



# BELMONT

BELMONT ROAD | UXBRIDGE | UB8 1QS

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A PRIME GREATER LONDON  
OFFICE INVESTMENT WITH ACTIVE  
ASSET-ENHANCEMENT OPPORTUNITIES

# INVESTMENT HIGHLIGHTS



**A fully future-proofed office building**, comprehensively refurbished and extended at a total cost of **£29.75 million (£236 per sq ft)**.



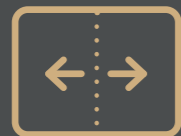
**Architecturally striking** and benefiting from a highly prominent town centre position.



Outstanding environmental and wellbeing credentials – **BREEAM 'Excellent' and EPC 'B' ratings**.



Low average rent of **£30.28 per sq ft representing a 13% discount to prime** (£35.00 per sq ft) and providing a strong platform for growth.



**Flexible floor plates** capable of accommodating a range of occupier requirements.



100% of the contracted income is secured against tenants rated **'A – Very Low Risk' by Credit Safe**.



Diversified occupier base operating across a range of sectors including **telecoms, IT, serviced offices and optical services**.



Excellent onsite amenity and wellness facilities including a **café with free wifi and gym style showers / changing facilities**.



**Active asset enhancement** opportunities to drive both rental and investment performance.



**Substantial arbitrage** between reversionary and 'up and let' yields.



Significant **capital allowances** may be available.



Very low capital value (**£302 per sq ft**).





## INVESTMENT OVERVIEW

- Uxbridge is an **established West London office market**, benefiting from excellent motorway, airport and London Underground connectivity.
- Belmont is situated at the **heart of Uxbridge town centre**, 100m from the Underground station and within close proximity of the **town's key retail and leisure amenities**.
- **A landmark building comprising 125,843 sq ft** of highly specified office accommodation, arranged over lower ground, ground and four upper floors, together with terraces on two floors.
- 32% let (by floor area) to **Giffgaff Ltd, PFU (EMEA) Ltd and Optical Express Ltd**. A further 21% (by floor area) is operated by **Orega (Management) Ltd** under a serviced office management agreement.
- Total contracted rental income of **£1,216,087 per annum**, reflecting a low rate of **£30.28 per sq ft** on the let accommodation.
- WAULT of **8.5 years to expiries** and **6.7 years to earliest terminations** (based on the contracted income).
- **55,395 sq ft of vacant Grade A office accommodation** capable of immediate occupation.
- **Freehold**.

## PROPOSAL

We are instructed to seek offers in excess of **£38,000,000** for the freehold interest, subject to contract and exclusive of VAT. Based upon purchaser's costs of 6.77%, an acquisition at this level provides the following investment profile:

- **Reversionary Yield – 9.50%\***
- **Capital Value – £302 per sq ft**
- **Initial Yield – 3.00%**

\* Based upon JLL's opinion of ERV.





