

PRIME HQ OFFICE INVESTMENT IN EDINBURGH'S
PREMIER BUSINESS PARK

FOUR — FIVE LOCHSIDE AVENUE

EDINBURGH PARK | EDINBURGH | EH12 9DJ



FOR SALE ON THE
INSTRUCTIONS OF



KNIGHT PROPERTY GROUP



EXECUTIVE ——— SUMMARY

1. Prominently situated in the 100% prime location of Edinburgh Park, home to global occupiers including Aegon, JP Morgan, HSBC, Menzies, and Diageo.
2. Recently refurbished/redeveloped by award winning developer, Knight Property Group.
3. Well specified office accommodation extending to 42,519 sq ft over three floors with 234 car parking spaces reflecting a ratio of 1:182 sq ft and 60 secure bicycle spaces.
4. Multi let to Lumcaron Technology Ltd, Pulsant Ltd, and SP Transmission PLC with an average weighted Experian rating of 97/100.
5. Prime multi-let office with impressive sustainability credentials.
6. Excellent public transport connectivity via tram and bus networks and adjacent to Edinburgh City Bypass.
7. Attractive unexpired term of 7.55 years to expiries and 4.87 years to breaks.
8. Produces a passing rent of £1,062,975 per annum, reflecting an average rent of £25 per sq ft.
9. Heritable Title (Scottish equivalent of English Freehold).

PROPOSAL

Offers in excess of **£11,000,000**, are invited for the benefit of our clients heritable interest (Scottish equivalent to English freehold) subject to contract and exclusive of VAT. A purchase at this level would provide a very attractive net initial yield of **9.06%** and a low capital value of **£259 psf** assuming purchasers costs of 6.70%.



EDINBURGH ——— PARK

Edinburgh Park is Scotland's premier out of town business district developed in phases from 1995 via a joint venture between Miller Group and EDI Group.



Trams run every 7 minutes between Edinburgh Park, Edinburgh Airport and the city centre.



Edinburgh Park Railway Station provides up to 7 trains per hour to Glasgow.



Nearby amenity includes The Gyle Shopping Centre, David Lloyd Club, Premier Inn, Ibis and Hermiston Gait Retail Park.



Parabola is delivering a vibrant new destination with 500,000 sq ft of office space, a central civic square, and landscaped parkland. The development includes areas for sport and fitness, up to 1,800 new homes, and amenities such as a 150-seat conference centre, café, bar, and restaurant. Currently under way, the first commercial building was completed in 2022. Further information is available at: myedinburghpark.com.



AMENITY

- 01. David Lloyd Club
- 02. Gyle Shopping Centre
- 03. ibis Hotel
- 04. Energize Fitness & Health Club
- 05. Premier Inn
- 06. Hermiston Gait Retail Park
- 07. Novotel
- 08. Patina
- 09. Multi-sport, padel, and pickleball courts

OCCUPIERS

- 01. WSP
- 02. Miller Homes
- 03. JP Morgan
- 04. Alexander Graham Bell House
- 05. M&G Prudential
- 06. Aegon
- 07. Fujitsu at Verdant
- 08. Business Stream
- 09. 2 Lochside Avenue
- 10. Sainsbury's Bank
- 11. Diageo
- 12. 6 Lochside Avenue
- 13. HSBC
- 14. Computercentre / Ooni Limited
- 15 & 16. Lloyds Banking Group
- 17. Pure Offices
- 18. Tesco Bank
- 19. Element / Marsh

CONNECTED

Edinburgh Park enjoys excellent connectivity with unrivalled transport links, including a railway station, two tram stops and several bus routes providing links across the city.



Tram

The city's tram system commenced operations in May 2014 and provides a direct link from Edinburgh Airport to Edinburgh city centre including several stops in west Edinburgh and Haymarket. Edinburgh Park Central tram stop is approximately 5 minutes' walk from 4-5 Lochside Avenue. The tram network was extended down to Leith and Newhaven in June 2023 and introduced eight new stops, connecting the city centre to the historic port district.



Road

Edinburgh has excellent road connections with direct access into the national motorway network. The city is served by the M8 from the west (Glasgow and Livingston), the M90/A9 from the north (Aberdeen and Inverness) and the A1 and A7 from the south/south east (the Borders, East Lothian and Newcastle). Edinburgh Park is 10 minutes' drive from the M8, the key arterial road through Scotland's central belt.



