

Atrium Court

50 Waterloo Street | Glasgow | G2 6HQ



A Rare Opportunity To Acquire A Landmark
Office Investment In The Heart Of Glasgow City
Centre With Exceptional Repositioning Potential





Investment Summary

Rare opportunity to acquire a **high-profile landmark office** building on Waterloo Street, one of **Glasgow's best business addresses**.

Glasgow is the **largest city in Scotland** with a population of **635,000**, increasing to **1.84 million people** within the **Greater Glasgow conurbation**.

Atrium Court is **prominently positioned** within the **CBD** just **160 yards from Glasgow Central Station**, Scotland's **largest and busiest** railway station.

The property comprises a **104,015 sq ft modern office building** behind a **striking facade**, arranged over ground and five upper floors.

Large and flexible floor plates benefiting from **excellent natural light**, allowing for **ultimate letting flexibility**.

High quality tenant line-up including **Scotrail Trains** and **Scottish Enterprise**.

Total passing rent of **£1,507,576 per annum** reflecting an **extremely low rate of £17.45 per sq ft**.

Weighted average unexpired lease term of 1.9 years, providing the opportunity to realise **significant near-term reversion**.

Potential to **secure vacant possession** in the short-medium term and **refurbish the building as a best-in-class office** to take advantage of the **severe lack of Grade A supply in Glasgow**, where **prime rents** are currently **£39.50 per sq ft**.

Scotrail Trains and **Scottish Enterprise** have expressed an interest in **lease extensions** and/or **restructuring**.

Atrium Court also has **strong redevelopment potential** for a variety of **alternative uses** including **PBSA, BTR, residential** and **hotel**.

Heritable Interest (Scottish equivalent of English freehold).

Proposal

Offers are sought in excess of **£13,000,000** (Thirteen Million Pounds Sterling) exclusive of VAT. A purchase at this level would reflect a **net initial yield of 10.87%** and a **capital value of £125 per sq ft**.



Glasgow



4th
largest city in the UK



1.84m
people in Greater Glasgow



2nd
largest student
population in the UK



UK's Largest
retail centre by spend
outside of London



39%
lower cost of living
compared to London



£17bn
Over £17 billion of capital
invested since 2011



No. 2
for future FDI Strategy in
large European Cities.



48,000
More than 48,000 businesses
(28% of Scottish companies)
have a base in Glasgow



34%
of Scottish jobs are in
Glasgow



40%
of FTSE 100 companies have
a presence in Glasgow

Why Glasgow?



Glasgow is Scotland's largest city and the 4th largest in the UK, with a population over 635,000, increasing to 1.84m within Greater Glasgow (33.5% of Scotland's population)



The Central Belt Region (including Glasgow and Edinburgh) is home to 3.5 million people, making it one of the 20 largest urban regions in Europe



Glasgow is the 3rd largest financial centre in the UK and ranked by fDi Intelligence as Europe's number one city for attracting overseas investment



Glasgow benefits from excellent rail connections to other major Scottish and UK cities, together with the largest commuter rail network in the UK outside of London



As Scotland's largest and only metropolitan region, it generated £47.3 billion of GVA in 2021



Glasgow produces nearly 40,000 graduates annually, with almost 50% working in Finance and STEM fields



The city has over 77,000 students spread across five further education institutions



Glasgow International Airport is approximately 10 miles from the city centre, with routes to 27 countries



Over 48,000 businesses are based in the Glasgow city region, supporting 856,000 jobs (34% of Scottish total), and the city is recognised as a world-class business destination



54% of Glasgow's working-age population is educated to degree level or higher, the second highest among other competing UK City Regions and ranking in the top 15% of European regions



The Scottish motorway network provides easy access to the rest of Scotland's major towns and cities and can be reached from the property within a few minutes' drive



Connectivity



Rail

The subject property is extremely well connected via rail and is located 160 yards from Glasgow Central Station (Scotland’s largest rail station) which serves over 29 million passengers annually. The station offers connections to all major centres in the UK and access to Glasgow’s substantial commuter rail network, which is the largest such network in the UK outside of London. Queen Street Station, the smaller of the city’s two main line railway terminals and the third busiest station in Scotland, is located an 8 minute walk from the property and benefited from a £120m improvement programme which completed in 2021.



Travel Times	
Edinburgh	44 minutes
Aberdeen	2 hrs 50 mins
Manchester	3hrs 10 mins
Newcastle	3 hrs 20 mins
Birmingham	4 hrs 10 mins
London	4 hrs 30 mins

Air

Glasgow’s air transport connections are excellent with three international airports within 45 minutes of the city centre linking Glasgow to all major UK, European and International destinations. Glasgow is Scotland’s principal long-haul airport as well as Scotland’s largest charter hub. Glasgow Airport serves more Scottish destinations than any other airport and is a key component of Scotland’s transport infrastructure. Glasgow Airport is located approximately 9 miles (15 minutes) west of the city centre at Junction 28 of the M8 motorway.



Travel Times	
London	1 hr 30 mins
Amsterdam	1 hr 50 mins
Paris	1 hr 50 mins
Rome	3 hrs 10 mins
New York	7 hrs 30 mins

Road

Glasgow is at the hub of Scotland’s modern and comprehensive road network with the M8 motorway dissecting the city centre and providing direct access to Edinburgh to the east and Glasgow Airport to the west. There are six junctions providing direct access to the city centre. The M8 motorway links to the M73 and M74 motorways at Junction 4 offering access to Carlisle and Northern England and the M80, which provides access to Stirling and the north of Scotland.

