

**FOR SALE**  
PRIME MIXED-USE CITY  
CENTRE INVESTMENT

**131-133**  
**PRINCES**  
**ST.**

EDINBURGH | EH2 4AH



PLAY VIDEO



# EXECUTIVE SUMMARY

**An opportunity to acquire a prime Princes Street mixed-use investment in Edinburgh city centre.**

- 131-133 Princes Street represents a rare opportunity to acquire a prominent block on Edinburgh's highest footfall street, with exceptional views over Princes Street Gardens and Edinburgh Castle.
- Located at the west end of Princes Street in close proximity to the recently opened Johnnie Walker Visitor Experience which has significantly increased footfall in the west end.
- Princes Street is rapidly evolving into a truly mixed use thoroughfare, with increasing numbers of units being converted to alternative uses including F&B, leisure and hotels.
- City centre office supply is consistently low, with demand expected to lead to further rental growth over the short to medium term.
- Fully let to Bank of Scotland plc, 10 Europe Limited, Kin and Carta Scotland Limited and Eden Scott Limited, with a WAULT of 5.03 years to expiry and 2.71 years to breaks.
- Heritable Title (Scottish equivalent of English Freehold).

**We are instructed to seek offers in excess of £8,900,000 subject to contract and exclusive of VAT. A purchase at this level would show an investor a net initial yield of 7.84%, based on purchaser's costs of 6.67%.**







# EDINBURGH SCOTLAND'S CAPITAL CITY

**Edinburgh is Scotland's capital city and enjoys one of the strongest economies of any city outside of London.**



Population of  
513,000

The city is home to approximately 513,000 people with the wider catchment increasing to 1.36m. Edinburgh's workforce is highly educated with 55% holding a degree or professional level qualification. The city is renowned as a powerhouse of education, boasting 4 universities including the University of Edinburgh, ranked 5th in the UK in the World University Rankings in 2021.



Largest financial  
centre outside London

Edinburgh has the largest financial centre outside London, with £500 billion of assets under management and major financial services businesses located in the city, including Baillie Gifford, RBS, abrdn, State Street Corporation, Rathbone Investment Management and Investec. Over the last decade, the city has cemented its credentials as a technology hub, with companies such as FNZ, Skyscanner, Rockstar North, FanDuel, Craneware and Computershare based in the city.



Two UNESCO World  
Heritage sites

Edinburgh has a thriving tourism industry, with attractions including two UNESCO World Heritage sites, 12 international arts festivals and more restaurants per head of population than any other UK city.

# 131-133 PRINCES ST.



JOHNNIE WALKER

W  
Waterstones

Premier Inn

CASTLE ST.

Levi's

RIVER ISLAND

Boots

PRINCES ST.

PRIMARK

M&S

H&M



WAVERLEY MALL



ST JAMES QUARTER

MULTREES WALK

ST ANDREW SQ.

HANOVER ST.

GEORGE ST.

FREDERICK ST.

EXCHANGE DISTRICT

LOTHIAN ROAD

USHER HALL

# WELL CONNECTED



Edinburgh is a walkable city with extensive pedestrian routes and over 75km of cycle paths. The city benefits from excellent connectivity locally and internationally.



RAIL

Edinburgh also benefits from exceptional railway services and facilities following recent multi-million-pound refurbishments, line extensions and upgrades. Waverley Station is located at the east end of Princes Street with Haymarket a short walk from the West End. The East Coast Mainline connects Edinburgh with London and the south, with both stations providing connections to all major Scottish centres.

## RAIL TIMES

Glasgow	48 Mins
Newcastle	1 Hrs 23 Mins
York	2 Hrs 25 Mins
Leeds	3 Hrs
Manchester	3 Hrs 15 Mins
Birmingham	4 Hrs 20 Mins
London	4 Hrs 21 Mins



AIR

Edinburgh Airport is located 8 miles west of the city centre and is easily accessible from the city centre via bus and tram or from further afield via the motorway network. The airport is Scotland's busiest airport, and it is the sixth largest international airport in the UK. With over 37 airlines operating from Edinburgh Airport, the terminal offers both business and leisure travellers a choice of some 153 destinations across the globe. Edinburgh Airport was sold to Global Infrastructure Partners for £800m in April 2012. Since their ownership, £25 million has been spent on a new landside terminal extension, security hall and £19 million south east pier extension, with a further £125 million investment programme being rolled out.



