

Reading County Court

*of Interest to Occupiers, Investors
and Developers*

160-163 Friar Street, Reading, Berkshire, RG1 1HE



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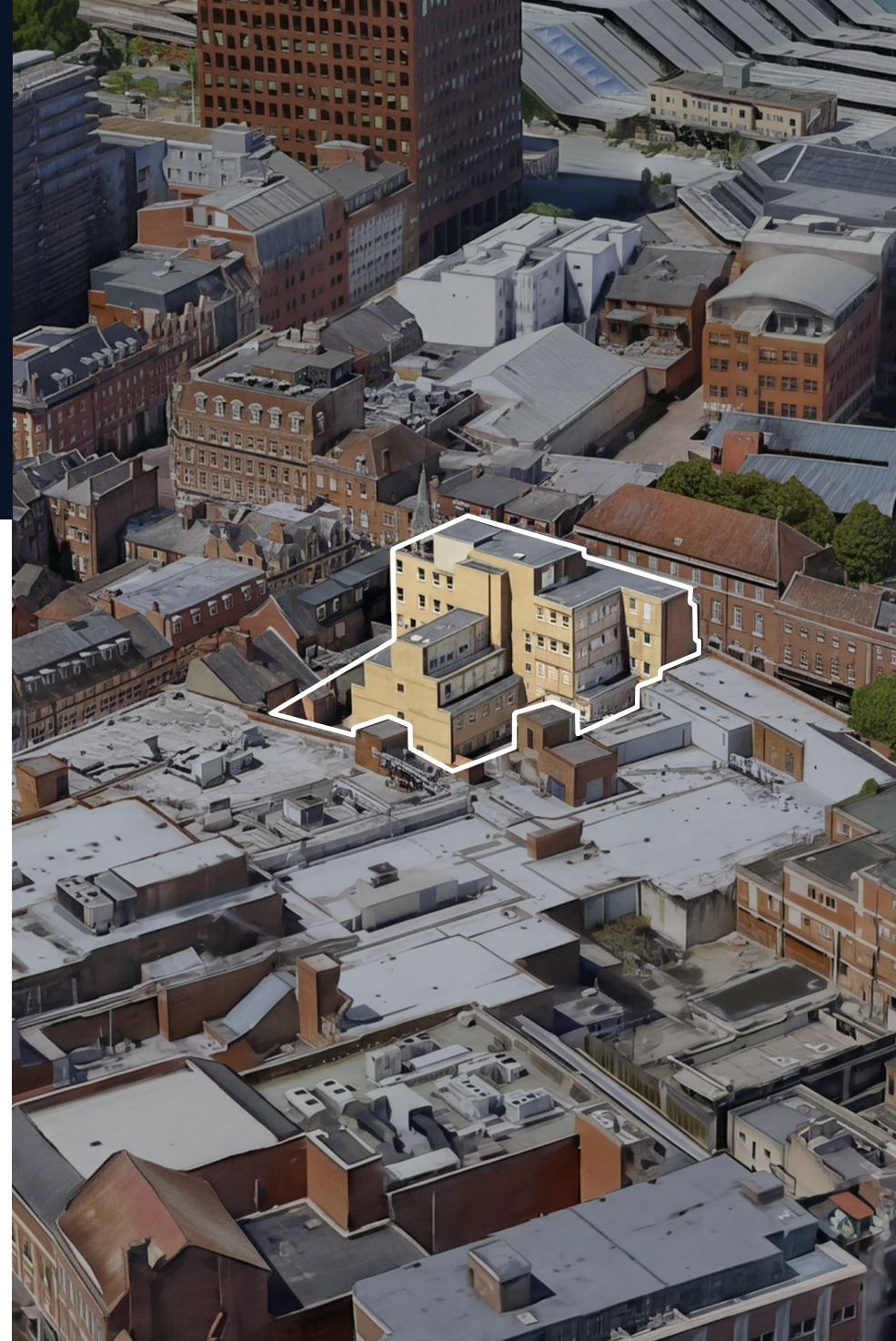
Investment Summary

