

89 GEORGE STREET
EDINBURGH

PRIME INVESTMENT OPPORTUNITY
WITH DEVELOPMENT POTENTIAL

INVESTMENT SUMMARY

- EDINBURGH IS SCOTLAND'S CAPITAL CITY AND EUROPE'S 4TH LARGEST FINANCIAL CENTRE

- RARE OPPORTUNITY TO ACQUIRE PRIME INVESTMENT LOCATED ON GEORGE STREET WITH REDEVELOPMENT POTENTIAL

- THE PROPERTY COMPRISES **A FULL 6 STOREY CATEGORY B LISTED TOWNHOUSE** ARRANGED OVER BASEMENT, GROUND AND FOUR UPPER LEVELS EXTENDING TO A GIA OF 18,586 SQ FT AND A NIA OF 15,957 SQ FT

- PART LET TO WHITE STUFF LIMITED UNTIL 7TH JULY 2025 (BREAK OPTION 8TH JULY 2023) WITH THE 3RD AND 4TH FLOORS CURRENTLY VACANT

- CURRENT RENT OF £250,000 PER ANNUM WHICH EQUATES TO A ZONE A RATE OF £118.15 PER SQ FT

- HERITABLE TENURE (SCOTTISH EQUIVALENT OF ENGLISH FREEHOLD)

PROPOSAL

OFFERS IN EXCESS OF **£3,200,000** (THREE MILLION AND TWO HUNDRED THOUSAND POUNDS STERLING) ARE SOUGHT FOR OUR CLIENT'S HERITABLE INTEREST IN THE PROPERTY, SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT.

A PURCHASE AT THIS LEVEL WOULD PROVIDE A **NET INITIAL YIELD OF 7.34%** ASSUMING PURCHASER'S COSTS AT 6.44%.





LOCATION

EDINBURGH IS THE HISTORIC AND ADMINISTRATIVE CAPITAL OF SCOTLAND AND IS ONE OF THE MOST PROSPEROUS CITIES WITHIN THE UK.

Edinburgh has seen growth in population over the last number of years and is estimated to be around 524,000 people, with a further regional catchment extending to approximately 1.6 Million people.

Renowned for its cultural heritage, academic prowess and shopping, Edinburgh is continuing to maintain itself as a leading European city. Edinburgh is the second largest shopping destination in Scotland and is a major tourist destination attracting around 4 million visitors each year and accounting for a fifth of the UK's tourism expenditure.

The Edinburgh Fringe Festival is held in August and attracts an increasing number of tourists each year. The increase in visitors has made the month of August the second biggest shopping month for Edinburgh as footfall is increased by approximately 65%.

The recent opening of the St James Quarter at the east end of the city centre has brought over 1.7m square feet of retail and leisure facilities. The development will also include luxury residential apartments and a hotel in future phases.



2ND LARGEST SHOPPING DESTINATION IN SCOTLAND



MAJOR TOURIST DESTINATION





EDINBURGH IS EXTREMELY ACCESSIBLE PROVIDING EXTENSIVE MOTORWAY ROUTES NORTH, SOUTH AND WEST OF THE CITY.

Edinburgh Airport is the sixth busiest international airport in the United Kingdom and is located some 8 miles west of the city centre. With over 30 airlines operating from Edinburgh, the terminal offers both business and leisure travellers a choice of over 150 destinations across the globe. The airport is only a 25-minute tram ride away which links to west Edinburgh and the city centre.

There are also a number of bus services across the city and Haymarket and Waverley railway stations provide links across Scotland and the wider UK rail network.



