

LANDMARK OFFICE INVESTMENT THE BOAT 47-49 QUEEN SQUARE BELFAST, BT1 3FG

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02890 500 100

FOR SALE

**LANDMARK OFFICE
INVESTMENT**

**THE BOAT
47-49 QUEEN'S SQUARE
BELFAST
BT1 3FG**

KEY FEATURES

Income of £566,727pa
Asset Management Opportunities





Description

THIS ICONIC BUILDING CONSISTS OF THE 14 FLOOR BOAT PROPERTY TOGETHER WITH THE ADJACENT AND FULLY INTEGRATED 11 FLOOR LIFEBOAT PROPERTY. A BELFAST CITY CENTRE LANDMARK, IT BENEFITS FROM MAGNIFICENT VIEWS OVER THE RIVER LAGAN, BELFAST LOUGH AND THE ENTIRE CITY.

This sale provides a prospective purchaser with the opportunity to acquire one of the most admired properties in Belfast. The Boat was the winner of a Global Architecture award in 2011 for the Mixed Use Building of the Year at the LEAF (Leading European Architects Forum) awards.

The Boat comprises 10 floors of Grade A offices and 8 exclusive waterside apartments. The Lifeboat houses a high quality Japanese restaurant on ground and first floors, 7 floors of Grade A offices and a duplex apartment on floors 9 & 10.

The purchaser will acquire the Freehold of the entire property including the apartments and the 9th Floor which have been sold on long leasehold interests.

The occupied office suites are all fitted to exacting, high standards reflective of the world class tenant line up.

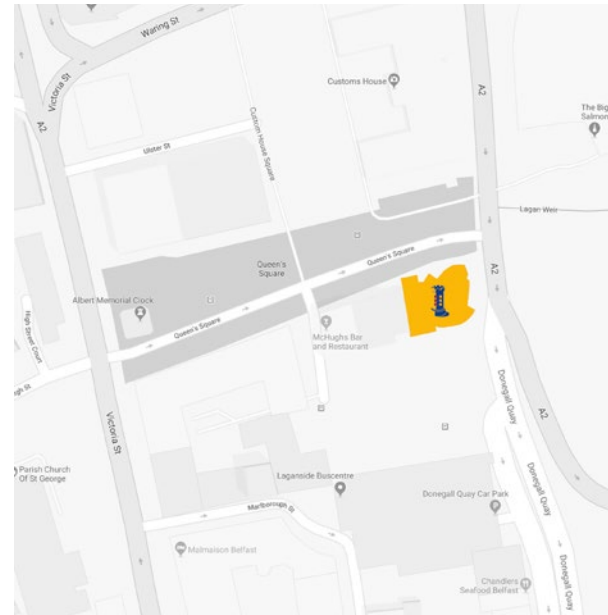
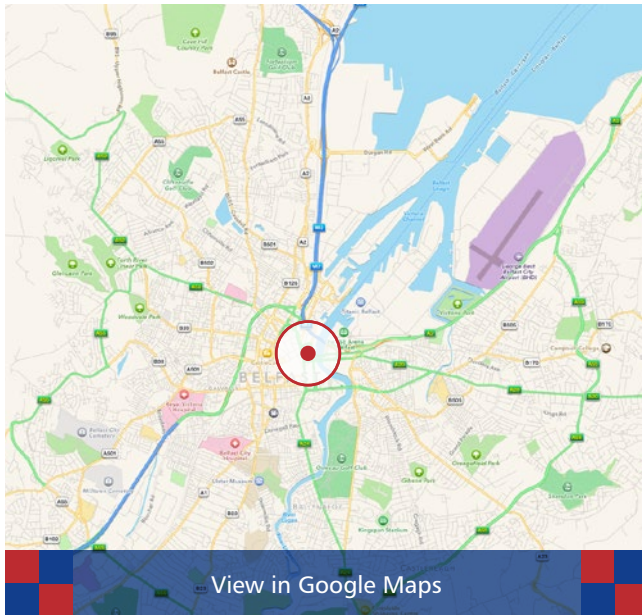
The property has an income from a number of top quality covenants of £566,727 pa (including rental guarantees). There are a number of Asset Management opportunities to implement at this premises.