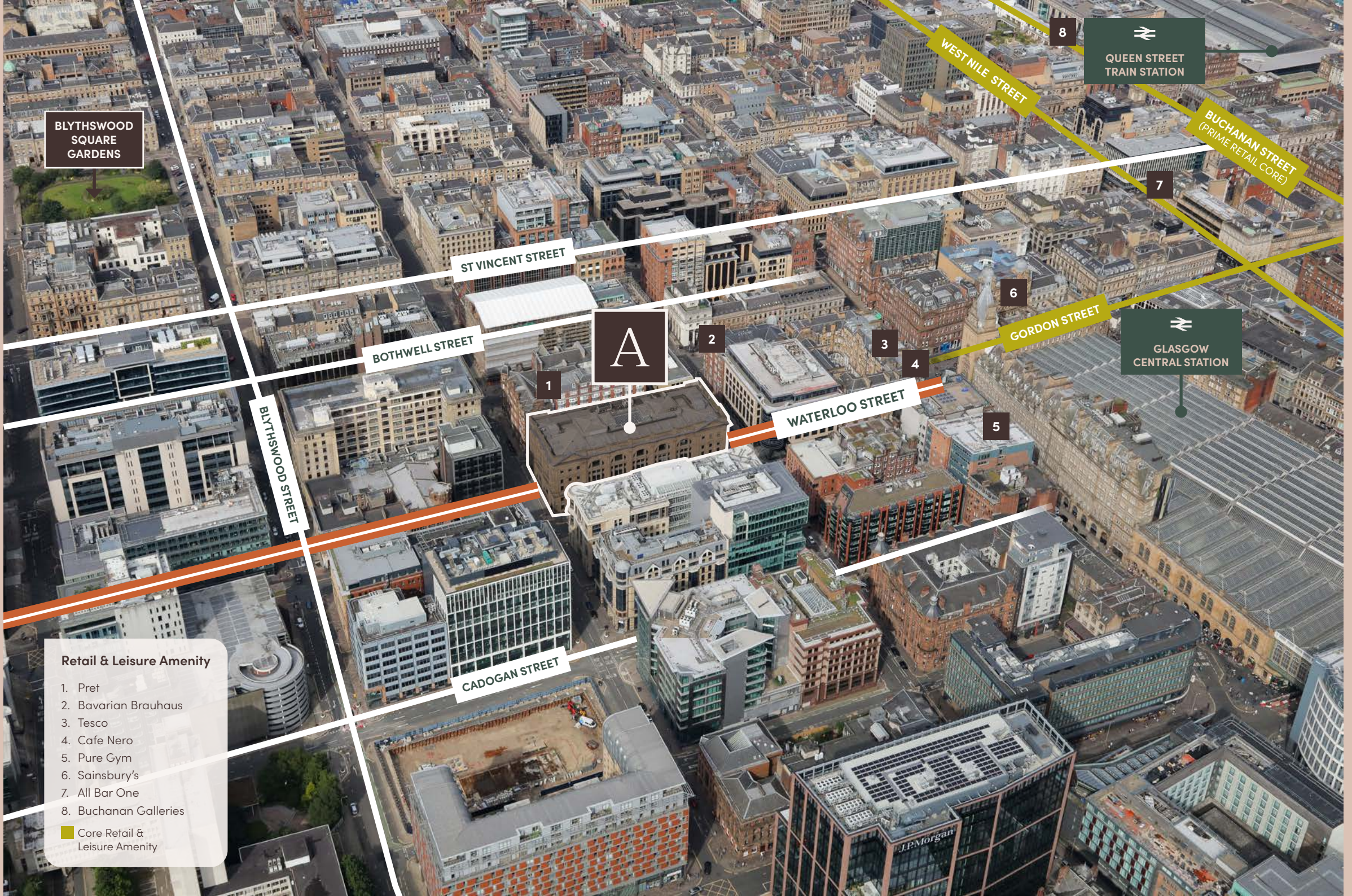


Travel Times	
Edinburgh	50 minutes
Aberdeen	2 hrs 45 mins
Newcastle	2hrs 45 mins
Manchester	3hrs 30 mins
London	7 hrs 20 mins



Bus and Subway

Opened in 1896, the Glasgow Subway is the third oldest underground system in Europe. Carrying 13 million passengers a year, the Scottish government recently implemented a funding package worth £288m which will work towards a full-scale upgrade for the service. At peak times, the routes offer services every 4 minutes. Buchanan Street Bus station is less than 15 minute’s walk from the subject property, offering national bus services to destinations throughout the UK. The location is also extremely well served by local bus services with stops located in the immediate vicinity.



BLYTHSWOOD
SQUARE
GARDENS

8
QUEEN STREET
TRAIN STATION

7
BUCHANAN STREET
(PRIME RETAIL CORE)

ST VINCENT STREET

BOTHWELL STREET

BLYTHSWOOD STREET

A

2

3

4

6
GORDON STREET

GLASGOW
CENTRAL STATION

WATERLOO STREET

5

CADOGAN STREET

Retail & Leisure Amenity

- 1. Pret
- 2. Bavarian Brauhaus
- 3. Tesco
- 4. Cafe Nero
- 5. Pure Gym
- 6. Sainsbury's
- 7. All Bar One
- 8. Buchanan Galleries

Core Retail &
Leisure Amenity



Key Occupiers

■ Aurora:	PwC, SSE, Arcadis, news UK, Cubo, Gardiner & Theobald
■ 177 Bothwell Street:	Virgin Money, Transport Scotland, CBRE, Aecom, CBRE, BNP Paribas
■ Lucent:	Pinsetn Masons, Beam Suntory, RSM
■ 2 Atlantic Square:	Burness Paull, Siemens, Atkins, BDO
■ St Vincent Plaza:	KPMG, Zurich, Mott MacDonald, Whyte & Mackay, Scottish Ministers
■ Cadworks:	Ovo Energy, TLT, Brewin Dolphin, S Three

Description

Originally constructed in circa 1900, Atrium Court comprises a modern office building developed in 1988 behind a striking retained category A-listed retained facade, providing attractive heritage and history credentials. The property is arranged over basement, ground and five upper floors, and is set around an imposing full height atrium.