6TH BUSIEST AIRPORT IN UK

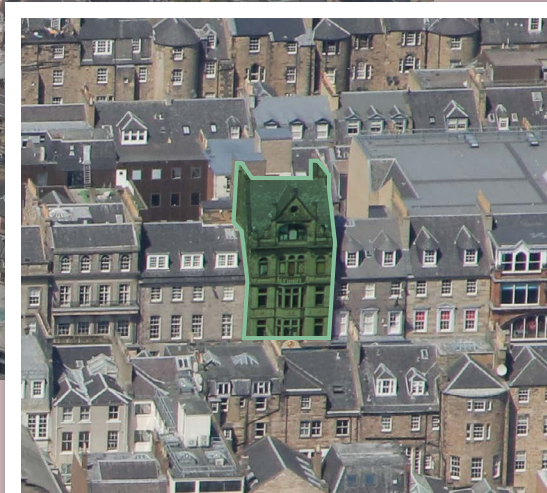
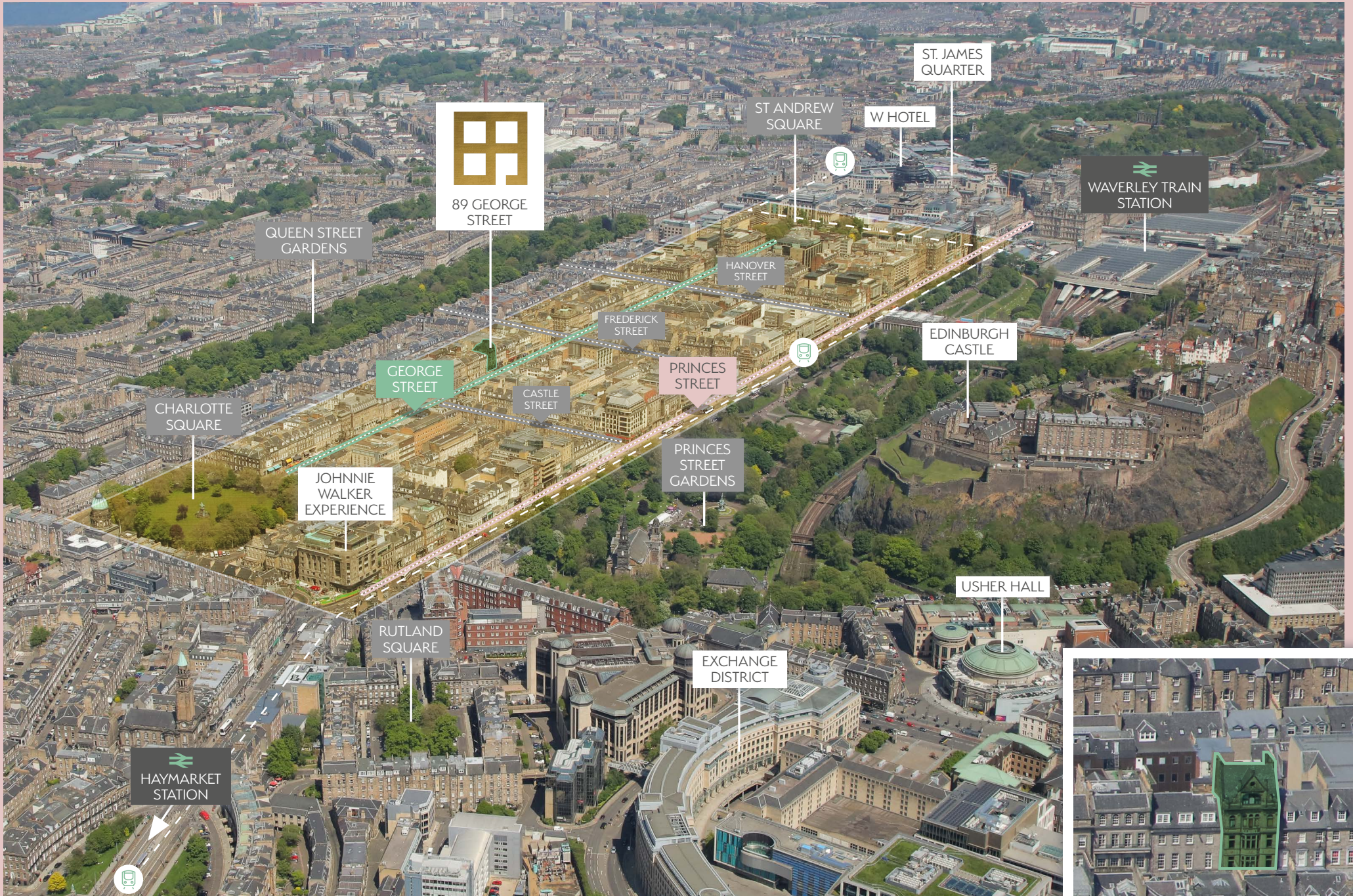


