

Riverside House

Main Street | Rotherham | S60 1QY

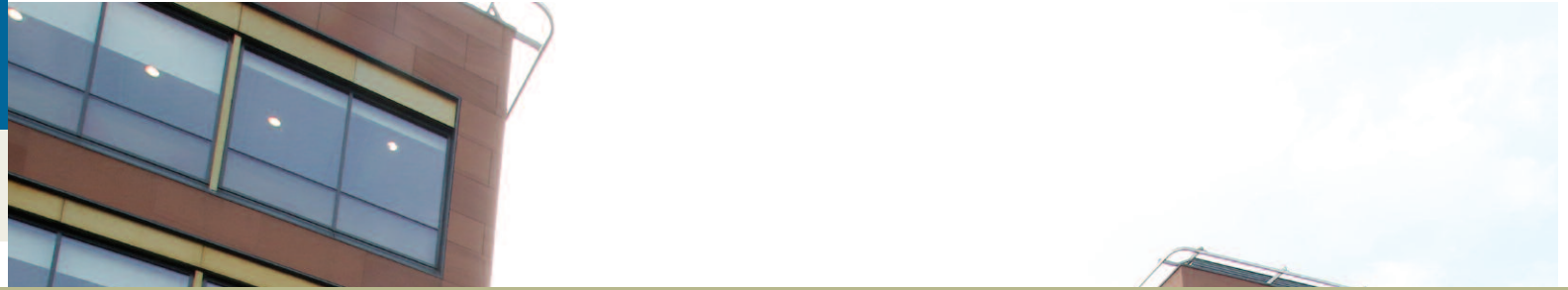


Investment Opportunity

35 Years to Rotherham Borough Council with Annual RPI Rent Reviews

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Executive Summary

- > Home to Rotherham Borough Council and a primary social hub serving the resident population.
- > Provisions within the property include a public library, neighbourhood hub, art gallery, and café.
- > Provides approximately 172,000 sq ft of high quality, modern office accommodation arranged across 3 wings, over 4, 5, and 6 storeys
- > 172 basement and surface car parking spaces
- > Strategic location close to Rotherham train station
- > To be let entirely to **Rotherham Metropolitan Borough Council for a term of 35 years** from completion on Full Repairing and Insuring Terms.
- > The initial rent is **£2,795,000 per annum**, reflecting a rate of **£16.25 per sq ft**.
- > The rent payable is subject to annual **upwards only review in line with the increase in the Retail Price Index (RPI) subject to a collar of 2% and a cap of 5%**.
- > The tenant has the option to acquire the **freehold** interest in the property upon lease expiry for a nominal consideration of £1.



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Rotherham Metropolitan Borough Council is one of the four constituents that forms South Yorkshire Metropolitan Council. The Council is a democratic organisation comprising 63 seats across a total of 21 wards.

The Council covers a geographical area of 110 square miles and has a resident population of over 260,000 people.

The Council has recently implemented a town centre masterplan, in which it outlines its commitment to develop the economic vitality of Rotherham Town Centre.

It aims to do this through a proactive approach, using both direct investment and working in partnership with the private sector. This is to facilitate an ambitious programme of development, landscape and placemaking proposals.

In 2017/18, Rotherham Metropolitan Borough Council was announced as the fastest growing city economy in Yorkshire and the eighth fastest growing economy in the UK.

The 2018/19 Council budget is £221 million and since 2010 they have successfully implemented savings of £162 million.

Source: Rotherham Council Statement of Accounts



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Site History

Riverside House sits on part of the Guest and Chrimes Foundry site, a substantial former brassworks consisting of a number of Grade II listed buildings which comprised the foundry.

The company was established in 1843 and was credited with the invention and production of the loose valve screw-down tap. The foundry closed in 1999 and the buildings have remained vacant ever since.

Remediation works were carried out between October 2007 and September 2008, with full planning permission for Riverside House being granted in December 2008. The property was practically completed in September 2011 and the Council have been in occupation since then.



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Rotherham is the largest town in the Sheffield Urban Area, a contiguous conurbation in the North of England with a population of 685,368 (2011 census) making it the 8th largest conurbation within the UK.

