



**one**  
**WARWICK**  
TECHNOLOGY PARK

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NEWLY REFURBISHED  
**MULTI-LET OFFICE  
INVESTMENT**

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One Warwick Technology Park  
Warwick CV34 6DW



## Investment Summary

- / Warwick Technology Park is an established and **prime out of town office park** in the M40 / M42 corridor.
- / Strategic location near **Junctions 13, 14 and 15 of the M40 Motorway**.
- / One Warwick Technology Park comprises a headquarters style office building, **recently refurbished to Grade A standard**.
- / The property **extends to 49,157 sq ft** over three floors.
- / **Fully-let to three principal tenants**; Accenture (UK) Ltd, Baker Hicks Ltd and Delphi Diesel Systems Ltd.
- / The property currently produces a **net rental income of £984,658.50 per annum** (including additional car park rent), reflecting £18.14 per sq ft overall.
- / Baker Hicks and Delphi Diesel Systems have both committed to new leases on refurbished accommodation, setting a **new headline rental level in excess of £19.00 psf**.
- / **Reversionary potential** via the future refurbishment of Accenture's accommodation, which is yet to be refurbished and is currently let off £16.02 psf.
- / **Excellent covenant strength** with all tenants offering D&B rated minimum risk covenants.
- / Average weighted unexpired lease term of 8.75 years to expiry and 5.69 years to break, the property benefits from **long term income security**.
- / **Freehold**.



## Proposal

We are instructed to seek offers in excess of **£13,175,000 (Thirteen Million One Hundred and Seventy Five Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects an **attractive Net Initial Yield of 7.00%** and a low capital value of £268.01 per sq ft, assuming full purchasers' costs.

## Location

Warwick is an established commercial centre and a highly affluent county town, located in the heart of Warwickshire. Warwick is located 5 km (3 miles) to the west of Royal Leamington Spa, 16 km (10 miles) south west of Coventry, and 35 km (22 miles) south of Birmingham.

Warwick is an established office location and benefits from excellent transport connections, with national motorway access provided via the M40 and national rail connections from nearby stations at Warwick, Warwick Parkway and Leamington Spa.

### Road

Warwick benefits from excellent road communications, with Junctions 13, 14 and 15 of the M40 Motorway all within 4 km (2.5 miles) of the subject property. In turn, the M40 Motorway connects with the M42, M5 and M6 Motorways; which link to the national motorway network beyond. In addition, the Warwick Bypass (A46 dual carriageway) passes within 3 km (2 miles) of the subject property and provides a direct link between Coventry and the M69 Motorway, circa 15 km (9 miles) to the north west, and Tewkesbury and the M5 Motorway 48 km (30 miles) to the south west. Warwick's strategic and central location provides a substantial catchment, with 6.5 million people within a 1 hour drive time.

