

REVERSIONARY MULTI-LET INDUSTRIAL INVESTMENT OPPORTUNITY



**WEST
CRAIGS**
INDUSTRIAL
ESTATE

EDINBURGH EH12 0BD

INVESTMENT SUMMARY

Rare opportunity to acquire a **reversionary multi-let urban industrial estate** in Edinburgh, with strong connections to Scotland's motorway network.

- Edinburgh is **Scotland's capital city** and the strongest economy of any city in the UK outside London.
- The Edinburgh industrial market provides **critically low levels of supply**, with **robust levels of demand**, resulting in an average **rental growth of 6.1% over the past 12 months**.
- Strategically located **6 miles west of Edinburgh city centre** with easy access to the Edinburgh City Bypass (A720).
- The estate comprises a total of 20 units, across 7 terraces, extending to approximately **67,018 sq ft GIA**.
- Site area of **6.50 acres**, showing a **low site cover of 36%**.
- Fully let at **£662,109 per annum (£9.88 psf)**, with an **estimated rental value of £770,471 per annum (£11.50 psf)** supported by recent open market lettings.
- **68%** of the **headline rental reversion** across the estate is **accessible within the next 3 years**.
- WAULT of **4.8 years to expiry** and 3.3 years to break.
- **Strong and diversified tenant lineup** includes Jewson, Sky, Dulux, Euro Car Parts, Orbis and CitySprint.
- **Significant asset management opportunities**.
- **Heritable Interest** (Scottish Equivalent of English Freehold).



PROPOSAL

We are instructed to seek offers in excess of **£8,870,000** (Eight Million, Eight Hundred and Seventy Thousand Pounds Sterling) subject to contract and exclusive of VAT.

A purchase at this level would reflect a **net initial yield of 7.00%**, a **reversionary yield of 8.14%** (based upon our opinion of ERV) and a **capital rate of £132 per sq ft**, allowing for standard purchaser's costs based on LBTT.




EDINBURGH PARK


EDINBURGH PARK CENTRAL

EDINBURGH PARK

A720 – CITY OF EDINBURGH BYPASS

GYLE SHOPPING CENTRE

A8 – GLASGOW ROAD

GOGAR ROUNDABOUT

TO GLASGOW →

← **TO EDINBURGH**


EDINBURGH GATEWAY

TURNHOUSE ROAD

WEST CRAIGS INDUSTRIAL ESTATE



LOCATION

Edinburgh is the capital of Scotland and one of the fastest growing cities in the UK, with a population of 560,000 and a wider catchment of 1.4 million people. The city has grown by 10.2% over the last decade and maintained the lowest unemployment rate of any major UK city (2.4% - May 2024).

Edinburgh has excellent road connectivity, served by the M8 to the west, linking to Glasgow and Livingston. To the north, the M90/A9 connect to Dundee, Aberdeen and Inverness, and the south is accessed via the A1 and A7 roads.

SITUATION

**EXCELLENT PUBLIC AND
PRIVATE TRANSPORT
LINKS - PROVIDING
ACCESSIBILITY TO A WIDE
LABOUR POOL.**

West Craigs Industrial Estate is situated 6 miles to the west of Edinburgh city centre within close proximity to Edinburgh Airport, offering convenient access to Scotland's Central Belt.

The estate benefits from a prominent position on Turnhouse Road, opposite Edinburgh Gateway (Rail and Tram station), in proximity to the Gogar Roundabout, providing access to Edinburgh City Centre, the City Bypass (A720), and M8 / M9 Motorways.

Surrounding the estate, a residential masterplan is currently unfolding, which is set to provide approximately 1,700 new homes alongside local amenities, parks, a new school, and leisure facilities.



**WEST CRAIGS
INDUSTRIAL ESTATE**


**EDINBURGH
AIRPORT**


**DAVID WILSON
HOMES
328 UNITS**


**CRUDEN
122 HOMES**


**BARRATT
269 UNITS**

CRAIGS ROAD


**CROSSWINDS
3,000 CONSENTED
UNITS**

**MAYBURY
PRIMARY
SCHOOL**


**WHEATLEY
GROUP
300 UNITS**


**MILLER
213 UNITS**


**TAYLOR WIMPEY
250 UNITS**


**EDINBURGH
GATEWAY**

**FORMER INDUSTRIAL
SITE (15 ACRES) -
PLANNING SUBMITTED
C. 1,000 UNITS &
170-BED HOTEL**

**GOGAR
ROUNDBOUT**

SUBJECT PROPERTY



TURNHOUSE ROAD

**GYLE
SHOPPING
CENTRE**

GLASGOW ROAD



TENURE

The property is held by way of Heritable Interest.

