



Prime Office Investment

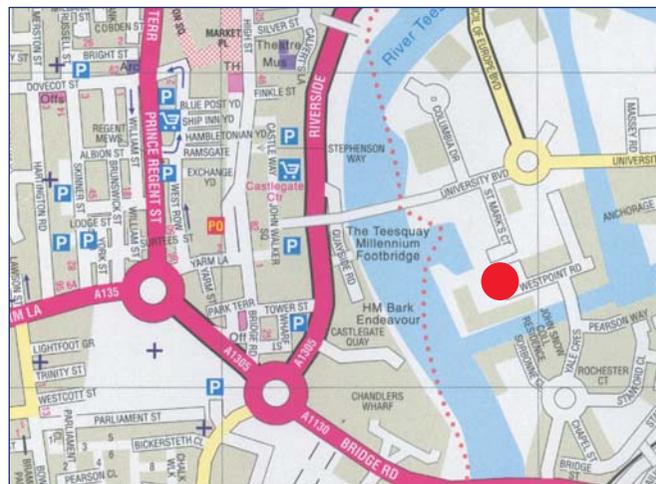
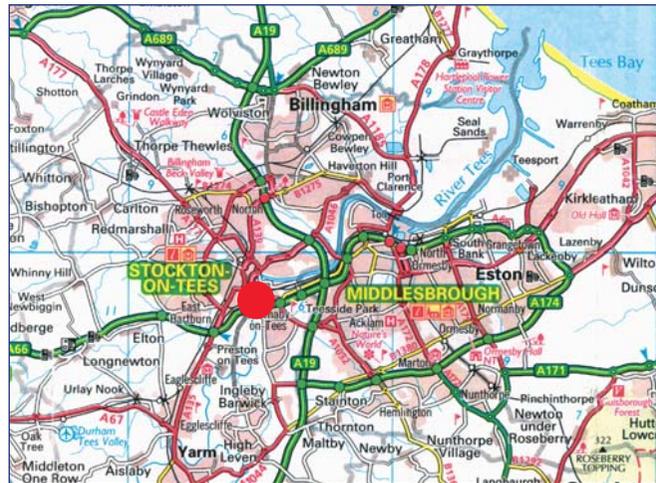


George Stephenson House  
St Marks Court, Teesdale Business Park  
Stockton on Tees, TS17 6QP



## Executive Summary

- Modern 3 storey office pavilion extending to 3,654 sq m (39,334 sq ft).
- Designated car parking for 167 cars (1:236 sq ft).
- Located within Teesdale Business Park, one of the top three business parks within the North-East region.
- FRI lease to The Secretary of State for Communities and Local Government expiring 1st February 2024
- Passing rent of £650,000 per annum subject to fixed uplifts to £720,000 per annum on 2nd February 2014 and £790,000 per annum on 2nd February 2019.
- Offers in excess of £9.2 million are invited exclusive of VAT, producing a net initial yield of 6.68%, a reversionary yield of 7.40% and an equivalent yield of 7.57%, after purchaser's standard acquisition costs of 5.75%.



## Location

Stockton on Tees is located approximately 36 miles south of Newcastle upon Tyne, 110 miles north-east of Manchester and 250 miles north of London.

The town is a strategically located commercial centre within both the immediate urban conurbation and the wider region of North-East England. It has an urban area population of circa 85,000 people and a wider district population of circa 190,000 people, with an estimated 350,000 people living within six miles of the town centre.

The town sits at the intersection of the A19 and A66 trunk roads and is within approximately 12 miles of the A1(M) allowing access to both regional and national road networks. Rail communications are excellent with mainline services available at Darlington approximately 15 miles away which runs from London Kings Cross (2.5 hour journey time) to Edinburgh (2 hour journey time). Regular local services to Darlington and Middlesbrough are available from Thornaby railway station which lies adjacent to Teesdale Business Park.

Durham Tees Valley international airport lies approximately 10 miles to the south-west providing regular scheduled flights to London Heathrow as well as a range of European locations.

## Situation

Teesdale Business Park is situated south of Stockton town centre on the River Tees. Development started in the early 1990s and now extends to over 700,000 sq ft of offices with two large educational campuses, Stockton Riverside College and Queens Campus Durham University, as well as waterfront residential accommodation. Over 4,500 people are employed on the Park. Pedestrian links to the town centre are excellent with a bridge situated 150 yards to the north of the subject premises linking the Park directly with Wellington Square shopping centre and other town centre shops and amenities.