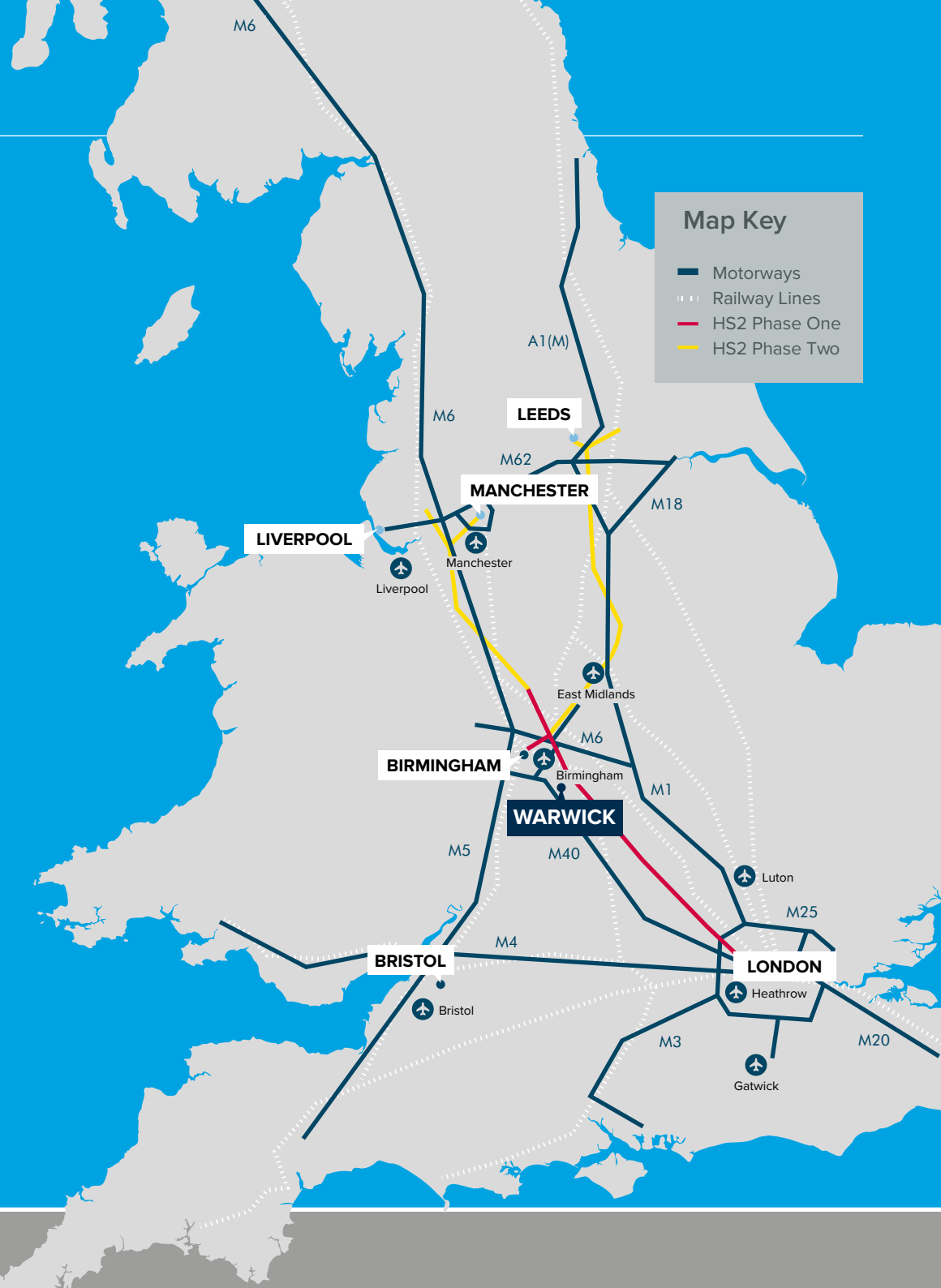
### Rail

Warwick benefits from comprehensive rail connections, with services available via Warwick, Warwick Parkway and Leamington Spa: Warwick Railway Station, 1.2 km (0.75 miles) north west of the subject property, offers direct rail services to London Marylebone, Birmingham Snow Hill and Stratford-upon-Avon.

Warwick Parkway Railway Station, located 3 km (2 miles) west of the subject property, provides direct access to London Marylebone with a journey time of 1 hour and 20 minutes, whilst Leamington Spa railway station is situated 2.5 km (1.5 miles) north east of the property provides additional services to Birmingham, Coventry and Reading.

### Air

Birmingham Airport is located 25 km (16 miles) north west of Warwick and is the UK's fifth largest airport, providing both national and international short and long haul flights. Birmingham Airport's runway was recently extended creating a truly international hub enabling direct flights to China and the West Coast of America.



# Situation

Warwick Technology Park, the principal out of town business park in Warwick, is situated 1.5 km (1 mile) south of Warwick town centre and 4 km (2.5 miles) south west of Royal Leamington Spa. One Warwick Technology Park is prominently located adjacent to the park entrance.

Warwick Technology Park is a well-established 28 hectare (70 acre) office park, comprising campus style office buildings set in attractive landscaped grounds. Warwick Technology Park is accessed via Gallows Hill, adjacent to the A425 and A452, which provide direct access to Junctions 13 and 14 of the M40 Motorway; within 4 km (2.5 miles).

Warwick Technology Park comprises 11 purpose built HQ style office buildings, with current occupiers including;

- / National Grid
- / IBM
- / Alliance Medical
- / Siemens
- / Tulip International
- / Warwickshire Police
- / Rolls Royce
- / Mid Counties Co-Op
- / IRESS
- / Phillips
- / University of Warwick Innovation Centre

The nearby towns of Warwick and Royal Leamington Spa provide extensive retail and leisure amenities within a short distance of One Warwick Technology Park.



## Travel Times

					
Warwick Town Centre	5 minutes	Birmingham Airport	30 minutes	Solihull	20 minutes
Leamington Spa	10 minutes	East Midlands Airport	1 hour	Birmingham	40 minutes
Birmingham	40 minutes	Heathrow Airport	1 hour 30 minutes	London	1 hr 30 minutes

All times are approximate







## Description

One Warwick Technology Park has been comprehensively refurbished to provide high quality Grade A office accommodation, over ground and two upper floors. The building is accessed via an impressive central glazed reception area, with feature atrium.

