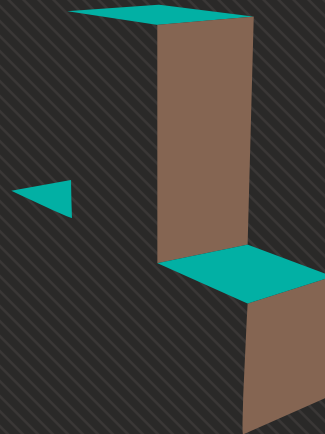


ST JAMES'S TOWER

MANCHESTER



Landmark Reversionary Multi-Let Office Building in the Heart of Manchester City Centre

St James's Tower, 7 Charlotte Street, Manchester, M1 4DZ



DTRE **OBi**

A Rare Opportunity to Acquire a Landmark **Reversionary Multi-Let Office Building in the Heart of Manchester City Centre**, the UK's Most Vibrant and Thriving Regional City.



Significant cap ex investment with a **comprehensive rolling refurbishment programme** between 2015 – 2021, future proofing the building

Manchester is the premier regional city in the UK, being the largest economic and financial business centre outside London

Excellent transport connectivity, being strategically located under **5 minutes walk** to Manchester Piccadilly train station and St Peter's Square Metrolink station

Building is now 97% let to 11 tenants including IWG Global Investments SARL, Marsh Corporate Services Ltd & Fletchers Solicitors, offering exceptional income diversity

Property provides combined total of **87,905 sq ft** of office (95%) and retail (5%) accommodation

The property produces a total headline rent of **£2,234,418 per annum** (including vendor rent guarantees)

Excellent town centre **car parking ratio of 1:1,911 sq ft**, with 46 secure basement level car parking spaces

34% of the income **benefits from a guaranteed rental performance** through minimum uplifts

Attractive WAULT of **8.3 years** to lease expiry and **6.3 years** to tenant break options providing excellent income security

Freehold

No of Floors	Basement, Ground & 16 Upper Floors
No of Tenants	11
Total Area	87,905 sq ft
Tenure	Freehold
Office Rent	£1,987,418 p.a (£24.50 psf)
Retail Rent	£118,000 p.a (£17.38 psf)
Car Parking Rent	£129,000 p.a. (£2,804 per space p.a.)
Total Contracted Rent	£2,105,168 p.a.
Total Rent Guarantee	£129,250 p.a
Total Combined Rent	£2,234,418 (£25.42 psf)
WAULT to Expiry	8.3 years
WAULT To Break	6.3 years
Vacancy	2,842 sq ft / 3.1%

Proposal

Offers are sought in excess of **£34,880,000 (Thirty Four Million Eight Hundred and Eighty Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects the following:

NIY	6.00%
Cap Val (£ per sq ft)	£397
RY	7.11%
Cash on Cash	9.45%

* Assuming proven building rental tone of £32.00 per sq ft ** 55% LTV / 2.75% All in Cost



