

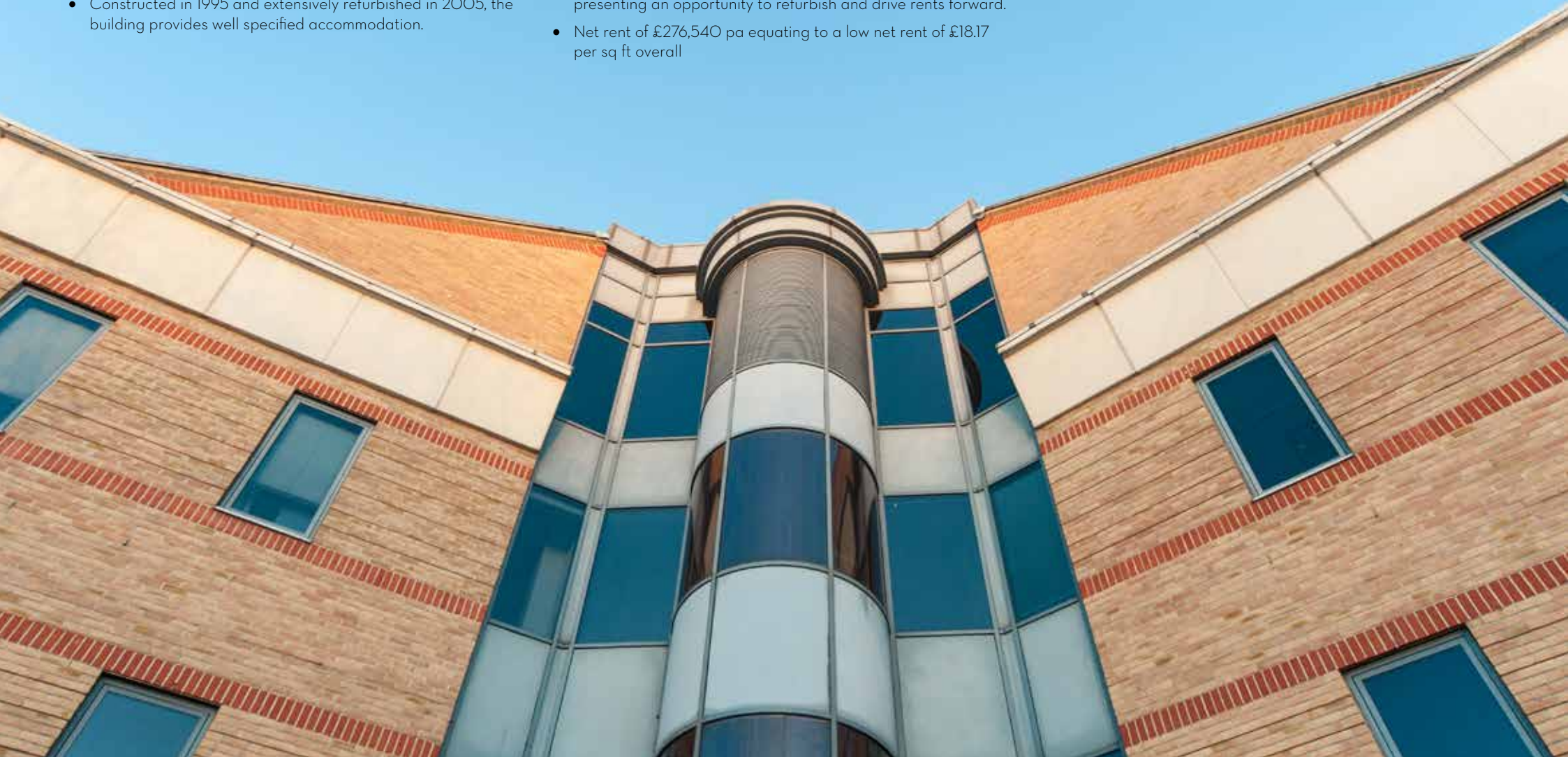
II

THE BRACCANS

*LONDON ROAD, BRACKNELL*  
*RG12 2XH*

## INVESTMENT SUMMARY

- Bracknell has seen a significant improvement in the occupational markets, which will be further helped by Bracknell Regeneration Partnership transforming the town centre retail offer
- 15,784 sq ft of office accommodation over ground and 2 upper floors
- Constructed in 1995 and extensively refurbished in 2005, the building provides well specified accommodation.
- The building is arranged in 2 wings allowing flexibility of occupation from an entire wing or floor, to small suites in each wing.
- Excellent car parking ratio with 68 car park spaces providing an excellent ratio of 1:232 sq ft
- Multi let to 12 tenants with an AWULT of 2.06 years to expiry presenting an opportunity to refurbish and drive rents forward.
- Net rent of £276,540 pa equating to a low net rent of £18.17 per sq ft overall
- Offers are sought in excess of £2,875,000 (Two Million Eight Hundred and Seventy Five Thousand Pounds) subject to contract and exclusive of VAT
- A purchase at this level reflects a net initial yield of 9.00% and a low capital value of £182 per sq ft



# LOCATION

Located in the heart of the Thames Valley, Bracknell is a major South East office location 33 miles (53 km) west of Central London and 8 miles south of Reading town centre.

