

GROSVENOR CASINO
PRIME LONG INCOME
LEISURE INVESTMENT



GLASSFORD STREET | GLASGOW | G1 1UL

**PURPOSE BUILT
LEISURE INVESTMENT
OPPORTUNITY WITHIN
AN ESTABLISHED RETAIL,
LEISURE AND CITY
LIVING DESTINATION**



INVESTMENT SUMMARY

01

Single let leisure investment opportunity within an established leisure, retail and city living destination

02

Purpose built casino asset with dedicated access from Glassford Street and adjoining NCP car park

03

Leisure unit extending to 33,119 sq ft. Multi-storey car park providing 515 parking spaces

04

Evolving micro-location with significant development underway which will significantly increase the residential population in the area

05

Recently restructured long term lease on the casino element at a rebased, sustainable rent

06

Let to Grosvenor Casinos (GC) Limited (08306157) with an unexpired term of 14 years. Guaranteed by Rank Group Gaming Division Limited (032113743)

07

Total passing income on the casino of £352,000 per annum reflecting a rate of £10.63 psf. The lease is subject to 5 yearly RPI linked rent reviews (2% and 4%)

08

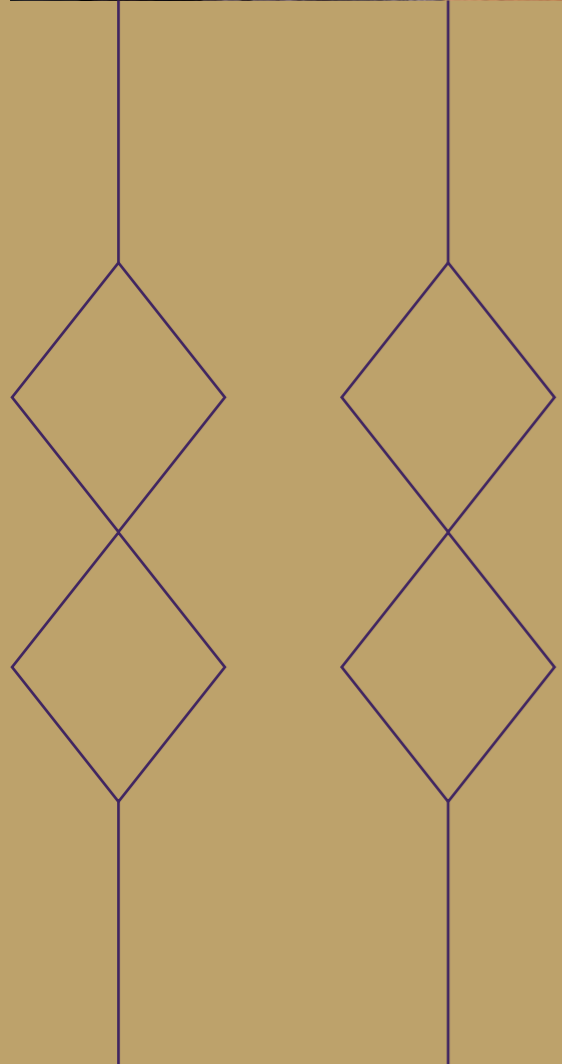
Grosvenor Casinos undertook a comprehensive refurbishment in 2022 at a cost in excess of £3.5 million

09

Includes adjoining multi-storey car park let to Knight Frank Investment Management Long Income Property Unit Trust (KFIM LIPUIT) on a 175 year ground lease at £1 per annum

10

Offers in excess of £4.1m reflecting an attractive NIY of 8% assuming standard costs and LBTT. A purchase at this level equates to an attractive capital value rate of £124 psf on the leisure element



