

Finance and Resources Committee

10.00am, Thursday, 21 January 2021

5 Hamilton Place, Edinburgh – Proposed New Lease

Executive/routine	Routine
Wards	Ward 5 – Inverleith
Council Commitments	2

1. Recommendations

- 1.1 That Committee approves a 20-year lease to Harem Murdochy of premises at 5 Hamilton Place, 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: Alan Simpson, Investment Portfolio Officer,

Property and Facilities Management Division, Resources Directorate

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5 Hamilton Place, Edinburgh – Proposed New Lease

2. Executive Summary

- 2.1 The restaurant at 5 Hamilton Place was vacated in summer 2019 when the previous occupier ceased trading. A lease was unable to be secured with the preferred bidder following initial marketing. Following re-marketing, 8 bids were received at a closing date in November 2020. This report seeks approval to grant a new lease to Harem Murdochy, on the terms and conditions outlined in the report.

3. Background

- 3.1 The ground and basement retail premises at 5 Hamilton Place extends to 65 sq m (700 sq ft), as shown outlined in red on the attached plan.
- 3.2 The premises became vacant in summer 2019 when the previous tenant ceased trading. At that time the rent was £16,000 per annum.
- 3.3 The property was marketed in the summer of 2019. On 6 December 2019, the Finance and Resources Committee approved a 10-year lease to the preferred bidder following a closing date. However, a lease was not able to be concluded due to the impact of Covid-19 on the proposed tenant's business model.
- 3.4 Consequently, the property was re-marketed with a further closing date in November 2020 when 8 bids were received. The offers have been evaluated with the preferred bidder recommended as detailed below.

4. Main report

- 4.1 The following terms have been provisionally agreed:-
- Subjects 5 Hamilton Place, Edinburgh;
 - Tenant: Harem Murdochy;
 - Lease: 20 years from February 2021;
 - Rent: £22,500 per annum;
 - Rent Review: February 2026 and 5 yearly thereafter;

- Use: Ice Cream Parlour;
- Repairs: Tenant full repairing and insuring obligation;
- Costs: Tenant responsible for all the Councils legal costs; and,
- Other Terms: As contained in the standard Council lease.

5. Next Steps

- 5.1 Following Committee approval, the Council Solicitor will be instructed to progress the preparation of a new lease.

6. Financial impact

- 6.1 A rent of £22,500 per annum to the General Property Account from February 2021 from a property which has been vacant since summer 2019.

7. Stakeholder/Community Impact

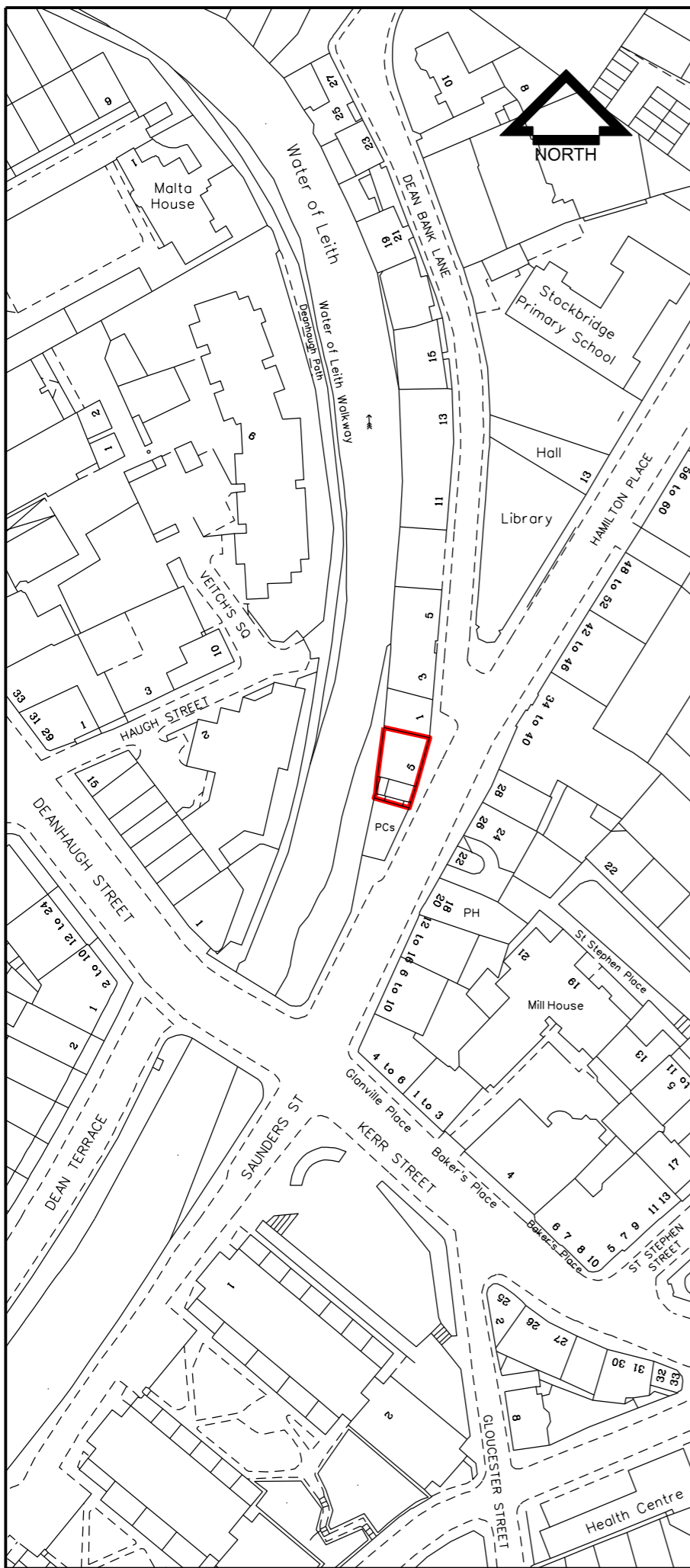
- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

