



PRIME MIXED USE CITY CENTRE
INVESTMENT OPPORTUNITY

THE GROSVENOR BUILDING

72-76 GORDON STREET GLASGOW | G1 3RS



A landmark office
and convenience
store retail asset in a
100% prime location
in Glasgow's Central
Business District.





INVESTMENT SUMMARY



THE GROSVENOR BUILDING | GLASGOW



Rare opportunity to acquire a **landmark office and convenience store retail** asset in a **100% prime location** in Glasgow's Central Business District.

The property has total passing rent of **£1,020,167 per annum.**

WAULT of **7.44 years** to expiry and **4.23 years** to break

Excellent location within **close proximity to the prime retail, office and leisure pitches** and within immediate vicinity of the major transport hubs.

The **reception, 2nd, 4th and 5th floors were comprehensively refurbished in 2022** at the cost of **£1.5m** providing a high-quality contemporary entrance experience.

The property provides **modern Grade A** office accommodation behind a striking **Alexander 'Greek' Thomson A-listed façade.**

Heritable Tenure (Scottish Equivalent of English Freehold).

PROPOSAL

Multi-let mixed use asset with income secured to **Sainsbury's, Idox, Cigna and Building Design Partnership Limited**

Offers are sought in excess of **£9,500,000 (Nine Million Five Hundred Thousand Pounds Sterling)** subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 10.07%** and a capital rate of **£167 per sq ft**, allowing for standard purchaser's costs based on LBTT.

Two **fully refurbished** vacant floors (16,775 sq ft) offering potential to sub divide to drive value.



Glasgow, the largest economy in Scotland.



Over £17 billion
of capital invested
since 2011



1.84 million people
in Greater Glasgow



Higher education institutions
include 5 universities and
3 super colleges



Over 80,000
students, the 2nd
largest student
population in the UK



3rd largest financial
centre in UK

GLASGOW



Replace with: Glasgow
named top European City
for FDI strategy 2024



Glasgow named
European City of
the Future 2021



UK's Largest retail centre by
spend outside of London



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

FTSE

40% of FTSE 100
companies have a
presence in Glasgow



Glasgow is Scotland's largest city with a population of nearly 635,000 and 1.84 million people in Greater Glasgow.



The city has an extensive catchment with the Greater Glasgow conurbation totalling around 2.3 million within a one-hour drive of the city, and accounting for more than 40% of Scotland's population. This makes Glasgow and its catchment the fourth largest urban area in the UK.

Glasgow is Scotland's largest centre of employment and an economic powerhouse. There are 2 million working age people across a number of key sectors including financial and business services, creative industries, health, education and retail, all within a 1 hour commute of the city. Glasgow has been named as Europe's number one large city for attracting overseas investment. fDi Intelligence also ranked Glasgow as fifth for connectivity and 10th for Business Friendliness.



Barclays HQ



177 Bothwell Street



THE GROSVENOR BUILDING | GLASGOW

2017

Scottish Power/Iberdrola opened a 220,000 sq ft HQ office facility.

2018

Morgan Stanley opened a 155,000 sq ft state of the art facility.

2022

Barclays took occupation of their Northern European Campus extending to 470,000 sq ft, which forms part of a new quarter of the city (Buchanan Wharf).

2022

Virgin Money took 165,000 sq ft of HQ space at 177 Bothwell Street.

2023

JP Morgan's bespoke 270,000 sq ft HQ on Argyle Street opened.

2024

177,000 sq ft prime office Aurora fills up with SSE, Pinsent Masons and Grant Thornton taking space, at market record rents.

In addition, the city has benefitted from recent major infrastructure projects such as the M74 extension, M8 upgrade, Queen Street Railway Station upgrade and the ongoing Avenues Project, improving accessibility into and throughout the city, making it fit for 21st century living and working.

In recent years, Glasgow has undergone a period of urban regeneration, hosting events such as the 2014 Commonwealth Games. In November 2021, Glasgow hosted the United Nations Climate Change Conference (COP26) within the Scottish Event Campus (SEC). The event showcased Glasgow as one of the world's leading conference hosts and involved 20,000 delegates from around 200 countries including global leaders from around the world.

The city has announced that they are due to host the 2026 Commonwealth Games, which is anticipated to deliver over £100 million of inward investment to the city.