Air

Edinburgh Airport is located around 3 miles west of Edinburgh Park and is easily reached via Glasgow Road (A8), or by bus and tram links. It remains Scotland's busiest airport and is the sixth largest international airport in the UK. In 2024, the airport surpassed pre-pandemic levels, with over 15 million passengers passing through. More than 37 airlines now operate from the terminal, offering flights to 155 destinations worldwide for both business and leisure travellers. In April 2024, a strategic partnership was formed when VINCI Airports acquired a majority stake, joining existing owner Global Infrastructure Partners, who purchased the airport for £800 million in 2012. Since then, major upgrades have been completed, including a £25 million landside terminal extension and a £19 million south-east pier expansion. More recently, a £5.8 million project was launched to improve the check-in hall, with expanded space and new self-service technology.



The city also benefits from award-winning bus services and over 75km of cycle paths and extensive pedestrian routes.

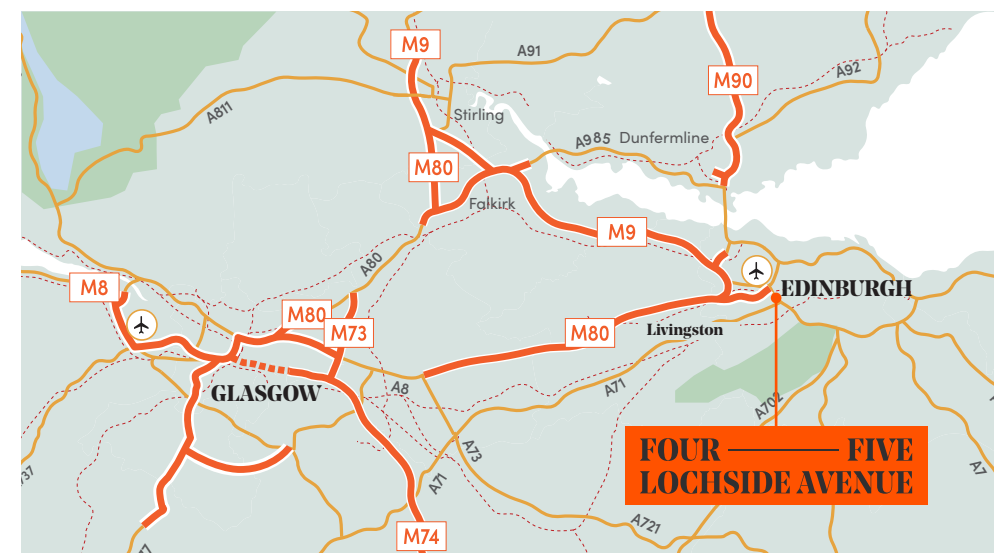
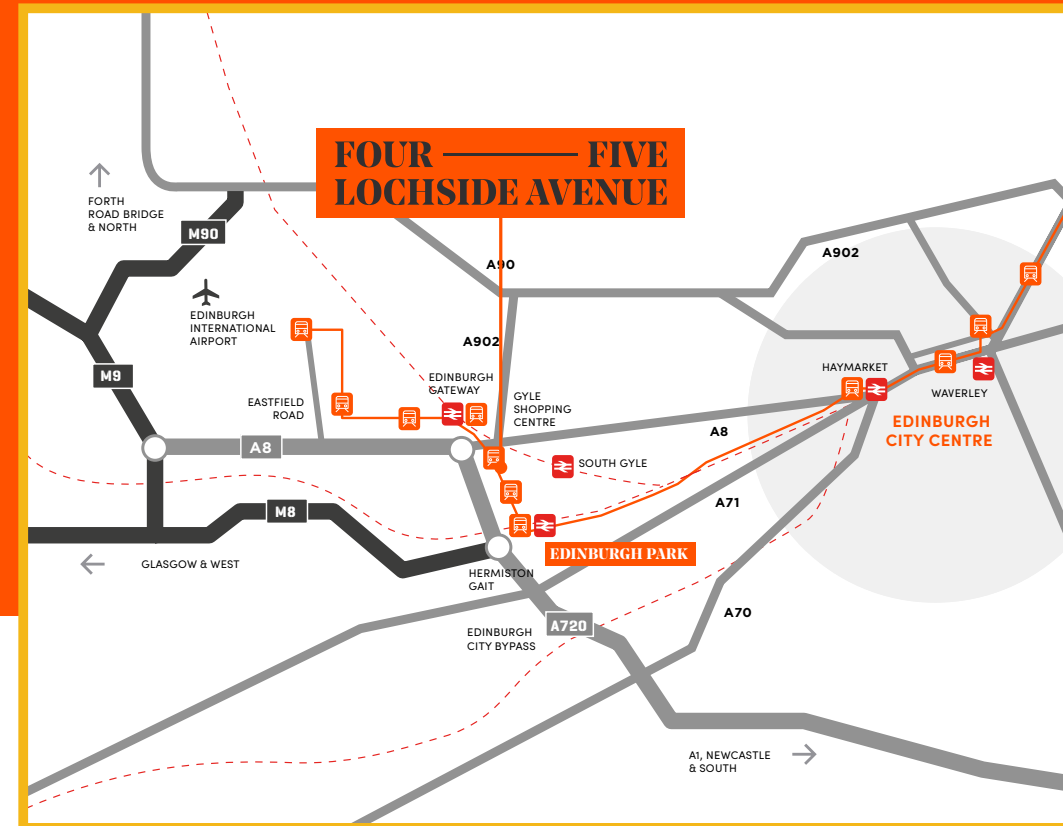