11 TENANTS
OFFERING DIVERSE
INCOME

RENT REVIEWS ON
64% OF INCOME
OVER NEXT 5 YEARS

BUILDING HAS ACHIEVED
HEADLINE RENT OF **£34.72**
PER SQ FT, TO DATE

**28% OF THE
INCOME**
BENEFITS FROM
A **MINIMUM
UPLIFT**
FROM **£23.77 TO**
£26.25 PER SQ FT
IN 2025

97% LET (2,842 SQ FT
VACANT) – BOTH VACANT
SUITES NOW REFURBISHED

**6 LETTING DEALS IN
LOCKDOWN TALLING**
C.43,500 SQ FT IN
ST JAMES'S TOWER IN LAST
24 MONTHS

OFFICE ACCOMMODATION
HIGHLY REVERSIONARY,
OFFERING A 36% DISCOUNT TO
MANCHESTER PRIME RENTS

WARRANT OF **8.3 YEARS TO
EXPIRY AND 6.3 YEARS
TO BREAK OPTIONS**
PROVIDING EXCELLENT
INCOME

OFFICE INCOME HIGHLY REVERSIONARY PRODUCING
LOW AVERAGE RENT OF ONLY **£24.50 PER SQ FT**

**STRONG RENTAL
GROWTH
PROSPECTS** WITH
RENTS EXPECTED
TO REACH
£40 PER SQ FT
**OVER NEXT 12
MONTHS**

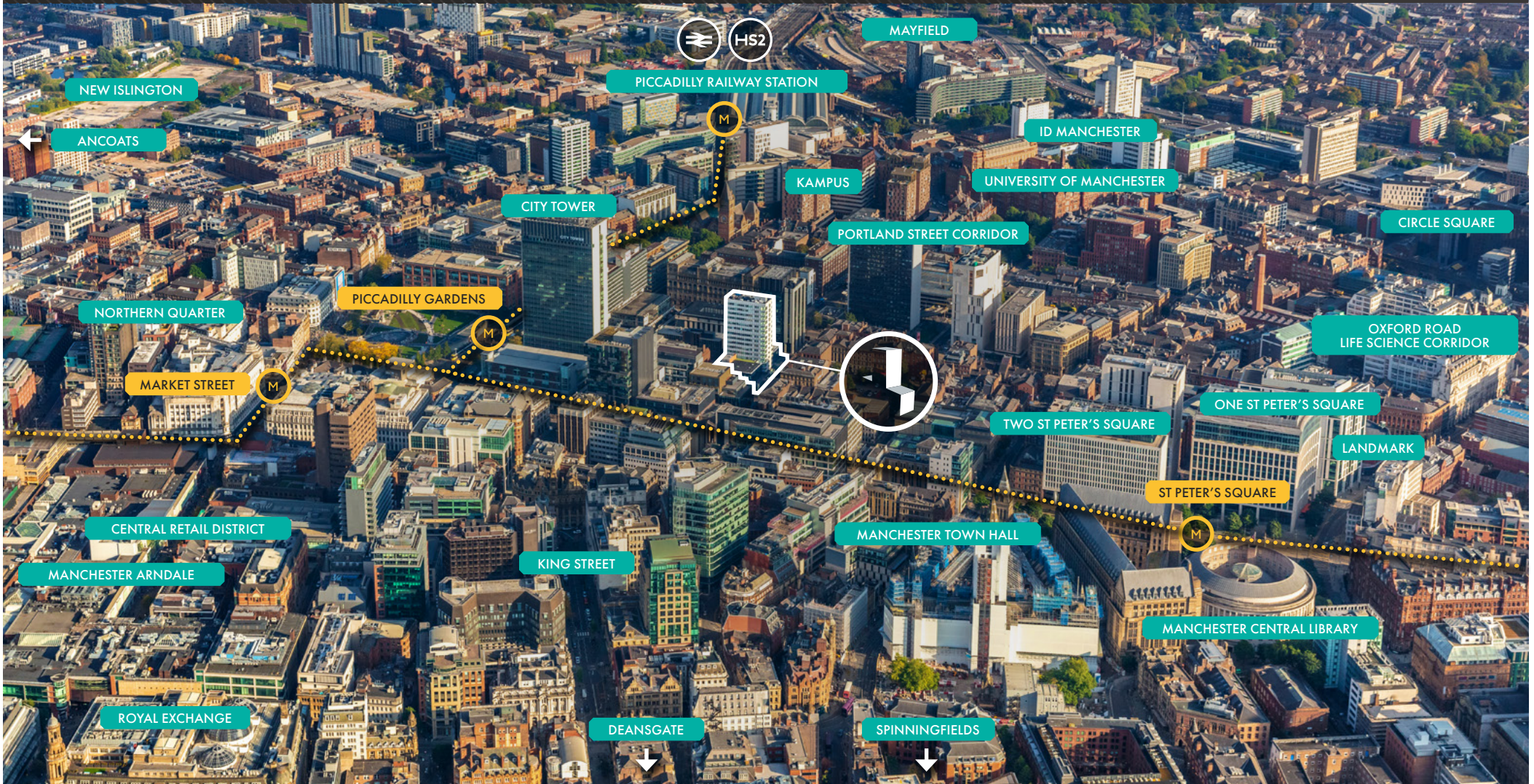


St. James's Tower sits at the epicentre of Manchester's central business district.