25 MIN TRAM RIDE FROM AIRPORT TO CITY CENTRE



BUS & RAIL SERVICES ACROSS CITY





SITUATION

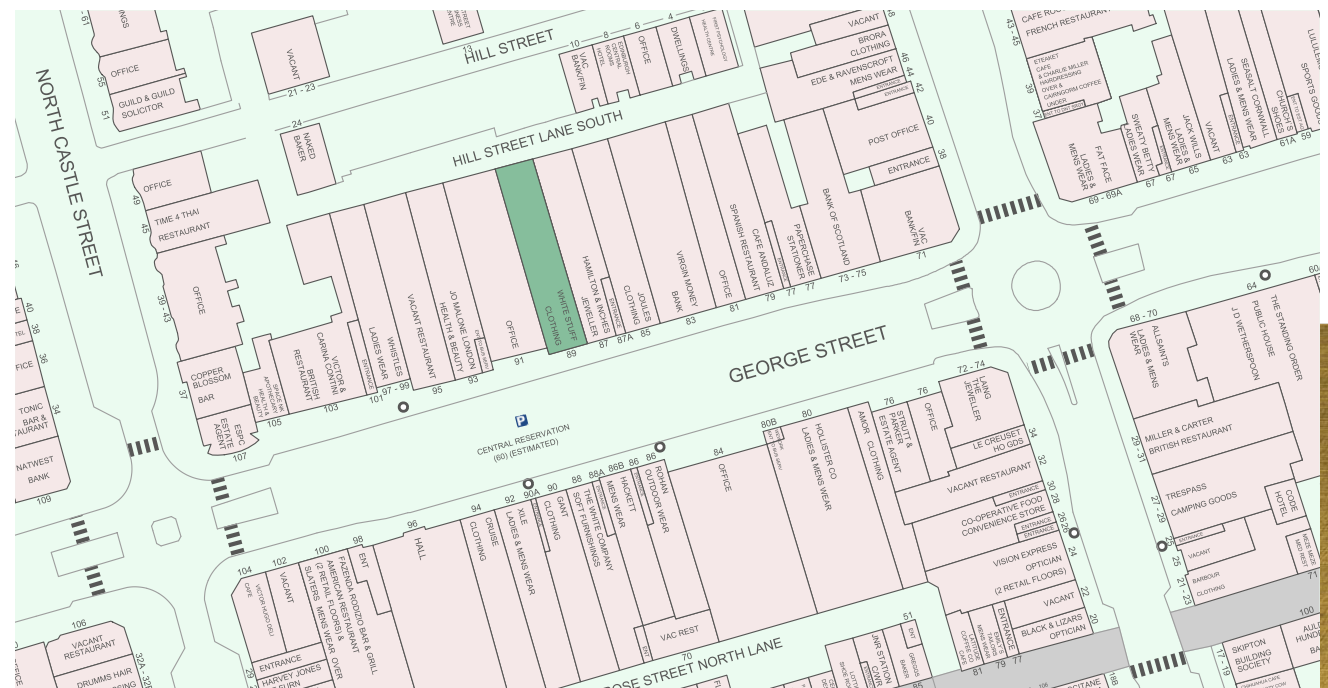
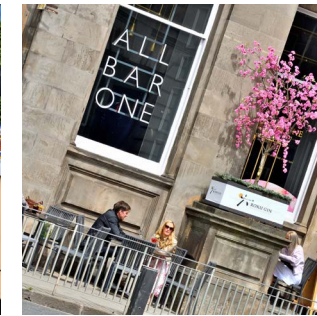
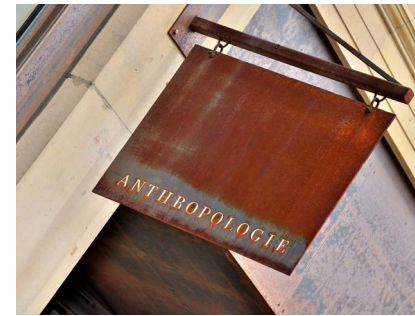
EDINBURGH IS THE SECOND STRONGEST RETAILING CENTRE IN SCOTLAND, THE PROPERTY IS SITUATED ON GEORGE STREET, WHICH IS CONSIDERED TO BE ONE OF EDINBURGH'S BEST RETAILING PITCHES.

