HEAD OF STEAM

2 Neville Street, Newcastle City Centre, NE1 5EN

FREEHOLD: £450,000 | REF: 6450583

CHRISTIE & CO

Regulated by RICS

christie.com

KEY HIGHLIGHTS

- Hospitality sale and leaseback opportunity
- New lease with Cameron's Brewery Limited
- Gross rental income of £45,000 p.a
- Net Initial Yield: 9.57%
- Site area: c.385.29 m. sq.
- EPC Rating TBC

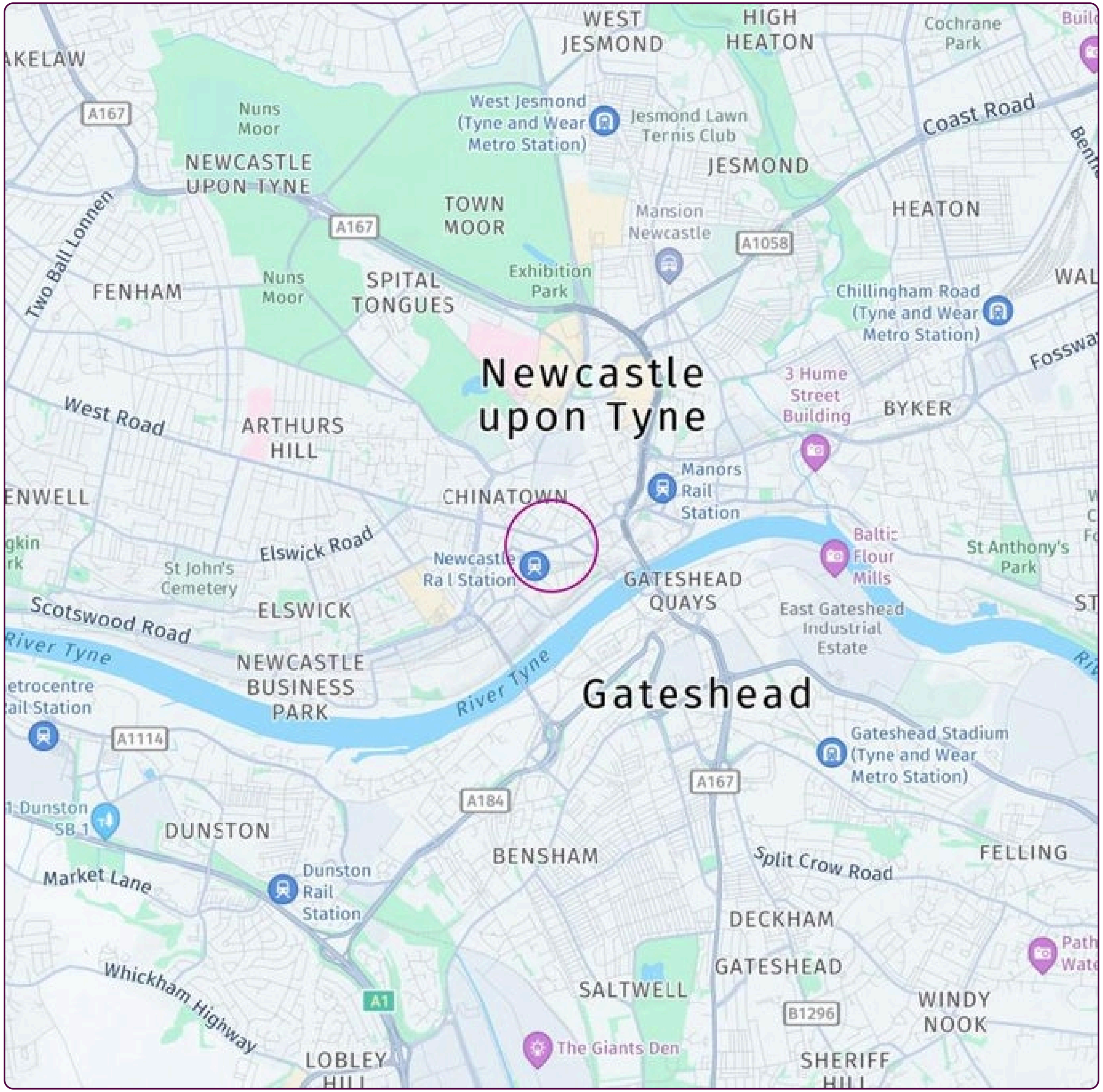
LOCATION

The Head of Steam occupies a prominent position on Neville Street, directly opposite Newcastle Central Station, the city's main rail hub and a major gateway for regional and national travellers.

This high-profile location benefits from strong, consistent pedestrian flows driven by station footfall and the surrounding cluster of hotels, offices and hospitality businesses.

Neville Street forms part of an established city-centre leisure circuit with convenient links to Collingwood Street, Grey Street and the Bigg Market. The immediate area supports sustained customer demand throughout the day and evening.

Public transport connectivity is excellent. Central Station provides direct rail services to key UK cities including Edinburgh, York and Leeds, while numerous local bus routes and strategic road links via the A167(M) and A1(M).



DESCRIPTION

The property occupies the basement, ground floor and first floor of a six storey commercial building of mid-century construction.

The building extends to just under c.385.29 sq. m. and sits on a site of approximately 0.487acres.

THE OPPORTUNITY

Opportunity to secure a passive income by way of rent from a long-established and reputable hospitality operator, whilst owning the long leasehold interest in a prime city centre asset.

COVENANT INFORMATION

Cameron's Brewery was founded in 1865 and is a long-established brewery and pub operator based in Hartlepool. The group operates a mixed estate of managed and tenanted venues, including its well-known Head of Steam brand.

For the financial period 1 January 2024 to 5 January 2025, Camerons Brewery generated £60.2 million in turnover. EBITDA increased to £4.6 million, up from £3.9 million the previous year. Profit before tax totalled £9.5 million, largely driven by an exceptional credit of £10.6 million arising from the company’s refinancing.

Cameron's Brewery Limited has a Dun and Bradstreet rating of 3A3 with low risk of business failure.

TENURE

Long Leasehold:

Landlord: Baron House Developments LLP
Term - 47 Years
Expiry: 16/12/2073
Service charge: tenant must pay a fair proportion of the costs set out in the Third Schedule.
Ground rent: £1 per year (if demanded)

