

ORION BUSINESS PARK

TYNE TUNNEL TRADING ESTATE, NORTH SHIELDS NE29 7SE

3t

SALE & LEASEBACK INVESTMENT OPPORTUNITY

SECURELY LET TO THE UK'S LEADING ENERGY SECTOR TRAINING
PROVIDER ON A NEW 15 YEAR LEASE

ORION BUSINESS PARK

Rare opportunity to acquire a three-asset
single-let portfolio investment on the
established **Tyne Tunnel Trading Estate.**

SALE & LEASEBACK INVESTMENT OPPORTUNITY

Total combined size for all three buildings

25,686 sq ft



INVESTMENT SUMMARY

- The portfolio comprises a converted pavilion office alongside two high-quality hybrid units, totalling a combined 25,686 sq ft.
- All three assets will be fully let to 3t Training Services Ltd on three new co-terminus FRI leases.
- The new leases will provide new unbroken 15-year lease term, with 5-yearly upwards only rent reviews to RPI (2%-4%).
- Total rent roll of £216,002 pa, equating to a low average passing rent of £8.41 psf.
- 3t Training Services are the UK's biggest energy sector training provider and provide an unrivalled range of accredited training courses within their state of the art facilities.
- Virtual Freehold.

We are instructed to seek offers in excess of **£2,350,000 (Two Million, Three Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects a **Net Initial Yield of 8.64%** and a low Capital Value of **£91.48 psf** assuming Purchaser Costs of 6.38%.

3/4 Jupiter Court NE29 7SE



11/12 Jupiter Court NE29 7SE



8 Hedley Court NE29 7ST



LOCATION

Hedley Court and Jupiter Court are positioned upon Orion Business Park, a large commercial centre, comprising modern industrial and office accommodation.

The Business Park itself forms part of the wider and highly established Tyne Tunnel Trading Estate, located in North Shields. The estate is located 6.5 miles east of Newcastle city centre and 3.2 miles west of Tynemouth, situated just off the A19, a major roadway link in the region. The location also benefits from being minutes from the Port of Tyne.

TRAVEL TIMES BY CAR

Tynemouth	3.2 miles	15 min
Sunderland	11.3 miles	22 min
Durham	20.3 miles	30 min





SITUATION



SURROUNDING AREA

3T TRAINING SERVICES

- ① 3/4 JUPITER COURT
- ② 11/12 JUPITER COURT
- ③ 8 HEDLEY COURT

- ④ Vroom Retail Park
- ⑤ Yesss Electrical
- ⑥ Toolstation
- ⑦ Screwfix

- ⑧ Wolseley
- ⑨ Howdens
- ⑩ Elanders
- ⑪ Pryme Group

- ⑫ Tesco Superstore
- ⑬ North Shields Retail Park
- ⑭ Maersk Training

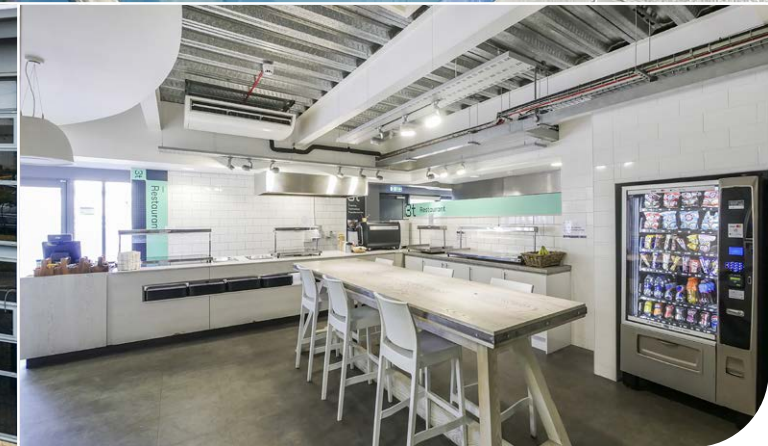
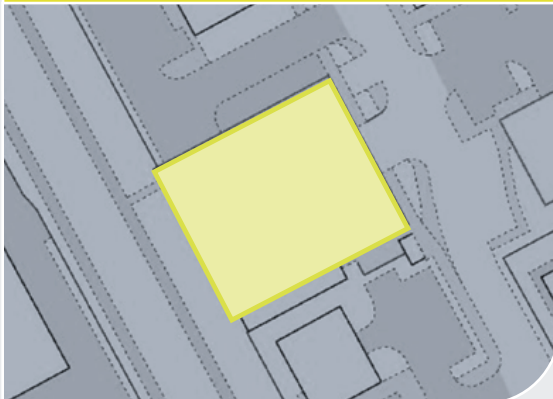
ASSET OVERVIEW

3/4 Jupiter Court

The units comprise two modern semi-detached hybrid units that have been merged to operate as 3t Training Services headquarters. Access can be gained via one shared primary entrance to the front with roller shutter access provided to the side.

