

# 478

# 484

UNION STREET — ABERDEEN — AB10 1TS

## FOR SALE RETAIL/OFFICE INVESTMENT

### INVESTMENT SUMMARY

Very prominent city centre location

Let to Department for Work & Pensions  
and Johnson Cleaners UK Ltd

Passing rent of £47,800 per annum

WAULT of 3.50 years to expiries

Offers over £375,000, exclusive of VAT

Attractive net initial yield of 12.29%

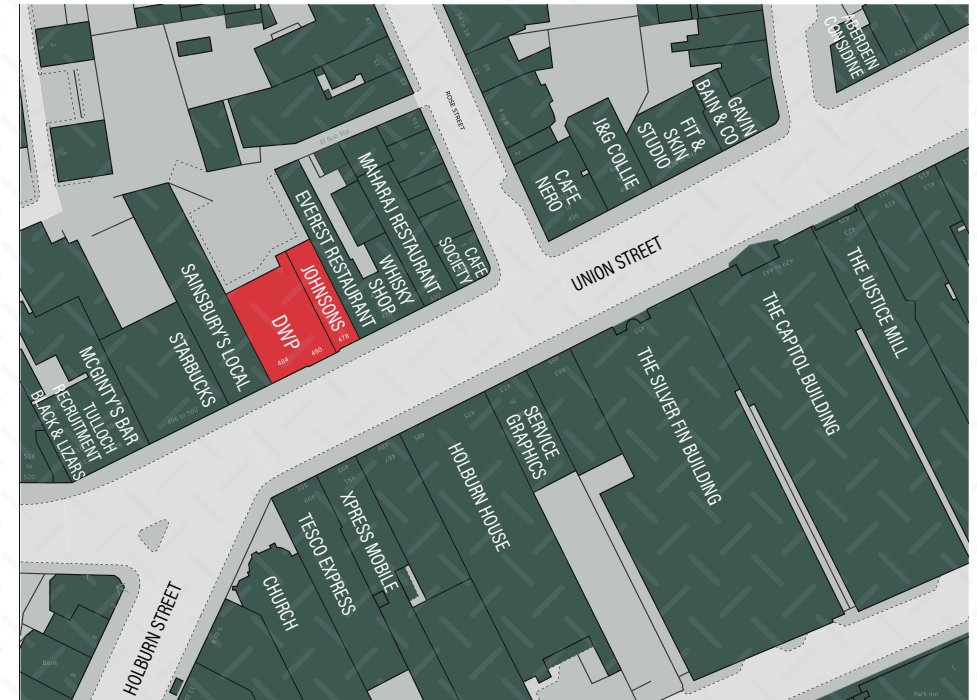


Aberdeen is Scotland's third largest city with a population of approximately 230,000 and a regional catchment population of over 500,000.

The city has been established as the energy capital of Europe for over 50 years and as such is a key engine of the Scottish and UK economy. The city is benefitting from increased investment in both the traditional and renewable energy sectors.

The city is benefitting from significant public sector support. A £62m Energy Transition Fund launched in 2020. This has allocated £26m to establish an Energy Transition Zone close to the new south harbour. There is also focused support for Union Street via the 'Our Union Street' project, a community-led, not-for-profit organisation backed by Shell to restore prosperity to the city's main thoroughfare.

Aside from energy, the local economy is diversifying by expanding other industries including digital technology, food, tourism and life sciences. Aberdeen Chamber of Commerce's May 2023 Investment Tracker lists over £15bn of future investment projects across the city and shire region.



The Capitol & Silver Fin

#### LOCATION —

The subjects are situated at the west end of Union Street, Aberdeen's main commercial thoroughfare. There are a number of prominent office buildings in close vicinity to the subjects, including Silver Fin, The Capitol Building, IQ and Union Plaza.

Surrounding occupiers include: Shell UK, PWC, RSM, Omega, Xodus, Spirit Energy, COSL, ASPC, Aberdeen Considine, Tesco, Sainsburys, Nuffield Health, Park Inn and a variety of hospitality venues.

#### DESCRIPTION —

The subjects comprise separated retail and office units on the ground floor of a four storey granite building. The three upper floors have been converted to residential accommodation.

The first ground floor unit is currently configured to provide a reception foyer, cellular office accommodation/ consulting rooms, tea prep and WC facilities. The second ground floor unit is currently configured as a dry cleaners.

