

# FOR SALE

PRIME RESIDENTIAL DEVELOPMENT OPPORTUNITY WITH THE BENEFIT OF AN EXISTING LEASE AND RENT FROM NUFFIELD HEALTH UNTIL NOVEMBER 2024

11 MINERVA WAY  
FINNIESTON  
GLASGOW  
G3 8AU

VIDEO TOUR

PLAY



# GLASGOW IS THE LARGEST COMMERCIAL & RESIDENTIAL CITY IN SCOTLAND

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## SUMMARY

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Glasgow has a population of 620,000 and a catchment in excess of 2.8m within a 40 minute drive time

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City wide, Glasgow is experiencing a high level of regeneration and inward investment with over £16 billion committed since 2011

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A rare opportunity to acquire a very prominent and significant development site in the popular Finnieston area, equidistant between the city centre and the West End

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In 2019, The Times newspaper voted the Finnieston area one of the Top Ten best places to live in Scotland

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A resolution to grant Full Planning Permission was recently secured from Glasgow City Council for a change of use to residential for 195 new build apartments, subject to conditions and completion of a Section 75 Agreement

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The site, extending to 3.24 acres (1.31 hectares), overlooks the award winning Scottish Event Campus (SECC, SSE Hydro & Armadillo venues) with stunning views beyond to the south side of Glasgow

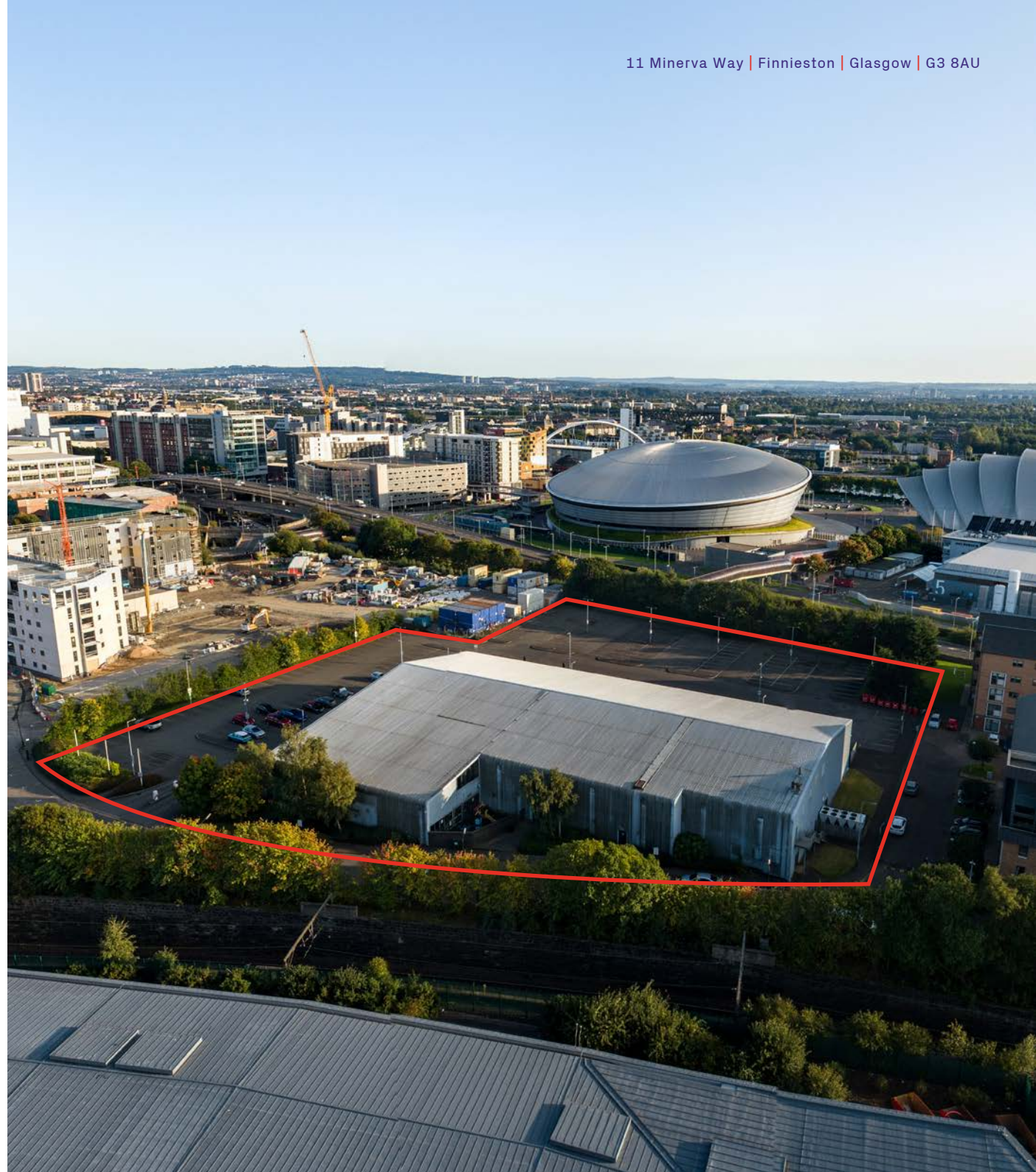
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The existing building and land is currently let to Nuffield Health operating as a health and fitness club with a passing rent of £860,225 per annum until lease expiry on 21 November 2024

