



CP HOUSE

97-107

UXBRIDGE ROAD
EALING W5 5TL

AN EXCEPTIONAL GREATER LONDON OFFICE INVESTMENT WITH
MULTIPLE ASSET MANAGEMENT AND RESIDENTIAL DEVELOPMENT ANGLES



INVESTMENT SUMMARY

- CP House is a prominent self-contained Greater London office investment opportunity with numerous unrealised asset management opportunities
- Located in the London Borough of Ealing, approximately 8 miles west of Central London
- Ideally situated on Uxbridge Road close to Ealing town centre
- 8 minute walk from Ealing Broadway station and a 5 minute walk to West Ealing railway station, both of which are on the new Elizabeth (Crossrail) line, due to open in 2019
- The property comprises a self contained office building providing 51,602 sq ft (NIA) and 69,678 sq ft (GIA) over ground, basement and 10 upper floors, with additional roof (plant) space
- A total of 125 car parking spaces, providing an excellent parking ratio of 1:413 sq ft
- Freehold
- Site area of 1.14 acres equating to a very low site coverage of 25%
- The property is let to 10 tenants producing a current passing rent of £1,375,319 p.a (£26.65 psf), which includes a 12 month vendor rent, rates and service charge top up on the vacant space
- A very low average passing rent of £25.74 psf on the current let space
- The AWULT to break is 1.43 years and 1.86 years to expiry
- Vacancy rate of 21.6%
- 95% of the leases expire by November 2020
- All the leases are outside the L&T 1954 Act
- Potential office refurbishment opportunity with Grade A office rents in Ealing now standing at over £40 psf
- Due to the current configuration and layout of the building, the property is ideal for change of use to residential via Permitted Development Rights (PDR)
- CP House is not within an Article 4 Direction
- Opportunity for the extension of the existing buildings by way of additional floors, subject to obtaining the necessary consents
- Offers are sought in excess of **£20,000,000 (TWENTY MILLION POUNDS)**, subject to contract and exclusive of VAT
- A purchase at this level reflects a **NIY of 6.44%**, assuming purchaser's costs of 6.75%
- Low capital value of £388 psf on the NIA and £287 psf on the GIA



EALING

The London Borough of Ealing is located approximately 8 miles west of Central London and 4 miles west of Hammersmith.

Ealing is one of West London's most desirable and vibrant metropolitan town centres which benefits from excellent communications, with both the M4 and A40 (M40) within close proximity. In addition, the A406 (North/South Circular) provides access north to the M1 and south towards Richmond and Chiswick.

Ealing benefits from exceptional rail and underground services to Central London, with a fastest journey time of only 16 minutes. The current rail and underground links will be further improved with the arrival of Crossrail's £14.8 billion Queen Elizabeth Line, which is due to commence frequent, fast transportation across London by late 2019. On completion, it will transform the connectivity between the Thames Valley, Central London and Heathrow Airport.

With its strategic location, excellent transport links, enterprising working environment and skilled demographic, Ealing has become a thriving Greater London town.



COMMUNICATIONS

Ealing Broadway Underground station, located a short distance from the subject property, provides direct access to central London via the Central and District lines with an approximate journey time to London's West End of 22 minutes. Ealing mainline rail service provides access to London Paddington with an approximate journey time of 10 minutes.

West Ealing railway station, also located a short distance from the subject property, provides direct access to London Paddington with a journey time of approximately 16 minutes.

Ealing is set to be a key beneficiary from the arrival of Crossrail, which will connect Ealing to the West End and Canary Wharf in 11 and 25 minutes respectively. The arrival of Crossrail in 2019 will see significant investment into the current Ealing Broadway station and West Ealing station. It is projected to bring 12,000 extra passengers to Ealing Broadway during the 3 hour morning peak travel time. These stations will become a key interchange between Crossrail, First Great Western, and the London Underground. Heathrow International Airport is located approximately 8.5 miles to the south west of the borough.



