

# Finance and Resources Committee

10.00am, Thursday, 8 September 2022

## Unit 4/5 Clocktower, South Gyle Industrial Estate, Edinburgh – Proposed Lease Extension

Executive/routine Wards Council Commitments	Routine Drum Brae/Gyle
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### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee:
  - 1.1.1 Approves a new 10-year lease extension to Thus Group Holdings Limited at Unit 4/5 Clocktower, on the terms and conditions outlined in this report.

**Paul Lawrence**

Executive Director of Place

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# Report

## Unit 4/5 Clocktower, South Gyle Industrial Estate, Edinburgh – Proposed Lease Extension

### 2. Executive Summary

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- 2.1 The industrial property known as Unit 4/5 Clocktower is let to Thus Group Holdings Limited. The existing lease expires on 31 August 2022 and the tenant has requested a 10-year lease extension. This report seeks approval to grant a lease extension to Thus Group Holdings Limited until 31 August 2032 on the terms and conditions outlined in the report.

### 3. Background

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- 3.1 The property known as Unit 4/5 Clocktower extends to 689 sq m (7,420 sq ft) and is shown hatched and outlined in red on the attached plan.
- 3.2 Thus Group Holdings Limited have occupied the property since September 1997 and operate a telecommunications facility. The current rent is £54,500 per annum.
- 3.3 The existing lease expires on 31 August 2022 and the tenant has requested a 10-year lease extension until 2032.

### 4. Main report

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- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: Unit 4/5 Clocktower, South Gyle Industrial Estate, Edinburgh;
  - 4.1.2 Tenant: Thus Group Holdings Limited;
  - 4.1.3 Lease extension: 10 years from 1 September 2022 until 31 August 2032;
  - 4.1.4 Rent: £70,500 per annum;
  - 4.1.5 Rent Review: 1 September 2027;
  - 4.1.6 Use: telecommunications facility;
  - 4.1.7 Repair: full repairing obligation on the tenant; and
  - 4.1.8 Costs: tenant responsible for all the Councils legal costs.

- 4.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease.

## **5. Next Steps**

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- 5.1 Following Committee approval, Legal Services will be instructed to progress with drafting the essential documentation for the proposed lease extension.

## **6. Financial impact**

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- 6.1 Effective from the 1 September 2022, the annual rent will be increased from £54,500 per annum to £70,500 per annum. The income is payable to the General Property Account.

## **7. Stakeholder/Community Impact**

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

## **8. Background reading/external references**

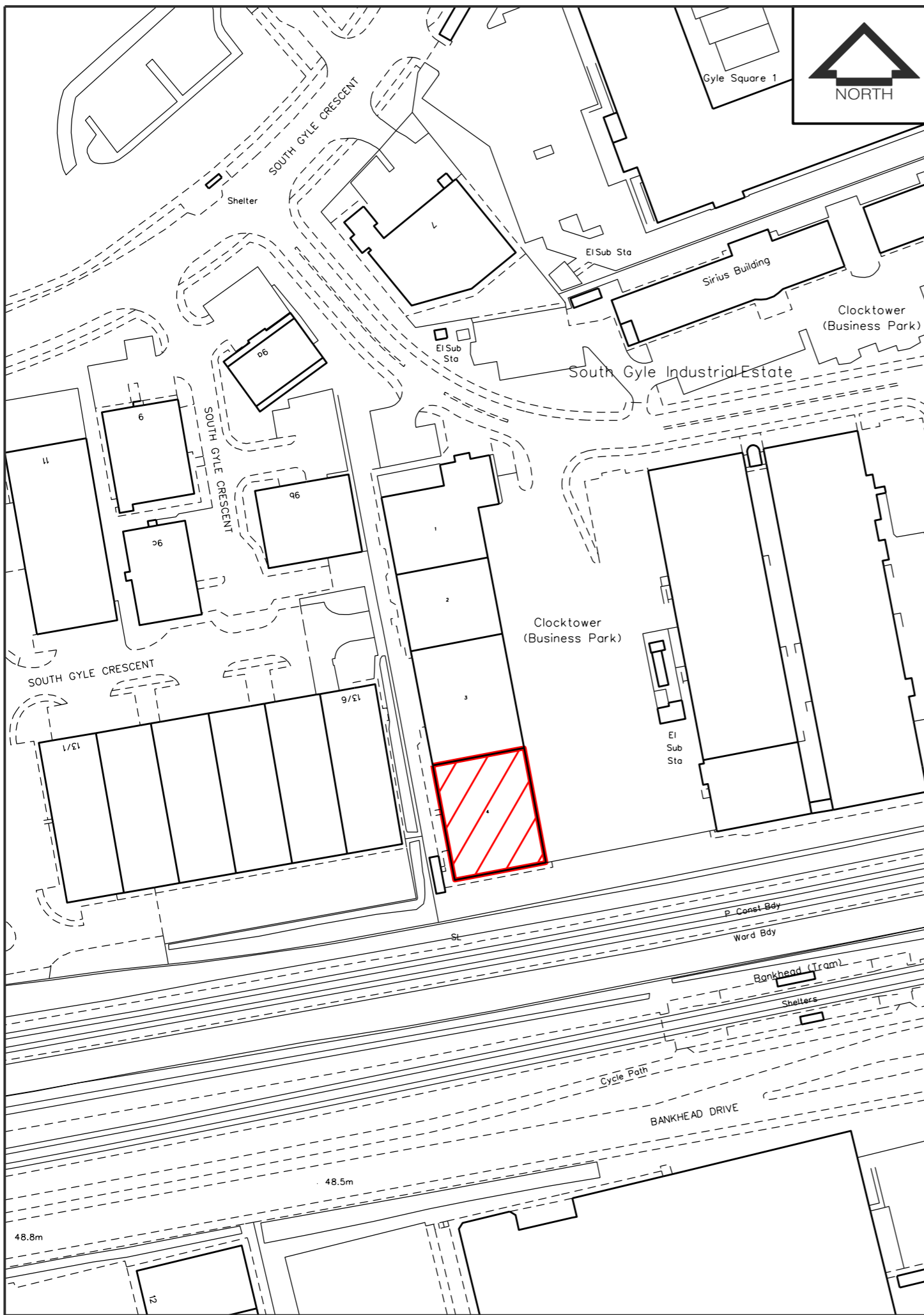
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- 8.1 None.