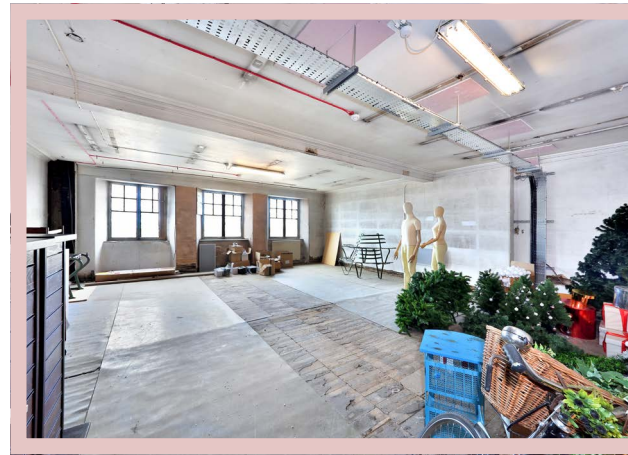
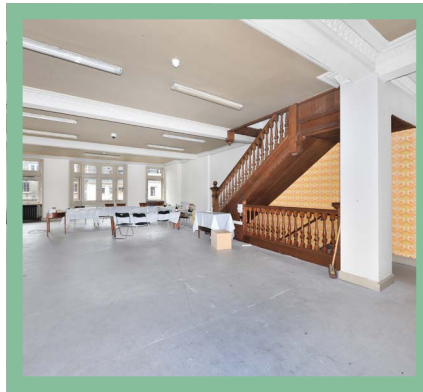
George Street is also in the heart of Edinburgh's business district linking Charlotte Square to the west and St Andrew Square to the east. The property is situated on the block bounded by Frederick Street and Castle Street, nearby occupiers include Jo Malone, The White Company, Hollister, Hackett and Whistles.

George Street is also considered one of Edinburgh's strongest leisure pitches with nearby occupiers including Contini, Tigerlily, Browns, Café Andaluz and Fazenda.

The property is highly accessible with a number of bus services on Frederick Street and Princes Street and the tram line running through Princes Street which is a short walk away. Waverley Railway Station and Haymarket Station are less than 15 minutes' walk away.

City of Edinburgh Council have plans for the transformation of George Street which will see cars banned and the street opened up for pedestrians, bikes and outdoor seating areas. Consultations with business owners, the public and key stakeholders have recently ended. More information can be found on the City of Edinburgh Council website. www.edinburgh.gov.uk/cycling-walking-projects-1/george-street-first-new-town-redesign





DESCRIPTION

The property occupies a prime position on George Street and is arranged over basement, ground and four upper floors. The property is Category B Listed and is of masonry construction under a pitched slated roof. A passenger lift to the rear services all floors including the basement. Access is directly from George Street and there is shared access to the rear of the property from Hill Street Lane South.