LOCATION

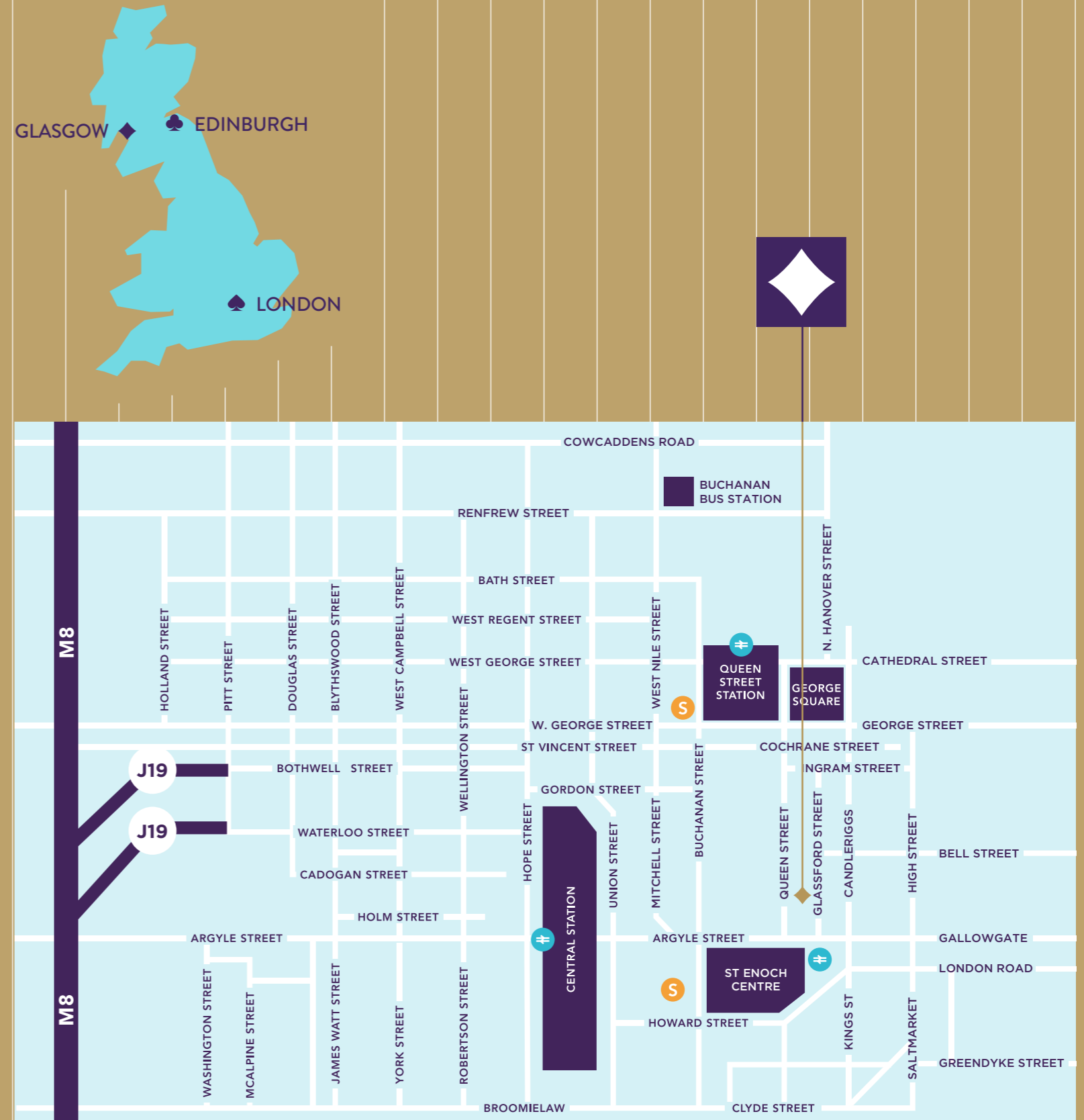
GLASGOW IS THE CULTURAL, SPORTING AND ACADEMIC HEART OF SCOTLAND AND IS ONE OF EUROPE'S MOST VIBRANT AND COSMOPOLITAN CITIES.

The city has a population of 600,000 people making it Scotland's largest city. There are approximately 2.3 million people within one hour's drive of the property, equating to more than 40% of Scotland's population. Glasgow's metropolitan area is the fifth largest in the UK by population. The central belt of Scotland is home to 3.5 million people making it one of the top 20 largest urban regions in Europe.

Glasgow is Scotland's largest centre of employment and an economic powerhouse, generating approximately £19 bn in Gross Value Added (GVA) each year. The city has undergone a sustained period of regeneration, transforming

itself into a service sector economy, with investment in the city centre, business district and infrastructure leading to over 100 companies relocating to Glasgow since 2004, including JP Morgan, BNP Paribas, Morgan Stanley, Barclays Wealth and Tesco Personal Finance plc.

In November 2021, Glasgow hosted the United Nations Climate Change Conference (Cop 26) within the Scottish Event Campus (SEC). The event showcased Glasgow as one of the world's leading conference hosts and involved 20,000 delegates from around 200 countries including global leaders from around the world.



