

**EDINBURGH
INTERNATIONAL
BUSINESS
GATEWAY**



EFTBGA

WHERE BUSINESS TAKES OFF



EDINBURGH INTERNATIONAL BUSINESS GATEWAY



HIGH PROFILE MIXED USE DEVELOPMENT
OPPORTUNITY FOR SALE



23 ACRES (9.3 HA)



PLANNING APPLICATION COMPRISES 384,874 SQFT OF
OFFICES, 525 HOTEL ROOMS AND 200 RESIDENTIAL UNITS
WITH RETAIL AND LEISURE FACILITIES



THE NATURAL EXTENSION OF THE CITY



ADJACENT TO EDINBURGH AIRPORT



PREMIER LOCATION FOR NEXT WAVE OF
COMMERCIAL DEVELOPMENT



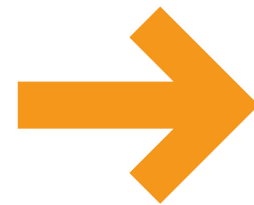
STRATEGIC COMMERCIAL DEVELOPMENT SITE
SUPPORTED BY SCOTTISH GOVERNMENT, SCOTTISH
ENTERPRISE AND CITY OF EDINBURGH COUNCIL



EIBG HAS THE POTENTIAL TO BENEFIT FROM
EDINBURGH'S CITY DEAL



EDINBURGH INTERNATIONAL BUSINESS GATEWAY



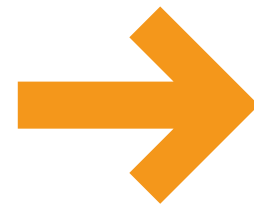
THE OPPORTUNITY

An outstanding opportunity to acquire a high profile mixed use development on a gateway site at the entrance to Edinburgh International Airport and the International Business Gateway, part of Edinburgh's strategic expansion to the west.

EIBG - "A world class extension, to a world class city."

- 23 acres (9.3 ha)
- 813,730 sq ft (75,595 sq m) of mixed use development
- Office, residential and hotel opportunities
- Gateway site to Edinburgh International Airport
- Tram stop adjacent to the site connecting the airport to the city centre
- Immediate access to A8 & M8
- Ability to commence development on receipt of planning consent
- Contemporary urban extension to Edinburgh
- Planning consent anticipated by Autumn 2016





EIBG USES

EIBG has been designed to deliver a mixed use, sustainable and contemporary development, bringing together the latest thinking and design concept integrating modern working with modern living. The master plan has been developed with the input of Architecture and Design Scotland.

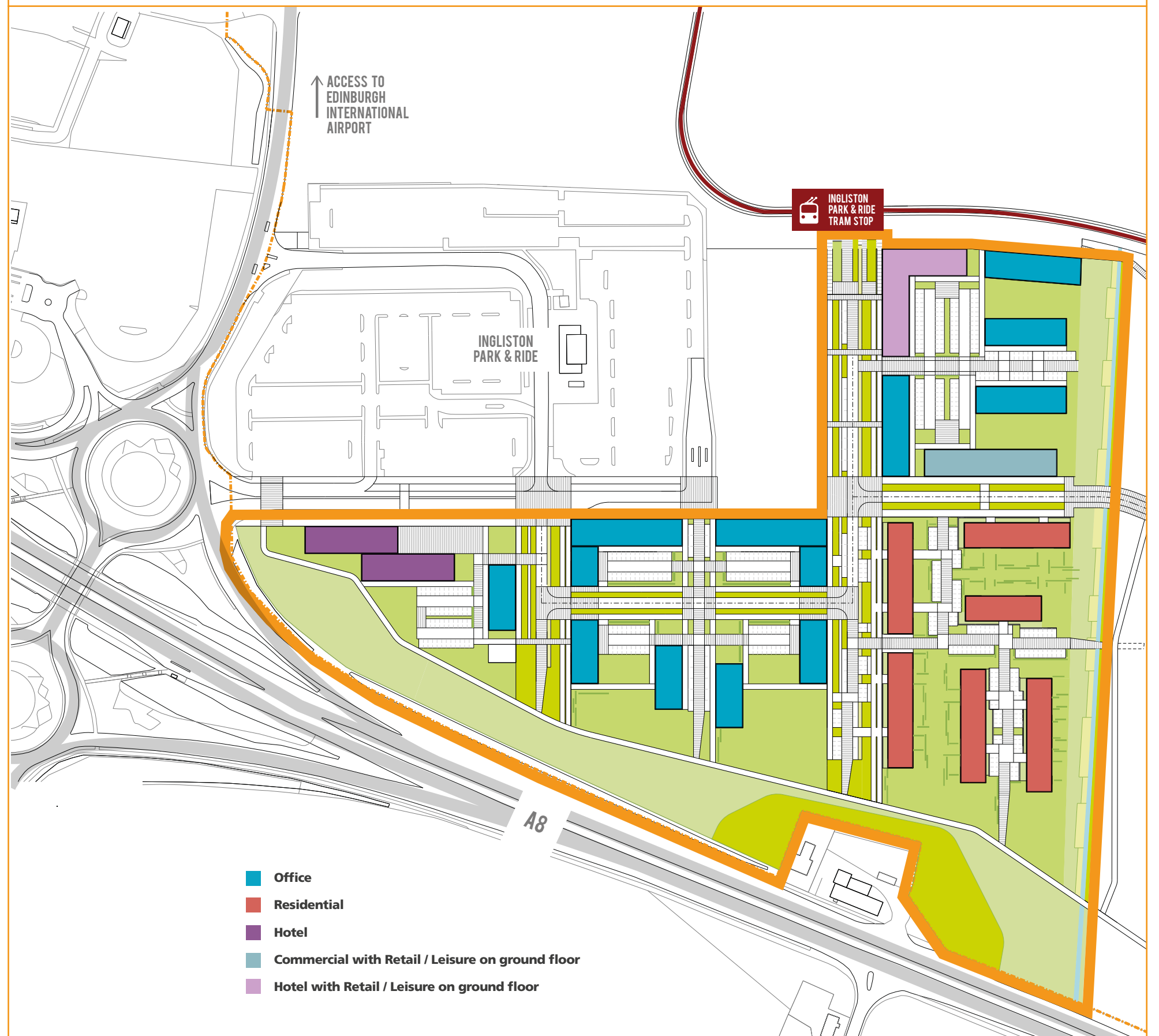
EIBG will form part of the first phase to be developed within Edinburgh's strategic expansion to the west. The site occupies a prominent position overlooking the A8 and the entrance to Edinburgh International Airport. The proposed development has