The property provides a unique development opportunity with opportunity to convert the upper floors for alternative uses subject to planning.

EPC RATING

A copy of the property's EPC is available on request and can be found in the dataroom.

TENURE

Heritable (Scottish equivalent of Freehold).

ACCOMMODATION

The subjects have been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and the Net Internal Areas (NIA) and reduced areas are as follows:

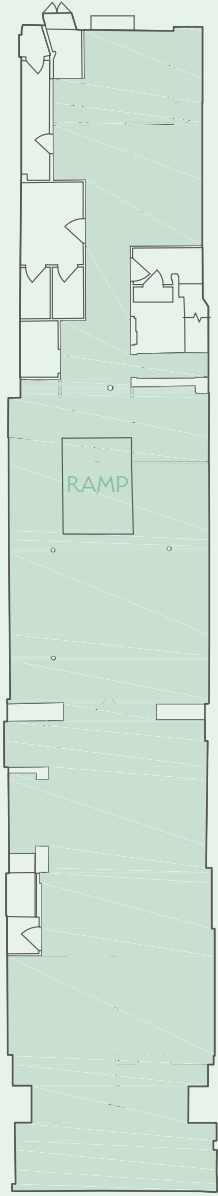
DESCRIPTION	GIA		NIA	
	sq m	sq ft	sq m	sq ft
Basement	347.4	3,739	296.0	3,186
Ground	323.5	3,482	287.2	3,091
First	301.6	3,246	265.5	2,858
Second	312.2	3,360	272.4	2,932
Third	225.4	2,426	183.7	1,977
Fourth	216.7	2,333	177.8	1,913
TOTAL	1,726.8	18,586	1,482.6	15,957

The property has a total reduced area of 2,116 sq ft.

