

VOYAGER PLACE
MAIDENHEAD

PRIME THAMES VALLEY
OFFICE INVESTMENT



INVESTMENT SUMMARY

- Rare opportunity to acquire a Prime South-East Headquarters office building
- Freehold
- Exceptional access to Central London and Heathrow Airport
- Maidenhead is a key performer in the Thames Valley office market with superior infrastructure with the arrival of CrossRail in 2019
- Voyager Place provides 55,577 sq ft of Grade A office accommodation
- Comprehensive refurbishment achieving EPC A, including new plant, M&E and all new high quality finishes throughout
- Excellent car parking provision at 1:202 sq ft
- Let on a Full Repairing and Insuring lease to FM Insurance Company Ltd for a term of 10 years from 23 March 2018
- Total passing rent of £1,742,400 per annum equating to £32.00 per sq ft, providing excellent potential for growth

PROPOSAL

Offers are invited in excess of **£28,500,000 (Twenty Eight Million Five Hundred Thousand pounds)** for the freehold interest, subject to contract and exclusive of VAT. A purchase at this price reflects a net initial yield of **5.73%**, allowing for purchasers costs of **6.76%**.

LOCATION

Maidenhead is one of the Thames Valley's principal commercial centres. It benefits from exceptional road and rail connectivity and a highly skilled workforce. It is strategically located approximately 30 miles west of Central London and 16 miles west of Heathrow International Airport. Maidenhead has established

itself as a core South East office market, and has attracted a number of 'blue chip' international occupiers. Maidenhead is set to benefit from substantial infrastructure investment; most notably the opening of Crossrail 2019, poised to improve the connectivity of the town significantly.

DIRECT ACCESS TO THE MOTORWAYS

Adjacent to the junction of the A404 (M), Voyager Place has an unrivalled connection to the M4.

SAT NAV: SL6 2PJ



MULTIPLE INTERNATIONAL BLUECHIP COMPANIES ARE BASED IN AND AROUND MAIDENHEAD



SITUATION

Voyager Place is located on its own three acre island site on Shoppenhangers Road. It is one of the closest office buildings to the M4, with an approximate journey time of only 5 minutes. The town centre is approximately 1.5 miles away. Nearby

occupiers include GSK, Volvo, Maersk, Adobe and Seiko. Voyager Place is also a short distance from the Nicholson Centre with over 60 stores, and the internationally recognised restaurants in Bray, offering an excellent level of amenity.



REGENERATION

MAIDENHEAD TRAIN STATION

Funding for a £6.75 million Growth deal has been secured by The Royal Borough of Windsor and Maidenhead provisionally from the Thames Valley Berkshire Local Enterprise Partnership for a major transport improvement scheme. This is to be focused on Maidenhead train station in preparation for the arrival of Crossrail in 2019.

WATERSIDE PLAZA

Development has begun on the final phase of the Chapel Arches scheme in Maidenhead Town Centre, known as Waterside Plaza. It will comprise 188 new homes, shops and restaurants when it is completed in 2020/21.

THE LANDING

The landing is set to deliver a new mixed-use quarter in the middle of Maidenhead town centre. The new proposals for the scheme will include six buildings with 56,300 sq ft of offices, 36,600 sq ft of retail & leisure and 519 new homes.

THE FAT DUCK, THE HINDS HEAD AND THE WATERSIDE INN ARE JUST 6 MINUTES DRIVE AWAY IN BRAY

JUST 5 MINUTES DRIVE AWAY, THE NICHOLSONS CENTRE OFFERS A SELECTION OF OVER 60 STORES

ALSO JUST 5 MINUTES AWAY, IS THE ODEON 8-SCREEN MULTIPLEX CINEMA



DEMOGRAPHICS

Maidenhead is characterised by a highly affluent catchment area and a highly skilled workforce. Within a 10 minute drive time of the subject property, 45% of the population are classified as affluent achievers, representing the most financially successful people in the UK, nearly twice that of the UK average (CACI, 2017).

Maidenhead also has a disproportionately high level of individuals falling within the 'Rising Prosperity' category; at almost 40% above the national average (CACI, 2017).

This group is largely comprised of young professionals and educated individuals with strong career prospects.

This is symptomatic of the highly skilled workforce in Maidenhead, with 69% of the working population employed in managerial or professional roles. The calibre of its human capital as well as its excellent connectivity to London has enabled Maidenhead to become a principal location in the South East.