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Our client is seeking offers for the “standing investment”.

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# DIVERSE, RESILIENT AND GROWING ECONOMY

## LOCATION

Glasgow is the fourth largest city in the UK and considered the powerhouse of the Scottish economy, with a diverse, resilient and growing economy generating over £42.9 billion in Gross Valued Added in the wider city region in 2018.

The growing population of 622,000 swells to 1.8m for its wider “city region”, accounting for approximately 1/3rd of Scotland’s entire population.

With 6 higher education institutions and 6 “super colleges” Glasgow has over 185,000 students. 46% of the population is educated to degree level.

As a result of excellent transport connections and a world class talent pool, Glasgow has attracted multiple businesses to relocate and expand in the city in recent years. As an example, within the financial services sector both Barclays Bank and JP Morgan Chase are currently increasing their presence in the city, while committing to new large-scale office developments. At Buchan Wharf, Barclays are seeking to almost double their workforce by 2021 to 5,000 staff, taking 470,000 sqft of new build office space. JP Morgan Chase have also committed to 270,000 sqft of new offices on Argyle Street to expand their technology hub in the city where they have been in business for over 20 years and already have approx. 2,000 employees.

Jobs growth will be sustained with the Glasgow City Region “city deal” with £1.13bn of funding to drive business innovation, new infrastructure and technology improvements. The city centre will benefit directly, with £150m being channelled into projects e.g. “The Avenues” programme, which will transform the area’s streetscape and public realm by 2024 with the focus on a people friendly, green, integrated network of pedestrian and cycle routes.