The unit has benefited from a significant extension to provide a state-of-the-art training pool facility, with overhead crane and crash simulation capability. The headquarters can be largely divided into a ground floor reception, restaurant / kitchen and changing facilities, the pool area, a plant room and first floor office space that extends across a mezzanine directly above part of the pool area.

12,425 Total sq ft



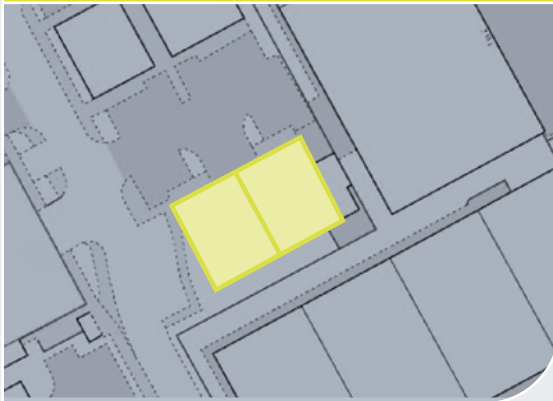
ASSET OVERVIEW

11/12 Jupiter Court

Two modern semi-detached hybrid units, each of which have their own separate entrances and staircases with a wheelchair lift in each unit.

The property comprises 4 classrooms/training rooms, an IT suite and ground floor offices functioning as storage. There is also a steel platform with a mock-up lifeboat for health and safety training located on the south-eastern side of the two units.

6,349 Total sq ft



ASSET OVERVIEW

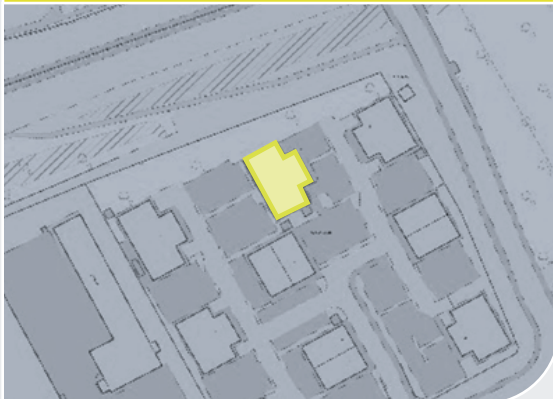
Unit 8 Hedley Court

The unit is a modern traditional pavilion-style office building with a car park to the front. It has been converted to serve as a high quality hotel for delegates who are undertaking 3t training courses at their Tyne Tunnel facilities.

The hotel has 19 keys/rooms in total. The 14 ground floor rooms provide communal shower facilities, whereas the 5 first floor rooms have en-suite facilities.

A communal lounge is situated on the ground floor as well as a gym and a cinema on the first floor, accessible via a staircase or passenger lift.

6,912 Total sq ft



ACCOMMODATION

A breakdown of the accommodation is outlined below:

Unit 3/4 Jupiter Court

UNIT	USE	AREA (SQ FT)	AREA (SQ M)
Ground Floor	Reception, restaurant / kitchen, changing facilities and pool	3,855	358.15
Ground Floor	Plant Room	552	51.26
Ground & First Floor	Office and ancillary accommodation/ mezzanine	8,018	744.89
TOTAL		12,425	1,154.30

Unit 11/12 Jupiter Court

UNIT	USE	AREA (SQ FT)	AREA (SQ M)
Ground Floor	Office (used as warehouse/storage)	3,175	294.94
First Floor	Training rooms	3,175	294.94
TOTAL		6,349	589.88

Unit 8 Hedley Court

UNIT	USE	AREA (SQ FT)	AREA (SQ M)
Ground Floor	14 accommodation rooms (no en-suite), reception desk, communal lounge and communal shower and bathroom.	3,456	321.08
First Floor	5 accommodation rooms (en-suite), gym, kitchen/lounge and ancillary storage facilities.	3,456	321.08
TOTAL		6,912	642.16