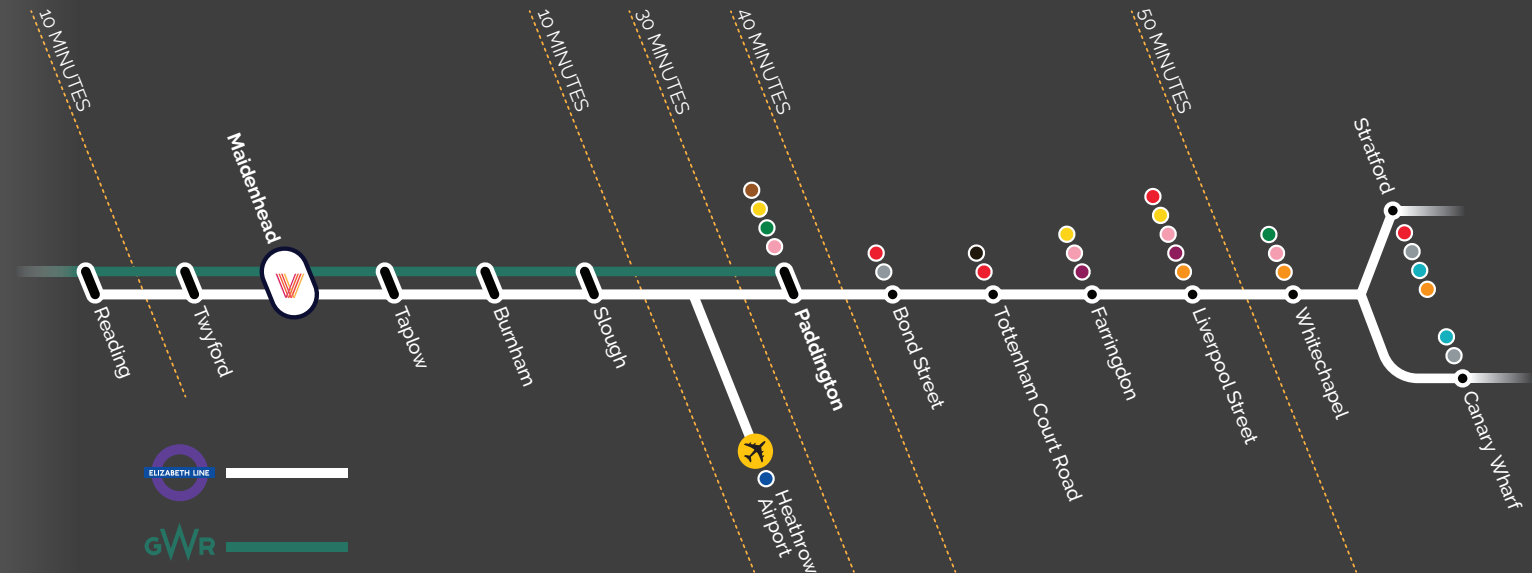
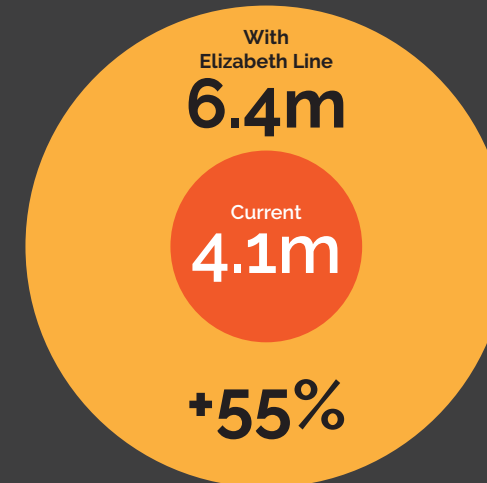
COMMUNICATIONS



CROSSRAIL

The Elizabeth Line/Crossrail

The Elizabeth Line, which is set to open in 2019, includes Maidenhead as a major station, resulting in passengers being able to travel directly into London without having to change at Paddington. These trains into London will number six every hour, taking only 39 minutes to Bond Street.



ROAD

M4, A404(M) and M40

Maidenhead is excellently situated to a number of key motorways. The A404 links the M4 (Junction 9A to the M40), enabling easy access to Central London and Heathrow Airport.



RAIL

GWR Mainline

Maidenhead Railway Station runs regular services to London Paddington and Reading, with the former taking 23 minutes and the latter taking 15 minutes. There is a proposed Western Rail Access to Heathrow (WRATH) that when running will provide a fastest journey time of 14 minutes.



AIR

Heathrow Airport

Whilst Gatwick, Luton, Southampton and Birmingham International Airports are all accessible from Maidenhead, Heathrow International Airport is only 16 miles to the east and services 85 destinations worldwide.