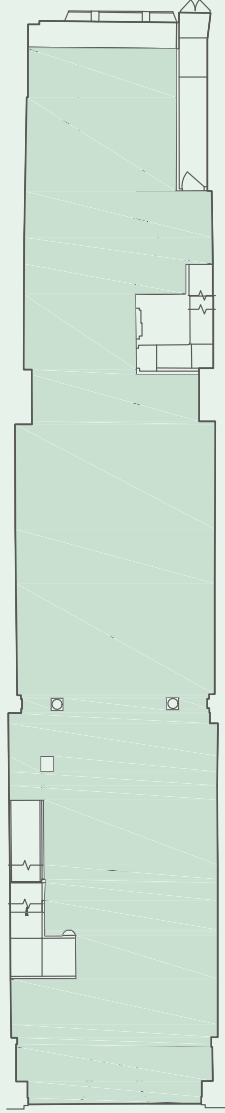
FLOOR PLANS



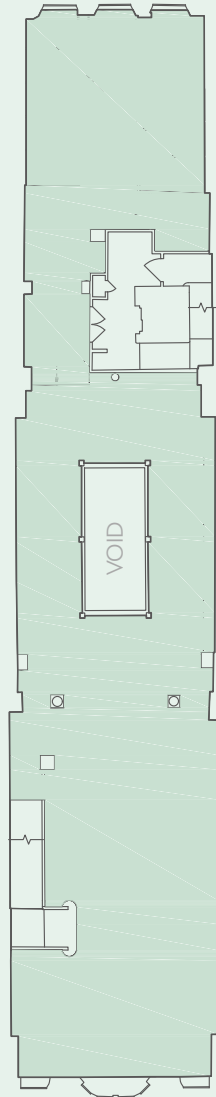
BASEMENT



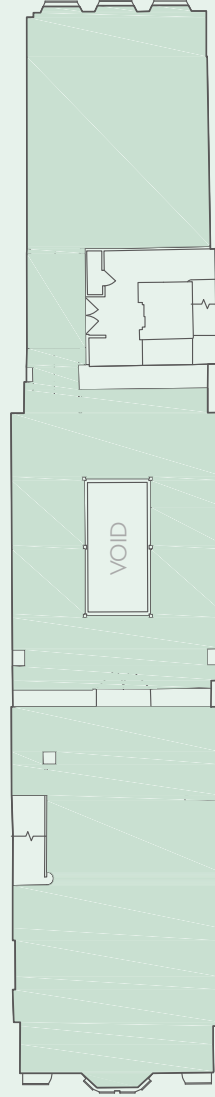
GROUND FLOOR



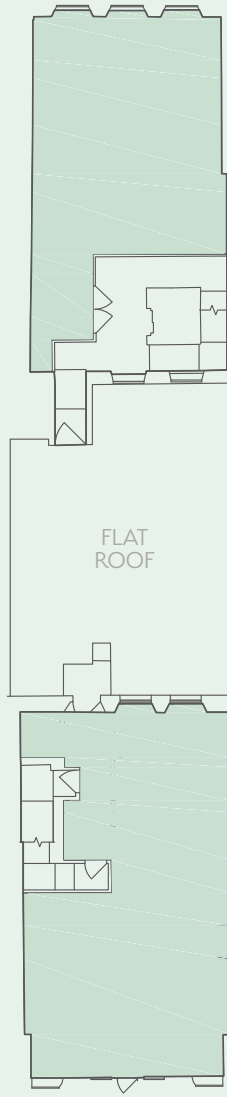
FIRST FLOOR



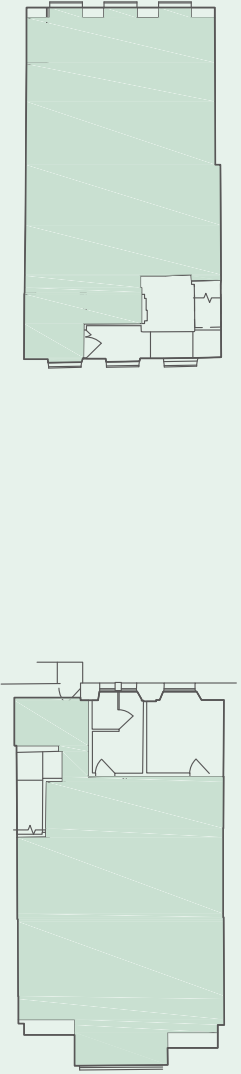
SECOND FLOOR

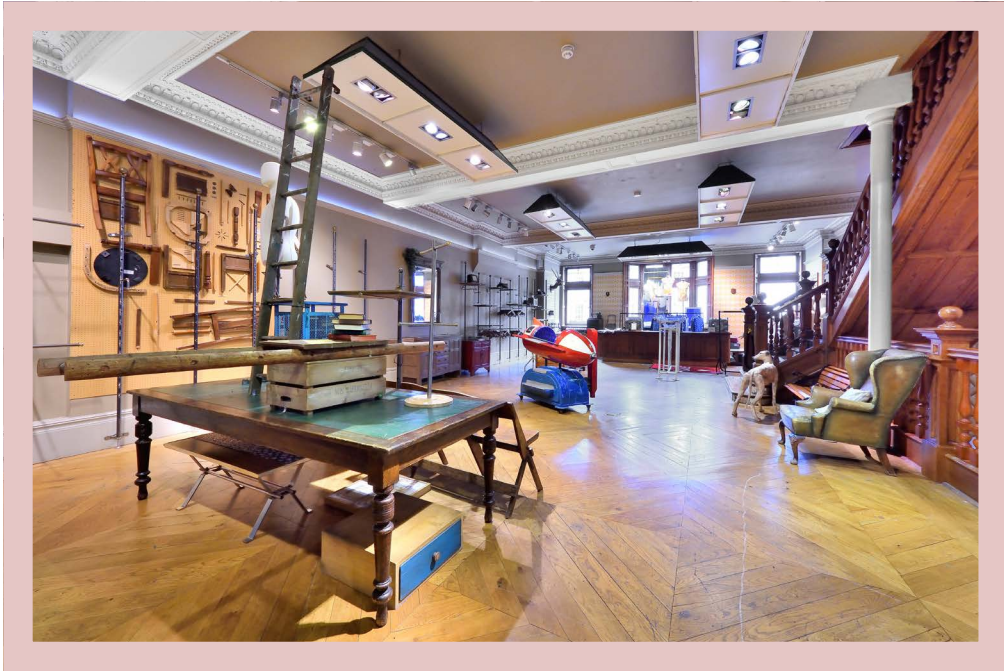


THIRD FLOOR



FOURTH FLOOR





TENANCY INFORMATION

The property is let in part to White Stuff Limited who occupy the basement, ground, 1st and 2nd floors. The contracted rent is £338,500 per annum. Following a recent lease restructure with the tenant to reflect Covid-19 trading impacts, the rent was reduced to the current passing rent of £250,000 per annum (reflecting £118.15 psf ITZA) by way of a personal concession. The lease expires on the 7th July 2025 and there is a tenant only break option on the 7th July 2023.

The tenant is currently paying half rent until 30th September 2021 which will be topped up by the vendor.

The 3rd and 4th floors are currently vacant.



COVENANT INFORMATION

White Stuff®

White Stuff is a British fashion and lifestyle brand that sells women’s and men’s clothing, accessories and gifts in over 120 shops in the United Kingdom, via mail-order catalogues and through its website. The brand has become known for its traditional British styles, idiosyncratic boutique stores and innovative marketing campaigns. White Stuff was founded in 1985 when two friends, George Treves and Sean Thomas, decided to form a business to fund their love for skiing. Starting under the name “Boys from the White Stuff”, their printed T-shirts and sweatshirts became instantly popular in the alpine region of Val d’Isère. The pair opened the first White Stuff Clothing store in London in 1991.

White Stuff Limited has a Creditsafe rating of 80A indicating ‘Very Low Risk’.

Key financials are outlined below:

	02/05/2020	27/04/2019	28/04/2018
Sales Turnover	£129,279,000	£142,131,000	£139,611,000
