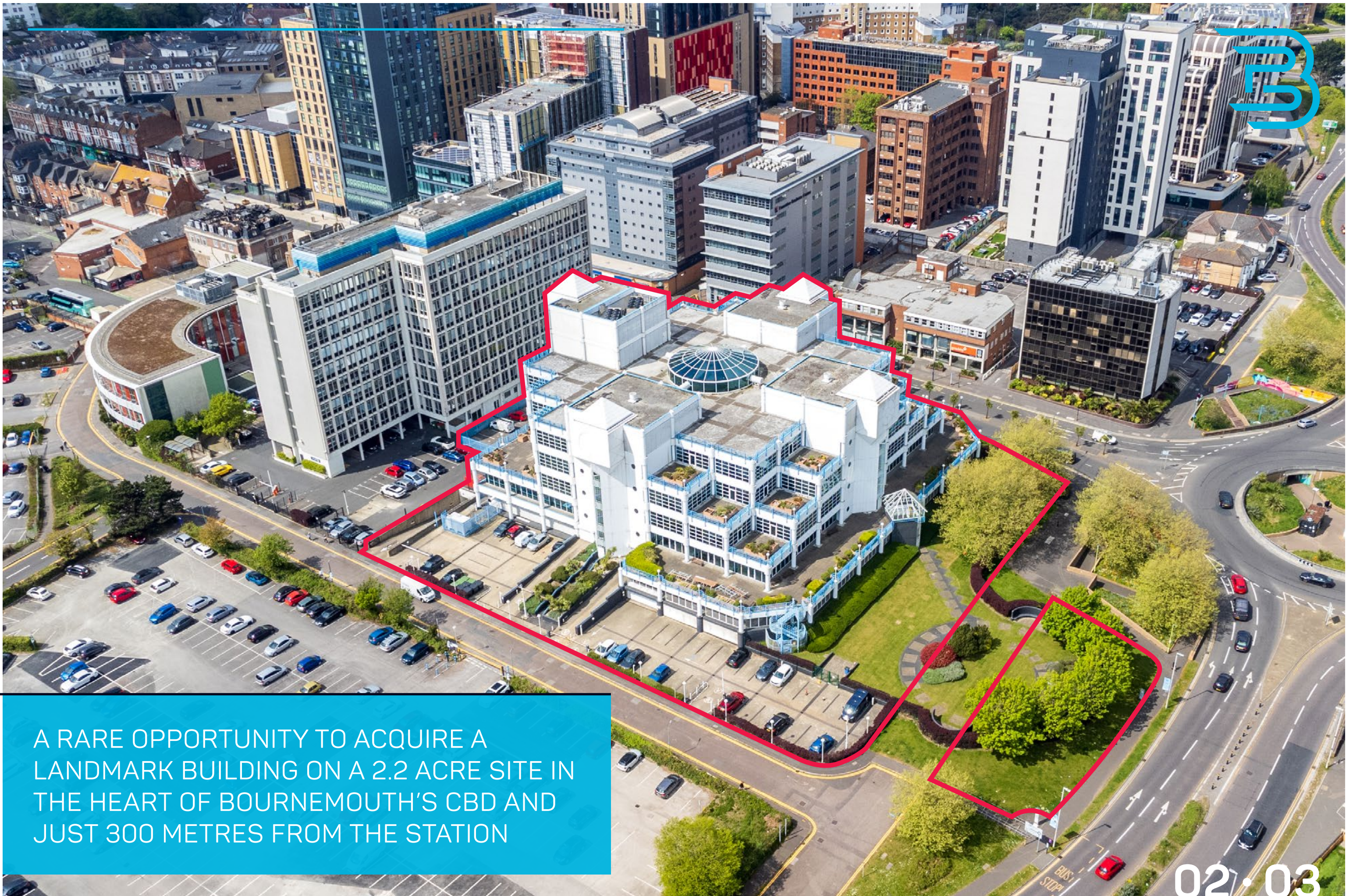

100
HOLDENHURST ROAD
BOURNEMOUTH
BH8 8AQ



LANDMARK BUILDING WITH
EXCEPTIONAL DEVELOPMENT AND
ALTERNATIVE USE POTENTIAL





A RARE OPPORTUNITY TO ACQUIRE A
LANDMARK BUILDING ON A 2.2 ACRE SITE IN
THE HEART OF BOURNEMOUTH'S CBD AND
JUST 300 METRES FROM THE STATION



PROMINENT OFFICE WITH
EXCEPTIONAL DEVELOPMENT
AND ALTERNATIVE USE
POTENTIAL

100 HOLDENHURST ROAD BOURNEMOUTH BH8 8AQ

04 · 05

INVESTMENT SUMMARY

- 100 Holdenhurst Road offers a rare opportunity to acquire a prominent site in the heart of Bournemouth's CBD with development and residential/student accommodation alternative use potential.
- A large site totalling 2.2 acres providing 97,317 sq ft of modern office accommodation over 6 floors.
- Located in the heart of Bournemouth Borough Council's Lansdowne Employment Area, which has already seen £500 million of investment since 2015, bringing together a highly skilled and dynamic workforce.
- The property is currently let to two tenants, producing a total income of £557,977 per annum, reflecting a low average rent of £12.77 per sq ft.
- Vacant possession achievable in the short term with a WAULT to expiry of 1.3 years.
- Prime headline rents stand at £23.00 per sq ft, offering a significant rental arbitrage compared to Bournemouth and surrounding markets.
- Exceptional alternative use planning potential for a variety of uses, such as Build to Rent (BTR), Build to Sell (BTS) and Student Accommodation.
- 321 spaces located in a secure two-storey car park with surface level visitor spaces providing an attractive town centre ratio of 1:300 sq ft.
- The property is held freehold.

PROPOSAL

We are instructed to seek offers in excess of **£9,500,000** (Nine Million, Five Hundred Thousand Pounds) subject to contract and exclusive of VAT.

A purchase at this level reflects an **attractive low capital value of £98 per sq ft.**





THE OPPORTUNITY

1. RESIDENTIAL



100 Holdenhurst Road is a landmark building offering exceptional development and alternative use potential on a large 2.2 acre site in the heart of Bournemouth's CBD.

