

# **STATES OF JERSEY**

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## **ELIZABETH HARBOUR PHASE I WAREHOUSE: LEASE TO COMMODORE EXPRESS (JERSEY) LIMITED**

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**Lodged au Greffe on 13th April 2004  
by the Harbours and Airport Committee**

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**STATES GREFFE**

## PROPOSITION

**THE STATES are asked to decide whether they are of opinion –**

- (a) to approve the leasing by the public to Commodore Express (Jersey) Limited of the northern half of the Elizabeth Harbour Phase I Warehouse, lean-to annexe and outside working area, designated E27, E25B and E27A, for a period of 21 years commencing on 1st July 2004, to provide –
  - (i) an internal warehouse and lean-to annexe area of 10,427 square feet and 1,650 square feet respectively along with the outside working area E27A measuring 20,372 square feet;
  - (ii) the entire demise to continue in its present use in connection with the business of storage, handling and transit of goods through the harbour;
  - (iii) the rental for areas E27 and E25B at an annual total of £105,069.90 based on a rate of £8.70 per square foot, subject to 5-yearly market review;
  - (iv) the rental for E27A at an annual sum of £10,186.00 based on a rate of £0.50 per square foot and subject to review in line with the market on 1st September 2004 and 5-yearly thereafter;
- (b) to authorise the Attorney General and the Greffier of the States to pass the necessary contracts on behalf of the public;
- (c) to authorise the Treasurer of the States to receive the rents as they become due.

### HARBOURS AND AIRPORT COMMITTEE

Notes: The Finance and Economics Committee supports these proposals on the basis that the Property Services Department of the Environment and Public Services Committee has assessed the proposed rental value as a fair reflection of comparable market rental values.

## REPORT

Following the completion by Jersey Harbours of the Phase I Warehouse, Elizabeth Harbour in 1992, the northern half E27 was leased to Commodore first on a 3-year lease, followed by a 9-year lease which expires on 30th June 2004. The lean-to extension E25B was constructed in 1993. The external working area E27A is immediately outside the Phase I Warehouse E27.

Current annual yield from the property in question is £102,779.18; the new annual total will amount to £115,255.90.

The heads of terms for the proposed lease before the States are –

LESSOR:	The Public of the Island of Jersey.
LESSEE:	Commodore Express (Jersey) Limited.
DEMISED PREMISES:	E27 – northern part Phase I Warehouse, Elizabeth Harbour measuring 10,427 square feet. E25B – northern lean-to of Phase I measuring 1,650 square feet. E27A – external working area measuring 20,372 square feet.
LEASE TERM:	21-year lease to be granted commencing 1st July 2004.
COMMENCING RENTAL:	E27 and E25B £105,069.90 per annum based on a rate of £8.70 per square foot. External working area E27A £10,186.00 per annum based on a rate of £0.50 per square foot.
RENT REVIEWS:	E27 and E25B shall be reviewed every 5 years to an amount agreed to represent the open market value. Likewise, E27A, but the first review to occur on 1st September 2004 (to coincide with another leased area) and 5-yearly thereafter.
REPAIR AND MAINTENANCE:	The Lessee at all times to substantially repair, renew, paint, decorate, cleanse, maintain and make good.
USE:	To use the premises only in connection with the business of storage, handling and transit of goods through the harbour. Such condition to apply to any sub-tenants.

There are no manpower implications for the States arising from this proposition.