ROAD

M4 (J2)	2.1 Miles
A40	2 Miles
M25 (J15)	12 Miles

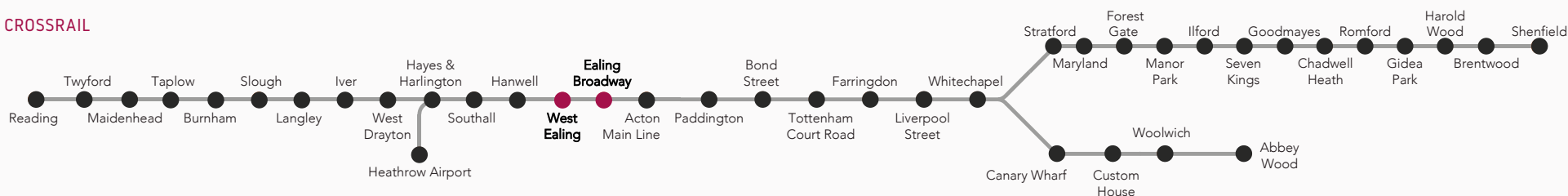


AIR

Heathrow Airport	7 Miles
London City Airport	18 Miles
Gatwick Airport	50 Miles



CROSSRAIL

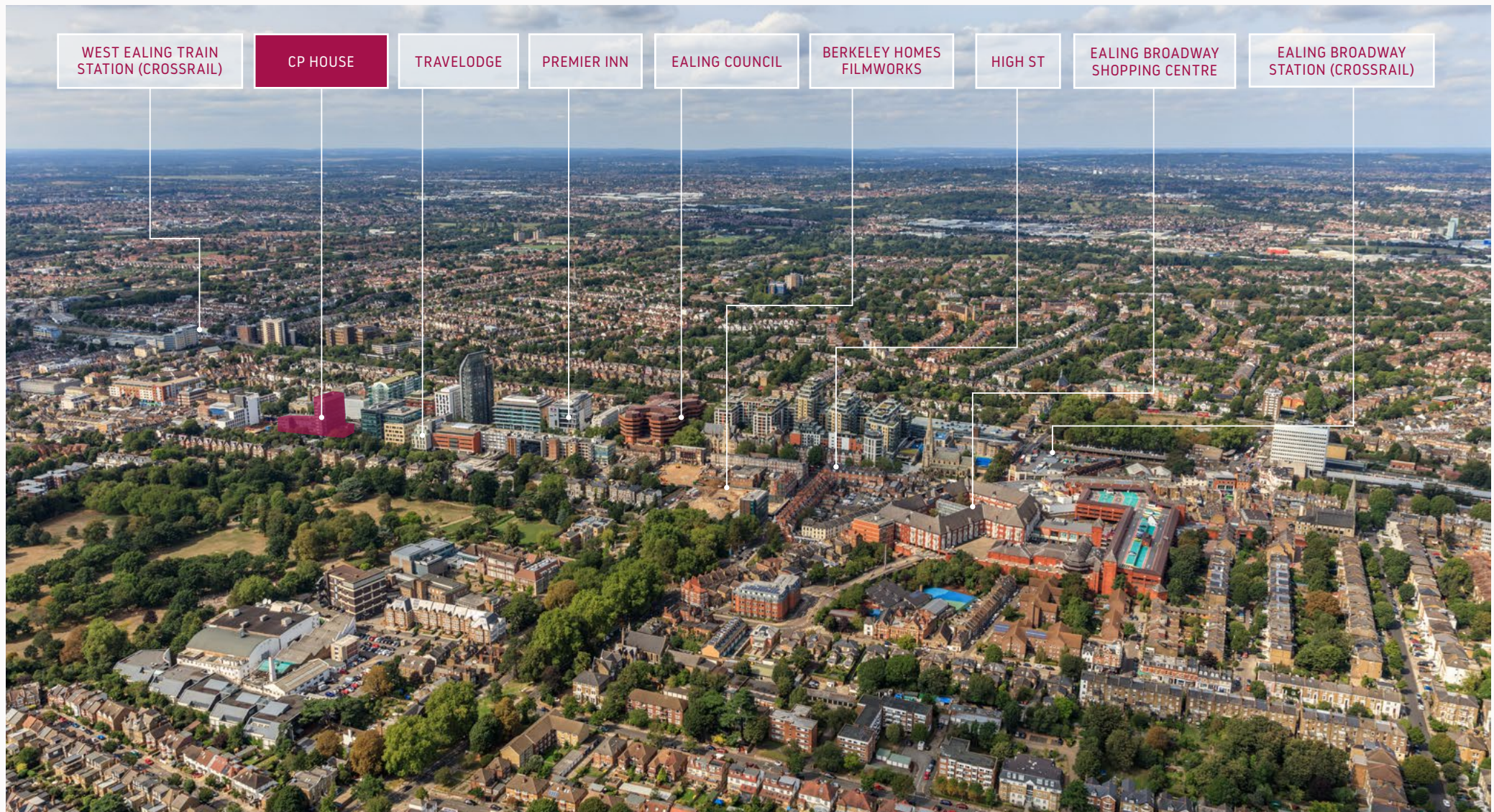




SITUATION

The property is approximately an 8 minute walk from Ealing Broadway Station and a 5 minute walk from West Ealing railway station. Ealing Broadway is the main transport hub and provides excellent public transport links for Ealing, with access to the underground, overground and a comprehensive bus service.

CP House also benefits from being in close proximity to the town's principal retailing facilities. Ealing High Street is conveniently located a short walk from CP House and