Tenancy Schedule & Tenure

ASSET	TENANT	AREA (SQ FT)	TERM	RENT (£psf)	PASSING RENT (£pa)	L&T ACT	TENURE	COMMENTS
Units 3/4 Jupiter Court	3t Training Services Ltd	12,425	15 years	£7.50	£93,188	Inside Act	Long Leasehold	Long leasehold interest held on 999-year term from 01/01/2006 at an annual rent of £400 without review.
Units 11/12 Jupiter Court	3t Training Services Ltd	6,349	15 years	£9.00	£57,150	Inside Act	Long Leasehold	Two long leasehold interests (one for Unit 11 and one for Unit 12) on 999-year terms from 01/01/2006 at annual rents of £200 per annum per lease (£400 per annum in total).
Unit 8 Hedley Court	3t Training Services Ltd	6,912	15 years	£9.50	£65,664	Inside Act	Freehold	Freehold.
TOTAL		25,686			£216,002			

Review: 5-yearly upwards only RPI linked review (cap and collared at 2%-4%), compounded annually.

All leases will be full repairing and insuring.

COVENANT & INVESTMENT RATIONALE

Covenant

The properties are fully let to 3t Training Services Ltd who have a Delphi score of 96/100, representing a very low risk company.

3t Training Services Ltd are the UK's leading energy sector training provider and have been established on Tyne Tunnel Trading Estate since 2007. Alongside the subject properties 3t Training Services Ltd occupy 8 additional properties on Tyne Tunnel Trading Estate, making this location intrinsic to the business

For almost 20 years, 3t Training Services Ltd been delivering skills and competency training to safety-critical industries including energy, construction and maritime. Boasting a truly global customer base, they operate across 60 countries and are represented by a diverse workforce of over 17 nationalities, with offices and training centres located in the UK (Aberdeen (x2) , Montrose, Glasgow, Teesside, Manchester and London), North and South America, and the Middle East. Orion Business Park boasts the headquarters of the firm and is the main 'business village' across the globe.

3t Training Services Ltd provide world-class training at their state-of-the-art facilities. 3t offers over 600 specialist courses and career focused training packages. They are a multi-award-winning training provider, with dozens of winning industry award titles. 3t have won awards for every sector they service – from global wind awards to prestigious oil and gas, offshore energies, offshore achievement awards and more. All their training courses are approved by the world's leading industry training bodies to ensure the highest possible quality standards. They offer training courses accredited by OPITO, GWO, STCW, IWCF, ECITB, CITB, CISRS and City and Guilds. 3t continue their international expansion with the recent acquisition of GTSC (Gulf Technical & Safety Training Centre).

3t Training Services Ltd

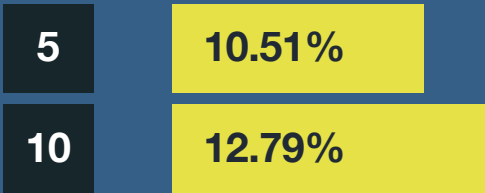
(Company Number – 05982756)

UNIT	YEAR END 2023	YEAR END 2022	YEAR END 2021	YEAR END 2020
Turnover	£47.68M	£40.36M	£39.64M	£17.24M
EBITDA	£10.38M	£9.64M	£6.45M	£3.48M
Pre Tax Profits	£5.90M	£7.22M	(£1.85M)	£1.84M
Shareholders Funds	£30.46M	£23.61M	£15.19M	£13.67M

Investment Rationale

- Well located on the Orion Business Park within the established Tyne Tunnel Trading Estate.
- Strong transport communications with the A19, which is a major roadway link in the region, as well as the A1058 Coast Road which offers efficient road links to Newcastle city centre to the west.
- Excellent links with the Port of Tyne and the offshore industry.
- Modern, well-proportioned and diversified accommodation, which offers strong underlying value.
- Long unexpired term of 15 years with RPI (2%-4%) increases every 5 years, compounded annually.
- Securely let to the UK's leading training provider for the Energy Sector. 3t Training Services Ltd is a highly reputable and acquisitive company that has continued to expand over the past 10 years.
- Very strong occupational underwrite company that has continued to expand over the past 10 years.

Assuming a RPI forecast of 4.00% per annum, this would show the following running yield return profile:



ORION BUSINESS PARK

VAT

The property is elected for VAT and it is envisaged that the transaction will be treated a TOGC.

AML

The purchaser will be expected to comply with all relevant anti money laundering regulations.

Dataroom

Data site access will be made available for interested parties.

PROPOSAL

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Contact

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