RAIL

The subject property is extremely well connected via rail and is located directly opposite the main entrance to 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 a 5-minute walk from the property and benefited from a £120m improvement programme which completed in 2021.

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

BUS AND SUBWAY

Opened in 1896, Glasgow underground is the third oldest underground system in Europe. Carrying 13 million passengers a year, the Scottish government has also now committed to supporting 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 5-minute's walk from the subject, offering national bus services to destinations throughout the UK. The location is also extremely well served by local bus services with stops located at Central and Buchanan Station located a 10-minute walk from the property.

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 provides access to Stirling and the north of Scotland.

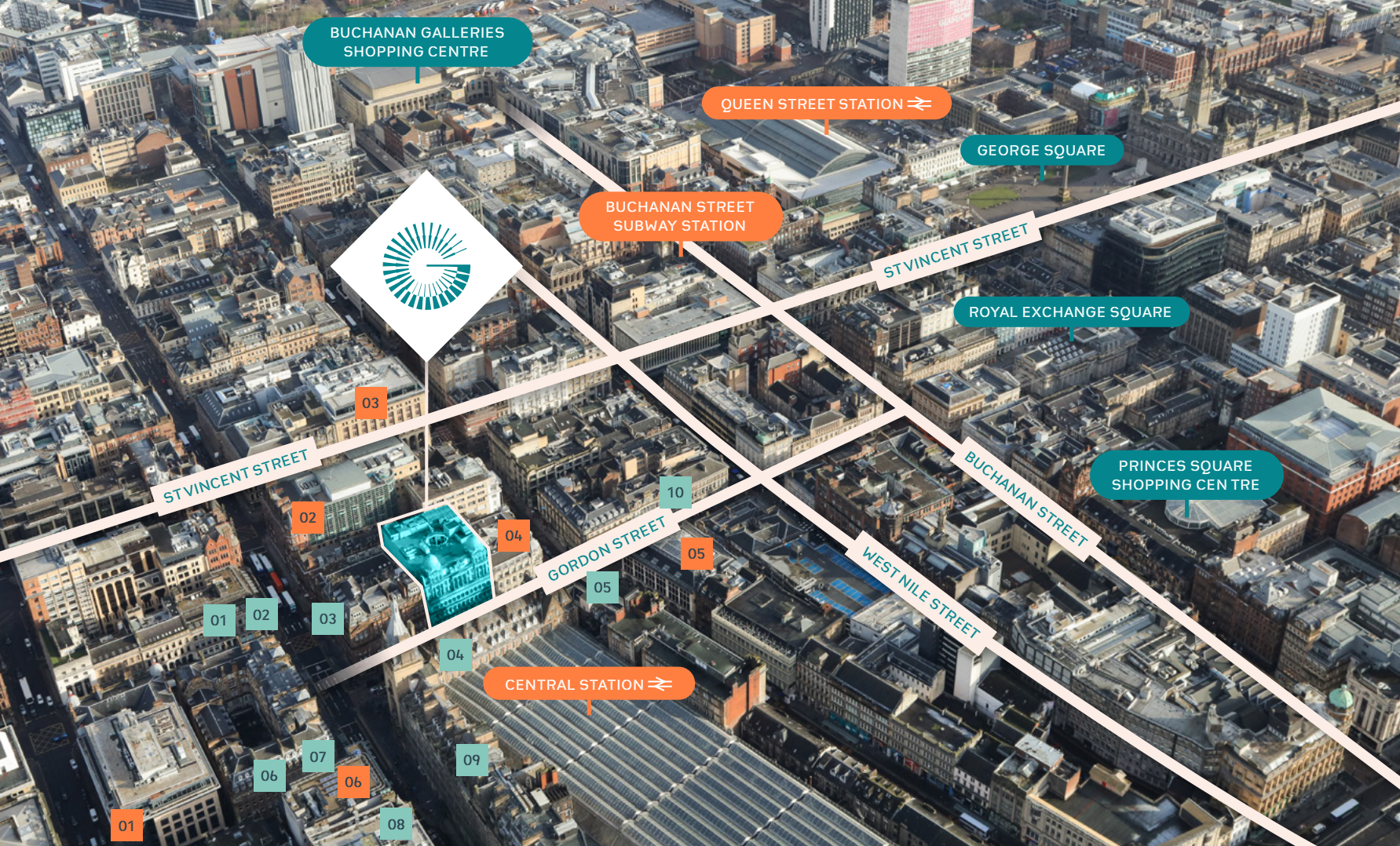
Edinburgh	50 minutes
Aberdeen	2 hrs 45 mins
Newcastle	2 hrs 45 mins
Manchester	3 hrs 30 mins
London	7 hrs 20 mins

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.