provides a selection of restaurants, bars and leisure facilities. This includes The Broadway and Arcadia shopping centres, cinemas and an excellent range of recreational facilities such as Virgin Active, Ealing Cricket Club and Ealing Golf Club.



DESCRIPTION

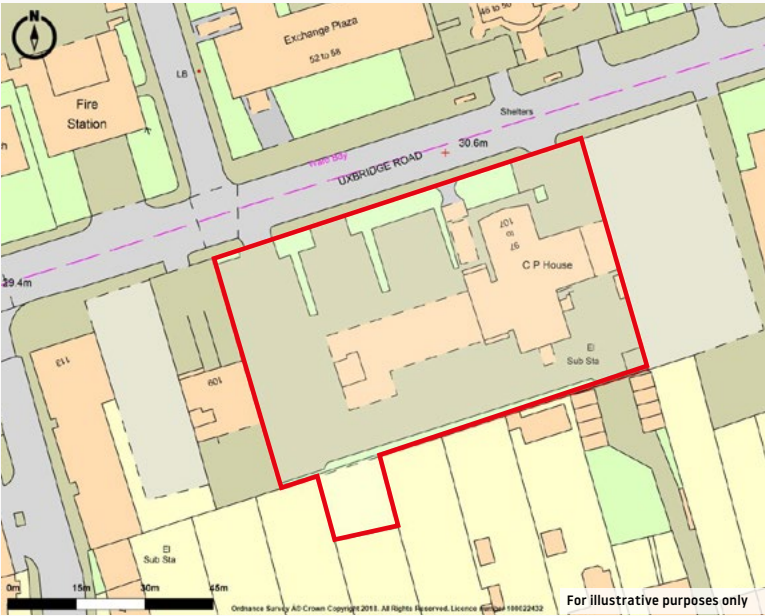
CP House comprises a detached prominent office building originally constructed in 1970 and arranged as two interconnected elements. An imposing ten storey tower together with the west wing arranged over four floors and with undercroft parking at ground level. Plant is located in the basement and roof space area.

In 2016 the eighth floor was refurbished to include LG7 lighting, new showers and WC's by the vendor and subsequently let.