The property has been well maintained by the current owners who, in 2023/24, undertook significant repairs and maintenance to the stonework facades at a cost of £1.3m. Additionally, the current service charge budget includes funds for the replacement of boilers and chillers together with planned roof works.



Full access raised floors



Suspended ceilings



LED lighting



4 scenic passenger lifts
and 2 service lifts



WC facilities on
every floor



Four pipe fan coil
air conditioning



Basement showers
and changing facilities,
including 29 bike spaces

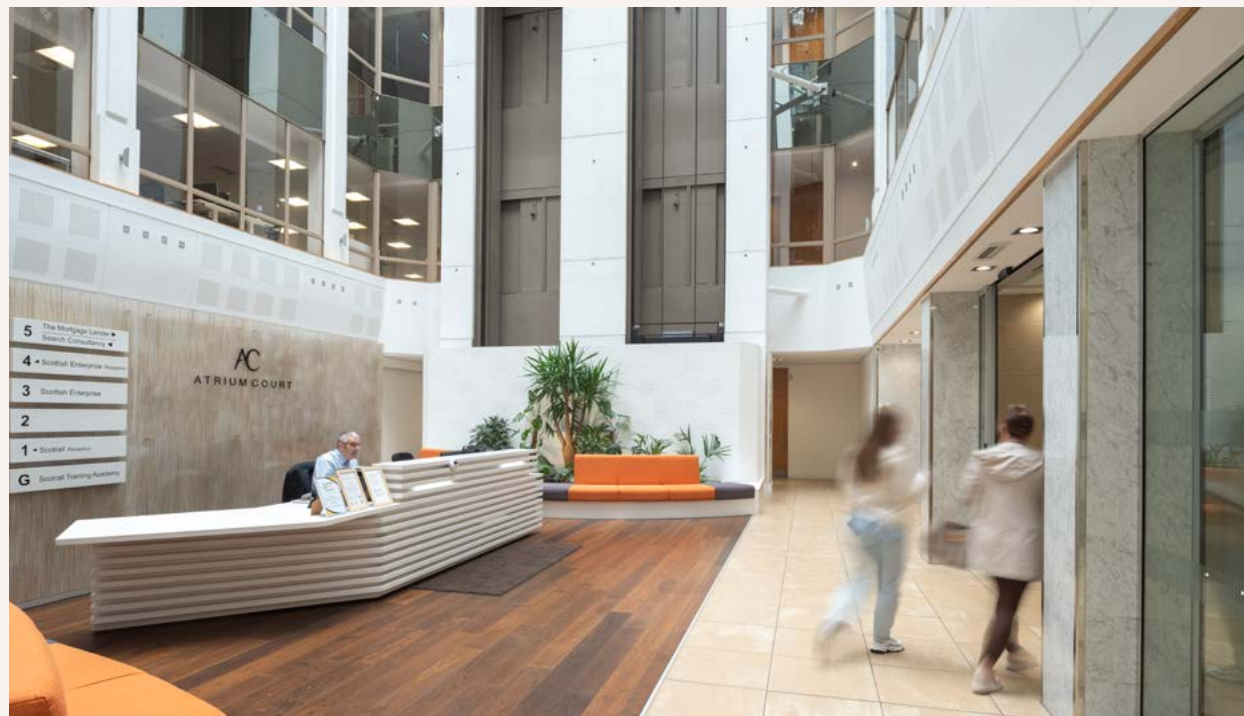


42 car parking spaces,
reflecting a ratio of
1:2,477 sq ft



EPC rating
of B (25)





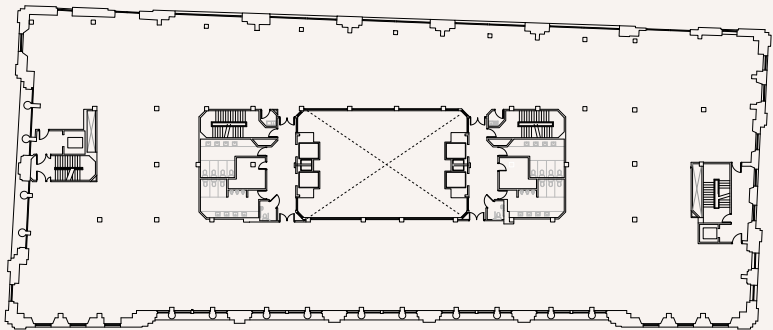
Accommodation

The property has been measured in accordance with the Royal Institution of Chartered Surveyors (RICS) code of measuring practice (6th edition). The building provides the following approximate Net Internal floor areas:

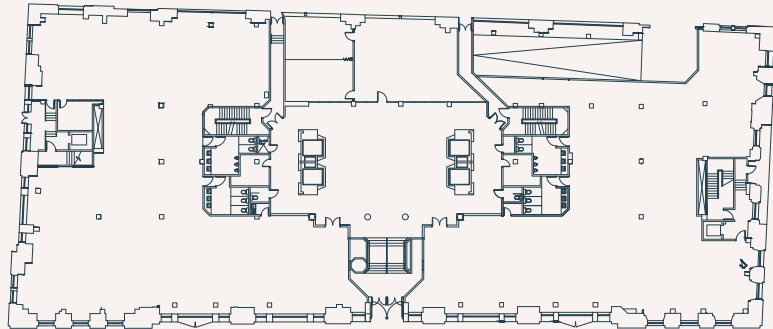
Floor	Use	NIA (sq m)	NIA (sq ft)
Fifth West	Office	844	9,085
Fifth East	Office	786	8,458
Fourth	Office	1,640	17,657
Third	Office	1,618	17,419
Second	Office	1,635	17,598
First	Office	1,675	18,034
Ground	Office	1,382	14,877
Basement	Storage	36	391
Basement	Storage	46	496
Total		9,663	104,015