Any future redevelopment will benefit from a prime location in close proximity to the town centre, railway station and beach front, coupled with a large underground car park.

The subject property would suit a number of alternative uses, particularly Build to Sell (BTS), Build to Rent (BTR) or student accommodation, subject to the necessary planning consents.

PLANNING

A planning feasibility report to review the planning potential of 100 Holdenhurst Road has been prepared by JLL. Overall, there is considered to be a good prospect of securing residential use on the site.

THE OPPORTUNITY

1. RESIDENTIAL



OCEAN 80



Approval granted in 2021 for existing 10-storey office building to be converted into residential accommodation comprising 158 units.

The majority of the units are one bedroom to attract both students and young professionals.

WAVERLEY HOUSE



Planning application submitted on 24 September 2021 for demolition of the existing building and construction of a 14 to 25 storey mixed use development comprising 320 one-three bedroom residential units and commercial, business and service uses. Designed to achieve BREEAM Very Good.

HOLLAND HOUSE



Approval granted in 2021 for change of use from offices into a £124 million mixed use scheme including 130 residential units and 8,073 sq ft of co-working space.

After the site was acquired in 2021, plans are being drawn up for a full redevelopment mixed use scheme with scope for over 500 units and office space on the ground floor.

95 -101 OXFORD ROAD



A planning application was submitted on 9 June 2020 for demolition of the existing office building and redevelopment to provide a mixed use development incorporating 22,389 sq ft of Class E office space, 2,766 sq ft of Class E professional service space, 319 build to rent units, basement car/cycle parking, communal facilities ancillary to the residential functions including residents-only gym and a communal recreation and café space (reference 7-2020-3703-M). The application is currently pending consideration.

THE HELM



Completed in 2020, the existing building was developed into a landmark mixed use scheme including 159 residential units, 2,800 sq ft of retail space and 37,000 sq ft of Grade A office with underground car parking.

With strong demographics, excellent amenities and close proximity to one of the UK's best beaches, Bournemouth is a highly desirable location for residential accommodation.

Prime residential values in Bournemouth town centre have risen to £375 per sq ft, a significant premium to the quoting price.

THE OPPORTUNITY

2. STUDENT ACCOMMODATION



100 Holdenhurst Road lends itself to student accommodation conversion, supported by its close proximity to neighbouring student accommodation schemes and Bournemouth's planning framework.

The Bournemouth Town Centre Area Action Plan states that student accommodation may be a possible use in the Lansdowne Employment Area, subject to meeting other policy criteria. Moreover, the emerging policy recommends that purpose-built student accommodation is directed to town centre locations such as 100 Holdenhurst Road.

There are also several private purpose-built student accommodation providers in the Lansdowne Employment Area who offer accommodation for any student, regardless of their year of study. Indeed, planning permission was granted for a student accommodation block at 130-138 Holdenhurst Road in 2016 and 51-65 Holdenhurst Road in 2013.

PLANNING

A planning feasibility report to review the planning potential of 100 Holdenhurst Road has been prepared by JLL. Overall, there is considered to be a good prospect of securing student accommodation use on the site.

THE OPPORTUNITY

2. STUDENT ACCOMMODATION



BAILEY POINT



Standard ensuite (shared kitchen) from £700 per month.

Bailey Point is a modern hall of residence with 550 bedrooms for a mixed community of undergraduates and postgraduates. The property includes a free-to-use gym, two commons rooms, a roof terrace and study spaces.

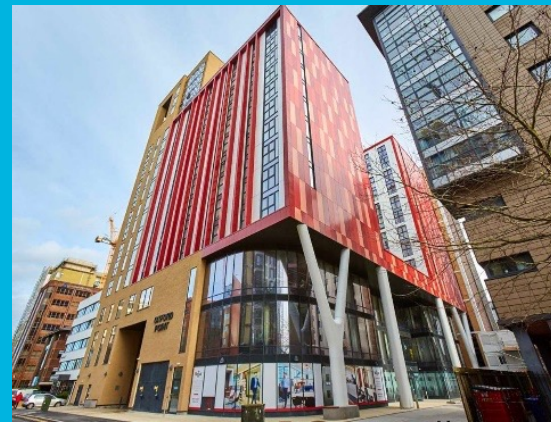
SKYLINE



Standard ensuite (shared kitchen) from £700 per month.

Skyline is a modern student accommodation block offering 430 premium living spaces with onsite amenities such as a private cinema room, virtual gym and studio and outdoor terrace/Sky Lounge.

OXFORD POINT



Standard ensuite (shared kitchen) from £672 per month.

Oxford Point comprises modern student accommodation including 487 private bedrooms with communal space such as a lounge, roof terrace and games area.

BELATON HOUSE



Standard ensuite (shared kitchen) from £735 per month.

Belaton House is a contemporary hall of residence operated by the University's accommodation partner, Yugo, offering 390 bedrooms. The property benefits from a gym, study room, common room and cinema room.

LYME REGIS HOUSE



Standard ensuite (shared kitchen) from £631 per month.

Lyme Regis House offers a variety of living space with 390 bedrooms following a £1.4 million refurbishment in the summer of 2019. The property benefits from excellent on-site facilities.

There are 19,705 students in Bournemouth, with a total number of only 7,548 beds (5,328 of these are University accommodation with a further 2,220 private beds).

As such, there is a clear under-supply of student accommodation in Bournemouth town centre.

THE OPPORTUNITY

3. OFFICE REPOSITIONING

100 Holdenhurst Road provides an exceptional opportunity to re-design and re-purpose the office accommodation to take advantage of Bournemouth's acute shortage of Grade A accommodation. The building has recently benefited from circa £500,000 of capital expenditure including a BMS upgrade and replacement boilers.

The landmark building located in the heart of the town centre has potential to be comprehensively refurbished and repositioned. There is scope to reconfigure the floor space and increase the total net lettable area whilst introducing amenity provision. 100 Holdenhurst Road also provides an opportunity to exploit the lack of green supply in the market by creating strong ESG credentials, meeting the needs of future occupiers.