TRAM

Opened in May 2014, the city's tram network provides a direct link from Edinburgh Airport to City Centre including stops on Princes Street and the West End. A northern extension to the tram network is underway which will provide connections to Leith and Newhaven.



ROAD

Edinburgh has excellent road communications with direct access into the national motorway network. The city is served by the M8 from the west (Glasgow and Livingston), the M90/A9 from the north (Aberdeen and Inverness) and the A1 and A7 from the south/south east (the Borders, East Lothian and Newcastle).

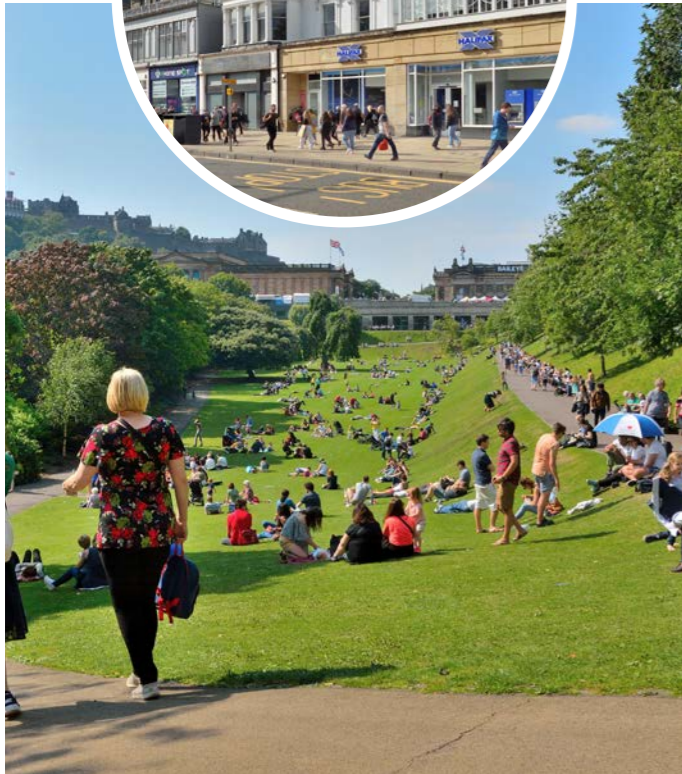


BUS

Lothian Buses provide an award winning service, with the majority of services routed via Princes Street ensuring the city centre is easily accessible. The city also benefits from over 75km of cycle paths and extensive pedestrian routes.



**131-133  
PRINCES  
ST.**



# PRIME LOCATION

**The property occupies a prime location towards the western end of Princes Street, with panoramic views across to Princes Street Gardens and Edinburgh Castle.**

Located in the heart of a strong retail pitch, the property is surrounded by strong high street brands including Vans, Waterstones, Sports Direct, Starbucks, Urban Outfitters and Mountain Warehouse. Recent occupiers to locate onto Princes Street include Flannels, Jollibee and the Johnnie Walker Visitor Experience Centre, created by Diageo, which is located at the west end of Princes Street. The attraction is expected to generate over £100m in annual tourism income and has substantially increased footfall at the west end.

The property also sits within the heart of the city's traditional office district – the “Golden Rectangle”. Supply of office accommodation in this location (and the wider city centre) is extremely restricted, set against robust levels of demand as demonstrated by recent activity in the property.



Title Plan



Unique single sided retail thoroughfare with retailers on the north side and unrestricted views across Princes Street Gardens, Edinburgh Castle and the Old Town on the south side.




Due to its strategic location, Princes Street is home to high quality office occupiers, who benefit from excellent amenities, connectivity and views across Princes Street Gardens and Edinburgh Castle.



Princes Street is Edinburgh's prime retail thoroughfare with retailers including Waterstones, River Island, H&M, Primark, Vans, Apple and M&S.



Highest number of tourist visits outside London with over 5.3m visitors in 2019.

# PRINCES STREET



**£100M**

New Johnnie Walker Visitor Experience expected to generate £100m in annual tourism spend.



