

FOR SALE /

Attractive Business Park Investment

SMOLKA
STRACHAN^{LLP}

BERMUDA HOUSE

HSBC 

CASTLE BUSINESS PARK
STIRLING FK9 4TS

INVESTMENT SUMMARY

- / Modern 2 storey office pavilion of 20,496 sq ft
- / Designated car parking for 100 cars (1:205 sq ft)
- / Secured by HSBC Bank plc until August 2024 (subject to TBO in December 2017)
- / Passing rent of £268,300 per annum (£13.09 per sq ft)
- / Offers over £1.75 million reflecting an attractive net initial yield of 14.49%
- / Low capital value of £85.38 per sq ft



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Location /

Stirling is situated in the heart of central Scotland at the major motorway intersection formed by the M80 from Glasgow and the M9 from Edinburgh thus providing excellent access to Scotland's main cities and other provincial centres.

Stirling is located 28 miles to the north east of Glasgow and 37 miles to the north west of Edinburgh.

Stirling has a resident population of approximately 32,000. 55% of Scotland's population live within a one hour drive from Stirling, which increases to 80% within two hours.

Stirling is home to a wide range of public and private sector organisations including: Prudential, Gestetner, Barbour European, Association of Scottish Colleges, SEPA, Scottish Institute of Sport and Volunteer Development Scotland. The City is also home to Stirling University and Stirling Innovation Science Park.

Situation /

Castle Business Park is located 1 mile north west of the town centre, and is strategically located immediately adjacent to Junction 10 of the M9 Motorway. Development of Castle Business Park commenced in 1996 and now offers 242,000 sq ft of high quality, modern office accommodation in 11 pavilions, plus a conference centre and the River House restaurant, in landscaped grounds on a total site area of 28 acres.

As such, the Park is well established and occupiers include SEPA, Scottish Further Education Unit, Forth Valley Health Board, Robertson Group, Gladedale Homes, Xafinity, Forsyth Business Centres, Maxxium UK and Cascade Technologies.



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Castle Business Park

Stirling

Tenants /

1 Erskine House

- Scottish Environment Protection Agency

2 Argyll Court

- Scottish Further Education Unit
- Gladedale Homes

3 Scotia House

- Xafinity
- Contract Scotland
- Equiniti

4 Lomond Court

- Forsyth Business Centres

5 Bermuda House

- HSBC Bank

6 Maxxium House

- Maxxium UK Ltd

7 Robertson House

- Robertson Group

8 Bremner House

- Police Scotland
- Lex
- Scottish Environment Protection Agency

9 Carseview House

- Scottish Environment Protection Agency
- Forth Valley Health Board
- Scottish Ministers

10 Strathallan House

- Keep Scotland Beautiful

11 Glendevon House

- Cascade Technologies

12 River House Restaurant and Conference Facility



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Description /

Bermuda House was developed in 1999 and comprises a modern two storey open plan office pavilion of steel framed construction clad externally with a combination of reconstituted stone and roughcast under a pitched, slated roof. The building is designed in a cruciform with four distinct wings arranged around a central core, giving a very flexible office layout.

The Ground Floor reception located in the central core contains an 8 person lift, male and female toilets and stairs. The office areas feature full access raised floors and suspended ceilings with recessed Cat 2 lighting, and there are tea points/kitchenettes on each level.

The building is mechanically ventilated and heated by a gas-fired central heating system serving wall mounted radiators. The office areas benefit from excellent natural light via aluminium framed double glazed windows on three sides of each wing.