Rail

Edinburgh also benefits from exceptional rail services and facilities which have been undergoing continued investment to infrastructure improvements since 2019. Edinburgh's two main rail stations, Waverley and Haymarket are connected to Edinburgh Park Railway Station enabling fast access to Glasgow and all other major Scottish centres. Edinburgh Waverley continues to provide regular services to London via the East Coast Main Line, with journey times reduced to just over four hours.

Rail Times

Destination	Time
Edinburgh Waverley	12 mins
Glasgow	52 mins
Newcastle	1 hr 51 mins
York	2 hrs 52 mins
Manchester	3 hrs 29 mins
London	4 hrs 39 mins



SITUATION

4-5 Lochside Avenue is situated at the western boundary of Edinburgh Park within immaculately presented landscaped surroundings. The importance and quality of the location is highlighted by the strength of surrounding occupiers, including Aegon Asset Management, Diageo, JP Morgan, Tesco Bank and Royal Mail.



SPECIFICATION

4-5 Lochside Avenue has been comprehensively refurbished/redeveloped to provide high-quality, sustainable office space. Although not exhaustive, the specification includes:

- > 3 Pipe VRV/VRF heat recovery electric air conditioning providing heating and cooling
- > All electric infrastructure
- > EPC rating of A (06)
- > 100% fresh air introduced into each floor via ductwork within the floor void
- > 234 dedicated car parking spaces with a ratio of 1:182 sq ft
- > Full raised access flooring throughout with 420mm void
- > 11 dedicated electric car charging points
- > Dedicated welfare block with lockers, showers, drying area, changing facilities and WC provision
- > Secure cycle store for 60 cycles including electric charging points and repair station
- > Roof mounted photovoltaic panels generating zero carbon electricity



SUSTAINABILITY & WELLBEING



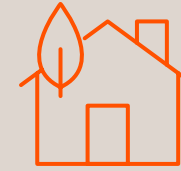
EPC A (06)

Strong environmental credentials demonstrated throughout the building.



Electric Infrastructure

All electric infrastructure with heating and cooling provided by highly efficient VRF heat pump system.



PV Cells

Energy generated by 60 roof mounted photovoltaic panels producing the equivalent energy consumed by 385 homes per year.



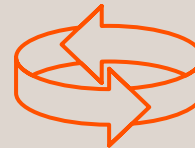
LED Lighting

Building and car park LED lighting with presence/daylight sensors.



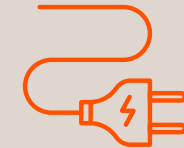
Cycle To Work

60 bicycle spaces in a purpose built secure cycle store with repair station and access to National Cycle Routes 8, 75 and 754.