A FIRST CLASS UPGRADE IN EXCESS OF £7 MILLION



DESCRIPTION

The property has recently undergone an extensive refurbishment equating to a total cost in excess of £7 million, bringing the property to Grade A standard. The specification now includes:

- A new VRF air conditioning system
- 2x13 person passenger lifts
- New full access raised floor (150mm void)
- New suspended ceiling system with metal pan tiles (floor to ceiling height 2,700mm)
- Flat panel LED lighting
- Refurbished WC's and shower facilities to achieve 1:9 sq m occupancy ratio
- Refurbished and enhanced reception, entrance and approach to building
- Refurbished external terraces on third floor
- New glazing to ground floor
- EPC A
- Six electric car park charging points
- Enhanced external landscaping
- Covered parking for 60 bikes
- 275 car parking spaces with a ratio of 1:202 sq ft

FULL REFURBISHMENT WARRANTY PACKAGE

The purchaser will benefit from assignment of the following:

PRINCIPAL WARRANTIES

Architect – Cove Burgess Architecture

Building Contract - Vernier Ltd

EA/PM/QS/PD – Malcolm Hollis

Structural Engineer – Clancy Consulting

M&E and Lift Engineer – Malcolm Hollis

SUB-CONTRACTOR WARRANTIES:

Curtain wall systems/glazing – Enhanced Glazing Systems Ltd

Electrical services – M Nash and Son Ltd

HVAC Services – Green Gate Mechanical Services Ltd

Hard and soft landscaping – Verde Landscapes Ltd

Lifts – DAB Lift and Electrical Services Ltd

Occupancy

- Cooling heating: 1 person/gm²
- Lifts: 2no. 13 person lift in reception servicing ground, first, second & third floors
- Means of escape: 1 person/6m²
- Sanitary provisions: 1 person/6m² (60% male/female split)
- Divisibility: 2 tenancies per floor

Mechanical Installation

- Daikin VRF simultaneous heating and cooling
- Recessed air curtain and fan coil units to reception
- Core areas served by LTHW heating and electric panel heaters
- Mechanical supply and extract ventilation incorporating heat recovery to the office floors and passive supply air to the WCs
- New boiler plant to temper fresh air to office floors
- New WC extract to all WC and showers

Security

- New access control and intercom from new entrance barriers
- Infrastructure for future CCTV installation
- New access barriers / rising bollards with intercom

Key Dimensions

- Structural grid: 7,200mm
- Planning grid: 1,200mm
- Raised floor void: 150mm
300mm on ground floor
- Ceiling void: 950mm
- Floor to ceiling: 2,700mm (all office floors)
- Floor to ceiling: 3,100mm (reception)

Electrical Installations Installation

- Refurbished LV panels and busbar
- New distribution boards to each half floor
- Dedicated distribution boards to serve plant and ancillary areas
- New lighting throughout the office floor plates, common parts and external areas
- New addressable L2 fire alarm throughout

Energy Efficient Measures

- Heat recovery to AHU and VRF systems
- New thermally efficient glazing for new curtain walling installations
- Part L compliant sub-metering
- Electric car charging points
- LED lighting throughout with new lighting controls
- Integrated consumption metering system linked to a new building management system

Vertical Transport

- Lift modernisation works to provide a further life of 15-20 years
- New bespoke lift car interior featuring porcelain tiles

Car Parking

- 275 car parking spaces including 6 new electronic car charging points
- Covered bicycle parking for 60 bikes

EXTERNAL AREAS

Elevations

- New entrance canopy, two storey height curtain walling and revolving entrance doors with automated pass doors
- Full height curtain walling installed to the rear corners of the ground and first floors

Atrium Roof

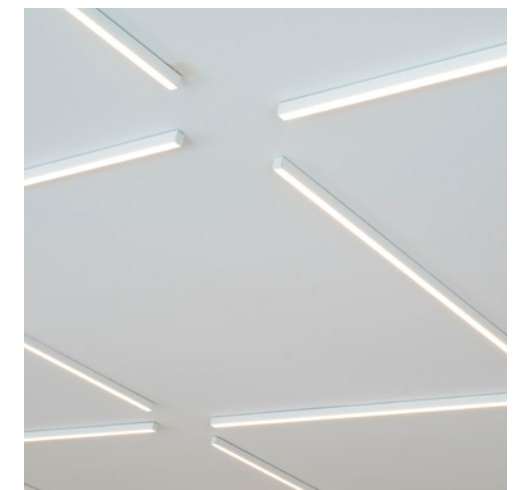
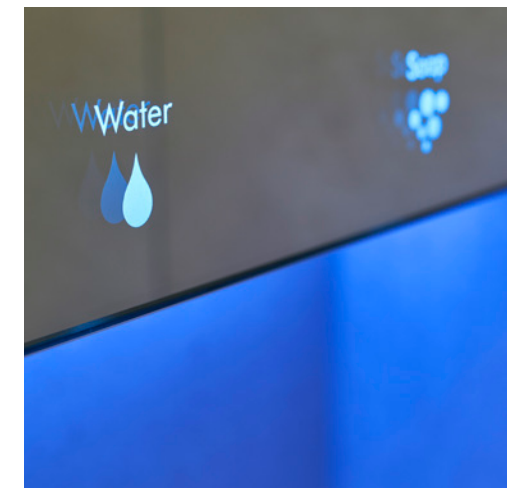
- Factory finished aluminium framed double glazed pitched atrium roof light cleaned throughout