- Located centrally in Reading town centre, the capital of the Thames Valley and a leading office hub with superb connectivity, providing direct services to Central London, Canary Wharf and Heathrow Airport via National Rail and the Elizabeth Line.
- Excellent road communications, being situated immediately north of the M4 motorway, providing direct access to Central London via Junction 15, Bristol, Cardiff, and the wider Thames Valley via the A4.
- Reading has established itself as a major hub for leading national and international occupiers, particularly with technology and professional services sectors such as Microsoft, Oracle, Virgin Media, Deloitte, PepsiCo, ING Bank, Prudential, Cisco Systems, SSE, Thames Water, O2, and the Secretary of State for Communities and Local Government. It is also home to a leading UK University and a renowned cultural centre.
- The property comprises Reading County Court and associated offices on ground and five floors with three ground floor retail leisure units totalling 32,594 sq ft with ancillary basement areas including 11 car parking spaces. Positioned close to the Town Hall and main retail areas, including Marks & Spencer, it is only a five minute walk from Station Hill, the prime office location, and Reading Rail Station.
- UK Government secured income on the offices agreed to 31st March 2029, and over 90% of the total income (£708,000 per annum) secured on the Secretary of State and JD Wetherspoon plc through privity of contract.
- Significant potential for alternative uses in future; having received consent for conversion to apartments in 2015, before the current Article 4 direction.
- Offers in the region of £5,000,000, subject to contract and exclusive of VAT, reflecting a net initial yield of 13.28% after allowing for standard purchaser's costs of 6.80%, and only £153 per sq ft overall.

Reading – Capital of the Thames Valley

*Reading is a major commercial and residential centre and is the principal office and administrative location in the Thames Valley, situated 40 miles west of Central London and strategically positioned at the heart of the M4 corridor. Reading Borough Council estimate **182,907** residents (67,700 households) live within the Reading borough boundary, while around 233,000 people live in Reading's greater urban area. The population increased by 11.9% between 2021 and 2011, and a further 5% by 2024, while the number of households rose by 7.6% between 2011 and 2021.*

- Arguably the most popular centre for business in the South-East outside the London conurbation, (and as a result of its excellent transport connectivity via the Elizabeth Line and Great Western Railway services to Central London, Heathrow Airport and the wider Thames Valley), Reading has attracted well-established national and international occupiers including Microsoft, Oracle, PepsiCo, ING Bank, Prudential, Cisco Systems, SSE, Thames Water, Virgin Media O2, and the Secretary of State for Communities and Local Government.
- In 2025 Reading was named by The Sunday Times as one of the top 10 towns in which to live, emphasising the connectivity, employment opportunities, over 100 parks and green spaces, and it won the accolade of “City of the year” (though it is officially the largest town in the UK) at the Thames Valley Property Awards for attracting major global tech and business investors. Reading Borough Council's Sports, Leisure and Cultural Service team have previously been awarded as winners by the Association for Public Service Excellence Service Awards, and the town is an acknowledged cultural hub, with a 900 year history, and events venues such as The Hexagon, and the Concert Hall in the Town Hall. The World recognised Reading Festival occurs at the end of August, and the town is proposing to bid for City of Culture 2029.
- As well as having leading schools and higher education colleges, Reading University, a key driver in the local economy, is ranked joint 27th in the UK, according to the Times Higher Education Rankings 2026. There are over 27,000 students and courses specialise in pure and applied sciences to languages, humanities, social sciences, business and arts.