The town benefits from excellent road communications, providing both regional and national connectivity. The property is close to the A630, a primary arterial route through Rotherham providing access to J34 two miles to the west, J33 of the M1 two miles to the south, and J36 of the A1(M) nine miles to the north east.

Riverside House is strategically located in Rotherham Town Centre, occupying a prominent situation along Main Street and lying along the banks of the River Don approximately 3 minutes' walk from Rotherham Central train station. The building is adjacent to Rotherham Police Station, the recently constructed New York Stadium (home to Rotherham FC) and benefits from easy access to the town centre amenities which are within a 5 minute walk.

The nearest international airport to Rotherham is Doncaster Sheffield airport located approximately 21 miles east of the town.



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Property Description

The property comprises a 2011 purpose built office building configured over three wings and stepped over four, five and six storeys. The property is constructed of steel frame with brick elevations incorporating extensive glazing.

The ground floor of the property contains a main reception, library, art gallery and café available to the public. The upper floors provide open plan office accommodation comprising the following specification:

- > Raised access floors
- > Kitchen Facility
- > Suspended ceilings
- > Passenger lifts
- > LG3 lighting
- > Goods lift
- > Chilled beam air conditioning
- > WC's

The accommodation can be broken down on the following Net Internal Area measurements:

level	area sq m	area sq ft
Upper Ground	2978.7	32,062
1st Floor	3261.8	35,110
2nd Floor	3326.3	35,804
3rd Floor	3327.8	35,820
4th Floor	2084.7	22,440
5th Floor	1068.6	11,502
Total	16,047.9	172,738

The property contains a basement and surface car park comprising 172 car parking spaces and the site extends to 2.84 acres.



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Rotherham Market

Rotherham is an established commercial town forming one of four metropolitan boroughs in South Yorkshire. Traditionally founded from a strong manufacturing industry, the town continues to operate a successful steel and iron industry.

The city centre has benefited from European Funding and has consequently created a vibrant centre of apartments, shops, cafes and new theatre.

The workforce within Rotherham is largely employed within the financial and retail industries, employing a combined 33% of the total workforce.

The major employers within the town include NHS, UK Coal, Orkot Composites, Frontline Foods, Beatson Clark plc, Exel, Speed Frame Pvcu Windows and Corus.

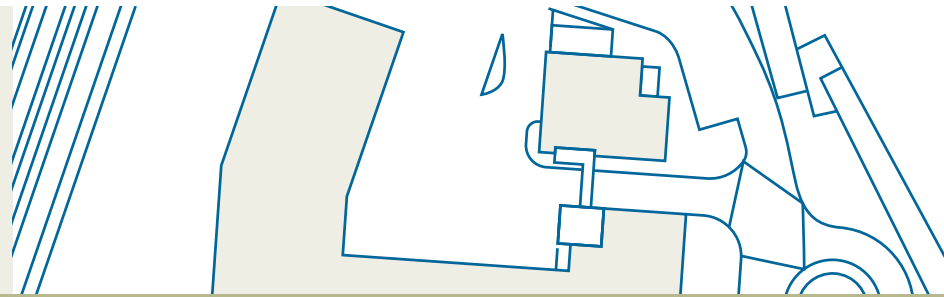
The Council have identified several key sites within the town centre which can support regeneration and new development projects. These include:

- > Forge Island
- > The Riverside site
- > Doncaster Gate
- > The Guest and Chrimes site
- > Main Street
- > The Interchange
- > Rotherham Markets



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For illustrative purposes only.

Tenure

Freehold

Lease

To be let entirely to Rotherham Metropolitan Borough Council for a term of 35 years from completion on Full Repairing and Insuring Terms at an initial rent of £2,795,000 per annum.

The rent will be reviewed annually on the anniversary of the lease start date and will be linked to the growth in the Retail Price Index (RPI) subject to a collar of 2% and cap of 5%. The initial rent reflects a rate of £16.25 per sq ft.

