

Westgate Point

Weightmans

WESTGATE POINT

LEEDS, LS1 2AX

INVESTMENT OPPORTUNITY



INVESTMENT SUMMARY

- An opportunity to acquire a Landmark city centre office building with significant asset management potential.
- Net internal area of 46,806 sq.ft. arranged over ground and 7 upper floors.
- Fully Let to Weightmans LLP expiring 12th February 2024.
- Passing rent of £881,618 p.a. reflecting approximately £17 per square foot.
- 37 (part undercroft) car parking spaces.
- Excellent "Gateway" location close to the Magistrates and Combined Court Centre, Leeds and Leeds Beckett Universities and Leeds Train Station.
- Offers invited in excess of £10,000,000 reflecting 8.26% after purchasers costs of 6.7% and a low capital value per square foot of £214

LOCATION

Leeds is a major commercial and regional centre in the north of England, being the third biggest city in the UK, and is recognised as one of the top 25 cities for business in Europe.

The city benefits from excellent road communications with the M1, A1(M) and M62 connecting the city with the wider national motorway network. Regular rail services operate between Leeds Station to London Kings Cross (2 hours 11 minutes), Edinburgh (3 hours 10 minutes) and York (25 mins) respectively.

Leeds is set to benefit from the proposed HS2 train line, which will operate between London and Birmingham by 2026 and extend to Leeds and Manchester by 2033. Journey times from the redeveloped Leeds station to London will decrease to 1 hour 23 minutes.

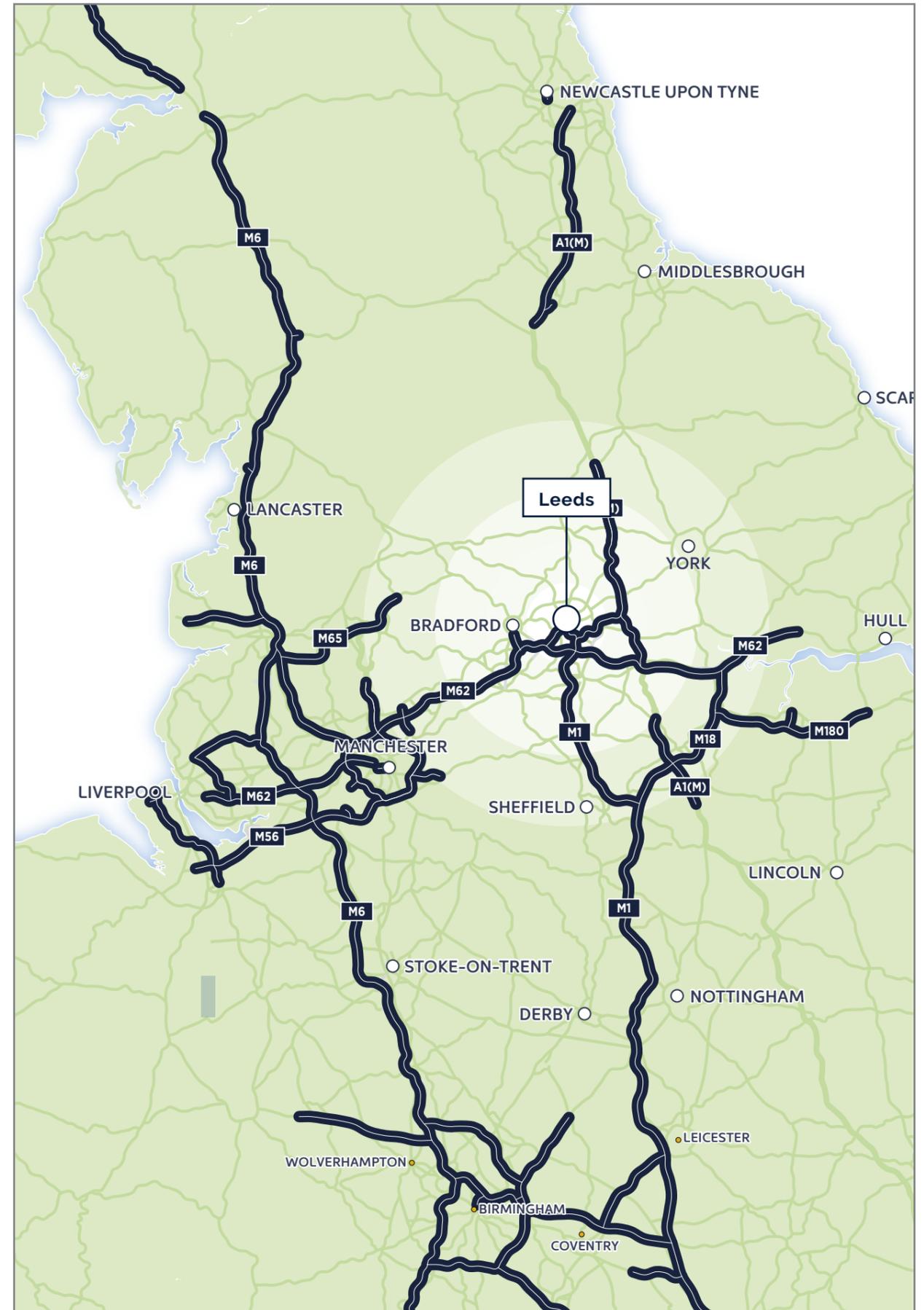
Leeds Bradford Airport is located 9 miles north-west of the city providing flights to over 70 international destinations catering for over 3 million passengers a year. This figure is expected to triple by 2023 with an estimated £28 million currently being invested towards improving airport infrastructure. The City also has the 4th largest student population in the UK and 25m tourist visitors annually.