Communications

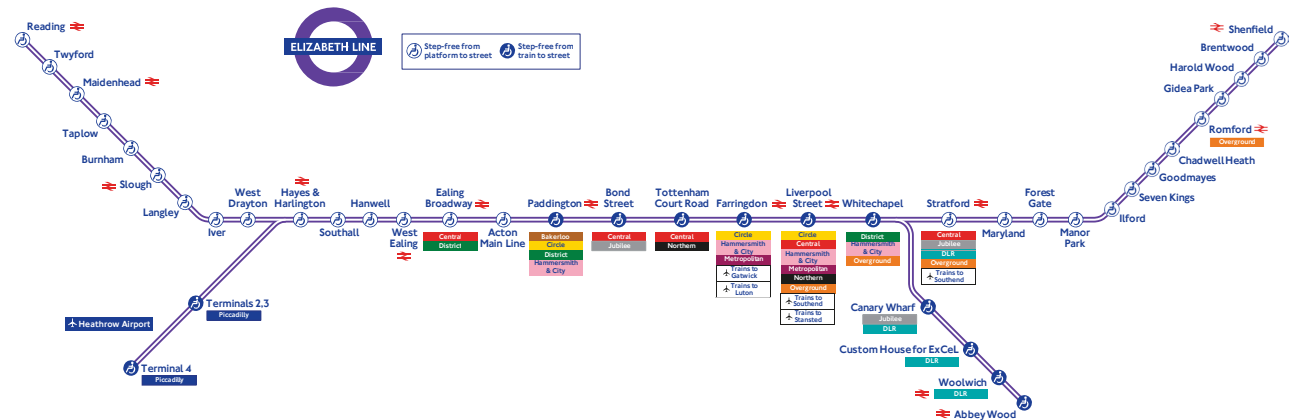
Road

Reading has excellent road communications being strategically located on the M4 motorway corridor, with Junction 10 providing direct access within 2 miles of the town centre. The M4 offers rapid connections to Central London (40 miles east), Heathrow Airport (25 miles), the wider Thames Valley, and the national motorway network via connections to the M25, M3 and M40. The A329(M) provides direct access to the M4 and wider regional destinations.



Rail

Reading has exceptional rail services with the mainline railway station located just five minutes' walk from Friar Street. Great Western Railway provides high-frequency services to London Paddington with the fastest journey time of 22 minutes. The Elizabeth Line provides frequent services from Reading to Heathrow Airport, Central London, Canary Wharf and beyond with direct connectivity to the West End, City, and major employment hubs across the capital. Reading station is one of the busiest interchange stations outside London, offering connections to many major locations including Oxford, Bristol, Birmingham, Southampton and South Wales.



Air

London Heathrow Airport, one of the world's busiest international airports, is located just 25 miles east of Reading and can be accessed by road in approximately 35 minutes via the M4. Direct Elizabeth Line services provide seamless rail connectivity from Reading to Heathrow in under 60 minutes. London Gatwick Airport lies 60 miles south-east of Reading, accessible via the M25 and M23 in approximately 75 minutes and London Luton Airport is 50 miles north-east, accessed via the M25 and M1.

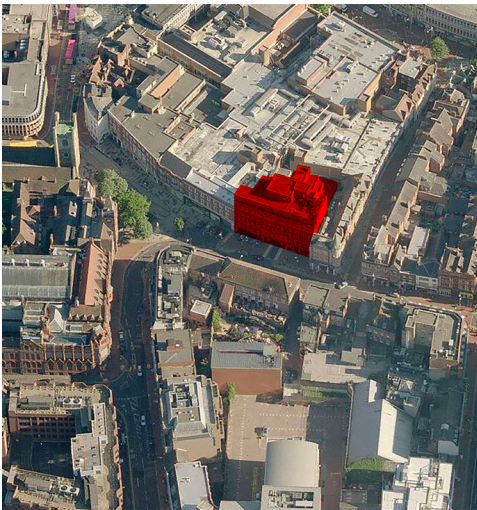
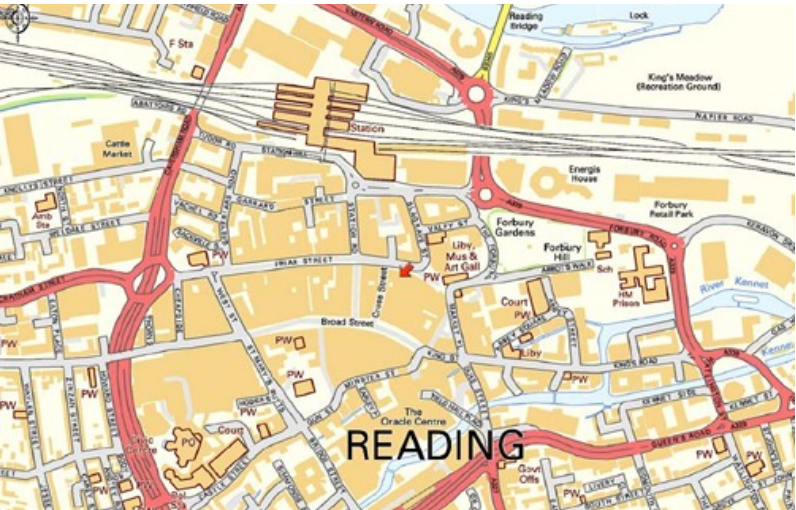