The office incorporates the following specification:

- Large reception
- Air conditioning
- Perimeter trunking
- Two x 10 person passenger lifts

The site totals 1.14 acres resulting in a very low site coverage of 25%.



CAR PARKING

There are a total of 125 surface level parking spaces which reflects an excellent parking ratio of 1:413 sq ft. An element of this is situated in undercroft car parking under the West Wing. Included within this number are 2 disabled bays and 4 visitor bays.

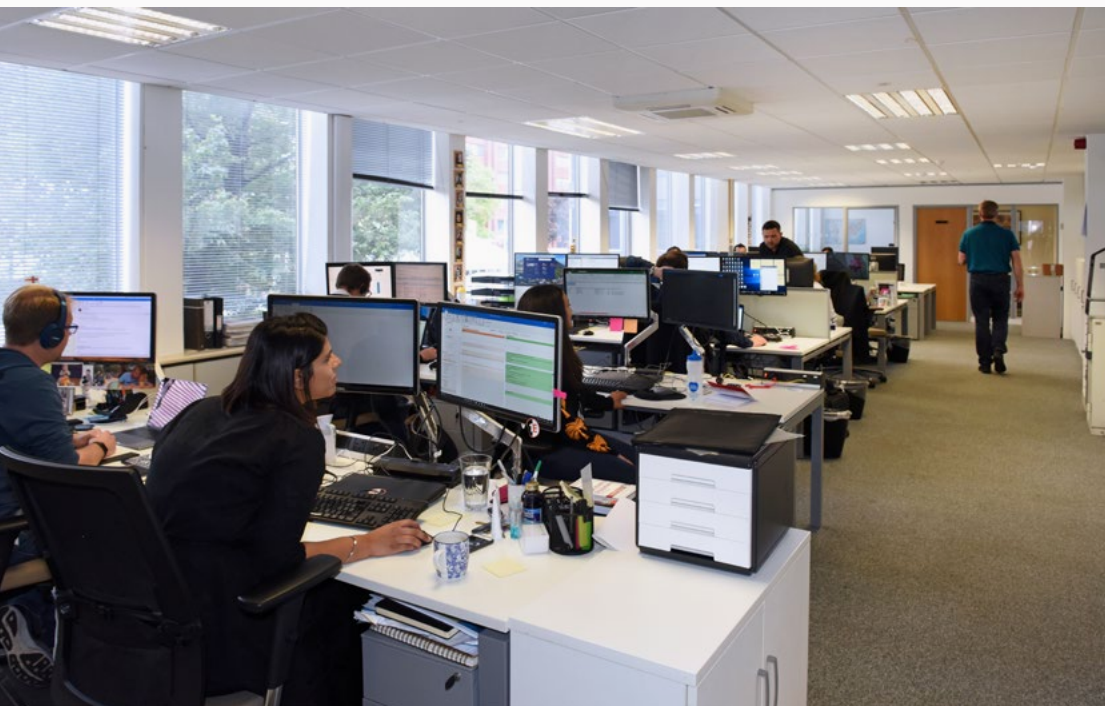
ACCOMODATION

The property has been measured by Malcolm Hollis and provides the following net internal area (NIA) and gross internal area (GIA) areas:

FLOOR	GIA SQ FT	NIA SQ FT
TOWER		
Basement	1,110	
Ground	5,857	3,845
First	4,844	3,680
Second	5,498	4,410
Third	3,736	2,747
Fourth	3,767	2,729
Fifth	3,734	2,729
Sixth	3,734	2,729
Seventh	3,734	2,728
Eighth	3,734	2,732
Ninth	3,734	2,730
Tenth	3,734	2,730
Roof	798	
WEST WING		
First	5,063	4,072
Second	5,578	4,591
Third	5,506	4,586
Fourth	5,517	4,564
Total	69,678	51,602

TENURE

Freehold.



