

THE FRAM WELL

FRAMWELLGATE PETH, DURHAM DH1 5SX

FOR SALE

MODERN OFFICE INVESTMENT, 100% LET TO THE GOVERNMENT

Naylors 
Gavin Black



Investment Summary

- Modern, three-storey Grade A office building extending to 12,033 sq ft
- 21 car parking spaces
- Completed in 2020
- Freehold
- EPC Rating B
- Located in Durham City Centre, within a 5-minute walk of Durham Railway Station and short drive time to the major road networks
- Zero Grade A office supply and constrained development pipeline in Durham city
- Fully let to The Secretary of State for Housing, Communities and Local Government
- Full Repairing and Insuring Lease (FRI) until April 1st 2032 (6.5 years unexpired)
- Passing rent of £264,991 pa exclusive
- Three yearly rent reviews to RPI (1% and 3% collar and cap). Next review on 2nd April 2026

Proposal

Seeking offers in excess of £3.625m (**Three million six hundred and twenty five thousand pounds**) exclusive of VAT.

This level reflects a Net initial Yield of 7.5% allowing for standard purchaser's costs (off the topped-up April 2026 rent at review of £289,562 pa).



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The Location

The historic cathedral city of Durham is situated on the on a peninsula formed by the River Wear, approximately 15 miles south of Newcastle upon Tyne and within easy reach of the A1(M).

The Fram Well enjoys a rare central Durham location with visibility and direct access to the heart of the city.

Durham is one of the UK's most celebrated cathedral cities - a place where medieval heritage and academic excellence meet vibrant modern life. At its heart is Durham University, consistently ranked among the world's top institutions, which contributes to a dynamic local economy.

THE FRAM WELL



DURHAM CASTLE

DURHAM CATHEDRAL

MILLENNIUM SQUARE

PRINCE BISHOPS
SHOPPING CENTRE

Gala
Durham

Premier Inn

FREEMAN'S QUAY
LEISURE CENTRE

THE RIVERWALK

A690

HM PASSPORT
OFFICE

Durham
University
Business School

RIVER
WEAR

Milburngate

Radisson BLU

DURHAM RAILWAY STATION

A690



Riverside Walk



Durham Cathedral & River Wear



Milburngate

Road Connectivity

Durham boasts excellent road links, with its position at the centre of the North East's transport network. The A1(M) is within a 6 minute drive time, providing fast access north and south. Journey times by car are approximately:

Newcastle upon Tyne	25 mins
Sunderland	26 mins
Leeds	1hr 30 mins
Newcastle Int. Airport	30 mins
Leeds Airport	1hr 30 mins
Manchester Airport	2 hrs 30 mins
Edinburgh Airport	2 hrs 30 mins

Rail and Public Transportation

Durham's mainline railway station is just a 5-minute walk from the property, offering direct high-speed connections to major UK cities including:

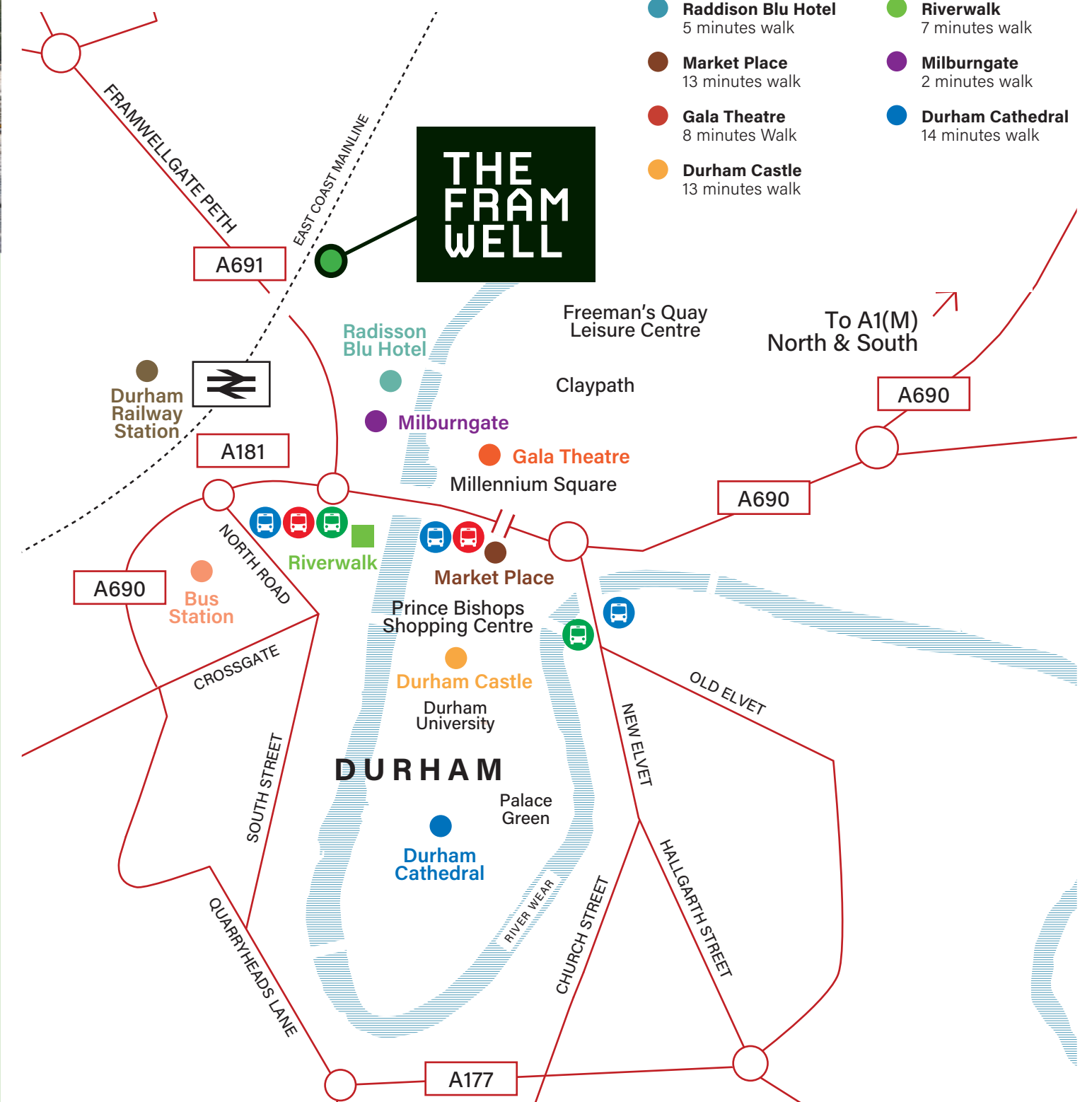
London King's Cross	2 hrs 45 mins
Edinburgh Waverley	1 hr 45 mins
Newcastle Central	15 mins

PARK & RIDE BUS STOPS

- Howlands Circular
- Belmont to Sniperley
- Sniperley to Belmont

AMENITIES

- Durham Station
5 minutes walk
- Raddison Blu Hotel
5 minutes walk
- Market Place
13 minutes walk
- Gala Theatre
8 minutes Walk
- Durham Castle
13 minutes walk
- Bus Station
9 minutes walk
- Riverwalk
7 minutes walk
- Milburngate
2 minutes walk
- Durham Cathedral
14 minutes walk



Specification

The Fram Well was designed by award winning architects, Mawson Kerr, and was completed in 2020. The property enjoys an elevated position with views of Durham city centre, Durham Castle and Cathedral. The exterior of the building boasts a spectacular part glazed, part composite clad façade offering floor to ceiling glazed panels to each floor, flooding the office space with natural light.

