

FOR SALE

Outstanding City Centre office.
Fully refurbished workspace
with vacant possession.

41,000 sq ft (3,809 sq m)



EUROPA

450 ARGYLE STREET G2 8LH



Executive Summary



- Prominent office building located in Glasgow's city centre office core. Nearby occupiers include **Morgan Stanley, JP Morgan, AXA, MOD, HMRC & BDO Stoy Hayward**.
- Considerable regeneration ongoing in the surrounding area, with CEG preparing to develop 277,000 sq ft at The Grid site nearby.
- Vacant office building which is fully refurbished and immediately lettable.
- 40,872 sq ft, arranged over ground and two upper floors with 27 car spaces.
- Strong ESG credentials - gas free building with electricity supplied from 100% renewable sources.
- Flexible letting capability, down to individual floor or part floor.
- Shortage of available buildings for owner occupation.
- Long leasehold interest from Glasgow City Council, expiring in 2124 at a rental of £1 per annum.
- Longer term redevelopment and change of use potential, subject to obtaining necessary consents.
- Offers over £5m exclusive of VAT are sought, which reflects an attractive capital value of £122 sq ft.

Location

Europa is located in Glasgow's International Financial Services District (IFSD), home to an array of established and fast growing FTSE 500, financial and professional organisations. The local area is well served with restaurants, bars, coffee shops and convenience stores with all of the amenities provided by the city centre in close proximity.

Connectivity is excellent with buses on the doorstep, Anderston, Central Station and St Enoch subway station within minute's walk and M8 Junction 19 and the Clydeside Expressway within minutes' drive time.

Situation

The building occupies an island site fronting Argyle Street, an arterial route into the city centre from the M8 motorway and A814 Clydeside Expressway. The site is bounded by Douglas Street and Cadzow Street and the building is prominently positioned with superb street presence. The immediate area has witnessed a number of recent developments, with bespoke HQ buildings for Morgan Stanley and JP Morgan and the speculatively developed 2 Atlantic Square, which has attracted HMRC, BDO Stoy Hayward and Atkins. Nearby The Grid site, recently acquired by CEG, is shortly to be developed with a Grade A 277,000 sq ft office.

Other uses in the immediate vicinity include hotel, residential and in the longer term, redevelopment of the building would also present BTR and student accommodation possibilities.



○ Neighbouring Occupiers

- 01 AXA
- 02 Teleperformance
- 03 Multiplex
- 04 Morgan Stanley
- 05 Chubb/Sedgwick
- 06 AJ Gallagher/Hays
- 07 MOD
- 08 Atkins/Burness Paull/BDO
- 09 HMRC
- 10 JP Morgan
- 11 Scottish Government
- 12 BT
- 13 Transport Scotland/
BNP Paribas/Virgin Money
& Aecom

● Local Amenities

- 01 Tesco Express
- 02 Tinderbox
- 03 Co-op
- 04 Caffè Nero
- 05 The Gym
- 06 Starbucks
- 07 Philipotts
- 08 Costa
- 09 Pret a Manger

● Hotels

- 01 Glasgow Marriott
- 02 ibis Styles
- 03 Raddison Blu
- 04 Motel One
- 05 Hilton
- 06 Yotel
- 07 Glasgow Argyle Hotel
- 08 Hotel Indigo

◆ Car Parking

- 01 Q Park
- 02 Cadogan Square





Description

Europa is a three storey imposing office building on the corner of Douglas Street and Argyle Street. Access to the subjects is via a central glazed entrance and reception area with barrier control security, from where the upper floors are accessed via 2 x 10 person passenger lifts and a central staircase. A secure, external private car park is situated to the rear of the building with rear access to the subjects.

The upper floors of the building benefit from large, flexible column free floor plates that provide ease of sub-divisibility whilst the ground floor is already split into two suites with the ability to create a further dedicated entrance to either.

Tenancy

The building is offered with vacant possession.

Specification

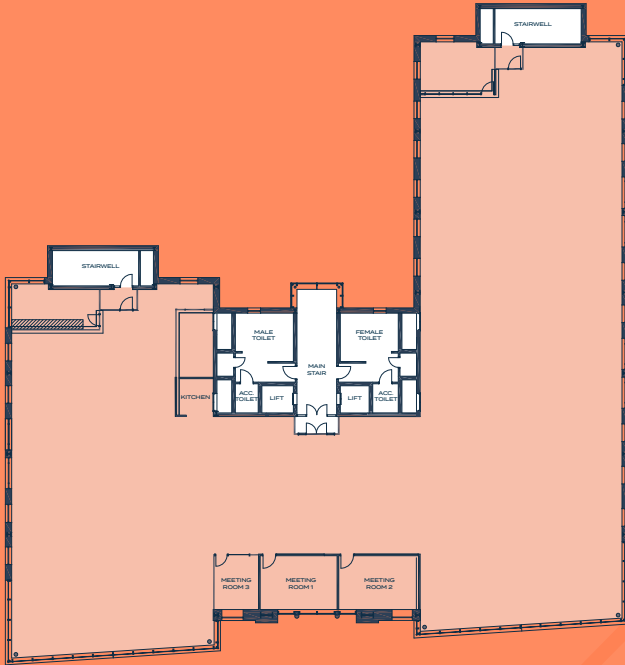
- Exposed ceiling with suspended LED lighting - ground and second floor
- Suspended ceiling with recessed LED lighting - first floor
- Electric VRF air conditioning
- Raised access flooring
- Kitchens on each level
- High quality existing fit out
- Fully Cat 6 wired for IT
- Male, female and accessible toilets per each level
- Showers and cycle facilities
- Large reception with security barrier gate system

