

## L&G to fund Salmon's major Bristol HQ scheme for HMRC

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 Main news image

HMRC has signed a 107,000 sq ft pre-let at Salmon Harvester Properties' 3 Glass Wharf in Bristol city centre - in a deal first revealed by CoStar News - with the new development to be forward funded by Legal & General .

Legal & General Investment Management Real Assets (LGIM Real Assets), on behalf of Legal & General Retirement, has agreed to forward fund the new scheme after HMRC pre-let the entire office element on a 25-year index linked lease.

It is understood HMRC is paying close to the £28 per sq ft tenants have paid at the adjoining 2 Glass Wharf, according to market sources. The tax authority will take eight floors in the building, including secure basement parking, from 2019.

Steven Boyd, HMRC estates director, said: "HMRC has a large and long-established presence in the South West and the new regional centre in Bristol demonstrates our commitment to the region and its economy. The development at 3 Glass Wharf was chosen for its high specification office space, central location and proximity to Temple Meads railway station, which are crucial to HMRC's transformation into a modern, digitally-advanced tax authority."

The office block will be located on Avon Street in Bristol's Temple Quarter enterprise zone. Bristol Temple Meads Railway Station is in very close proximity.

The 3 Glass Wharf scheme is being developed by Salmon Harvester Properties (an established partnership between Salmon & NFU Mutual), forward funded by Legal & General and should be ready for HMRC to commence fit-out in 2018. HMRC anticipate the first members of staff will move in from 2019.

Adam Kerr, head of annuity transactions, LGIM Real Assets, said: "We are pleased to be funding Salmon Harvester Properties on this exciting scheme and to be partnering with HMRC on the development of its new regional hub in Bristol. The scheme is of top specification, providing a high quality workspace and the strongest environmental credentials. With a long term agreement and undoubted covenant strength this fits ideally with our investment strategy for matching our pension liabilities."

BNP Paribas Real Estate represented HMRC; Alder King advised Salmon Harvester on the letting and HSM advised on the investment and funding.

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