

1-3 Beaumont Street &
3 Old Church,
Hexham,
NE46 3LZ



Prime market-town mixed-use building with planning for upper conversion to 9 flats

EXECUTIVE SUMMARY

- Substantial period building in historic and affluent market town in the heart of Northumberland.
- Prime position immediately opposite Hexham Abbey and adjacent to busy Market Place/Hexham Farmer's Market.
- Mixed-use investment with GF retail, upper residential and 1st, 2nd & 3rd floor vacant former furniture store.
- Significant asset management potential with existing planning permission for conversion of uppers to 9 apartments.
- Further opportunity to increase value by letting small GF unit and potentially converting former café to apartment.
- Let to strong brands of Newcastle Building Society and Scope.
- £67,340pa passing rent with circa £92kpa fully let ERV, plus huge potential profit on upper floors.
- Offers over £1,200,000 for freehold interest, reflecting a net yield of 7.23% once fully let, assuming standard purchasers' costs.

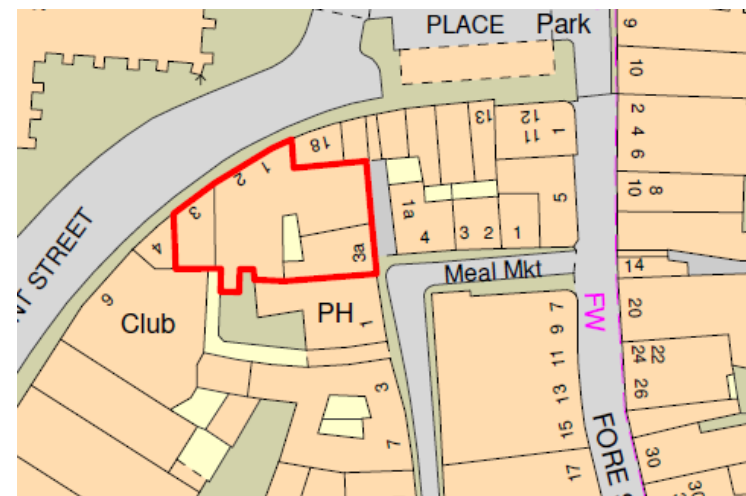
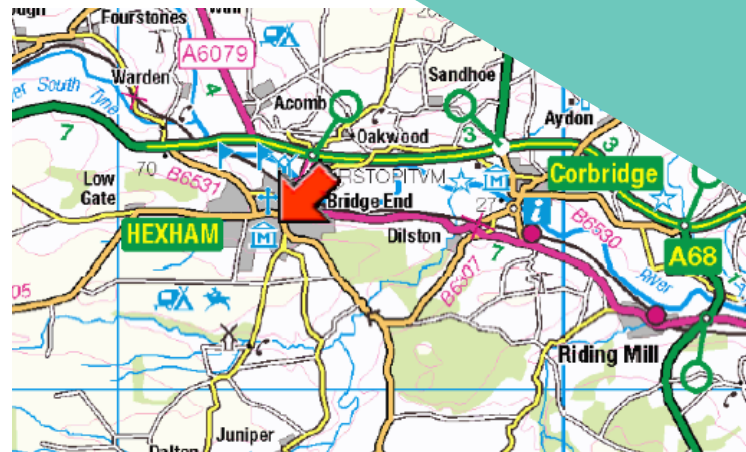


LOCATION / SITUATION

Hexham is an affluent market town in Northumberland lying south of the River Tyne and has a population of circa 12,000. The nearest town to Hexham is Corbridge approx. 3 miles east with Prudhoe 12 miles east, and in close proximity are villages of Riding Mill and Stocksfield. Newcastle is 25 miles east and Carlisle 38 miles west. The town lies just off the A69, the main dual carriageway serving the Tyne Valley and linking with Newcastle in the east. A single carriageway links Hexham with Carlisle to the west.

The A6079 road leads from the roundabout junction (recently improved) with the A69 south and across the River Tyne via Hexham Bridge and along Alemouth Road, bypassing the town's industrial estates, Tesco and Waitrose supermarkets and the train station on Station Road. The town's main short stay car parks are situated here, adjacent to the Wentworth Leisure Centre.

The town centre is centred around Fore Street, Market Place, Beaumont Street and Battle Hill. Fore Street is Hexham's main pedestrianised shopping street which lies circa 50 metres east of the subject property and has a mix of national retailers such as Costa, Boots, Iceland, White Stuff, Superdrug, Greggs, Lloyds, Waterstones, WH Smith, Holland & Barrett, Clarks, Millets, Mountain Warehouse, Edinburgh Woollen Mill and Clinton Cards (largely on Fore Street). Beales Department store is also situated nearby on Fore Street.



SITUATION / DESCRIPTION

The subject property is situated in the town centre just off the Market Place on Beaumont Street, overlooking Hexham Abbey. It is flanked by Galleria Jewellers and Deli at No.4. Other neighbouring occupiers include Hexham Conservative and Unionist Club, Abbey Dental Practice, Thomas Ellis Framing, Hexham Courant, The Grapes Public House, Paxton's Fish and Chips, Hallmark Cards, Listers Biscuit Box, Mama Mantra accessories, newsagents and Cogito Books. On the opposite side of Beaumont Street is Hexham Abbey, the Abbey grounds and The Sele park.