Accommodation

Floor	Sq Ft
Second	13,794
First	13,707
Ground (East)	7,656
Ground (West)	5,073
Ground (Reception)	642
Total	40,872

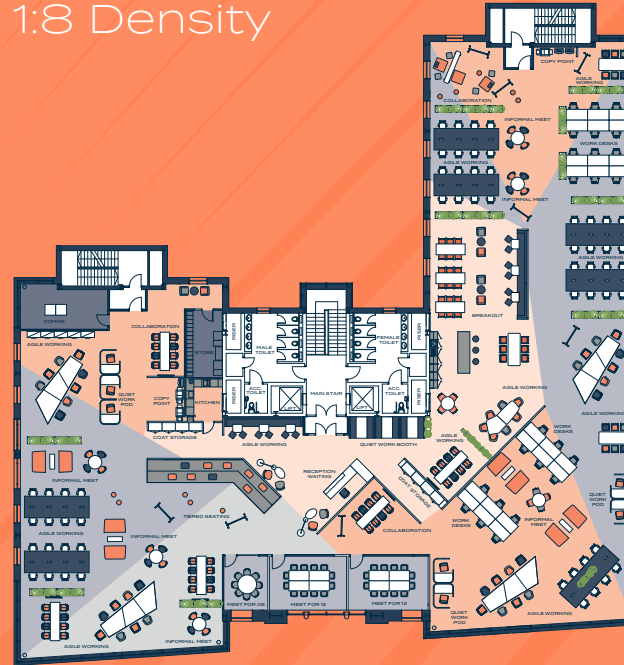
27 car parking spaces available

Floor Plan

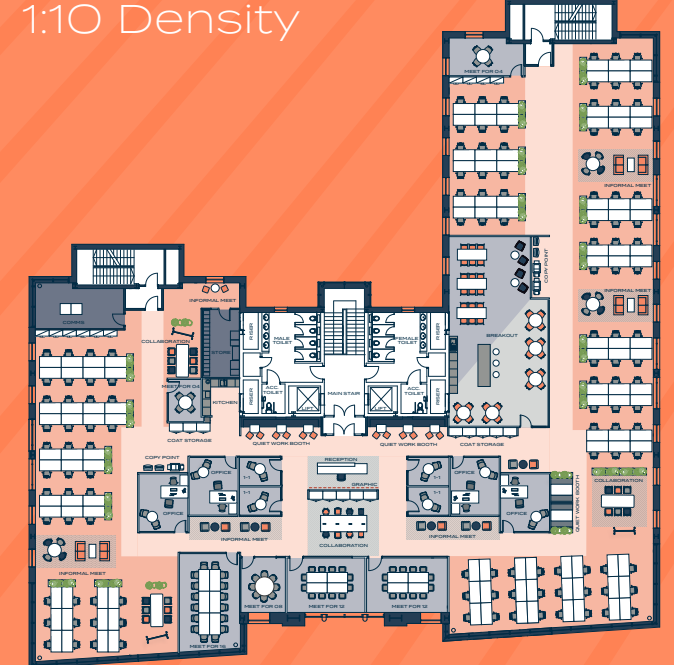


Space Plans

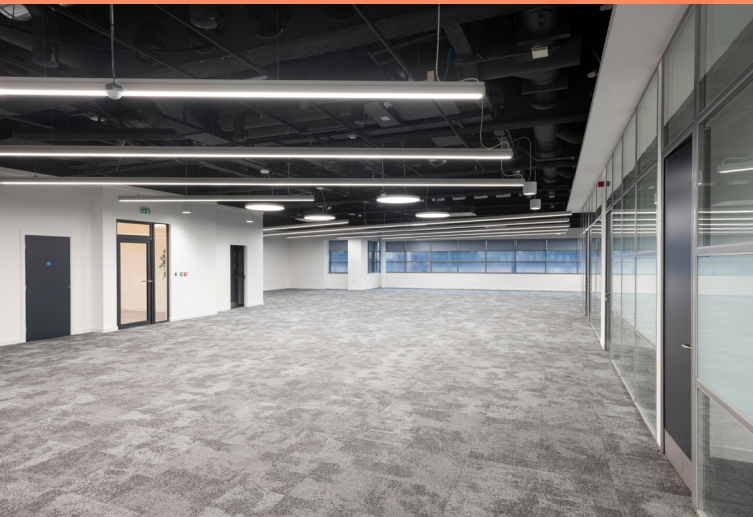
1:8 Density



1:10 Density



ARGYLE STREET



- N.I.A:**
Approx 1,242 sq m/13,368 sq ft
- Density:**
Approx 8 sq m per person
- 24 Work Desks (1600 x 800)
 - 131 Agile Working
 - 01 Reception/Waiting
 - 01 8P Meeting
 - 02 12P Meeting
 - 01 Tea Prep & Breakout
 - 01 Mini Kitchen
 - 01 Tiered Seating
 - 03 Collaboration
 - 05 Informal Meeting
 - 03 Quiet Work Booth
 - 07 Quiet Work Pod
 - 02 Copy Point
 - 01 Comms/Storage
 - 02 Coat Storage
 - 01 Store

- N.I.A:**
Approx 1,242 sq m/13,368 sq ft
- Density:**
Approx 10 sq m per person
- 124 Work Desks (1600 x 800)
 - 01 Reception
 - 02 4P Meeting
 - 01 8P Meeting
 - 02 12P Meeting
 - 01 16P Meeting
 - 04 1-1 Room
 - 04 Office
 - 01 Tea Prep & Breakout
 - 01 Mini Kitchen
 - 04 Collaboration
 - 01 Informal Meeting
 - 06 Quiet Work Booth
 - 02 Copy Point
 - 01 Comms/Storage
 - 02 Coat Storage
 - 01 Store

Market Summary



Pre-Covid pandemic, take-up in the Glasgow CBD had been consistently strong reflecting a positive trend throughout the major UK regional office markets.



2021 recorded a strong H2 with total take up in the order of 524,000 sq ft, up 51% on the previous year.



Following their acquisition of The Grid site, 33 Cadogan Street, CEG are anticipated to commence construction of a 275,000 sq ft building in Q2 2022.



2 of the 3 new build developments completed in 2021 (2 Atlantic Square & Cadworks). The last, 177 Bothwell Street completes in Q3, 2022.



New headline rental of £35.25 per sq ft achieved in 2021. This figure is expected to be exceeded in 2022.



H1 2022 take up recorded at 208,000 sq ft.



There remains a 'Supply Gap' for best refurbished assets to exploit.



Approximately 83% of space within the 3 new build office developments is let or under offer.



Strong occupier focus on ESG credentials.



Key Recent Lettings

Quarter	Occupier	Size (sq ft)	Address
Q2 2022	OVO Energy	33,905	Cadworks, West Campbell Street
Q2 2022	WIZU Workspace	24,350	2 West Regent Street
Q2 2022	Diageo	12,440	Onyx, 215 Bothwell Street
Q1 2022	Burness Paull	14,800	2 Atlantic Square