Situation

160-163 Friar Street is situated in Reading town centre, directly accessible from the main retail and commercial core. The town centre amenity offering includes The Oracle Shopping Centre, extensive shops and restaurants throughout the town centre, and numerous hotels including Premier Inn, Malmaison and Crowne Plaza.

Friar Street benefits from considerable amenity, with the property being located close to Reading Town Hall, main retail facilities and an area with extensive food and beverage provision. Nearby occupiers on Friar Street and Market Place include Marks & Spencer, Slug & Lettuce, O’Neills, Greggs, BetFred, Coral, Cancer Research UK and various independent restaurants and shops.

The surrounding area is characterised by a mix of commercial, retail and residential uses, with the prime office location in Reading including Station Hill and Thames Tower located opposite the railway station, just five minutes’ walk from Friar Street.



Description

160-163 Friar Street comprises a landmark mixed-use building with retail/leisure uses on ground floor and a basement car park, with a ground floor entrance leading to five upper office floors. Construction is of frame with brick elevations incorporating attractive sash windows and Portland stone detailing.

The property benefits from 11 on-site basement car parking spaces, providing a car parking ratio of 1:2,049 sq. ft, exclusively for the use of the office accommodation. accessed via a ramp off Friar Street.

Internally the office areas, which are used as Reading County Court, have a mixture of areas for public access and more conventional office space. They are served by two passenger lifts and two stairwells, with specification including suspended grid ceilings with mineral tiles and integral Category II lighting. Heating is by a mix of a LPHW radiator system with air conditioning cassettes installed in some areas, particularly those with public access. Floors are laid with carpet tiles and there is secondary glazing to some areas. Male and Female WC facilities are located off the stairwells on alternate floors.

The Eat2Go retail unit is in the process of being fitted out, with the newsagent (Neet) fitted out as a small convenience store, and the Monks Retreat Public House comprises a fully fitted public House with a wide frontage and ample dining and table areas.

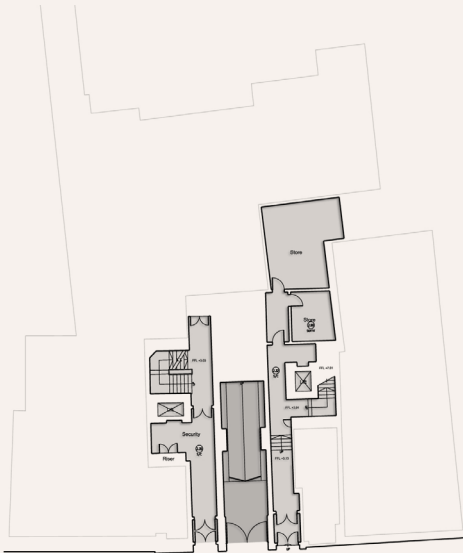
Accommodation

Accommodation	Description	Sq M	Sq Ft
Offices- Reading County Court			
Fifth Floor	Offices	279.17	3,005
Fourth Floor	Offices	303.49	3,267
Third Floor	Offices	463.39	4,988
Second Floor	Offices	461.3	4,965
First Floor	Offices	485.85	5,230
Ground Floor	Reception	32.27	611
Ground Floor	Storage	68.60	474
Subtotal		2,094.07	22,540
160 Friar Street – Eat2Go			
Ground Floor	Retail	156.48	1,684
Lower Ground Floor	Storage	156.49	1,684
Subtotal		312.97	3,368
161 Friar Street – Neet			
Ground Floor	Retail	22.01	237
Subtotal		22.01	237
163 Friar Street – Monks Retreat			
Ground Floor	Public House	440.24	4,739
Lower Ground Floor	Public House	158.90	1,710
Subtotal		599.14	6,449
Grand Total		3,028.19	32,594

