

For Sale

Former Manufacturing Facility/ Income Producing Development Opportunity



> **Colvilles Road,
Kelvin Industrial Estate,
East Kilbride,
Scotland, G75 0TG**

- > 73,904 sq m (795,509 sq ft) on a site of 10.50 ha (25.95 acres)
- > Opportunity to re-use existing buildings and/or redevelop site
- > Partial Leaseback to Freescale Semiconductor UK Ltd (Rental income: £475,690 p.a.)
- > Established business location
- > Excellent transport links



The Subjects



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Drive Times

Glasgow	10 miles	20 mins
Glasgow International Airport	17 miles	31 mins
Prestwick International Airport	32 miles	44 mins
Edinburgh International Airport	44 miles	59 mins
Edinburgh	53 miles	1hr 10
Junction 5 of M74	8 miles	12 mins
Baillieston Interchange (M8/M73)	12 miles	20 mins
Eurofreight Rail Terminal	13 miles	22 mins
Aberdeen	152 miles	3hrs 27
Manchester	211 miles	3 hrs 46
Birmingham	285 miles	5 hrs
Central London	405 miles	7 hrs 13



East Kilbride

Colvilles Road, Kelvin Industrial Estate, East Kilbride, Scotland, G75 0TG

Location

East Kilbride, the first of Scotland's former New Towns is now a mature community and is Scotland's sixth largest town with a population of approximately 75,000. The town has grown from a rural Lanarkshire village to become a recognised international business location. It is within a 50 mile radius of 80% of Scotland's industry and 75% of its population. East Kilbride is home to major organisations such as Coca Cola Schweppes, Rolls Royce, HM Revenue and Customs, British Energy, Clyde Blowers, Lansing Linde and Sainsbury's. The new South Lanarkshire College campus is also located within a short walking distance of the site.

The town lies approximately 10 miles south east of Glasgow and 6 miles west of Hamilton. East Kilbride has direct links to Junction 5 of the M74 motorway via the A725 East Kilbride Expressway. This links into the M8, giving direct access to central Scotland's motorway network and the Baillieston Interchange where the M8 and M73 converge. Glasgow International Airport lies approximately 17 miles north west of the subjects. East Kilbride also benefits from the recently completed Glasgow Southern Orbital Road which links the town and Lanarkshire to the M77, linking Glasgow City Centre to Ayrshire.

East Kilbride offers excellent public transport links with two rail stations and a major bus station. It is 12 miles west of Scotland's first Eurofreight Rail Terminal linking Scotland via the Channel Tunnel with mainland Europe.

Situation

The property is situated on the north side of Colvilles Road within Kelvin Industrial Estate, approximately 1.5 miles south east of East Kilbride town centre and in close proximity to the A726 Strathaven Road. The subjects occupy a prominent position with road frontage on 3 sides; bounded by Colvilles Road, Singer Road and Stroud Road.

- > Established business location
- > Excellent transport links



The Opportunity

The property comprises a former semiconductor manufacturing facility previously operated by Motorola Limited and more recently by Freescale Semiconductor UK Limited.

The original site was established in 1969. Whilst its main purpose was as a semiconductor manufacturing facility, other functions such as R&D and Business Operations were also housed on site. The facility provides a number of different buildings developed in stages from 1972 to 1996.

These buildings include those constructed to carry out the various manufacturing processes, offices/amenity accommodation and various utilities and facilities support infrastructure buildings. Surfaced car parking is provided on the eastern side of the site, supplemented by a small car park at the Singer Road entrance (Total: approx 980 spaces).

The site is generally level and rectangular with the perimeter secured by post and chain link wire fencing. Access is via 4 entrances (2 on Colvilles Road and 1 each on Singer Road and Stroud Road) with security gatehouses controlling each of the Colvilles Road and Stroud Road entrances. A CCTV system monitors perimeter activity and car parking areas.

The facility is split into the following main component parts:

			SQ M	SQ FT
Main Offices & Amenities	ESB (Office Block)	3 storey Office Block & main reception	6,442	69,347*
Main Buildings	MD 1 & 2	Former Manufacturing Facility	13,295	143,107
	MD 3	Former Manufacturing Facility	15,675	168,726
	MD 4	Former Manufacturing Facility	7,273	78,287
	MD 5	Former Manufacturing Facility	11,934	128,458
	LNK	Link Building (offices, canteen)	4,730	50,914
Utilities & Facilities Support Infrastructure Buildings	Various	Ancillary buildings/stores/ former effluent treatment plants/gatehouses	14,555	156,670
Total			73,904	795,509

Approx

*Ground & 1st floors subject to leaseback to Freescale Semiconductor UK Ltd.