SITUATION

The asset is situated in Glasgow city centre within the heart of both the city's retail and leisure districts. The property fronts Glassford Street and is within 100 yards of Argyle Street, within the city's 'Golden Z' prime retail district.

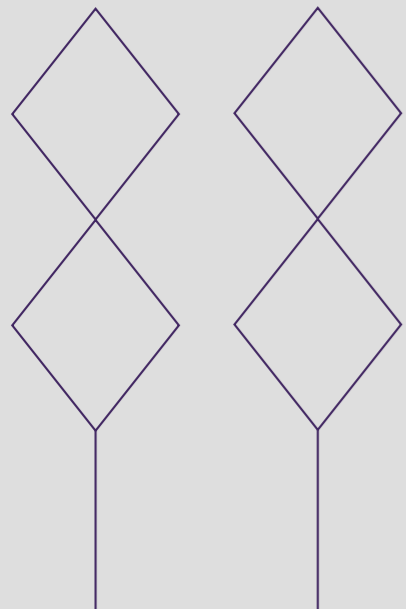
The building is ideally located to take advantage of Glasgow's excellent public transport connections. Argyle Street Station is located within a 2 minute walk on Argyle Street which serves the Central Belt of

Scotland and links directly with Glasgow Central Station. Queen Street station is a 5 minute walk to the north and serves the Central Belt of Scotland and the north.

The surrounding area is undergoing significant transformation with several mixed-use schemes planned and underway. Many of the planned schemes include substantial residential elements so it is anticipated that the district will evolve with a surge in demand for leisure amenities to serve the increasing local population.



“THE TRONGATE AND THE SURROUNDING AREA IS EVOLVING INTO ONE OF THE MOST DESIRABLE LOCATIONS TO LIVE IN GLASGOW CITY CENTRE”



21 - 41 QUEEN STREET

CA Ventures have submitted planning for a 230 bed PBSA scheme on a former nightclub.

ST ENOCH'S CENTRE

Sovereign Centros have announced plans for a substantial redevelopment of St Enoch's Shopping Centre. The first phase of the redevelopment completed in 2022 which involved repurposing the former BHS in order to incorporate a large Leisure element including 9 screen Vue cinema. Further proposals include a mixed-use scheme incorporating residential (1,700 homes), office accommodation and four star hotel. With the centre earmarked for sale, it is anticipated any future owner will undertake significant residential development on parts of the estate.

65-97 INGRAM STREET

Artisan Real Estate have been granted planning permission for a 109 sustainable apartment residential development on a derelict car park site at Candleriggs junction with Ingram Street. Permission for the development was granted in February 2023.

CANDLERIGGS SQUARE

Work is ongoing on a mixed-use scheme immediately to the east of the subject. Once complete, the development will consist of a 346 unit build to rent complex, hotel and leisure amenities. The first phase of the £300m development ,the Social Hub, opened in March 2024 whilst the BTR scheme operated by L&G, is due to open in late summer 2024.

THE WAREHOUSE

Ambassador/Nova Living have begun construction of a 211 bed PBSA scheme which is due to PC in 2026.

KING STREET CAR PARK

Planning permission in principle has been granted by Glasgow City Council for a mixed use scheme on an NCP car park. Whilst final plans have not been announced, it is anticipated that any scheme will again be residential led.

DESCRIPTION

The asset comprises a purpose built leisure unit and multi-storey car park. It was developed in 2001 as part of The Glasshouse mixed use development including multi-storey car park and leisure units. The unit benefits from dedicated elevator access to the multi-storey car park to allow for convenient and discreet access for car users.

In 2022 Grosvenor Casinos undertook an extensive refurbishment in the region of £3.5 million which included cosmetic and M&E improvements. The asset now showcases the most modern fitout within the Grosvenor portfolio.

The multi-storey car park extends to 515 car parking spaces and ancillary staff accommodation.



ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice and provides the following gross internal areas (GIAs).