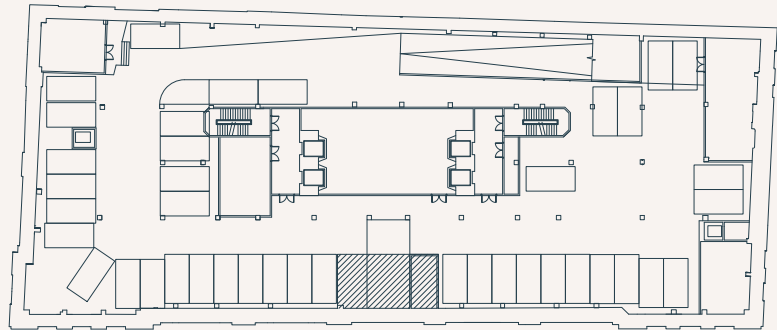
Typical Floorplan



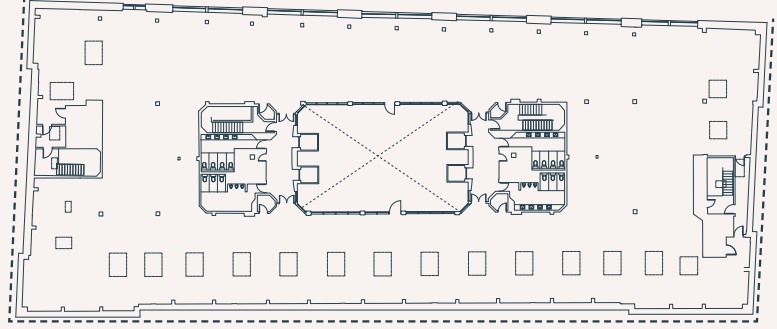
Ground Floor



Basement



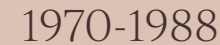
Fifth Floor



Atrium Court total area - 104,015 sq ft



At the turn of the 20th century the street scene drastically changed into a street of entertainment. On the site of the old timber yard, the second venue of Hengler's Circus was built, moving from West Nile Street. The circus was a large, grand building, which was required to accommodate the equestrian spectacles that took place there.



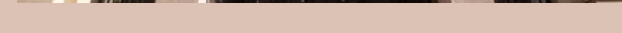
In light of its historic significance, the building was originally listed in 1970 as Category B and later upgraded to Category A in 1988.



Waterloo Street was developed in the second quarter of the 19th century and was largely built up with builders' yards and churches. The site was originally the location of a timber yard which took up the entire plot, facing the United Presbyterian Church and St. Enoch's Free Church on the opposite street.



The Hengler's Circus venue at Waterloo Street was demolished when it was moved to a new location on Sauchiehall Street and the existing Parcel Office was constructed. Designed by William Thomas Oldrieve, the building was constructed in a classical style, typical of the remodelling of the General Post Offices throughout Edinburgh and Glasgow.



The interior of the Parcel Office was demolished in 1988 as part of a facade retention scheme, and the building renamed as 'The Atrium'.

Tenancy Schedule

The property is multi-let in accordance with the tenancy schedule detailed below.

The total contracted rent is £1,507,576 per annum reflecting an extremely low average passing rate of £17.45 per sq ft.

Description	Tenant	Area (sq ft)	Car Parking Spaces	Lease Start	Lease Expiry	Break Date	Rent Review Date	Rent (£ per annum)	Rent (£ per sq ft)	Comments
Fifth Floor West	Search Consultancy Limited	9,085	4	11/07/2016	10/07/2026	-	-	£102,840	£11.32	-
Fifth Floor East	The Mortgage Lender Limited	8,458	3	23/05/2016	22/05/2026	-	-	£90,320	£10.68	Current service charge cap of £88,721 p.a., equating to £10.49 psf, subject to annual RPI increases. Current landlord service charge shortfall of £32,332 p.a, which is attributable to one-off exceptional expenditure in the 2024/25 budget and will therefore be topped-up by the vendor. See service charge section on page 23 for further details. The landlord holds a £48,000 rent deposit.
Third and Fourth Floor	Scottish Enterprise	35,076	17	01/10/2016	31/03/2026	-	-	£673,000	£19.19	Current service charge cap of £348,606 p.a., equating to £9.94 psf, subject to annual RPI increases. Current landlord service charge shortfall of £148,493 p.a, which is attributable to one-off exceptional expenditure in the 2024/25 budget and will therefore be topped-up by the vendor. See service charge section on page 23 for further details. Scottish Enterprise have expressed interest in a lease extension.
Second Floor	Vacant	17,598	0	-	-	-	-	-	-	Vendor to provide a 12 month rates and service charge guarantee.
Ground and First Floor	Scotrail Trains Limited	32,911	4	02/12/2015	31/03/2027	-	02/12/2025	£637,500	£19.37	Current service charge cap of £321,707 p.a., equating to £9.78 psf, subject to annual RPI increases. Current landlord service charge shortfall of £145,463 p.a, which is attributable to one-off exceptional expenditure in the 2024/25 budget and will therefore be topped-up by the vendor. See service charge section on page 23 for further details. Scotrail have expressed interest in a potential lease restructuring.
Basement Store 2	Scottish Enterprise	391	0	01/10/2016	31/03/2026	-	-	£1,000	-	-
Basement Store 3 & 4	Scotrail Trains Limited	496	0	02/12/2015	31/03/2027	-	02/12/2025	£2,916	-	-
Car Parking	Vacant	-	14	-	-	-	-	-	-	-
Totals		104,015	42					£1,507,576	£17.45	

The property has a WAULT of 1.9 years to lease expiries.