Two 5-star hotels are situated on Princes Street, the Waldorf Astoria Edinburgh at the West end and Balmoral at the East end.



Princes Street has the highest footfall in the city centre.



**£2.56BN**

Annual in store comparison spend of £2.56bn.

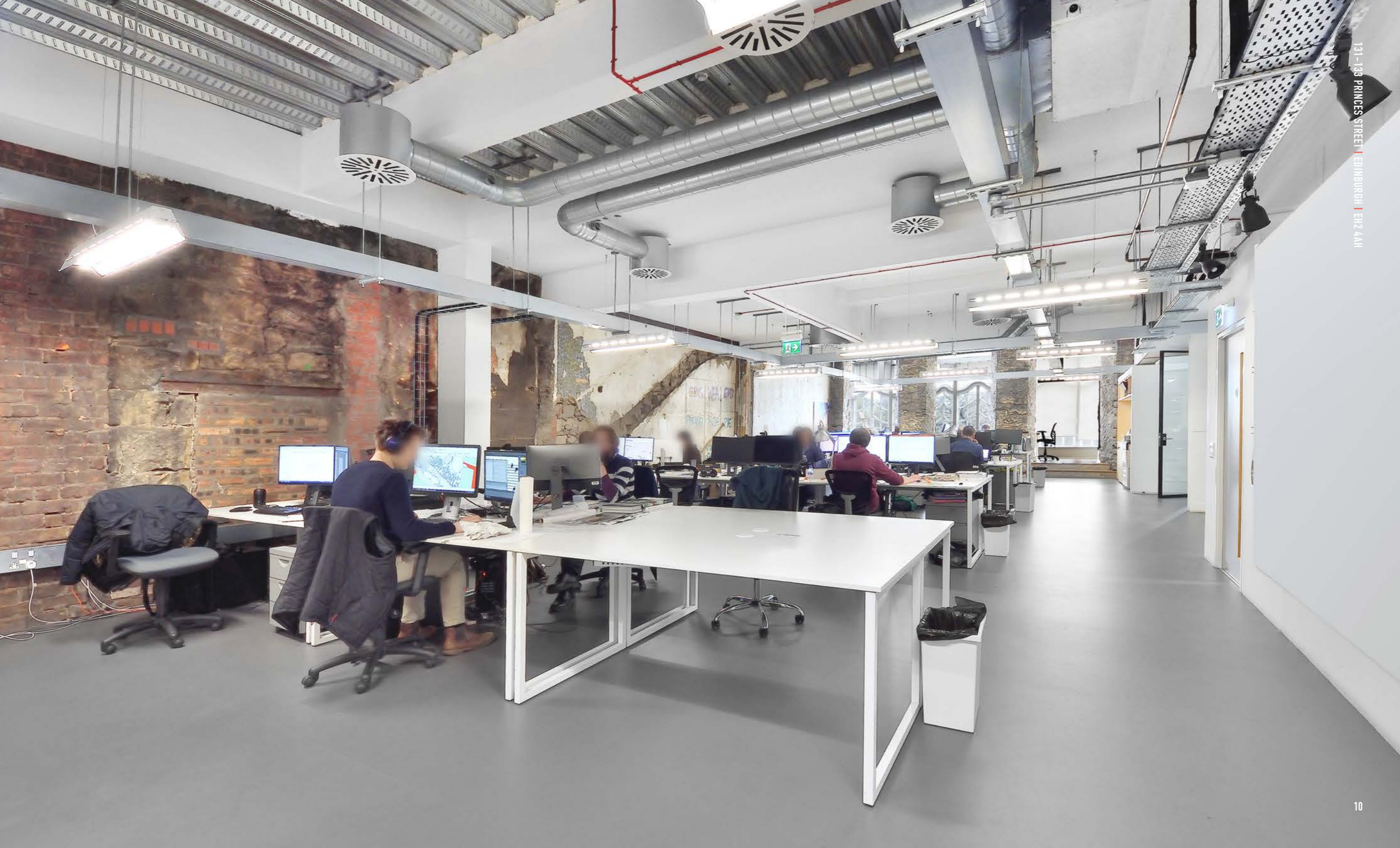


## ST JAMES QUARTER

The 1bn mixed use St James Quarter at the east end of Princes Street is now open, comprising 850,000 sq ft of retail and leisure space anchored by John Lewis, Zara and H&M, Scotland's first W Hotel and 152 luxury apartments.