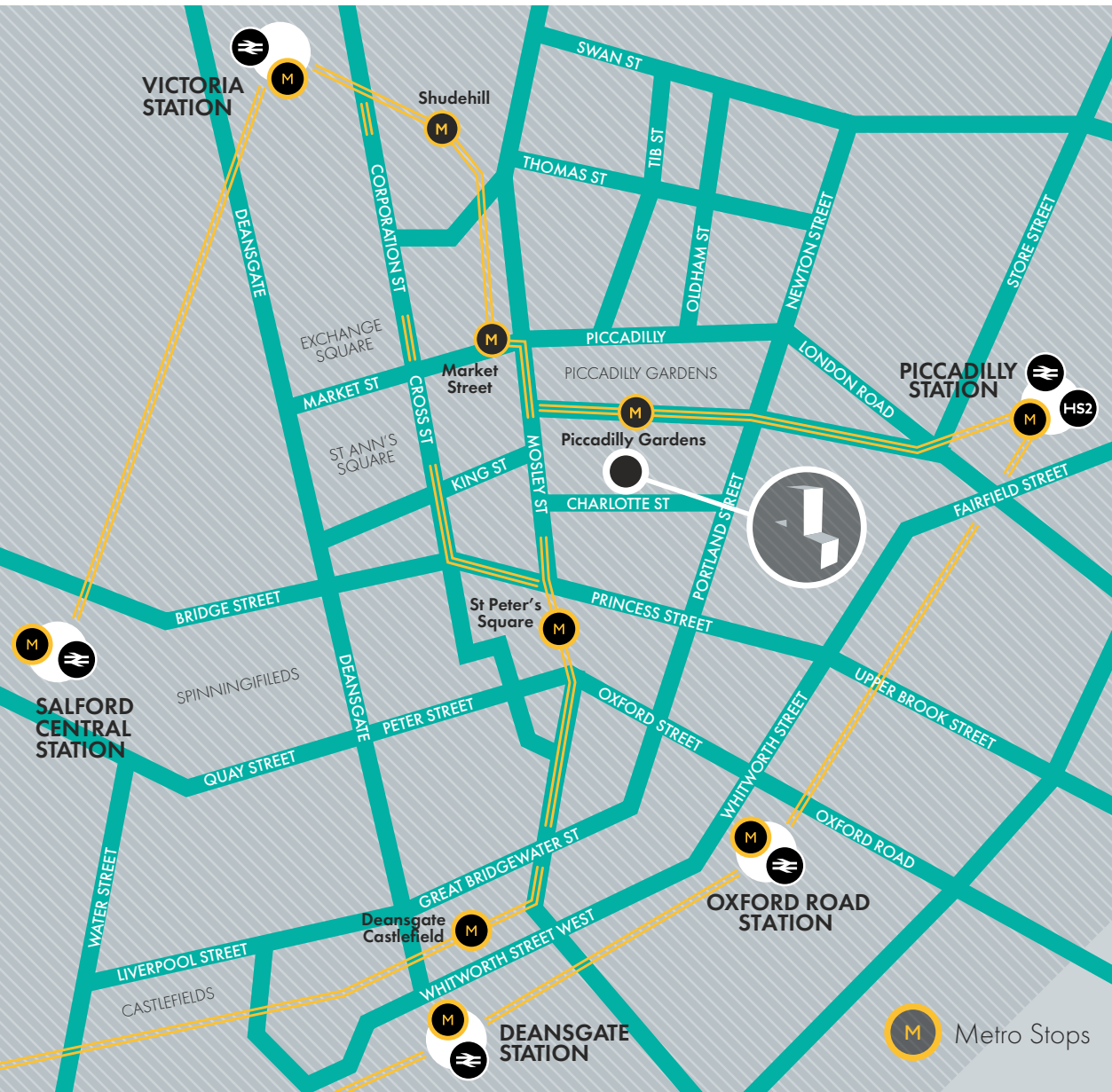
Location

DTRE **Obi**

 Metro Stops



In Walking Distance



Piccadilly Gardens' **Metrolink Station** is a **60-second walk** from your door, swiftly connecting to 93 locations throughout Greater Manchester. Meanwhile, Manchester Piccadilly mainline station is a five-minute stroll away.