Lighting

- New LED lighting heads installed to existing lighting poles

Roof and Roof Terrace

- Man made slate tiles replaced where required
- PVCu cladding to parapet
- Paving and ballast cleaned
- Handrail re-decorated to match external mullions
- New planting, lighting and furniture





A BUILDING WITH A MODERN SPECIFICATION

Entrance Approach

- New stepped entrance approach
- Marshalls granite pavers, tactile paving, curbs and steps

Landscaping

- Feature planting to main entrance
- Overhaul of mature planting
- Consistent hedge lines and localised planting where required
- Localised repairs to macadam finishes
- Re-lining of thermoplastic linings
- Removal of defective trees to facilitate additional car parking spaces
- Repairs to fencing

INTERNAL FINISHES

RECEPTION ACCOMMODATION

Floor

- Domus limestone natural porcelain floor tiles (900 x 900mm)
- Diplomat entrance matting

Entrance Doors

- New revolving and automated side entrance doors

Staircase

- Existing concrete staircase to front and rear cores – reconfigured to ground floor front core to comply with building regulations
- New carpets and handrails

Lighting

- 'Femtoline' surface mounted strip lights
- Ceiling suspended pendants above reception desk

OFFICE ACCOMMODATION

Ceilings

- 600 x 600mm SAS 130 perforated metal suspended system
- White painted plasterboard perimeter margins with linear slot diffusers

Floors

- 600 x 600mm Kingspan RMG600 raised access floor

Lighting

- Omega recessed flat panel LED fittings

CENTRAL ATRIUM / BRIDGE DECKS / BUSINESS LOUNGE

Services

- Wall surface LED uplighters (ground floor only)
- New capped services to enable future tea point fit out

Floors

- 600 x 600mm Kingspan RMG 600 raised access floor with feature carpet to business lounge
- Domus limestone natural porcelain floor tiles to bridge decks

WC ACCOMMODATION

Cubicles

- Full height bespoke cubicle division with walnut laminated finish and white laminated IPS panels
- Duravit WC pans and urinals (Armitage Shanks Doc M pack to accessible WCs)

Lighting

- Delta Light surface mounted strip lights to front core toilets
- Ceiling recessed LED spotlights to rear core toilets
- Feature light to Dolphin vanity unit

Floors

- Dormus limestone natural floor tiles (600 x 300mm)

SHOWER ACCOMMODATION

Floors

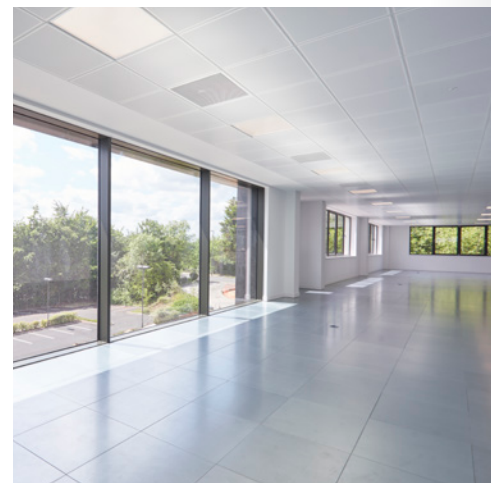
- Dormus limestone natural floor tiles

Lighting

- Ceiling recessed LED spotlights

Shower Cubicle

- Ideal standard shower kit (Armitage Shanks Doc M pack to accessible shower)
- Full height glass shower enclosure



