

REPORT

To: <b>POLICY AND RESOURCES (REGENERATION &amp; INFRASTRUCTURE) SUBCOMMITTEE</b>		Subject: <b>INDUSTRIAL &amp; COMMERCIAL LEASES :</b>
From: <b>HEAD OF LAND SERVICES</b>		
Date: <b>5 SEPTEMBER 2013</b>	Ref: <b>AF</b>	
		<b>1 APRIL 2013 TO 30 JUNE 2013</b>

**1. INTRODUCTION**

1.1 The purpose of this report is to advise Committee of the lease transactions approved by the Head of Land Services in respect of the lease of industrial and commercial properties.

**2. BACKGROUND**

2.1 The attached appendix lists all the new leases, renewals and assignments (including those reported to Committee) during the period from 1 April 2013 to 30 June 2013. As detailed in the attached schedule, a total of 32 properties were let, renewed or assigned during the period (9 offices, 3 retail units, 16 industrial units, 1 compound, 2 ground leases and 1 miscellaneous property), generating £189,830 in annual rent. As a result, a total of approximately 103 jobs were maintained or created of which 68 were new jobs.

**3. STATISTICS**

3.1 For the Committee's information, the figures for the past year are shown below:-

Dates	Properties let	Rental generated	Jobs maintained/ created
01/07/12-30/09/12	45 (7 offices, 3 retail units, 29 industrial units, 1 compound, 3 ground leases and 2 miscellaneous properties)	£278,810	162 (65 new)
01/10/12-31/12/12	35 (5 offices, 7 retail units, 14 industrial units, 1 compound, 2 grazing lets and 6 miscellaneous transactions)	£137,742	82 (23 new)
01/01/13-31/03/13	51 (4 offices, 9 retail units, 29 industrial units, 1 compound, 4 ground leases and 4 miscellaneous properties)	£393,600	185 (42 new)
01/04/13-30/06/13	32 (9 offices, 3 retail units, 16 industrial units, 1 compound, 2 ground leases and 1 miscellaneous property)	£189,830	103 (68 new)
<b>TOTAL</b>	<b>163 (147 new lettings)</b>	<b>£999,982</b>	<b>532 (198 new)</b>

#### 4. **ECONOMIC OUTLOOK**

- 4.1 The first two quarters of 2013 have seen positive growth in the UK economy, albeit marginal growth, but while most commentators believe the economy is recovering slowly, in terms of historic economic trends, the Scottish market usually lags behind London by approximately 6 months to a year.
- 4.2 At present the Scottish property market is showing no obvious signs of recovery. The Council's commercial property portfolio is still experiencing a high number of lease terminations and activity in the letting market is limited, but as recent similar committee reports have demonstrated, smaller units continue to perform well where empty units are re-let quickly, while the take up of larger units remains weak.
- 4.3 The table below shows that although the number of transactions and jobs maintained have fallen slightly, there has been a marginal improvement in the revenue generated through lease transactions in the past two years. This is typical of the commercial property portfolio's performance in recent years – steady income generation throughout a persistent economic recession.

<b>Financial Year</b>	<b>Rent generated</b>	<b>Transactions</b>	<b>Jobs maintained</b>
01/07/11-30/06/12	£944,383	176	628
01/07/12-30/06/13	£999,982	163	532

- 4.4 While the economic future is still uncertain, if recent trends continue, growth is expected to filter through to the Scottish property market in the coming year which should improve commercial occupancy levels.

#### 5. **RECOMMENDATION**

- 5.1 It is recommended that Committee notes the contents of the report and the leases granted under delegated authority.



**KENNETH WILSON**  
Head of Land Services

Members seeking further information on the contents of this report are asked to contact Mary Anne Robb, Section Manager, on 01236 632667.