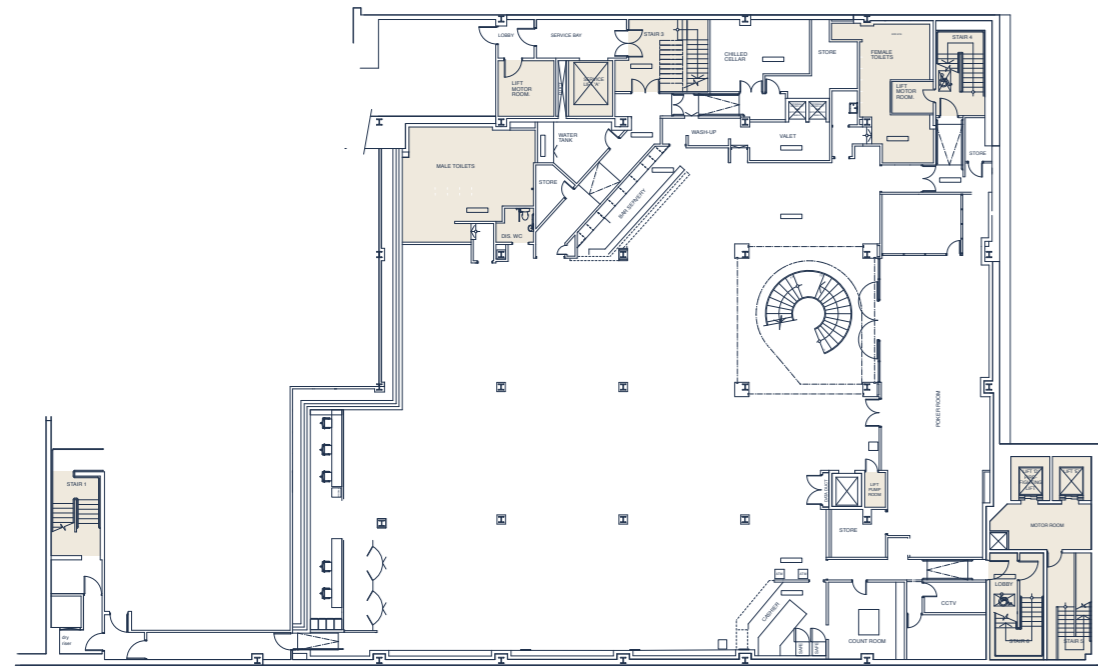
FLOOR	SQ FT	SQ.M
Basement	14,537	1,351
Ground	10,901	1,102
First	7,681	714
Total	33,119	3,347