Asset management initiatives include:

- Create a highly-specified, ESG complaint Grade A office in Bournemouth
- Reconfiguring the space to provide best in class floor plates
- Introduce an amenity offer into the building
- Explore the potential expansion of the current space, to increase net lettable area

INWARD INVESTMENT

100 Holdenhurst Road is set to benefit from £23 million of Government investment in Boscombe as part of the Bournemouth Town Investment Plan. The Government approved the Plan in March 2021 and detailed business cases are now being developed before the projects can be implemented from 2022 onwards.

The regeneration is a place-based approach to enhance enterprise and commerce in Bournemouth's town centre.

Planned investments include:

- High Street refresh
- Digital Infrastructure Project
- Beach Box Park
- Events Programme
- Refurbishment of the Royal Arcade
- Boscombe Skills and Digital Innovation Hub
- Master Plan
- Local Transport Projects



THE OPPORTUNITY

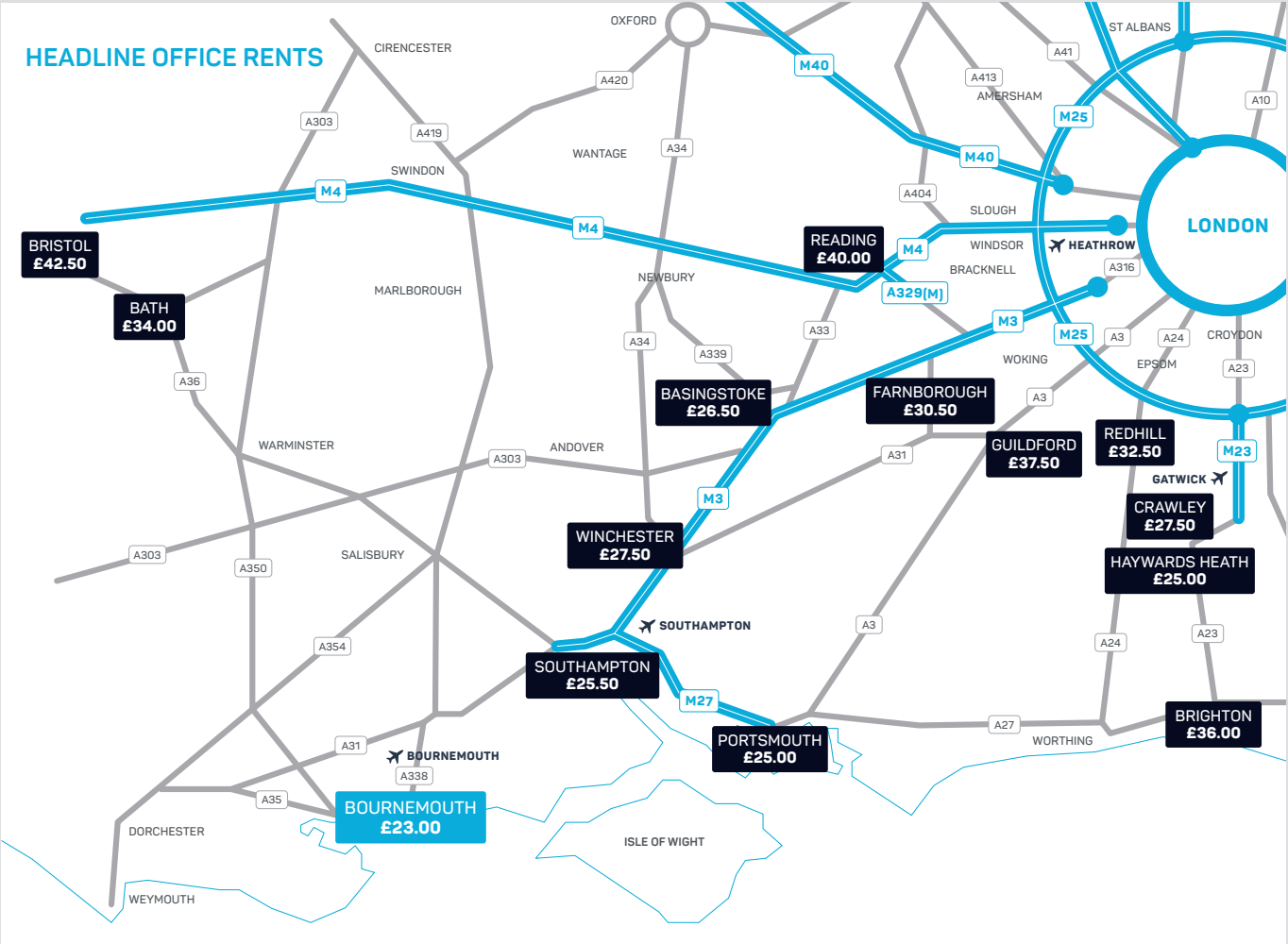
3. OFFICE REPOSITIONING

Bournemouth continues to possess strong office market fundamentals, home to a cluster of financial services companies. Bournemouth currently sits at a discount to neighbouring South Coast markets, with the rental tone expected to benefit from a favourable supply/demand imbalance.

Demonstrating the strength of the town, following the recent closure of Barclays House, Poole, Barclays has confirmed the majority of its staff will move to new offices in The Helm, Holdenhurst Road, Bournemouth.

Located in Dorset, the county's economy is strong and resilient home to over 52,000 businesses with 23,400 additional jobs in the region requiring digital skills over the next 10 years. Dorset is the UK's top area for high growth digital businesses, second fastest growing area for start ups and the third largest financial sector. It is an innovation hotbed and cultural hotspot, with a strong entrepreneurial culture.

