

# Finance and Resources Committee

10.00am, Tuesday, 20 June 2023

## 101 Canongate, Edinburgh – Proposed Lease Extension

Executive/routine Wards Council Commitments	Routine 11 – City Centre
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### 1. Recommendations

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- 1.1 That the Finance and Resources Committee approve a 10-year lease extension to Malky and Sons Bhakar Limited of 101 Canongate on the terms outlined in this report.

**Paul Lawrence**

Executive Director of Place

Contact: Iain Lamont, Senior Estates Manager

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# Report

## 101 Canongate, Edinburgh – Proposed Lease Extension

### 2. Executive Summary

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- 2.1 No. 101 Canongate is let to Malky and Sons Bhakar Limited until 30 September 2023. The tenant has requested a 10-year lease extension and approval is sought to grant this on the terms and conditions outlined in this report.

### 3. Background

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- 3.1 The property known as 101 Canongate extends to 55.50 sq m (597 sq ft) and is shown outlined in red on the attached plan.
- 3.2 Malky and Sons Bhakar Limited has occupied the property since June 2018 and operate a gift shop. The current rent for the subject is £13,650 per annum.
- 3.3 The existing lease expires on 30 September 2023 and the tenant has requested a 10-year lease extension until 30 September 2033.

### 4. Main report

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- 4.1 The following terms have been provisionally agreed:
- 4.1.1 Subjects: 101 Canongate, Edinburgh;
  - 4.1.2 Tenant: Malky and Sons Bhakar Limited;
  - 4.1.3 Lease extension: 10 years from 30 September 2023;
  - 4.1.4 Rent: £18,000 per annum (current market value);
  - 4.1.5 Rent review: Five (5) yearly;
  - 4.1.6 Repair: tenant full repairing liability; and
  - 4.1.7 Costs: tenant responsible for Council's legal costs.
- 4.2 Due to COVID-19 and its effect on Edinburgh's tourist industry, the tenant has built up rental arrears. A repayment plan is in place in order that the arrears are cleared by the commencement of the proposed lease extension.

## **5. Next Steps**

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- 5.1 Following approval of the terms by Committee, Legal Services will be instructed to progress with the documentation for the new lease.

## **6. Financial impact**

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- 6.1 Effective from the 30 September 2023 the annual rent will be increased from £13,650 per annum to £18,000 per annum credited 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 this report.

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

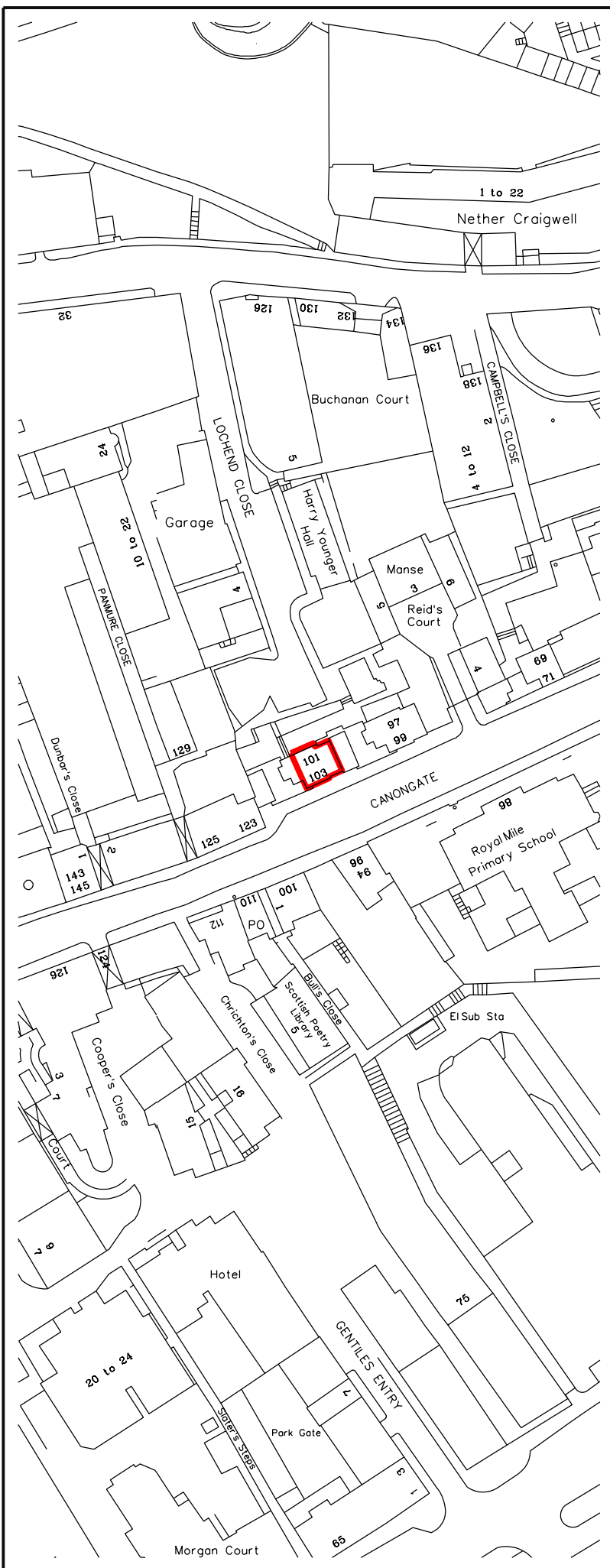
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- 8.1 None.