Evolving mixed-use location with hotel, residential, leisure and tourism.



# IT'S ALL IN THE DETAIL

The property comprises a prominent Grade B listed building providing a flagship retail unit at ground floor and office accommodation on the upper floors.

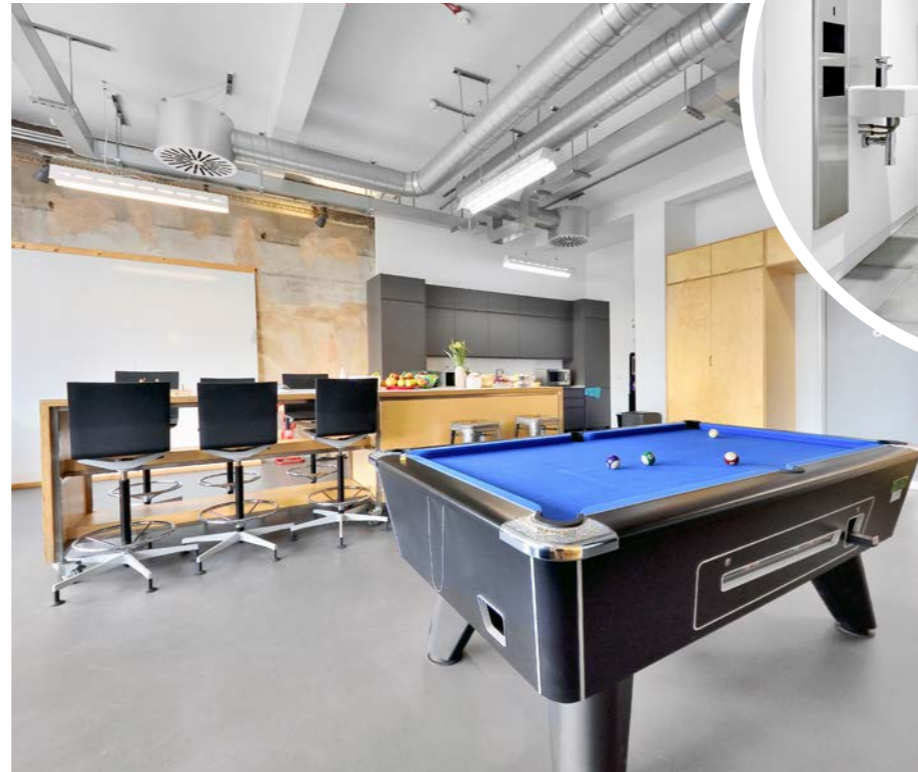
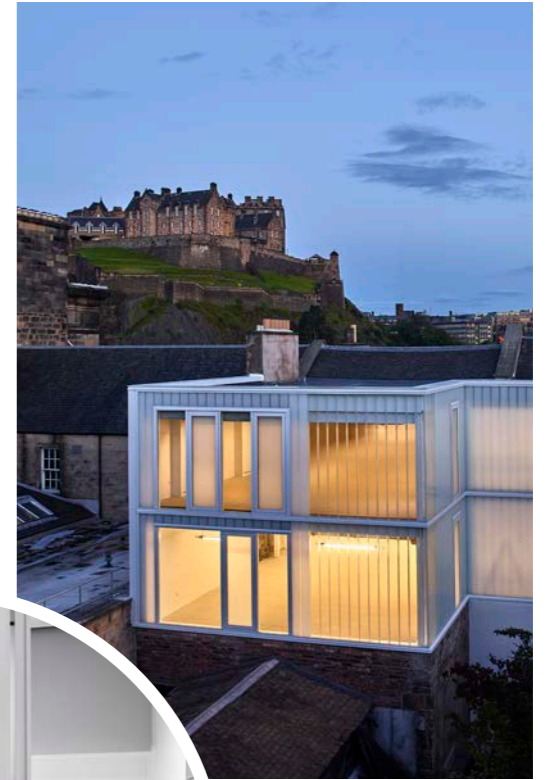
## 131 PRINCES STREET

131 Princes Street (Bank of Scotland) provides a well configured open plan retail unit arranged over the ground floor and fitted out in the tenant's corporate style. The unit benefits from excellent frontage onto Princes Street and in addition to continued retail use, the unit lends itself to future F&B use subject to planning.