The Park is regarded as the principal office location in Teesside and one of the top 3 business parks within the North-East region and has been immensely successful due to its location, quality of environment, excellent car parking and overall amenities. A critical mass of established first class occupiers is evident including Abbey National, Barclays Bank, Environment Agency, Inland Revenue, Serco, Via, One North-East, Durham University, Petroplus, Allied Irish Bank, Dickinson Dees Solicitors, Terrace Hill Development Group, Siemens, W S Atkins etc.

George Stephenson House occupies a highly prominent site within St Marks Court to the west of the Park adjacent to the River Tees.

## Prime Office Investment

## Description

George Stephenson House is an attractive, modern three storey, open plan office building of steel frame construction with brick clad elevations beneath a pitched tiled roof. It was built in 1999 to a high quality specification including:

- Raised access floors.
- Full air conditioning.
- Suspended ceilings with Cat 2 lighting.
- 2 x 8-person network passenger lifts serving all floors.
- Male, female, disabled and shower facilities on all floors.
- Designated parking for 167 cars, providing a generous ratio of 1:236 sq ft.

## Accommodation

George Stephenson House has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and provides the following net internal areas:

	Sq m	Sq ft
Ground Floor	1,218	13,115
First Floor	1,217	13,100
Second Floor	1,219	13,119
Total	3,654	39,334

## Tenancy

George Stephenson House is leased on full repairing and insuring terms to The Secretary of State for Communities and Local Government for 20 years from 2nd February 2004 until 2nd February 2024 subject to a tenant's only break option on 2nd April 2021. The passing rent is £650,000 per annum (£16.53 per sq ft) subject to fixed uplifts to £720,000 per annum on 2nd February 2014 and to £790,000 per annum from 2nd February 2019.

## Covenant Information

The **Secretary of State for Communities and Local Government** is the Department of HM UK Government which sets policy on local government, housing, urban regeneration, planning and fire and rescue in England and Wales.

## Service Charge

The service charge is fully recoverable.

## Tenure

Freehold.

## VAT

The property is elected for VAT, which will therefore be payable over and above the purchase price.



## Proposal

Offers for the freehold interest in George Stephenson House subject to the existing lease are invited in excess of £9.2 million pounds excluding VAT. A purchase at this level would reflect a net initial yield of 6.68% rising to a guaranteed reversionary yield of 7.40% in February 2014 and 8.12% in February 2019. This will provide a net equivalent yield of 7.57%, assuming purchaser's costs of 5.75%.

## For Viewing and Further Information

For further information, please contact:



### Simon Beanland

Tel: 0191 269 0512

Email: [simon.beanland@gvagrimley.co.uk](mailto:simon.beanland@gvagrimley.co.uk)

### Campbell Docherty

Tel: 0141 305 6314

Email: [campbell.docherty@gvagrimley.co.uk](mailto:campbell.docherty@gvagrimley.co.uk)

### Martyn Brown

Tel: 0141 305 6338

Email: [martyn.brown@gvagrimley.co.uk](mailto:martyn.brown@gvagrimley.co.uk)



### Peter Smolka

Tel: 0131 225 8855

Email: [peter@smolkastrachan.com](mailto:peter@smolkastrachan.com)

### Guy Strachan

Tel: 0131 226 7555

Email: [guy@smolkastrachan.com](mailto:guy@smolkastrachan.com)





- 1 – Churchill Insurance
- 2 – HM Revenue & Customs
- 3 – British Gas
- 4 – WS Atkins
- 5 – Abbey National
- 6 – One North-East
- 7 – Dickinson Dees
- 8 – Barclaycard
- 9 – Crutes Law Firm
- 10 – Barclays
- 11 – Siemens
- 12 – Durham University (Stockton Campus)
- 13 – Stockton Riverside College

Stockton-on-Tees

Castlegate Shopping Centre

River Tees

Date of publication November 2009

Photography, Design, Production by Plus Art Ltd 0115 972 4000

### Misrepresentation Clause

Messrs GVA Grimley Ltd and Smolka Strachan LLP for themselves and for the vendors or lessors of this property whose agents they are give notice that:

- (i) The particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract.
- (ii) All descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them.
- (iii) No person in the employment of Messrs GVA Grimley Ltd or Smolka Strachan LLP has any authority to make or give any representation or warranty whatever in relation to this property.
- (iv) All rentals and prices are quoted exclusive of VAT.

All plans and maps provided with the particulars are for identification purposes only. The Vendor is not obliged to accept the highest or indeed any offer submitted for the subjects.