

NEON
BASINGSTOKE

PRIME OFFICE
DEVELOPMENT OPPORTUNITY





A UNIQUE OPPORTUNITY

TO DEVELOP AN EXCITING
NEW ADDITION TO BASINGSTOKE
WHICH WILL DELIVER
HIGH QUALITY, FLEXIBLE OFFICE
SPACE WITH STRONG ESG
CREDENTIALS DESIGNED
AROUND THE NEEDS
OF MODERN BUSINESSES

THE OPPORTUNITY



GRADE A OFFICE DEVELOPMENT OPPORTUNITY WITH STRONG ESG CREDENTIALS

Delivery of a key redevelopment site in a strategically important employment zone, as part of the council's £500 million regeneration programme for the area.

Neon is a 0.8 acre cleared development site formerly home to Norden House which was demolished in summer 2020 and is known as 'Plot J' on Basing View.

The site is located at the gateway to Upper Basing View, the town's thriving urban business park, an integral part of Enterprise M3's sci-tech corridor and hub for the local tech community.

Neon will benefit from the highest standards of environmental design with BREEAM 'Excellent' and EPC rating A.

The site is the subject of a planning application for a five-storey office building extending to 45,794 sq ft with a 128 space car park located next to the main office building. Planning was submitted in November 2019.

Excellent connectivity, located a short walk from Basingstoke's retail and leisure amenities, and train station, providing fast and direct access to London Waterloo in 43 minutes.

Unconditional offers are invited, subject to contract, and exclusive of VAT, for the virtual freehold (999 years).

BASINGSTOKE

Basingstoke is an affluent South East office centre along the Western Corridor offering excellent transport links, a highly skilled workforce and outstanding local amenity. Amenities include the new Village Hotel with a gym and swimming pool, restaurants and a flagship Waitrose store.

Basingstoke is located approximately 48 miles south west of central London, 17 miles south of Reading and 30 miles north east of Southampton. The town centre lies 1 mile north west of the M3 motorway (Junction 6), providing direct access to London, Southampton and the M25 motorway (Junction 12).

The established town is recognised as the number one place in the UK for the digital economy by the National Institute of Economic and Social Research, emphasising the town's reputation as a key cornerstone in the UK's 'Tech Corridor'.

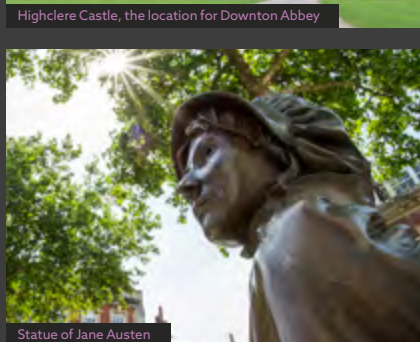
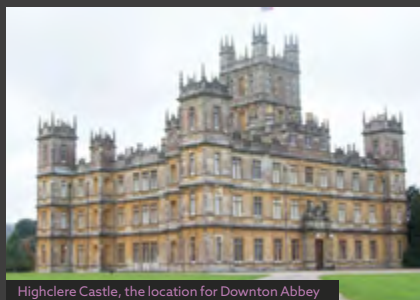
SHOPPING

Basingstoke benefits from a thriving town centre, including Festival Place, a 1.1m sq ft shopping centre housing over 140 big brand stores and twenty restaurants.



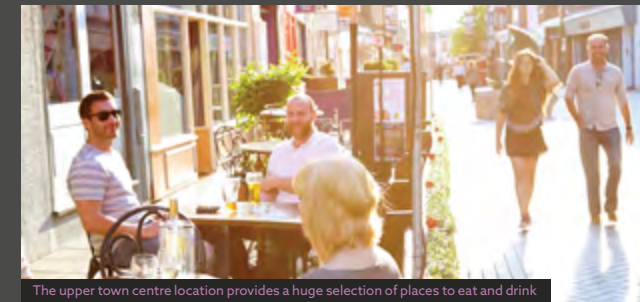
HISTORY & HERITAGE

Basingstoke and the surrounding area boasts a wealth of history from the birthplace of Jane Austen and Highclere Castle, the location for Downton Abbey, to Bombay Sapphire at the historic Laverstoke Mill, with its Thomas Heatherwick glass houses.

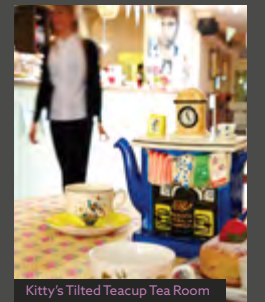


FOOD & DRINK

Basingstoke and the surrounding area boast a huge selection of great places to eat and drink.