Source: John Hargreaves Building and Project Consulting Floorplans dated September 2015

Floor Plan

Existing office floorplans as follows:



Existing Ground floor



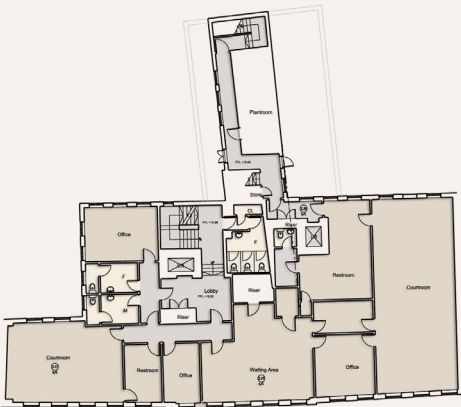
Existing First floor



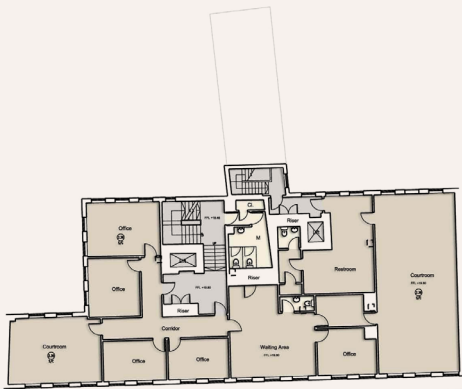
Existing Second floor



Existing Third floor



Existing Fourth floor



Existing Fifth floor

Reading County Court

EPC

EPC Ratings are as follows:

160 Friar Street (Eat2Go) – C (67) Exp 27/01/2036

161 Friar Street (Neet) – B (46) Exp 17/10/2034

163 Friar Street (Monks Retreat)– C (60) Exp 17/09/2034

Reading County Court – E (93) Exp 28/02/2034

Tenure

Freehold.



Tenancies

The property is multi-let to four tenants generating a total income of £692,000 per annum as follows:

Address	Use		Tenant	Lease	Rent £ pa (£ psf)	Comments
Reading County Court	Offices	Ground-Fifth Floors Basement car park	Secretary of State	From 1st April 2025 to 31st March 2028, with reversionary lease agreed and in legals to 31st March 2029. Effective FRI Terms.	£515,000 (£15.80)	Includes 11 car spaces in the basement. No further rent reviews.
160 Friar Street	Retail/Restaurant/Leisure	Ground and Lower Ground	Eat2Go Ltd	15 years from 27th August 2026. Effective FRI Terms	£45,000 (£13.36)	Peri-Peri restaurant. Five yearly rent reviews to open market rental value, with the first 27 February 2032.
161 Friar Street	Retail	Ground	Neet Ltd	New five year lease agreed and in legals. Effective FRI terms.	£12,000 (£50.63)	Rolling break on 3 months notice. Open market rent review on the third anniversary of lease grant. The lease is outside the renewal provisions of the 1954 Act. The tenant is to provide a £6,000 rent deposit.
163 Friar Street (The Monks Retreat)		Ground and Lower Ground	Stonegate Pub Company Ltd	35 years from 29 September 1993 expiring 28th September 2028. Potential for reversionary lease. Effective FRI terms	£136,000 (£21.09)	JD Wetherspoon PLC liable under privity of contract until September 2028. Tenant has requested reversionary lease to 28th September 2036.
Total					£708,000	

Tenant Covenant Status

Over 90% of the current income is secured on the undoubted covenants of the Secretary of State and JD Wetherspoon plc through privity of contract.