## WHY UXBRIDGE?



**2.1 million people**  
within a 30 minute drive



Immediate access to the **UK Motorway Network**



**6 miles**  
north of Heathrow, the busiest air travel hub in Europe



**16**  
trains per hour to Central London



**Two**  
renowned universities (Brunel and Buckinghamshire New University)



Over **29,000**  
university students

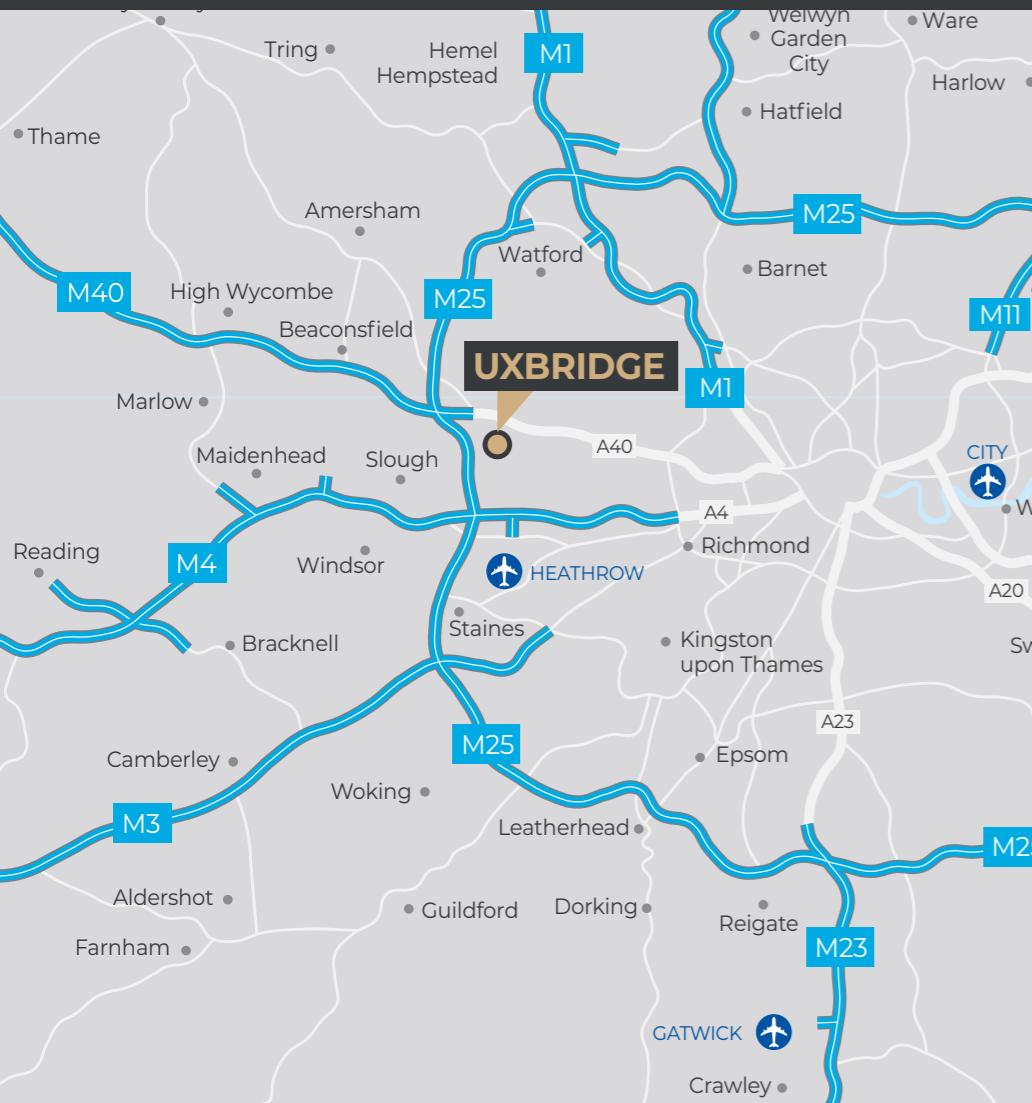


**54.4%**  
of population with certificate of higher education



**92.4%**  
employment rate





## ROAD

Uxbridge benefits from exceptional road communications, being approximately 1 mile south of the M40 (Junction 1) and approximately 2.5 miles south-east of the M25 (Junction 16).

The M40 provides direct access to Central London (via the A40) to the east and Oxford to the north-west, whilst the M25 provides access to the wider motorway network to include the M1 and M4 motorways.

### DRIVING TIMES

LOCATION	DISTANCE (Miles)	APPROX DRIVE TIME (Minutes)
Heathrow Airport	6	15
M4 (J4B)	6	15
Central London	17	50
Maidenhead	17	30
M1 (J6A)	18	25
Reading	36	45
Oxford	40	50

## LOCATION

### OVERVIEW

Uxbridge is one of the Western Corridor's leading office markets owing to its proximity to Central London, Heathrow Airport and the national motorway network, together with the presence of an affluent population and highly skilled workforce.

These excellent communication links and a strong professional employment base have made Uxbridge an attractive and well-established location for national and international occupiers including Coca Cola Enterprises, Monster Drinks, Nexen, CNOOC International, Mondelez International, Bristol-Myers Squibb, Xerox and Hertz.

Uxbridge benefits from a thriving town centre with an abundance of retail and leisure amenities which are widely available on the pedestrianised High Street as well as within The Chimes and Pavilions Shopping Centres.



## EXCEPTIONAL CONNECTIVITY TO CENTRAL LONDON, THE NATIONAL MOTORWAY NETWORK AND LONDON HEATHROW AIRPORT



## AIR

London Heathrow Airport is located approximately 6 miles south of Uxbridge and can be reached in approximately 15 minutes via Cowley Road / Stockley Road.

Uxbridge's proximity to the national motorway network also allows quick and easy access to London's other major airports; Gatwick, Stansted and Luton.