## 132-133 PRINCES STREET

The office specification includes:

- VRV air conditioning throughout
- Controlled 15 person lift access to all floors
- Dedicated WC and shower facilities on every level
- Secure bike storage
- Contemporary defurbished style suites
- Sustainable with an EPC rating of 'B(29)' on the office element and 'C(41)' relative to the retail component.





# ACCOMMODATION

The property has been measured in accordance with the guidelines as described in the 6th Edition of the RICS Code of Measuring Practice. Malcolm Hollis have provided a measured survey of the office element dated September 2017. The retail unit was measured by Lismore Real Estate Advisors in March 2022. The measured areas are summarised as follows:

## 131 PRINCES STREET

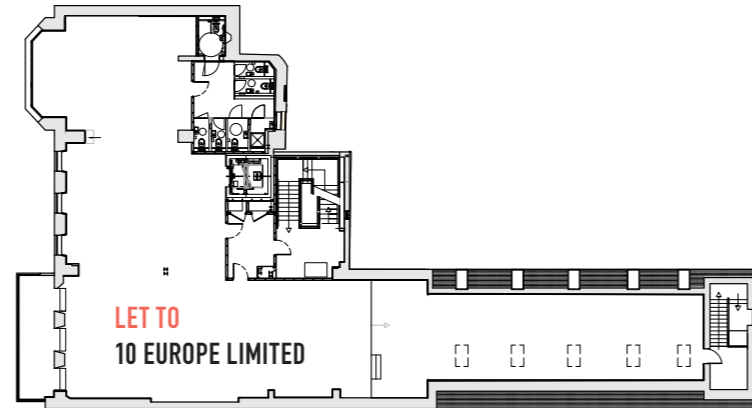
	Area (sq.m)	Area (sq.ft)
Gross Frontage	13.54	42'7
Net frontage	12.95	42'4
<b>Floor</b>		
Ground floor sales	341.23	3,673
<b>Total area</b>	<b>341.23</b>	<b>3,673</b>
ITZA	174.57	1,879

## 132-133 PRINCES STREET

Floor	Use	Area (sq.m)	Area (sq.ft)
3rd floor	Office	273.9	2,948
2nd floor	Office	314.3	3,383
1st floor	Office	447.4	4,816
<b>Total</b>		<b>1,035.60</b>	<b>11,147</b>