1-3 minutes

Piccadilly Gardens Metro
Market Street
Manchester Arndale
The Northern Quarter
St Peter's Square Metro
China Town

3-5 minutes

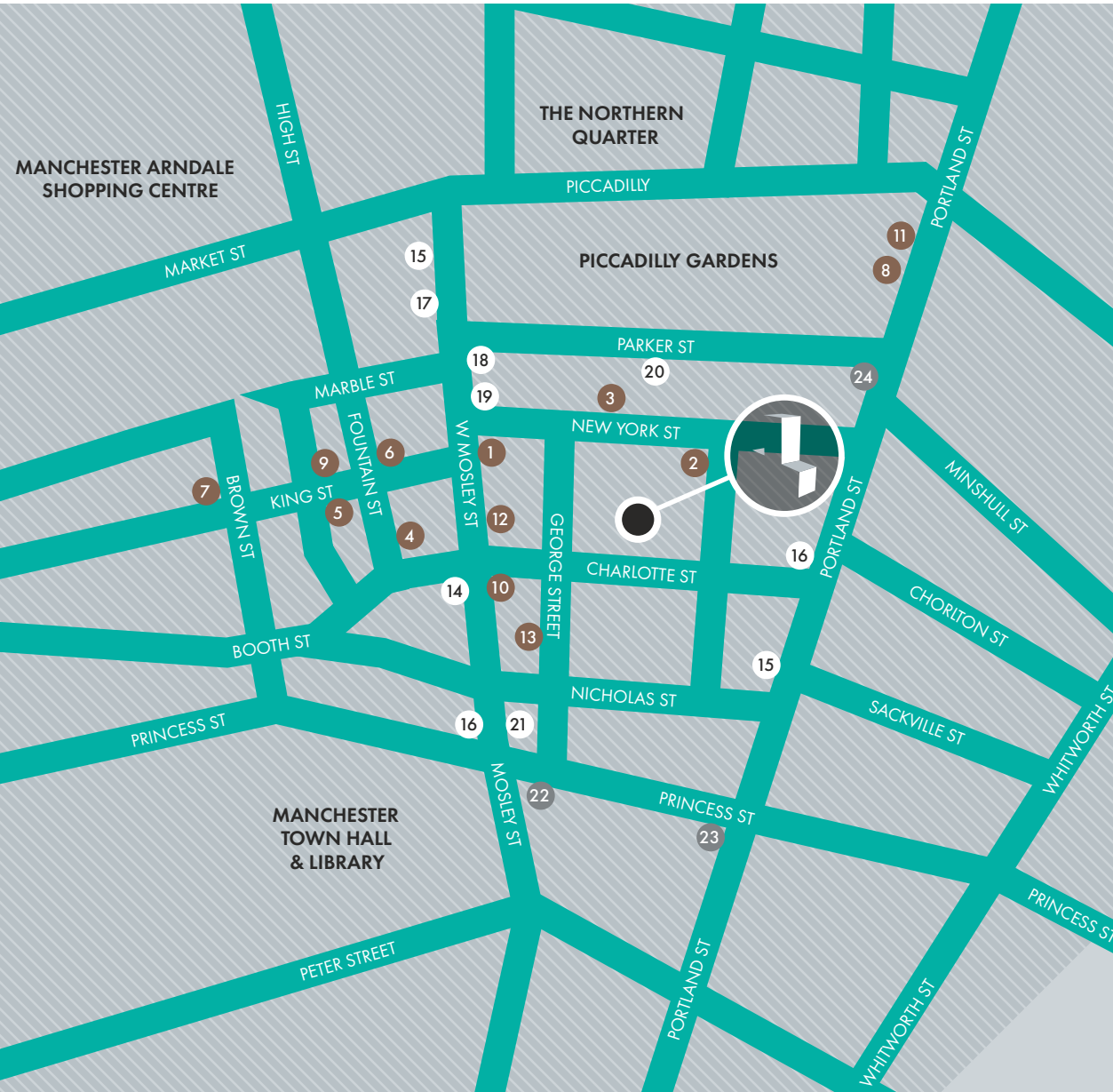
St Ann's Square
Central Library
Canal Street
King Street
Portland Street

5-7 minutes

Manchester Central
Spinningfields
Piccadilly Station
Exchange Square
Portland Street

Metro Stops





Restaurants / Bars

1. Alchemist
2. Giovanni's Deli
3. Grill on New York Street
4. Salut Wine bar
5. Rosso
6. Moose Café
7. All-Bar-One
8. Pizza Express
9. Browns
10. The Little Yang Sing
11. ASK
12. The Bank
13. Teppanyaki Chinatown