been master planned in accordance with the City of Edinburgh Council's strategy for expansion in West Edinburgh and is capable of accommodating a blend of offices, residential and hotels with retail and leisure, servicing residents and employees.

Located adjacent to the Ingliston tram stop, access to both the airport and city centre couldn't be easier. The new Edinburgh Gateway railway station at Gogar will connect the tram to the main east coast railway line linking Edinburgh with Fife and the North East.

- **Office** – 384,874 sq ft
- **Residential** – 200 units (243,910 sq ft)
- **Hotel** – 525 rooms (160,296 sq ft)
- **Retail** – 13,692 sq ft
- **Leisure** – 10,958 sq ft

The overall quantum of floor space proposed is 813,730 sq ft (75,595 sq m)



- Office
- Residential
- Hotel
- Commercial with Retail / Leisure on ground floor
- Hotel with Retail / Leisure on ground floor



MASTER PLAN

International Business Gateway (Phase 1)

An application for Planning Permission in Principle (PPP) (ref: 15/05580/PPP) for IBG Phase 1 was submitted to City of Edinburgh Council (CEC) on 7th December 2015 and is currently Pending Consideration. The proposed development is as follows:

A mixed use development including business and employment uses (Class 4), storage and distribution (Class 6), hotels (Class 7) and ancillary uses including retail (Class 1), financial and professional services (Class 2), food and drink (Class 3), residential institutions (Class 8), residential (Class 9), non-residential institutions (Class 10), assembly and leisure (Class 11), sui generis flatted development and other related associated works including car parking, servicing, access and public realm.

The submission of the PPP is the culmination of a lengthy process that has included policy formation, pre-application consultation and a 3-stage design review with Architecture and Design Scotland. The application is supported by the following plans and reports:

- Planning Statement - GVA
- Pre-Application Consultation Report – GVA
- Design + Access statement – 7N
- Environmental Statement – WSP | PARSONS BRINCKERHOFF
- Flood Risk Assessment – WSP | PARSONS BRINCKERHOFF
- Drainage Strategy - WSP | PARSONS BRINCKERHOFF
- West Edinburgh Transport Study – WSP | PARSONS BRINCKERHOFF
- Sustainability Appraisal - WSP | PARSONS BRINCKERHOFF

The International Business Gateway is an established and recognised land use proposal at all levels of planning policy:

National - National Planning Framework 3 (2014) where it is stated that "West Edinburgh is a significant location for investment, with the airport, the National Showground and the International Business Gateway. Development here will require continued co-ordination and planning to achieve a successful business led city extension which fulfils its potential for international investment, new jobs and high quality of place."

Strategic – SESplan (2013).

The IBG is located within the West Edinburgh Strategic Development Area (SDA) which is an internationally recognised area of economic importance. The site is well located to take advantage of existing infrastructure. The application proposals will support place making objectives as set out in NPF3 and the proposal will not compromise transportation policy.

Local – Rural West Edinburgh Local Plan (alteration 1A) (2011); emerging Edinburgh Local Development Plan (2014) (ELDP) - currently the subject of an ongoing examination but anticipated for adoption by CEC in the middle of 2016. There is also associated Council guidance for IBG in the West Edinburgh Strategic Design Framework (2010) and the West Edinburgh Landscape Framework (2011).

Although the Rural West Edinburgh Local Plan (Alteration 1A) specifically sets out policy provisions for IBG and remains the adopted local plan, the ELDP sets out a much more up to date expression of Council policy and reflects other strategic and national policy. The ELDP is the settled view of the Council in terms of land use and policy for development in Edinburgh. In summary, the application proposals are supported by the ELDP in terms of the nature and mix of uses and location; the IBG is a preferred location for office development but wider policy provisions such as EMP6 specifically allow for other ancillary uses; the application proposals will contribute to the creation of a sustainable extension of the city.

In summary, when considered against the overall policy framework – as generally outlined above - it is concluded that the application for PPP is entirely consistent with approved and emerging policy and that it will support broader objectives for West Edinburgh as a sustainable city extension.

According to feedback received, approval of the application is anticipated in Autumn 2016.



