INVESTMENT - FREEHOLD MULTI-LET RETAIL PARADE

CONNECT PROPERTY NORTH EAST
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INVESTMENT – FOR SALE

83-85 & 85a Newbottle Street, Houghton le Spring DH4 4AR

INVESTMENT SUMMARY

- **Freehold**
- Multi-let retail parade in an established town centre location
- 3 shops held on two leases
- Total current rent £21,250 per annum, rising to £23,053 per annum from November 2028
- Combination of fixed rent uplifts and index-linked rent review
- **Offers £225,000 exclusive, reflecting a net initial yield of 9.26% allowing for purchaser's costs at 2.03%, and a reversion to 10.04% from November 2028.**
- **No VAT**

LOCATION

The property is situated on Newbottle Street, the principal shopping street in Houghton le Spring, which is located approximately 9 miles northeast of Durham and 7 miles southwest of Sunderland, with good road links via the A182 and A690 to the A1(M).

Newbottle Street forms the town's main retailing pitch, with nearby occupiers including Iceland, B&M, Heron Foods, Lidl, Subway, Greggs, Superdrug, Domino's and Houghton-le-Spring Jobcentre, together with Houghton Sports & Wellness Centre close by. Lidl have a large free car park with 90min stay adjacent.

DESCRIPTION

The investment comprises two separate single-storey lock-up retail units on Newbottle Street:

83-85 Newbottle Street: a semi-detached, part-rendered/part-brick building beneath a pitched slate roof, arranged as a hot food takeaway (Royal Pizza & Kebab) with a further shop unit (iTech Phone Shop) occupied under a permitted sub-letting of part with roller shutter frontage.

85a Newbottle Street: a self-contained single-storey rendered unit, arranged as a beauty salon (trading as Gloss Nails Nail & Spa).

The pitched slate roof has recently been replaced and all render repainted.

ACCOMMODATION

The property provides the following approximate net internal floor areas:

83 Newbottle Street	20.3 m²	(219 sq ft)
85 Newbottle Street	59.8 m²	(644 sq ft)
85a Newbottle Street	69.5 m²	(748 sq ft)
Total NIA	**149.6 m²**	**(1,610 sq ft)**

TENANCY SCHEDULE

Unit	Tenant / Use	Term	Rent p.a.
83-85 Newbottle Street	**Shahjhan Mehdi & Sameea Mahmood**, t/a Royal Pizza & Kebab (hot food takeaway; part sub-let to iTech Phone Shop)	5 yrs from 1 Sep 2025 to 31 Aug 2030, no break	£14,000 to 31 Aug 2028, then £15,000
85a Newbottle Street	**Mrs Shunping Cai**, t/a Gloss Nails Nail & Spa (beauty salon)	5 yrs from 29 Nov 2023 to 28 Nov 2028. Tenant break option 27 Nov 2026 (3 months' notice) not served.	£7,250, index-linked review 3rd anniversary indication £8,053* Deposit held £1,208
Total current rent			**£21,250 (rising to £23,053 from Nov 2028) *assuming 3% RPI.**

COVENANT

Both units are let to sole traders/individuals rather than corporate covenants. No trading accounts or credit information have been provided by the tenants, and interested parties are advised to make their own covenant enquiries prior to submitting an offer.

RATES

Each tenant is responsible for its own business rates liability. Current Rateable values are below £12,000 RV allowing most occupiers to benefit from Small Business Rates Relief.

Interested parties should verify current assessments with the Valuation Local Rating Authority.

LEGAL FEES

Each party is to be responsible for their own legal fees incurred with any transaction.

VAT

No VAT is charged on this sale.

ENERGY PERFORMANCE CERTIFICATES

EPCs 83 E123; 85: E116 85a: B34.
Copies will be made available for inspection prior to exchange.

MONEY LAUNDERING

In accordance with the Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

CAPITAL ALLOWANCES

To be confirmed.