<p>4,000</p> <p>Employees of J.P. Morgan, the largest employer in the town who have been in Bournemouth since 1986</p>	<p>£28.6 million</p> <p>Investment by J.P. Morgan to install state-of-the-art communication technology</p>	<p>1,300</p> <p>Employed by LV (Liverpool Victoria) at its head offices in Bournemouth</p>
<p>52,000</p> <p>Businesses based in Dorset, home to well-known international corporations as well as a multitude of fast-growing local enterprises</p>	<p>Bournemouth International Centre (BIC)</p> <p>The town is the regional centre of business with the large venue hosting conferences, bands and other functions</p>	<p>Economic Growth</p> <p>The town's economy is ranked in the top 5 of economic growth in the UK</p>



LOCAL OCCUPIERS INCLUDE

J.P.Morgan				

A LEADING GROWTH TOWN ON THE SOUTH COAST



Bournemouth is the principal commercial and tourist town in Dorset and one of the leading growth areas on the South Coast.

The town is home to an innovative and entrepreneurial business community with an affluent population which is complemented throughout the year by large numbers of tourists.

High profile banking, finance and insurance companies have been attracted to the town as it benefits from a skilled local workforce combined with low wage-rates relative to national levels and excellent transport connections.

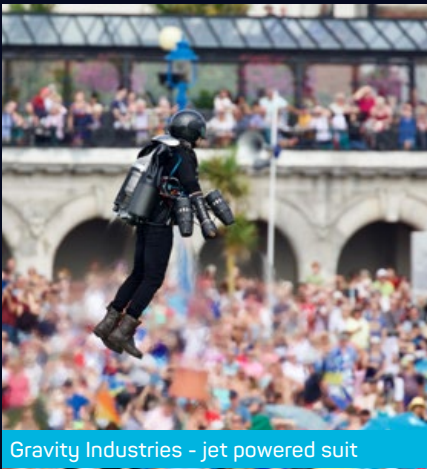


Bournemouth Town Centre

7,546
Number of digital jobs

£341 million

Digital tech business turnover surpassing London as the fastest growing digital economy in the UK



Gravity Industries - jet powered suit



Bournemouth International Centre

28%

New businesses in 2019 were tech start-ups, against a national average of 6.6%

1,000

Professional, scientific & technical businesses



Vitality Stadium - AFC Bournemouth

11.7 million
Visitors from June 2021 to May 2022

5G

Bournemouth is the site of a 5G digital test bed as part of the Smart Place Pilot project



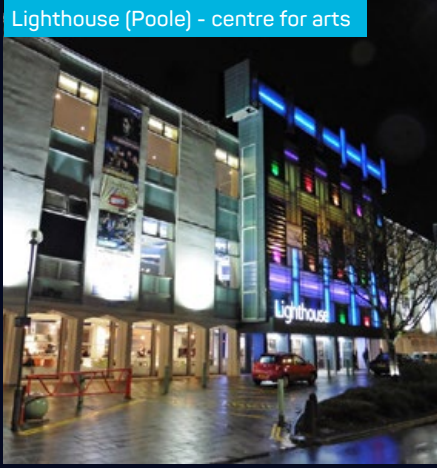
Bournemouth Beachfront

£1.6 billion
Gross Value Added contribution from financial and professional services

£4.5 billion
Gross Value Added (2017)



Beaulieu National Motor Museum



Lighthouse (Poole) - centre for arts



Bournemouth University

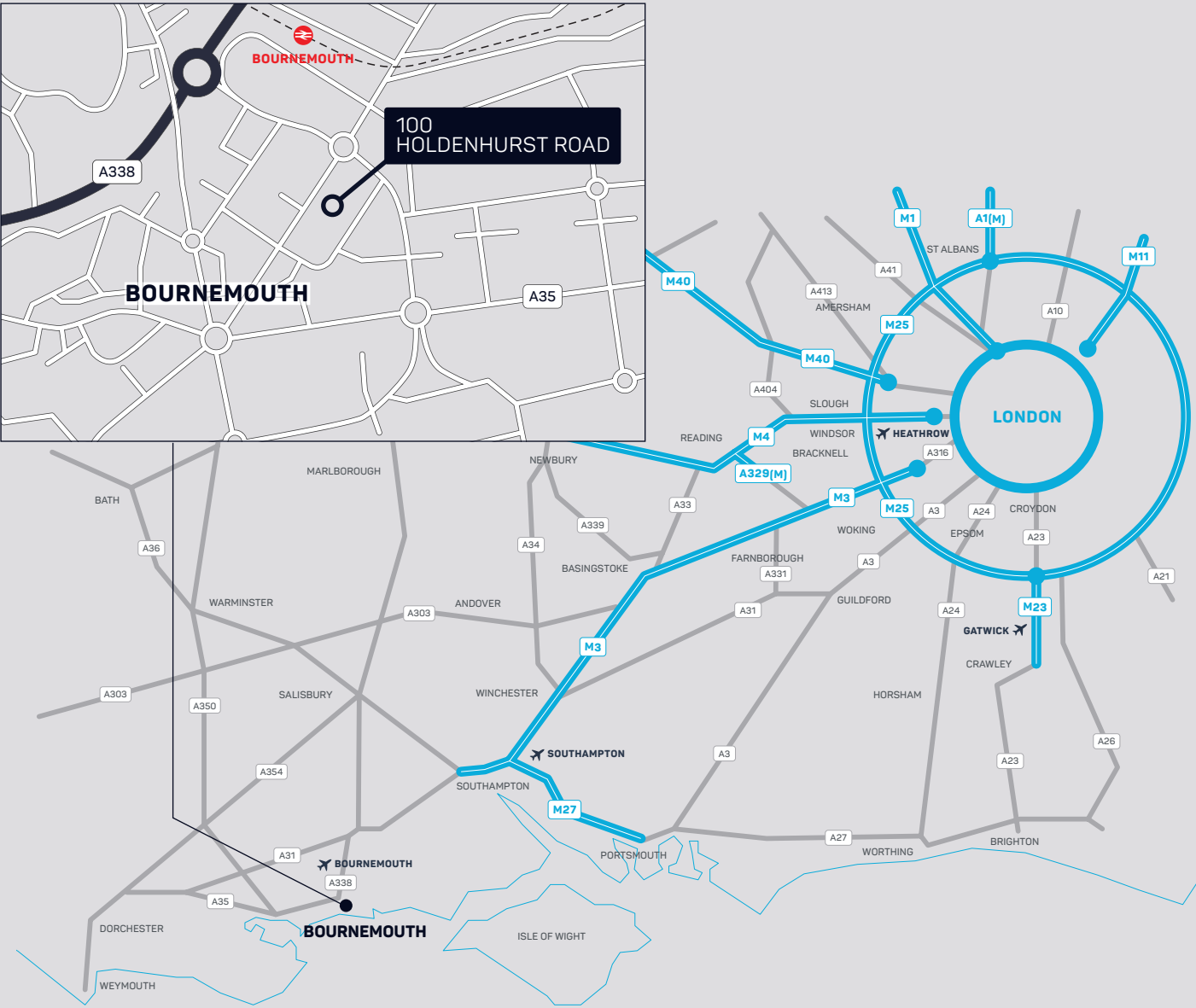
30,000
Ice creams sold on a busy weekend