The upper town centre location provides a huge selection of places to eat and drink



Kitty's Tilted Teacup Tea Room



Festival Street Kitchen

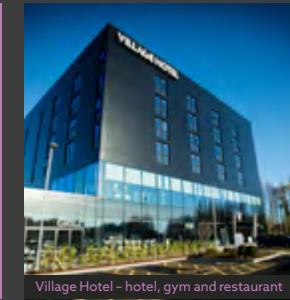


Cosy Club Basingstoke - relaxed dining and drinking lounge with a dash of nostalgia

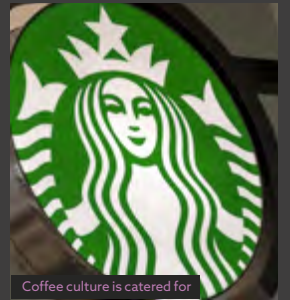


BASING VIEW

The town's vibrant urban business park offers a wealth of on site amenities.



Village Hotel - hotel, gym and restaurant



Coffee culture is catered for

SPORT & LEISURE

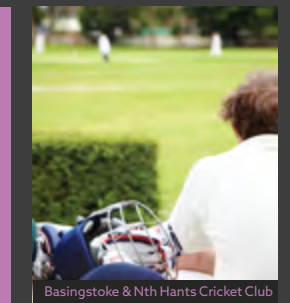
Basingstoke is set in the rolling Hampshire hills and offers a wide range of sport and leisure facilities, allowing residents and workforce to keep fit and healthy, have fun and relax.



Eastrop Park



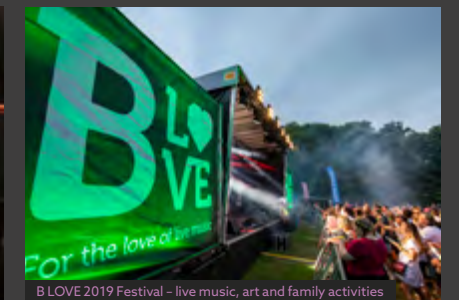
Dummer Golf Club



Basingstoke & Nth Hants Cricket Club



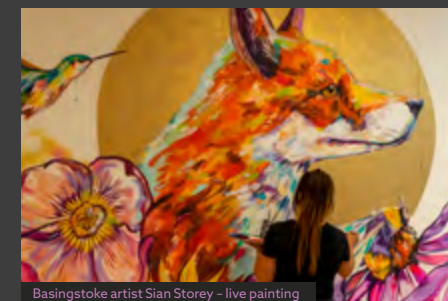
Sheku Kannah-Mason, Young Musician of the Year 2016, at The Anvil



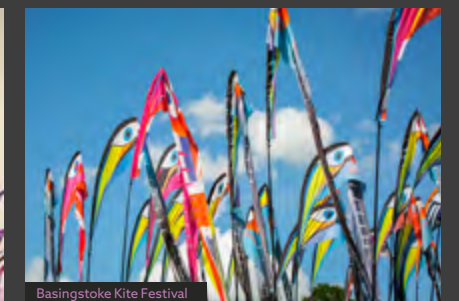
B LOVE 2019 Festival - live music, art and family activities

ART & ENTERTAINMENT

Basingstoke is a thriving cultural hub with theatres, museums, galleries, places of interest and a year long calendar of events and festivals.



Basingstoke artist Sian Storey - live painting



Basingstoke Kite Festival

A CENTRE FOR BUSINESS

Basingstoke is built for business, with excellent communication links, great amenities, a pro-business council and superb quality of life.

DYNAMIC BUSINESS COMMUNITY

Basingstoke is home to 7,900 businesses including Eli Lilly and Company, The AA, De La Rue PLC, Fujitsu, Genus, Reassured, RingGo, Sony, Tech Data and Vitacress Salads Limited.

DIGITAL CONNECTIVITY

Basingstoke was one of the first towns included in Openreach's 'Fibre First Towns' programme and a home for Virgin Media's ultra fast fibre optic broadband. Basingstoke has the infrastructure in place to meet future demands of the home and workplace.

INVESTMENT FOR GROWTH

The town has seen major investment including the £280 million purchase of Festival Place, the redevelopment of The Malls Shopping Centre and a £50 million Network Rail regional operating and national training centre.

At Basing View, Eli Lilly have recently moved in to a new 45,000 sq ft Grade A office building, with Sovereign also taking 61,000 sq ft at the Florence Building. In addition, marketing agency Purple, training company Basingstoke ITEC and communications firm 'This is Us' have all agreed leases for offices at Basing View recently.