## SITUATION

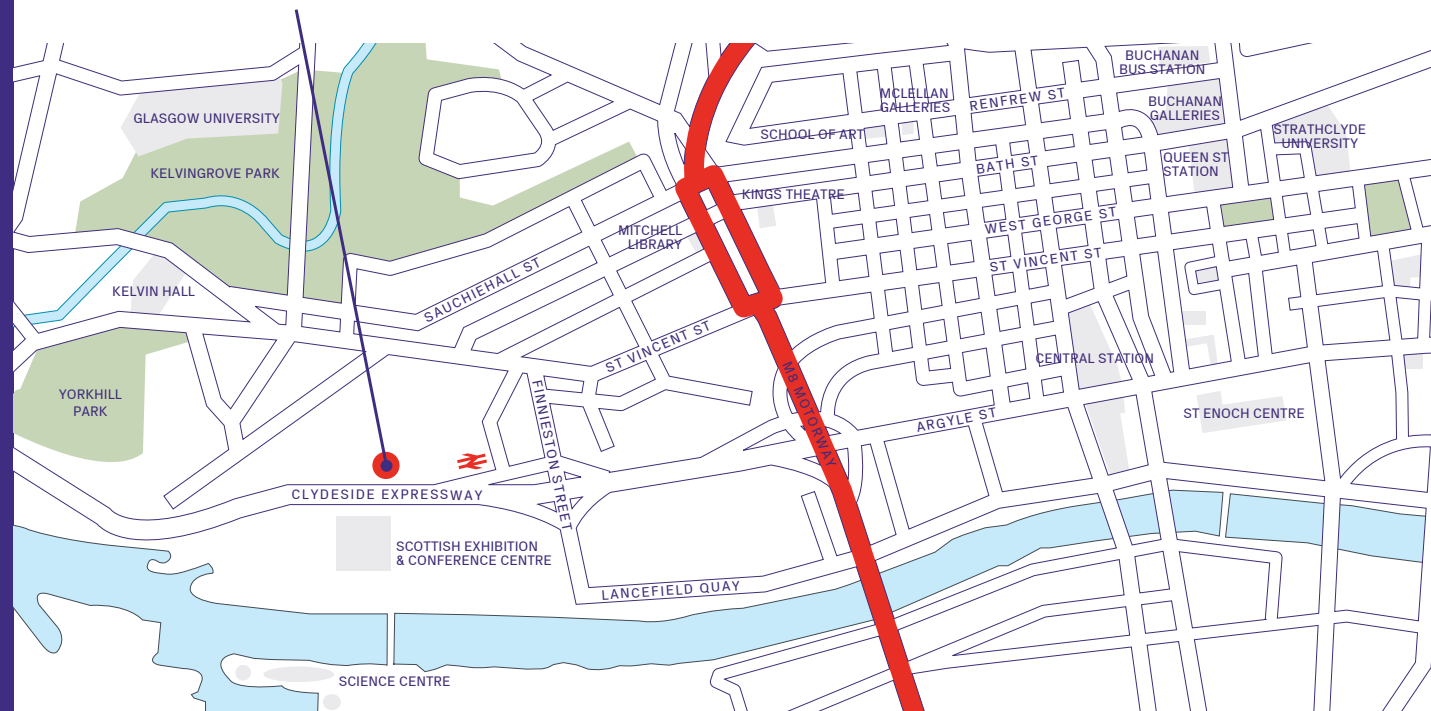
With the Central Business District 1 mile to the east and the University of Glasgow campus less than 1 mile to the north west, the Finnieston area has seen major regeneration in the last decade, with multiple residential and student accommodation developments transforming the neighbourhood. To compliment this, the Argyle Street area just to the north of the site is now a well-established, thriving bar and restaurant location.

The site is also highly accessible. The A814 Clyde-side Expressway passes to the south, connecting to the M8 ½ mile to the east. St Vincent Street passes to the north, providing local access between the West End/ Byres Road and the City Centre.

The Scottish Event Campus (low level) railway station is located less than 200 metres to the east of the site. Multiple bus services run along Argyle Street/ St Vincent Street a short walk to the north.