25,000
Higher education students in Bournemouth

LOCATION

Bournemouth is a one of the major commercial centres along the South Coast, located 103 miles south west of Central London. Bournemouth is a key growth town in Dorset with arterial links to Exeter and major South East towns.

100 Holdenhurst Road is located at the corner of Station Roundabout, with immediate access to the A35 and A338, providing connectivity to the M27 and M3 motorways.



100 HOLDENHURST ROAD BOURNEMOUTH BH8 8AQ

UNRIVALLED CONNECTIVITY



The property is located on Holdenhurst Road, an arterial road running adjacent to the A35. The property is within a 5-minute walk from Bournemouth Railway Station which provides frequent train services to Central London.

The surrounding area has seen substantial redevelopment in recent years fuelled by Bournemouth Borough Council's vision for Lansdowne being the key location for employment and economy in the town centre.

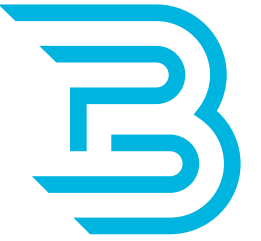
		
ROAD Southampton 32 miles Bristol 76 miles Exeter 84 miles London 103 miles	RAIL Poole 11 minutes Southampton 38 minutes London Waterloo 1 hour 47 minutes Bristol Temple Meads 2 hours 30 minutes	AIR Bournemouth Airport 5 miles An international airport serving around 600,000 passengers annually.

AMENITIES

100 Holdenhurst Road benefits from strong amenity provision including a Better Gym, Tesco Express, Starbucks Coffee, McDonald's, KFC, Asda and various independent restaurants within 5 minutes' walk.

Bournemouth's jewel in the crown, Boscombe Beach, is only a 10-minute walk away. The town centre is readily accessible and offers a wide array of amenities catering to all interests.

LANSDOWNE EMPLOYMENT AREA



THE LANSDOWNE EMPLOYMENT
AREA HAS SEEN OVER £500
MILLION OF INVESTMENT

100 Holdenhurst Road is located in the Lansdowne Employment Area, a key business hub for employment and economy in Dorset.

Established in 2015, Bournemouth Borough Council aimed to create an enterprise zone where business and dynamic work places can together attract highly skilled, knowledgeable and talented workforce.

The Council's mission is to "attract investments up to £1 billion in new digital connectivity and technology" for the Lansdowne Employment Area.

Lansdowne is home to superfast broadband and 5G providing an unrivalled digital infrastructure on the South Coast.

Since its inception, the Lansdowne Employment Area has seen over £500 million of investment, with the most recent development being the Bournemouth Gateway building costing £37 million.

THE PROPERTY

100 Holdenhurst Road is a purpose-built office building of late 1980s construction, providing 97,317 sq ft over ground and four upper floors.

Internally, the property is fitted out with suspended mineral fibre ceiling tiles, raised access floors and carpet floor finishes to the offices. The offices are predominately open plan and the property is accessed from ground level with two escalators leading to a full height atrium reception at first floor level. The property benefits from four passenger lifts with a dedicated lift lobby on each floor along with flexible floor plates serving a range of occupier requirements.

Externally there is extensive terrace space and a well-kept garden providing outdoor amenity space. A rare, two storey car park is located underneath the building along with surface level spaces providing an attractive in-town parking ratio of 1:300 sq ft.