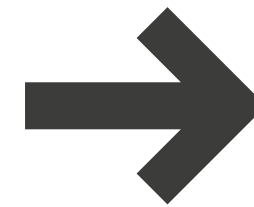
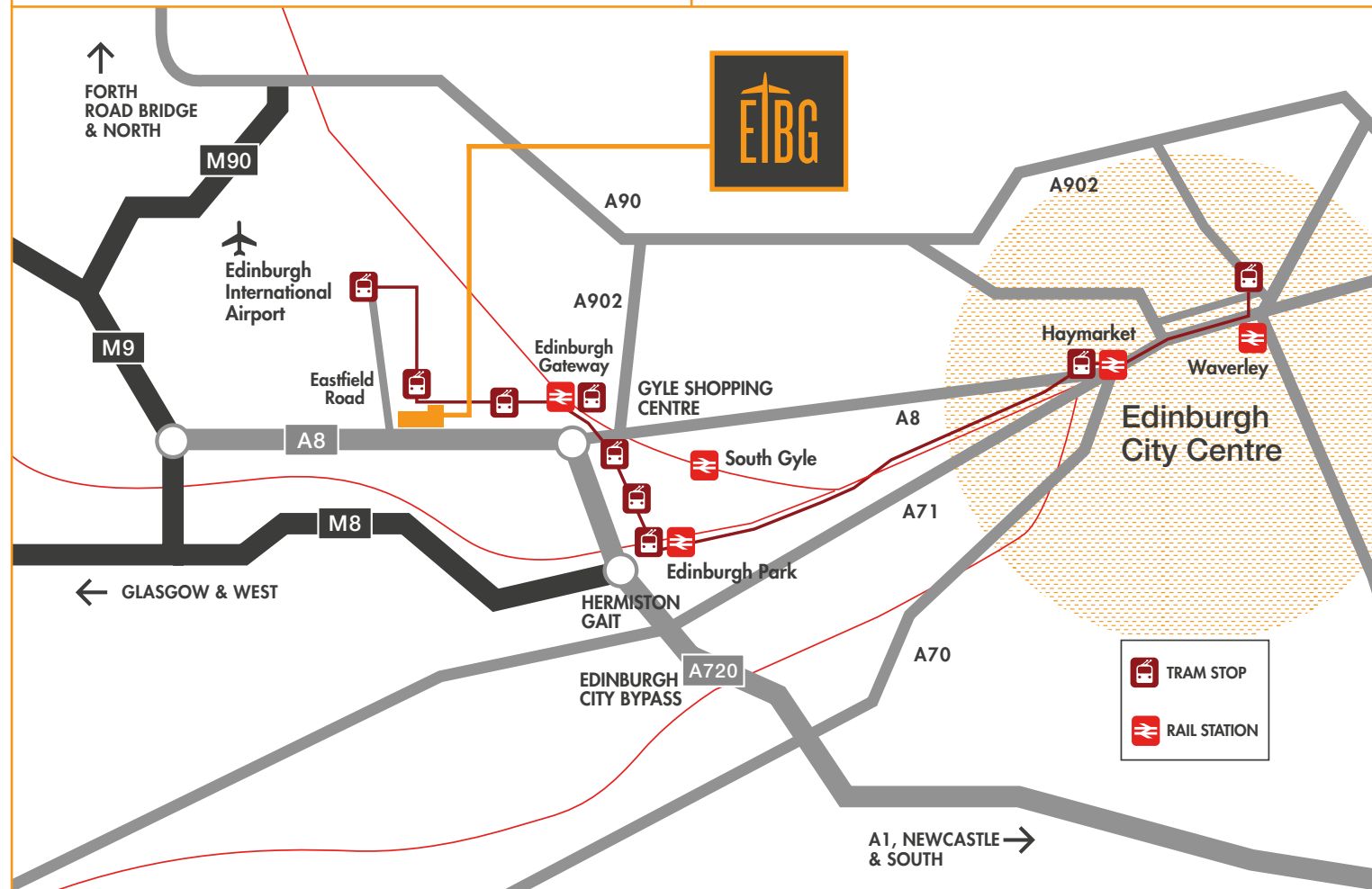


EDINBURGH INTERNATIONAL BUSINESS GATEWAY

UNRIVALLED CONNECTIVITY

EIBG could not be located better to benefit from Edinburgh's greatly improving transport infrastructure. The connectivity between airport, tram, rail network and Scotland's motorway network is unsurpassed. This will allow future residents and employees easy access to EIBG from Edinburgh, Fife, the North

East and across the central belt. From a business perspective EIBG will be an ideal location providing prominence and profile on to the road network, offering excellent staff accessibility and global connectivity through Edinburgh International Airport.



LOCAL

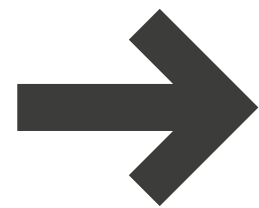
Edinburgh's burgeoning population of 500,000 regularly uses trams, buses, cars and bikes to travel to work. EIBG benefits from immediate accessibility to the tram providing connectivity to the airport and east into the city. EIBG offers the natural expansion for the city and the master plan allows for future pedestrian and cycle routes through the development.

EIBG has excellent access to the road network including the Edinburgh City Bypass, the A8, the M8 and beyond.





EDINBURGH INTERNATIONAL BUSINESS GATEWAY



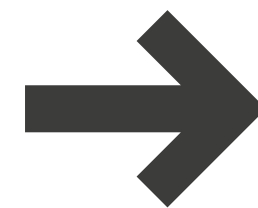
NATIONAL

The much heralded Edinburgh tram service between the Airport and the city centre stops at EIBG and it is only a further 2 stops to Edinburgh's newest railway station, Edinburgh Gateway at Gogar.

The new railway station is situated on the East Coast main line between Edinburgh, Fife and the North East which will ease the daily commute with the tram connecting to EIBG. Business travellers and tourists will also be able to use the

east coast line, connect with the tram and travel to Edinburgh International Airport.