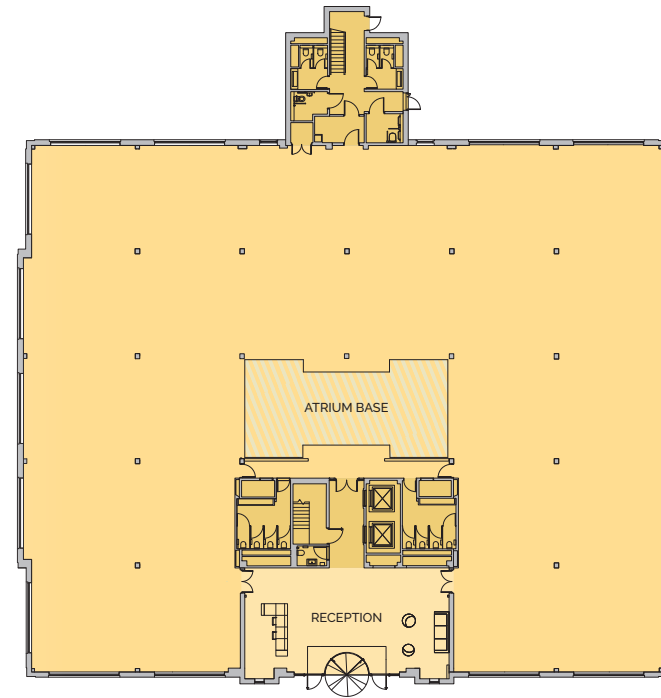
ACCOMMODATION

The property has been measured in accordance with the RICS Measuring Standards (3rd Edition), and we consider the IPMS3 and Net Internal Areas to be:

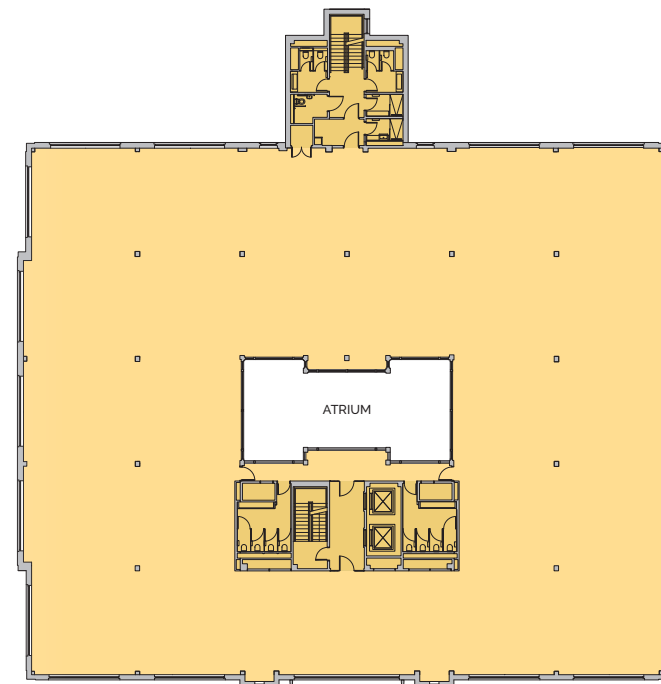
FLOOR	IPMS3 SQ FT	SQ M	NIA SQ FT	SQ M
Third	15,200	1,421.1	9,695	900.7
Second	15,455	1,435.8	14,907	1,384.9
First	15,429	1,433.4	14,941	1,388.1
Ground				
- Office	14,023	1,302.8	13,780	1,280.3
- Atrium Base	1,099	102.1	1,092	101.4
- Reception	1,215	112.9	1,162	108.0
Ground Subtotal	16,337	1,517.8	16,034	1,489.7
TOTAL	62,421	5,799.1	55,577	5,163.4

A measured Survey is available upon request. reliance upon which is available to the purchaser

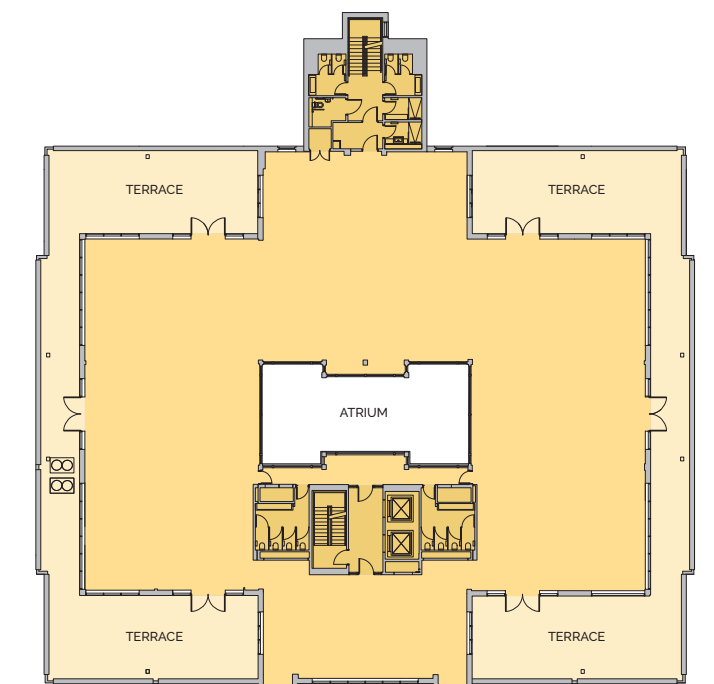
There is a prescribed office area in the lease of 53,323 sq ft plus reference to the reception (1,162 sq ft) and atrium (1,092 sq ft) area for the purposes of review.