Edinburgh	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





SITUATION



THE GROSVENOR BUILDING | GLASGOW

The Grosvenor Building occupies a highly prominent position on the north side of Gordon Street and benefits from best-in-class transport, retail and leisure amenities. The main entrance to Glasgow Central Station is situated directly opposite the property and Queen Street Station is accessible within a 5 minute walk.

Given its location at the heart of the Central Business District, there are a number of Blue-Chip occupiers within close proximity of the property. These include RBS, Lloyds Banking Group, Harper Macleod LLP, Scottish & Southern Energy, Network Rail and Grant Thornton.

Gordon Street is one of Glasgow's busiest thoroughfares and provides direct access to the prime retailing pitch of Buchanan Street and Glasgow's prime leisure core. Nearby leisure occupiers include Café Nero, Pret A Manger, Alston, Gaucho, TGI Fridays, The Ivy, All Bar One, Sugo and Chakkoo; and nearby retail occupiers include Tesco, RBS, Kiehl's, Lush, The White Company, Hobbs, Tudor, Breitling and Apple amongst several others.

LEISURE

- | | | | |
|----|-------------------------|----|--------------------------|
| 01 | Malo | 06 | Smoking Fox |
| 02 | Akiko | 07 | Café Nero |
| 03 | Mezcal | 08 | Pure Gym |
| 04 | Alston Bar & Beef Steak | 09 | Voco Grand Central Hotel |
| 05 | Sexy Coffee | 10 | Blank Street Coffee |

OFFICE

- | | |
|----|--------------------------|
| 01 | Ashurst |
| 02 | Hutchison 3G |
| 03 | Lloyds Banking Group |
| 04 | Miller Samuel Hill Brown |
| 05 | Harper Macleod |
| 06 | SSE |

DESCRIPTION



The property was originally designed by the renowned Scottish architect Alexander 'Greek' Thomson around 1864 and is Category A listed. The property comprises 50,431 sq ft of Grade A office space (excluding reception and retail) arranged over six upper floors together with a large ground floor retail unit extending to 6,498 sq ft.

The property was comprehensively refurbished in 2010 and the reception, 2nd, 4th and 5th floors underwent further refurbishment between 2021 and 2022 at a cost of £1.5m.

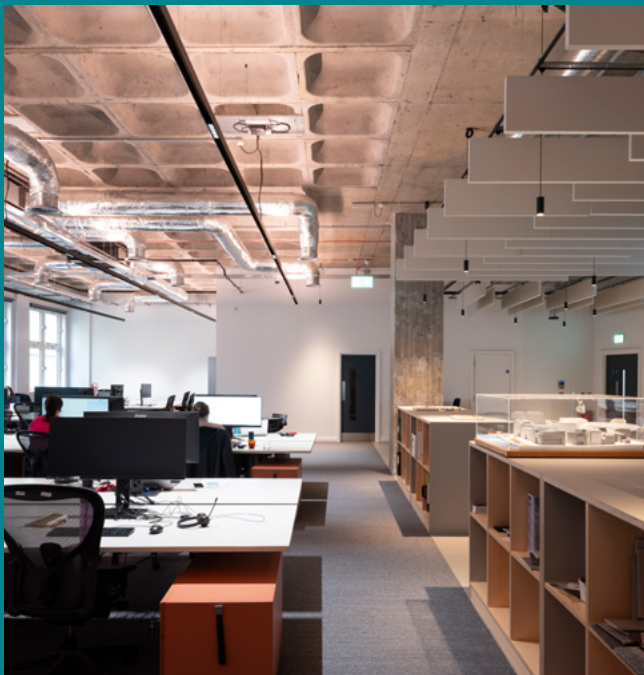
The property benefits from the following specification:

- Contemporary entrance foyer and business lounge/break out areas
- 22 secure car parking spaces
- 2 high speed, 10 person passenger lifts
- Dedicated male, female and accessible toilets
- Bicycle racks and lockers
- 24 hour secure working environment
- Building management system
- Independent service lift
- Manned reception with secured barrier system
- EPC A rating
- New LED lighting, VRF A/C (on recently refurbished floors), and EV charging



Modern Grade A office space behind a striking Alexander 'Greek' Thomson A-listed façade.