The boundary of the site extends to approximately 10.50 hectares (25.95 acres).



ESB – Office Block

The main office and amenities block, known as the ESB building is located at the south west corner of the site. It was constructed in 1996 and comprises an attractive 3 storey building with secure access and car parking. Specification includes:

- Double height glazed entrance foyer
- Suspended ceilings
- Recessed LG3 compliant lighting
- Raised access floors
- Open plan accommodation
- Comfort Cooling
- Double glazing throughout
- 1 passenger lift to all floors
- 187 seat auditorium
- Male, female and disabled WCs on each floor
- Tea prep areas and additional break-out space on each floor
- Sprinklered
- DDA Compliant

Ground Floor	2,232 sq m	24,028 sq ft
First Floor	2,187 sq m	23,541 sq ft
Second Floor	2,023 sq m	21,778 sq ft
Total	6,442 sq m	69,347 sq ft approx





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on a site of 10.50 ha (25.95 acres)

MD 1 & 2

MD 1 & 2 comprise former manufacturing, cleanroom and laboratory buildings of steel portal frame construction with profile metal cladding to walls and roof. MD 1 & 2 were constructed in 1972 and 1976 respectively. The manufacturing processes were carried out on a raised floor. Ancillary office space is also provided within the buildings. The buildings are sprinklered and have approximate eaves heights of 10.5m. Freescale are currently utilising part of the space however it is their intention to fully relocate any MD1 and MD2 operations into the ESB building as part of the leaseback agreement. Further details provided under the "Leaseback" section.

MD 3

MD3 comprises a former manufacturing and cleanroom building of steel portal frame construction with profile metal cladding to walls and roof. This building was constructed in 1984. The manufacturing processes were carried out on a raised floor with support services equipment located below at "sub fab" level. The building has an eaves height of approximately 15.5m.

MD 4

MD4 comprises a former manufacturing and cleanroom building of steel portal frame construction with profile metal cladding to walls and roof. This building was constructed in 1994. The manufacturing processes were carried out on a raised floor with support services equipment located below at "sub fab" level. The building has an eaves height of approximately 15.7m.

MD 5

MD5 comprises a former manufacturing and cleanroom building of steel portal frame construction with profile metal cladding to walls and roof. This building was constructed in 1996. The manufacturing processes were carried out on a raised floor with support services equipment located below at "sub fab" level. The building has an eaves height of approximately 16.6m.

LNK

The Link building was constructed in 1997 and comprises a 3 storey building with reception foyer, offices, staff cafeteria and warehouse space. The building is sprinklered. There is a surfaced parking area directly in front of the building with access from Singer Road.

Utilities & Facilities Support Infrastructure Buildings

There are a number of utility and facility support buildings on site along with ancillary buildings. These include:

- 2 electrical sub-stations
- Security gatehouses
- Former effluent treatment plants
- Plant rooms
- Stores



Buildings Status

As the facility ceased manufacturing operations in June 2009, Freescale have undertaken a programme of "locking down" various buildings throughout the site. The main buildings impacted are MD 3, MD 4, MD 5 and EN 5. Interested parties seeking to re-use the affected buildings will have to satisfy themselves as to each building's potential to be reinstated to an operational condition.

Planning Brief

The site is located in an area zoned for Business & Industrial under the South Lanarkshire Local Plan, adopted 2008 covering Use Classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997.

A Planning Brief is currently being prepared in conjunction with South Lanarkshire Council and will be made available via the on-line data room in due course.

Rateable Value

The subjects are entered in the current Valuation Roll as follows:

Description	NAV/RV
Factory	£2,180,000

Grant Assistance

South Lanarkshire benefits from Regional Selective Assistance (RSA). The site lies within a Tier 2 Assisted area. Further details can be obtained from www.rsascotland.gov.uk.

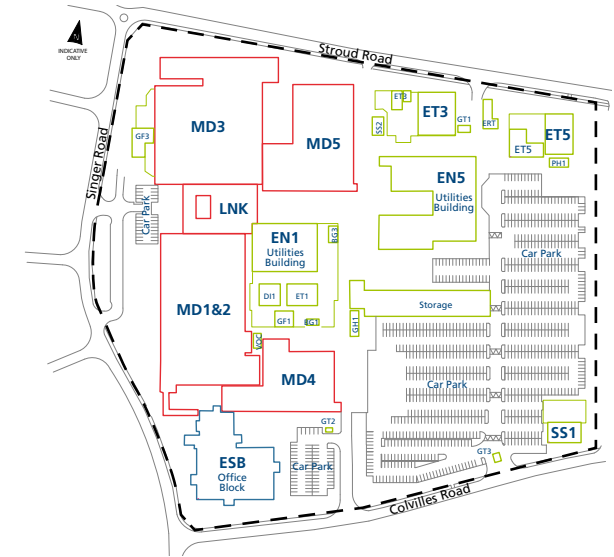
Leaseback

As part of the sale agreement, Freescale Semiconductor UK Ltd will lease back the ground and first floors of the ESB building on the following terms:

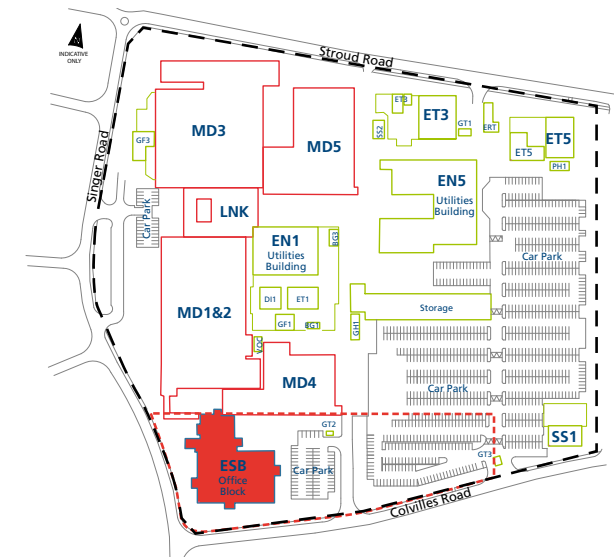
Building	Size (sq ft)	Rate (per sq ft)	Annual Rent
ESB Ground Floor	24,028	£10.00	£240,280
ESB 1st Floor	23,541	£10.00	£235,410
Total	47,569		£475,690

The rental figures above are inclusive of the 200 (approx) car parking spaces which will form part of the leaseback, as shown highlighted on the plan overleaf.

- Tenant: Freescale Semiconductor UK Ltd (Dun & Bradstreet financial rating of 5A1)
- New 5 year Full Repairing & Insuring (FRI) lease subject to a Schedule of Condition
- For the avoidance of doubt, the ESB 2nd floor is being offered with vacant possession. On conclusion of Missives, Freescale will undertake appropriate sub-division works.
- On conclusion of Missives, Freescale will undertake the appropriate subdivision, fit-out and servicing works to relocate the New Product Introduction (NPI) test area and staff kitchen facility to the ground floor of the ESB building. Existing and proposed layout plans are available to view in the electronic data room.



- — Indicative Ownership Boundary
- — Utilities and Facilities Support Infrastructure Compound
- Main Buildings
- Utilities and Facilities Support Infrastructure Buildings
- Main Offices and Amenities



- - Proposed area subject to leaseback (including approx 200 car spaces)
- 3 storey ESB building (proposed leaseback of Ground and 1st floors)

Tenant Profile

Freescale Semiconductor UK Ltd is a wholly owned subsidiary of Freescale Semiconductor Inc, a global leader in the design and manufacture of embedded semiconductors for the automotive, consumer, industrial and networking markets. Freescale Semiconductor Inc is based in Austin, Texas, and has design, research and development, manufacturing or sales operations in more than 27 countries. In addition to its embedded processors, the Company offers its customers a portfolio of complementary devices that provide connectivity between products, across networks and to real-world signals, such as sound, vibration and pressure. Its complementary products include sensors, radio frequency semiconductors, power management and other analog and mixed-signal integrated circuits. Through its embedded processors and complementary products it also offers customers combinations of semiconductors and software, which it refers to as platform level products.

Offers

Offers are invited for our client's heritable interest (Scottish equivalent of English Freehold) in the subjects, subject to a partial leaseback of the ESB building.

Any parties wishing to be informed of a closing date are advised to formally note their interest in writing to the sole selling agents, Colliers International.

VAT

The property has been elected for VAT purposes and therefore VAT will be applicable to the sale.

Legal Costs

In the normal manner, each party will be responsible for their own legal costs incurred in this transaction.



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Viewing

Viewings require to be accompanied. Strictly by appointment through Colliers International.

Further Information

Further information is available at: www.atreg.com/ekfreescale

An electronic data room, (providing due diligence information including; Site Investigation and Environmental reports, Title information, Energy Performance Certificate, Demolition Quote, plans, photographs etc.) is available to interested parties. Links and passwords to this data room will be provided on receipt of a signed Non Disclosure Agreement (NDA) which can be downloaded from the above website and should be sent by email to Erin.Conger@colliers.com

www.atreg.com/ekfreescale

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