Q1 2022	Fairhurst	10,500	300 Bath Street
Q1 2022	BDO	8,000	2 Atlantic Square
Q4 2021	Transport Scotland	49,000	177 Bothwell Street
Q3 2021	Atkins	21,000	2 Atlantic Square
Q3 2021	CBRE	18,000	177 Bothwell Street
Q3 2021	Aecom	19,000	177 Bothwell Street
Q3 2021	TLT	10,000	Cadworks, West Campbell Street
Q3 2021	WJM	11,000	St Vincent Plaza, St Vincent Street
Q3 2021	SLC	75,000	Buchanan Wharf



Tenure

The building is held on a ground lease from Glasgow City Council which expires on 21/3/2124 (101 years outstanding) at a rental of £1 pa.

VAT

The property is elected for VAT and VAT will be payable on the purchase price.

Anti Money Laundering

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.



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Sustainability

The building is gas free with electricity supplied from 100% renewable sources.

Where appropriate, the landlord has retained high quality partitioning and existing high specification IT cabling throughout. The building EPC is B.

Legal Costs

Each party will be responsible for their own legal costs incurred in this transaction, with the incoming tenant being responsible for LBTT, registration dues and VAT incurred thereon.

Data Room

An online data room has been set up and access can be provided upon request.

Planning Overview

The property at 450 Argyle Street is located within a Strategic Economic Investment Location within the City's International Financial Services District as defined by the City Development Plan 2017. Against this background, the council will seek to foster businesses and industry by supporting and directing key growth sector development in the city to these locations. The property also falls into the Principal Office Area, where the council will encourage the redevelopment and refurbishment of obsolete office floorspace. The property may offer potential for alternative uses and notably a range of tenures across the residential sector in line with the aspirations of the council's City Centre Living Strategy.

Proposal

We are instructed to seek offers in excess of £5,000,000 exclusive of VAT for the benefit of our client's interest. A purchase at this level would reflect an attractive capital value of £122 sq ft.



Further Information & Viewing

For further information please contact the joint selling agents:



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