Reception and
ground floor
break out area
comprehensively
refurbished
in 2022



ACCOMMODATION

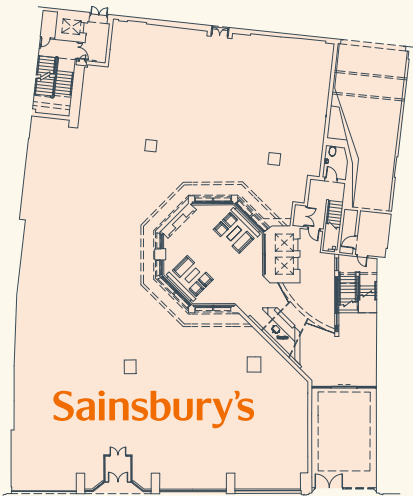


The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition). The measured areas are as follows:

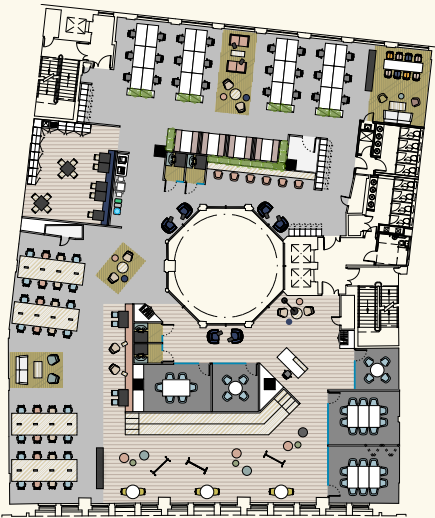
FLOOR	DESCRIPTION	NIA (SQ M)	NIA (SQ FT)
6th Floor	Office	775.14	8,343
5th Floor	Office	785.08	8,451
4th Floor	Office	773.31	8,324
3rd Floor	Office	788.08	8,483
2nd Floor	Office	807.92	8,696
1st Floor	Office	755.70	8,134
Ground	Reception	168.52	1,814
*Ground	Retail	603.68	6,498
TOTAL		5,457.43	56,929

* Retail unit has an ITZA of 3,346 sq ft

GROUND FLOOR PLAN



TYPICAL FLOOR PLAN



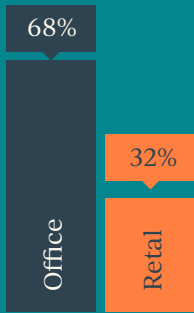
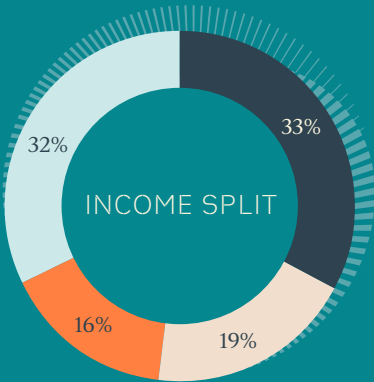
Fully refurbished
flexible, open
plan floor plates



TENANCY INFORMATION

|||||||

- Cigna Life Insurance
- Sainsbury's Supermarkets Ltd
- Building Design Partnership Limited
- Idox Plc



TENURE

Heritable (Scottish Equivalent of Freehold).

SERVICE CHARGE

The service charge budget for the year ending 31/12/2025 is £461,073.33, which equates to £0.36 psf for the ground floor, £740 psf for the second floor, and £10.74 psf for the first, third and sixth floors.

Cigna currently benefit from a service charge cap on the 3rd and 6th floors which results in a landlord shortfall of £29,150.82 for the let floors (£14,889 and £14,262 respectively).

Additional service charge information is held within the data room.