SPECIFICATION



Manned reception with large atrium, accessed via an elevator



Large central atrium enhancing natural light



24/7 access and security



Shower, male, female and disabled WC facilities



Cat 5 cabling throughout



Secure cycle storage area with locker facilities



4 passenger lifts with lift lobbies on each floor



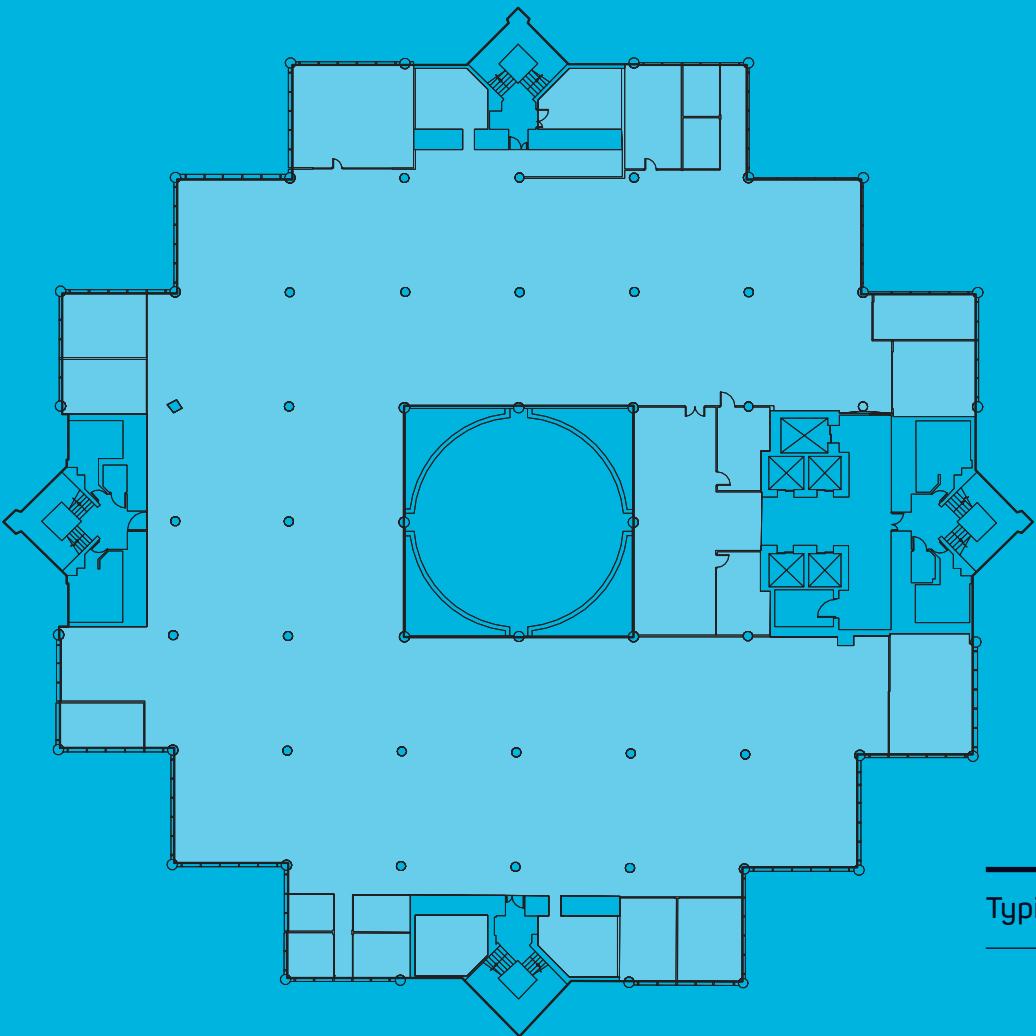
321 car parking spaces



Board room, meeting room and conference rooms



Total site area of 2.2 acres



Typical Floor Plan

ACCOMMODATION

FLOOR	USE	SQ M	SQ FT
Ground	Storage	56.69	610
Ground	Office	236.21	2,542
Ground	Reception	40.68	438
Ground	Security Office	35.59	383
First	BMO	108.32	1,166
First	Storage	37.22	401
First	Canteen	62.78	676
First	Office	1,647.91	17,738
First	Reception	428.18	4,609
Second	Office	2,329.63	25,076
Third	Office	2,133.28	22,962
Fourth	Office	1,924.62	20,716
TOTAL		9,041.11	97,317

TENANCIES



The property is currently let to two tenants, producing a total income of £557,977 per annum, reflecting a low average rent of £12.77 per sq ft.

Description	Tenant	Area (sq ft)	Lease Start	Lease Break	Next Rent Review	Lease Expiry	Rent (£pa)	Rent (£psf)	1954 Act	Comments
Ground	Vacant	2,925	-	-	-	-	-	-	-	-
First	Vacant	19,580	-	-	-	-	-	-	-	-
Second	Capita Life & Pensions Regulated Services Limited	25,076	-	-	-	-	-	-	Outside	Short term lease extension is being discussed at nil rent.
Third	Arthur J. Gallagher (UK) Limited	22,962	12/11/2013	-	-	11/11/2023	£328,000	£14.28	Inside	Lease includes schedule of condition and service charge cap.
Fourth	McCarthy & Stone Limited	20,716	22/08/2014	-	21/08/2019	21/08/2024	£229,977	£11.10	Inside	Lease includes schedule of condition and service charge cap.
Total		91,259					£557,977	£12.77		



COVENANT

ARTHUR J. GALLAGHER (UK) LIMITED

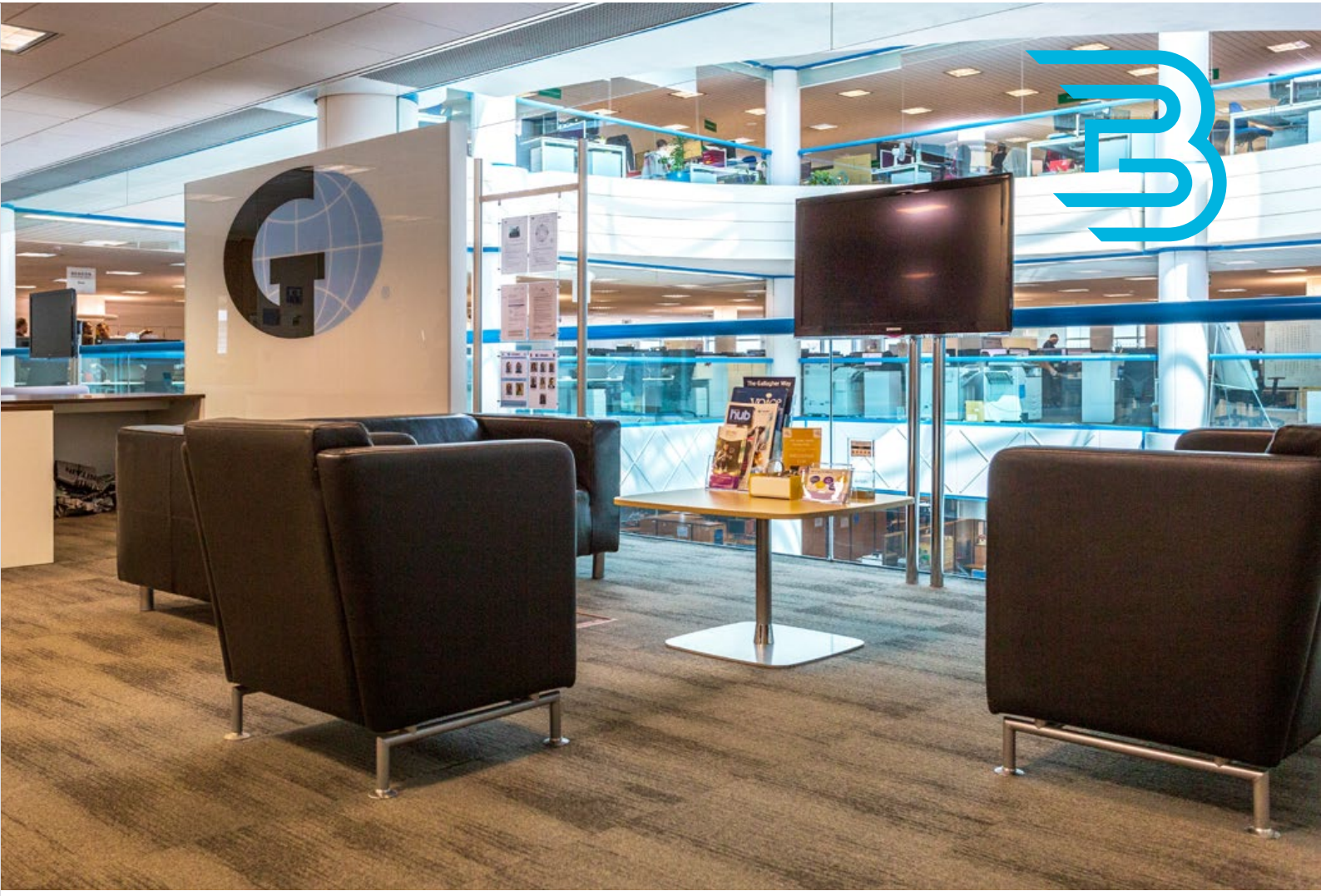
Arthur J. Gallagher (UK) Limited occupy the third floor, with their lease expiring 11 November 2023.

