

Business Park Office Investment Let to John Lewis Plc

Recently Regearred Lease

Fintry House

6 Stanley Boulevard
Hamilton International Technology Park
Blantyre | Glasgow | G72 0BN



Investment Summary

Modern business park office investment

Located in Hamilton International Technology Park, 13 miles south-east of Glasgow

Heritable interest (freehold)

Extending to a NIA of 39,637 sq ft

Excellent parking provision of 281 spaces resulting in a parking ratio of 1:141 sq ft, one of the lowest on the park

Single let to John Lewis Plc until 27 May 2030 (tenant break option 28 May 2025) providing 9.85 years to lease expiry and 4.85 years term certain

Recent re-basing of rent and lease extension proving tenant commitment to the building and location for over 700 employees

Attractive passing rent of £566,704 p.a. exclusive (reflecting £14.29 psf)

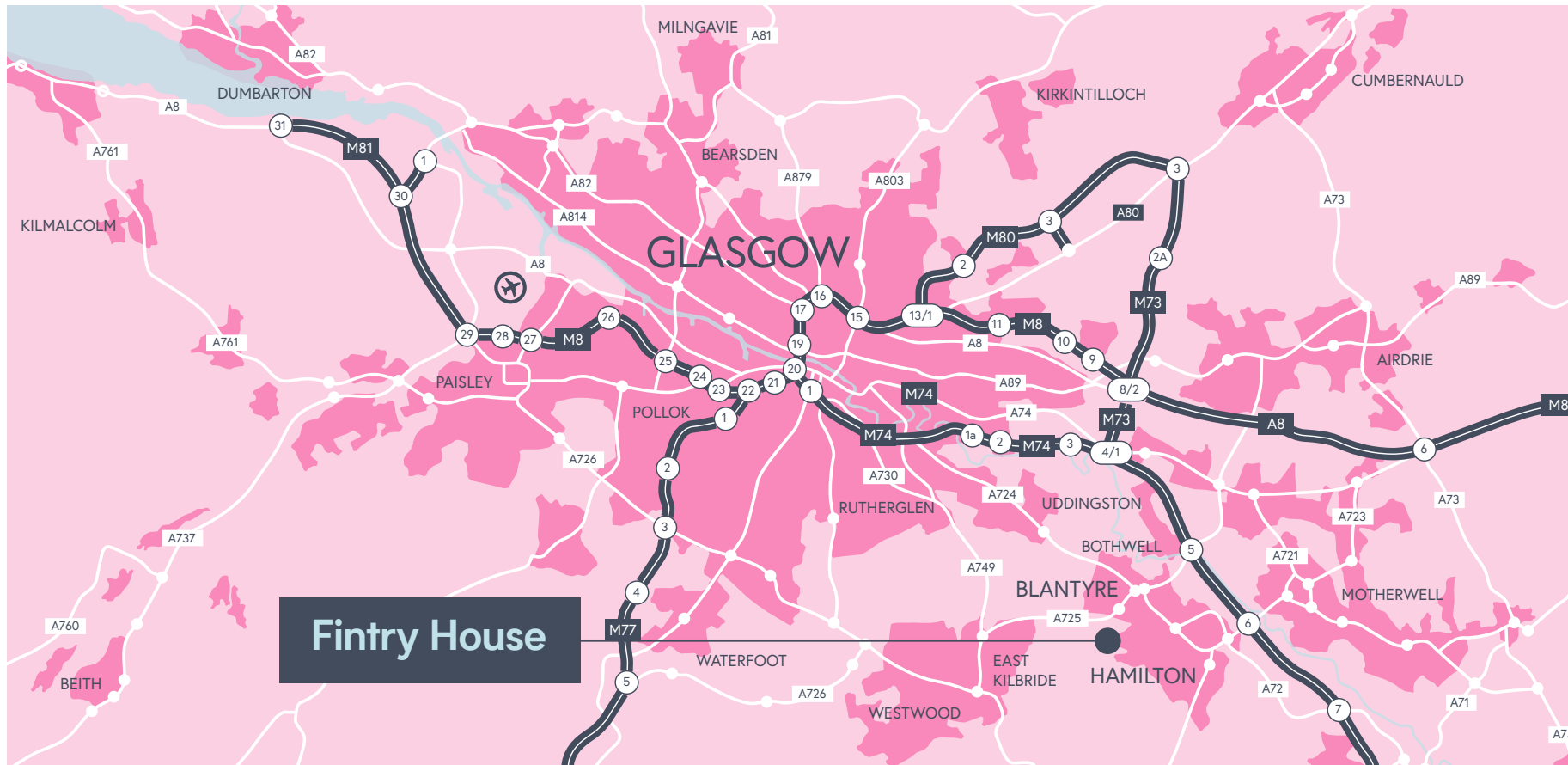
Offers in excess of £5,000,000 exclusive

Attractive Net Initial Yield of 10.74% and a low capital value rate of £126 per sq ft



Location

Hamilton International Technology Park is the most successful out of town mixed use Business Park in the central belt of Scotland. The park immediately neighbours Hamilton and East Kilbride with Glasgow CBD 13 miles to the north west. The Park is easily accessible, located immediately off the A725 East Kilbride expressway and in-turn linked to both the M74 and M77. The nearby Raith Interchange has recently been improved and provides access to the M8 and routes east to Edinburgh.



Hamilton International Technology Park

Hamilton International Technology Park comprises a former enterprise Zone of approximately 77 acres. Uses includes office, industrial, amenity retail, nursery and education. The park is home to approximately 5,000 employees and benefits from the surrounding labour pool and accessibility to both the central belt and Greater Glasgow. The most recent large scale addition to the park was The West of Scotland University who have a £110m campus along with future expansion plans for sports and student accommodation.