TENANT	UNIT	CAR PARKING SPACES	SIZE (SQ.FT)	RENT (£/PA)	RENT (£/SQ.FT)	LEASE START	LEASE EXPIRY	BREAK	WAULT (TO EXPIRY)	WAULT (TO BREAK)	COMMENTS
Cigna Life Insurance Company of Europe	6	4	8,343	£161,515	£18.16	01/03/2015	31/12/2034	01/01/2028	9.81	2.81	Tenant break options in Jan-28, Jan-30 and Jan-32. The tenant has a service charge cap of £9.00 psf subject to annual CPI-linked uplifts. The floor area for the purposes of service charge is stated within the lease to be 8,190 sq ft. Tenant benefiting from a rent free period until 31 Aug-25. Dilapidations pre-agreed. Rent free and service charge shortfalls to be guaranteed by the vendor.
Vacant	5	0	8,451	-	-	-	-	-	-	-	Refurbished space. The vendor will provide an 18 month rates and service charge guarantee.
Vacant	4	0	8,324	-	-	-	-	-	-	-	Refurbished space. The vendor will provide an 18 month rates and service charge guarantee.
Cigna Life Insurance Company of Europe	3	4	8,483	£168,175	£18.65	01/03/2015	31/12/2034	31/12/2027	9.81	2.81	Tenant break options in Jan-28, Jan-30 and Jan-32. The tenant has a service charge cap of £9.00 psf subject to annual CPI-linked uplifts. The floor area for the purposes of service charge is stated within the lease to be 8,550 sq ft. Tenant benefiting from a rent free period until Aug-25. Rent free and service charge shortfalls to be guaranteed by the vendor.
Building Design Partnership Limited	2	0	8,696	£193,140	£22.21	01/07/2024	30/06/2034	01/07/2029	9.26	4.26	50% rent reduction until 31/12/2026 which will be topped up by the vendor. Rent review is upwards only - open market. Service Charge cap of £9.00 psf subject to annual CPI uplifts. Subject to Schedule of Condition.
Idox plc	1	0	8,134	£162,600	£19.99	27/06/2017	26/06/2027	-	2.29	2.29	Area of 8,130 sq ft stated within lease.
Sainsbury's Supermarkets Ltd	Ground	0	6,498	£314,737	£48.44	15/03/2017	28/02/2032	-	6.96	6.96	ITZA of 3,346 sq ft. 1 March 2027 RPI linked rent review (collared & capped at 1.5-3% p.a).
Car Parking	Basement	8	-	£20,000	-	-	-	-	-	-	Licence agreement.
Vacant Car Parking	Basement	6	-	-	-	-	-	-	-	-	-
Scottish Power	Substation	-	-	£1.00	-	-	-	-	-	-	-
TOTAL		22	56,929	£1,020,167					7.44	4.23	



TENANCY INFORMATION



Sainsbury's

Sainsbury's Supermarkets Limited (Company Number – 03261722)

Sainsbury's are the second largest chain of supermarkets in the UK with a share of the UK Supermarket Sector of 16.9%. Founded in 1869 by John Graham Sainsbury with a shop in Drury Lane, London, the company became the largest grocery retailer in 1922 and was an early adopter of self-service retailing in the UK. The holding company, J Sainsbury plc, is split into three divisions, Sainsbury's Supermarkets Limited, Sainsbury's Convenient Stores Limited and Sainsbury's Bank. The Group's Head Office is in the Sainsbury's Store Support Centre in Holborn Circus, City of London and the Group also has interest in property. It is listed on the London Stock Exchange and is a constituent of the FTSE 100 Index.

Sainsbury's recently closed their nearby Bothwell Street store with the subject unit now being their only store in the CBD. Their Buchanan Galleries store is also due to close as part of the wider redevelopment of the centre by Land Securities.

Sainsbury's Supermarkets Ltd have a Creditsafe Score of A (88).

YEAR TO DATE	TURNOVER (£000'S)	PRE-TAX PROFIT (£000'S)	SHAREHOLDER'S FUNDS (£000'S)
05/03/2024	27,877,000	273,000	4,059,000
06/03/2023	26,693,000	137,000	4,684,000
07/03/2022	25,238,000	244,000	5,418,000

VISIT WEBSITE



Idox PLC (Company Number – 03984070)

Founded in 2000, Idox focus on developing specialist software and information management solutions for government and industry to assist in user productivity. Idox are headquartered from Berkshire, United Kingdom and are located throughout the UK, however have offices in France, Germany, Poland, India and USA. They are listed on the London Stock Exchange and is constituent of FTSE AIM UK 50 Index.