Fresh Air

Opening windows and 100% fresh air via ductwork to the pressurised floor void, distributed via swirl diffusers.



EV Charging

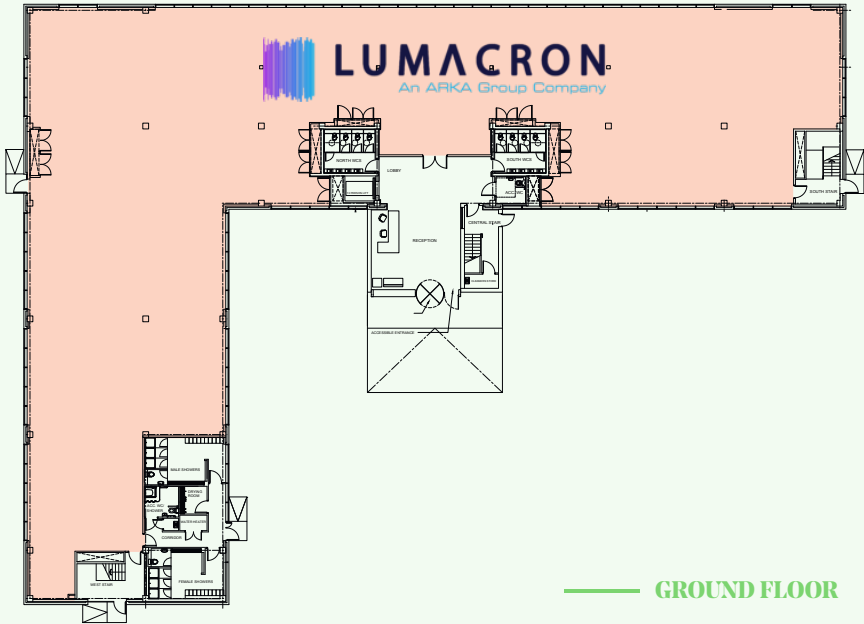
11 EV charging spaces with capacity for further spaces.

FLOOR — AREAS

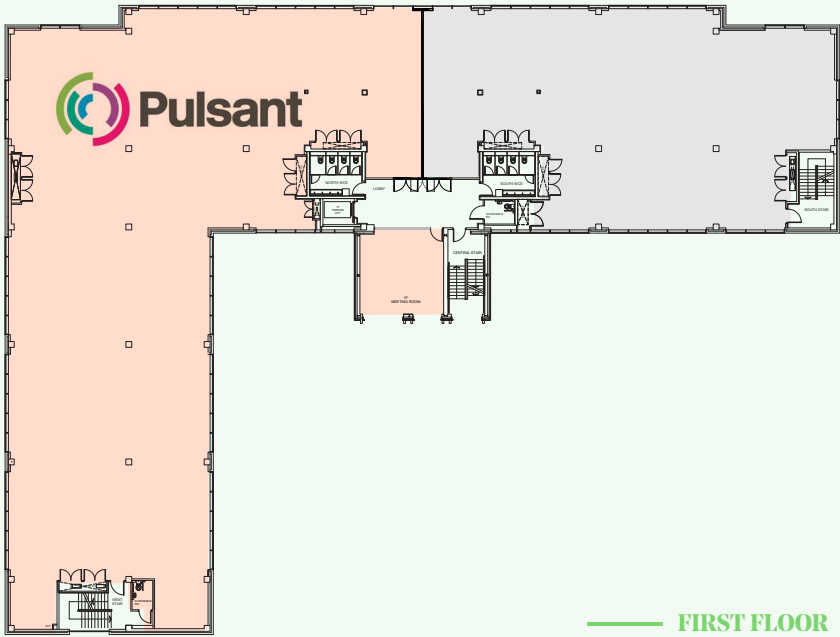
A measured survey was undertaken by Plowman & Craven in October 2021, in accordance with the guidelines as described in the Sixth Edition (September 2007) of the Code of Measuring Practice, published by the Royal Institution of Chartered Surveyors (RICS). The measured areas are summarised as follows:

Demise	NIA (sq ft)	NIA (sq m)
2nd Floor	14,849	1,379.5
1st Floor North Wing	10,021**	931.0**
1st Floor South	4,835*	449.2*
Ground Floor	12,814	1,190.5
Total	42,519	3,950.2

