

AGENDA ITEM No. ¹²

REPORT

TO:	PLANNING & DEVELOPMENT (BUILDINGS AND PROPERTY) SUB-COMMITTEE	SUBJECT:
FROM:	DIRECTOR OF PLANNING & DEVELOPMENT	PROPOSED SUB-LEASE TO W & S TYREMASTER, D1 NORTH CALDEEN ROAD, CALDER STREET ENTERPRISE ZONE, COATBRIDGE
DATE:	17 FEBRUARY 1998	REF: MLR/FF/R3190319

1. PURPOSE OF REPORT

Committee is requested to approve the proposed 15-year lease of the above premises to W & S Tyremaster.

2. BACKGROUND

The subjects under consideration comprise an industrial unit extending to 10,098 square feet (918 square metres) contained within the industrial development at Calder Street Enterprise Zone, Coatbridge. Please refer to the attached location plan.

These subjects are part of a development by Trans Britannia Properties, which was developed in association with the former Monklands District Council. Monklands District leased the completed development from Trans Britannia, and North Lanarkshire Council as successors to Monklands District is currently marketing the individual units in order to obtain occupational sub-tenants.

The buildings are of steel portal frame construction. External walls are part facing brick and part profiled metal cladding. The majority of the units benefit from office areas which are carpeted and fitted with sealed double glazed windows. Electric heating is provided in the office areas.

3. CONSIDERATION

W & S Tyremaster are a wholly owned subsidiary of Associated Tyre Services (ATS). They operate from 5 locations in England and wish to expand into Scotland. ATS have over 500 centres throughout the UK and are ultimately part of the Michelin Group.

The Company's intended use is for warehouse distribution, and it is understood that initially, 10 people will be employed, although it is hoped that this will rise to 15.

4. PROVISIONAL AGREEMENT

It has been provisionally agreed to grant the Company a Sub-Lease of 15 years at a commencing rental of £15,138 plus VAT. In year 2 the rental will rise to £30,276 plus VAT, and in year 3 the rental will rise to £45,414 plus VAT. An option to break will be incorporated at the end of year 5. If the sub-tenant chooses to exercise the option to break then a clawback payment equivalent to 6 months' rental will be payable.

The lease will be granted on a full repairing and insuring basis, with rent reviews incorporated at 5-yearly intervals.

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5. RECOMMENDATION

It is recommended that Committee agree to grant a sub-lease of 15 years to W & S Tyremaster on the terms and conditions as outlined above.



STANLEY COOK
Director of Planning & Development

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LOCATION PLAN - For Information Only

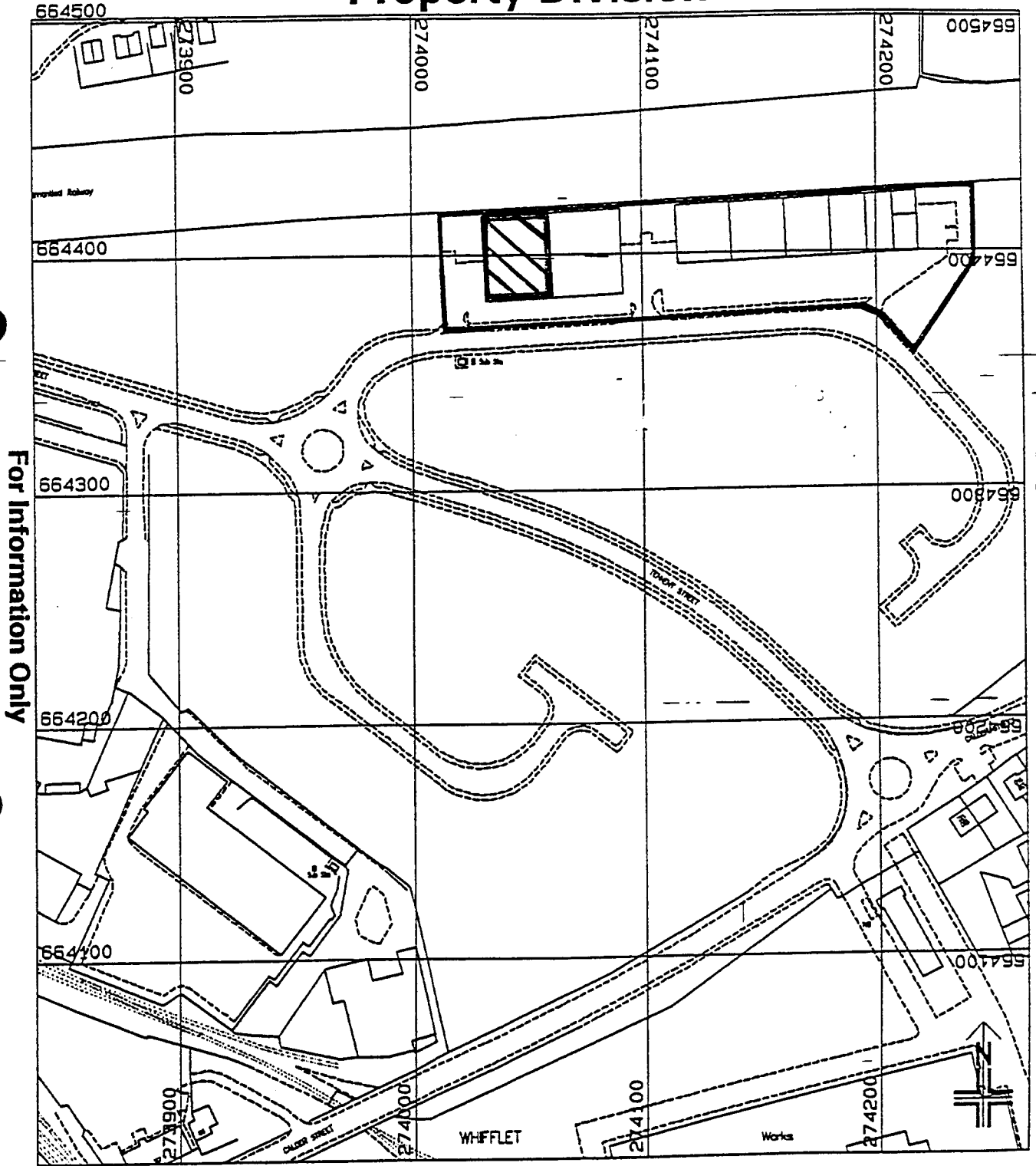
Title : Estate Plan - Calder St Enterprise Zone Scale: 1:2500

Town: North Caldeen Rd, Coatbridge

Date : 14 Oct 97



Property Division



DEPARTMENT OF PLANNING & DEVELOPMENT

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