Bracknell has excellent road communications with Junction 10 of the M4 motorway 3.5 miles (5.6 km) to the north accessed via the A329(M) and Junction 3 of the M3 motorway 6 miles (9.7km) to the south accessed via the A322.

Heathrow airport is 19 miles (30.6 km) to the east of the property taking approximately 30 minutes by car and Gatwick Airport is 40 miles (64.4 km) to the south, approximately 1 hour by car.

There are frequent services to London Waterloo and Paddington (via Reading) plus a regular service to Ascot, Staines and Reading.



BY CAR	Distance	Time
M4 Motorway	3.5 miles	4 minutes
M3 Motorway	6 miles	14 minutes
Reading	8 miles	10 minutes
Maidenhead	9 miles	18 minutes
Heathrow	19 miles	30 minutes
Gatwick	40 miles	60 minutes
Central London	33 miles	50 minutes



BY RAIL	Time
London Waterloo	62 minutes
London Paddington (via Reading)	62 minutes
Reading	20 minutes
Clapham Junction	51 minutes
Richmond	43 minutes
Wokingham	6 minutes
Ascot	7 minutes





## SITUATION

2 The Braccans is situated in Bracknell's traditional office pitch, in close proximity to the town centre and railway station. The property fronts London Road which connect Bracknell town centre and Ascot to the M25 motorway to the east.

Bracknell is home to a large amount of national and international occupiers including Fujitsu, Hewlett Packard, 3M, Dell, Cable & Wireless, Waitrose, Panasonic and Honeywell.





## DESCRIPTION

The property was constructed in 1995 and comprises a detached office arranged over ground, first and second floors. The building is of frame construction with brick elevations and glazed cladding to the front and rear elevations.

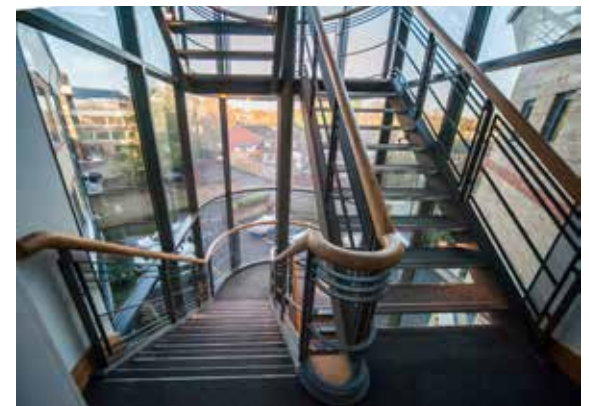
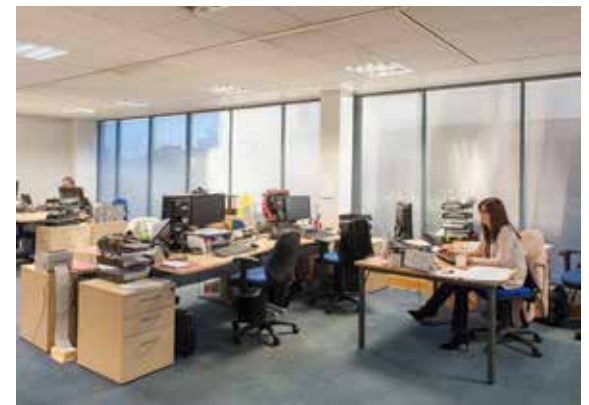
The property mirrors the adjoining building and together forms a striking development. The accommodation is arranged around a central core and offers maximum flexibility with self-contained suites ranging in size from 224 sq ft to 3,771 sq ft.

Internally, the accommodation was extensively refurbished in 2005 to a modern, high quality standard and benefits from the following specification:

Attractive reception area with glazed revolving doors

- Raised floors
- Suspended ceilings with Cat II lighting
- VRV air conditioning system
- Flexible, open plan floor plates
- 10-person (800 kg) passenger lift serving all floors including basement
- Two stairwells (front and rear)
- Male and female WCs on each floor
- Security barrier

Externally, the site extends to approximately 0.21 hectares (0.52 acres) and benefits from a secure underground car park (44 spaces) with additional parking to the rear of the building (24 spaces) providing an excellent ratio of 1:232 sq ft.