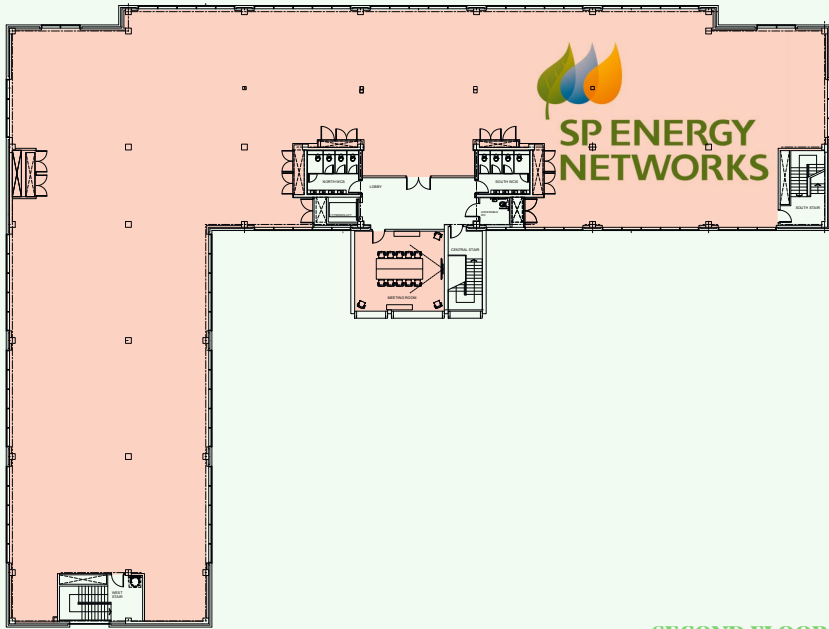
* Areas measured by Lismore Real Estate Advisors. ** Areas as per the lease.
Car parking for 234 vehicles is provided reflecting a ratio of 1:182 sq ft, together with a secure cycle store for 60 bikes.



GROUND FLOOR



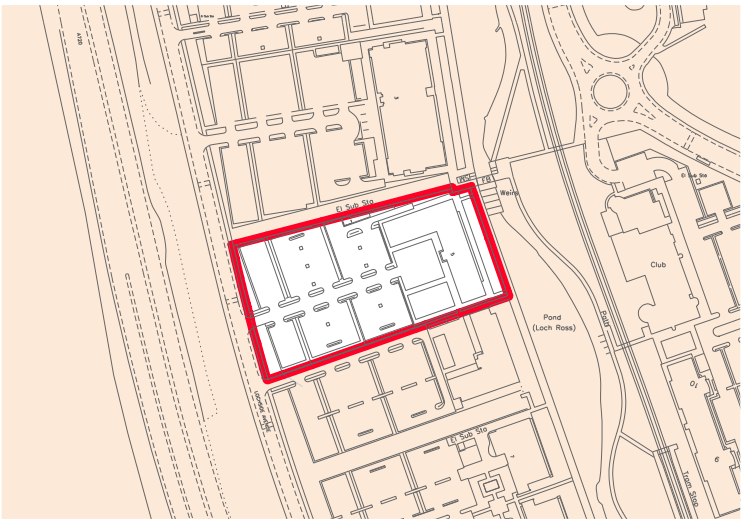
FIRST FLOOR



SECOND FLOOR

TENANCY ——— DETAILS

Unit	Tenant	Floor Area	Rent per Annum	Rent psf Breakdown	Lease Start	Lease Expiry	Break	Rent Review	WAULT to Expiry	WAULT to Breaks	Comments
Second Floor	SP Transmission PLC	14,849	£371,225	£25.00	05/08/2024	04/08/2034		05/08/2029	9.27	9.27	Rent increases to £430,351 pa at rent review.
First Floor North Wing	Pulsant Ltd	10,021	£250,525	£25.00	31/07/2023	30/07/2033	31/07/2028	31/07/2028	8.26	3.26	4 months rent free if break not exercised.
First Floor South Wing	Rent guarantee	4,835	£120,875	£25.00							24 months rent rates and service charge guarantee.
Ground Floor	Lumacron Technology Ltd	12,814	£320,350	£25.00	03/03/2023	02/03/2033	03/03/2028	03/03/2028	7.85	2.85	3 months rent free if break not exercised.
Total		42,519	£1,062,975						7.55	4.87	