Leeds has a primary catchment of over 1m people, is 4th ranked shopping destination in the UK and has the biggest Banking sector

outside of London with bases for Yorkshire Bank, Barclays, Leeds Building Society, Santander, Lloyds TSB and RBS/NatWest. Leeds also features as a significant call centre hub and all major multi-national accounting firms have offices in Leeds. The city also has a reputation as a significant legal centre with numerous national and international firms represented.

The UK government has committed to a £1 billion local growth deal in Leeds, which is expected to create thousands of jobs and accelerate economic growth for the area. From 2015–20, the Leeds city region will have received £573 million—the largest government allocation to any region—to enhance housing and infrastructure projects. This will be supplemented by an extra £420 million over 20 years to deliver the West Yorkshire Plus Transport Fund for rail and road improvements.

LEEDS IS SET TO BENEFIT FROM THE PROPOSED HS2 TRAIN LINE, WHICH WILL OPERATE BETWEEN LONDON AND BIRMINGHAM BY 2026 AND EXTEND TO LEEDS AND MANCHESTER BY 2033.



SITUATION

Westgate Point is prominently located on an island site approximately 0.5 miles to the north west of Leeds train station on the edge of the traditional office district, just off the Inner City Ring Road A58(M). A short distance south is Park Square which is regarded as being the heart of the traditional office quarter within the city.