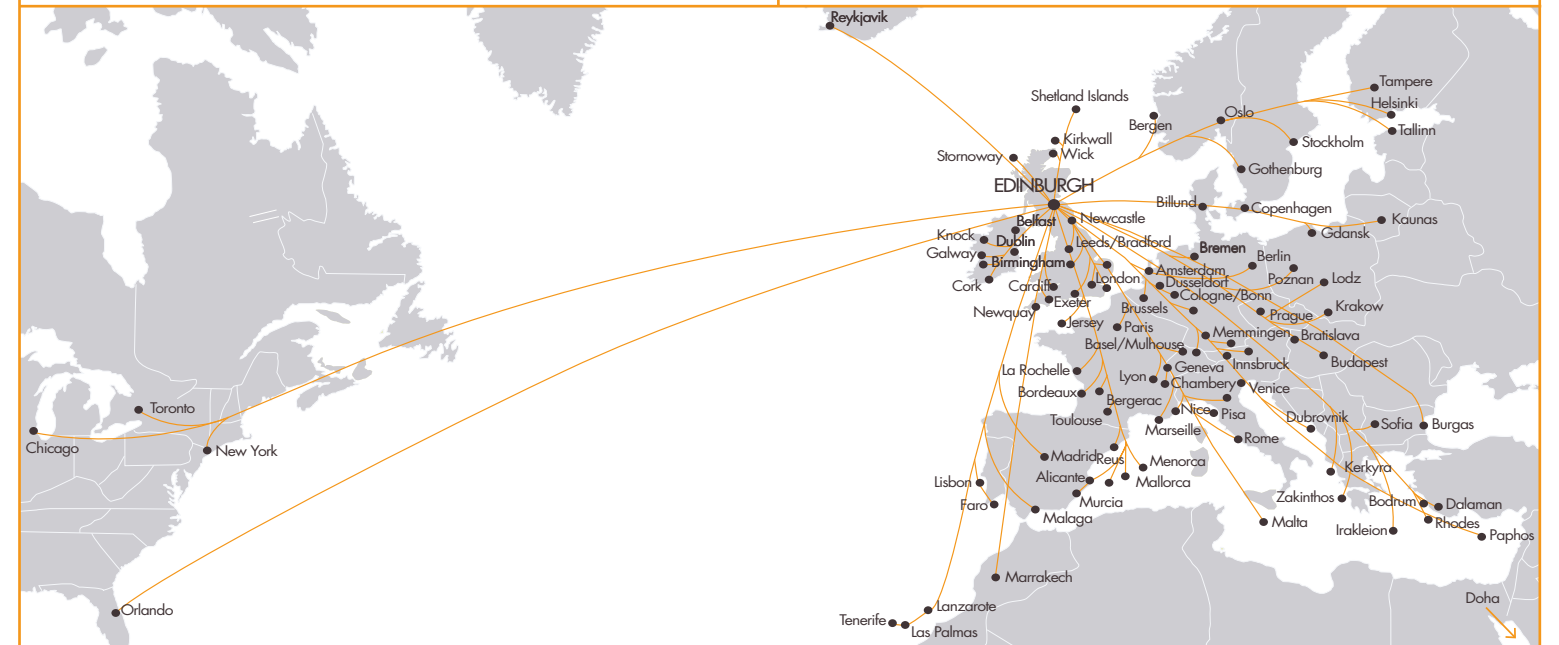
The £41 million new station is part of the Edinburgh Glasgow Improvement Programme (EGIP), the £742 million spend on modernisation, upgrades to key junctions, infrastructure and the electrification of the Scottish Rail Network. Edinburgh Gateway is due to be completed by December 2016.



INTERNATIONAL

EIBG is located adjacent to Scotland's busiest airport. Passenger numbers broke through 11 million in 2015, in part due to the number of new routes opening during the year. The airport now offers connections to over 120 destinations across 28 countries. On average there are 53 flights to London

per day in each direction whilst new routes have been opened to Chicago, Doha, Dusseldorf and elsewhere. There are plans for a further £240 million investment in Edinburgh International Airport which presently employs over 2,500 staff.



EDINBURGH'S FUTURE



Edinburgh's history speaks for itself, however there is no complacency with significant investment planned to ensure the city continues to expand and prosper. It is due to this investment that Edinburgh continues to attract new jobs, investment, tourism and hotel operators. It is also one of the reasons why such a diverse range of businesses choose to locate here.


EIBG has the potential to benefit from the City Deal which is currently being progressed by City of Edinburgh Council.

Major investments include:

- Queensferry Crossing £1.35 billion
- Edinburgh Gateway Railway Station £41 million
- Edinburgh EGIP £742 million (includes Edinburgh Gateway £41 million)
- Borders Railway Line £294 million
- Edinburgh Trams £770 million
- Edinburgh International Airport £240 million
- Edinburgh University £1.5 billion



EDINBURGH AIRPORT



EDINBURGH GATEWAY



EDINBURGH TRAM

EDINBURGH PARK RENTS HAVE RISEN BY 20% IN THE LAST 18 MONTHS



OFFICE VACANCY RATE AT 4.8% THE LOWEST LEVEL SINCE 2008



NEXT WAVE OF OFFICE DEVELOPMENT WILL NOT PROVIDE OCCUPANCY UNTIL 2018




OFFICE OCCUPIER TAKE UP IN 2015 WAS THE HIGHEST SINCE 2001



THERE ARE FORECAST TO BE 3,526 NEW HOUSEHOLDS REQUIRED ANNUALLY IN THE CITY BETWEEN NOW AND 2035



MAINSTREAM RESIDENTIAL RENTAL VALUES IN EDINBURGH ARE LIKELY TO INCREASE BY 26.4% OVER THE FIVE YEAR PERIOD BETWEEN 2015 AND 2019 COMPARED TO 20.5% FOR THE UK AS A WHOLE




(SOURCE: SAVILLS RESEARCH)


THE CONSTRAINED SUPPLY OF NEW HOUSE BUILDING IN EDINBURGH, WHICH FELL BY 35% IN 2014, IS LIKELY TO MAINTAIN HIGH RESIDENTIAL VALUES ACROSS THE CITY FOR THE FORESEEABLE FUTURE

(SOURCE: SCOTTISH GOVERNMENT)

AVERAGE RESIDENTIAL LAND VALUES IN THE URBAN FRINGE ARE NOW IN EXCESS OF £1.3M PER DEVELOPABLE ACRE




IN 2015 HOTELS IN EDINBURGH OUTPERFORMED REGIONAL UK WITH OCCUPANCY REACHING 81.5%



HOTEL DEMAND CONTINUES TO PEAK AROUND THE MONTH OF AUGUST DUE TO THE STRENGTH OF LEISURE TOURISM HOWEVER, WITH A ROBUST CORPORATE DEMAND, MIDWEEK OCCUPANCY PEAKS TUESDAY AND WEDNESDAY