Amenities

14. Sainsbury's Local
15. Natwest
16. Café Nero
17. Lloyds Bank
18. M&S
19. Gym
20. Starbucks
21. Manchester Art Gallery

Hotels

22. Arora Hotel
23. Roomzzz Aprt Hotel
24. Piccadilly Hotel



M&S
EST. 1884



Sainsbury's



ASK



NatWest



**LEADING RETAIL
CENTRE** OUTSIDE
LONDON



**£160M NEW ARTS
& CULTURE CENTRE**
THE FACTORY



500,000 + POPULATION
AGED 20 – 34 – **LARGEST**
REGIONAL MILLENNIAL
POPULATION



**3RD & 7TH LARGEST UK
SHOPPING CENTRES**



**NORTHERN QUARTER –
MANCHESTER'S SHOREDITCH**



MANCHESTER

With a population of approximately **2.8 million** and over **11 million** within a **50 mile radius**, Manchester has the largest travel-to-work conurbation outside of London.

250 DIRECT FLIGHT DESTINATIONS FROM MANCHESTER AIRPORT	£350M INVESTMENT IN THE NEW METROLINK TRAFFORD LINE	HS2 NEW HIGH SPEED RAIL LINE MANCHESTER TO LONDON IN 1 HOUR 8 MINUTES
47 TRAINS DAILY BETWEEN MANCHESTER AND LONDON	2 HOUR JOURNEY FROM MANCHESTER TO LONDON	7M POPULATION WITHIN ONE HOUR'S DRIVE
20M OF THE UK'S POPULATION WITHIN A 2 HOUR DRIVE	100 METROLINK IS THE UK'S LARGEST LIGHT RAIL SYSTEM WITH ALMOST 100 STOPS	27M PASSENGERS THROUGH MANCHESTER PICCADILLY EACH YEAR

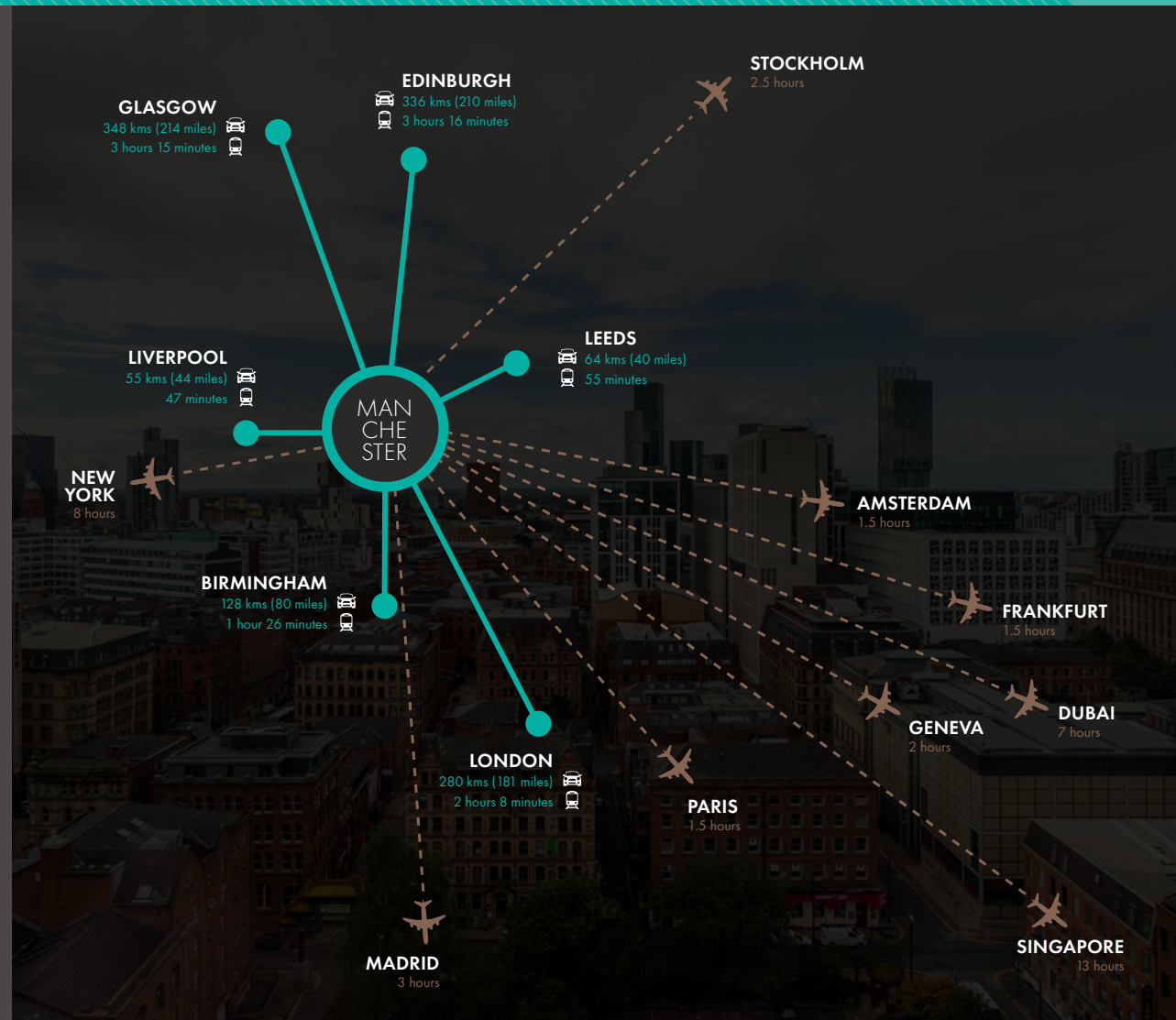
Road Manchester benefits from one of the most extensive regional motorway networks in the country, comprising 20% of the total UK motorway system. The M60 Orbital provides easy access to the surrounding motorways including the M6, M61, M62 and M56 providing access to all of the UK's major cities.