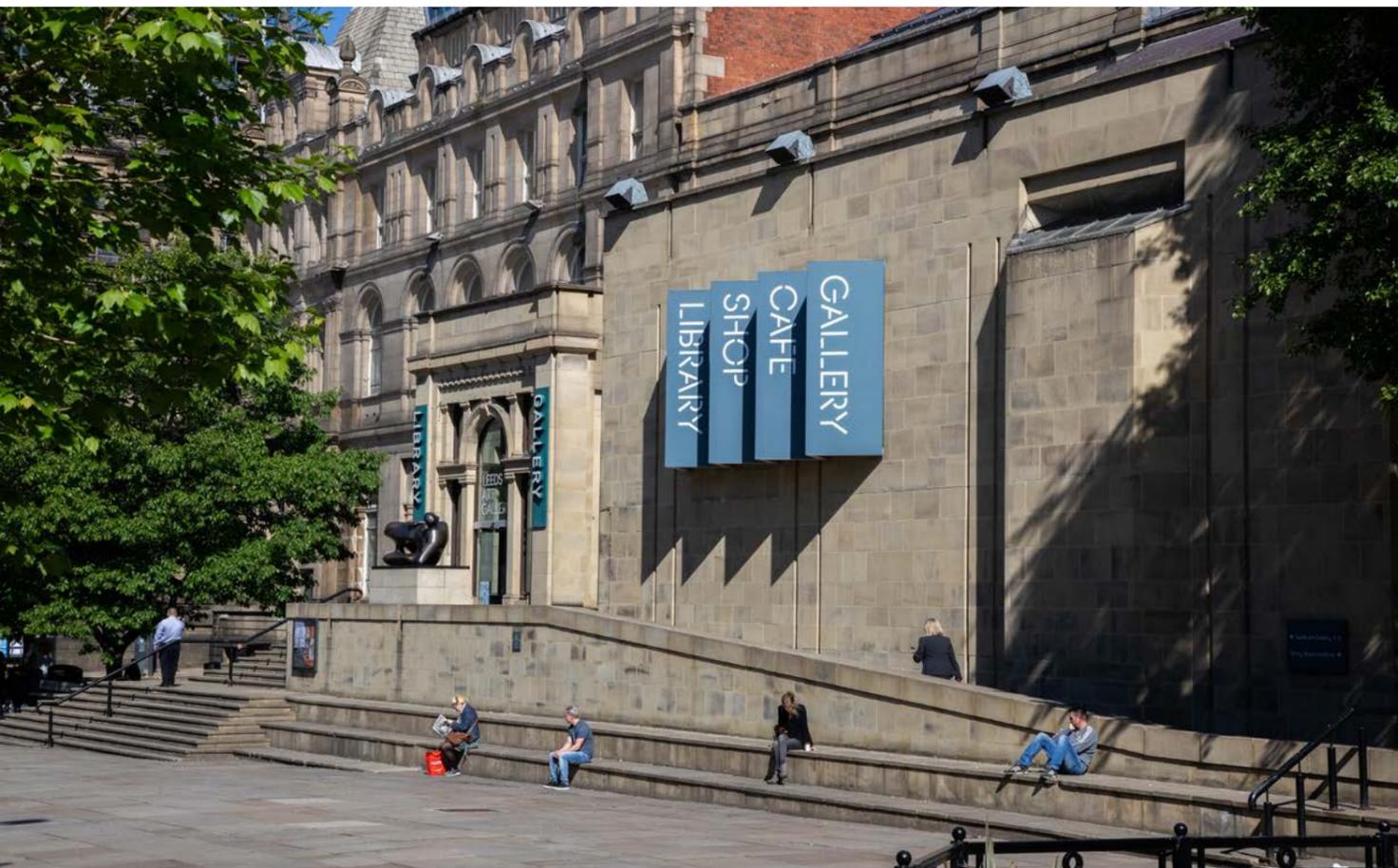
The surrounding uses are primarily office related, with a number of legal practices given the proximity to the Law Courts. Occupiers nearby include Callcredit Information Group, TD Waterhouse, Nuffield Health, NHS and the Magistrates and Combined Court Centre.

Nearby new office developments in the "West End" of Leeds include Wellington Place, 6 Queen Street and Central Square.

Leeds has continued to grow as a student centre, with the main facilities being the University of Leeds, Leeds

Becketts (formerly Leeds Metropolitan University), Leeds College of Music, Leeds City College, BPP Law School and Leeds Trinity University College where it is estimated that there are over 60,000 full time students.

Leeds Beckett University is situated approximately 0.5 miles to the north east and within an estimated 11 minute walk and Leeds University is located approximately 0.7 miles north, within an estimated 15 minute walk.





Westgate Point

- 1. Nuffield Hospital
- 2. Civic Quarter
- 3. Leeds Town Hall
- 4. Leeds City Museum
- 5. Leeds City Council
- 6. Leeds Beckett University
- 7. Park Square
- 8. Park Lane
- 9. Leeds General Infirmary
- 10. St Georges Church

DESCRIPTION

The property comprises a detached multi storey office building constructed on a prominent island site of approximately 1 acre.

The property provides seven storey in part and five storey to the remainder and is configured to provide two wings of accommodation, making it suitable for both single and multi-occupation, with a central service core and stairwell.

The property has been fitted and maintained to a good standard with kitchen facilities and male and female WCs on each floor and with disabled WCs on every other floor.

The property provides an attractive double height main reception located at ground floor level with all further office accommodation located to the upper

floors, which can be accessed via three 10 person passenger lifts or by way of a central staircase.

The typical internal specification includes suspended ceilings, inset lighting, painted plastered walls, carpet floor covering, raised access flooring in part, wall mounted perimeter radiators and aluminium double glazed windows.

Also located at ground floor level is undercroft car parking (19 spaces), with additional external parking being provided to the west of the site (18 spaces) totalling 37 spaces.

Tenancy

The property is let in its entirety to Weightmans LLP on a 20 year lease from 13th February 2004 expiring 12th February 2024.

Weightmans is a top 45 UK law firm with seven offices, employing more than 1300 people, including more than 180 partners.

For the financial year ending April 2018 they generated over £97m in turnover and posted pre-tax profit in excess of £27m, both turnover and profit levels have grown consistently in the last 5 years and the firm now shows a net worth in excess of £30m.