TENANCY

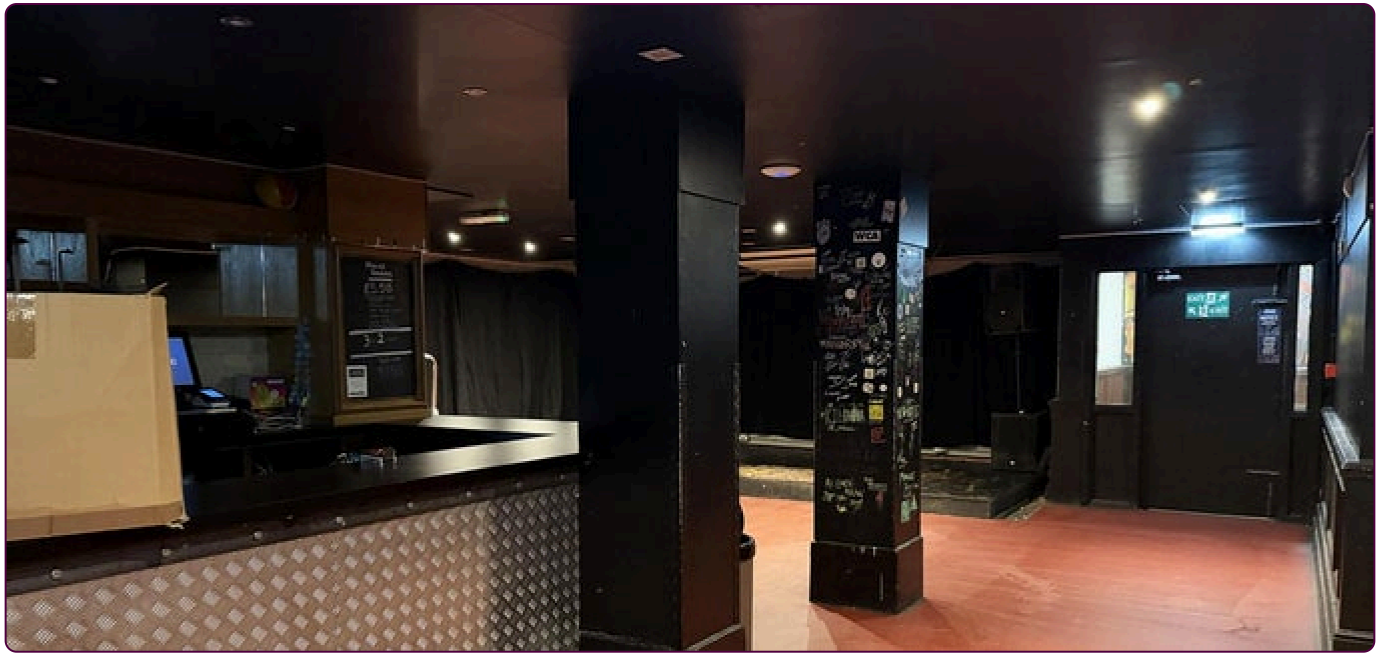
The property is currently operated by Head of Steam within the managed estate of Camerons Brewery Limited. Camerons Brewery has instructed Christie & Co to dispose of the long leasehold interest and simultaneously take a new occupational lease as part of a sale and leaseback arrangement.

Tenant: Camerons Brewery Limited (parent company)

Lease term: the seller is looking to take a minimum 10 year lease but is open to a 15+ year term

- Rent review: upwards only to market rent of in line with RPI

- Rent Review frequency: to be discussed and will be partly determined by lease length.




DW
Kitchenette
Green Room
Bar Servery
Bar Area
Stage
Lower Ground Floor
DW
Store
Store
Office
Store
Beer Cellar
Female Toilet
Entrance
Male Toilet
Ground Floor
Store
DW
Kitchenette
Bar Servery
Bar Area
First Floor

DEBT & INSURANCE ADVISORY

FINANCE

Christie Finance has over 40 years' experience specialising in sourcing commercial finance. We can offer support throughout the whole buying process, working tirelessly on your behalf to deliver effective funding solutions on a timely basis. We can offer both secured and unsecured lending solutions to suit potential buyer requirements.

CONTACT

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CONDITIONS OF SALE

These particulars are a general guide to the property and are not to be relied on as statements or representations of fact. Purchasers should instruct professional advisers and rely on their own searches, enquiries and inspections regarding the property and any associated business. Neither Christie & Co nor any employee is authorised to give any representation or warranty regarding the property. Christie & Co for itself and for its client gives notice that: (a) these particulars are made without responsibility on the part of Christie & Co or the client and do not constitute any part of an offer or contract; (b) Christie & Co has not conducted a detailed survey or tested services, appliances or fittings; and (c) any dimensions, floor plans and photographs provided are for indicative purposes only.

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) require us to conduct due diligence checks upon all purchasers. When an offer has been accepted, the prospective purchaser(s) will need to provide, as a minimum, proof of identity and residential address; if the purchaser is a company or other legal entity, then any person owning more than 25% must provide the same. These documents must either be handled and copied by a Christie & Co employee, or certified copies be provided.

CONTACT

No direct approach may be made to the business. For an appointment to view, please contact the vendor's agent:

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