WWW.LOVEBASINGSTOKE.CO.UK

WHY BASINGSTOKE

- Great transport links with Heathrow only 35 minutes away by road and fast trains to London Waterloo in 43 minutes.
- A highly skilled workforce with great links to education with two local colleges and seven universities in the region.
- Fourth best UK location for investment in growing technology companies according to Tech Nation 2019.
- Named as one of the top 50 places to live in Britain in Halifax Quality of Life Survey 2020.
- Located in the historic county of Hampshire. With an economic output totaling £50 billion, Hampshire is one of the most successful economies in the UK and the largest sub-regional economy in the South East of England.
- Business-minded council with imagination and a can-do attitude.
- Basingstoke is committed to becoming a carbon neutral borough by 2030.



RANKED 4TH

IN UK FOR SCALE UP TECH INVESTMENT

RANKED 4TH

PROPERTY WEEK SOUTH EAST HOT OFFICES INDEX

£259K

DIGITAL TECH TURNOVER PER EMPLOYEE

34%

OF THE POPULATION ARE UNDER 30

7,600

EMPLOYED IN CREATIVE INDUSTRIES IN BASINGSTOKE

480K

SKILLED PEOPLE (NVQ3+) WITHIN 60 MINS DRIVE

540K

HIGHLY-SKILLED PEOPLE (NVQ4+) WITHIN 60 MINS DRIVE

81K

JOBS IN BASINGSTOKE



AVERAGE HOUSE PRICE £338K



SEVEN UNIVERSITIES IN THE REGION



£5.2B GROSS VALUE ADDED



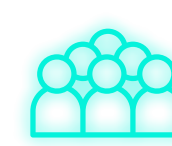
88% IN EMPLOYMENT



2030 - CARBON NEUTRAL TARGET



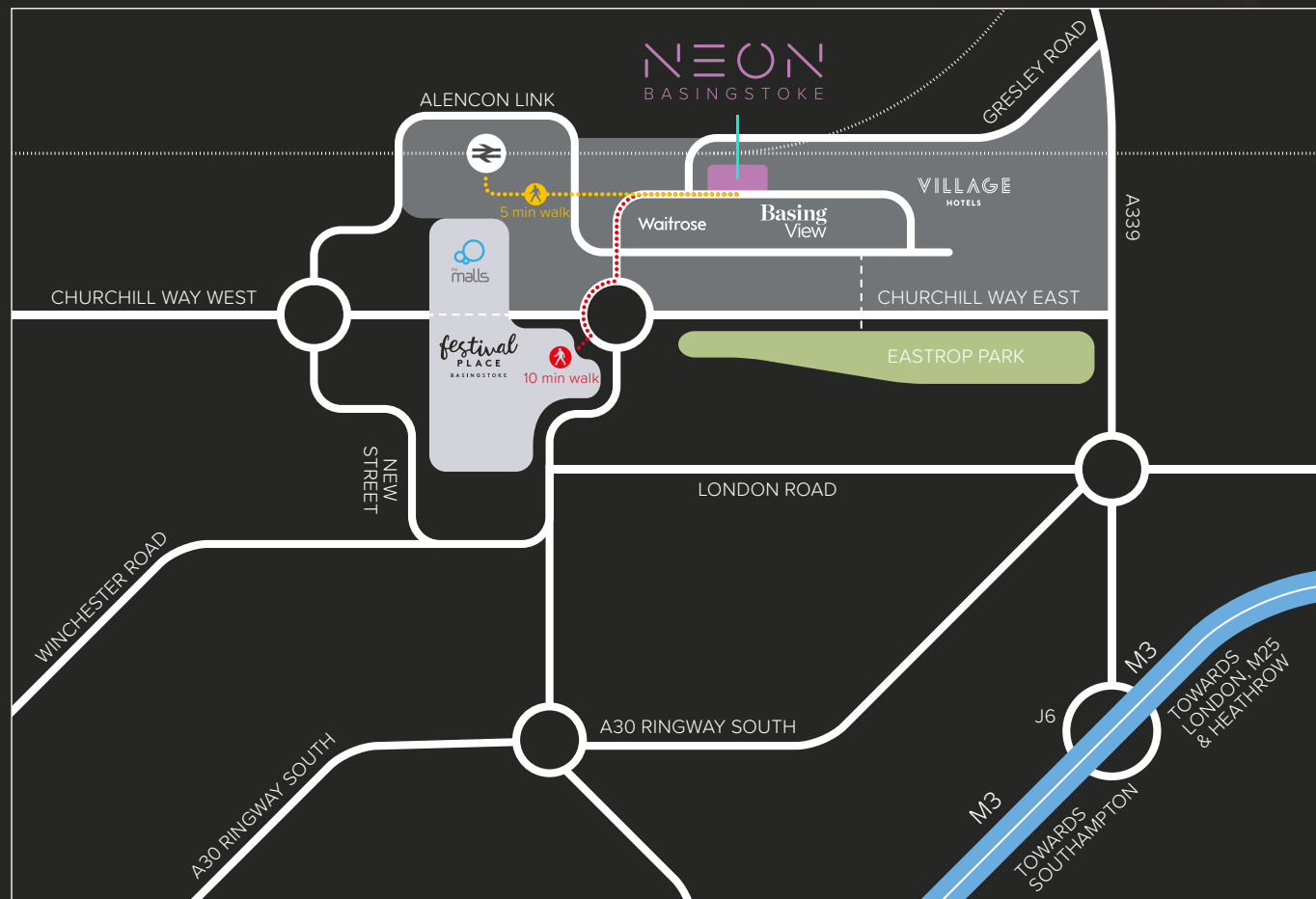
38.6% OF THE POPULATION ARE HIGHLY EDUCATED (NVQ4+), HIGHER THAN THE SOUTH EAST AVERAGE



