

<b>TO:</b>	PLANNING & DEVELOPMENT (BUILDINGS AND PROPERTY) SUB-COMMITTEE		<b>SUBJECT:</b>  FLEMING HOUSE, 2 TRYST RD, CUMBERNAULD RENT REVIEWS
<b>FROM:</b>	DIRECTOR OF PLANNING & DEVELOPMENT		
<b>DATE:</b>	11 AUGUST 1998	<b>REF:</b> MLR/FF/S2190490	

## 1. PURPOSE OF REPORT

Committee is requested to approve the arrangements for rent reviews at Fleming House, Cumbernauld.

## 2. BACKGROUND

Fleming House comprises an 8-storey office block which extends to approximately 80,000 square feet (7,432 square metres) of lettable floor space. The building was constructed by Cumbernauld Development Corporation in 1987 in order to promote and develop the office and commercial sector in Cumbernauld. Weatherall Green and Smith were appointed by the Corporation to advise them on the marketing, letting, rent reviews and overall management of the building in order to maximise the financial return on the Development Corporation's investment through active management, service and maintenance, in pursuance of the Corporation's economic development objectives.

As at April 1996, North Lanarkshire Council inherited Fleming House from Cumbernauld Development Corporation, together with existing contracts. Weatherall Green and Smith continue to actively manage the building for the Council.

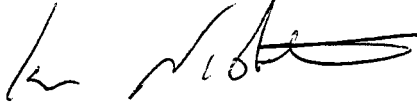
A number of rent reviews are ongoing and imminent as follows:-

SUITE	TENANT	RENT REVIEW DATE
603	Transax Financial Services	15 May 1998
801	Racal Vodac/Vodafone	15 May 1998
403	Barton & Hendry	12 September 1998
101/102/103/201/202/204/303	DETR	15 September 1998
402	Avesta Sheffield Distribution Ltd	28 February 1999
702	Quality Consulting Services Ltd	15 May 1999
Roof	Racal Vodac	28 September 1999
Roof	BT Cellular	28 February 2000
401	AON Trade Credit	9 April 2000

The proposed fee payable to Weatherall Green and Smith in respect of undertaking the rent review negotiations on behalf of the Council is £350 plus 10% of the rental uplift achieved per rent review. This represents a discount on the level of fees paid in respect of previous rent reviews given that Weatherall Green and Smith have previously undertaken the work. All fees would be exclusive of VAT but inclusive of reasonable out of pocket expenses. Should it be necessary to refer any of the reviews to arbitration under the terms of the lease, an additional fee in relation to preparation of arbitration submissions will be payable to the agents.

### 3. RECOMMENDATION

Committee is asked to note and approve the contents of this report.



*PC* **STANLEY COOK**  
Director of Planning & Development

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