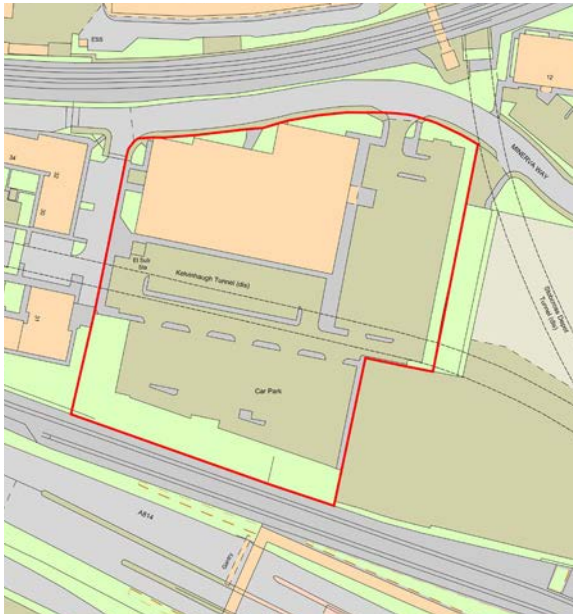
## 11 MINERVA WAY



## DESCRIPTION

The existing, level, site extends to 3.24 acres (1.31 hectares). Bounded by Minerva Way to the north, Admirals Gate (existing residential complex) to the west, Network Rail track and the Clydeside Express Way to the south (all at a lower level) and the new G3 Square residential development by Drum Property Group to the east.

The property is currently used as a Nuffield health and fitness club. The 45,871 sqft building extends over Ground (29,514 sqft) and Mezzanine floors (16,357 sqft) and includes two swimming pools, gym, sauna, steam room, climbing wall and crèche. Secure parking is provided for 252 cars.



Site Plan



## TENANCY INFORMATION

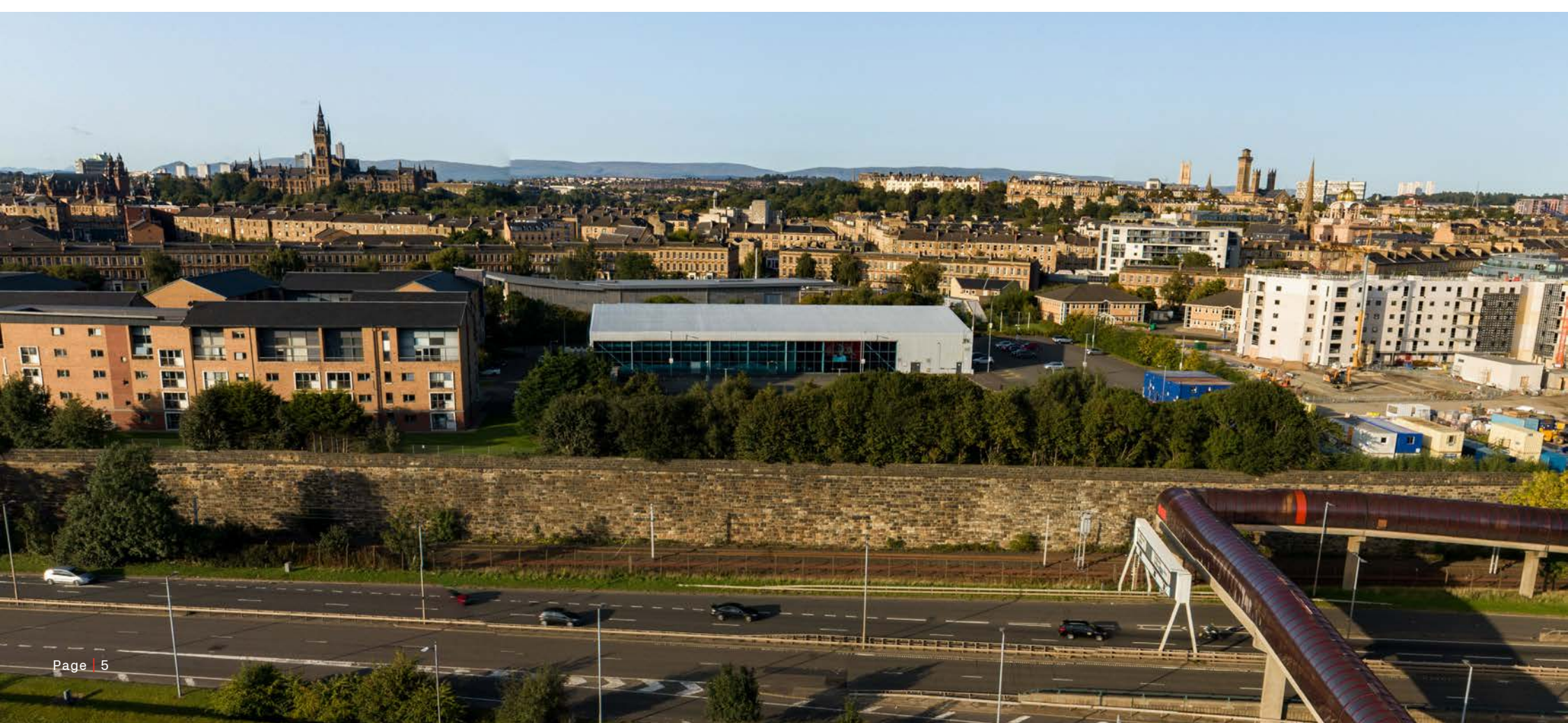
The existing property is let to Nuffield Health on a Full Repairing and Insuring lease basis until 21 November 2024. The current rent payable is £860,225 per annum (£18.75 per sqft)