Stonegate Pub Company Ltd recorded a turnover of £1,619,000,000 in their 2025 accounts and Shareholder’s Funds of £774,000,000. They are in the process of restructuring corporate debts and hence the proposed assignment/regear. The current lease benefits from Privity of Contract to the former tenant, JD Wetherspoon plc, who in their 2025 accounts recorded a Turnover of £2,127,524,000. Pretax Profit of £89,342,000 and Shareholder’s Funds of £361,996,000.

Service Charge

The service charge budget for the year to 31st December 2026 is £20,876.

The Market

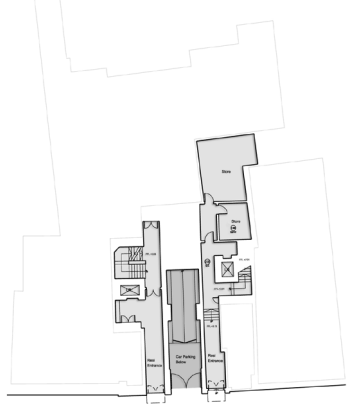
Reading comprises the major Thames Valley office centre and has a peerless list of major occupiers. Strong occupier demand has driven rental growth, with best rents now circa £60 psf within the Station Hill development.

In recent years a considerable proportion of secondary office stock has been lost to residential or alternative uses, and with the universal return of workers from hybrid working to the office, the combination of reduced availability, coupled with the latent demand has seen a number of investors achieve significant returns from refitting and refurbishing offices. With reduced amounts of second hand economic accommodation due to alternative uses, rental growth can be anticipated in the medium term.

Property	Sale Date	Price	Area (sq. ft)	£ per sq. ft	Lease Details
Eaton Court	June 2025	£4,500,000	38,136	£118	Vacant possession
40 Caversham Road	March 2025	£3,400,000	21,935	£155	0.6 years unexpired
Abbey Wharf	March 2025	£6,800,000	59,130	£115	2 years unexpired

Alternative Use Potential

In April 2016, planning approval was granted for a change of use of the upper parts of the property from Class B1(a) offices to C3 residential dwellings comprising 15 x 1-bed flats and 13 x 2-bed flats, though the consent has now expired. Proposed floorplans are set out below:



Proposed Ground floor



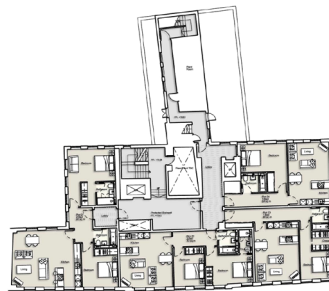
Proposed First floor



Proposed Second floor



Proposed Third floor



Proposed Fourth floor



Proposed Fifth floor

Since 2016, an Article 4 Direction has been applied to the locality restraining conversions, With the office lease extending to 2029, a developer has time to create a case for planning, anticipate policy relaxation, or hope for the secondary office market to return over the next few years.

Rateable Value

Current Rateable Values are as follows:

- Offices 160-163 Friar Street (Reading County Court) - £315,000
- 160 Friar Street (Eat2Go) - £58,500
- 161 Friar Street (Neet) - £13,250
- 163 Friar Street (Monks Retreat) - £106,000

Proposal

We are instructed to seek offers in excess of £5,000,000 subject to contract and exclusive of VAT, for our client's freehold interest, reflecting a net initial yield of 13.28% allowing for normal purchase costs.

A purchase at this level reflects an attractive capital value of only £153 per sq. ft overall, including the retail and leisure uses.

The property offers an excellent return, with 90% of income secured on the Secretary of State and JD Wetherspoon. In the medium term the building offers considerable potential for refurbishment or alternative use in the core of the town centre, administrative and restaurant/leisure area.

Cost Contribution

Our clients will require a purchaser to make a £10,000 + VAT contribution to their sale costs, and interested parties will need to take this into account when calculating offers.

To arrange a viewing, or to obtain access to the data room, please contact:

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*Subject to Contract
Exclusive of Vat*

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