READING  
36 miles west



HEATHROW  
6 miles south



CENTRAL LONDON  
17 miles east

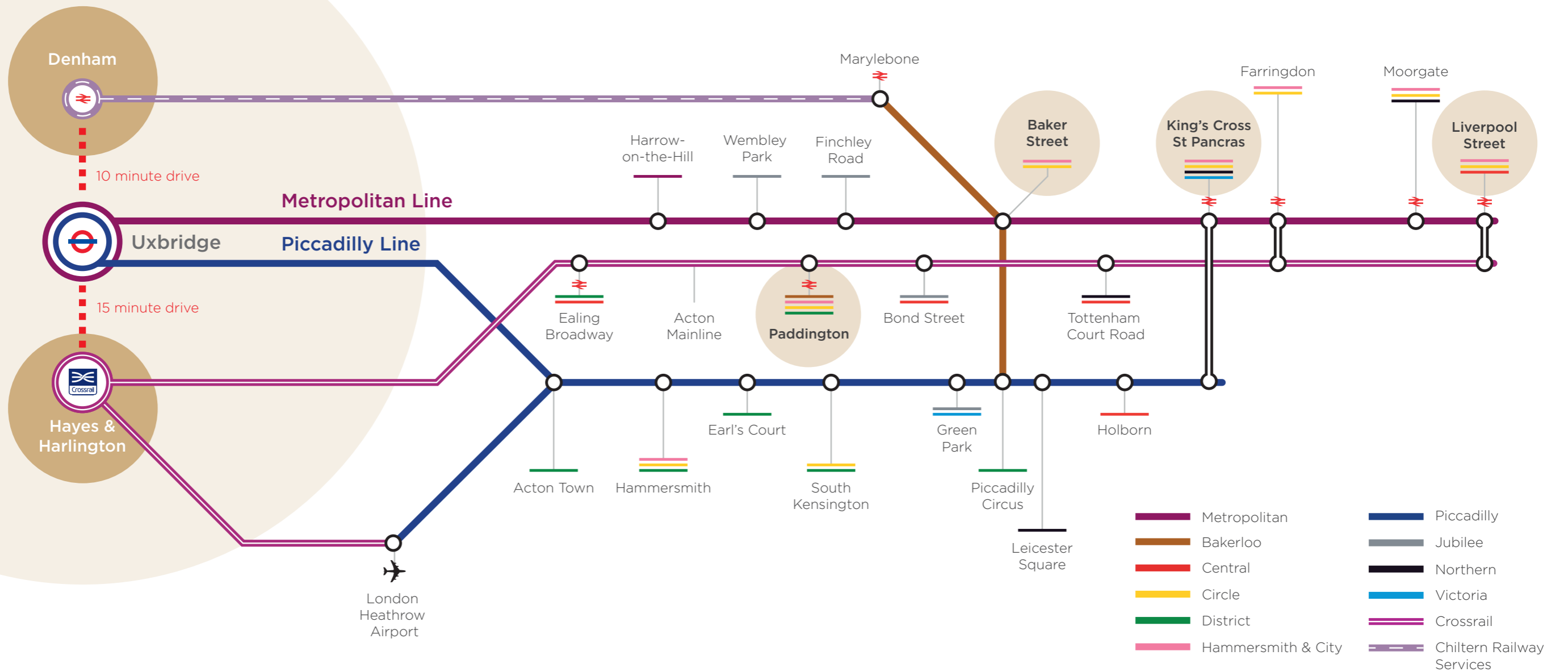


# LONDON UNDERGROUND AND NATIONAL RAIL

Uxbridge is the western terminus of the Metropolitan and Piccadilly London Underground lines, providing direct services to Baker Street, Kings Cross St Pancras and Liverpool Street.

Denham railway station is located approximately 3 miles to the north, from where regular and direct services operate to London Marylebone, with a fastest journey time of approximately 30 minutes.

Connectivity to Central London and London Heathrow Airport will be further enhanced on completion of Crossrail, with services operating from Hayes and Harlington approximately 5 miles away.





# SITUATION

Belmont is situated in the heart of Uxbridge town centre at the junction of Belmont Road and Bakers Road, immediately adjacent to the town's bus station and within 100m of the London Underground station.

In addition, it benefits from close proximity to a range of retail and leisure amenities provided on the pedestrianised high street and is also within a short walk of The Chimes and the Pavillions Shopping Centres.



A40

Lifescan  
xerox  
Daiichi-Sankyo

Bristol Myers Squibb

Mondelez  
International

AMGEN

HERBALIFE  
NUTRITION

Citibase

CNOOC

BELMONT

giffgaff

PRU  
a Fujitsu company

OREGA OpticalExpress

BELMONT ROAD

SAINSBURY'S

THE PAVILLIONS

HIGH STREET

BAKERS ROAD

UXBRIDGE UNDERGROUND

Coca-Cola

IBB solicitors

THE CHARTER BUILDING  
LAVAZZA Insight  
REGENERON  
SPACES. tracelink

THE CHIMES

Hertz

axway

HILLINGDON ROAD

HIGH STREET





## SPECIFICATION

Belmont benefits from the following Grade A specification:

- Four pipe fan coil air conditioning
- 4 x 24-person dual access passenger lifts and 1 x goods lift
- Suspended ceilings incorporating recessed LED lighting
- Raised floors with a 150mm clear void
- Generous floor to ceiling height of 2.75m
- Male, female and accessible WCs on each floor
- Female and male shower rooms with separate changing facilities
- Car parking ratio of 1:727 sq ft

## ENVIRONMENTAL & WELLBEING CREDENTIALS

Belmont also benefits from the following environmental and wellbeing features:

- BREEAM 'Excellent' and EPC 'B' ratings
- Solar panels – 50m<sup>2</sup>
- Photovoltaic cells – 200m<sup>2</sup>
- Biodiversity sedum roof – 300m<sup>2</sup>
- Landscaped terraces and the 'Friends Garden'
- 58 cycle storage spaces and lockers, with level street access
- 20 electric car charging points

## BELMONT

Belmont is one of Uxbridge's premier office buildings which was comprehensively refurbished and extended in 2016 at a total cost of £29.75 million (£236 per sq ft).

Totalling 125,843 sq ft and configured around a substantial central sky-lit atrium, Belmont provides Grade A office accommodation arranged over lower ground, ground and four upper floors. In addition, the ground and fourth floors benefit from terraces which provide outstanding views and premium space for staff and/or client entertaining.

The floors benefit from high levels of natural light and are highly specified, with the ability to sub-divide them in order to provide maximum flexibility and to satisfy a variety of occupier requirements.

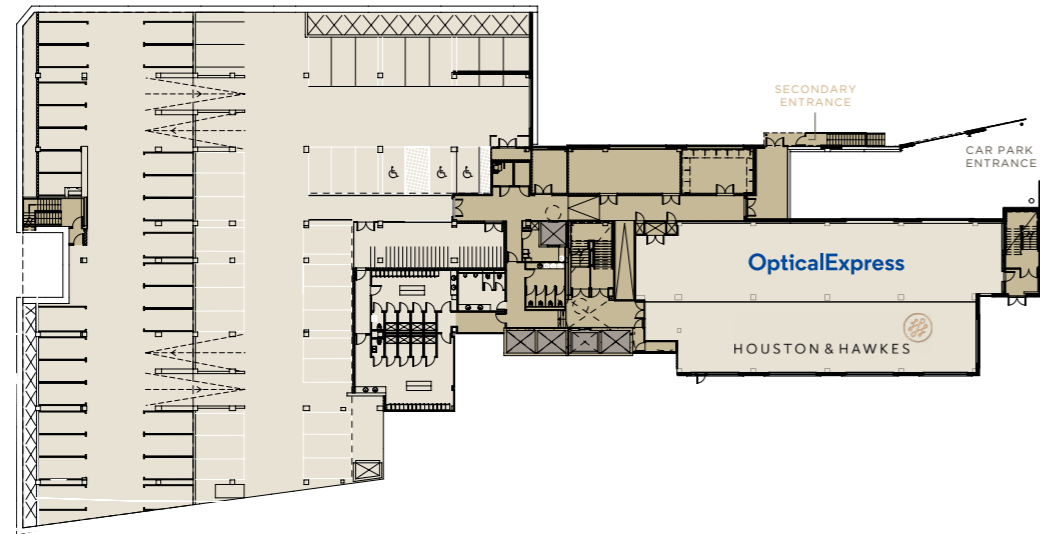
The current owner has recently introduced a café operated by Houston & Hawkes on the lower ground floor for the exclusive use of the building's tenants with free Wi-Fi and USB ports available at each table.