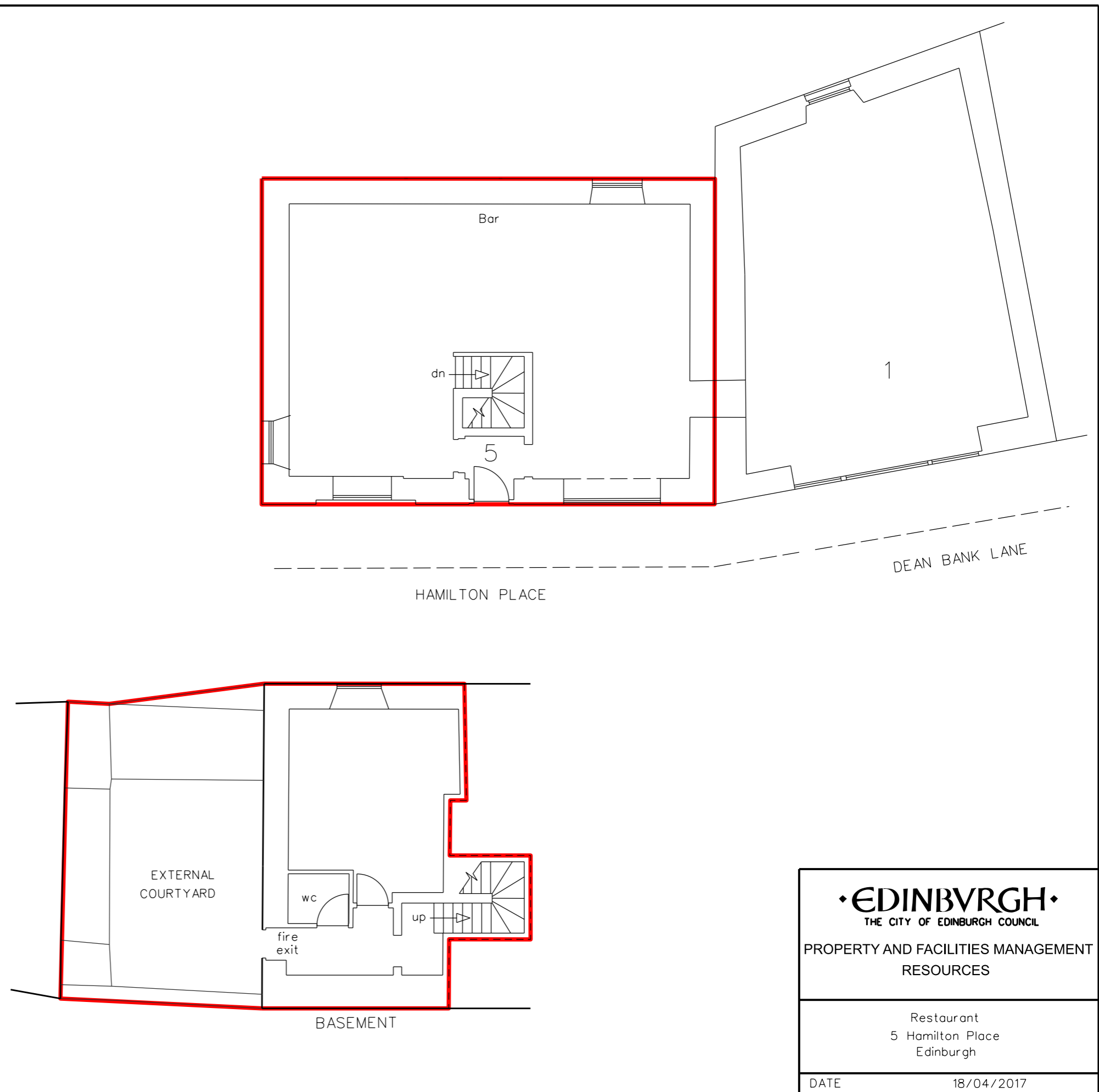
- 8.1 Not applicable.

9. Appendices

- 9.1 Appendix 1 – Location Plan



LOCATION PLAN



AREA OF LEASE SHOWN DELINEATED RED

FLOOR PLAN

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
Restaurant 5 Hamilton Place Edinburgh	
DATE	18/04/2017
SURVEYED BY	MB,AP
DRAWN BY	Fiona McDonald
FILE NO.	
NEG. NO.	A3/929 A