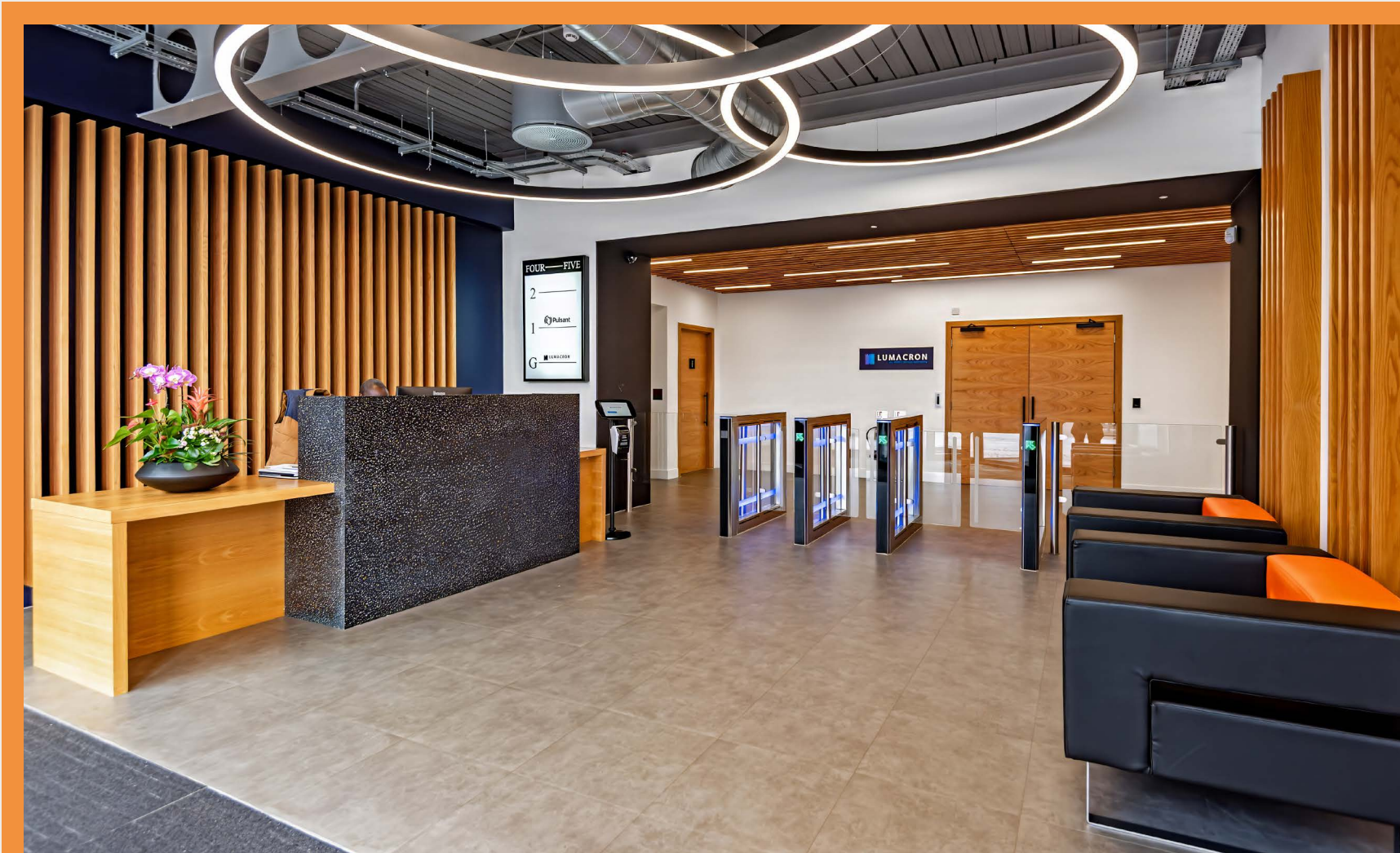


SERVICE CHARGE

The property is managed on behalf of the landlord by Graham & Sibbald. The service charge budget for y/e 27th August 2025 is £324,105, equating to a rate of £7.64 per sq ft, based on management floor areas.