175K POPULATION



AVERAGE WEEKLY EARNING £670



COMMUNICATIONS

Basingstoke benefits from a strategic location with exceptional connectivity to London, Reading and the north of England.

By road, the town is well positioned next to Junctions 6 and 7 of the M3 motorway providing direct access to London and the south coast, as well as Southampton and the M25 motorway via Junction 12. The M4 motorway (Junction 11) lies 13 miles to the north via the A33.

Basingstoke's location allows access to established UK airports such as Heathrow Airport which lies 33 miles to the north east, whilst Southampton Airport is 30 miles to the south west.

There are regular direct rail services that operate between Basingstoke and London Waterloo with a fastest journey time of 43 minutes. Other direct services include Reading (15 minutes) and Oxford (42 minutes).



BY ROAD	Miles
Newbury	16
Reading	17
Farnborough ✈	17
Southampton ✈	30
Heathrow ✈	33
Guildford	25
Portsmouth	48
London	52
Gatwick ✈	60

BY RAIL (Direct)	Mins
Farnborough	12
Reading	15
Southampton Central	30
Southampton Airport ✈	22
London Waterloo	43
Birmingham	110
Manchester	206
Bristol	119
Leeds	254



5 MINS
WALK TO THE STATION

10 MINS
WALK TO FESTIVAL PLACE

10 MINS
WALK TO TOWN CENTRE



1.5 MILES
DRIVE TO M3 MOTORWAY

17 MILES
DRIVE TO READING

33 MILES
DRIVE TO HEATHROW



43 MINS
TO LONDON WATERLOO

148
TRAINS DAILY TO LONDON

22 MINS
TO SOUTHAMPTON AIRPORT

CREATING A GATEWAY BUILDING TO BASING VIEW

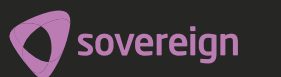
Basing View is one of the best connected and most affordable business destinations in the south east and provides a wide range of business space options for companies of all sizes, from SMEs to international corporates.

Neon will be located at the gateway to Basing View, benefitting from the advantages of a town centre location combined with ease of access usually found only in out of town locations.



Basing View is a 65-acre urban business park which has been undergoing a £500 million regeneration programme.

With this programme of renewal and improvement, Basing View is attracting a range of new companies, from start-ups to corporate headquarters. Recent developments include the new headquarters for Eli Lilly and the Village Hotel.



NEON

Neon is a striking five storey office building providing 45,794 sq ft of new lettable accommodation, along with a multi-storey car park and landscaped surroundings.

The building will have a contemporary brick and glass façade, double height atrium and ground floor business lounge.

BUILDING SPECIFICATION

- High quality, energy efficient design
- Flexible floor plates
- Business lounge
- Low cost per workstation
- Adjacent multi-storey car park
- 128 car spaces with 5 electric charging points
- Showers and changing/drying facilities
- Accessible WCs on each floor
- 2 passenger lifts

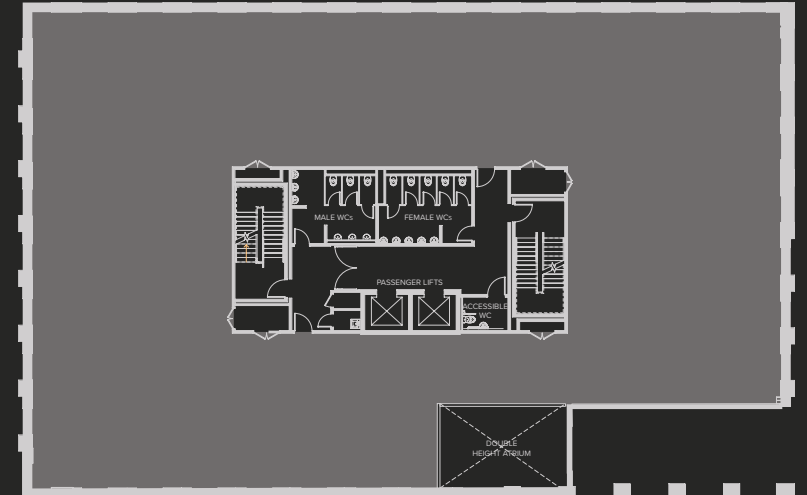
ACCOMMODATION

Based on the current planning application, Neon is set to provide the following IPMS 3 areas:

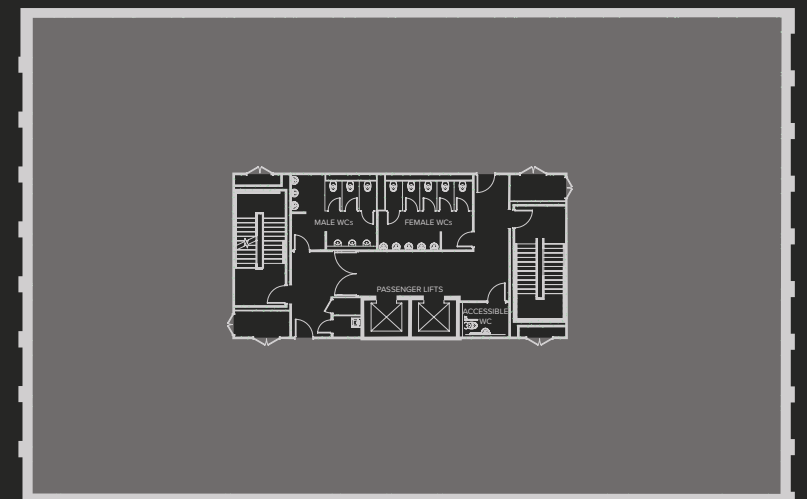
	sq ft	sq m
Fourth floor	9,958	925
Third floor	9,958	925
Second floor	9,958	925
First floor	8,988	835
Ground floor	6,932	644
TOTAL	45,794	4,254



GROUND FLOOR



FIRST FLOOR



TYPICAL UPPER FLOOR

RECEPTION – indicative CGI



STRONG ESG CREDENTIALS

Neon represents a unique opportunity to develop a highly sustainable, accessible and inspiring statement office building designed for future ways of working.

Neon will benefit from the highest standards of environmental design, BREEM 'Excellent' and EPC rating A, and will provide an environment to spark creativity, centred on health and wellbeing.

Located on the doorstep of Eastrop Park, Neon offers occupiers easy access to open green space and recreational facilities.

WITH A BREEM 'EXCELLENT' RATING AND EPC RATING A, NEON IS POISED TO CAPTURE THE VALUE OF SUSTAINABILITY

**BREEM
OUTSTANDING
/ EXCELLENT
RENTS
+14%**

**EPC A/B
RATED RENTS
+10%**

**BREEM
OUTSTANDING
PRE-LET BY
COMPLETION
Avg 80%**

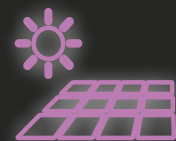
NEON BOASTS THE FOLLOWING SUSTAINABILITY CREDENTIALS



**BREEM
EXCELLENT**



**EPC
A**



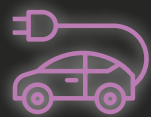
**ROOFTOP
SOLAR PV**



**57 CYCLE
SPACES**



**SHOWERS AND
CHANGING/DRYING
FACILITIES**



**5 ELECTRIC
CHARGING
POINTS**

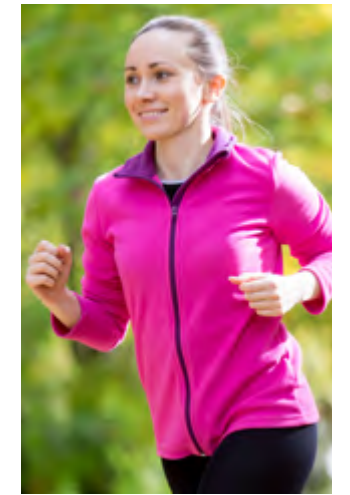


**LOW ENERGY
LED LIGHTING**



**LOW COST PER
WORKSTATION**

NEON IS PERFECTLY POSITIONED TO CAPTURE THE INCREASING DEMAND FOR FLEXIBLE AND REGIONAL WORKSPACE, AS WELL AS PROVIDING A HIGHLY SUSTAINABLE BUILDING AND OFFICE ENVIRONMENT THAT MEETS THE NEEDS OF THE FUTURE WORKFORCE.



OCCUPATIONAL MARKET

Basing View

Basing View is the premier business location in Basingstoke. The 65-acre site is home to a number of key businesses in the town.

29% DISCOUNT TO M4 CORRIDOR PRIME RENTS

Occupiers are increasingly looking to locate in well-connected and cost effective centres within easy reach of Central London. These factors, combined with access to talent, creates an impressive business case for Basingstoke.