- Air conditioning
- Floor to Ceiling height of 2.7m throughout
- LG2 compliant LED lighting with PIA control
- 100mm full access raised floor
- 1 x 8-person passenger lifts
- Male, female and accessible toilets on all floors
- Shower facilities on each floor
- 21 car parking spaces
- Flexible Floor Plates which would permit future multi-occupation



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Accommodation

The property provides the following Net Internal Areas:

GROUND

278 sq m
(2,992 sq ft)

UPPER GROUND

414 sq m
(4,456 sq ft)

FIRST FLOOR

426 sq m
(4,585 sq ft)

TOTAL

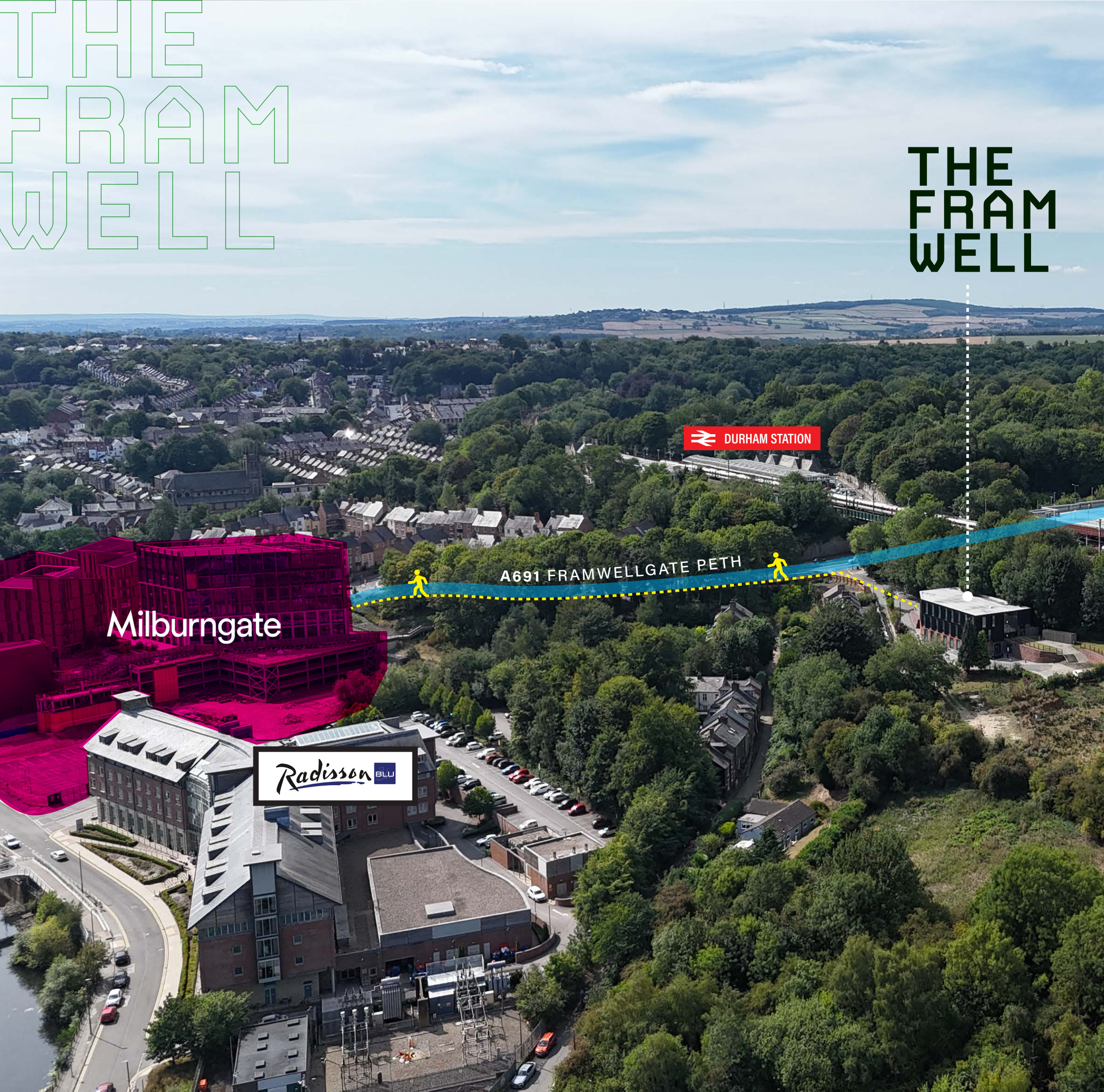
1,118 sq m
(12,033 sq ft)

Tenure

Freehold.