Idox Plc have a Creditsafe score of A (71).

YEAR TO DATE	TURNOVER (£000'S)	PRE-TAX PROFIT (£000'S)	SHAREHOLDER'S FUNDS (£000'S)
31/10/2024	87,599	8,064	78,280
31/10/2023	73,277	7,820	73,277
31/10/2022	66,184	6,602	67,416

VISIT WEBSITE



Building Design Partnership Limited (Company Number - 02207415)

Building Design Partnership Limited was founded in 1961 by Sir George Grenfell Baines, a renowned architect who had a passion for collaboration and design when it comes to buildings.

The firm have 19 studios worldwide, including New York, Shanghai, Toronto, Abu Dhabi and London. The high-profile company received top honours at the AJ Architecture Awards in 2024.

Building Design Partnership Limited have a Creditsafe score of A (96).

YEAR TO DATE	TURNOVER (£000'S)	PRE-TAX PROFIT (£000'S)	SHAREHOLDER'S FUNDS (£000'S)
31/12/2024	148,637	9,773	25,612
31/12/2023	135,820	9,232	24,377
31/12/2022	136,559	12,702	27,331

VISIT WEBSITE



Cigna Life Insurance Company of Europe SA/NV (Company Number - FC015987)

Cigna Life Insurance is part of The Cigna Group. Founded in 1982, The Cigna Group is a for-profit American multi-national healthcare and insurance company based in Connecticut. Its insurance subsidiaries are providers of medical, dental, disability, life and accident insurance.

Cigna employ over 70,000 people worldwide through their Cigna Healthcare & Evernorth Health Services with 190 million customers in over 30 countries.

YEAR TO DATE	TURNOVER (£000'S)	PRE-TAX PROFIT (£000'S)	SHAREHOLDER'S FUNDS (£000'S)
31/12/2022	352,518	37,309	229,106
31/12/2021	346,342	32,553	185,974
31/12/2020	346,166	44/927	171,857