Tenants in the building include; SpotXchange, Grafton Recruitment, The British Council, Bar Library Services and Mott McDonald.



Location

THE BOAT IS LOCATED IN BELFAST CITY CENTRE, THE CAPITAL OF NORTHERN IRELAND. BELFAST IS THE SECOND LARGEST CITY ON THE ISLAND OF IRELAND AND LIES APPROXIMATELY 100 MILES (161 KM) TO THE NORTH OF DUBLIN.



Belfast has an excellent infrastructure network and the Boat is well positioned with easy access to the M1, M2 and M3 which link Belfast to all areas of Northern Ireland, as well as Dublin and the South of Ireland. The Boat is close to the main railway station, and 10 minutes from George Best City Airport and 23 miles (37 Km) from Belfast International Airport.

The Boat benefits from a multi-storey Carpark next door and significant surface parking in close proximity.

In recent years Belfast has seen a high level of private and public sector investment, with a number of key urban regeneration and transport projects ongoing and planned improvement of the overall area. One key project is the relocation of the University of Ulster Jordanstown Campus into the city centre in close proximity to the Boat.



Belfast Office Market

THE BELFAST OFFICE MARKET IS EXPERIENCING RECORD BREAKING TAKE-UP LEVELS, WITH UPTAKE IN 2018 BEING 885,023 SQ FT. THIS IS AN INCREASE OF 130% ON THE AVERAGE OF THE PREVIOUS FIVE YEARS BEING ONLY 385,000 SQ FT. A RECENT REPORT BY MSCI REPORTED THAT BELFAST WAS AMONGST THE TOP PERFORMING UK OFFICE INVESTMENT MARKETS IN 2018.

One of the most notable transactions was the letting of 150,000 sq ft. at the nearby Nine Lanyon Place to Northern Ireland Civil Service. Along with this increase in take-up, Grade A office rents are also continuing to increase with prime office rents being established at c. £21 psf. Even with these new rental highs being achieved, Belfast office rents are still considerably lower than other major UK & ROI cities which is helping fuel office demand from large multi-national companies which in turn should lead to further growth in office rents.



Tenancy Schedule

Unit Number	Tenant	Floor Area Sq ft	Net Rent PA	Lease Details					Comments
				Term	Lease Start	Lease End	Rent Review	Break	
GF The Lifeboat	Ms Lidan Yu	1,005	£45,000.00	10 yrs	18-Jun-18	17-Jun-28	18-Jun-23	18-Jun-23	£20.18psf
1st Floor The Lifeboat	Ms Lidan Yu	1,225							
GF The Boat	Grafton Recruitment Ltd	2,185	£101,556.00	10 yrs	01-Nov-15	31-Oct-25	01-Nov-20		£14psf
1st Floor Mezz The Boat (only acc from their GF)	Grafton Recruitment Ltd	2,433							
2nd Floor The Boat	Grafton Recruitment Ltd	2,637							
2nd Floor Lifeboat	Vacant	1,453	£26,880.00						12 month rental guarantee £18.50psf
3rd Floor The Boat	SpotXChange Ltd	2,637	£44,829.00	10 yrs	01-Jan-18	31-Dec-29	01-Jan-23	01-Jan-23	£17psf
3rd Floor Lifeboat	SpotXChange Ltd	1,453	£24,701.00	10 yrs	01-Jan-18	31-Dec-29	01-Jan-23	01-Jan-23	£17psf
4th Floor The Boat	Vacant	2,637	£48,785.00						12 month rental guarantee £18.50psf