AVERAGE HOTEL ROOM RATES INCREASED 1.8% TO £88 RESULTING IN REVPAR OF £72, 40% ABOVE THE REGIONAL UK AVERAGE

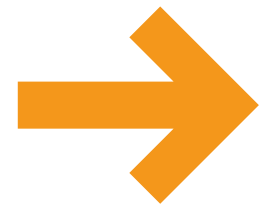


MAINSTREAM RESIDENTIAL CAPITAL VALUES IN EDINBURGH ARE LIKELY TO INCREASE BY 20.5% OVER THE FIVE YEAR PERIOD BETWEEN 2015 AND 2019, COMPARED TO 17.6% FOR THE UK AS A WHOLE

(SOURCE: SCOTTISH GOVERNMENT)



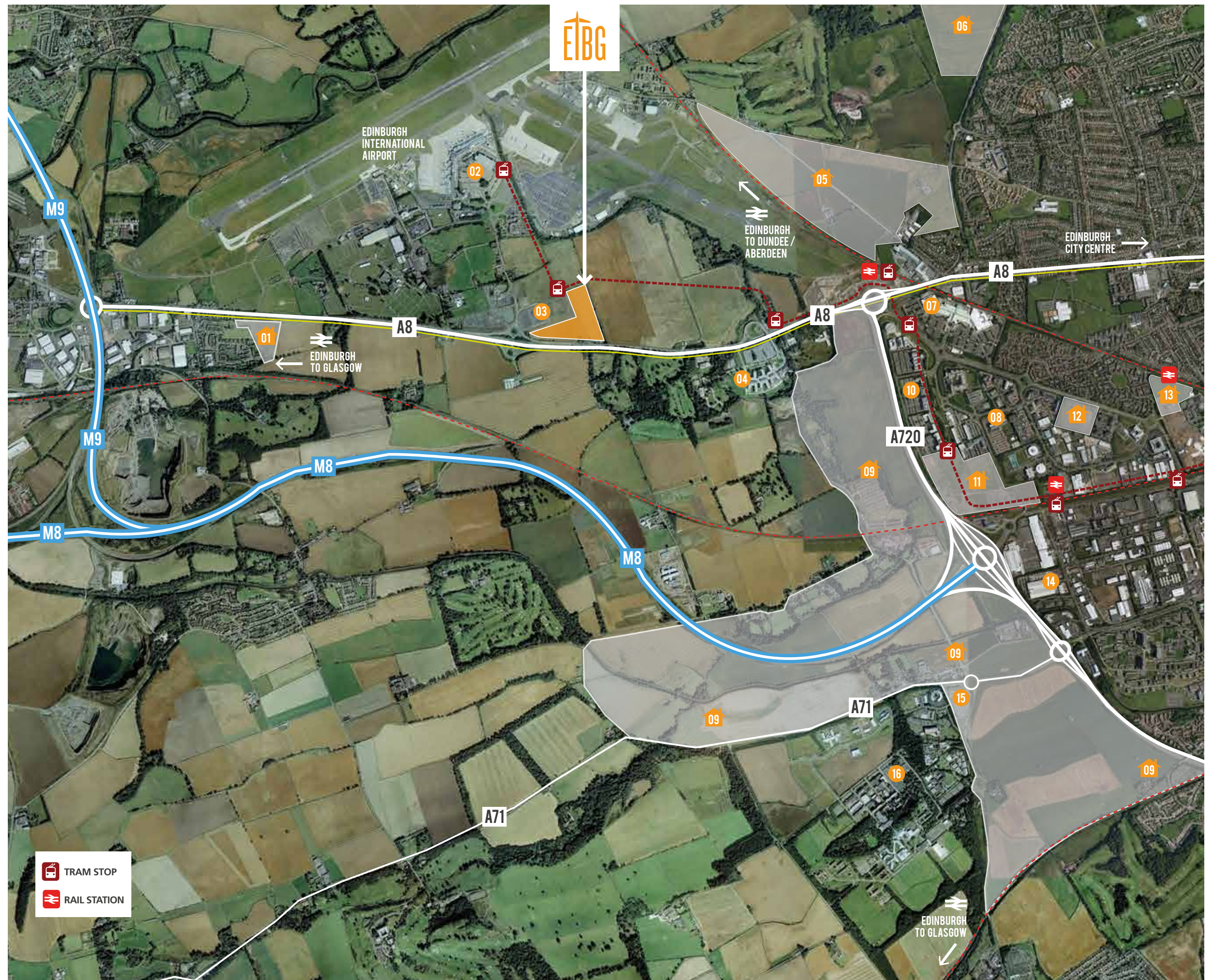
EDINBURGH INTERNATIONAL BUSINESS GATEWAY



EDINBURGH'S FUTURE

- 01 Ratho Station
- 02 Edinburgh International Airport
- 03 Ingliston Park and Ride
- 04 Royal Bank of Scotland Headquarters
- 05 Maybury
- 06 Cammo
- 07 The Gyle Shopping Centre
- 08 South Gyle
- 09 Edinburgh's Garden District
- 10 Edinburgh Park
- 11 Edinburgh Park Residential
- 12 South Gyle Broadway (Barratt Homes)
- 13 South Gyle Wynd (Persimmon Homes)
- 14 Hermiston Gait Retail Park
- 15 Hermiston Park and Ride
- 16 Heriot-Watt University

- TRAM STOP
- RAIL STATION
- Tram Line
- Train Line
- Cycle Route





EDINBURGH
INTERNATIONAL
BUSINESS GATEWAY

EDINBURGH OFFICE MARKET OVERVIEW

The Edinburgh Office Market has just experienced 2 record years of occupier take-up with 2015 being the highest level since 2001. However, the shape of this occupier take-up is causing almost a greater stir as Edinburgh becomes transformed from being a financial centre to a leading location for technology companies.