Pre-Tax Profit	-£16,606,000	-£1,402,000	-£5,998,000
Shareholder’s Funds	£21,684,000	£35,200,000	£36,532,000
Employees	1645	1925	1952

For further information, please visit www.whitestuff.com



ASSET MANAGEMENT OPPORTUNITIES

There is an opportunity to explore medium term alternative uses within the building, including mixed retail, office and residential, subject to obtaining necessary consents. Supporting information is available in the dataroom, including:

- ▣ A full set of CAD drawings.
- ▣ Full measured survey.
- ▣ An architectural feasibility study.
- ▣ Vendor's building survey.

VAT

VAT will be applicable to the sale of the property, which we anticipate will be undertaken by way of a Transfer of a Going Concern (TOGC).

PROPOSAL

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FURTHER INFORMATION

For further information or to arrange an inspection please contact:

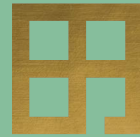


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Misrepresentations Act 1967 & Declaration. Jones Lang LaSalle for themselves and for the vendors of this property whose agents they are give notice that: a) the particulars are set out as general outline only for the guidance of intending purchasers and do not constitute, nor constitute part of, an offer or contract; b) all descriptions, dimensions, references to condition and necessary permissions for use and occupation and other details are given in good faith and are believed to be correct, but any intending purchaser should not rely on them as statements or representations of fact but should satisfy themselves by inspection or otherwise as to the correctness of each of them; c) no person in the employment of Jones Lang LaSalle has any authority to make or give any representation or warranty whatever in relation to this property.

Subject to Contract | Exclusive of VAT | July 2021.

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