Tenancy Schedule

Unit Number	Tenant	Floor Area Sq ft	Net Rent PA	Lease Details					Comments
				Term	Lease Start	Lease End	Rent Review	Break	
4th Floor Lifeboat	Vacant	1,453	£26,880.00						12 month rental guarantee £18.50psf
5th Floor The Boat	Bar Library Services Ltd	2,637	£63,395.00	10 yrs	08-May-16	07-May-26	07-May-26	07-May-21	£15.50psf
5th Floor The Lifeboat	Bar Library Services Ltd	1,453							
6th Floor The Boat	Mott MacDonald Ltd	2,637	£50,000.00	10 yr 1 days	08-Sep-14	08-Sep-24	08-Sep-19		£12.22psf
6th Floor The Lifeboat	Mott MacDonald Ltd	1,453							
7th Floor The Boat	British Council	2,637	£44,830.00	10 yrs	01-Jul-12	30-Jul-22	30-Jun-22		
7th Floor The Lifeboat	British Council	1,453	£24,700.00	10 yrs	01-Jul-12	30-Jul-22	30-Jun-22		
8th Floor The Boat	SpotXChange Ltd	2,637	£44,829.00	5 yrs 7 mths	01-Sep-16	31-Mar-22	31-Mar-22		£17psf
8th Floor The Lifeboat	Anson McCade Ltd	1,453	£20,342.00	10 yrs	03-Dec-14	02-Dec-24	03-Dec-24	03-Dec-19	£14psf
Total		35,478	£566,727.00						

Service Charge

The Service Charge for the premises is currently £2.77psf.



Covenant Information

UNIT	TENANT	Floor Area
Ground, 1st & 2nd Floors, The Boat	Grafton Recruitment Limited	Extremely successful recruitment company across Northern Ireland and Republic of Ireland. Experian Score: 81/100 – Low Risk. Grafton has recently been acquired by Staffline Plc which has an Experian Score of 100/100 – Very Low Risk.
Ground and 1st Floors, The Lifeboat	Ms Lidan Yu	The premises is let to Ms Yu personally. Ms Yu operates 2 Japanese restaurants and a large Chinese foods distribution company in Germany.
3rd & 8th Floors, The Boat & 3rd Floor Lifeboat	SpotX Limited	An online advertising company based in Colorado. A wholly owned subsidiary of RTL Group, Frankfurt based world leading producer of Broadcast, Content and Digital with annual turnover in excess of €6bn and a net profit in 2017 of €837m
5th Floor, The Boat & Lifeboat	Bar Library Services Ltd	The Centre for Mediation in Northern Ireland and part of The Bar Library institution. Experian Score: 100/100 – Very Low Risk
6th Floor The Boat & Lifeboat	Mott MacDonald Ltd	Global engineering and development consultancy company with 16,000 staff across 150 countries. Experian Score: 100/100 – Very Low Risk
7th Floor, The Boat & Lifeboat	The British Council	A Public Corporation, founded in 1940 by Royal Charter and specialising in international culture and education. Experian Score: 100/100 – Very Low Risk
8th Floor, The Lifeboat	Anson McCade Ltd	International recruitment company with offices in London, Paris and Sydney. Experian Score: 84/100 – Low Risk



Asset Management

The following asset management opportunities are available:

- Let vacant 4th floors and 2nd floor Lifeboat
- Rent Review with Mott McDonald due on 8th September 2019 with the current rent of £12.22psf.
- Rent Review with Anson McCade due on 3rd December 2019 with the current rent of £14.00psf.

Proposal

We are instructed to seek offers in excess of £7.75m.

An offer at this level represents a net initial yield of 6.87% assuming purchasers costs of 6.5%.

Assuming the following rent reviews are settled at £18.50psf the net initial yield will increase as set out below.

Review	Date	Rent pa	Yield
Mott McDonald	September 2019	£592,000	7.17%
Anson McCade	December 2019	£598,538	7.25%
Grafton Recruitment	November 2020	£631,855	7.656%

VAT

It is anticipated the sale will be treated as a Transfer of a Going Concern (TOGC). The property is registered for Value Added Tax.

EPC

Energy Performance Certificate's for the floors are available upon request.

Contact

For further information or to arrange a viewing, please contact McKibbin Commercial:

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