Tenant Information



Scotrail Trains Limited (SC328826)

ScotRail Trains Limited, trading as ScotRail, is a Scottish train operating company that is publicly owned by Scottish Rail Holdings on behalf of the Scottish Government. It has been operating the ScotRail franchise since 1 April 2022, and operates 355 stations in Scotland.

	31/03/2023	31/03/2022	31/03/2021
Turnover	£972,907,000	-	-
Profit (Loss) Before Tax	(£118,000)	-	-
Tangible Net Worth	£1,169,000	-	-
Net Current Assets	(£112,480,000)	-	-



Scottish Enterprise

Scottish Enterprise is a non-departmental public body of the Scottish Government which works to transform the Scottish economy by encouraging economic development, enterprise, innovation, and investment in business, covering the eastern and central parts of Scotland. The company employs over 1,100 staff based in 10 offices across the UK and a further 33 offices overseas.

SEARCH

Search Consultancy Limited (SC10564)

Search is a leading multi-discipline recruitment agency, covering over 15 specialisms across the UK. The company's original premises was opened in Glasgow in 1987, and they have now expanded their reach to a nationwide office network of 14 different locations. Search have over 4,500 companies actively signed up to their services and more than 7,000 job seekers register with the firm each month.

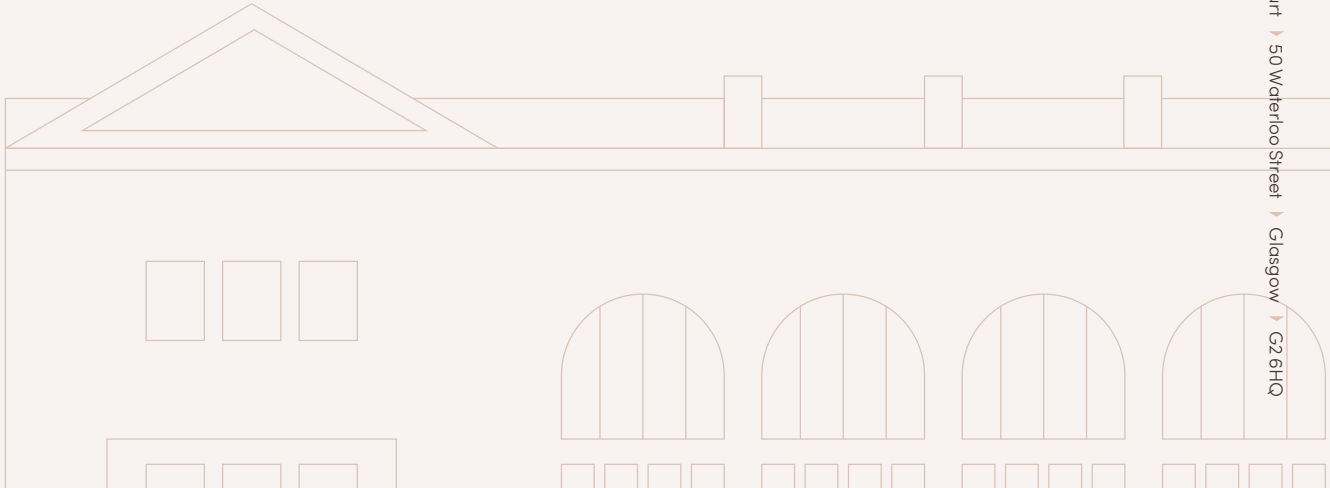
	31/12/2023	31/12/2022	31/12/2021
Turnover	£161,770,000	£175,103,000	£162,167,000
Profit (Loss) Before Tax	£2,903,000	£5,308,000	£3,913,000
Tangible Net Worth	£24,251,000	£24,929,000	£26,376,000
Net Current Assets	£23,394,000	£23,623,000	£25,470,000



The Mortgage Lender Limited (09280057)

Founded in 2015, with their original office in Atrium Court, The Mortgage Lender is a specialist lender providing a range of flexible residential mortgages to customers with more complex income profiles and Buy-to-Let mortgages to customers ranging from individuals to portfolio landlords. It is owned and backed by Shawbrook Bank, an award-winning savings and lending bank, offering personal loans, buy-to-let and commercial mortgages, business finance, and savings accounts.

	31/12/2023	31/12/2022	31/12/2021
Turnover	£48,859,150	£30,855,786	£21,292,871
Profit (Loss) Before Tax	£15,812,607	£64,951	£512,904
Tangible Net Worth	£15,254,070	£3,215,071	£3,244,722
Net Current Assets	£14,069,142	£3,037,933	£3,244,722



Tenure

The property is held by way of Heritable tenure (Scottish equivalent of English Freehold). The indicative title boundaries are shown on the below plan.



The total site area extends to approximately 0.66 acres (0.27 hectares).





Development Opportunities



Atrium Court is a high-profile landmark office located on one of Glasgow's best business addresses

Atrium Court benefits from exceptional fundamentals, set behind a striking façade and occupying a prominent half city block on one of Glasgow's best business addresses. As the flight to quality continues and occupiers seek best-in-class office space in line with their ESG commitments, the building provides the opportunity to acquire one of the best office repositioning opportunities in the regional UK office market.

The property also offers medium-term potential for redevelopment to a range of alternative uses including residential, BTR, hotel or purpose-built student accommodation (PBSA), subject to securing the necessary consents.



Best-in-class Office

Atrium Court's position on Waterloo Street is considered one of the best office addresses and micro-locations in the city, with nearby recent Grade A office developments having experienced exceptional leasing performance with only 30,000 sq ft left to pre-let at Aurora (177,000 sq ft) and 49,000 sq ft left to pre-let at Lucent (104,000 sq ft), both of which are located in the immediate vicinity and have set the prime rent in the city.