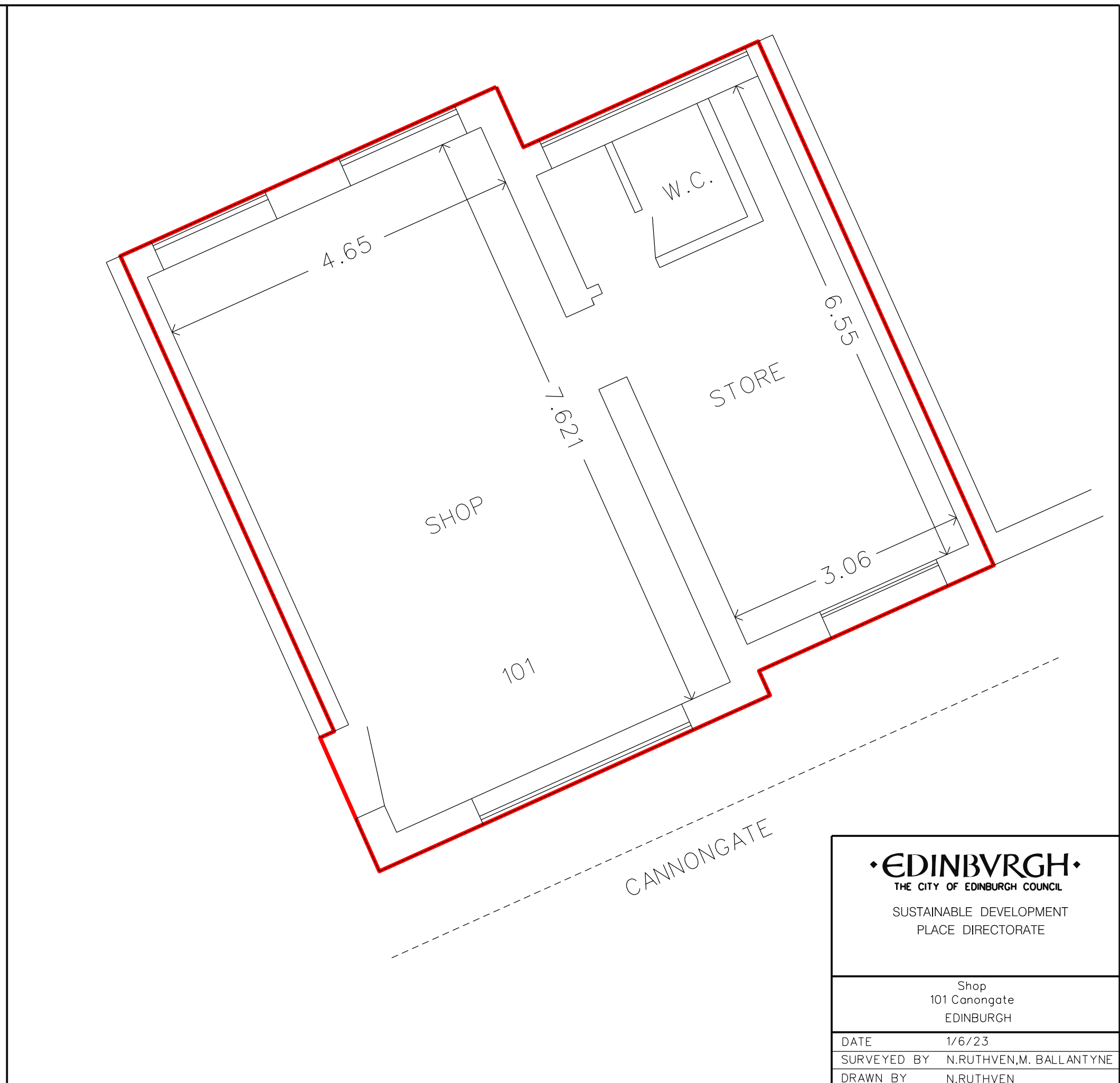
## **9. Appendices**

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- 9.1 Appendix 1 – Location plan.



LOCATION PLAN SCALE 1:1250



SITE PLAN

SCALE 1:50

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
Shop 101 Canongate EDINBURGH	
DATE	1/6/23
SURVEYED BY	N.RUTHVEN, M. BALLANTYNE
DRAWN BY	N.RUTHVEN
SCALE	N.RUTHVEN
NEG. NO.	2673/A3/1078