

**PRIME HIGH STREET
CONVENIENCE STORE**
INVESTMENT
OPPORTUNITY



Newcastle

91-97 NORTHUMBERLAND STREET, NE1 7AG

green&partners

Investment summary

- Newcastle upon Tyne is the regional capital and principal economic focus providing the main cultural and commercial centre for the North East of England;
- Located on the prime Northumberland Street, widely regarded as one of the UK's premier retail destinations;
- Prime, well configured retail unit comprising 8,919 sq ft arranged over basement, ground and three upper floors;
- 100% let to Sainsbury's Supermarket Limited;
- Various asset management opportunities; explore lease re-gear; explore advertising options on prominent side return; explore longer term development opportunities subject to Vacant Possession and PP;
- Approximately 5.8 years unexpired. Tenant in occupation since 2015;
- Current annual net income totals £221,844.55 per annum exclusive;
- The net rent is projected to increase to £263,481.73 per annum exclusive at the August 2025, index linked rent review.

We are instructed to seek offers in excess of

£3,200,000

(Three Million Two Hundred Thousand Pounds),
Subject to Contract & Exclusive of VAT.

Net Initial Yield 6.5%

Projected Running Yield 2025 7.72%

Allowing for graduated purchaser's costs.

Location

Newcastle upon Tyne is a city located in the North East of England, within the county of Tyne and Wear. It lies on the northern bank of the River Tyne, approximately 280 miles (450 kilometres) north of central London.



Newcastle is well-connected by road, with the A1 motorway serving as a major north-south route. If you're traveling by car from London, you can take the A1(M) motorway, which provides direct access to Newcastle, making it a convenient route for travellers from various parts of the UK.



Newcastle is served by Newcastle Central Station, one of the key railway stations in the region. Trains run regularly from London King's Cross, in a fastest journey time of circa 3 hours. Edinburgh, Leeds and Manchester are also easily accessible.



Newcastle International Airport is the primary airport serving the city and surrounding areas. The airport offers both domestic and international flights.




3 hrs
TO LONDON
KING'S CROSS



Retailing in Newcastle

Newcastle has the 3rd largest shopping population in the UK (616,000) and is the primary retail and leisure destination in north-east England, which generates an impressive annual retail spend exceeding £1bn.

This success is largely due to its extensive catchment area, which covers 2.5 million residents, drawing shoppers from across the region. The city's retail infrastructure is anchored by key shopping districts, such as Northumberland Street, Eldon Square, and Monument Mall, offering a diverse mix of high-street brands, luxury retailers, and dining options. The Gate, owned by The Crown Estate, is a complimentary and successful leisure destination.

Monument Mall

Completely refurbished in 2013, Monument Mall has repositioned itself as a premium retail destination, attracting luxury brands like Hugo Boss, The White Company, and FatFace. The shopping centre situated near Grey's Monument, is strategically located and benefits from high foot traffic, reinforcing Newcastle's status as a top-tier shopping destination.



Northumberland Street

The city's prime high street, is anchored by well-known retailers such as Fenwick, M&S, Primark and H&M, ensuring it remains a focal point for everyday shoppers. Meanwhile, Eldon Square underwent a significant expansion in 2010, bringing new, prominent retailers like Apple and Hollister to the city. The centre, anchored by John Lewis and Waitrose, further benefits from Grey's Quarter, which offers 20 restaurants, extending its appeal into the dining and entertainment sectors.



Demographics & Local Economy

Newcastle has a primary catchment area population of around 1.5 million.

The shopping population is estimated at 616,000, maintaining its rank of 3rd in the UK. The city also holds its 3rd place ranking for comparison retail spending. Tourism remains a major factor, with 17 million visitors annually.

Newcastle continues to have a thriving student population of approximately 42,000, supported by its two major universities, Newcastle University and Northumbria University.



616,000
SHOPPERS



17 million
ANNUAL TOURISTS



42,000
STUDENTS

Situation

The property is situated adjacent to M&S and opposite Primark, both high footfall generating occupiers. The property is also situated within a short distance from Newcastle and Northumbria Universities and a number of office developments, including the Pilgrim's Quarter, which is set to open in 2027.