4.3M SQ FT TOTAL OFFICE STOCK

This compares against a combined office stock of 7.9 million sq ft across Camberley, Fleet, Hook and Farnborough collectively.

enterprise M3

Delivering prosperity through innovation

Basing View benefits from allocation as an Enterprise Zone which was awarded in 2015 as part of the Enterprise M3 Local Enterprise Partnership (LEP) to boost local economic growth.



The combination of a dearth of Grade A accommodation and strengthening occupier demand is set to drive rental tone further.

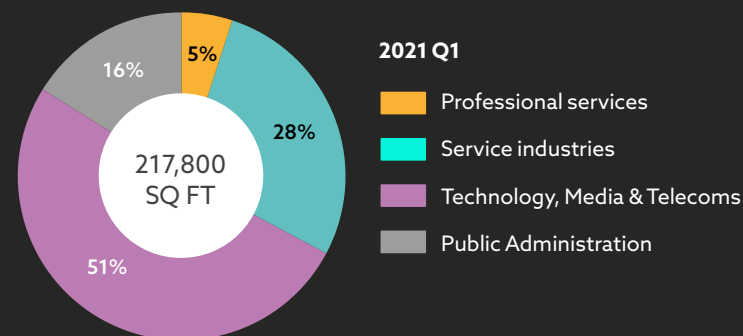
4.0% VACANCY RATE

Availability comprises approximately 108,000 sq ft of Grade A and 82,000 sq ft of Grade B stock, representing a low rate of approximately 4.00%. This reflects very favourably against the South East average of c.8.00%.

EMERGING TECH DEMAND

The evolution of office working post COVID-19 will benefit many of the Greater London and South East satellite locations, especially Basingstoke.

Investor confidence in the sector is supported by 51% of the take up in the Thames Valley in Q1 2021 being attributed to the Technology, Media and Telecoms sector.



BASINGSTOKE IS THE M3 CORRIDOR'S LEADING OFFICE CENTRE, WITH A TOTAL STOCK OF 4.3 MILLION SQ FT.

BOROUGH BUSINESS PARTNERSHIP (BBP)

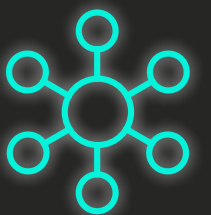
Basingstoke benefits from the Borough Business Partnership (BBP) which helps create opportunities for local businesses to participate in the issues that affect the borough.

Meetings are held three times a year, with the agenda focusing on key local and regional projects and programmes that are of genuine interest to businesses including presentations from local businesses, business support organisations and other key partners that influence the businesses in the borough.



HUB & SPOKE

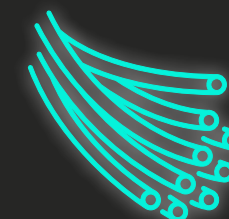
Regional office locations like Basingstoke are set to benefit as firms look to harness changes to typical working patterns brought about by the pandemic. The development of Neon provides the opportunity to capitalize on the predicted 'hub and spoke' occupational configuration and strengthen Basing View's position as a significant office location. With likely increased demand for office park or town centre space, Basing View offers attractive rental value, market dynamics, connectivity, commuter potential and a wider town centre offering that would be well suited to this emerging model.



FIBRE SPINE

Basingstoke is also set to benefit from a 5G 'fibre spine' connection in the near future which will be an important differentiator for Basingstoke.

Basingstoke was one of the first towns included in Openreach's 'Fibre First Towns' programme and a home for Virgin Media's ultra fast fibre optic broadband. Basingstoke has the infrastructure in place to meet future demands of the home and workplace.



ENTERPRISE M3

Enterprise M3 is a business-led Local Enterprise Partnership based on Basing View to help secure economic growth at sub-national level.