TENANCY

The property is let to 9 tenants on 12 leases producing an annual rent of £1,347,819 per annum (Including vendor top up). Their is an additional £27,500 per annum received from 2 tenants with car parking licences. The property has a WAULT of 1.86 years to expiry and 1.43 years to earliest determination. All leases are outside the Landlord and Tenant 1954 Act.

UNIT	TENANT	CREDITSAFE RATING*	AREA	LEASE START	LEASE EXPIRY	LTA 1954	PASSING RENT	RENT PSF	CAR PARKING SPACES	ERV (£37.50)	COMMENTS
TOWER											
Ground Floor	VACANT	-	3,845				£105,738	£27.50	6	£144,187	Vendor top up 12 month rent, rates and service charge.
First Floor	1E Limited	50	3,680	23/08/2009	22/08/2019	N	£84,138	£22.86	6	£138,000	Initial service charge cap of £33,066.35 with annual increases in accordance with RPI.
Second Floor	Prescient Healthcare Group Limited	73	4,410	28/11/2013	27/11/2020	N	£80,850	£18.33	10	£165,375	Initial service charge cap of £44,000 with annual increases in accordance with RPI.
Third Floor	Wayte Bros Limited	95	2,747	21/05/2014	20/05/2019	N	£62,675	£22.82	6	£103,012	Initial service charge cap of £26,160 with annual increases in accordance with RPI. Car Parking allocation is pursuant to a separate license. Either party can terminate on not less than three months notice.
Fourth Floor	Ivis Group Limited	82	2,729	04/10/2015	03/10/2020	N	£80,978	£29.67	6	£102,337	Initial service charge cap of £28,262.77 with annual increases in accordance with RPI.
Fifth Floor	VACANT	-	2,729				£75,048	£27.50	5	£102,337	Vendor top up 12 month rent, rates and service charge.
Sixth Floor	Prescient Healthcare Group Limited	73	2,729	15/12/2010	27/11/2020	N	£70,000	£25.65	6	£102,337	Initial service charge cap of £27,130 with annual increases in accordance with RPI.
Seventh Floor	Fadaat Media Limited	16	2,728	16/09/2014	15/09/2019	N	£78,820	£28.89		£102,300	Rent deposit of £39,410
Eighth Floor	Support for Living Limited	n/a	2,732	19/06/2017	18/06/2027	N	£88,800	£32.50	6	£102,450	Initial service charge cap of £23,587.50 with annual increases in accordance with RPI. The tenants repair covenant is limited to a schedule of condition. Tenant option to break 18.06.22 (6 months notice). 50% reduction in rent for a period of one year, if tenant does not exercise it's option to break. Rent deposit of £14,800
Ninth Floor	APCER Life Sciences Ltd	44	2,730	23/11/2014	22/11/2019	N	£79,750	£29.21	6	£102,375	Initial service charge cap of £33,061 with annual increases in accordance with RPI. Rent deposit of £13,750
Tenth Floor	Hotelbeds UK Limited	47	2,730	06/11/2015	05/11/2020	N	£86,310	£31.62	5	£102,375	Initial service charge cap of £21,920 with annual increases in accordance with RPI. Tenant has right of pre-emption in relation to the ninth floor.
Tower Total			33,789								
WEST WING											
First Floor	1E Limited	50	4,072	23/08/2009	22/08/2019	N	£94,898		9	£152,700	Initial service charge cap of £37,041.26 with annual increases in accordance with RPI.
Second Floor	VACANT	-	4,591				£126,253	£27.50	8	£172,162	Vendor top up 12 month rent, rates and service charge.
Third Floor	1E Limited	50	4,586	20/05/2010	22/08/2019	N	£105,823	£23.08	9	£171,975	Initial service charge cap of £42,165 with annual increases in accordance with RPI.
Fourth Floor	The Planning Shop International Limited	67	4,564	14/07/2014	13/07/2019	N	£127,738	£27.99	9	£171,150	Initial service charge cap of £44,592 with annual increases in accordance with RPI.
West Wing Total			17,813								
Office total			51,602				£1,347,819	£26.12		£1,935,075	
CAR PARK											
	The Planning Shop International Limited	67		23/07/2018	13/07/2019		£7,500		3	£7,500	Landlord rolling break at any time on not less than 30 days' notice.
	M.B. McNamara Construction (UK) Limited	44		04/07/2018	03/07/2019		£20,000		10	£25,000	Mutual rolling break at any time on not less than 30 days' notice.
	UNALLOCATED								9	£22,500	Assuming an ERV of £2,500 per space p.a
Car Park total							£27,500			£55,000	
TOTAL							£1,375,319		119	£1,990,075	