PRICE

Offers £225,000 exclusive, reflecting a net initial yield of 9.26% allowing for purchaser's costs at 2.03%, and a reversion to 10.04% from November 2028.

VIEWING

Strictly through the sole agents Connect Property NE Ltd:

Andrew Wilkinson
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Email: andrew@cpne.co.uk

IMPORTANT NOTICE: whilst every reasonable effort has been made to ensure accuracy, interested parties are strongly advised to take appropriate steps to verify by independent inspection or enquiry all information for themselves and to take appropriate professional advice. No description or information given about the property or its value may be relied upon as a statement of representation or fact. This is a working draft for internal review and has not been checked or approved for issue.

PHOTOGRAPHS



83-85 Newbottle Street – iTech Phone Shop & Royal Pizza & Kebab



85a Newbottle Street – Gloss Nails Nail & Spa



85a Newbottle Street – rear elevation



83-85 Newbottle Street – Royal Pizza & Kebab interior



85a Newbottle Street – return elevation and entrance



Newbottle Street – general streetscape

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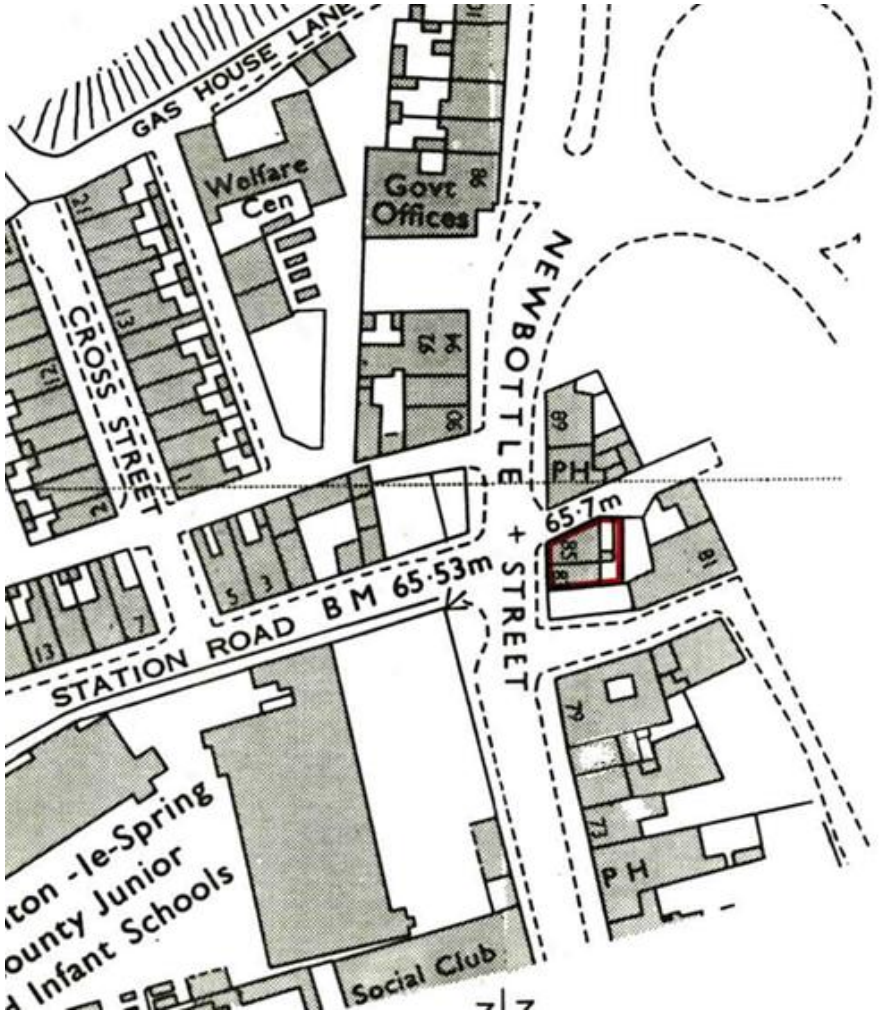
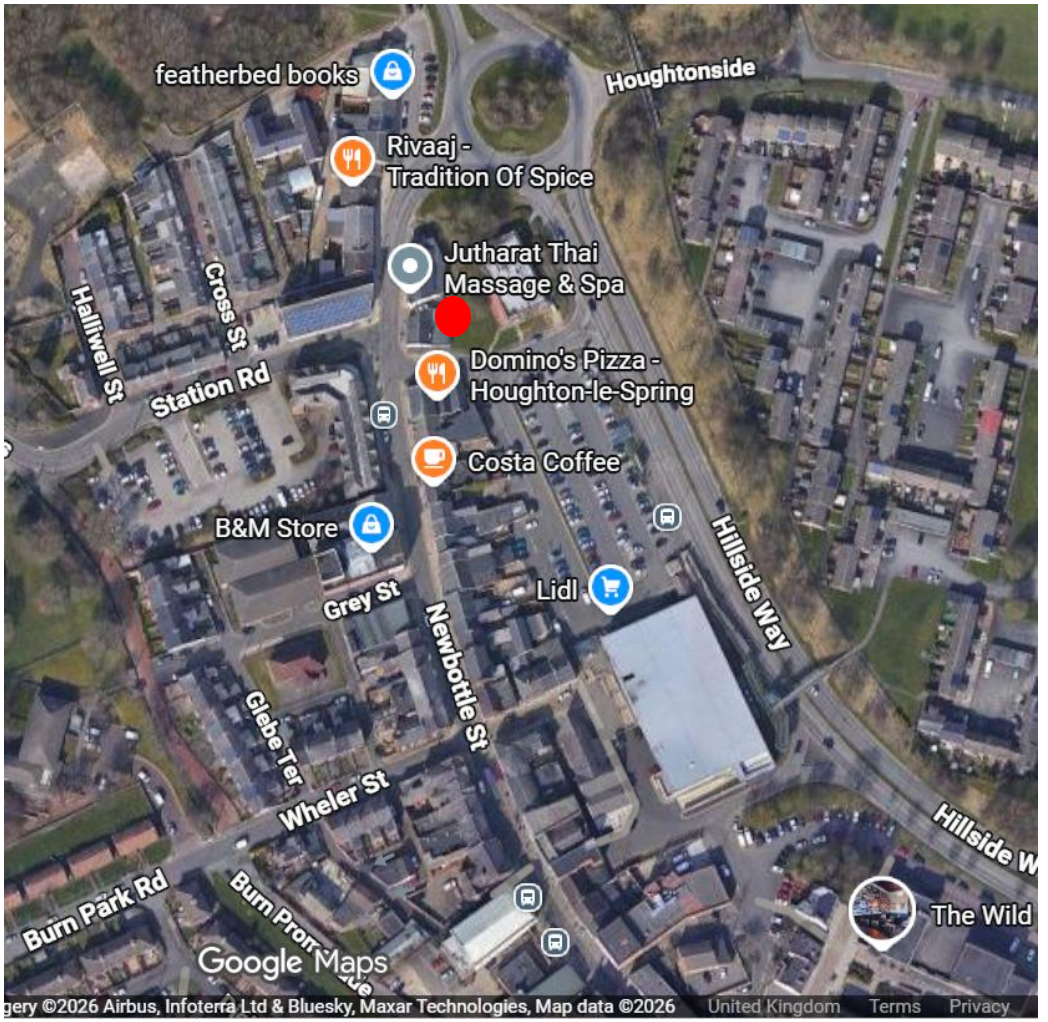
PLANS



*Title plan extract – **83-85 & 85a Newbottle Street edged red**. For identification only, not to scale. © Crown copyright.*



[DH4 4AR on Google Maps]

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