GROUND



FIRST & SECOND



THIRD



Not to scale. Indicative plans only.

TENURE

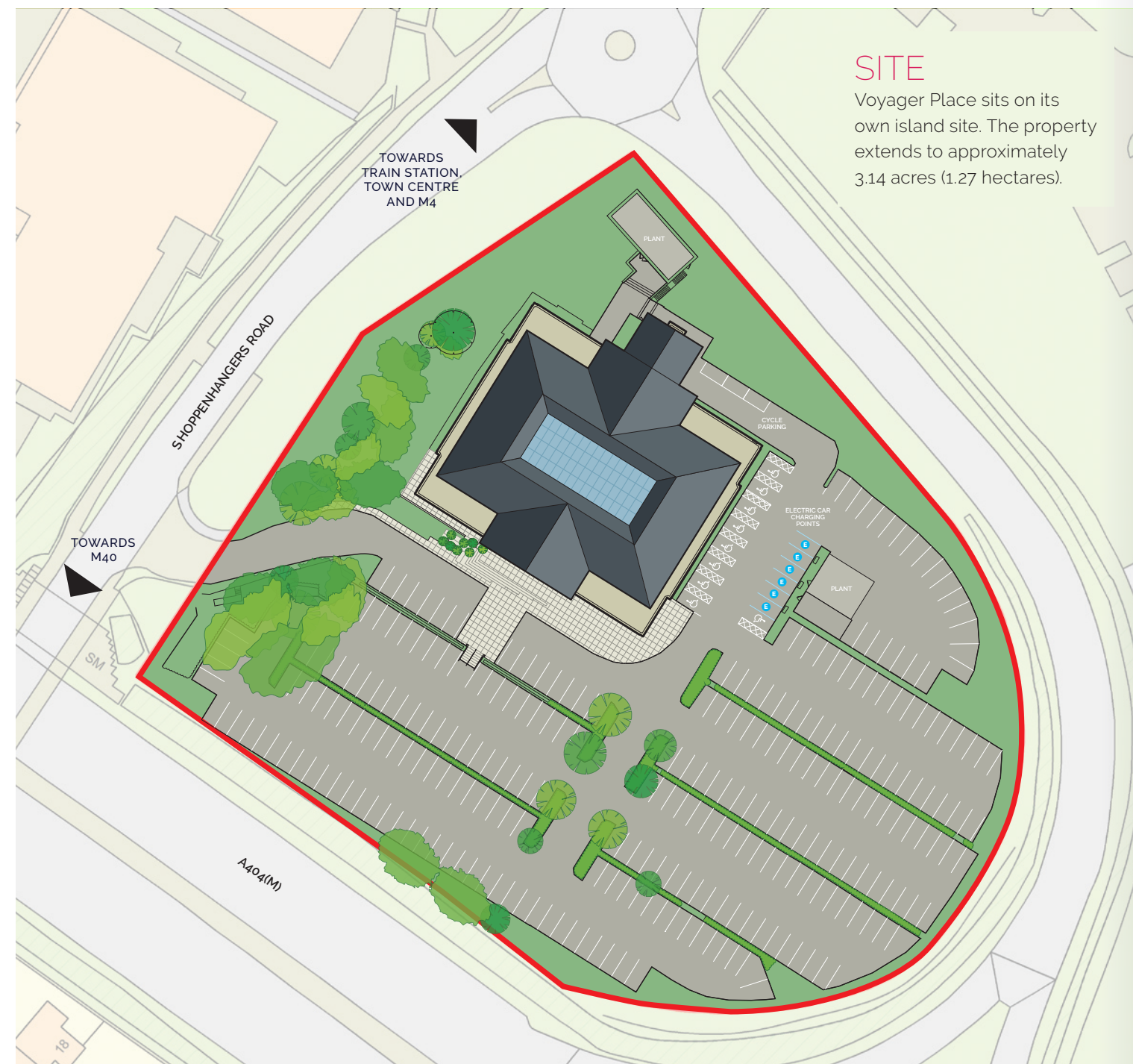
The property is held freehold.

