

**FOR SALE**

# MULTI-LET OFFICE INVESTMENT

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**SIX STAND-ALONE OFFICE PAVILIONS**  
STRATHCLYDE BUSINESS PARK, BELLSHILL

**Knight  
Frank** 







## EXECUTIVE SUMMARY

- Opportunity to purchase six stand-alone office pavilions in Scotland's most successful business park
- Asset extends to 47,985 sqft with pavilions ranging from c.6,500 sqft to c.9,500 sqft. Each pavilion benefits from dedicated parking
- Multi-let to a range of occupiers and providing a WAULT of **2.64 years** to breaks and **4.82 years** to expiries
- The asset is occupied by Securitas Security Services, Diesel 24, Ping Network Solutions, Lafarge Tarmac Trading, CDK Global, Papillion Nursery and Castle Computer Services
- Approximately 21% vacant providing significant value-add opportunities through the letting of vacant suites
- 57% of income secured to 3A1 or better rated covenants
- Total passing rent of £293,717 per annum providing a net rent of £209,355 per annum
- Heritable Interest (Scottish equivalent of Freehold)
- Offers sought in excess of **£2.875m (Two Million Eight Hundred and Seventy Five Thousand Pounds)** reflecting a Net Initial Yield of 9.64%
- A purchase at this level reflects an extremely attractive capital value of **£60.00 psf**

# LOCATION

Strathclyde Business Park is approximately 12 miles east of Glasgow and 39 miles west of Edinburgh. The Park is located on the outskirts of Bellshill, a town of approximately 20,000 within North Lanarkshire. Bellshill forms part of Greater Glasgow, the most populated area of Scotland with a population in excess of 1.2 million.

Strathclyde Business Park is strategically located on the Bellshill Bypass (A725) providing direct access to both the M74 and M8 motorways. The M74 leads directly to both Glasgow and the south whilst the M8 leads to the north and Edinburgh (as well as Glasgow). The Bellshill Bypass has recently been subject to a significant upgrade as part of the £500 million M8 M73 M74 Motorway Improvements Project which aims to improve travel times on the A725 by approximately 15-20 minutes.



## STRATHCLYDE BUSINESS PARK

Since its inception in the early 1990s, Strathclyde Business Park has evolved into Scotland's most established and successful out of town business park location extending to over 1.4 million sqft. A variety of occupiers can be accommodated within the park with a range of flexible suites available from 150 sqft to 74,000 sqft. The Park offers 155 acres of mature parkland and is home to 6,300 staff and over 240 companies including Scottish Power, Virgin Media, Wood Group, NG Bailey, PPD Inc, FMC and William Grants & Sons.

The park also boasts a number of amenities such as a Hilton Hotel including a health centre, retail parade, nursery and bar & grill restaurant.







M74/GLASGOW/CARLISLE

A725

M8/EDINBURGH

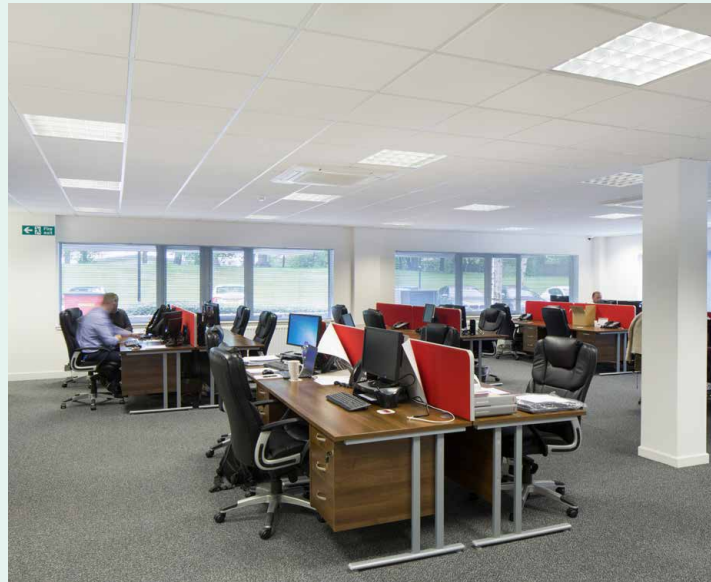
M8



## DESCRIPTION

The asset extends to six office pavilions ranging from 6,500 sqft up to 9,500 sqft. Each pavilion offers a similar specification:

- Raised access floors
- Suspended ceilings with recessed modern lighting
- 2.50m floor to ceiling
- VRV comfort cooling
- Male, female and disabled toilet facilities
- On-site car parking



## ACCOMMODATION

Each property has been measured in accordance with the RICS Code of Measuring Practice 6th Edition (2007) and provides the following Net Internal Areas (NIA):

Property		Sq m	Sq ft
Bothwell House	Ground	428.3	4,610
	First	237.0	2,551
	First	192.4	2,071
<b>Total</b>		<b>857.7</b>	<b>9,232</b>
Cambusnethan	Ground & 1st	868.7	9,351
	<b>Total</b>	<b>868.7</b>	<b>9,351</b>
Dalserf	Ground	320.4	3,449
	1st	314.3	3,383
	<b>Total</b>	<b>634.7</b>	<b>6,832</b>
Hamilton House	Ground	441.8	4,755
	1st	445.4	4,794
	<b>Total</b>	<b>887.1</b>	<b>9,549</b>
Lochard House	Ground & 1st	604.8	6,510
	<b>Total</b>	<b>604.8</b>	<b>6,510</b>
Stewart House	Ground & 1st	604.9	6,511
	<b>Total</b>	<b>604.9</b>	<b>6,511</b>
<b>TOTAL</b>		<b>4,458.0</b>	<b>47,985</b>

## TENANCY SCHEDULE

The property is let in accordance with the following tenancy schedule:

BUILDING	SUITE	SIZE SQ FT	OCCUPIER	RENT PA	£/psf	DATE OF ENTRY	LEASE EXPIRY	BREAK OPTION	COMMENTS
Bothwell House	Grd	4,610	Securitas Security Services (UK) Ltd	£38,724	£8.40	16/11/2015	15/11/2020	-	
	1st (Part)	2,551	Diesel 24 Ltd	£20,312	£7.96	12/09/2013	11/09/2018	-	Lease includes a service charge cap of £7,140 pa
	1st (Part)	2,071	Ping Network Solutions Ltd	£14,476	£6.99	05/01/2015	04/01/2020	-	
Cambusnethan House	Grd & 1st	9,351	Lafarge Tarmac Trading Ltd	£102,221	£10.93	04/06/1999	04/06/2024	31/07/2020	
Dalsersf House	Grd	3,449	CDK Global (UK) Limited Ltd	£26,568	£7.70	07/10/2011	06/10/2019	-	Lease includes a service charge cap of £9,485 pa
	1st	3,383	-	-	-	-	-	-	
Hamilton House	Grd	4,755	Papillion Private Nursery Ltd	£41,369	£8.70	07/11/2014	11/01/2022	-	
	1st	4,794	Dress for Success Scotland	£1,215	-	20/11/2017	19/11/2018	-	Short term licence to local charity. Landlord can terminate licence on 4 weeks' notice
Lochard House	Grd & 1st	6,510	-	-	-	-	-	-	
Stewart House	Grd & 1st	6,511	Castle Computer Services (Glasgow) Ltd	£48,832	£7.50	07/10/2014	06/10/2024	07/10/2019	October 2017 tenant break option was not exercised
TOTAL		47,985		£293,717					



## TENANCY INFORMATION

### Securitas Security Services (UK) Ltd

Securitas are one of Britain's largest security services with in excess of 11,000 employees. Worldwide, Securitas employs over 330,000 across 53 countries in North America, Europe, Latin America, Africa, the Middle East and Asia. UK clients include M&S, TATA, FIFA, Virgin Money and Siemens. Securitas Security Services (UK) Ltd have a D&B rating of 3A1.