We understand the site has circa 95% site coverage with only a small central void housing the fire escape staircases and a narrow fire escape passage out onto Old Church and St Mary's Chare. The large ground floor unit wraps around these smaller units onto Old Church.

The main frontage is onto Beaumont Street, which is an adopted highway, as is St Marys Chare to the rear. There is no parking with the property except for on street permit parking on Beaumont Street. This is a restricted 'Disc Zone' with 2 hours maximum stay and no return within 2 hours between 9am-5pm Monday to Saturday.

The building comprises a substantial period building fronting Beaumont Street and overlooking Hexham Abbey. Dating from the late 19th century the building is arranged over ground and three upper floors with stone elevations, original timber sash windows and a steeply pitched slate roof incorporating dormer windows. These are also timber framed and have a pitched slate roof over. The Old Church return is arranged over ground, first and second floors and is a more modern extension of steel frame and brick and block construction with a pitched slate roof and sash double glazed windows.

The property is arranged as 2 GF retail units and large former store over 1st, 2nd and 3rd floors- fronting Beaumont Street, and 2 GF retail units, 1st floor café and two upper flats- fronting Old Church (see tenancy schedule next page).

ACCOMMODATION / TENANCY SCHEDULE

We understand the properties comprise the following floor areas:

Occupied area	Tenant	Rent (Per annum)	Lease Terms	Size (m ²)	Size (ft ²)
1-2 Beaumont Street	Newcastle Building Society	£37,500	10 year lease from 05.08.2019, expiring 04.08.2029. There is scheduled break and rent review at 05.08.2024	163.4	1,778
3 Beaumont Street	Vacant			44.1	480
Upper Floors, Beaumont Street	Vacant			638	6,868
2 Old Church	Scope	£20,000	Holding over – 1 year lease from 23.01.2020, until 22.01.2021	64	696
3 Old Church				60.5	651
First Floor 3a Old Church	Vacant			62	667
First Floor Flat 3a Old Church	Private Individual	£4,500	Holding over – 6 month AST from 06.03.2020, until 05.09.2020	55.4	603
Second Floor Flat 3b Old Church	Private Individual	£5,340	Holding over – 12 month AST from 31.01.2021, until 30.01.2022	36.6	398
Total		£67,340		1,124	12,141

Note: We understand there is a basement which mainly runs under the Beaumont Street units, however this is not demised and access has been sealed off.

TENURE

Freehold

RATEABLE VALUES

The commercial units have the following rateable values according to the current VOA list:

Pt GF- Beaumont Street- vacant shop	£13,250
Pt GF- Beaumont Street- Newcastle BS	£57,000
Pt GF- Old Church- Scope	£7,600
Pt GF- Old Church- Scope	£10,000
Pt FF- Old Church- vacant café	£5,200
1 st -3 rd floors-Beaumont Street- vacant	£33,750

EPCs

The units have the following EPC ratings:

Pt GF- Beaumont Street- vacant shop	E- 117
Pt GF- Beaumont Street- Newcastle BS	D- 79
Pt GF- Old Church- Scope	C- 69
Pt GF- Old Church- Scope	C- 69
Pt FF- Old Church- vacant café	D- 89
1 st -3 rd floors-Beaumont Street- vacant	E- 124
Upper flat- 3a	D- 59
Upper flat- 3b	C- 75

ASSET MANAGEMENT OPPORTUNITY

Planning permission for the 1st, 2nd and 3rd floors was granted in late 2019 for the conversion to create 9 residential units, a mixture of studio, 1-bed and 2-bed apartments. These would likely appeal to a wide market from young professionals to the middle-aged or retirement market. Implementing this asset management opportunity would significantly increase the rental and capital value of the investment.

Below is a summary of the scheme for which planning permission has been granted:

Resi 1	1 st floor, 2-bed, 98sq.m
Resi 2	1 st floor, 1-bed, 64sq.m
Resi 3	1 st floor, 1-bed, 41sq.m
Resi 4	1 st floor, 2-bed, 82sq.m
Resi 5	2 nd floor, 2-bed, 99sq.m
Resi 6	2 nd & 3 rd floor, 1-bed duplex, 77sq.m
Resi 7	2 nd floor, 1-bed, 42sq.m
Resi 8	2 nd floor, 2-bed, 78sq.m
Resi 9	3 rd floor, 1-bed/studio, 57sq.m

SERVICE CHARGE

We are advised there is no service charge in place, with any recharges being done on an adhoc basis.

VAT

We understand that only part of the building (essentially the part fronting Old Church) is VAT elected, with the remainder (fronting Beaumont Street) not VAT elected. Subject to confirmation. We anticipate the property will be sold by way of a TOGC (Transfer of Going Concern).

TERMS

We have been instructed to seek offers in excess of £1,200,000 (One Million Two Hundred Thousand Pounds) for the freehold interest.



VIEWING

Please contact joint agents Garner Cole Investments or Bradley Hall:



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