VISIT WEBSITE





GLASGOW OFFICE OCCUPATIONAL MARKET

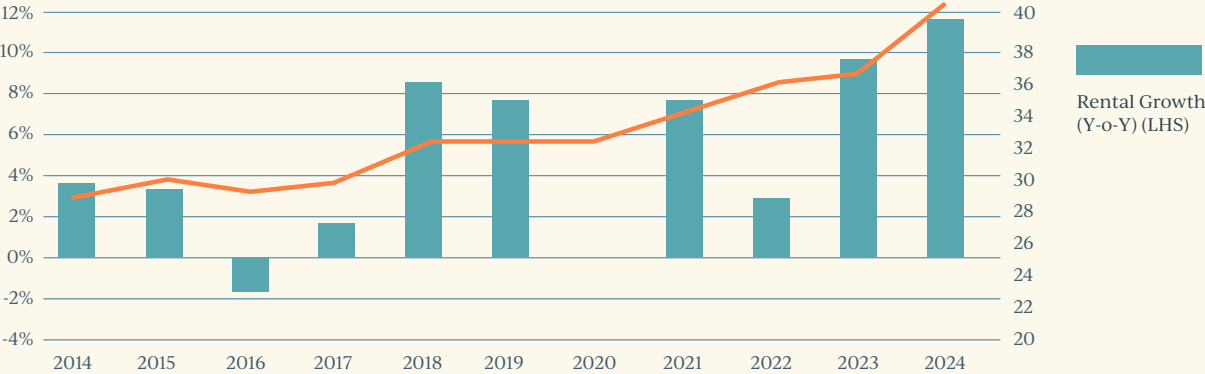


Total take-up for 2024 in Glasgow was back in line with long term averages, as the city’s market has successfully adapted to the impact of the restrictions imposed during the Covid-19 pandemic. 2024 saw a total take up of 426,700 sq ft, which is 7% above the 5-year average. This took place across 131 deals, which represents a 25% increase against 5-year average. Take-up in Q4 2024 was 112,000 sq ft, and with a number of large known requirements in the market, 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 £41.50 per sq ft, which was set by Pinsent Masons’ 32,000 sq ft letting at Aurora, 120 Bothwell Street. Prime rents are expected to increase further during 2025, driven by a severe lack of grade A supply with the vacancy rate sitting at 2.50%. Recent Grade A developments have achieved strong leasing velocity, with 96% of space being occupied at Aurora, Forma Capital's 177,000 sq ft Grade A refurbishment. Orion Capital's refurbishment of Lucent, 50 Bothwell Street is due to complete in 2025 and accounts for the majority of Grade A supply at 104,000 sq ft.

ADDRESS	TENANT	SIZE (SQ FT)	RATE (PSF)	DATE
Aurora, 120 Bothwell Street	Pinsent Masons	31,724	£41.50	Jan-25
Aurora, 120 Bothwell Street	Grant Thornton	8,536	£39.50	Jan-25
6 Atlantic Quay, 55 Robertson Street	Taylor Hopkinson	10,812	£27.50	Jan-25
7 Atlantic Quay, 55 Robertson Street	Sulmara	3,780	£27.00	Dec-24
Aurora, 120 Bothwell Street	SSE	62,000	£38.50	Nov-24
3rd (part) & 5th Floor, 70 Wellington Street	Thompson Solicitors	11,764	£32.00	Aug-24
110 Queen Street	Clyde & Co	18,548	£32.50	Aug-24

Headline Office rent in Glasgow has recently hit £41.50 psf following Pinsent Masons' Aurora Deal





GLASGOW 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, 2024 witnessed strong regional regional office transactional activity with investment volumes of approximately £925m, of which £175m (19%) was in Glasgow, representing a 26% increase compared to 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.

PROPERTY ADDRESS	PRICE	NIY	CAPITAL RATE (£ PSF)	DATE
Sentinel, 103 Waterloo Street, Glasgow	q. £23,800,000	q. 10%	q. £283	OTM
122 Waterloo Street, Glasgow	£50,200,000	8.28%	£348	Oct-24
STV HQ, Pacific Quay, Glasgow	£13,695,000	7.00%	£225	Jun-24
1 West Regent, Glasgow	£45,600,000	8.60%	£317	Apr-24
The Garment Factory, Glasgow	£15,700,000	9.00%	£26	Feb-24