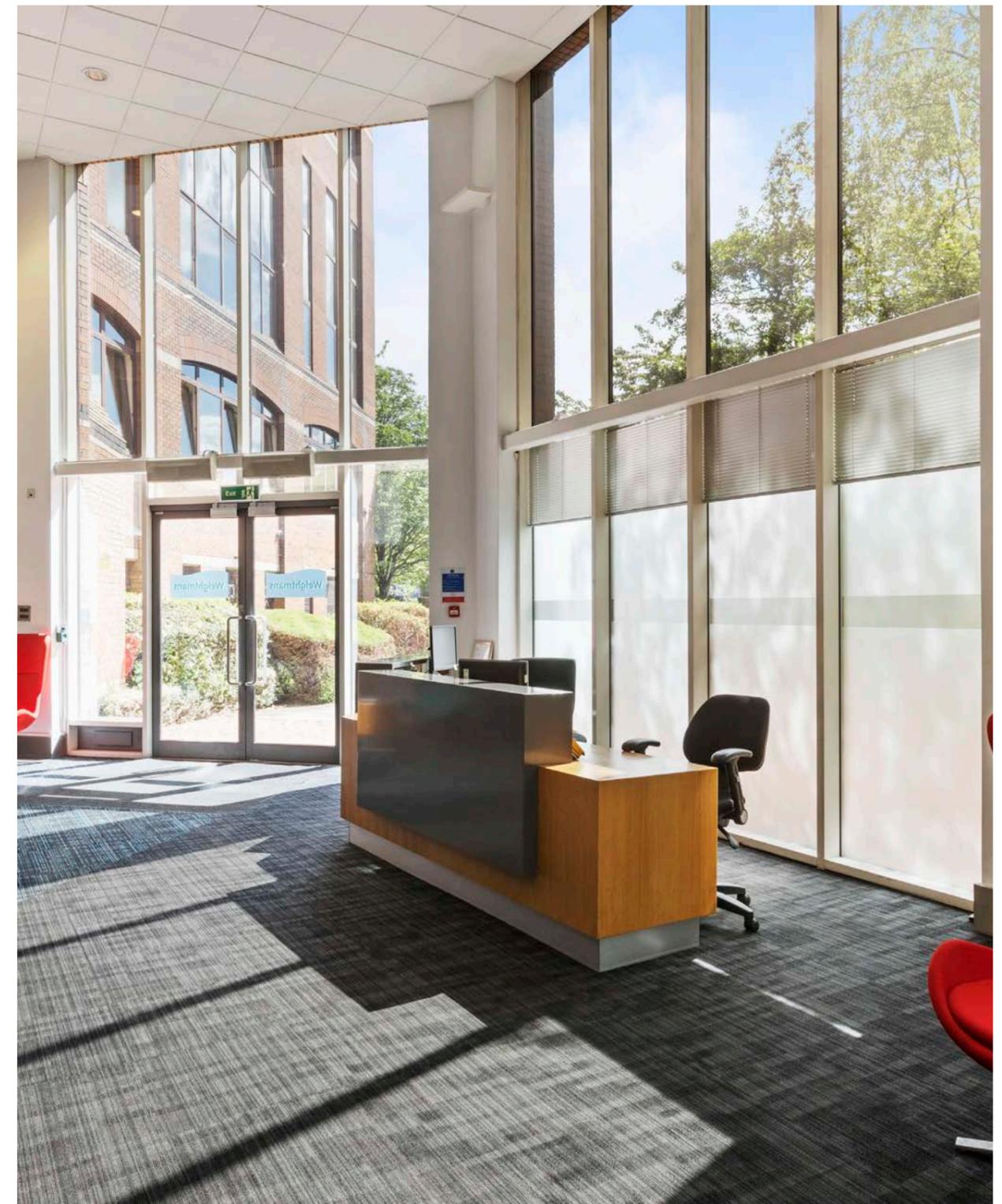
The property was originally let to the partners of Ford and Warren and assigned to Weightmans LLP in January 2015.