BASEMENT FLOOR

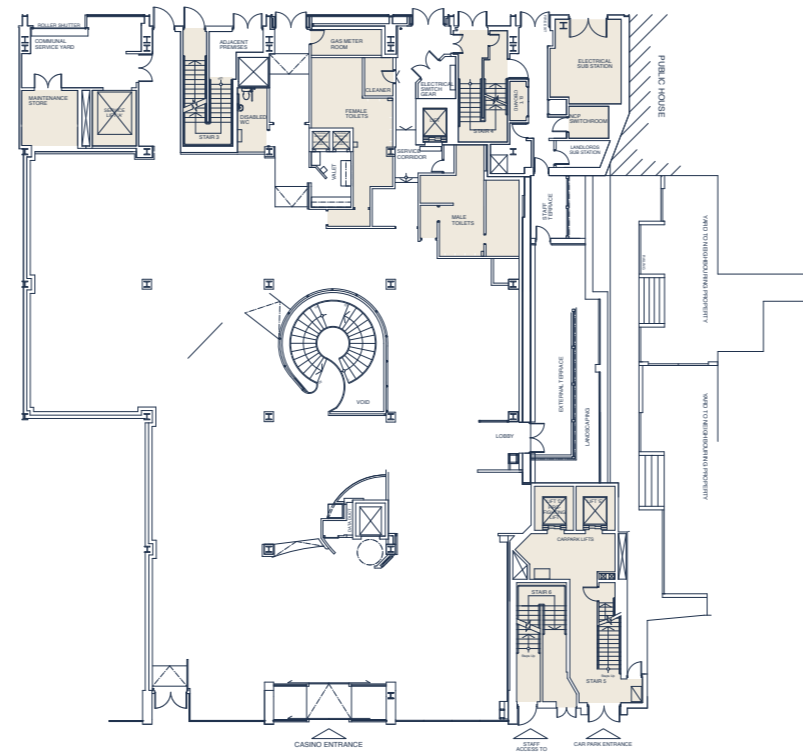
GROUND FLOOR

FIRST FLOOR

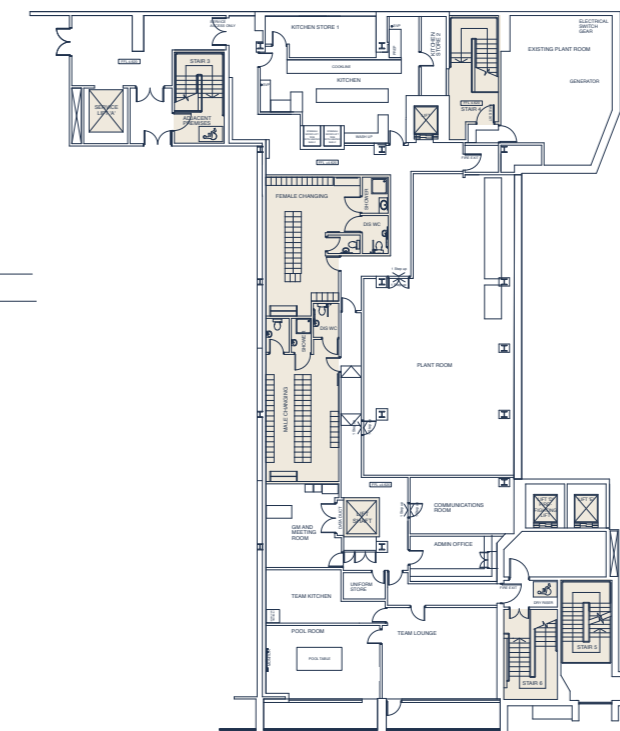
◆ CORE



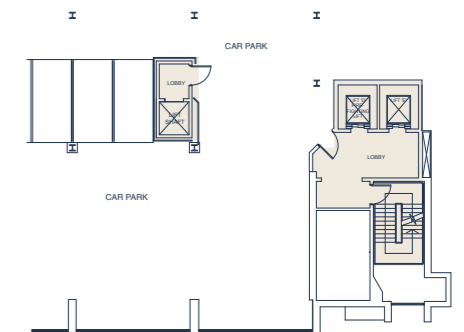
HUTCHESON STREET



GLASSFORD STREET

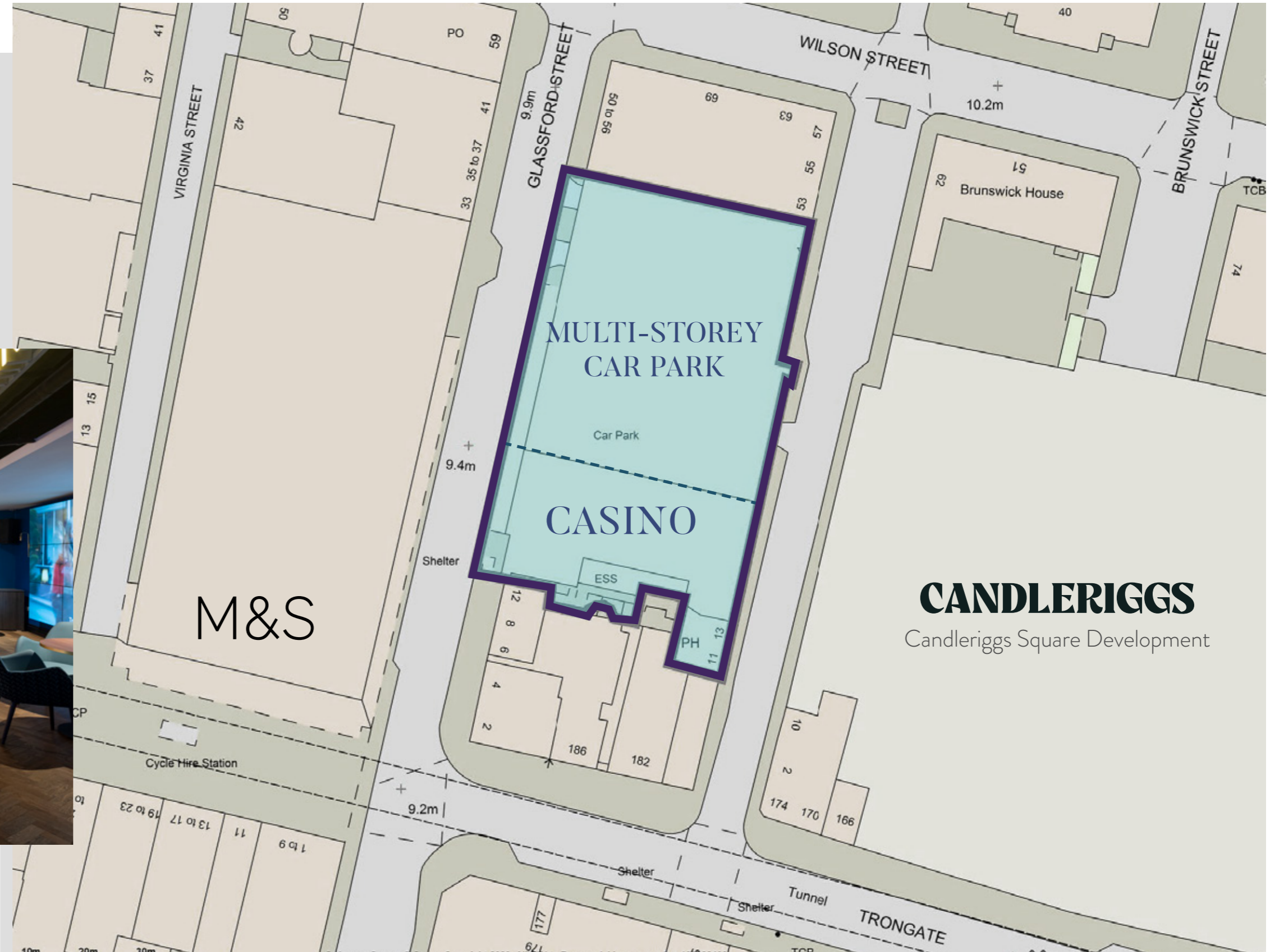


PART SECOND FLOOR



SITE

The site is mid-terrace with frontage onto Glassford Street on the West and Hutcheson Street to the East. The NCP multi-storey car park bounds the site to the North and a mixed-use development to the South.



CANDLERIGGS
Candleriggs Square Development



**GROSVENOR
CASINOS RECENTLY
UNDERTOOK
A £3.5M+
REFURBISHMENT
OF THE PREMISES.**



TENANCY

The property is let to Grosvenor Casino's (GC) Ltd (08306157) and guaranteed by Rank Gaming Group Division Limited (03213743). The lease is drawn on full repairing and insuring (FRI) terms and has recently been re-structured for a period of 15 years from 1 June 2023 without break.

The passing rent is £352,000 per annum which reflects £10.63 psf. The rent is to be reviewed on an upwards only basis on the 5th and 10th anniversaries of the lease start date. The rent review is based on the increase in the RPI (all items) between the first review date and second review date, with a collar of 2% per annum compounded and a cap of 4% per annum compounded.

Both the tenant and guarantor are wholly owned subsidiary companies of Rank Group plc, a FTSE 250 company with a market capitalisation of circa £480 million and one of the world's premier leisure and entertainment organisations.

Rank Group Gaming Division Limited has a Dun & Bradstreet rating of 5A1.