In addition, underground car parking is available with a total of 173 spaces (1:727 sq ft) which are accessible via an entrance fronting Bakers Road.

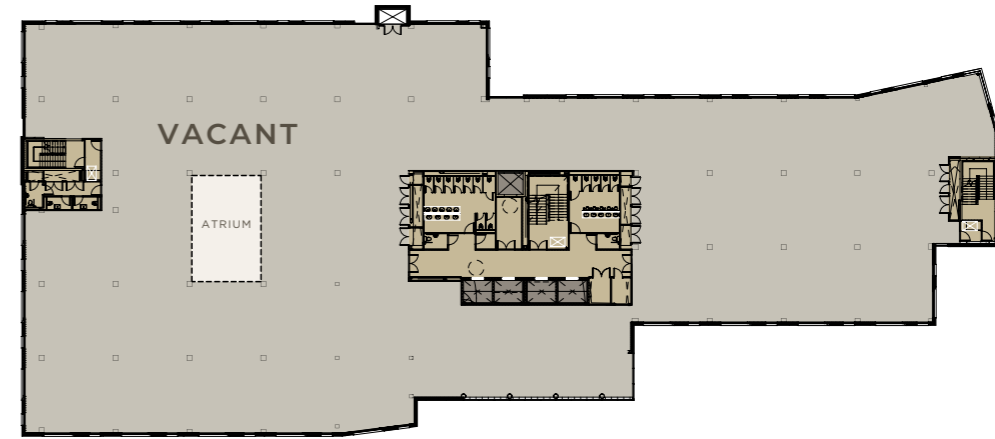




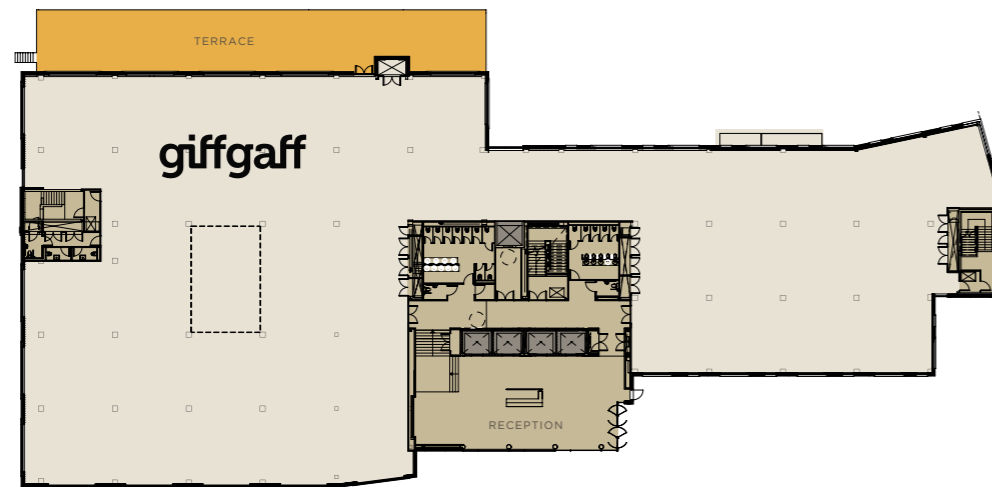
LOWER GROUND FLOOR



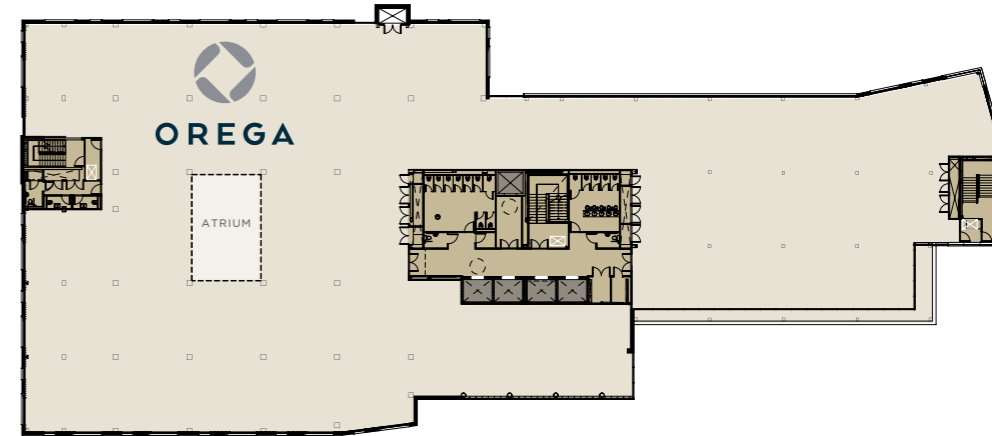
SECOND FLOOR



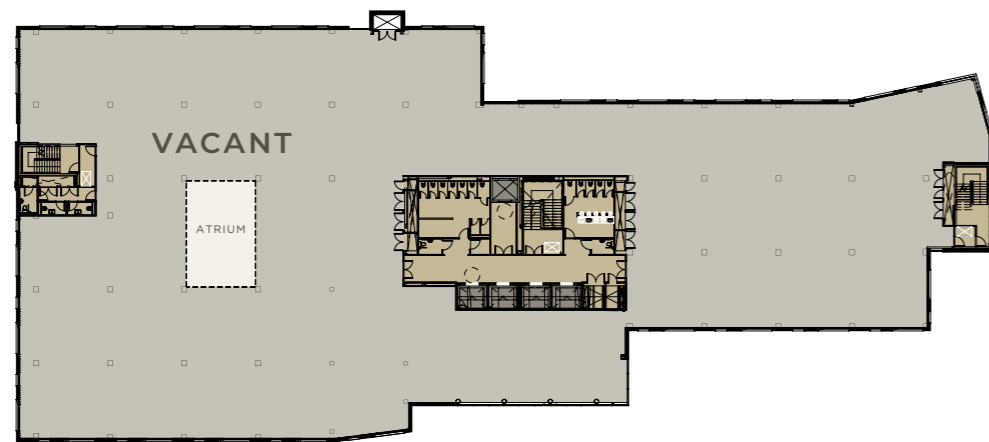
GROUND FLOOR



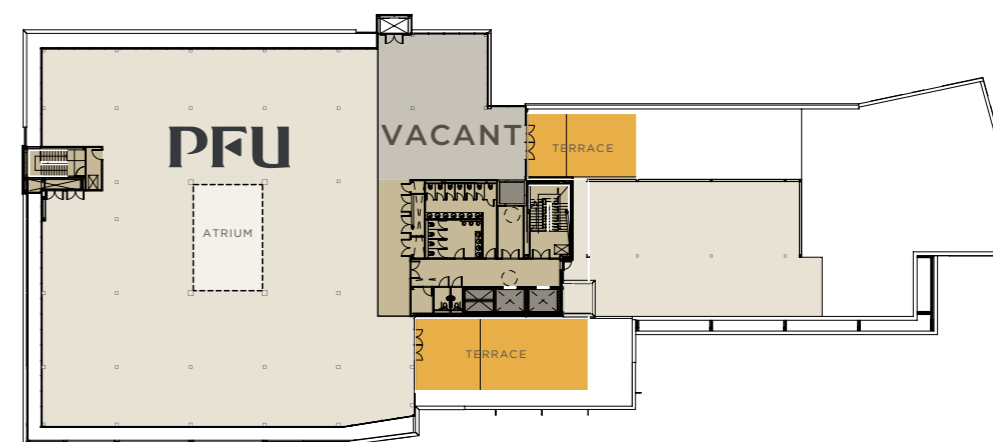
THIRD FLOOR



FIRST FLOOR



FOURTH FLOOR





# ACCOMMODATION

The property has been measured by Hollis in accordance with the RICS Code of Measuring Practice (6th Edition) to provide the following approximate net areas:

Demise	Use	Area (Sq ft)
Fourth Floor	Office	14,196
Third Floor	Office	26,233
Second Floor	Office	26,743
First Floor	Office	26,753
Ground Floor	Office	25,179
Ground Floor	Reception	1,861
Lower Ground Floor	Office	2,689
Lower Ground Floor	Café	2,189
<b>Total</b>	-	<b>125,843</b>

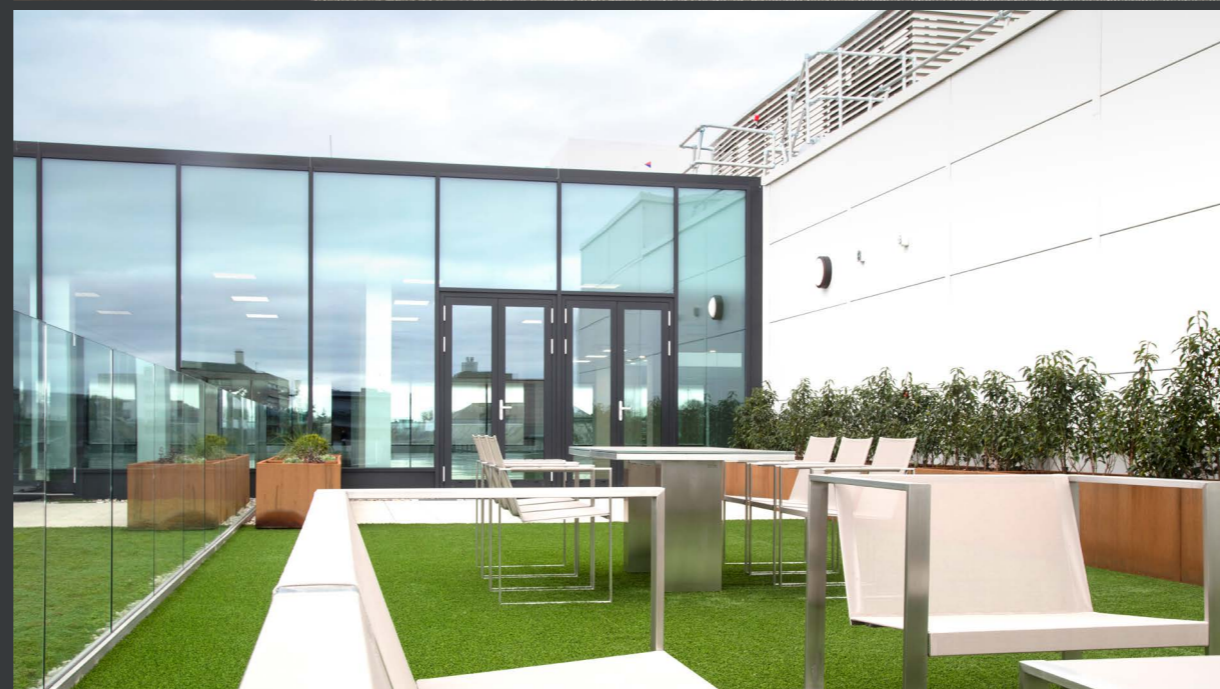
The building has also been measured in accordance with the RICS Property Measurement 2nd Edition (incorporating IPMS 2 and 3). A copy of Hollis' report is available upon request.