SITE

The property extends to a total site area of 6.50 acres (2.62 hectares).

Excluding the undeveloped land to the north of the site (2.2 acres), the site coverage is 36% based on a reduced site area of 4.30 acres.

DESCRIPTION

The estate comprises a multi-let trade counter / light industrial estate, accessible by vehicle from Turnhouse Road, off the A8.

Units 1A-C are located to the front of the estate and comprise three well-configured industrial units, benefitting from prominent road frontage. Unit 1F is a separately accessed first floor office.

Units 3A & 3B are located to the front of the estate with good road prominence. Unit 4 is a small workshop located behind.

Units 5A-C provide more dated accommodation but are well-configured with good eaves height (5.7 metres rising to 8 metres) and a secure yard to the front of each unit.

Units 7-8 are the largest units on the estate, extending to 19,169 sq ft and are occupied by Jewson.



The cladding and roof on this building was overlaid in 2019. The minimum eaves height is 5.5 metres rising to 9 metres. The units benefit from a large secure yard to the front.

Blocks 10, 11 and 12 are good quality, modern units and they comprise a total of 25,544 sq ft. These were built in 2001 with a minimum eaves height of 4.75 metres rising to approximately 7 metres.

Unit 13 is a standalone unit to the front of the estate with excellent road prominence.

As a minimum, all units benefit from a modern specification to include the following:

- 3-Phase electrical supply
- Gas supply
- Vehicular access
- Natural daylight via translucent panels
- WC facilities
- Ample yard and car parking Facilities





TENANCY

The property is fully let to 18 tenants on FRI lease terms, with 10 of the units subject to a schedule of condition.

TENANT	UNIT	SIZE (SQ FT)	LEASE START	LEASE EXPIRY	RENT REVIEW	BREAK OPTION	RENT (PA)	RENT (PSF)	ERV (PA)	ERV (PSF)	COMMENTS
Alba Beverage Company Ltd	1A	2,415	04/09/2024	03/09/2029		04/09/2027	£25,000	£10.35	£25,358	£10.50	GF - 1,905 sq ft. 1st Fl - 510 sq ft. Current rent £22,917 pa - stepped rent to £25,000 pa from Sept 26. Vendor to top up. £2k rent penalty if break exercised.
FI Training Services (UK) Ltd	1A T/F	1,062	10/05/2021	09/05/2026			£7,000	£6.59	£9,558	£9.00	GF - 58 sq ft. 1st Fl - 1,004 sq ft.
EC Specialist Contractors Limited	1B	1,548	28/05/2024	27/05/2029			£20,000	£12.92	£20,124	£13.00	GF - 997 sq ft. 1st Fl - 551 sq ft.
Citysprint (UK) Ltd	1C	4,069	06/10/2017	05/10/2029		05/10/2026	£33,500	£8.23	£45,776	£11.25	GF - 3,042 sq ft. 1st Fl - 1,027 sq ft.
Capital Cornice (Scot) Ltd	3 & 3A	1,953	09/09/2025	08/09/2028		08/09/2027 (Mutual)	£23,000	£11.78	£22,950	£11.75	6 months at half rent (£11,500 pa). Vendor to top up.
West Craigs Garage Limited	4 & 5A	2,429	15/10/2025	14/10/2031	14/10/2028	14/10/2027 (LL only)	£25,300	£10.42	£25,300	£10.42	3 month rent deposit.
Eagle Couriers (Scotland) Ltd	5B	2,588	15/04/2022	14/04/2027			£20,000	£7.73	£28,468	£11.00	Mezzanine of 270 sq ft excluded.
ALE Engineering Repairs Ltd	5C	2,582	02/10/2025	01/10/2028			£28,400	£11.00	£28,402	£11.00	3 months rent deposit.
Stark Building Materials UK Ltd t/a Jewson	7	8,943	01/01/2008	31/12/2029			£87,500	£9.78	£98,373	£11.00	Agreed floor area at review of 8,979 sq ft. Service charge shortfall of £4,689.58 ex VAT. Vendor to top up.
Stark Building Materials UK Ltd t/a Jewson	8	10,226	01/02/2021	31/12/2029			£105,590	£10.33	£112,486	£11.00	Agreed floor area at review of 10,559 sq ft.
LSK Supplies Limited	10A	2,344	16/09/2025	15/09/2030			£29,000	£12.37	£29,300	£12.50	6 months at half rent (£14,500 pa). Vendor to top up.
Scot Tile Contracts Ltd	10B	2,344	01/11/2013	31/10/2028			£21,850	£9.32	£29,300	£12.50	Mezzanine of 451 sq ft excluded.
Plate Hire & Clean Ltd	10C	4,851	07/11/2022	06/11/2032	07/11/2027	07/11/2027	£40,000	£8.25	£58,212	£12.00	
Barnomadics Ltd	11A	2,341	14/02/2024	13/02/2034	14/02/2029	13/02/2029	£25,500	£10.89	£29,263	£12.50	
Thomas John Dumayne t/a ECOS	11B	2,369	24/02/2014	23/02/2027			£21,000	£8.86	£29,613	£12.50	
Orbis Protect Limited	11C	2,399	11/07/2019	10/07/2026			£31,050	£12.94	£29,988	£12.50	
J P McDougall and Company Limited t/a Dulux	12A	3,597	25/09/2015	24/09/2035	25/09/2030	24/09/2030	£43,164	£12.00	£43,164	£12.00	
Sky Telecommunications Services Ltd	12B	5,317	27/06/2001	26/06/2036	26/06/2026	26/06/2031	£42,000	£7.90	£61,146	£11.50	
LKQ Group (UK) Ltd t/a Euro Car Parts	13	3,641	14/05/2013	13/05/2028			£33,255	£9.13	£43,692	£12.00	Mezzanine of 3,641 sq ft excluded.
TOTAL		67,018					£662,109	£9.88	£770,471	£11.50	