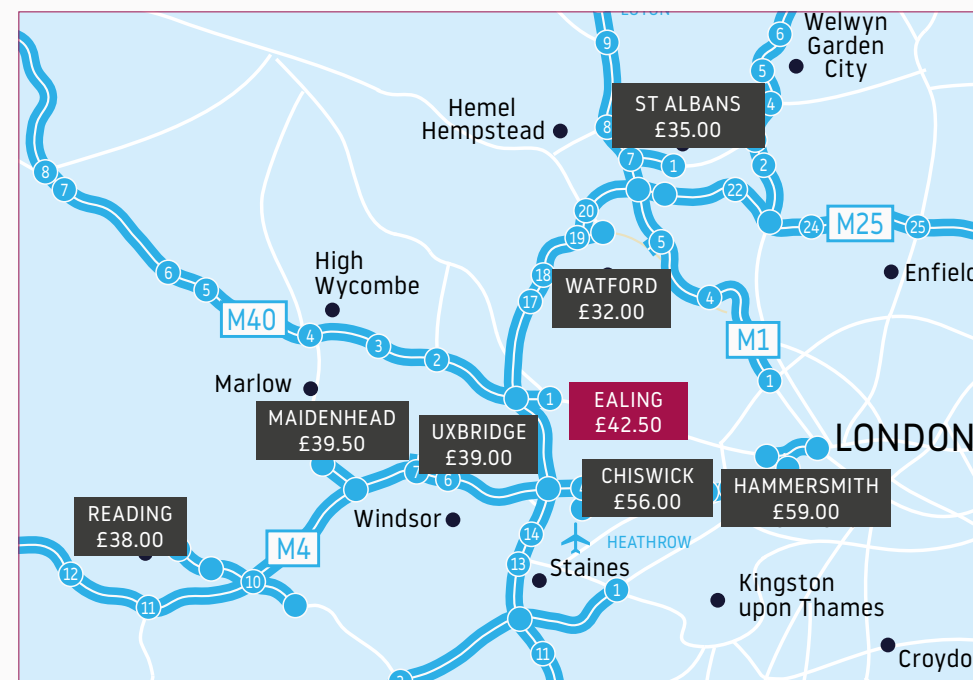
EALING OFFICE MARKET

The West London sub market includes the centres of Chiswick, Hammersmith and Ealing where the occupational market has performed extremely well as a result of good demand and a relative tight supply of Grade A office space. This imbalance has meant that there has been strong rental growth, which continues to attract a wide range of investors.

Over the past couple of year rents have been continuing to rise in the area, due to the lack of supply, lack of development and a large proportion of office stock being converted into residential under Permitted Development.

Recent rental transaction in the vicinity include

ADDRESS	TENANT	RENT
Aurora, 71-75 Uxbridge Road	Regus	£42.50
Ealing Cross, 85 Uxbridge Road	Clarendon Business Services	£39.50
Ealing Cross, 85 Uxbridge Road	Kumon	£35.62