# THE SITE

The property is held freehold.



For indicative purposes only.







## TENANCY

Belmont is multi-let in accordance with the below tenancy schedule, providing a contracted passing rent of £1,216,087 per annum (£30.28 per sq ft) and a WAULT of 8.5 years (6.7 years to earliest terminations):

Description	Tenant	Area (Sq Ft)	Lease Start	Rent Review	Break Option	Lease End	Rent (£ Per Annum)	Rent (Per Sq Ft)	Comments
Fourth Floor - Part 1	PFU (EMEA) Limited	12,297	03/02/2020	03/02/2025	03/02/2025	02/02/2030	£395,872	£32.19	<ul style="list-style-type: none"> <li>Landlord's contribution towards cost of off-site car parking - further information available upon request.</li> <li>Tenant only break option.</li> <li>Break notice - 6 months.</li> <li>Break penalty - £98,000.</li> <li>50% rent payable for 30 months if break option not exercised.</li> </ul>
Fourth Floor - Part 2	Vacant	1,899	-	-	-	-	-	-	-
Third Floor	Orega (Management) Limited	26,233	07/12/2018	07/12/2023	06/12/2023 06/12/2026	06/12/2028	-	-	<ul style="list-style-type: none"> <li>Management agreement.</li> <li>Landlord restrictions - no other serviced office operations in building, no direct lettings of &lt; 3,000 sq ft, no direct lettings of &lt; 3 years, must not agree a direct letting to an Orega user within 6 months of vacating.</li> <li>Mutual break option - if at any time the business does not achieve sufficient gross income to pay operational costs - 9 months notice.</li> <li>Mutual break option (Dec-23 &amp; Dec-26) - subject to business not achieving the base return equal to or greater than 75% of the landlord's base return (£541,054 per annum) - 12 months notice.</li> </ul>
Second Floor	Vacant	26,743	-	-	-	-	-	-	-
First Floor	Vacant	26,753	-	-	-	-	-	-	-
Ground Floor	GiffGaff Limited	25,179	01/01/2019	01/01/2024	-	31/12/2029	£761,580	£30.25	-
Lower Ground - Rear Suite	Optical Express Limited	2,689	13/05/2019	13/05/2024	12/05/2024	12/05/2029	£58,635	£21.81	<ul style="list-style-type: none"> <li>Tenant only break option.</li> <li>Break notice - 6 months.</li> <li>4 months rent free if break option not exercised.</li> </ul>
Lower Ground - Front Suite	Houston & Hawkes Limited - Café	2,189	14/09/2020	-	-	13/09/2025	-	-	<ul style="list-style-type: none"> <li>Management agreement.</li> <li>Service charge contribution towards operation - £43,878.55.</li> </ul>
Land at Belmont House	Southern Electric Power Distribution	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>123,982</b>	-	-	<b>6.7 yrs</b>	<b>8.5 yrs</b>	<b>£1,216,087</b>	<b>£30.28</b>	-





## COVENANT

### giffgaff

**GIFFGAFF LIMITED (4196996)**  
**(63% OF CONTRACTED INCOME)**

Giffgaff is a mobile telephone network business running as a Mobile Virtual Network Operator using O2's network. Giffgaff was launched in 2009 by O2 UK and their owners, Telefonica UK, offering prepaid SIM cards on a pay-as-you-use basis. Since 2016, Giffgaff has won the uSwitch Network of the Year award for five consecutive years, and in 2019 picked up three other uSwitch awards including: Best SIM Only Network, Best Network for Data, and Best Pay as You Go Network.

Giffgaff Limited has a D&B rating of 5A 1, representing minimal risk of business failure, based on the following financial metrics:

Giffgaff Limited	Period Ending (31/12/2020)	Period Ending (31/12/2019)	Period Ending (31/12/2018)
Turnover	£500,081,000	£490,814,000	£449,222,000
Pre-Tax Profits	£31,752,000	£41,114,000	£38,221,000
Net Assets	£111,790,000	£86,273,000	£41,594,000

### PFU

**PFU (EMEA) LIMITED**  
**(01578652)**  
**(33% OF CONTRACTED INCOME)**

Founded in 2001, PFU (EMEA) Limited is a wholly owned global subsidiary of Fujitsu Limited. PFU Limited is an IT provider that designs, manufactures and markets computer hardware, peripheral products and enterprise software. The company offers a broad portfolio of document scanners for professional personal, desktop, workgroup, high-volume production and networked environments and is one of the world's leading document scanner companies.