## **9. Appendices**

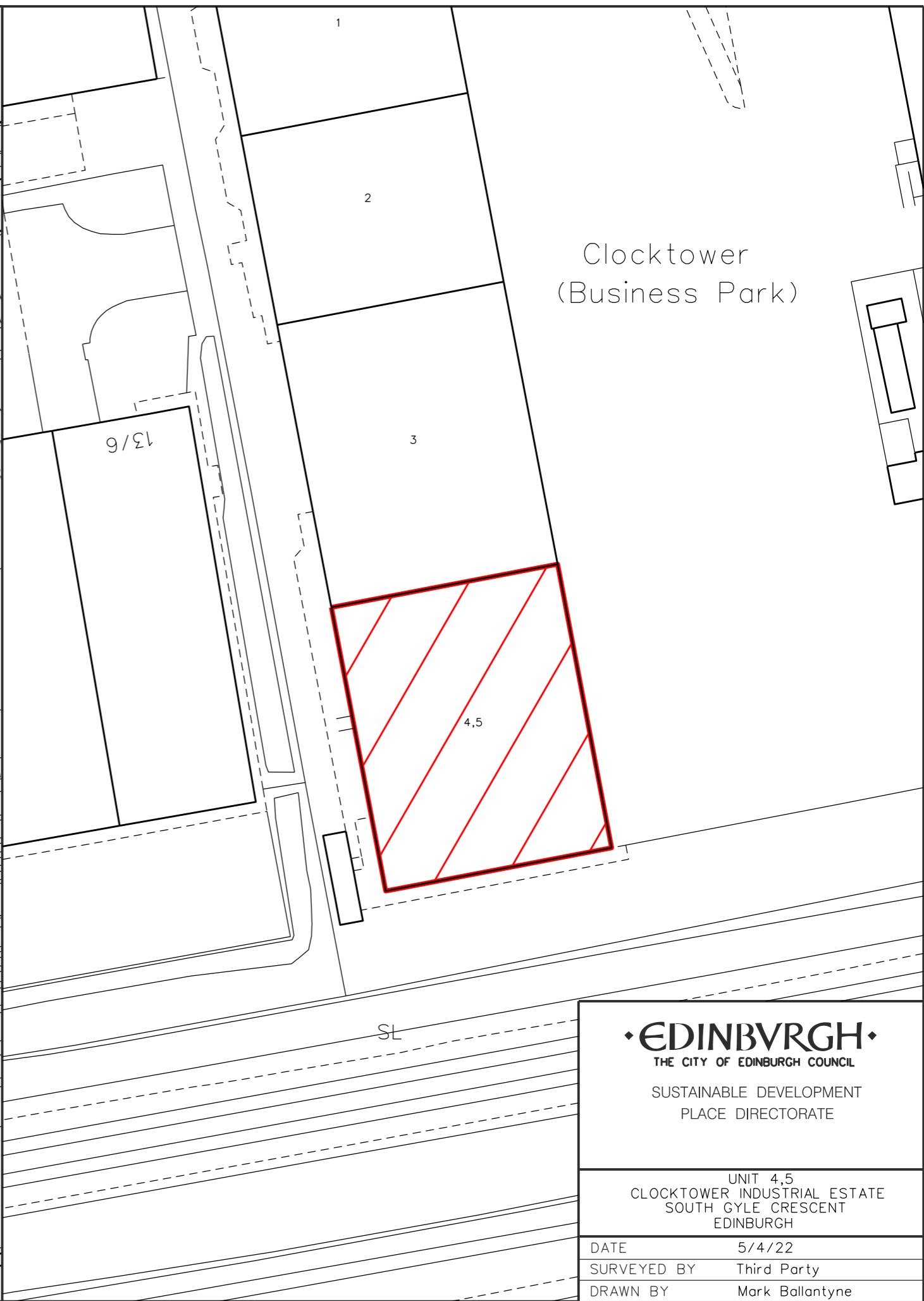
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- 9.1 Appendix 1 – Location plan.



LOCATION PLAN

SCALE 1:1250



SITE PLAN

SCALE 1:500

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
UNIT 4,5 CLOCKTOWER INDUSTRIAL ESTATE SOUTH GYLE CRESCENT EDINBURGH	
DATE	5/4/22
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A3/1719a

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