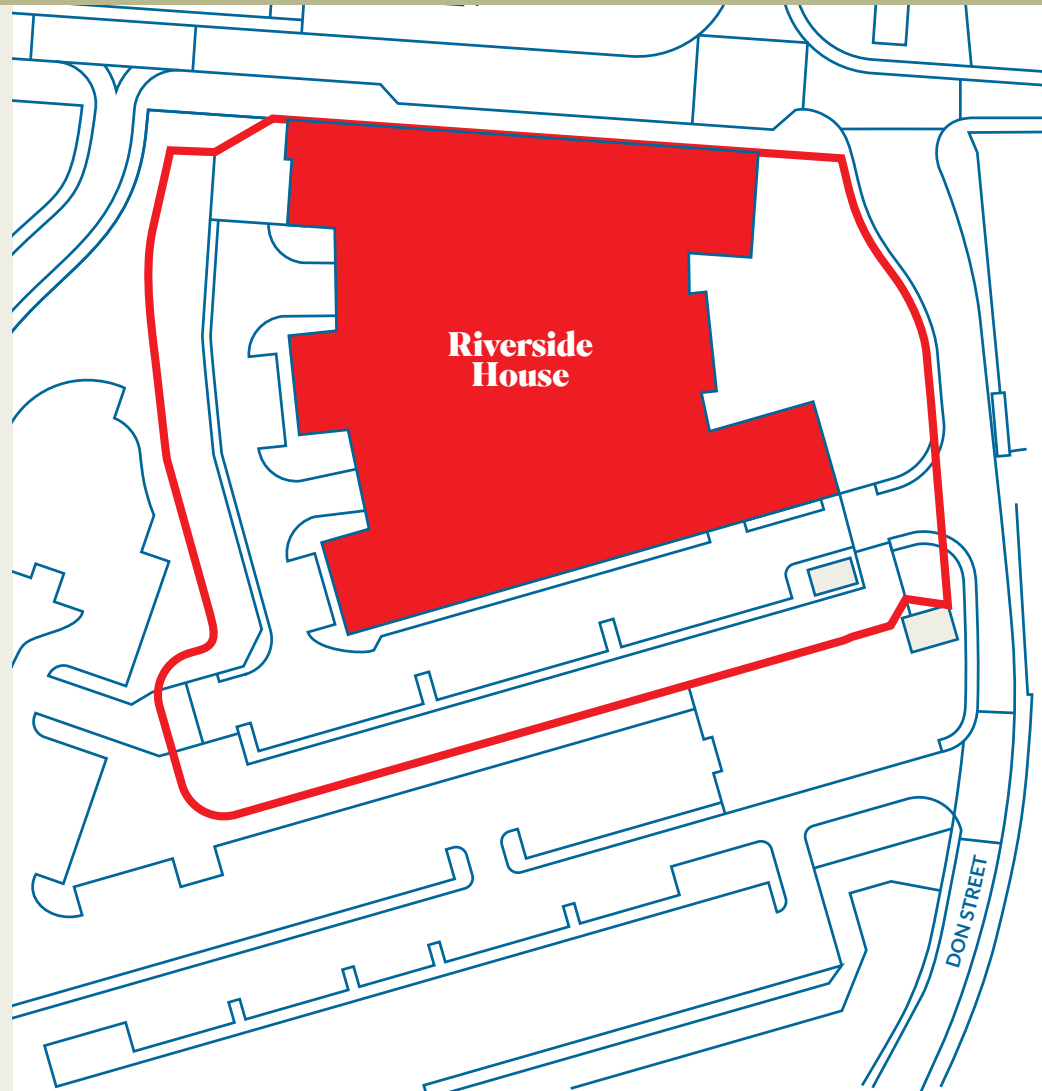
The tenant will have the ability to acquire the freehold interest upon expiry of the lease for a nominal sum (£1).

VAT

A VAT option to tax has been made on the property and it is envisaged that the sale will be completed as a Transfer of a Going Concern (TOGC) for VAT purposes.

Capital Allowances

A joint election under s.198 CAA 2001 will be made for £1 for the general pool and £1 for the special rate pool on the sale of the Property.



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Proposal

Offers are sought to acquire the freehold interest in the property, subject to the income strip lease arrangement.

Special Purchase Vehicle

The property is held in a UK registered SPV and the option to acquire this entity is available

Contact

For further information or to arrange a viewing please contact:



Andrew Whitehead
0161 238 6242
andrew.whitehead@eu.jll.com

Simon Merry
0161 238 6213
simon.merry@eu.jll.com

Mathew Atkinson
0113 261 6246
mathew.atkinson@eu.jll.com



Misrepresentation Act

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