 yrly RPI, + Variable rate of 0.5p per kWh	12 Weeks
				£344,785	100%				

COVENANT STRENGTH

Lidl Great Britain Limited

Company No – 02816429
Creditsafe Score – 100/100
Creditsafe Rating – A - Very Low Risk

Lidl was founded in Germany and opened its first UK store in 1994 and has since become one of the country's leading supermarkets. It now trades from 1,000 stores with 14 regional distribution centres and employs 35,000 people. Lidl now has 8.3% if the UK grocery market and is expected to overtake Morrisons and become the UK's 5th largest supermarket by the end of 2026. A summary of their last 3 years accounts are set out below:

Year End	28th February 2025	29th February 2024	28th February 2023
Turnover	£11,732,965,000	£10,874,647,000	£9,300,716,000
Pre-Tax Profit (Loss)	£156,838,000	£43,570,000	(£75,986,000)
Shareholder Funds	£2,014,531,000	£1,732,458,000	£1,392,455,000

Fastned

Fastned UK Limited

Company No – 11140404
Creditsafe Score – 39/100
Creditsafe Rating – C - Moderate Risk

Fastned is a leading European fast charging company with its iconic yellow wings. It was founded in the Netherlands in 2012 and opened its first UK location in 2019. It now has 234 chargers across 37 locations in the UK and 406 across Europe in 9 different countries. It was listed on the Euronext Amsterdam stock exchange in 2019. In the financial year ending 2024 they had a turnover of €86.3m which was up 43% on the previous year with a current net worth of circa €650m. A summary of Fastned UK Limited's last 3 years accounts are set out below:

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

Boundary for identification purposes only.

PROPOSAL

We are instructed to seek offers in excess of **£6,400,000** which reflects a **net initial yield of 5.05%** assuming standard purchaser's costs of 6.64%.

Yield Profile assuming 2.5% per annum

Initial Yield	5.05%
2031	5.72%
2036	6.47%
2041	7.32%
2046	8.28%

The rent-free period will be covered by the vendor.

EPC

An EPC will be provided upon completion.

Capital Allowances

The purchaser will have the benefit of all capital allowances.

ESG

The development has number environmental credentials to include:

- **Roof top solar panels.**
- **8 No EV charging points from 100% renewable energy.**
- **Wild Flower area to the south end of the scheme totalling approximately 3rd of an acre.**

VAT

The property is elected for VAT and it is anticipated that the sale will be treated as a TOGC.

CONTACT

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