TENANCY

The property is let in its entirety on an FRI lease to FM Insurance Company Ltd for a term of 10 years from and including 23 March 2018 to and including 24 March 2028.

Tenant	Area (sq ft)	Lease Start	Lease End	Rent Review	Rent (psf)	Rent (pa)
FM Insurance Company Ltd	56,750	23/03/2018	24/03/2028	25/03/2023	£32.00	£1,742,400

The tenant is currently undertaking extensive fit-out works which is documented under licence. The purchaser will inherit the monitoring of these works (being undertaken by Malcolm Hollis), the cost of which is fully recoverable from the tenant. Further information is available in the data room.



COVENANT

FM Insurance Company Ltd (FM Global Ltd) is a property insurance company used by more than a third of Fortune 1000 companies. The group's principal activities are underwriting of property insurance risks and the provision of relating engineering and loss prevention services to large and medium size clients.

FM Insurance Company Ltd was founded in 1963 and operates as a Subsidiary of Factory Mutual Insurance Company, which provides commercial property insurance services Worldwide. The company was founded in 1835 and is Headquartered in Johnston, Rhode Island, USA.

The most recent accounts information for FM Insurance Company Ltd shows the following::



D&B RATING 5A1

FM Insurance Company Ltd (00755780)	31 Dec 2017 (£000)	31 Dec 2016 (£000)	31 Dec 2015 (£000)
Sales Turnover	680,488	606,158	126,829
Profit before taxes	43,317	118,129	-6,138
Shareholder's Funds	626,255	582,405	515,381

(Source: D&B Report)



MAIDENHEAD OFFICE MARKET

TAKE UP & DEMAND

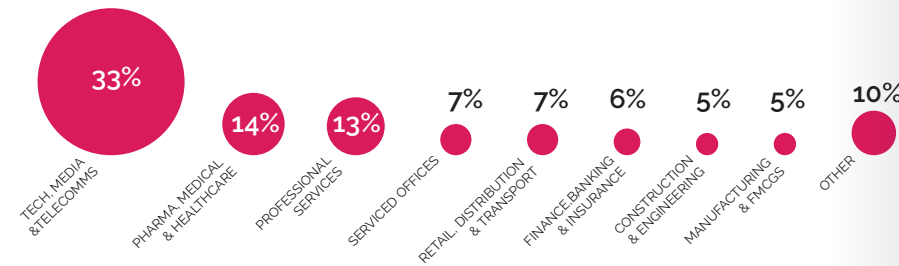
Take-up in Maidenhead in the past year has been dominated by Grade A space, accounting for almost 80% of the Market. This has been driven by a number of key sectors, particularly professional services, pharmaceuticals and TMT.

MAIDENHEAD, MARLOW, WYCOMBE AND WINDSOR



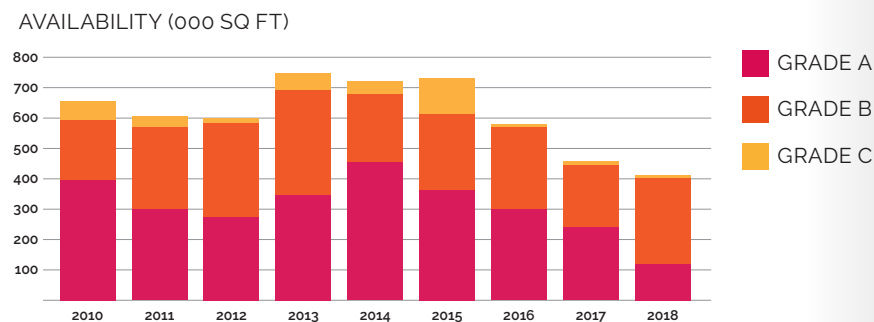
This is symptomatic of wider occupier trends region wide, with TMT, pharmaceuticals and professional services being the sectors with the most take-up across the Thames Valley. Long term average take-up is 14,000 per annum.

THAMES VALLEY TAKE-UP BY SECTOR (2017 AND Q1 2018) %



SUPPLY

There is an acute lack of supply in Maidenhead, that has been steadily falling since 2015. Supply has fallen due to a combination of healthy take-up and Permitted Development Schemes transforming office accommodation to residential schemes. There is currently only 119,000 sq ft of Grade A availability remaining, of which 27,000 sq ft is Under Offer.