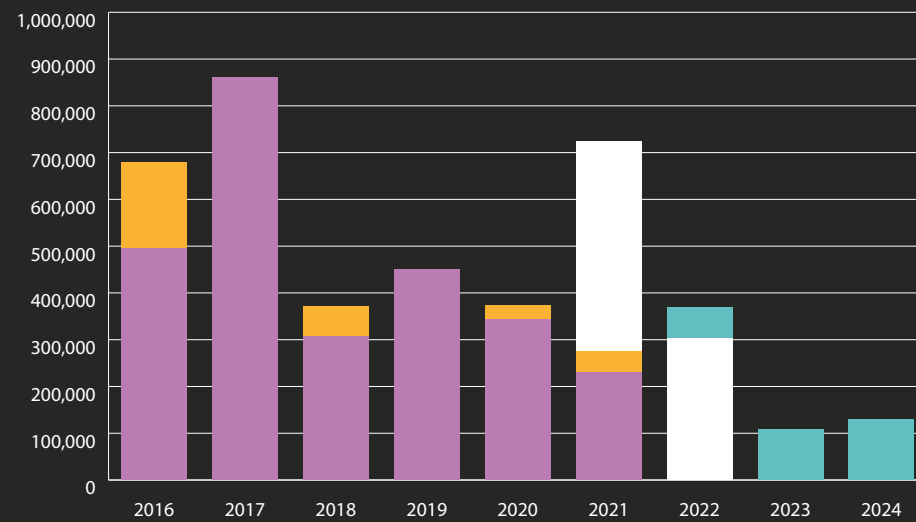
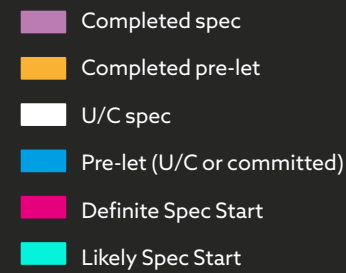
Enterprise M3 brings together business leaders from 14 district authorities across two counties and has four major interconnected urban centres, known as 'Growth' towns, at Woking, Guildford, Farnborough and Basingstoke. Enterprise M3 helps provide the vision, knowledge and strategic leadership needed to drive sustainable private sector growth and to secure funding to support economic growth in the area. This is done through the 'Growth Deal' with the government.

DIMINISHING DEVELOPMENT PIPELINE

There is 1.09 million sq ft of space currently under construction on a speculative basis across the Western Corridor, the majority of which is within the Thames Valley. This is down on the 5 year (2016–2020) average of 1.87 million sq ft.

The tentative development pipeline offers an opportunity to take advantage of a lack of Grade A supply and the hole in speculative development. The success of office developments in Basing View in recent years, illustrates the continued demand to deliver higher quality and repositioned space with comprehensive refurbishments to fit tenant requirements.

THAMES VALLEY DEVELOPMENT PIPELINE AS AT Q1 2021



SUCCESSFUL RECENT BASINGSTOKE OFFICE DEVELOPMENTS



In 2019, LPI Income Property Fund acquired the Florence Building in Basing View which was completed in 2018 and let to Sovereign Housing Association on a new 20 year lease. The letting was a vote of confidence for Basingstoke as a business destination with excellent transport links and high-quality work force.



Construction of a new 45,000 sq ft headquarters building for international pharmaceutical business Eli Lilly and Company has now completed.



Benchmark, a new Grade A office pre-let opportunity adjacent to the new Lilly building, has been granted planning permission. The 42,528 sq ft five-storey building will include a roof terrace, green roof and double height entrance.

INVESTMENT MARKET

In light of the Bank of England's base rate falling to its lowest level ever, the South East office market has remained resilient as the stability of real estate yields become increasingly attractive compared to other asset classes.

Demand is focused on long stable income accompanied by high quality and efficient green buildings. Recent examples of pre-let/let new office developments as detailed below support an attractive exit yield for Neon:

Date	Address	Size (sq ft)	Rent (sq ft)	WAULT (Years)	Price	Yield	
Under Offer	Unilever Campus, Kingston	276,000	£37.50	15.0	£207,200,000 (£750 psf) Quoting	5.00% Quoting	
Jan 21	Assembly, Bristol	319,643	£32.50	20.0	£138,000,000 (£432 psf)	4.60%	
Dec 20	New Bailey, Manchester	175,000	£28.00	20.0	£115,000,000 (£657 psf)	4.25%	
Aug 19	7-8 Wellington Place, Leeds	377,730	£25.44	20.0	£211,000,000 (£599 psf)	4.30%	
Jan 19	Brinell Building, Brighton	65,000	£32.00	10.0	£39,000,000 (£600 psf)	4.75%	
Jan 19	Florence Building, Basingstoke	61,415	£21.50	20.0	£29,050,000 (£474 psf)	4.25%	

ADDITIONAL INFORMATION

PLANNING CONSENT

The site has consent for a five-storey office building, providing 45,794 sq ft of new lettable accommodation, along with a multistorey car park with surrounding landscape.

The planning application site is approximately 0.8 hectares and includes the redevelopment of Plot J of Basing View Business Park, comprising the demolition of the existing Norden House and erection of a five-storey office building (Use Class B1a), alongside an ancillary multi-storey car park and landscaping upgrades.

Planning was submitted for the site in November 2019 and the site was demolished in summer 2020. We understand that the planning approval is expected subject to approval of the Section 106 agreement.

For more information on the building's planning consent please see planning application reference 19/03040/FUL.

TENURE

The property will be held virtual freehold (999 years) from Basingstoke & Deane Borough Council at a peppercorn rent.

VAT

The property is elected for VAT.

ESTATE CHARGE

Basingstoke & Deane Borough Council will reserve the right to recover a contribution to an estate charge.