The building benefits from a striking retained façade that dates back to the 1900's and large and flexible floor plates allowing for excellent natural light and ultimate letting flexibility.

Given the strong leasing success of Grade A office developments in its immediate vicinity, Atrium Court is ideally placed for a comprehensive refurbishment to create a best-in-class product, take advantage of the severe lack of Grade A supply and capture significant reversion in light of the extremely low overall passing rent of £17.45 psf.

In addition, current occupiers such as Scottish Enterprise and Abellio ScotRail have expressed interest in lease extensions and/or restructuring, providing asset management flexibility.

An indicative design study has been undertaken by Sheppard Robson including options to create best-in-class Grade A office accommodation via refurbishment of the existing structure, together with options to increase the NIA by 22,000-34,000 sq ft by infilling the atrium, relocating the core and adding a 2-3 storey rooftop extension.



ESG

Flight to quality continues as occupiers seek 'best-in-class' space to meet ESG targets and ensure staff retention

2024

Excellent recent leasing velocity, with 2024 take-up expected to be back in line with long-term averages

9.7%

Prime rents of £39.50 psf, with year-on-year rental growth of 9.7%

2.5%

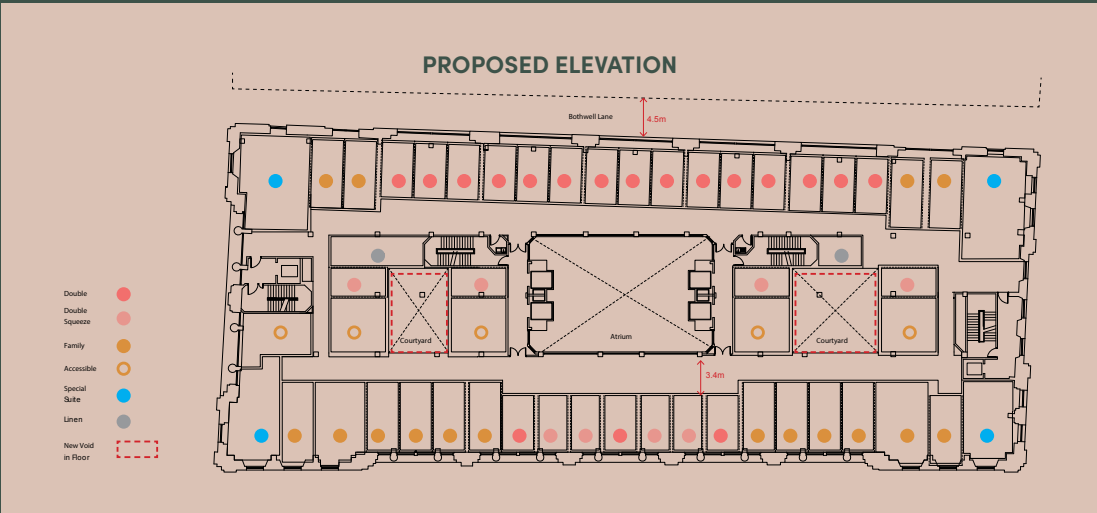
Severe lack of Grade A supply, with a vacancy rate of 2.5%

£48.00

Exceptional rental growth forecast, with prime rents expected to reach £48.00 psf by 2028

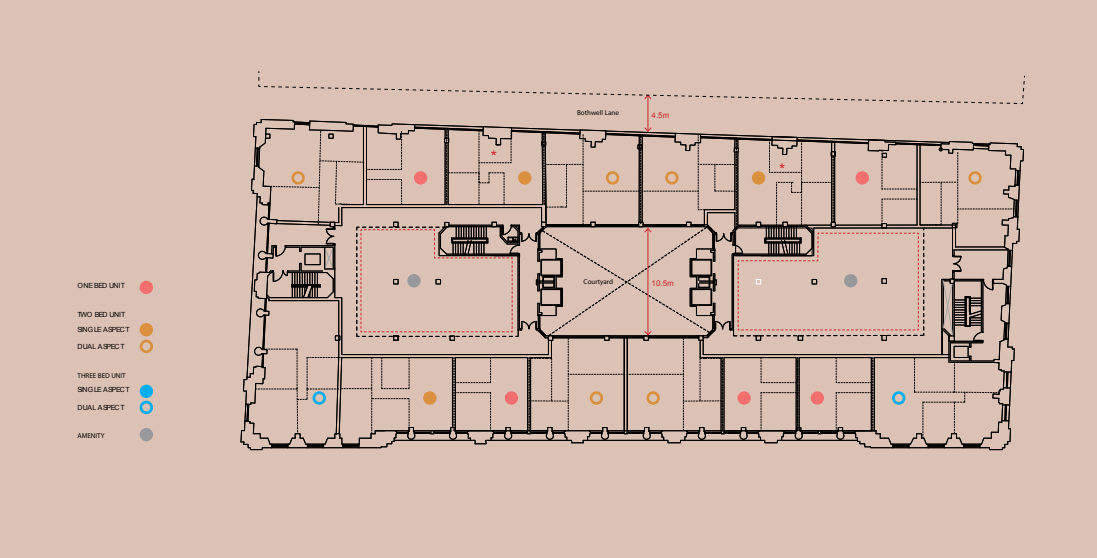
Hotel

Double-digit RevPAR growth for the past two years	Robust hotel recovery in 2022 with a 16% increase in ADR compared to 2019	Home to world-class museums, galleries and attractions, a rich architectural heritage and thriving food scene
Major conference and event venues such as SEC Centre, the OVO Hydro & the SEC Armadillo attracting major European events such as COP26	UNESCO City of Music which is considered a world-renowned music and events destination	14.8 million overnight visits by international visitors and UK residents in 2022