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Market Commentary

Fram Well forms a natural extension to the yet to be finished Milburngate – a landmark office, retail, and leisure destination which once complete will be home to a number of high-profile occupiers, including Everyman Cinema, Bar + Block Steakhouse and a 92-bed Premier Inn hotel. We understand the Pitcher and Piano are also rumoured to be interested in the scheme.

One Milburngate is part of the wider scheme and is earmarked to provide around 55,000 sq ft of new Grade A office space to address undersupply in the market. Progress on the development has been delayed and as such timing for its completion remains unknown.

DURHAM ID

The property also benefits from its position within the Durham Innovation District, a collaborative masterplan between Durham County Council, Durham University, and private sector partners such as Muse. This initiative will strategically connect the city's riverside with Aykley Heads, creating a dynamic hub for business and innovation.

This project is designed to stimulate thousands of high quality jobs across sectors such as fintech, data science, green technology, healthcare, digital creative industries and environmental science.

Durham benefits from a highly skilled and expanding talent pool. Durham University, consistently ranked among the UK's top institutions, produces graduates with expertise across a range of sectors, feeding local employers with highly capable talent. The city also draws on a broader regional workforce, supported by strong transport links to Newcastle, and wider region, ensuring businesses have access to a deep pipeline of skilled professionals.

Durham continues to face a shortage of new office development. At present, there is no Grade A supply in the city centre and only a constrained development pipeline. Currently, we are aware of several active city centre requirements, which remain unsatisfied due to the lack of supply.

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Ministry of Housing,
Communities &
Local Government

Tenancy

The property is let to The Secretary of State for Housing, Communities and Local Government for a term expiring on 1st April 2032 without break. The property has been occupied as Durham City's only Probation Service office since completion. The tenant has full unmitigated repairing and insuring obligations.

The passing rent is £264,991 per annum exclusive of VAT.



Rent Review

There is an upward only rent review on every third anniversary of the term based on growth in the Retail Price Index (RPI) over the preceding three years. This is capped and collared at 3% and 1% per annum. The next rent review is 2nd April 2026.

The 3% cap was reached in both March 2024 and March 2025. Oxford Economics predict RPI inflation to exceed 3% in the period to April 2026. Applying the 3% pa cap in each of the three preceding years will provide a reviewed rent of £289,562 per annum as of 2nd April 2026. The rent is to be topped up to this level upon sale.

Car Parking

The property includes 21 car parking spaces. There is a lack of parking provision in Durham City Centre, with limited season ticket options. NCP charge £1,560 and Durham Railway Station charge £1,650 per year respectively. We have notionally applied a rate of £1,600 per space of the subject property (£33,600 pa in total).

Rent

A rent of £289,562 pa reflects a rate of £21.27 psf on the building after applying the aforementioned rate to the car parking spaces.

This is considered a very competitive level for modern Grade A accommodation in Durham and compares favourably with other key cities in the region such as Newcastle and Sunderland where rents on similar accommodation are now as high as £32 psf and £26 psf respectively.

EPC

The property has an EPC rating of B.

Legal Costs

Each party to be responsible for their own legal costs incurred in any transaction.

VAT

The property is not elected for VAT and the sale will be treated as a transfer of a going concern.

Anti-Money Laundering

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

Proposal

Offers sought in excess of £3.625m (**Three million, six hundred and twenty five thousand pounds**) exclusive of VAT.

This level reflects a net initial yield of 7.5% after purchaser’s costs (off the topped-up April 2026 rent at review of £289,562 pa)

A purchase at this level would mean further rental growth at the 2nd April 2029 rent review to a minimum of £298,336 pa and maximum of £316,412 pa subject to growth in Retail Price Index allowing for the annual 1% and 3% collar and cap. This would show a running yield at the 2029 review of as high as 8.20%.



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Viewing Arrangements

For further information or to arrange an inspection please contact:

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