COVID-19

Due to CV-19 and at the tenant's request, inspection and photography took place out of normal business hours when partners were not present.

There is a pool of approximately 700 local partners who work at the building, this being a key customer contact centre critical to the online and wider retail customer support of the business.



Description

The property comprises an efficient modern format office arranged over basement, ground and 3 upper floors and was built in 2008. The building is of steel frame construction with brick and clad wall and profile clad mono-pitch roof. There is a feature glazed atrium entrance and reception leading to facilities including canteen, break out, shower changing and locker rooms together with training suites. Upper floors can be accessed by one of two stair and lift cores located at opposite ends of the building. The upper floors all have a similar configuration with full open plan floorplates. The office specification includes raised access flooring for data and power, 2.8m floor to ceiling height, suspended ceiling

incorporating lighting air handling and comfort cooling. There are WC facilities on each floor with generous glazing throughout.

Externally the property benefits from landscaping, some outdoor seating and 3 parking areas providing 281 spaces. One to the front, a second at ground floor level with secure barrier access and the third is a lower ground floor car park accessed via secure barriers at the rear of the building. There is direct access into the basement level of the building from the rear lower ground car park.

The property is one of two John Lewis Customer Contact Centres in the UK, the other is in Didsbury, Manchester.

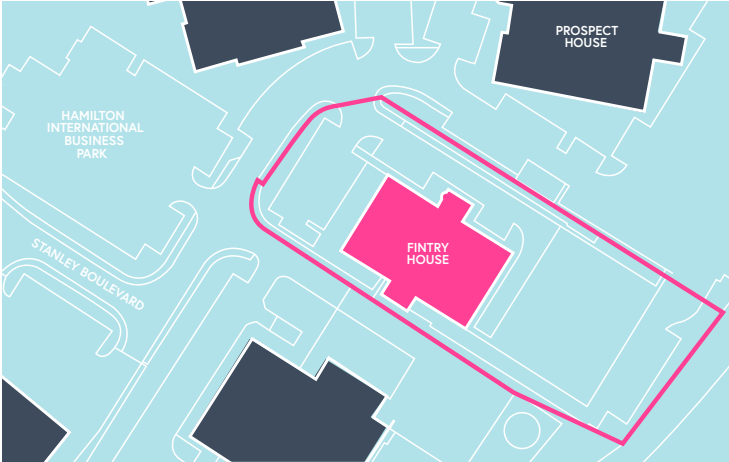


Accommodation

The property extends to a net internal area of approximately 39,637 sq ft (3,682.28 sq m) along with 281 car parking spaces. This provides one of the best ratios on the park of 1:141 sq ft.

Net Internal Area	sq ft	sq m
Basement	628	58.3
Ground	9,810	911.4
First	9,593	891.2
Second	9,803	910.7
Third	9,803	910.7
TOTAL	39,637	3,682.3

Site Plan



INDICATIVE ONLY

Tenure

Heritable interest (freehold).



Tenancy

Tenant: John Lewis Plc (00233462)
Lease Start: 18 November 2009
Tenant Break Option: 28 May 2025 (approximately 4.85 years term certain)
Rent Review: 28 May 2025 (upwards only to market rent)
Lease Expiry: 27 May 2030 (approximately 9.85 years unexpired)
Passing Rent: £566,704 reflecting an attractive market rent of £14.29 psf.

Fintry House and John Lewis

In 2009 John Lewis leased the building on institutional terms (15 years) with a tenant option to extend. In 2018 the passing rent was approximately £725,000 p.a. with two years until lease expiry. Rather than utilise the tenant extension clause, the rent was reduced to a prevailing market rent and an additional 10 years and 3 months was added to the lease with a break option in year 5. John Lewis Plc currently benefit from an incentive package (reduced rent) until 27 February 2022. The vendor will top up this incentive by way of a price deduction on settlement.





John Lewis Plc (00233462)

John Lewis Plc was founded in 1864 and is the UK's largest employee owned business. The company is a renowned retailer operating across the UK via it's two core brands, the on-line retail and department store, John Lewis & Partners and foodstore, Waitrose & Partners. John Lewis is well known for quality service and customer satisfaction.

	2020	2019	2018
Revenue	£10,200,000,000	£10,300,000,000	£10,200,000,000
Profit Before Tax	£146,400,000	£117,400,000	£107,500,000
Borrowings	£762,600,000	£1,047,200,000	£936,800,000
Net Assets	£2,558,800,000	£2,614,500,000	£2,297,500,000

For additional information please visit johnlewispartnership.co.uk.



Service Charge

There is no service charge within the building. The building forms part of a premier business park and a service charge is due in order to maintain common areas. For 2020 the budget apportionment for Fintry House was £11,819 p.a. This cost is passed to the tenant.

Proposal

We are instructed to seek **offers in excess of £5,000,000** (Five Million Pounds) exclusive for the heritable interest in the building. After taking account of acquisition fees and LBTT a purchase at this level would provide an attractive **Net Initial Yield of 10.74%** and a low capital value rate of **£126 per sq ft**.

VAT

We have been advised the property is elected for VAT but as an income producing asset any sale can take place as a TOGC.

LBTT

The purchaser will be responsible for any LBTT due.

Anti-Money Laundering

Under both HMRC and RICS guidance as property agents we are obliged to undertake AML diligence for both the purchasers and vendors (our client) involved in a transaction. As such, personal and or detailed financial and corporate information might be required before any transaction can conclude.

Additional Information & Viewings

A soft legal pack including lease and title will be provided to seriously interested parties. Viewing is by prior appointment only. For further information please contact one of the joint sales agents:

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