Technology

Technology companies are coming to Edinburgh and expanding. The city also has a burgeoning reputation for start-ups with the greatest success stories to date being Skyscanner and FanDuel. Other tech sector companies active in the city include Amazon, Cirrus Logic, Dell, Avaloq and Rockstar North whilst Codebase has grown to become the largest tech incubator in the UK.

A lot of this tech sector activity is being attracted by the quality of talent available in the city and the graduates being produced by Edinburgh University, Edinburgh Napier University and Heriot Watt University.

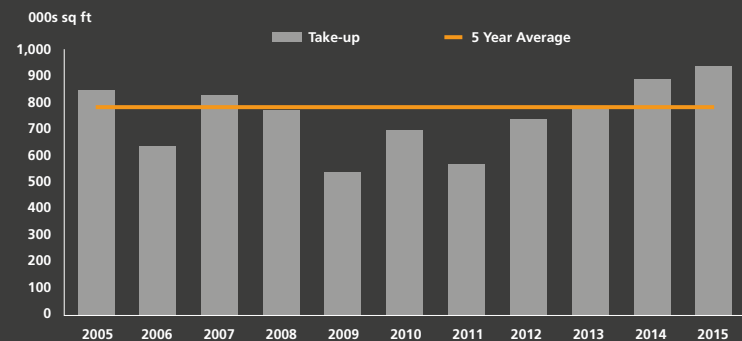
Finance and Business

Edinburgh continues to be a leading European, Financial and Business Centre, being home to more FTSE 100 companies than any UK city except London. Edinburgh proved to be resilient through the financial crisis and continued to attract new entrants including Virgin Money, Tesco Bank, Sainsbury's Bank and the UK Green Investment Bank. In the meantime, BlackRock, HSBC and JP Morgan have continued to expand.

Edinburgh has benefited from jobs being relocated from the South East competing with greater cost efficiency and talented staff.

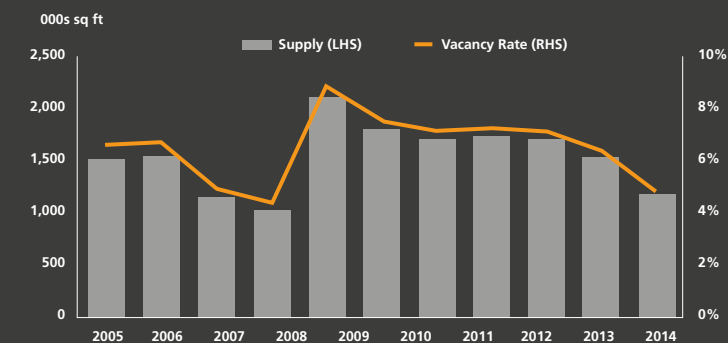
Market Stats

Occupier Take-Up



Source: JLL 2016

Edinburgh Supply



Source: JLL 2016

With occupier take-up reaching 940,000 sq ft in 2015, pressure is mounting on supply with the vacancy rate falling to 4.8%, the lowest since 2008. Supply is also diminishing with secondary stock being converted to hotels or residential use.

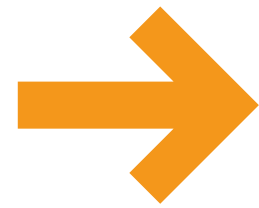
Supply will continue to remain low, if not critical, with 240,000 sq ft presently under construction, all pre-let to SLI, FanDuel and Cirrus Logic. The next wave of development will not be available for occupation until early 2018.

This is all leading to projected rental growth in the city.