Build to Rent

Glasgow ranked in the top three UK cities for BTR rental growth in 2022/23	High rental demand for city centre living amongst a vibrant professional population	
Shortening time-to-let periods, with the 2023 average in Glasgow at 17 days, half as long as the average in 2018	Strong BTR let-up rates with Solasta Riverside and Central Quay outperforming the UK average let-up rate of 30-40 lets per month	Supportive government policy, with Glasgow City Council committing to double the core City Centre population to 40,000 by 2035



Purpose Built Student Accommodation

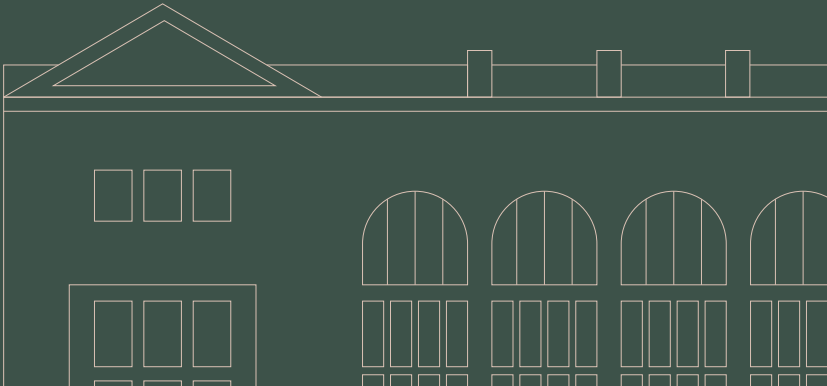
2nd largest student population in the UK

19% year-on-year increase in PBSA rents

Shortfall of 56,609 beds in Glasgow in 2022/23, with only 27% of full time students catered for by University or PBSA accommodation

Greater affordability of Glasgow student experience compared to other main UK cities

41% increase in student numbers from 2014/15 to 2020/21 compared to 25% for the UK overall



Glasgow Office Occupational Market

In the years preceding Covid-19, Glasgow saw strong levels of occupier demand with take up reaching a record 1.4 million sq ft in 2018 and over 800,000 sq ft in 2019.



£39.50
per sq ft
Prime rent



2.50%
Grade A vacancy



£48.00
per sq ft
Prime rent
Forecast – 2028

2023 saw a total of 315,500 sq ft of take up across 109 deals, below the 5-year average of 480,900 sq ft.

Take-up to Q3 2024 was 306,878 sq ft, and with a number of large known requirements, total take-up for 2024 is expected to be back in line with long term averages as the city bounces back from the restrictions imposed during the Covid-19 pandemic.

The flight to quality has continued to apply upward rental pressure on ‘best-in-class’ space that satisfies occupiers’ ESG commitments. As with other regional centres in the Big 6, Glasgow has continued to see sustained rental growth.

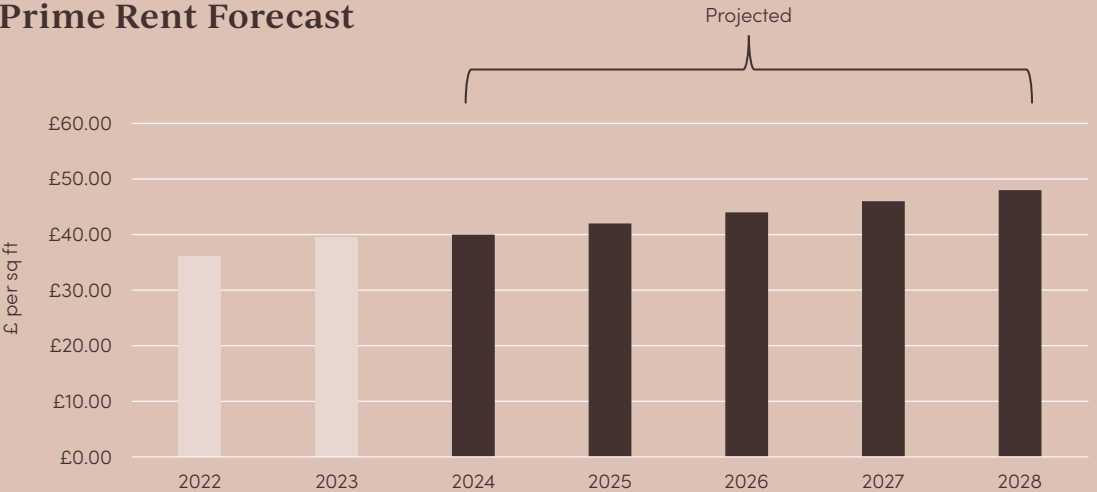
Prime rents currently sit at £39.50 per sq ft and are expected to increase in excess of £42.00 per sq ft in 2025.

There is currently a severe lack of grade A supply in Glasgow with the vacancy rate sitting at 2.50%. Recent Grade A developments have achieved strong leasing velocity with only 30,000 sq ft remaining to pre-let at Aurora, Forma Capital’s 177,000 sq ft Grade A refurbishment (£38.50 per sq ft); and 49,000 sq ft remaining to pre-let at Lucent, Orion Capital’s 104,000 sq ft Grade A refurbishment (£38.50 per sq ft). Both Lucent and Aurora are located in close proximity to Atrium Court and share very similar characteristics from a location and building perspective.