KEY TENANT COVENANTS

West Craigs Industrial Estate is 100% let to a diverse range of both national and local occupiers, many of whom have been in occupation for 10+ years. A selection of key tenant covenants are outlined below.



STARK BUILDING MATERIALS UK LIMITED (01647362)
CREDITSAFE RATING: 65 B
29% OF INCOME

	31/07/2024	31/07/2023	31/12/2022
Turnover	£2,068,562,000	£1,321,253,000	£2,376,383,000
Profit (loss) before Tax	£123,257,000	£153,396,000	£63,822,000
Tangible Net Worth	£153,777,000	£319,306,000	£187,177,000
Net Current Assets	£158,052,000	£29,881,000	£179,189,000



J.P.MCDOUGALL & CO.LIMITED (00254941)
CREDITSAFE RATING: 83 A
7% OF INCOME

	31/12/2023	31/12/2022	31/12/2021
Turnover	£230,483,000	£219,634,000	£202,939,000
Profit (loss) before Tax	£13,116,000	£11,173,000	£27,136,000
Tangible Net Worth	£30,410,000	£45,776,000	£27,809,000
Net Current Assets	£29,224,000	£18,977,000	£11,228,000



SKY TELECOMMUNICATIONS SERVICES LIMITED (02883980)
CREDITSAFE RATING: 97 A
6% OF INCOME

	31/12/2023	31/12/2022	31/12/2021
Turnover	£1,558,000,000	£1,517,000,000	£1,461,000,000
Profit (loss) before Tax	£159,000,000	£162,000,000	£202,000,000
Tangible Net Worth	£877,000,000	£1,184,000,000	£1,834,000,000
Net Current Assets	£1,025,000,000	£1,308,000,000	£1,929,000,000



ORBIS PROTECT LIMITED (02476859)
CREDITSAFE RATING: 95 A
5% OF INCOME

	31/03/2024	31/03/2023	31/03/2022
Turnover	£92,328,000	£62,505,000	£53,185,000
Profit (loss) before Tax	£2,899,000	£1,914,000	£6,635,000
Tangible Net Worth	£28,718,000	£42,192,000	£23,774,000
Net Current Assets	£46,598,000	£44,496,000	£25,127,000



CITYSPRINT (UK) LIMITED (04327611)
CREDITSAFE RATING: 92 A
5% OF INCOME

	31/12/2023	31/12/2022	31/12/2021
Turnover	£142,516,104	£164,944,088	£162,367,739
Profit (loss) before Tax	£23,768,564	£14,373,746	£8,165,665
Tangible Net Worth	£28,782,170	£26,600,219	£17,926,021
Net Current Assets	£43,282,942	£36,902,299	£25,003,993



LKQ GROUP (UK) LIMITED (02680212)
CREDITSAFE RATING: 100 A
5% OF INCOME

	31/12/2024	31/12/2023	31/12/2022
Turnover	£1,294,958,000	£1,327,944,000	£1,192,981,000
Profit (loss) before Tax	£98,486,000	£101,153,000	£106,785,000
Tangible Net Worth	£427,641,000	£366,257,000	£292,386,000
Net Current Assets	£459,463,000	£390,508,000	£313,853,000

MARKET COMMENTARY

The industrial occupational market in Edinburgh has continued to perform strongly, characterised by a chronic shortage of supply and robust rental growth. Vacancy rates have dropped to 3.7%, below the Scottish average of 4.2% and one of the lowest in the UK. High levels of demand have driven new build rents to £16.00 per sq ft, with rental growth of 6.1% achieved over the past 12 months.