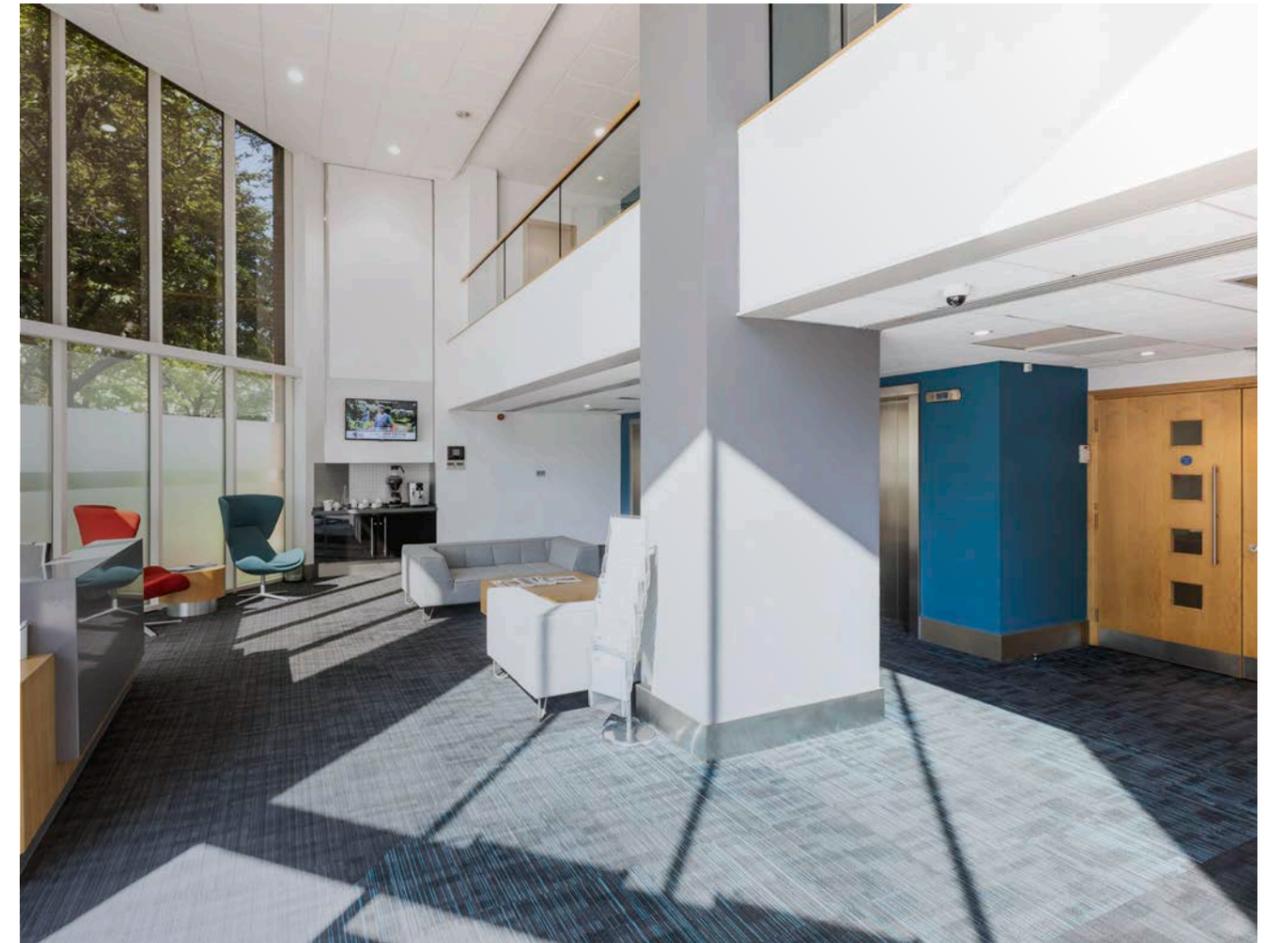
ACCOMMODATION

Floor	GIA (Sq M)	GIA (Sq Ft)	NIA (Sq M)	NIA (Sq Ft)
Ground	116	1,248	75	722
1	844	9,080	702	7,518
2	843	9,074	702	7,572
3	843	9,074	709	7,572
4	843	9,074	709	7,572
5	843	9,074	709	7,572
6	475	5,109	370	3,877
7	475	5,109	370	3,877
Total	5,282	56,842	4,346	46,806

*Plus 37 undercroft car parking spaces.
*Measured to IPMS.