EDINBURGH INTERNATIONAL BUSINESS GATEWAY

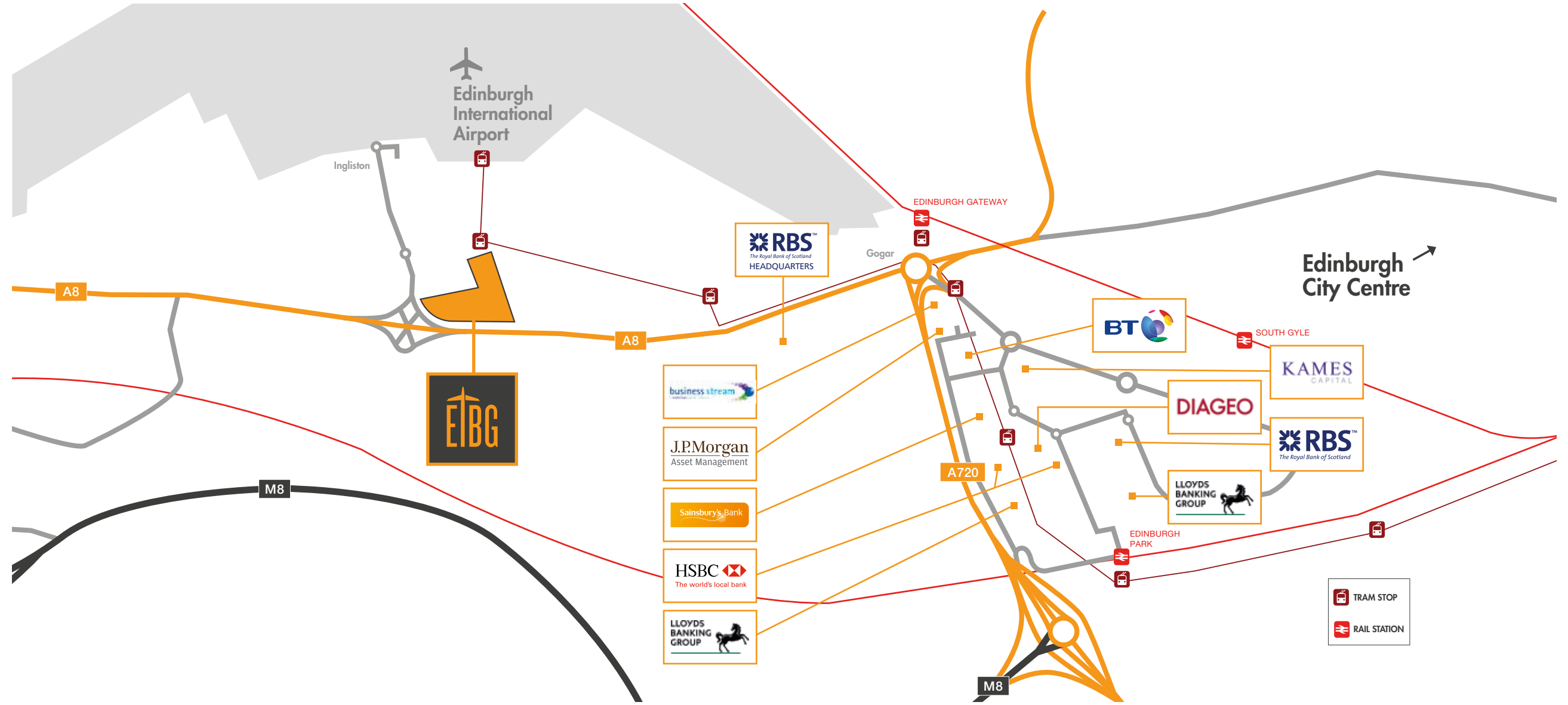


WEST EDINBURGH OFFICES

West Edinburgh

West Edinburgh, particularly Edinburgh Park, experienced significant activity in 2015 with HSBC and JP Morgan expanding considerably and relocating jobs from the South East. With other lettings taking place during the course of 2015 the vacancy rate on Edinburgh Park fell from 15% to under 5% whilst rents have risen by 20% in the last 18 months.

The remaining development land on Edinburgh Park is now subject to a planning process for change of use to residential. Therefore the next major office development destination will be EIBG.





EDINBURGH
INTERNATIONAL
BUSINESS GATEWAY



HOTEL / LEISURE

Hotels

Edinburgh is the UK's most popular tourist destination, after London, with the second highest occupancy levels of any European city and some of the highest average daily room rates in the UK. The city also benefits from a high number of business visitors staying over in the city, with the EICC and the Edinburgh Exhibition & Conference Centre attracting National and International conferences. Edinburgh attracts around 3.45 million visitors a year. Attractions include 2 UNESCO world heritage sites, the Old and New Town and the Forth Rail Bridge whilst significant investment has been made into many of the city's amenities and visitor attractions including:

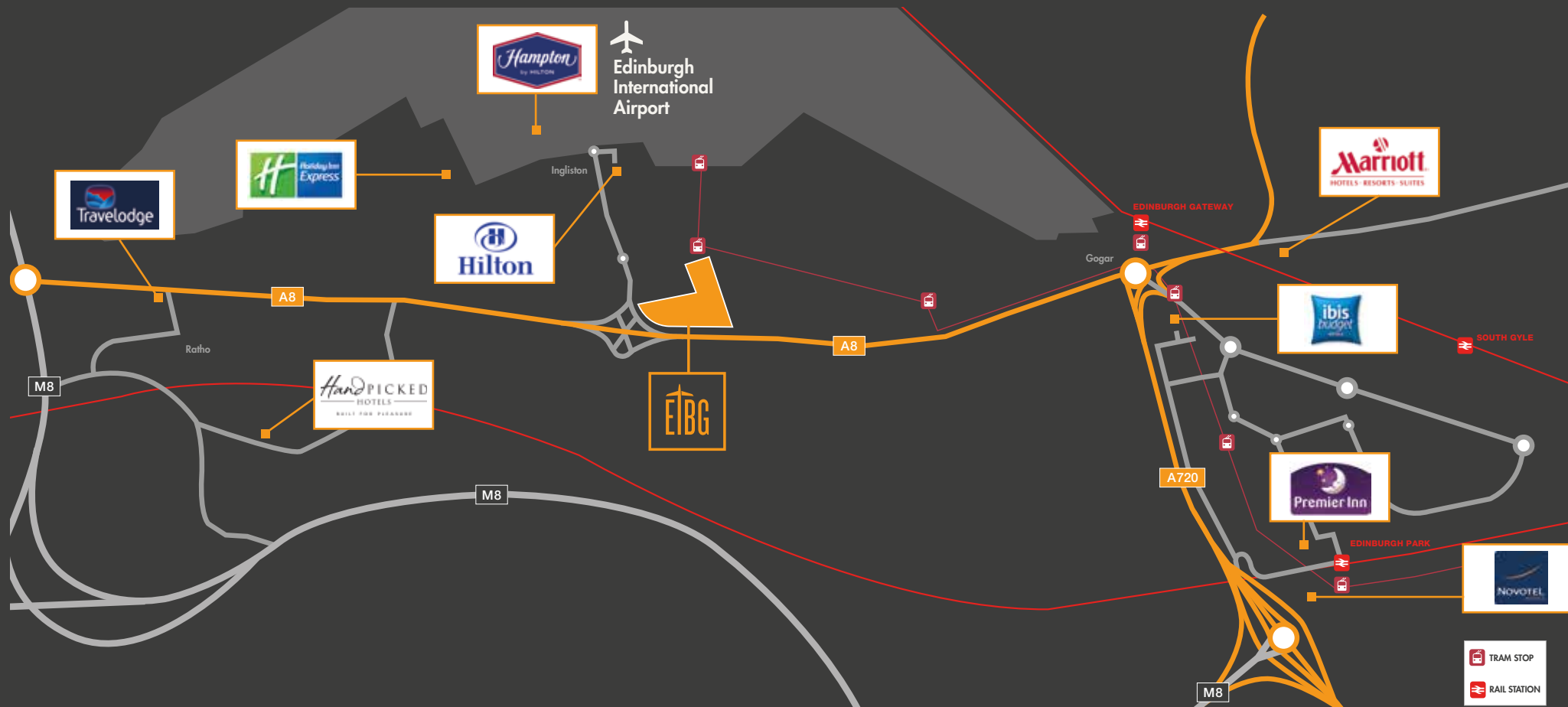
- £47 million refurbishment of the National Museum of Scotland;
- £37 million refurbishment of the Commonwealth Pool;
- £295 million upgrade of Waverley Train Station;
- £25 million Haymarket interchange; and the recent;
- £60 million extension of the Edinburgh International Conference Centre;

At Edinburgh International Airport there is an under supply of hotel rooms compared to most other regional airports. Many hotel operators are keen to gain a presence close to the airport.