Edinburgh has experienced significant industrial land loss over the past decade, with prime industrial sites increasingly converted to residential, retail, and mixed-use developments to meet housing demand

and capitalise on higher land values. This trend is particularly acute in West Edinburgh, where proximity to the airport, city centre, and major transport links has made industrial estates attractive targets for alternative development, creating an increasingly constrained supply of quality industrial space and driving up rents for remaining estates.

The Scottish industrial investment market remains resilient, with strong occupational fundamentals driving investor appetite. Scottish industrial volumes reached £172.8m in 2024 and sentiment is continuing to improve following recent and further expected interest rate cuts.

- 1 Capital Park, Sighthill Industrial Estate £16 psf
- 2 Sevenhills Business Park £12 psf
- 3 South Gyle Trade Park £11.50 psf
- 4 West Edinburgh Business Park £12 psf
- 5 Stenhouse Mill Wynd £13 psf
- 6 West Craigs Industrial Estate £9.85 psf (avg)



3.7% vacancy rate



Robust occupier demand



6.1% rental growth YoY

ADDRESS	DATE	PRICE	YIELD	SIZE (SQ FT)	CAP VAL (PSF)	WAULT TO EXPIRY	PURCHASER
Queen Anne Park, Newbridge	Aug-25	£6,200,000	6.08%	51,835	£119.61	5.65 years	Columbia Threadneedle Investments
23 – 27 Dunedin Street, Edinburgh	Mar-25	£2,550,000	5.40%	11,728	£217.43	4.34 years	Crown Estate Scotland
Gartcosh Industrial Estate, Gartcosh	Apr-24	£6,875,000	6.79%	58,998	£116.53	6.36 years	Wesleyan
Fullarton Drive, Cambuslang	Apr-24	£14,725,000	6.11%	126,963	£115.98	4.15 years	Clydebuilt II (Strathclyde Pension Fund)
South Gyle Trade Park, Edinburgh (LLH)	Dec-23	£13,970,000	6.87%	139,650	£100.04	7.00 years	Rosscro Properties
20 Harvest Road & 14 Queen Anne Drive, Newbridge	Feb-23	£2,051,000	5.56%	14,825	£138.35	1.20 years	Jarvie Plant Group Ltd

ASSET MANAGEMENT INITIATIVES



Use lease expiries and lack of security of tenure in Scotland, to increase rental tone across the estate and improve income profile. Opportunity to capture 68% of rental reversion within the next 3 years.



Seek lease extensions with Jewson (lease expiry December 2029) – a long term tenant that has grown within the estate.



Landlord break options on Units 3, 4 and 5A-C provide the opportunity to refurbish these units and increase the rental tone and secure longer term leases to high quality tenant covenants.



Interest from national supermarket operator expressed in a new-build 3,650 sq ft store in the existing location of Units 3, 4 & 5A. Further information available from selling agents on request.





INVESTMENT CONSIDERATIONS



Rarely available, urban multi-let industrial estate in one of the UK's leading regional cities.



High occupational demand and critical supply shortage provide strong fundamentals for continued rental growth.



Fully let to a diverse mix of established tenants with a WAULT of 4.8 years to expiry.



Significant asset management opportunities to increase rental tone across the estate, via a combination of lease renewals/ extensions, new lettings and phased refurbishments.

ADDITIONAL INFORMATION

DATA ROOM

Access to the data room is available on request.

EPC

Updated EPCs Reports have been procured for all units and are available in the data room.

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).

ANTI MONEY LAUNDERING REGULATIONS

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 **£8,870,000** (Eight Million, Eight Hundred and Seventy Thousand Pounds Sterling) subject to contract and exclusive of VAT.

A purchase at this level would reflect a **net initial yield of 7.00%, a reversionary yield of 8.14%** (based upon our opinion of ERV) and a **capital rate of £132 per sq ft**, allowing for standard purchaser's costs based on LBTT.



CONTACT

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



Calum Cowe
07432 741 411
calum.cowe@jll.com

Tim Leyshon
07752 467 419
timothy.leyshon@jll.com



Daniel Richards
07768 122 961
dr@philipslockhartstarr.co.uk

Mark Bruce-Lockhart
07770 637 163
mb-l@philipslockhartstarr.co.uk

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**WEST
CRAIGS**
INDUSTRIAL ESTATE

**TURNHOUSE ROAD
EDINBURGH EH12 0BD**