DATA ROOM

Access to the data room can be provided on request.

AML

In accordance with Anti-Money Laundering (AML) Regulations, the purchaser will be required to satisfy the vendor on the source of the funds used to complete the transaction.

PROPOSAL

JLL ARE INSTRUCTED TO SEEK UNCONDITIONAL OFFERS FOR THE VIRTUAL FREEHOLD INTEREST, SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT.

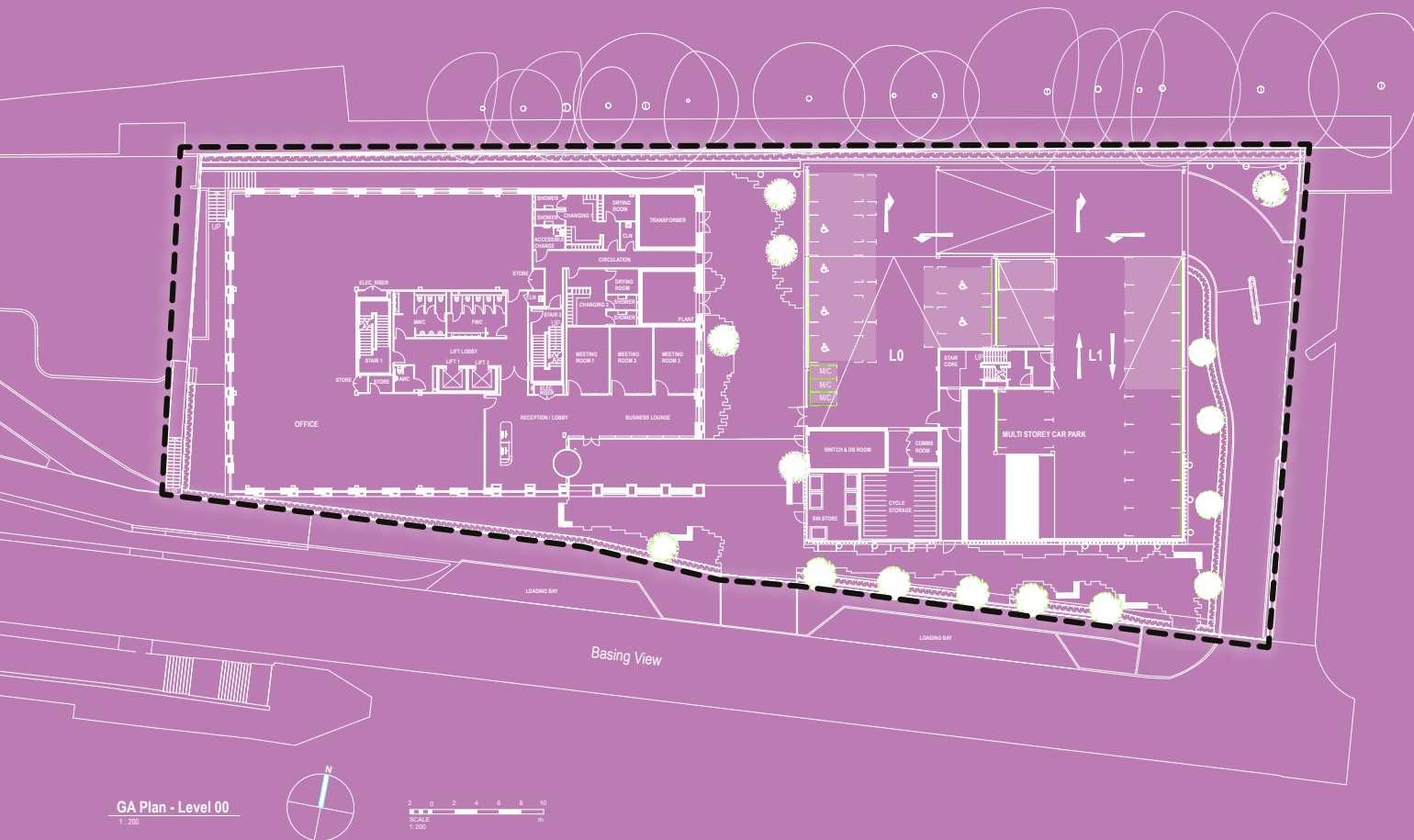


DEAL STRUCTURE

JLL have been instructed by Basingstoke & Deane Borough Council to dispose of the Neon development site on a virtual freehold basis (999 years).

Planning was submitted for the site in November 2019 and the site was demolished in summer 2020. We understand that planning consent is expected to be granted subject to approval of the Section 106 agreement.

We expect the Section 106 agreement to be finalised by the time of exchange.



GA Plan - Level 00
1:200



SCALE
1:200



BUSINESS LOUNGE - indicative CGI

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