PFU (EMEA) Limited has a D&B rating of 5A 1, representing minimal risk of business failure, based on the following financial metrics:

PFU (EMEA) Limited	Period Ending (31/03/2020)	Period Ending (31/03/2019)	Period Ending (31/03/2018)
Turnover	€89,955,000	€93,161,000	€79,144,000
Pre-Tax Profits	€1,213,000	€3,986,000	€4,459,000
Net Assets	€44,085,000	€43,263,000	€34,814,000

### OpticalExpress

**OPTICAL EXPRESS LIMITED**  
**(SC161469)**  
**(4% OF CONTRACTED INCOME)**

As an optical services brand and laser eye specialist in the UK and Ireland, Optical Express Ltd is Europe's leading private provider of laser eye, premium intraocular lens and cataract surgery, undertaking more laser procedures collectively than any other provider.

Optical Express Limited has a D&B rating of N 3, based on the following financial metrics:

Optical Express Limited	Period Ending (28/12/2019)	Period Ending (29/12/2019)	Period Ending (30/12/2018)
Turnover	£95,323,000	£88,120,000	£82,276,000
Pre-Tax Profits	£1,558,000	£1,226,000	(£543,000)
Net Assets	(£28,150,000)	(£29,708,000)	(£30,933,000)

### Orega

**OREGA (MANAGEMENT) LIMITED**  
**(04913409)**

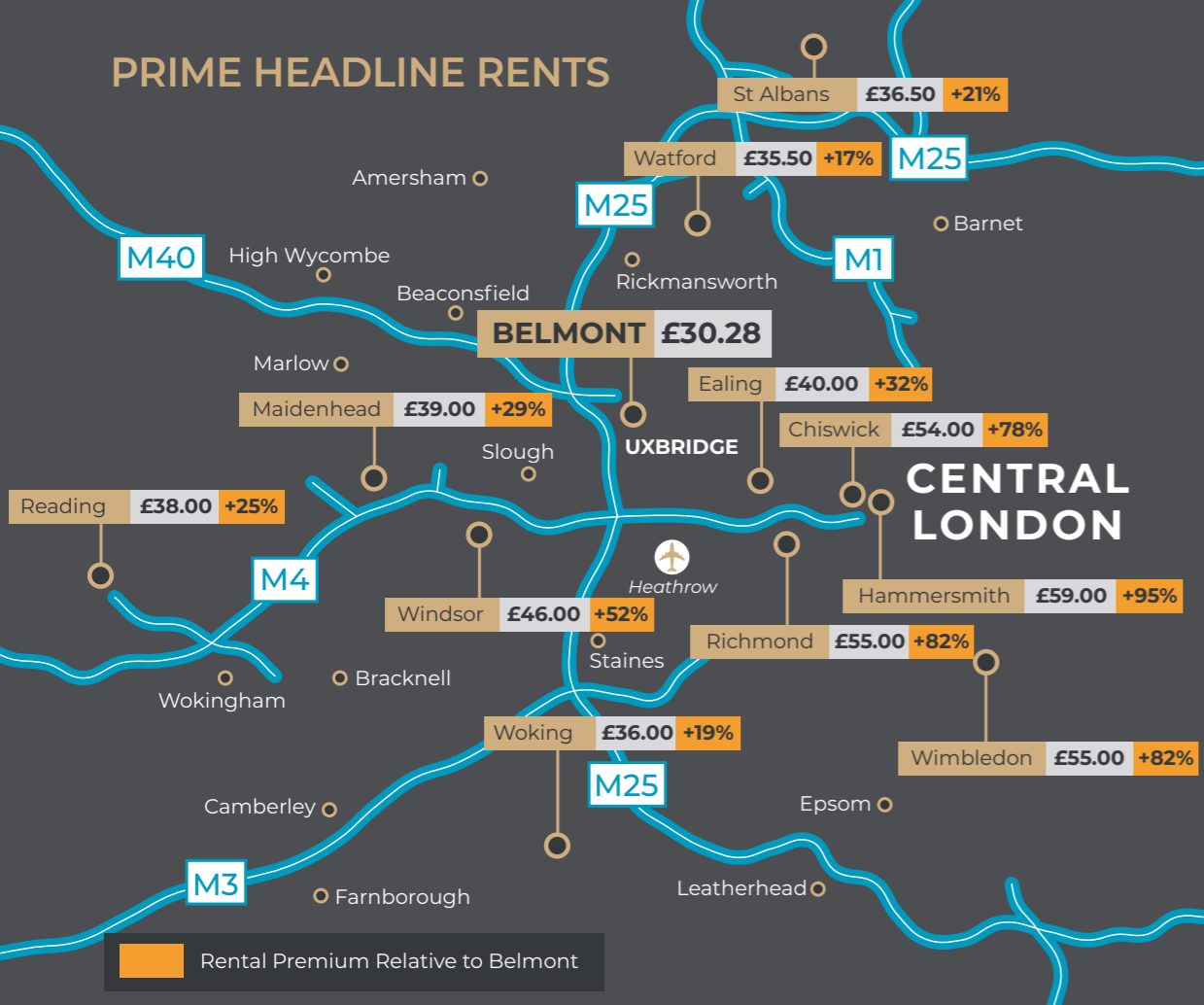
Orega Management Limited operates as a serviced office provider and is a subsidiary of Orega (Holdings) Limited. Since then the business has expanded to boast a range of flexible workspace services, offering a spectrum of serviced offices or meeting rooms across 19 locations in the UK and employing 97 staff.