Accommodation /

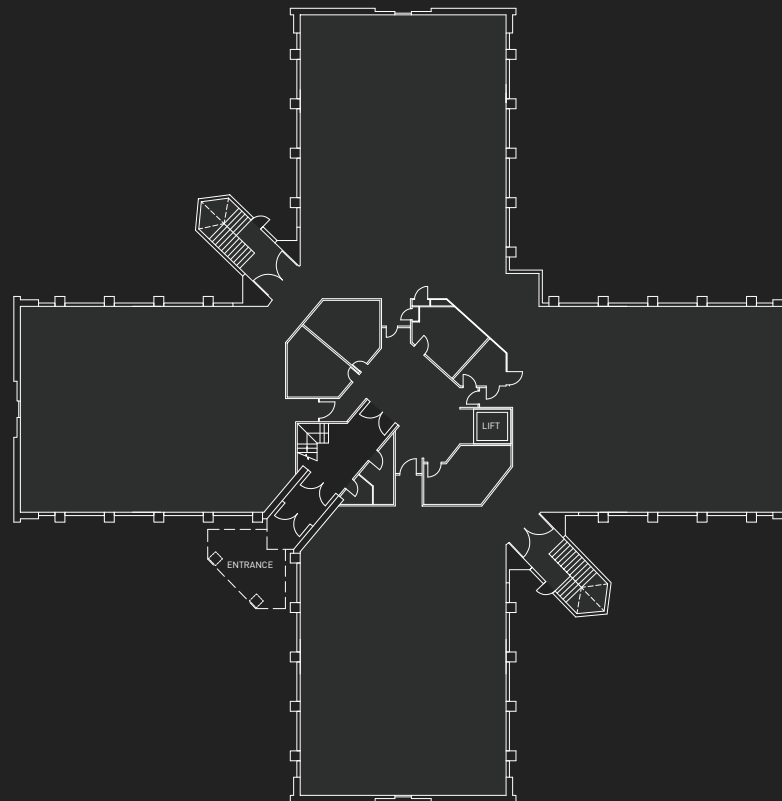
We confirm that the total net internal floor area (NIA) over Ground and First Floors, measured in accordance with the RICS Code of Measuring Practice, is 20,496 sq ft.

In addition, Bermuda House has 100 dedicated on-site car parking spaces reflecting an excellent car parking ratio of 1:205 sq ft. The total site area is 2.59 acres.

Tenure /

The property is held on a heritable basis (the Scottish equivalent of an English freehold).

Ground Floor Plan /



Tenancy /

The property is leased to HSBC Bank Plc on full repairing and insuring (FRI) terms until 1 August 2024, subject to a tenant's break option on 31 December 2017 exercisable on 6 months prior notice (if this isn't exercised the tenant will receive 3 months rent-free).

The current rent is £268,300 per annum, which reflects a rate of £13.09 per sq ft overall. Rent reviews are 5 yearly, and upward only, the next of which are due on 2 August 2014 and 2 August 2019.

Potential purchasers should note that HSBC recently demonstrated their continuing commitment to the building by postponing a break option originally due in August this year until December 2017.

Covenant Information /

HSBC is one of the world's largest banking organisations.

The tenant company, HSBC Bank Plc (Company Number: 14259), offers an excellent covenant with a very strong financial position. For the financial year ended 31 December 2012, they reported turnover of £20.451Bn; pre-tax profits of £1.004Bn; and net assets of £31.675Bn.

The office functions primarily as back office support to HSBC's global private banking service plus offering technical support, securities services and market data to their wider network.

Further information on the tenant and the HSBC business is available at www.hsbc.com

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The Particulars and the content of them do not, and are not intended to, constitute an offer for sale. For the avoidance of doubt there is no intention to create a legal relationship and such relationship will not come into existence unless and until a formal contract, approved by respective solicitors, has been entered into.

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Price /

We are instructed to seek offers in excess of £1.75 million, exclusive of VAT, for our client's heritable interest in the subjects with the benefit of the existing lease.

A purchase at this level would reflect a net initial yield of 14.49% after allowing for purchasers costs of 5.8%.

VAT /

The property has been elected for VAT however it is anticipated that, subject to HMRC approval, the sale will be treated as a Transfer of a Going Concern (TOGC).

Capital Allowances /

We understand that only minimal Capital Allowances remain unclaimed, however, whatever is available will be passed on to the purchaser.

EPC /

The property has an Energy Performance Rating of 'D'.

Further Information /

To arrange a viewing or request further information, please contact the sole selling agents:

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On the Instructions of Robert Caven and Joseph McLean of Grant Thornton UK LLP Joint Administrators of Dalton Airfield Estate Limited (In Administration)

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