The property was constructed in the mid-1990s, with the recent refurbishment reaching practical completion in 2017. The property is of steel frame construction with brickwork elevations below a pitched tiled roof. The layout enables highly flexible occupation, either as a whole, on a floor by floor, or sub divided into further suites.

## Specification

The recent refurbished Grade A specification is as follow;

- / Mitsubishi City Multi R2 3 pipe VRF heating and cooling system
- / Raised access flooring throughout office space (floor void 150mm minimum)
- / Design occupancy 1 person per 8.5 sq m
- / Perforated acoustic metal suspended ceilings
- / Energy efficient LED lighting designed to LG7 standard with daylight dimming
- / Newly refurbished passenger lift servicing all floors
- / Refurbished Male and Female WCs at each level
- / Secure electronic card activated access control to the car park and main reception
- / Brand new shower and changing facilities with covered cycle storage facilities



Externally, the building provides extensive car parking provision, with 360 car parking spaces provided in total. This comprises 305 purpose built block paved spaces and 55 spaces on gravel hard standing; reflecting an impressive ratio of 1:137 sq ft.

The site extends to approximately 3.42 Hectares (8.45 Acres), with a very low built density of only 8%, proving scope for future development or additional parking provision (subject to planning)

### Unrefurbished Accommodation

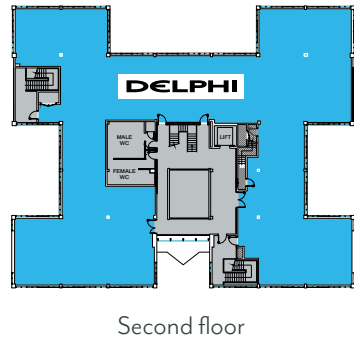
The 9,069 sq ft NIA ground floor suite currently occupied by Accenture is the only accommodation that has not been refurbished during 2017. This provides a future asset management angle, with the ability to refurbish and improve the rent achievable from £16.02 per sq ft to in excess of £19.00 per sq ft.

# Accommodation

One Warwick Technology Park has been measured by Plowman & Craven in accordance with IPMS3 and provides the following floor areas;

Floor	Sq Ft	Sq M
Reception	1,412	131.2
Ground	19,587	1,819.7
First	20,138	1,870.9
Second	8,020	745.1
Total	49,157	4,566.9

9,069 sq ft of the ground floor is measured on a NIA basis.



## Tenancy

The property is let to four tenants, producing a total current rent of £984,658.50 per annum, and provides an average weighted unexpired lease term of 8.75 years to expiry and 5.69 years to break.

## Tenure

Freehold.

Use	Description	Area (Sq M)	Area (Sq Ft)	Tenant	Lease Start	Lease Expiry	Break	Rent Review	Base Rent p.a.	Rent per Sq Ft	Additional Car Park Rent p.a.	Total Rent p.a.	Comments
Office	Part Ground	841.70	9,060	Accenture (UK) Limited	09/07/2015	08/07/2020	-	-	£145,104.00	£16.02		£145,104.00	Outside the Landlord & Tenant Act 1954 . Unrefurbished accommodation measured on a NIA basis. Includes 55 car parking spaces on the gravel area of the car park.
Office	Part Ground	977.99	10,527	Baker Hicks Limited	09/02/2018	08/02/2028	-	09/02/2023	£200,013.00	£19.00	£40,500.00	£240,513.00	20 months rent free granted from occupation (early access was granted for fit out), to be covered by the vendor at the point of sale. 46 car parking spaces included in the lease, with 54 car parking spaces let on co-terminus licence.
Office	1st & 2nd Floor	2,615.97	28,158	Delphi Diesel Systems Limited	02/01/2018	01/01/2028	02/01/2023	02/01/2023	£542,041.50	£19.25	£52,500.00	£594,541.50	24 months rent free granted, to be covered by the vendor at the point of sale. Tenant only break option on 6 months written notice, subject to a break penalty payment of 12 months rent. 125 car parking spaces included in the lease, with 70 car parking spaces let by way of co-terminus licence.
Telecoms	Rooftop Equipment	-	-	EE Limited	15/04/2014	13/04/2024	Rolling - on 6 months' notice	15/04/2019	£4,500.00	-		£4,500.00	
<b>Total</b>									<b>£891,658.50</b>		<b>£93,000.00</b>	<b>£984,658.50</b>	

## Service Charge

All leases are drawn on effective full repairing and insuring terms via a service charge contribution. The principle service charge equates to £3.64 per sq ft.