## ACCOMMODATION

Floor	Area (Sq ft)
Second	5,414
First	5,021
Ground	4,787
Reception	562
<b>Total</b>	<b>15,784</b>

## SITE

Total site area of 0.521 acres (0.21 ha)

## TENURE

Freehold.

## COVENANT INFORMATION

Available on request

## SERVICE CHARGE

The current service reflects a rate of £7.88 per sq ft. A full breakdown is available upon request.

## FLOOR PLAN

Please see below indicative first floor plan.



## TENANCY SCHEDULE

Please find below the tenancy schedule on a gross and net renta basis. Further details available on request.

Tenant		Accomm.	Lease/Licence Details		Income		Net Income		Comments
Suite		Sq Ft	Start	Expiry	£Pa	£Per Sq Ft	£Pa.	£Psf	
Basement	Techex	Storage			£0	£0.00			Terms within main lease
GF Suite 2	Ilx Group Plc	1,076	01/07/2011	3 month mutual	£31,002	£28.81	£15,555	£14.46	Rolling break clause. Rent includes telecomms
GF Suite 1	Techex	3,711	01/08/2016	01/07/2021	£113,256	£30.52	£63,877	£17.21	Techex are paying £72,800 p.a. Until Aug 2016. Increase agreed from 1st Aug 2016 to July 2019. Rolling break after Aug 2019. Rent inclusive save for furntiure, cleaning and insurance charged at 24% of the total
FF Suite A	CD Datahouse	504	01/02/2015	31/01/2017	£16,020	£31.75	£8,735	£17.33	Rent includes telecoms.
FF Suite C1	Care 1St Ltd	484	01/09/2015	31/08/2016	£15,600	£32.23	£8,717	£18.01	Rent includes furniture and telecomms
FF Suite C2	Responsiv Solutions Ltd	768	14/09/2015	13/12/2016	£25,200	£32.81	£14,109	£18.37	Rent includes furniture and telecomms
FF Suite C3	Simcorp	691	01/10/2015	31/12/2016	£25,200	£36.47	£15,184	£21.97	Rent includes furniture and telecomms
FF Suite F	Fusion	224	22/02/2012	30/11/2015	£8,640	£38.57	£5,434	£24.26	Rent includes furniture and telecomms
FF Suite B	Plumstead Bond	1,860	03/01/2012	02/01/2017	£49,784	£26.77	£25,082	£13.48	Rent includes telecomms. No cleaning.
FF Suite E	Bright Yellow Group	305	01/01/2015	31/10/2016	£9,600	£31.48	£5,544	£18.18	Rent includes furniture and telecoms. No cleaning
FF Meeting Room	Meeting Room	185	01/09/2015	01/09/2016	£6,475	£35.00	£3,794	£20.51	Not currently let as used as a meeting room. Vendor top up to ERV. To be let to CD Datahouse
2nd floor	NGC Corp Group Europe	2,223	17/10/2014	31/10/2016	£79,500	£35.76	£47,338	£21.29	Rent includes furniture and telecomms
2nd floor	IPG Pharma Ltd	1,137	01/04/2015	01/03/2016	£39,600	£34.83	£23,074	£20.29	Rent includes telecoms
2nd floor	Concurrent Computers	2,054	04/05/2015	03/05/2018	£67,690	£32.96	£40,055	£19.50	Server power cost recovery agreed. Rent all inclusive but no furniture. Rent includes telecomms. No cleaning
<b>TOTAL</b>		<b>15,222</b>			<b>£487,567</b>	<b>£32.03</b>	<b>£276,540</b>	<b>£18.17</b>	

## OCCUPATIONAL MARKET OVERVIEW

Bracknell is one of the most established and successful Thames Valley office markets and is largely dominated by the Technology sector. The key occupiers in this sector include Cable & Wireless, Dell, Fujitsu, Hewlett-Packard, Panasonic, 3M and Honeywell Control Systems.

Bracknell is also home to a number of large pharmaceutical and research companies including Boehringer Ingelheim, Sygenta and Johnson & Johnson. In addition the food retailer Waitrose has their headquarters in Bracknell and is one of the town's largest employers.

Bracknell is a substantial and mature south east office market as shown in comparison to other major centres in the table below.

### TOTAL STOCK FOR BRACKNELL AND SURROUNDING TOWNS

Town	Total Stock (sq ft)
Bracknell	4.7m
Reading	10.4m
Maidenhead	4.7m
Slough	4.9m

Occupational activity within the Bracknell market has particularly improved within the last 18 months and the town's rental discount of up to 35%, compared with competing towns including Reading and Maidenhead, has been a major factor in the increased letting activity.