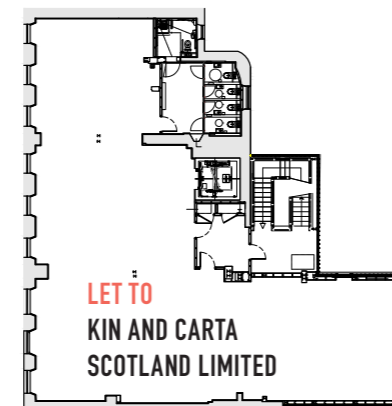
## 1ST FLOOR

PRINCES STREET



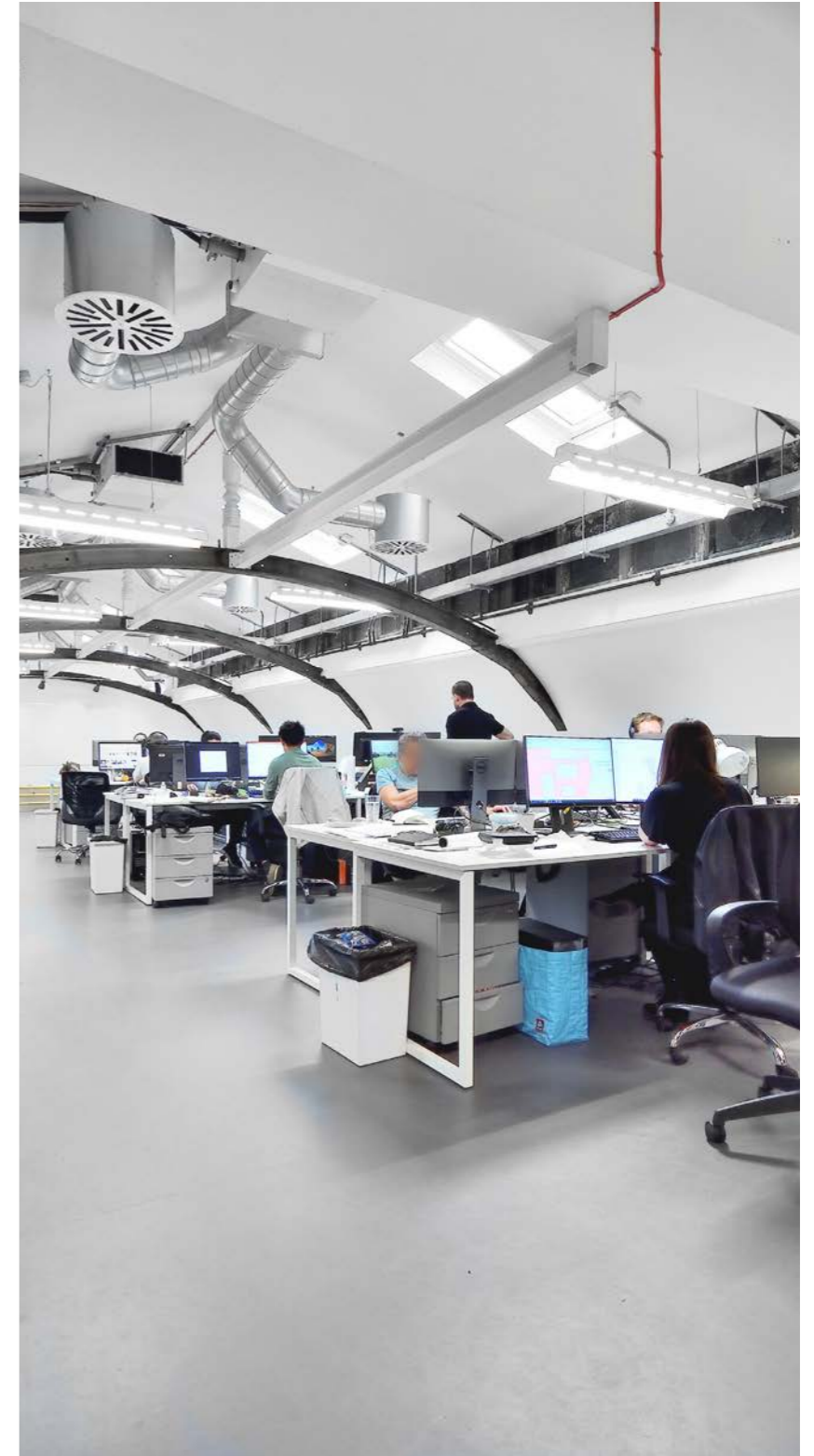
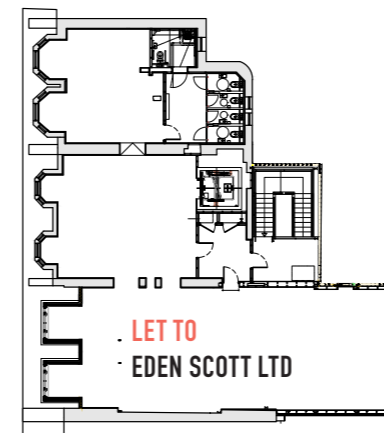
## 2ND FLOOR

PRINCES STREET



## 3RD FLOOR

PRINCES STREET





# TENANCY SCHEDULE

The property is held by way of a Heritable title (Scottish equivalent of English Freehold) and is let in accordance with the tenancy schedule set out below:

Tenant	Level	Size (sq.ft)	Rent (£/p.a.)	NIA Rent (£/sq.ft)	ITZA Rent (£/sq.ft)	Lease Start	Lease Expiry	Next Review	Break	Comments
Bank of Scotland plc	Ground	3,673 (ITZA - 1,879)	£400,000	£108.90	£212.88	12/05/2014	11/05/2024			The tenant has the right to extend the lease for a period of 5 years from the date of expiry subject to a minimum of 12 months prior notice.
10 Europe Limited (GTEE Egis Holding Batiment)	First	4,816	£144,480	£30.00		01/06/2018	31/05/2028	31/05/2023	31/05/2023	Lease terms are guaranteed in full by EGIS Holding Batiment for the full duration of the term.
Kin and Carta Scotland Limited	Second	3,383	£108,256	£32.00		01/08/2022	31/07/2032	01/08/2027	01/08/2027	The tenant will receive a rent free period of 4 months should the break option not be exercised.
Eden Scott Ltd	Third	2,948	£91,388	£31.00		01/09/2021	31/08/2031	01/09/2026	01/09/2026	There is a service charge cap which for the year ended 31st May 2022 equates to £7.39 psf. There is a photographic Schedule of Condition.
<b>Total</b>		<b>14,820</b>	<b>£744,124</b>							

## SERVICE CHARGE

The property is managed on behalf of the landlord by JLL. For the current service charge year ending 31st May 2022, the service charge is £62,894.94, equating to a rate of £5.64 /sqft on the office area.

# TENANT PROFILE



Bank of Scotland plc is a retail bank with over 320 years of heritage in the United Kingdom and is a division of Bank of Scotland which is a wholly owned subsidiary of Lloyds Banking Group which also incorporates brands including Halifax, Scottish Widows, MBNA and Schroders Personal Wealth.

Bank of Scotland plc has a D&B rating of 5A1 (Minimum Risk) and for the year ending 31st December 2020, reported a pre-tax profit of £883m and a total net worth of £12.831bn.



10 Europe Limited, part of the Egis Group, is an international architecture and master planning practice with offices worldwide, including Hong Kong, Dubai, Miami and London. The practice was founded in 2010 and specialises in design of individual buildings, including residential, retail, offices, all the way up to the planning of cities.

For the year ending 31st December 2020, 10 Europe Limited reported a turnover of £2.256m, a pre-tax profit of -£16,223 and a total net worth of -£117,216. The guarantor, EGIS Holding Batiment, has a D&B rating of 3A1 (Minimum Risk) and for the year ending 31st December 2020 reported a turnover of £10,752,000, a pre-tax profit of £5,436,000 and total net worth of £15,975,000.



Kin and Carta Scotland Limited is a LSE listed technology and data consultancy with a truly global presence including offices in London, Paris, New York and San Francisco. With over 1,700 engineers, strategists and designers who serve healthcare, financial services, B2B and transportation sectors.

Kin and Carta Scotland Limited has a D&B rating of 3A1 (Minimum Risk) and for the year ending 31st July 2021, reported a turnover of £23.498m, a pre-tax profit of £2.590m and a total net worth of £7.929m.



Eden Scott Ltd are a Scottish recruitment business, founded in Edinburgh in 2003, providing permanent, contract and temporary recruitment services. In addition to recruitment, Eden Scott also design and deliver assessment centre, create digital recruitment campaigns and have developed TalentSpart, a recruitment service specifically for start-ups. The company has expanded to Glasgow and Aberdeen and employs over 40 people across the three locations.

Eden Scott Ltd has a D&B rating of A2 (Lower than Average Risk) and for the year ending 31st March 2021, reported a turnover of £8.956m, a pre-tax profit of £393,655 and a total net worth of £520,122.



## ADDITIONAL INFORMATION

### VAT

The property is elected for VAT, however, it is envisaged the transaction will be treated as a T.O.G.C.

### EPC

The office element has an EPC rating of "B(29)" and the retail component an EPC of "C(41)".

A copy of the EPC Certificates are available in the data room.

### DATA ROOM

An online data room is available and access can be provided upon request.

### 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 terms are agreed or any transaction can conclude.

## PROPOSAL

We are instructed to seek offers in excess of **£8,900,000** subject to contract and exclusive of VAT. A purchase at this level would show an investor a net initial yield of 7.84%, based on purchaser's costs of 6.67%.

## CONTACT

To discuss this opportunity further, or to arrange an inspection, please contact:

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# 131-133 PRINCES ST.

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Subject to Contract

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2. All information contained in these particulars is for guidance and general information only and will be used at your own risk.
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6. Unless otherwise stated, all prices, rents and other charges are quoted exclusive of Value Added Tax (VAT). Any intending purchasers or tenants must satisfy themselves independently as to the incidence of VAT in respect of any transaction.

June 2022.