Recent Investment transactions

ADDRESS	TOWN	SALE DATE	SALE PRICE	YIELD (NIY)	INCOME WEIGHTED UNEXP. TERMS	INCOME WEIGHTED TERM CERTAIN	PRICE PSF	AREA SQ FT	MULTI / SINGLE LET	PURCHASER	VENDOR
410 King Street	Hammersmith	Jan-18	£14,000,000	5.15%	7.03	1.15	£567	24,693	5 tenants	CLS Holdings	M&G
227 Shepherds Bush Road	Hammersmith	Jan-18	£9,750,000	5.64%	6.62	4.08	£753	12,942	4 tenants	Private	Aviva
Dial House, 2 Burston Road	Putney	Dec-17	£23,000,000	3.79%	4.50	3.20	£650	35,403	4 tenants	M&G	Simca LLP
Ealing Gateway, 26-30 Uxbridge Road	Ealing	Sep-17	£50,250,000	3.90%	8.00	6.50	£396	127,000	2 tenants	Aviva Investors	TH Real Estate

SURROUNDING DEVELOPMENTS



Exchange Plaza, 52 - 58 Uxbridge Road

Planning permission granted to redevelop the existing site to provide a new 170,000 sq ft Grade A office building. It is believed that once completed, quoting rents will be in the region of £50psf.



Dawley House, 91-95 Uxbridge Road

Planning permission granted for a new 12 storey aparthotel (Class C1) with associated facilities and restaurant at the ground floor and business floorspace at the first floor; together with basement car parking and associated landscaping works.



CP HOUSE



109 Uxbridge Road

Planning permission granted for a new nine storey building comprising of a 97 bed hotel with basement parking.