Although the majority of the town's take-up is by existing Bracknell occupiers a number of occupiers are moving to Bracknell to take advantage of the competitive terms. For example Honda relocated 70,000 sq ft from Langley to Bracknell in 2013, and other recent movers to the town include Morgan Lovell, Sally Salon Services, Heat Software and Anixter.

Bracknell has seen significant rental growth of approximately 40% within the last 12 months as demand has grown and availability of good quality supply fallen. However despite this rental growth the town remains good value when compared to the competing towns of Reading and Maidenhead where top rents are currently £33.50 per sq ft and £35.00 per sq ft respectively. With a number of new lettings close to completion prime rents on refurbished buildings in Bracknell are set to exceed £25.00 per sq ft.

### SUPPLY

Current office supply in Bracknell totals approximately 829,000 sq ft of which 57% (475,000 sq ft) is Grade A new or refurbished quality. However, 187,000 sq ft of this is at the two building Maxis scheme on Western Road. The current vacancy rate for Bracknell offices stands at 19.5%

Key other available buildings include:

Building	Size (sq ft)	Parking Ratio	Asking / Guide Rent
Maxis 1 & 2, Western Road	187,691	1:241	£22.50
Greenwood, London Road	70,451	1:283	£23.50
Worldwide House Western Road	50,440	1:249	£22.50
Building Two, Bracknell Boulevard, Cain Road	36,363	1:213	£19.50
Inspired, Easthampstead Road	34,506	1:296	£22.50
Columbia, Market Street	33,314	1:333	£22.00
3 Arlington Square	31,837	1:226	£22.50
5 Arlington Square	23,857	1:239	£20.00
One Thames Valley, Wokingham Road	22,251	1:281	£19.50

### TAKE UP

Bracknell take-up for 2014 was 163,443 sq ft which is above the ten year average of 153,400 sq ft. Take up for 2015 to date stands at 99,386 sq ft and with a further 107,000 sq ft under offer total take-up for the year expected to be significantly in excess of the ten year average, and will be ahead of neighbouring towns such as Maidenhead which has let 140,000 sq ft so far in 2015. Capitol has accounted for 50% of take up in Bracknell in 2015.

### DEMAND

There is currently approximately 360,000 sq ft of named demand within the Bracknell market, with key requirements including:

- Intel (60-90,000 sq ft)
- IRI (25,000 sq ft)
- Knowledge Pool (10-15,000 sq ft)
- Arrow ECS (10-15,000 sq ft)
- HiFX (15,000 sq ft)
- Alexander Mann (14,000 sq ft)
- Arbor Networks (8-12,000 sq ft)



## RENTAL COMMENTARY

### KEY OCCUPATIONAL DEALS (2014-2015):

Date	Company	Building	Size	Grade	Rent
U/O	Sally Salon Services	Inspired	26,000	B	c.£18.00
U/O	Heat Software	Capitol	8,934	A	£22.50
U/O	IHS	Capitol	29,926	A	£20.00
U/O	Northgate	Bracknell Beeches	12,000	B	Confidential
Jul 15	Hitachi Data Systems	Capitol	32,000	A	£20.00
Mar 15	The Knowledge Academy	Reflex	9,000	B	£18.50
Mar 15	Kronos	Capitol	12,500	A	£22.50
Mar 15	Morgan Lovell	Maxis	10,000	A	£21.50

The highest rent achieved in the current cycle is £21.50 per sq ft at Maxis with the letting to Morgan Sindall. There are two lettings under offer at Capitol at £22.50 per sq ft to Heat Software and IHS. These two lettings, due to complete imminently, will be the new benchmark for Bracknell. Quoting rents at Capitol and other Grade A buildings are due be increased in the following months to £24.50 psf.

### LONDON ROAD

Despite a number of office buildings on London Road having been converted to residential, it is still a prime office pitch in Bracknell. Savills Investment Management and Canmoor have recently launched the comprehensive refurbishment of Greenwood House, quoting a rent of £23.50 per sq ft, comprising 70,000 sq ft of Grade A office accommodation with a parking ratio of 1:283. Brocade are marketing 8,000 sq ft at One Braccans (next door) and quoting a rent of £19.50 per sq ft.

Redrow have just commenced the buiding of a large residential scheme called The Quarters opposite the subject property, further information available on request.





## VAT

The property is elected for VAT and it is anticipated that the sale will be treated as a TOGC.

## EPC

2 Braccans has an Energy Performance Asset Rating of E (125). The Energy Performance Certificate with a Recommendations Report is available upon request.

## PROPOSAL

Offers are sought in excess of **£2,875,000 (Two Million Eight Hundred and Seventy Five Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 9.00% and a low capital value of £182 per sq ft.

## CONTACT

For further information or to arrange a viewing, please do not hesitate to contact:

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