

# OFFICE INVESTMENT FOR SALE

Clervaux Exchange, Clervaux  
Terrace, Jarrow, South Tyneside,  
NE32 5UP

- Prestigious serviced office building for sale
- Grade II listed building
- Total net internal area of 2,139m<sup>2</sup> (23,023ft<sup>2</sup>)
- 51 modern office suites
- Fully let to multiple tenants
- Current gross rent of £442,092 per annum
- NIY of 11% on net income

**Guide price of £2,550,000**

**BradleyHall**



## LOCATION

The site is well located being only a short distance from the A19 dual carriageway and approximately 1 mile from the Tyne Tunnel providing access to the North. The A19 which is to the East has access via a major interchange. The A19 in turn connects to the A1 to the north and A1(M) to the south via the A690. The property is also just 0.5 miles from Jarrow Metro Station and 1 mile from Bede Metro Station, both linking directly with South Shields and Newcastle city centre.

Neighbouring properties include local housing estates as well as Jarrow School (business and enterprise school), Clervaux Nursery and Jarrow Cross Primary School together with associated playing fields. Jarrow Secondary School, housed within a modern campus located to the south west at Field Terrace.

Jarrow town centre, the Viking Shopping Centre and Morrisons supermarket are all within 0.3 miles of the property. Jarrow is approximately 4 miles west of South Shields, 4 miles south of North Shields and 8 miles east of Newcastle City Centre.

## DESCRIPTION

The subject property comprises an attractive, detached, two storey traditional former police station with court, which has been entirely redeveloped in recent years to create a serviced office business centre.

The accommodation has a cellular arrangement and there are 50 furnished offices, providing a range of desk spaces from 1 desk to 16 desks suites. The centre can accommodate 204 desks in total.

The offices are fully furnished with desks, chairs, raised access floors with a carpet tile covering, plastered and painted walls, boarded, and painted ceilings with LED lighting and there is a gas central heating system feeding hot water radiators.

The entire building has maintained many of the original period features, creating a very impressive reception, common areas and meeting rooms. The common facilities, including WCs and kitchen have also been finished to very high standards, with modern ceramic tiling, pendant lighting, and granite worktops to the kitchens. There is also upgraded pendant lighting to circulation areas, carpet floor coverings and a range of decorative timber cladding and wallpapers.



0.2 miles from A185

0.5 miles from A19

0.3 miles from Viking Shopping Centre



Car parking on site

Bus stop within 160ft

0.5 miles from Jarrow metro station

## ACCOMMODATION

The approximate internal floor areas for the property are as follows:

Total NIA	2,139m <sup>2</sup>	23,023ft <sup>2</sup>
Total NIA	2,706m <sup>2</sup>	29,127ft <sup>2</sup>
Grounds floor	1,822m <sup>2</sup>	19,610ft <sup>2</sup>
First floor	749m <sup>2</sup>	8,064ft <sup>2</sup>
Annexe	135m <sup>2</sup>	1,453ft <sup>2</sup>

There is scope to expand the current floor plate which has been planned.

Scaled floor plans of the building are available on request.

## TENANCY INFORMATION

The property is fully occupied, producing a current contracted rent of £32k per month/£382,092 per annum.

There is additional income averaging £5k per month/£60k per annum from conferencing, virtual services, vending etc.

The total gross income is £37k per month, £442,092 per annum.

Operational costs are £12k per month, £145,514 per annum.

The expected net income this year to be circa £296,578.

The centre has a low turnover of tenancies (around 1.1-1.25 offices per month historically) and went to 100% occupancy in lockdown, with no systemic demand issue post covid.

Rents were increased by 6% in Jan 23 and stand to increase further this coming year.

Each contract has an annual increase with inflation written in.

Business rates are rated individually and most tenants are small business rates exempt.

Operational costs have been around £11k per month at present, with expected annual costs at £145k for this year, which should drop to £135k next year, following a reduction in utility costs.

Expected 2024 NRV is expected to be in line with a £300k budget, with potential to adjust for inflation.

A service charge is not billed on top of the rent at present but there is opportunity to introduce that going forward.

A full copy of the tenancy schedule and operational costs are available on request.

## EPC RATING

D78 (works have been planned to transition HVAC to solar, batteries and heat pumps)

## TERMS

The property has a guide price of £2,550,000 (Two Million Five Hundred and Fifty Thousand Pounds).

A sale at this price equates to a Net Initial Yield of approximately 11% against the net income, assuming purchaser's costs at 6.42%.



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## VAT

All rents, premiums and purchase prices quoted herein are exclusive of VAT. All offers are to be made to Bradley Hall upon this basis, and where silent, offers will be deemed net of VAT.

## LEGAL COSTS

Each party is to bear their own legal costs involved in the transaction.

## ANTI-MONEY LAUNDERING REGULATIONS

In accordance with the Anti-Money Laundering Regulations we are required to verify the identify of the Purchaser/Tenant. We will do so based on name and address data provided but we may also require you to provide two forms of identification. We will require the Purchaser/Tenant to provide proof of the source of income.

## VIEWING

For general enquiries and viewing arrangements please contact Bradley Hall.

Tel: 0191 232 8080

Email: [newcastle@bradleyhall.co.uk](mailto:newcastle@bradleyhall.co.uk)



# CONTACT US

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