Nuffield also operate a similar facility on nearby Finnieston Street. The tenant's representative has previously confirmed that they may consider an early surrender of the Minerva Way lease, subject to separate negotiation post completion of any heritable sale.

## TENANT FINANCIAL COVENANT STRENGTH

Nuffield Health is the UK's largest registered health care charity. They currently operate 31 hospitals and 113 fitness & wellbeing clubs with over 360,000 members, as at the end of 2019.

In the year to 31 December 2019, the group had a Turnover of £993M, adjusted EBITDA of £99.5M and Net Assets of £38.5M.



## DEVELOPMENT POTENTIAL

The site benefits from a resolution to grant Full Planning Permission, subject to conditions and completion of a Section 75 Agreement, for a residential development. This envisages the development of 195 units comprising a range of one (37), two (140) & three (18) bedroom apartments and associated roads, car parking, amenity space and landscaping. The consented scheme has allocated parking for 127 car spaces (65% provision) with an additional 14 spaces to be made available on Minerva Way.

(Planning Ref: 20/00246/FUL)

Award winning Architects Carson & Partners have designed an attractive residential scheme, extending to 149,874 sqft comprising 3 blocks across the site which will result in the creation of additional high quality housing stock in the Finnieston area. The proposed development is located in a sustainable location within close proximity to a variety of public transport facilities and amenities.

To the north of the site is a larger block varying in height from 4 to 6 storeys with a central courtyard space. To the south, there are two smaller 7 storey, free standing island blocks. The consented scheme includes the provision of high quality shared and private amenity landscaping, which incorporates a child's play area.

## LEGAL & TECHNICAL INFORMATION

A data room has been created for the sale. This includes the usual legal title and lease documentation along with a full pack of technical reports required to support the planning application process.

A copy of the draft S.75 agreement is also available.

The vendor is not a developer and as there is an existing occupational lease in place they have not undertaken a review of what other consents may be required prior to commencing any re-development e.g. relocation of the existing electricity sub-station. The vendor will not accept conditional offers in this regard. The vendor expects any sale to proceed on the basis of transacting the standing investment.

Please contact the selling agent to arrange access to the data room.



## TENURE

The property is held by way of a heritable title (Scottish equivalent of English freehold).

## EPC RATING

The existing building has an EPC rating of G.

## VAT

The property has been elected for VAT and therefore VAT will be payable on the purchase price. However, it is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

## PROPOSAL

We are instructed to seek offers for our client's heritable interest subject to and with the benefit of the existing occupational lease.

NB The vendor is not bound to accept the highest or indeed any offer.

## FURTHER INFORMATION

For viewings and enquiries please contact:

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