Accenture benefit from 24 hour secure access, and cover the majority of this additional cost. The shortfall created from this arrangement currently totals £18,515 per annum, and it is proposed that the total shortfall calculated to Accenture's lease expiry in July 2020 is rolled up and deducted from the purchase price at completion.



# Covenant

## accenture

Accenture is a global management consulting and professional services company that provides strategy, consulting, digital, technology and operations services. As of 2017, the company reported net revenues of \$34.9 billion and has more than 425,000 employees.

**Accenture (UK) Limited** provide excellent covenant strength, having a Dun & Bradstreet rating of 5A1, representing a minimum risk of business failure. The last three years of financial accounts for Accenture (UK) Limited (Company Number 04757301) are as follows;

	31/08/2016 (000's)	31/08/2015 (000's)	31/08/2014 (000's)
Sales Turnover	£2,540,527	£2,261,669	£2,188,448
Pre-Tax Profit	£164,090	£106,456	£133,008
Tangible Net Worth	£117,969	£67,424	(£36,161)

## BakerHicks.

BakerHicks is part of Morgan Sindall Group plc, a leading UK construction and regeneration group with a revenue of circa £2.6 billion. They are a design and engineering company that specialises in complex infrastructure, process and built environments across the full project life cycle.

**Baker Hicks Limited** provide excellent covenant strength, having a Dun & Bradstreet rating of A1, representing a minimum risk of business failure. The last three years of financial accounts for Baker Hicks Limited (Company Number 06256571) are as follows;

	31/12/2016 (000's)	31/12/2015 (000's)	31/12/2014 (000's)
Sales Turnover	£30,301	£30,737	£20,602
Pre-Tax Profit	£356	£2,865	(£17)
Tangible Net Worth	£684	£392	(£1,839)

## DELPHI

Innovation for the Real World

Delphi Diesel Systems Limited are a wholly owned subsidiary of Delphi Automotive Operations UK Limited. Delphi Automotive is a high-technology company that integrates safer, greener and more connected solutions for the automotive and transportation sectors. Delphi operates technical centres, manufacturing sites and customer support services in 46 countries.

**Delphi Diesel Systems Limited** provide excellent covenant strength, having a Dun & Bradstreet rating of 5A1, representing a minimum risk of business failure. The last three years of financial accounts for Delphi Diesel Systems Limited (Company Number 03870587) are as follows;

	31/12/2016 (000's)	31/12/2015 (000's)	31/12/2014 (000's)
Sales Turnover	£410,801	£403,462	£428,383
Pre-Tax Profit	£19,204	£13,951	£21,241
Tangible Net Worth	£139,991	£215,358	£199,765



## Market Commentary

Warwick Technology Park forms part of the prime West Midlands out of town office market, centred on the M42 and northern M40 corridors. This prime office market is underpinned by exceptional road and rail infrastructure, proximity to Birmingham Airport and a highly educated / skilled workforce. The wider area is highly affluent with 47.2% of the working population in SOC 2010 Major Groups 1-3, well above both the wider West Midlands and national averages.

The prime West Midlands out of town office market has recently witnessed strong letting activity, take-up and rental growth. This has led to a shortage of available space, with a current vacancy rate of below 4.0%, the lowest of the Big 6 out of town markets. In turn, rental levels are rising, with prime headline rents having reached in excess of £23.00 per sq ft during 2016.

Key letting transactions include;



Date	Property	Size (Sq Ft)	Tenant	Term	Headline Rent (per Sq Ft)
October 2017	Trigen House, Blythe Valley Park	41,824	Gym Shark	10 years	£22.50
February 2017	Elder, Blythe Valley Park	10,116	Abbott Laboratories	15 years	£22.50
January 2017	One Central Boulevard, Blythe Valley Park	17,810	PFK	10 years	£22.00
November 2016	Plot F3, Blythe Valley Park	15,284	Prologis	15 years	£23.25
August 2016	Building 2, Fore Business Park	10,484	Taylor Wimpey	10 years	£22.50
April 2016	Lansdowne Gate, Solihull	14,958	Phoebus Software	11 years	£22.00
March 2016	Compton House, Birmingham Business Park	32,692	Uniper UK Limited	10 years	£20.00



## Energy Performance Certificate

The newly refurbished space at One Warwick Technology Park has EPC ratings of B. The unrefurbished space has an EPC rating of D. Certificates are available on request.

## VAT

The property has been elected for VAT. It is envisaged the sale will be treated as a TOGC (Transfer of Going Concern).

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## Contact

For further information or to arrange a viewing please contact the sole agents;



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