TENURE

Heritable Title (Scottish equivalent of English Freehold).



TENANT ——— COVENANT



Lumacron Technology Limited (SC493753)

Founded in 2014, Lumacron Technology Limited provides commercial instrumentation systems designed for Optical Transport Network (OTN) access and performance monitoring. Their product range includes portable access tools, recovery solutions, and fixed wireline transport systems, supporting a variety of network monitoring and diagnostic applications across optical transport environments.

They have an Experian score of 91 (Very Low Risk).

Year ended	31/3/2022	31/3/2023	31/12/2023
Turnover	-	-	-
Pre-Tax Profit	-	-	-
Total Net Worth	£6,677,522	£7,186,039	£6,214,930



Pulsant Limited (03625971)

Pulsant Limited specialises in advanced communication and monitoring solutions tailored for critical infrastructure and industrial applications. Their product portfolio includes high-reliability data transmission devices, real-time monitoring platforms, and integrated control systems, supporting a wide range of use cases across sectors such as energy, transport, and public safety.

They have an Experian score of 100 (Very Low Risk).

Year ended	31/12/2021	31/12/2022	31/12/2023
Turnover	£74,504,997	£74,822,324	£100,962,584
Pre-Tax Profit	£7,501,692	£159,611	£4,622,768
Total Net Worth	£69,751,642	£70,388,947	£85,135,411



SP Transmission PLC (SC189126)

SP Transmission PLC, part of SP Energy Networks, operates the high-voltage electricity transmission system across central and southern Scotland. It plays a vital role in supporting the UK's transition to net zero through major infrastructure projects, facilitating renewable energy integration, and investing in a more resilient and sustainable electricity network.

They have an Experian score of 100 (Very Low Risk).

Year ended	31/12/2021	31/12/2022	31/12/2023
Turnover	£398,700,000	£389,600,000	£518,300,000
Pre-Tax Profit	£187,600,000	£173,400,000	£229,000,000
Total Net Worth	£1,102,600,000	£903,000,000	£982,100,000

Vacant FF South



EDINBURGH OFFICE MARKET

Office take-up in Edinburgh for Q1 2025 totalled 99,373 sq ft, representing a decrease from Q4 2024. However, this comparison is skewed by an artificially high Q4 figure, largely due to Lloyds’ substantial letting of 282,518 sq ft at Port Hamilton.

While Edinburgh’s office market has traditionally been dominated by the banking and finance sectors—longstanding pillars of the city’s economy—it is becoming increasingly diverse. In Q1 2025, the technology, media and telecoms (TMT) sector was joint most active with professional services, each accounting for 15% of total space transacted.

Prime city centre rents now stand at £46.00 per sq ft for new-build and Grade A stock, with forecasts suggesting they could reach £47.50 by the end of 2025. This rental growth is being driven by a lack of supply, with the city centre vacancy rate for Grade A stock at just 0.37%, and the overall vacancy rate across all sectors at 6.67%.

The availability of new Grade A accommodation is extremely limited. Current supply and demand dynamics are creating conditions for continued rental growth and strong tenant retention. Buildings offering leading sustainability credentials are set to attract high-quality, discerning occupiers and fully capitalise on rental premiums.

Sustainable office buildings in locations such as Edinburgh Park are particularly well positioned to meet outstanding demand and deliver strong investment performance, especially given current rental levels that are approximately 25–40% lower than those in the city centre.

A selection of recent office lettings in Edinburgh is highlighted to the right.