Please see below a table of relevant letting comparables:

Month	Address	Size (Sq. Ft)	Occupier	Rent (Sq. Ft)
Jun-24	Aurora, 120 Bothwell Street	7,839	Arcadis	£38.50
Apr-24	1 West Regent Street	13,695	Skyscanner Limited	£32.50
Mar-24	Aurora, 120 Bothwell Street	25,887	PWC	£37.50
Mar-24	Lucent, 50 Bothwell Street	6,964	Beam Suntory	£38.00
Mar-24	Lucent, 50 Bothwell Street	6,937	RSM	£38.00
Dec-23	Aurora, 120 Bothwell Street	11,571	News UK	£37.00
Dec-23	Aurora, 120 Bothwell Street	19,375	Cubo	£37.00
Jul-23	Lucent, 50 Bothwell Street	27,831	Pinsent Masons	£39.50
Jul-23	55 Douglas Street	14,284	Reach	£29.50
Jul-23	Cadworks, 41 West Campbell Street	10,112	SThree Management Services	£36.00
Apr-23	St Vincent Plaza, 319 St Vincent Street	12,008	We are Luxe	£25.50
Apr-23	6 Atlantic Quay, 55 Robertson Street	10,424	Iomart	£29.00
Dec-22	Cadworks, 41 West Campbell Street	6,086	Brewin Dolphin	£36.00
Dec-22	2 Atlantic Square, York Street	14,488	Siemens	£34.50
Sep-22	6 Atlantic Quay, Robertson Street	9,670	EDF Energy	£29.00
Sep-22	177 Bothwell Street	29,683	Evelyn Partners	£35.50

Prime Rent Forecast



Office Investment Market

Glasgow is a major economic centre and part of the ‘Big 6’ UK regional office market. It has attracted long term investment from a diverse range of sources, including UK institutions, overseas funds, and high net worth individuals. Having navigated a challenging 24-month period from Q2 2022 through to Q2 2024, the market is seeing clear signs of recovery. Forecasts now unanimously expect borrowing costs to decline in the coming months and inflationary pressures to continue easing.

With the macroeconomic backdrop improving, H1 2024 witnessed strong regional office transactional activity with investment volumes of approximately £308m, of which £84m (27%) was in Glasgow, representing a 31% increase on the same period in 2023. Liquidity remains a key consideration for all active investors, however pricing has corrected to a point where new angles of opportunity are being identified. As with the other Big 6 Regional centres, Glasgow has witnessed significant rental growth in the past 24 months and has a chronic shortage of Grade A accommodation, leading to improving sentiment, increased investor demand, competitive processes, and greater transaction closures.

The following table highlights a selection of regional investment sales:

Status	Address	Size	WAULT	Price	NIY	CV
On the Market	Capital House, Edinburgh	54,460	1.0 (2.0)	£13,000,000	9.01%	£239
Under Offer	55 Douglas Street, Glasgow	85,262	-	£16,000,000	-	£188
Under Offer	95 Bothwell Street, Glasgow	135,968	5.0	£15,500,000	-	£114
Sep-24	122 Waterloo Street, Glasgow	156,980	8.70	£50,500,000	8.23%	£322
Aug-24	The Mint Building, Edinburgh	70,467	11.7 (10.2)	£42,500,000	5.78%	£603
Jun-24	STV HQ, Pacific Quay, Glasgow	60,779	17.3	£13,721,000	7.00%	£226
May-24	40 Torphichen Street, Edinburgh	55,862	4.00 (3.50)	£15,800,000	9.46%	£283
May-24	1 West Regent Street, Glasgow	143,165	9.2 (6.0)	£45,800,000	8.68%	£320
Feb-24	Halo, Bristol	116,204	9.50 (8.85)	£70,300,000	5.77%	£605
Feb-24	Imperial Brands HQ, Bristol	94,911	14.50	£33,760,000	7.94%	£356
Jan-24	1 Newhall Street, Birmingham	52,654	8.00 (6.00)	£15,350,000	8.50%	£292
Dec-23	Garment Factory, Montrose Street	55,783	3.2	£15,700,000	9.30%	£281
Jun-23	The Forsyth Building, Glasgow	39,569	10.5 (8.2)	£9,700,000	7.28%	£245
Jun-23	191 West George Street, Glasgow	86,760	6.0	£36,200,000	6.40%	£417
Apr-23	Sutherland House, Glasgow	39,378	6.0 (3.0)	£9,050,000	7.57%	£230
Mar-23	2-4 Blythswood Square, Glasgow	27,125	11.5 (7.5)	£9,000,000	6.56%	£332



Additional Information

Service Charge

The Service Charge budget for the year ending March 2025 stands at £1,464,785 per annum, equating to of £14.08 per sq ft. This figure includes £465,000 allocated for exceptional expenditure, specifically the replacement of boilers/chillers and one-off roof works. Once these works have completed, the budget is expected to reduce to £9.61 per sq ft in the 2025/26 financial year which is in-line with previous years.

Some of the tenancies are subject to service charge caps, resulting in a landlord shortfall of £326,289 per annum for occupied suites, however as the service charge reduces to typical levels following completion of the aforementioned works, no shortfalls are expected in the 2025/26 financial year and the vendor will therefore top-up the shortfalls in the 2024/25 budget.

Further information can be found in the data room.

EPC

The property has an EPC rating of B (25), valid until October 2034.

Data Room

Access to the data room is available on request.

VAT

The property has been elected for VAT and therefore VAT will be applicable to the purchase price, however, it is anticipated that the sale will be treated by way of a Transfer of a Going Concern (TOGC).

AML

In accordance with Anti-Money Laundering (AML) Regulations, the purchaser will be required to satisfy the vendor on the source of the funds used to complete the transaction.

Proposal

We are instructed to seek offers in excess of **£13,000,000** (Thirteen Million Pounds Sterling) exclusive of VAT. A purchase at this level would reflect a **net initial yield of 10.87%** and a **capital rate of £125 per sq ft**, allowing for standard purchaser's costs based on LBTT.

Contacts

For further information, or to organise an inspection, please contact the sole selling agents:

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