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**ACCOMMODATION**

The measured net internal floor area of the accommodation within the subjects is estimated to be as follows:

Floor	Description	Sq m	Sq ft
Ground	478 Union St	187.57	2,019
	484 Union St	79.06	851
<b>Total</b>		<b>266.63</b>	<b>2,870</b>

**TENURE**

Heritable (Scottish equivalent of Freehold).

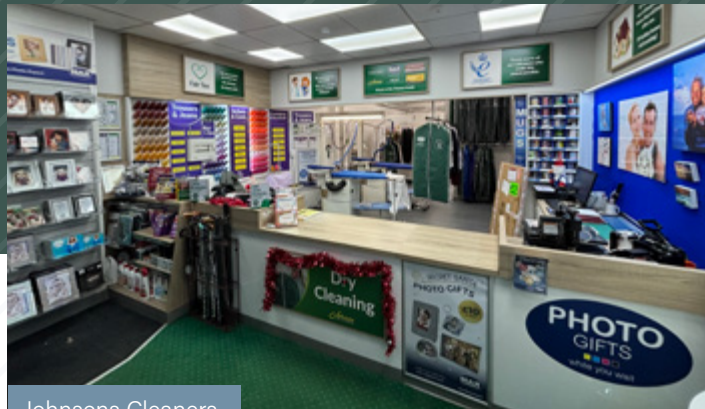
**TENANCY**

A summary of the tenancies is as follows:

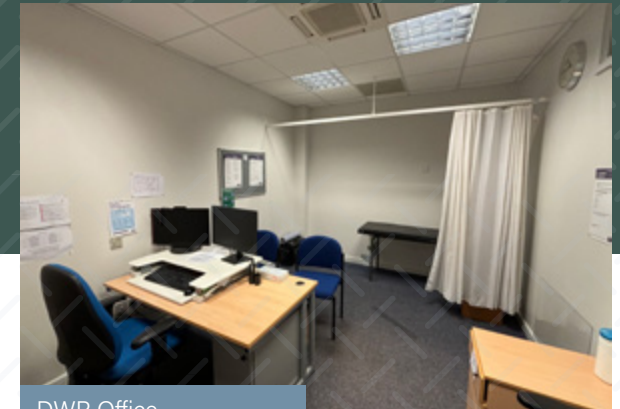
**TENANT INFORMATION**

**The Department for Work & Pensions (DWP)** is responsible for welfare, pensions and child maintenance policy. As the UK's biggest public service department, it administers the State Pension and a range of working age, disability and ill health benefits to around 20 million claimants and customers. Additional information is available on their website: <https://www.gov.uk/government/organisations/department-for-work-pensions>



**Johnson Cleaners** is the UK's leading provider of dry cleaning and laundry services for clothing and other items including curtains and duvets. Johnsons Cleaners has a very low risk credit score and for the year ended 1 October 2022 recorded a turnover of £23.86m (up 39.5% from 2021) and a net profit of £2.37m (up 5.8% from 2021). Additional information is available on their website: <https://www.johnsoncleaners.com/>



Johnsons Cleaners



DWP Office

Address	Tenant	Floor Area (ITZA)	Lease Start	Lease Expiry	Break Date	Rent (pa)	ITZA Rent (£ per ft <sup>2</sup> )	Comments
484 Union Street		1,511	08/08/2017	07/08/2027	-	£37,800	£25.02	Tenant has been in occupation for 10+ years.
478 Union Street		639	08/08/2017	07/08/2027	07/12/2024	£10,000	£15.65	Rent increases to £12,000 pa from 08/12/2024. Tenant has been in occupation for 10+ years.
						<b>£47,800</b>		

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**484****ENERGY PERFORMANCE CERTIFICATE (EPC) —**

A copy of the EPCs are available upon request.

**PROPOSAL —**

Offers over £375,000 excluding VAT are sought for our client's heritable interest in the building. A purchase at this level would show an attractive net initial yield of 12.29% after deduction of purchaser's costs and LBTT.

**VAT —**

The property has been elected for VAT and it is anticipated the sale will be treated as a Transfer of a Going Concern.

**ANTI-MONEY LAUNDERING REGULATIONS —**

To comply with the current anti-money laundering regulations the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source(s) and legitimacy of funding. Both parties will be required to disclose all relevant information prior to conclusion of missives required to enable the agents to meet their respective obligations under the Regulations.



478-484 Union Street

**VIEWING & FURTHER INFORMATION —**

For further information or to arrange a viewing please contact the selling agents:

**Daniel Stalker**

M: 07887 751090

E: daniel.stalker@ryden.co.uk

**Ken Shaw**

M: 07836 556768

E: ken.shaw@ryden.co.uk



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