### Diesel 24 Ltd

Diesel 24 supply fuel card solutions to businesses throughout the UK. They are an independent distributor of Shell, ESSO, Texaco, UK Fuels and Key Fuels cards.

### Ping Network Solutions Ltd

Ping Network Solutions is an award winning systems integrator with partnerships with Cisco, SimpliVity, Tiger, Vodafone and EMC. A Scottish based business, Ping have offices in Glasgow, Bellshill and Aberdeen.



### Lafarge Tarmac Trading Ltd

Originally founded in 1824, Lafarge Tarmac is one of the UK's leading building materials providers and construction solutions business. In 2015 the firm were acquired by CRH, an international group of diversified building materials businesses which specialise in the manufacture and supply of building materials. Lafarge Tarmac Trading Ltd, now trading as Tarmac Trading Ltd, have a D&B rating of 5A1.

### CDK Global (UK) Ltd

CDK Global is an automotive software solutions provider. CDK Global serves 26,000 car, truck, motorcycle, marine and heavy equipment dealerships in 100+ countries on six continents. Within the UK they have offices in Hungerford, Bristol, Telford and Bellshill. CDK Global (UK) Ltd have a D&B rating of 3A1.

### Papillion Nursery Ltd

Papillion Nursery is a local nursery offering childcare services to employees within Strathclyde Business Park. They have an additional nursery located within Maxim Business Park.

### Castle Computer Services Ltd

Founded in 1982, Castle Computer Services provides accounting and financial management software, business intelligence solutions, managed IT & cloud services throughout the UK, across a wide range of industries.

## ASSET MANAGEMENT / INVESTMENT CONSIDERATIONS

The property provides numerous asset management opportunities which would allow prospective purchasers a significant opportunity to increase the value of the property. This includes:

- Refurbish Lochard House in order to increase re-letability.
- Re-gear with the present occupiers extending leases and removing tenant break options increasing the WAULT.
- Sell the pavilions individually to owner occupiers or investors in order to maximise returns.

## TENURE

Heritable Title (equivalent of English freehold).

## SERVICE CHARGE

The service charge budget for the year ending December 2017 is £187,360 pa reflecting £3.90 per sq ft. A copy of the budget can be supplied to interested parties.

## EPC RATING

The asset has the following EPC ratings:

Property	Rating
Bothwell	D
Cambusnethan	E+
Dalserf	E
Hamilton	E
Lochard	E
Stewart	E



## ASSET OVERVIEW

The six stand-alone pavilions are located in Avondale Campus within the centre of the Park. An overview of each can be seen below:



### 1. HAMILTON HOUSE

Size: 9,549 sqft  
Income: £42,584 pa  
Tenants: Papillion Nursery



### 2. BOTHWELL HOUSE

Size: 9,232 sqft  
Income: £73,512 pa  
Tenants: Securitas, Diesel 24 & Ping Network Solutions



### 3. DALSERF HOUSE

Size: 6,832 sqft  
Income: £26,568 pa  
Tenant: CDK Global (UK) Ltd



### 4. STEWART HOUSE

Size: 6,511 sqft  
Income: £48,832 pa  
Tenants: Castle Computer Services



### 5. LOCHARD HOUSE

Size: 6,510 sqft  
Income: Vacant



### 6. CAMBUSNETHAN HOUSE

Size: 9,351  
Income: £102,221 pa  
Tenants: Lafarge Tarmac Trading







## VAT

The property has been elected for VAT, it is anticipated that the sale will be treated as a transfer of a going concern (TOGC).

## PROPOSAL

We are instructed to seek offers in excess of **£2.875m (Two Million Eight Hundred and Seventy Five Thousand Pounds)** reflecting a net initial yield of 9.64%. A purchase at this level reflects an extremely attractive capital value of **£60.00 psf**.

## FURTHER INFORMATION

For further information or to arrange a viewing, please contact the vendor's sole selling agent:

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