The Pilgrim's Quarter

is set to open in 2027 and has been pre-let to HMRC, amongst others. Circa 9,000 civil servants will occupy the building, consolidating from various regional locations. This will further boost footfall and consumer spend on Northumberland Street.



Description

The property benefits from a prominent glazed frontage, under canopy, fronting Northumberland Street and is arranged over basement, ground and three upper floors. The ground floor is utilised as sales space, with basement ancillary. The upper floors are unutilised albeit are included within the lease demise.

Accommodation

Area	Sq ft	Sq m
GF Sales	1,971	183.1
GF Ancillary	238	22.11
Basement Ancillary	2,320	215.53
First Floor Ancillary	2,926	271.83
Second Floor Ancillary	1,254	116.49
Third Floor Ancillary	210	19.51
Total Net Internal Area	8,919	828.59

Tenure

The property is held majority freehold. The demise also includes a small parcel of land to the rear of the unit, which is held on a long leasehold basis (99 years from 25/12/1970, from Marks & Spencer Plc). A small ground rent is payable, albeit this is passed on to the incumbent tenant and there are no current income shortfalls. Further information is available on request.

Tenancy Sainsbury's

The entire property is let to **Sainsbury's Supermarket Limited** from the 4th August 2015, expiring on 3rd August 2030 (c.5.8 years unexpired). The rent is reviewed 5 yearly in line with RPI, compounded annually, capped at a combined increase of 18.76% and collared at an increase of 5.10%. The current passing rent is £221,844.55.



**CURRENT ANNUAL
NET INCOME TOTAL**

£221,844.55

**PROJECTED ANNUAL
NET RENT**

£263,481.73

Rent Review in August 2025.



1,407

**NATIONWIDE
STORES**

14.9%

**MARKET
SHARE**

Covenant Strength

Sainsbury's Supermarket Ltd (Company Number 03261722) is the second largest of the 'Big Four' Supermarket chains dominating the UK's grocery market. It has a 14.9% market shares as of June 2022, second only to Tesco (27.3%) and ahead of Asda (13.7%) and Morrisons (9.6%). The company occupies 1,407 stores across the UK (809 convenience stores and 598 supermarkets).

Please see below Sainsbury's Supermarket Ltd latest accounts.

Financial Year Ending	Turnover £'000s	Profit (Loss) Before Tax £'000s	Total Assets £'000s
04 March 2023	£26,693,000	£137,000	£19,185,000
05 March 2022	£25,238,000	£244,000	£20,646,000
06 March 2021	£23,823,000	(£56,000)	£18,282,000

Asset Management Initiatives



Regear the lease with Sainsbury's

Look to extend the unexpired term with Sainsbury's Supermarket Limited.

Advertising on the prominent side return

Potential to monetise extensive and prominent side return, through advertising.

Future development of the upper parts

The upper sections of the property are demised to the tenant but remain unused. Subject to planning and lease negotiations, they could offer potential for future development.

VAT

The property has been elected for VAT and any disposal will be by way of a Transfer of a Going Concern (TOGC).

AML

In order to comply with anti-money laundering legislation, the preferred purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

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Contact

For further information or to arrange
inspection please contact:

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Misrepresentations Act:

The agents for themselves and for the vendors or lessors of the property whose agents they are give notice that: (i) these particulars are given without responsibility of The agents or the vendors or lessors as a general outline only for the guidance of prospective purchasers or tenants, and do not constitute the whole or any part of an offer or contract; (ii) The agents cannot guarantee the accuracy of any descriptions, dimensions, references to condition, necessary permissions for use and occupation and other details contained herein and any prospective purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy of each of them; (iii) no employee of The agents (and their joint agents where applicable) has any authority to make or give any representation or warranty or enter into any contract whatsoever in relation to the property; (iv) VAT may be payable on purchase price and/or rent, all figures are quoted exclusive of VAT, intending purchasers or lessees must satisfy themselves as to the applicable VAT position, if necessary by taking appropriate professional advice; (v) except in respect of death or personal injury caused by the negligence of The agents, its employees or servants, The agents will not be liable, whether in negligence or otherwise howsoever, for any loss arising from the use of these particulars save to the extent that any statement made in these particulars has been made fraudulently, OCTOBER 2024