Orega Management Limited has a D&B rating of 2A 1, representing minimal risk of business failure, based on the following financial metrics:

Orega Management Limited	Period Ending (31/03/2020)	Period Ending (31/03/2019)	Period Ending (31/03/2018)
Turnover	£9,857,000	£9,261,000	-
Pre-Tax Profits	£4,138,000	£3,572,000	-
Net Assets	£3,946,000	£4,508,000	-



## PRIME HEADLINE RENTS



## OCCUPATIONAL MARKET OVERVIEW

The Western Corridor witnessed a very strong start to 2021. Take-up reached approximately 650,000 sq ft across 29 transactions in Q1 which represented the highest quarterly volume since the beginning of 2019.

As Covid-19 related restrictions have continued to ease, transaction numbers have been increasing and are widely anticipated to continue rising as occupier sentiment and business confidence maintains an upward trajectory.

Whilst many occupiers requirements for space have contracted in recent years, it is evident that those buildings providing best in class

accommodation, onsite amenity and strong environmental credentials are continuing to perform best.

With good-quality Grade A space remaining a key focus and a significant shortage of supply across the Western Corridor and West London markets, Belmont is very well-placed to capture this demand.

Prime rents currently stand at £35.00 per sq ft, providing a 13% premium to the average passing rent of £30.28 per sq ft at Belmont and a significant discount to the wider South East / West London markets.

### Selected Uxbridge Office Lettings:

Date	Property	Tenant	Area	Headline Rent (Sq Ft)
Sep-20	Charter Building, Uxbridge	Regus	10,800	Confidential
Jun-20	B3 Uxbridge Business Park	BMS Group	27,200	£35.00
Mar-20	Charter Building, Uxbridge	Validity International Limited	8,708	£32.00
Mar-20	4 Uxbridge Business Park	Daiichi Sankyo UK Ltd	7,500	£35.00
Feb-20	Belmont, Uxbridge	PFU (UK) EMEA	12,250	£32.32
Jan-20	Charter Building, Uxbridge	Regeneron UK	11,700	£35.25
Dec-19	Charter Building, Uxbridge	Insight Direct	18,201	£31.00
Jan-19	Belmont, Uxbridge	Giffgaff	25,386	£30.00
Dec-19	5 The Square, Stockley Park	Samsonite	5,000	£37.50
Oct-19	The Bower, Stockley Park	Hitachi	20,000	£38.75
Mar-18	The Charter Building, Uxbridge	Jazz Networks	7,500	£35.00





## SOUTH EAST OFFICE INVESTMENT MARKET

The South East office market recorded over £2.6 billion of transactions during 2020, representing a 30% increase on 2019 levels. Despite a shortage of investment opportunities and continued C-19 related uncertainty, strong market activity has continued with £1.7 billion of investment volumes recorded during the year to date and a further £420 million currently under-offer.

Many investors have been attracted to the superior returns offered by offices compared to other sectors, with a significant weight of domestic and international capital seeking exposure to high-quality opportunities providing strong rental / capital growth prospects.

As the UK government's vaccine rollout programme continues to advance, a staggered return to the office has begun for many occupiers and, as such, we anticipate the South Office investment market to remain extremely buoyant as we enter the latter half of 2021.

Relevant examples of office investments that have transacted during the past 12 months are as follows:

Date / Status	Description	Area (Sq Ft)	WAULT Term Certain (Years)	Price	NIY	Cap Val (£ psf)	Purchaser
Under-Offer	Pemberton House, Uxbridge	122,983	6.5	£48.228m (Quoting)	6.25% (Quoting)	£393 (Quoting)	n/a
April-21	Ealing Cross, Ealing	131,788	3.8	£70.25m	5.97%	£533	Oval Real Estate
Mar-21	Lucidus, 41-43 Clarendon Road, Watford	51,873	2.5	£17.75m	7.72%	£342	Columbia Threadneedle
Mar-21	The Pearce Building, Maidenhead	52,148	3.1	£26.30m	6.80%	£504	M&G Real Estate
Feb -21	R+ Reading	103,367	6.2	£40.00m	4.22%	£387	Oval Real Estate
Nov-20	Point, Maidenhead	78,265	5.0	£38.85m	6.25%	£496	Corum
Sep-20	Thameslink House, Richmond	46,995	3.1	£33.75m	5.38%	£718	CLS Holdings
Jan-20	Spencer House, Richmond	27,310	6.5	£18.75m	6.13%	£684	Floreat Real Estate

STRONG MARKET ACTIVITY HAS CONTINUED WITH £1.7 BILLION OF SOUTH EAST OFFICE INVESTMENT VOLUMES RECORDED DURING 2021 TO DATE



# FURTHER INFORMATION

## Service Charge

The service charge budget for the year ending December 2021 is £947,074.13 which equates to £7.47 per sq ft (based upon the managing agent's floor areas).

## VAT

The property is elected for VAT and will, therefore, be payable on the purchase price. It is, however, anticipated the transaction will be structured as a Transfer of a Going Concern.

## EPC

The property has an EPC rating of B-27.

## Capital Allowances

We are advised there are unclaimed capital allowances which may be made available.

## Data Room

A data room is available providing the following information:

- Tenancy and title information.
- Service charge budgets and accounts.
- Measured, building and environmental surveys.
- Environmental certificates.
- Excel tenancy schedule.
- Argus CVL file.

## PROPOSAL

We are instructed to seek offers in excess of **£38,000,000** for the freehold interest, subject to contract and exclusive of VAT. Based upon purchaser's costs of 6.77%, an acquisition at this level provides the following investment profile:

- **Reversionary Yield – 9.50%\***
- **Capital Value – £302 per sq ft**
- **Initial Yield – 3.00%**

*\*Based upon JLL's opinion of ERV.*

## Contacts

For further information or to arrange an inspection please contact the following:

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