GALLERY











OFFICE OCCUPATIONAL MARKET

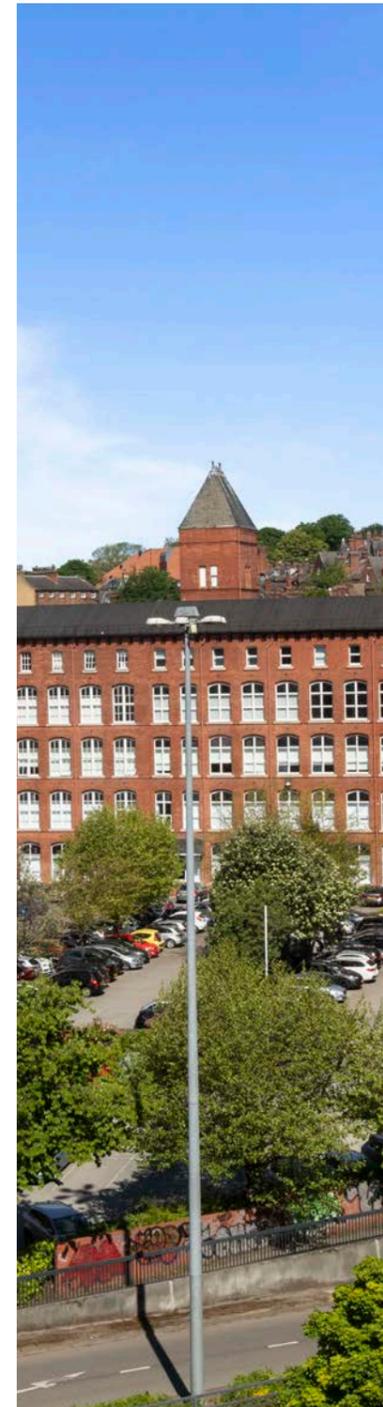
The Office market in Leeds has gone from strength to strength in recent years with the City having the second-lowest vacancy rate in the Big Six with positive fundamentals leading to strong rental growth over the last 3 years, when several offices were refurbished and achieved rents as high as newly built stock.

Prime Grade A rents in the city now sit at £30 per sq. ft. (psf) with optimism around future growth and new schemes quoting £33 psf. Quoting rents on refurbished buildings have generally ranged from £23 psf to £28 psf.

A combination of robust occupier demand and several office-to-residential conversions caused office vacancy to fall, leading to an all-time low near 5% in 2018. This was supported by large move-ins over the course of the year, such as Dart Group's 73,000 sq.ft. at the Mint and FMG's 47,000 sq.ft. at Broad Lea House. Leeds City Council re-occupied its newly upgraded 180,000 sq.ft. Headquarters at Merrion House and HMRC moved into 61,000 sq.ft. at 3 Wellington Place towards the end of last year. All of which contributed to 12 month take up numbers in excess of 800,000 sq.ft.

Strong demand has continued into 2019, with Link Market Services taking over 70,000 sq.ft. at Central Square, expecting to occupy in August and Walker Morris confirmed its 75,000 sq.ft. letting at

33 Wellington Street. Furthermore, Channel 4 picked Leeds for its regional base, after seeing off bids from Birmingham and Greater Manchester. The broadcaster will move 200 employees to the refurbished Majestic building which, along with HMRC's led government hub of 380,000 sq.ft., due to be delivered by 2020 demonstrates the depth of the occupier activity.



INVESTMENT MARKET



There was £54.4bn spent on UK CRE in 2018, which, while down on 2017 sits 13% above the 10 year average. Yorkshire & The Humber was one of 2018's standout performers as record spending in the office sector helped total investment in the region to jump 43% Y-o-Y to £1.8bn, a four-year high.

Office Investment activity in Leeds surged to account for over £400m in 2018. This was more than double the volumes recorded in 2017 and well above the market's historical average and a 10 year high making it one of the most heavily invested-in markets in the Big Six. The focus on core regional cities has been driven by strong rental growth prospects, supply and demand dynamics and attractive yields, particularly in comparison to London and other major global cities.

Key deals during the year included the sale of the Pinnacle building, Leeds' tallest office property for £62.8 million. The sale of 1 Park Row for £35.6 million in June and 1 City Square for £32.3 million in December as well as 29 King Street and 6 Queen Street which sold for £26.4 million and £37.2 million respectively. Foreign Investors have also been active in the Leeds office market acquiring 1 Sovereign Street for £49.6 million in August 2018, and the government-let Lateral Leeds for £24 million in June 2018.



PROPOSAL



Proposal

OFFERS INVITED IN EXCESS OF £10,000,000 REFLECTING 8.26% AFTER PURCHASERS COSTS OF 6.7% AND A LOW CAPITAL VALUE PER SQUARE FOOT OF £214

Tenure

The property is held by way of freehold title under folio WYK395659.

VAT

The property has been elected for VAT.

EPC

EPC Certificates are available on request.

Dataroom

A dedicated data room is available. Access details will be made available on request to named parties.

Contact

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