Occupational Property	Date	Tenant	Size	Rent psf
24/25 St Andrew Sq	Q4 2024	Addleshaw Goddard	6,960	£46.50
2 Lochrin Square	Q4 2024	Hays Recruitment	4,079	£40.50
Waverleygate	Q3 2024	Gallagher Insurance	6,438	£45.50
New Clarendon	Q3 2024	Patria	6,307	£45.00
30 Semple Street	Q3 2024	Red Rock Power	8,135	£45.50
Stamp Office	Q2 2024	Atkins Realis	6,960	£37.00
30 Semple Street	Q1 2024	Hymans Robertson	14,680	£45.00
Capital Square	Q4 2023	LGT Wealth Management	9,272	£43.00
22 Rose Street	Q2 2023	Rabbies	6,292	£42.50
1 Lochside Avenue	Q2 2023	Avant Homes	7,033	£24.00
Capital Square	Q1 2023	Eversheds Sutherland	5,882	£38.50
Capital Square	Q4 2022	Mazars LLP	8,260	£38.50

EDINBURGH OFFICE INVESTMENT MARKET

Edinburgh is one of the leading “Big 6” regional office markets with a truly global investor base owning assets in the city. Approximately £1.50bn of investment transactions have completed over the last 5 years.

The international recognition of the city, coupled with strong occupational market backdrop and performance prospects ensure Edinburgh holds its position as a highly desirable and liquid market.

A continued lack of high quality, openly available office investment product is driving competitive bidding, especially for assets offering strong ESG credentials.

Some recent Edinburgh office investment deals are highlighted opposite.

Address	Date	Price	NIY	Term Certain	Purchaser
Capital House	Q4 2024	£17.0m	6.88%	0.8 years	Whitbread
The Mint Building	Q3 2024	£42.5m	5.78%	10.2 years	Pontegadea
1-2 Lochside Way	Q3 2024	£6.00m	13.26%	5.2 years	Private Investor
Edinburgh One	Q1 2024	£15.00m	VP	N/A	McAlee & Rushe
11-12 Lochside Place	Q1 2024	£9.15m	9.28%	5 years	Private Investor
9-10 St Andrew Square	Q4 2023	£19.3m	7.01%	1.2 years	JV Tristan Capital Partners fund/ Queensway
Forthstone, South Gyle Business Park	Q3 2023	£8.87m	7.75%	13.75 years	Priory Real Estate
40 Princes Street	Q3 2023	£29.525m	7.50%	5.69 years	Remake Asset Management
Capital Square	Q1 2023	£72.0m	5.95%	10.9 years	Federated Hermes
Caledonian Exchange	Q1 2023	£16.0m	7.50%	3 years	APAM
7 Castle Street	Q1 2023	£20.25m	7.40%	4.2 years	Private
Edinburgh Quay 1	Q1 2023	£36.80m	6.50%	5.5 years	Capreon
Orchard Brae House	Q4 2022	£18.60m	4.47%	2.2 years	VCM Global Asset Management
Exchange Tower	Q3 2022	£20.40m	7.48%	3.44 years	Cervidae
11-15 Thistle Street	Q2 2022	£5.65m	6.60%	4.2 years	HUB
Gyle Square	Q2 2022	£53.1m	5.20%	6.82 years	Assura Aspire Ltd

ADDITIONAL — INFORMATION

CAPITAL ALLOWANCES

Works to the building included renewal of service installations, including lighting throughout as well as mechanical heating, cooling and ventilation. A new passenger lift was also installed.

A capital allowances schedule prepared by Axiom is contained in the data room. Available capital allowances are as follows:

General Pool Total	£349,378
Special Rate Pool Total	£2,015,822
Structures and Buildings Allowance	£2,724,851

To date, no claims have been made by the vendor.

VAT

The property is elected for VAT, however, it is envisaged the transaction will be treated as a Transfer of a Going Concern (T.O.G.C.).

ENVIRONMENTAL / SUSTAINABILITY

EPC | A (06)

A copy of the EPC is available in the data room.

ANTI-MONEY LAUNDERING

Under both HMRC and RICS guidance, as property agents we are obliged to undertake AML diligence for both the purchasers and vendors (our client) involved in a transaction. As such, personal and or detailed financial and corporate information might be required before any terms are agreed or any transaction can conclude.

DATA ROOM

Further asset information is available within the data room. Interested parties can be granted access upon request.

PROPOSAL

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FURTHER INFORMATION

& VIEWING ARRANGEMENTS

Further information can be found via access to the data room. To make arrangements to view the property please do not hesitate to contact:

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FOUR — FIVE LOCHSIDE AVENUE

SUBJECT TO CONTRACT

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April 2025.

Produced by Designworks.