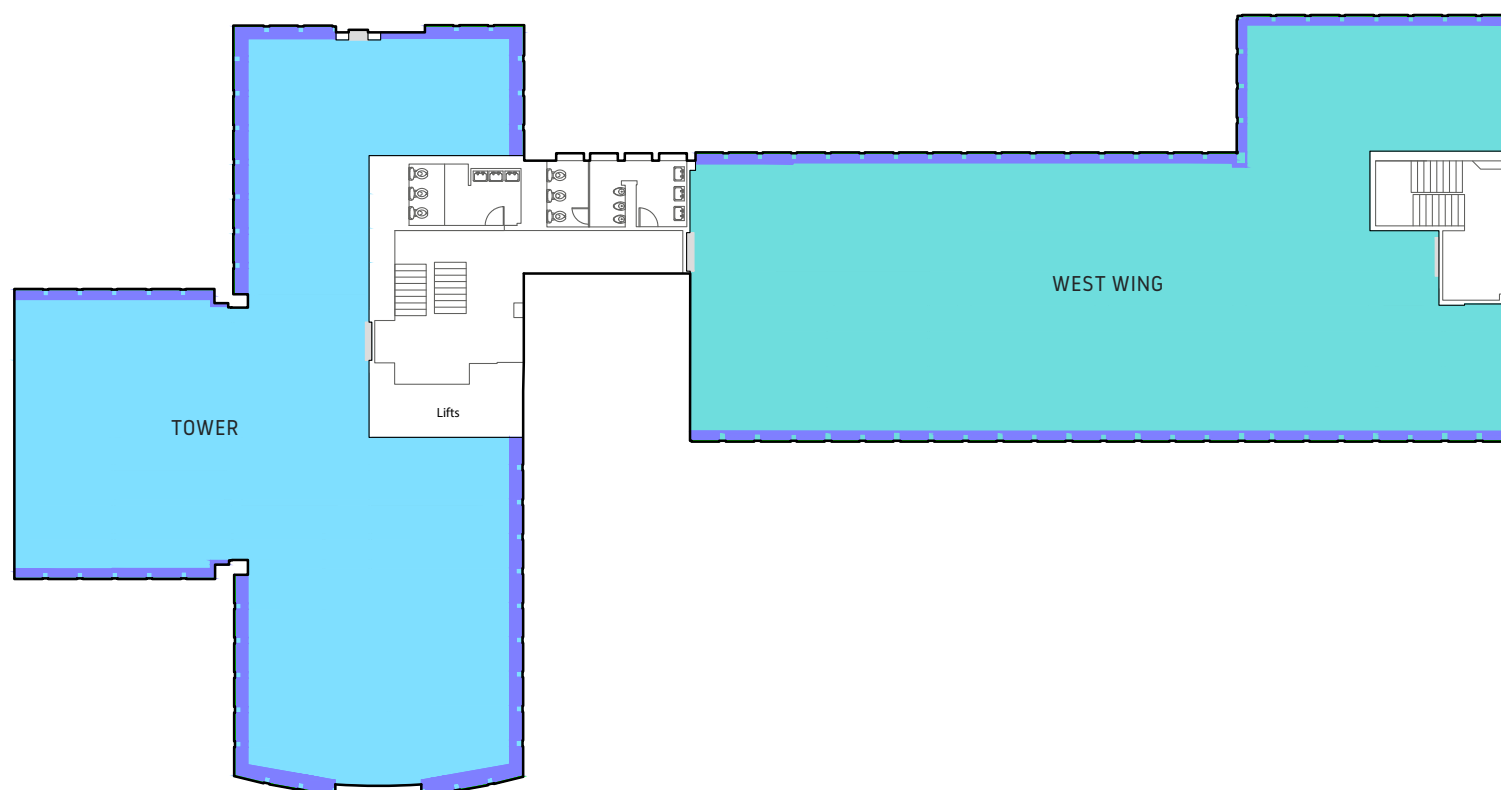


Filmworks

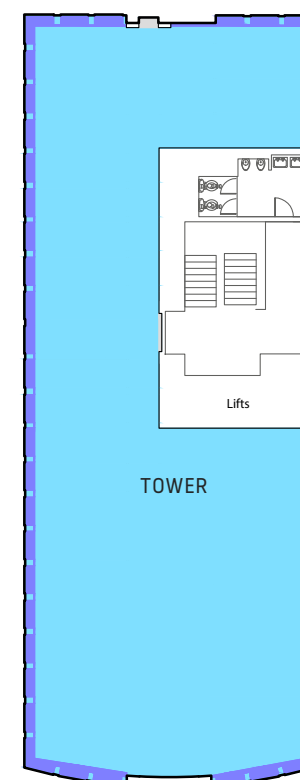
Located within 200 metres of the subject property, St George by Berkley Homes are in the process of developing a new high end mixed use residential led scheme. The development will provide over 200 contemporary homes, and will also include an eight screen cinema along with a central piazza surrounded by a high-quality mix of shops, restaurants and bars, including Vapiano and Planet Organic.

Apartments in the scheme are priced ranging from approximately £599,950 for a 1 bed flat to £1.375m for a 3 bed flat.

TYPICAL FLOORPLAN



First Floor



Tenth Floor

PLANNING AND ENVIRONMENTAL

The property falls within the jurisdiction of the London Borough of Ealing and classified within class B1a. The property is not listed, not in a flood zone nor within an Article 4 direction.

ASSET MANAGEMENT INITIATIVES

- Refurbish and re-let office accommodation
- Total repositioning of the office
- Explore permitted development potential
- Explore significant redevelopment and massing of the entire site
- Explore alternate uses such as residential, hotel or student housing subject to necessary consents

Undercroft Parking



Roof Plant



View over west wing roof



View over west wing roof





VAT

The property is elected for VAT. However it is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

EPC

Available on request.

SERVICE CHARGE

For the year ending 2017, the service charge equated to £5.76 psf. The budget for year ending 2018 equates to £5.87 psf.

PROPOSAL

We are instructed to seek offers in excess of **£20,000,000 (TWENTY MILLION POUNDS)**, subject to contract and exclusive of VAT.

A purchase at this level reflects a **net initial yield of 6.44%** (assuming purchaser's costs of 6.75%) and a low capital value of £388 psf on the NIA and £288 psf on the GIA.

FURTHER INFORMATION

For further information, please do not hesitate to contact one of the joint sole agents below.

Inspections are strictly by appointment only.



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