Founded by Arthur J. Gallagher in Chicago in 1927, Gallagher is one of the leading insurance brokerage, risk management, and Human Resources/Benefits consulting companies in the world. The business has significant reach internationally and the organisation employs over 34,000 people in global network providing services in more than 130 countries.



The most recent accounts are summarised below:

Company Number	01193013
Company Website	www.ajg.com
D&B Rating	5A1
Fiscal Year Ending	December 2021
Latest Turnover	£319,960,000
Profit / Loss Before Taxes	£110,391,000
Total Assets	£1,623,343,000
Total Liabilities	£1,340,268,000



MCCARTHY & STONE LIMITED

McCarthy & Stone Limited occupy the fourth floor as their South West headquarters, with their lease expiring 21 August 2024.

McCarthy & Stone Limited are the UK's leading developer and manager of retirement communities, providing high quality homes to exacting specifications. As of November 2021, McCarthy Stone operates 475 retirement developments across the UK and their retirement properties are homes to more than 20,000 people.



The most recent accounts are summarised below:

Company Number	06622199
Company Website	www.mccarthyandstone.co.uk
D&B Rating	5A2
Fiscal Year Ending	October 2021
Latest Turnover	£335,500,000
Profit / Loss Before Taxes	£(37,500,000)
Total Assets	£877,100,000
Total Liabilities	£332,800,000





INVESTMENT RATIONALE



Located in the heart of Bournemouth's CBD and Lansdowne Employment Area, a key location for employment and enterprise on the South Coast.



Landmark building on a large 2.2 acre site with 321 car parking spaces, just 300 metres from the railway station.



Vacant possession achievable in the immediate to short term.



Exceptional alternative use potential for both residential and student accommodation supported by local schemes and Bournemouth's planning framework.



Highly accretive repositioning potential with an opportunity to capitalise on Bournemouth's acute shortage of Grade A office stock and prime rents currently standing at £23 per sq ft.



100 Holdenhurst Road is set to benefit from £23 million of Government investment in Boscombe as part of the Bournemouth Town Investment Plan.

ADDITIONAL INFORMATION



TENURE

The property is held freehold under title number DT152244.

EPC

The property has an EPC rating of E 112.

DATA ROOM

Access to the data room is available upon request.

VAT

The property is not elected for VAT.

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.

PLANNING

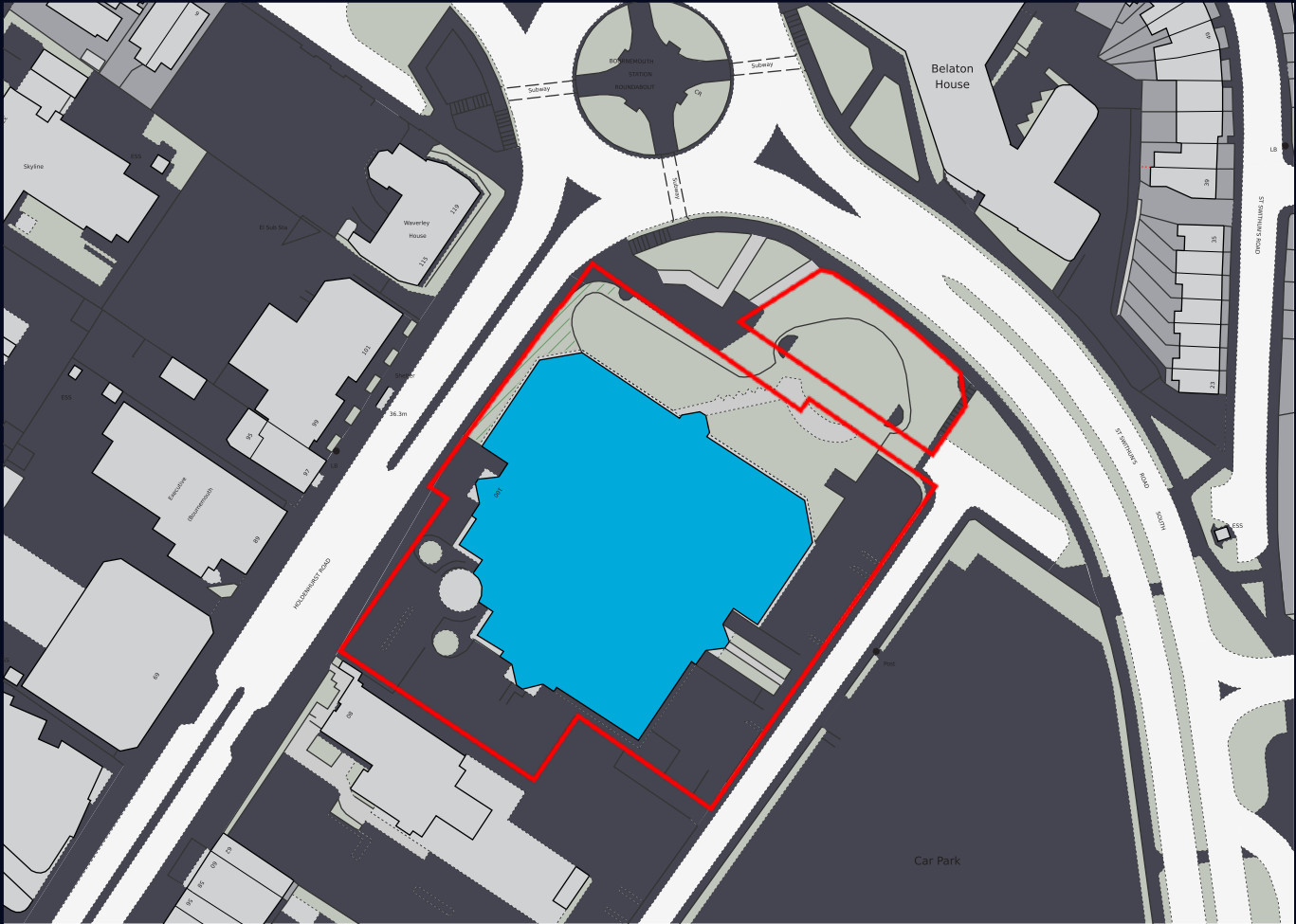
A planning feasibility report to review the planning potential of 100 Holdenhurst Road has been prepared by JLL.

