Finance and Resources Committee

10.00am, Thursday, 29 October 2020

26 Cultins Road, Edinburgh – Proposed Lease Extension

Council Commitments 2

1. Recommendations

1.1 That Committee approves a 6-year lease extension to Multi-Fleet Services Limited at 26 Cultins Road, Edinburgh on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

Contact: Mark Bulloch, Portfolio Manager - Investments,

Property and Facilities Management Division, Resources Directorate

E-mail: mark.bulloch@edinburgh.gov.uk | Tel: 0131 529 5991



Report

26 Cultins Road, Edinburgh – Proposed Lease Extension

2. Executive Summary

2.1 Multi-Fleet Services Limited currently occupy 0.26 hectares (0.64 acres) at 26 Cultins Road, Edinburgh on a ground lease which expires on 18 September 2024. This report seeks approval to grant the tenant a 6-year lease extension on the terms and conditions outlined in the report.

3. Background

- 3.1 Multi-Fleet Services Limited occupy the ground 26 Cultins Road, Edinburgh extending to 0.26 hectares (0.64 acres) as shown outlined in red on the attached plan.
- 3.2 The ground lease runs from 19 September 2006 to 18 September 2024 at a passing rent of £29,700 per annum.
- 3.3 As a result of a company restructure, Multi-Fleet Services Limited are seeking an extension of their lease to protect the substantial financial investment they have made in the property and to provide greater security of tenure.

4. Main report

- 4.1 The following terms have been provisionally agreed:-
 - Subjects Ground at 26 Cultins Road, Edinburgh, EH11 4DG;
 - Lease: 6-year extension from 18 September 2024 to 18
 September 2030;
 - Rent: £29,700 per annum;
 - Rent Review: 18 September 2021 and 2026;
 - Use: Auto repairs;
 - Repairs: Full repairing and maintaining obligation;

- Other Terms: As contained in the Council's standard full repairing and insuring ground lease;
- Costs: Tenant responsible for all Council's legal costs.

5. Next Steps

5.1 Following Committee approval, Legal Services will be instructed to progress the lease extension.

6. Financial impact

6.1 A rent of £29,700 per annum to the General Property Account will be maintained for an additional 6-year period with the prospect of further uplifts at rent review in 2021 and 2026.

7. Stakeholder/Community Impact

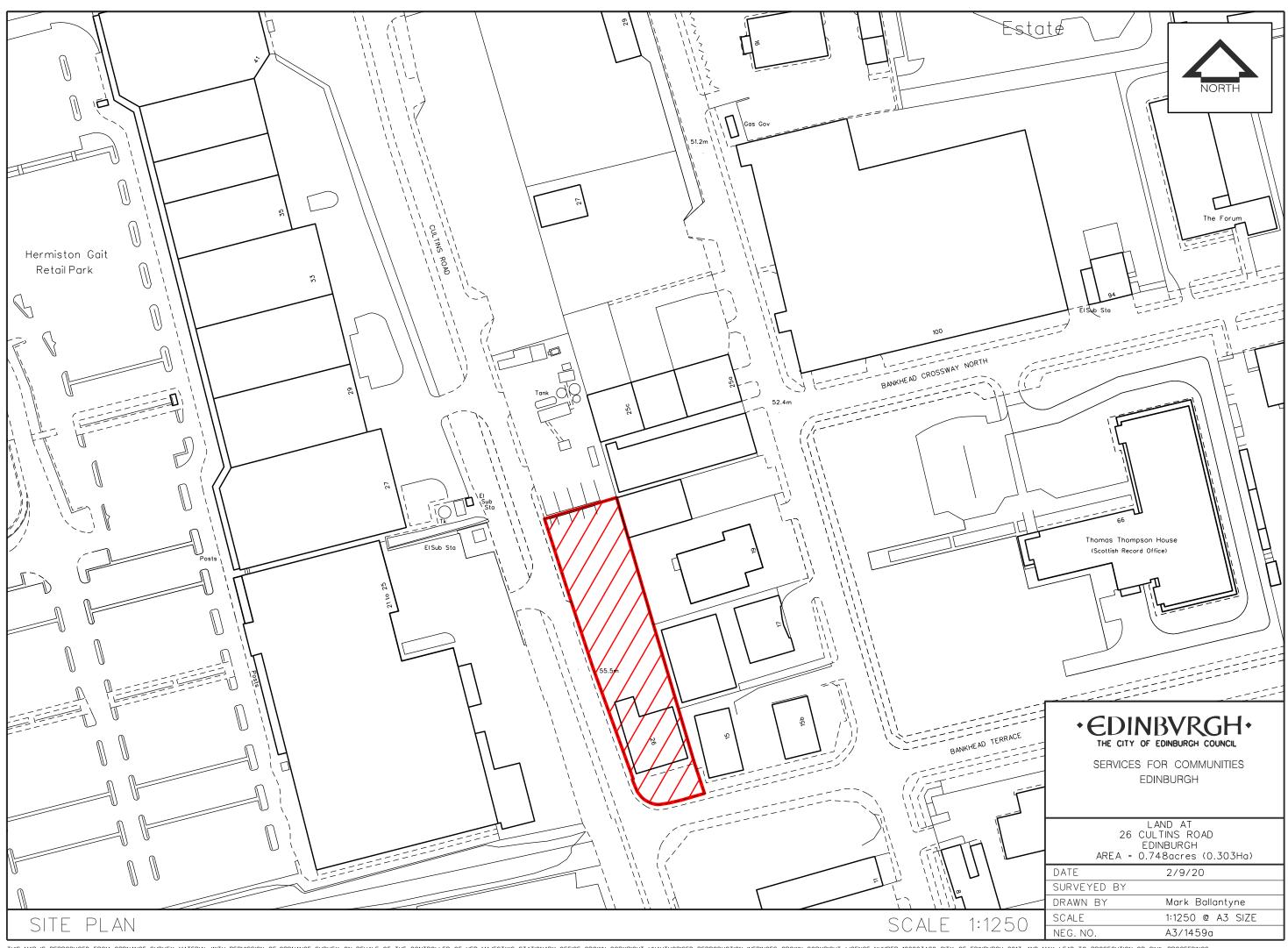
7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

8.1 N/A.

9. Appendices

9.1 Appendix 1 – Location Plan



THIS MAP IS REPRODUCED FROM ORDNANCE SURVEY MATERIAL WITH PERMISSION OF ORDNANCE SURVEY ON BEHALF OF THE CONTROLLER OF HER MAJESTY'S STATIONARY OFFICE CROWN COPYRIGHT. UNAUTHORISED REPRODUCTION INFRINGES CROWN COPYRIGHT LICENCE NUMBER 100023420. CITY OF EDINBURGH 2013 AND MAY LEAD TO PROSECUTION OR CIVIL PROCEEDINGS.