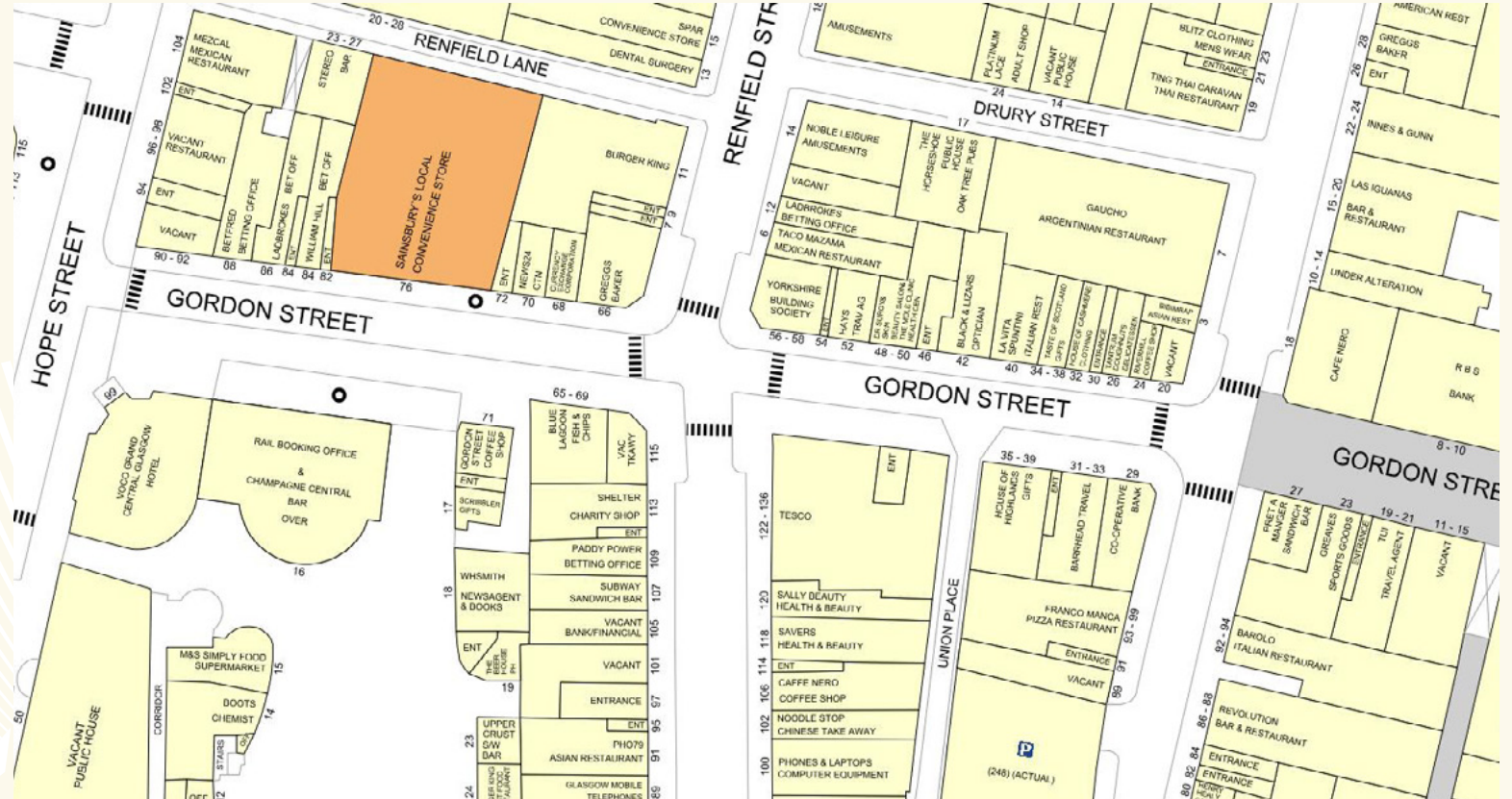
GLASGOW RETAIL MARKET



Glasgow is widely regarded as the best retail destination in the UK outside of London's West End.

Commonly known as the 'Golden Z', Argyle Street, Buchanan Street and Sauchiehall Street represents Scotland's prime retailing location. Buchanan Street has continued to lead the way as a world class retail destination, with the zone A rental tone at £325 per sq ft, with upwards pressure.

Gordon Street provides the main thoroughfare between Glasgow Central Station and Buchanan Street. Given the high levels of footfall, many retailers and leisure operators have located on the street including Gordon Street Cafe, Greggs, La Vita Spuntini, Tesco, and Blank Street Coffee.





ADDITIONAL INFORMATION

EPC

The building has an EPC rating of A (11), dated June 2023.

DATA ROOM

Access to the data room can be provided to interested parties upon request.

CAPITAL ALLOWANCES

The availability of Capital Allowances can be discussed with prospective purchasers. However, it is recommended that all parties seek their own specialist advice in this regard.

VAT

The property is elected for VAT, however, it is anticipated the sale will be affected by way of a Transfer of Going Concern (TOGC).

INVESTMENT RATIONALE

- Prominent position in the heart of the CBD
- 26% increase in the number of office investment transactions in 2024 compared to 2023
- Flexible floor plates with the potential for subdivision to maximise lettable space
- Limited Grade A vacancy driving requirement to high quality Grade B space
- Exceptional access to transport links and city centre amenities
- Opportunity to look at plug and play options on the vacant floors to drive performance - some fitted suites in the city are commanding all-inclusive rents of £60 per sq ft.
- Long lease to outstanding Sainsbury's covenant with guaranteed rental uplifts (RPI 1.50-3.00%)
- Strong WAULT of 7.44 years to expiry.

INVESTMENT PROPOSAL

Offers are sought in excess of **£9,500,000 (Nine Million Five Hundred Thousand Pounds Sterling)** subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 10.07%** and a capital rate of **£167 per sq ft**, allowing for standard purchaser's costs based on LBTT.

FURTHER INFORMATION

For further information or to arrange an inspection please contact:

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