# Commercial Property Portfolio Leases

Transactions completed between 01/04/2013 and 30/06/2013

<i>Category</i>	<i>Property</i>	<i>Tenant</i>	<i>Transaction</i>	<i>Use</i>	<i>Rent pa</i>	<i>Employment</i>	<i>Jobs created</i>
<b>Office ( 9 transactions)</b>							
	Suite N, Town Hall Business Centre, 1-11 High Road, Motherwell, ML1 3HU (8575)	Fire Protection Alliance Limited	New Lease	Fire Alarm Engineering	£2,150	3	0
	Office 36, Airdrie Business Centre, 1 Chapel Lane, Airdrie (First Floor), ML6 6GX (7651)	HMQ (UK) Limited	New Lease	Debt Management	£5,200	8	7
	Suite 2.3, Dalziel Building, 7 Scott Street, Motherwell, ML1 1PN (8461)	I-Power Systems Ltd	New Lease	Renewable Energy Installer	£6,100	12	20
	Office 2, Chryston Business Centre, Cloverhill Place, Chryston, G69 9DQ (8548)	Arquila Limited	New Lease	Business Software Systems	£7,250	5	7
139	Unit 2, Strathclyde Business Centre, 10 Princess Road, New Stevenston, ML1 4JD (8382)	Lockfast Site Services Limited	New Lease	Site Services	£950	2	1
	Office 17, Enterprise House, Dalziel Street, Motherwell, ML1 1PJ (8565)	Rosehall Payroll & Accounting Services Ltd	New Lease	Accountancy	£3,100	2	1
	Office 2.11, Dalziel Building, 7 Scott Street, Motherwell, ML1 1PN (8590)	Proactive Services (Building) Ltd	New Lease	Construction & Engineering	£3,300	3	2
	Office 33, Airdrie Business Centre, 1 Chapel Lane, Airdrie, ML6 6GX (8239)	HMQ (UK) LIMITED	New Lease	Debt Management	£4,150	0	0
	Office 1, Chryston Business Centre, Cloverhill Place, Chryston, G69 9DQ (7842)	AM Plus Accountancy Ltd	New Lease	Accountancy	£3,800	2	2
Sub totals for Office transactions					<b>£36,000</b>	<b>37</b>	<b>40</b>

<i>Category</i>	<i>Property</i>	<i>Tenant</i>	<i>Transaction</i>	<i>Use</i>	<i>Rent pa</i>	<i>Employment</i>	<i>Jobs created</i>
<b>Retail ( 3 transactions)</b>							
	19 Aitchison Street, Airdrie, ML6 0DA (8540)	Lyndsey Dunbar	New Lease	hairdresser	£4,600	1	0
	17&19 Northburn Avenue, Airdrie, ML6 6PZ (8612)	Aniq Bin Shafique	New Lease	covenience store	£5,000	5	5
	29-31 Easton Place, Coatbridge, ML5 4EW (7875)	Ladbrokes Ltd.	New Lease	Bookmaker	£23,750	5	5
Sub totals for Retail transactions					<b>£33,350</b>	<b>11</b>	<b>10</b>