RENTS

Prime rents in Maidenhead have seen significant uplift in recent years; reaching £39.50 per sq ft as of Q1 2018. This represents an average annual rate of increase of just under 6% since 2010. Part of the increase is associated with anticipated impacts of the Elizabeth Line, which led to rents rising from £30.00 per sq ft in 2014 to £35.00 per sq ft in 2015.



KEY OCCUPATIONAL HIGHLIGHTS

Date	Property	Tenant	Area (sq ft)	Headline rent (per sq ft)	Term Certain (years)
Feb-18	TOR	Lane 4 Management Group Ltd	20,296	£30.06	10
Dec-17	Voyager House	FM Global Ltd	56,747	£32.00	10
Sep-17	TOR	Vertiv Infrastructures Ltd	7,163	£34.90	5
Aug-17	The Pearce Building	Code42 Software Inc	3,550	£39.00	5
Apr-17	The Pearce Building	Ocean Partners	3,670	£37.75	5
Mar-17	The Pearce Building	Squared Up	7,341	£38.00	5
Feb-17	TOR	Rank Leisure Centre	39,050	£33.03	10
Dec-16	The Point	Marsk Line	8,200	£36.50	9

SOUTH EAST OFFICE INVESTMENT MARKET

Relative to trend, South East offices is among the most actively traded sectors in the UK property market. Some £5.4bn of assets have changed hands over the last 12 months, up 46% on the previous year and 77% above the annual average.

In addition to strong levels of activity, the sheer breadth of demand for South East offices has never been greater than it is currently. While 2015 represents the high watermark for volume, the number of unique buyers of South East offices climbed to a new record of 192 in 2017, 17% above 2015's level.

Investors in the Thames Valley region are clearly convinced by the transformative potential of the Elizabeth Line, which will be fully operational by the end of 2019. Institutional and overseas buyers have invested heavily in Reading, Maidenhead and Slough over the past few years, all of which will benefit from direct links with the new rail line.

Prime yields in the South East have remained broadly stable for several years, standing at circa 5.00% for prime, well-let stock. The market continues to offer relative value, set against the likes

of an increasingly resurgent market for core regional offices on the one hand, and a very expensive market for South East Industrials on the other.

With prime stock in extremely short supply, the depth and breadth of demand currently in the market means a degree of additional yield compression cannot be entirely ruled out. Similarly, pricing will remain keen and potentially increase for 'near-prime' product in markets where void risk is relatively low, such as Maidenhead.

COMPARABLES

Date	Address	Tenant	Term Certain (years)	Price	Net Initial Yield
Aug-18	Quadrangle, Redhill	AXA	9.25	£21m	5.46%
Aug-18	Pinnacle House, Wimbledon	EPIC (Middle Eastern)	14.1	£40.19m	5.50%
Jul-18	Building One, Abingdon Business Park	Gigaclear PLC	10	£9.6m	5.79%
Jul-18	Volvo HQ, Maidenhead	Volvo UK	9.3	£12m	5.33%
Jun-18	Volkswagen HQ, Milton Keynes	Volkswagen	16.6	£50.15m	4.83%
Jun-18	Axis One, Langley	Travelport Worldwide Ltd	9.1	£19.33m	5.65%
Apr-18	132 Queens Road, Peckham	Southwark Council	13.5	£16m	4.06%
Feb-18	Riverside House, Windsor	Multi let	4	£15.84	5.37%
Nov-17	Centrica, Oxford	Centrica	9.7	£35.03	4.90%
Oct-17	Cobham Centre, Marlow	Chelton Ltd	19	£31m	5.11%



PROPOSAL

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EPC

The property has a rating of A24, representing an excellent level of energy efficiency. This score sits in the top band possible for office buildings of this nature.

VAT

The property is elected for VAT. It is intended that the sale will be treated by way of a Transfer of a Going Concern (TOGC).

**Lambert
Smith
Hampton**

For further information or to arrange access to the data room or the premises, please contact the sole agents:

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INVESTMENT RATIONALE

- Opportunity to invest in a key South East office Market, with Maidenhead forecast for superior growth due to infrastructure improvements and town centre regeneration
- Rare Freehold island site, benefiting from excellent property fundamentals including amenities such as exceptional car parking ratio, bicycle & shower facilities & communal spaces
- No forecast cap-ex requirements, following recent comprehensive refurbishment of £7 million to include all new M&E & finishes throughout
- Excellent security of income let for 10 years from March 2018 to a 5A1 Covenant
- Significant on-going investment in the property by the tenant
- Excellent potential for future rental growth and capital performance
- Exclusive / Comprehensive set of purchaser documents including:
 - Reliance Upon Measured Survey
 - Benefit of full Warranties & Guarantees of work undertaken
 - Institutional & modern FR&I lease



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