Overall, there is considered to be a good prospect of securing an alternative use either through change of use or redevelopment.

These uses include the following:

- Build to Rent (BTR)
- Build to Sell (BTS)
- Student Accommodation
- Office Repositioning

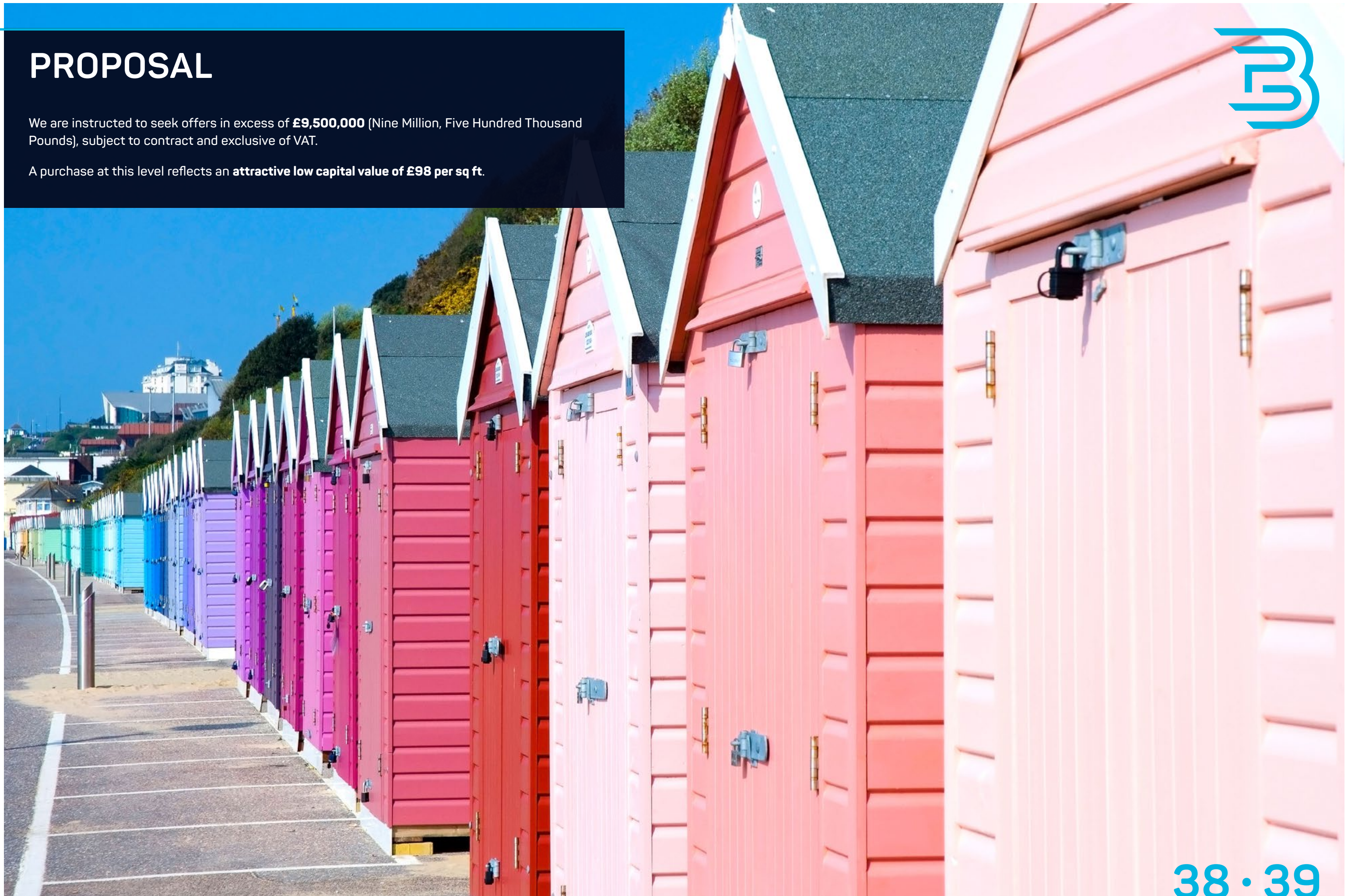
A copy of JLL's planning feasibility report is available in the data room.



PROPOSAL

We are instructed to seek offers in excess of **£9,500,000** (Nine Million, Five Hundred Thousand Pounds), subject to contract and exclusive of VAT.

A purchase at this level reflects an **attractive low capital value of £98 per sq ft.**



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