At present the closest hotels to the airport include:

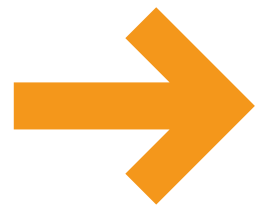
Airport Hotels:

- Hampton by Hilton - 175 rooms (proposed)
- Holiday Inn Express - 97 rooms
- Hilton - 150 rooms
- Travelodge - 97 rooms
- Norton House - 83 rooms





EDINBURGH
INTERNATIONAL
BUSINESS GATEWAY



RESIDENTIAL

Residential

Market:

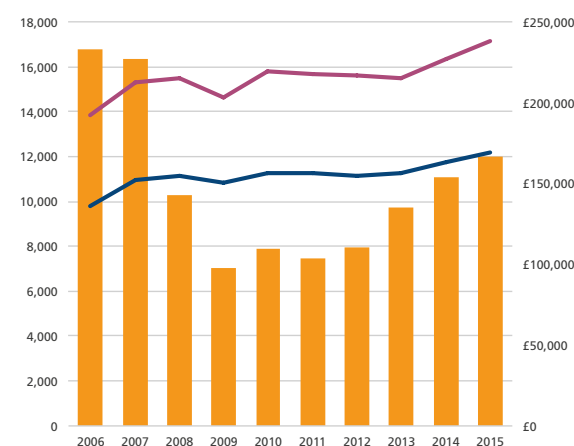
Within Scotland, Edinburgh is leading the way with values in the majority of areas at or above the pre-recession peaks with sustainable growth forecast over the next five years. The average sale price in Edinburgh was £238,068 in 2015, which was the highest of all the local authority areas and 34% ahead of the Scottish average. Growth in mainstream capital values is forecast to increase by 20.5% between 2015 and 2019, compared with 17.6% for the UK as a whole.

The new build market in Edinburgh continues to be strong with the average selling price being £269 per sq ft. It is forecast that Edinburgh requires 3,526 new households annually between now and 2035 and therefore high residential values are expected to continue due to the constrained supply of new build properties for the foreseeable future.

The rental market in Edinburgh is strong with the city now the most expensive Scottish city to rent in, overtaking Aberdeen, with the average monthly rent standing at £951, 27% above the average for Scotland. Currently 26% of households in Edinburgh are renting in the private sector which is compared with 13% across Scotland. Growth is steady with prices having increased in Edinburgh 5.7% annually in the year to Q4 2015, with forecasts showing a 26.4% increase in rental prices between 2015 and 2019.

EIBG:

The urban village at EIBG will deliver up to 200 high density residential homes on the south eastern corner of the site, subject to planning consents, creating a vibrant mixed use community. The excellent transport connections EIBG benefits from, particularly the tram, will connect the new community to the city centre and beyond. The wider west Edinburgh area will see significant residential development over the coming years, transforming the area.



Source: Savills 2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Annual change	Quarterly change	10 year sales	10 year average	10 year change
Edinburgh City - Average Transaction Value	£192,235	£212,133	£214,984	£203,030	£218,988	£217,653	£216,932	£215,080	£227,023	£238,068	5%	3%		£214,660	11%
Edinburgh City - Transaction Numbers	16,771	16,372	10,274	7,047	7,866	7,485	7,947	9,750	11,072	11,988	8%	21%	106,572	10,657	12%
Scotland - Average Transaction Value	£135,982	£152,550	£154,941	£150,342	£156,291	£156,082	£154,567	£156,743	£163,544	£169,402	4%	2%		£153,897	10%
Scotland - Transaction Numbers	150,004	155,241	102,855	69,624	74,536	69,865	72,440	84,065	93,528	97,701	4%	15%	969,859	96,986	1%

KEY FACTS

HIGH PROFILE MIXED USE DEVELOPMENT OPPORTUNITY FOR SALE

EDINBURGH'S FUTURE BUSINESS LOCATION

EXCELLENT ACCESSIBILITY

UP TO 200 NEW HOMES

CLASS 4: 384,874 SQFT

PREMIER LOCATION FOR NEXT WAVE OF COMMERCIAL DEVELOPMENT






UP TO 525 HOTEL BEDS

PLANNING PERMISSION IN PRINCIPLE
AUTUMN 2016

EIBG SITE AREA

23 ACRES
9.3 HECTARES

ADJACENT TO EDINBURGH AIRPORT

 EDINBURGH INTERNATIONAL BUSINESS GATEWAY	
	
PRICE	CONTACT
<p>Murray Estates are seeking to identify a partner or purchaser to secure the delivery of the EIBG.</p>	<p>For further information, please contact:</p> <p> Nick Penny npenny@savills.com +44 (0) 131 247 3803</p> <p>A development by:</p> <p> www.murray-estates.co.uk</p> <p> Cameron Stott cameron.stott@eu.jll.com +44 (0) 131 225 8344</p> <p>www.eibg.co.uk</p> <p><small>MISREPRESENTATION ACT These particulars do not form any part of a contract. Neither the developer, the joint agents nor any of their partners, directors or employees are authorised to give or make any warranty or representation on behalf of any party. Whilst the information on these particulars are given in good faith, intending purchasers or tenants must satisfy themselves independently as to the accuracy of all matters on which they intend to rely. All negotiations are subject to contract. Published April 2016.</small></p>
 A WORLD CLASS EXTENSION TO A WORLD CLASS CITY	

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