<i>Category</i>	<i>Property</i>	<i>Tenant</i>	<i>Transaction</i>	<i>Use</i>	<i>Rent pa</i>	<i>Employment</i>	<i>Jobs created</i>
<b>Industrial ( 16 transactions)</b>							
	E7 North Caldeen Road, Calder Street Industrial Estate, Coatbridge, ML5 4EF (8293)	Zbigniew Bratuszewski and Michal Dziedzic	Lease Renewal/Rent Review	Tyre and Car Service	£6,000	2	0
	14 Dunlin Court, Strathclyde Business Park, Bellshill, ML4 3NH (8474)	Scotech Welding Supplies Limited	Lease Renewal/Rent Review	welding supplies	£13,200	7	0
	1 Kelvin Road North, Lenziemill Industrial Estate, Cumbernauld, G67 2BD (8429)	Lumitan Limited	New Lease	Sunless Tanning	£1,200	1	5
	31 Kelvin Road North, Cumbernauld, Lenziemill Industrial Estate, Cumbernauld, G67 2BD (7983)	Alex Schmitt	New Lease	Vivarium and Aquarium Production	£3,000	0	0
	Unit C, Stobcross Street Industrial Estate, Stobcross Street, Coatbridge, ML5 1BE (8432)	Stephen Hickman	New Lease	Diving Gas Services	£2,700	1	0
	Unit G, Stobcross Street Industrial Estate, Stobcross Street, Coatbridge, ML5 1BE (8434)	Mathew Kannala Joseph	New Lease	Catering and Food Processing	£2,700	1	0
	7 Teal Court, Strathclyde Business Park, Bellshill, ML4 3NN (8358)	Design & Flexo Limited	New Lease	graphic design	£19,250	5	1
141	45 Kelvin Road North, Lenziemill Industrial Estate, Cumbernauld, G67 2BD (8480)	Thomas Doyle	New Lease	Dental Laboratory	£3,000	3	3
	6 Dunlin Court, Strathclyde Business Park, Bellshill, ML4 3NH (8541)	Advertising Signs Limited	New Lease	sign manufacture	£13,200	6	0
	20F Netherdale Road, Netherton Industrial Estate, ML2 0ER (8544)	Cecilia Jacqueline McGillivray	New Lease	blind manufacturing	£3,800	1	0
	18A Netherdale Road, Netherton Industrial Estate, ML2 0ER (8552)	Norman Morrison	New Lease	engineering	£2,200	2	0
	18C Netherdale Road, Netherton Industrial Estate, ML2 0ER (8572)	Marshall McMunn t/a Transform your Home	New Lease	kitchen fitting	£2,200	1	1
	34 Upper Mill Street, Upper Mill Street Industrial Estate, Airdrie, ML6 6JJ (8581)	Lemax Flooring Ltd	New Lease	flooring	£3,300	1	5
	Unit E7 North Caldeen Road, Calder Street Industrial Estate, ML5 4EF (8613)	Zbigniew Bratuszewski and Michal Dziedzic	New Lease	Tyre and Car Service	£6,000	3	1
	Unit 1, Newhut Road, Braidhurst Industrial Estate, Motherwell, ML1 3ST (8627)	Mr Brian Cunninghame	New Lease	Distribution	£7,000	6	0

<i>Category</i>	<i>Property</i>	<i>Tenant</i>	<i>Transaction</i>	<i>Use</i>	<i>Rent pa</i>	<i>Employment</i>	<i>Jobs created</i>
	8C Netherdale Road, Netherton Industrial Estate, Wishaw, ML2 0ER (8533)	Brooke Edgley Specialist Technical Services Limited	New Lease	lighting protection	£5,000		
Sub totals for Industrial transactions					<b>£93,750</b>	<b>40</b>	<b>16</b>
<b>Compound ( 1 transaction)</b>							
	Glencairn Avenue, Craigneuk, Wishaw, ML2 7UW (8620)	Network Rail Infrastructure Limited	New Lease	Temporary compound	£1,750	0	0
Sub totals for Compound transactions					<b>£1,750</b>	<b>0</b>	<b>0</b>
<b>Ground ( 2 transactions)</b>							
	Gartferry Road / Glenmanor Avenue, Moodieburn, G69 0BW (8632)	Mr Michael Stirling	New Lease	Fairground	£480	0	0
	30 Flowerhill Street, Airdrie, ML6 6HX (8561)	Damhead Agricultural Services Limited	Lease Renewal/Rent Review	Agricultural services	£7,500	15	2
Sub totals for Ground transactions					<b>£7,980</b>	<b>15</b>	<b>2</b>
<b>Miscellaneous ( 1 transaction)</b>							
	Strathclyde Country Park, Motherwell, ML1 3ED (8604)	Mr Thomas O'Donnell	New Lease	Ice Cream Franchise	£17,000	0	0
Sub totals for Miscellaneous transactions					<b>£17,000</b>	<b>0</b>	<b>0</b>
<b>Total number of transactions - 32</b>					<b>Totals for all transactions -</b>		
					<b>£189,830</b>	<b>103</b>	<b>68</b>

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