The multi-storey car park is let to Knight Frank Investment Management Long Income Property Unit Trust (KFIM LIPUIT) on a 175 year ground lease from 20 December 2018 at £1 per annum if asked.



**THE CASINO
PASSING RENT
IS £352,000 PER
ANNUM WHICH
REFLECTS £10.63 PSF**





GROSVENOR CASINO

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SERVICE CHARGE

As part of the full repairing and insuring liabilities, the tenant will contribute towards the repair, maintenance, renewal, reinstatement and management of the building of which the premises forms a part, either via service charges or under a deed of conditions. The current Service Charge allocation for the subject is £5,905 reflecting £0.18 psf.

EPC

The property has an EPC rating of C. A copy of the EPC can be supplied to interested parties.

VAT

The property is elected for VAT. VAT will be payable on the purchase price, however it is anticipated that a sale will be enacted by way of a Transfer of a Going Concern (TOGC).

ANTI-MONEY LAUNDERING REGULATIONS

To comply with Anti Money Laundering Regulations we are legally required to undertake due diligence on prospective purchasers/tenants which will at a minimum include proof of identity/address and funding. Applicable documentation will therefore be required on agreement of Heads of Terms.

INVESTMENT PROPOSAL

We are instructed to seek offers in excess of **£4,100,000 (four million one hundred thousand pounds)** exclusive of VAT for the Heritable Interest which reflects a **net initial yield of 8%** after purchaser's costs based on LBTT. A purchase at this level equates to an attractive **capital value rate of £124 psf on the leisure element.**

CONTACT

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