Air Manchester Airport is located 20 minutes to the south of the city centre and remains the UK's 3rd busiest airport and largest outside of London. Serving 28m passengers annually, Manchester Airport provides regular flights to the UK, Europe and internationally to over 250 destinations. The £1bn investment programme led by Manchester Airports Group (MAG) over the next 10 years is set to transform Manchester Airport, expanding services and allowing it to double the number of passengers it handles each year to 55m.

Rail Manchester City Centre has a number of mainline railway stations linking the city to the wider national rail network. There are 47 trains daily from Manchester to London with a journey time of approximately 2 hours. The proposed High Speed 2 line will provide high-speed connectivity between London and Manchester. When completed, journey times will be reduced to 1 hour 8 minutes. Manchester Oxford Road and Manchester Piccadilly are the closest mainline railway stations to St James's Tower, providing unrivalled connectivity.

Metrolink The Metrolink network is one of the most successful light rail systems in the UK. The Metrolink has 7 lines and 100 stations which connect Central Manchester with the suburbs and carry over 31m passengers every year.

Greater Manchester Passenger Transport Executive (GMPTE) have spent in excess of £1.5bn upgrading the existing network to provide further expansion to both the airport and to include a 2nd city crossing, linking St Peter's Square and Exchange Square. The network is currently expanding further with works underway on a new £350m Trafford Line, linking the city centre with the Intu Trafford Centre.



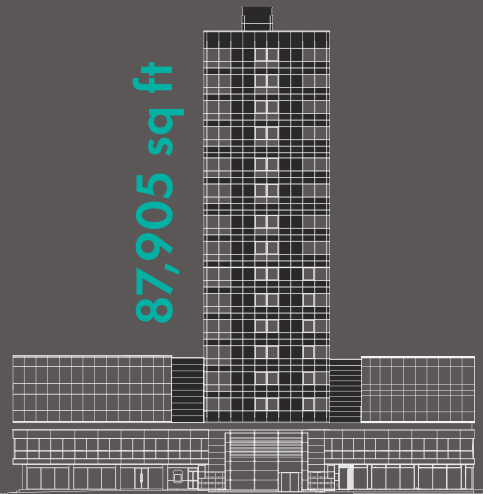


The Building

DTRE **Obi**

St James's Tower is a high quality office building which has been transformed over the last 5 years to provide **Grade A office accommodation** over ground, three "podium floors" and 12 tower floors.

87,905 sq ft



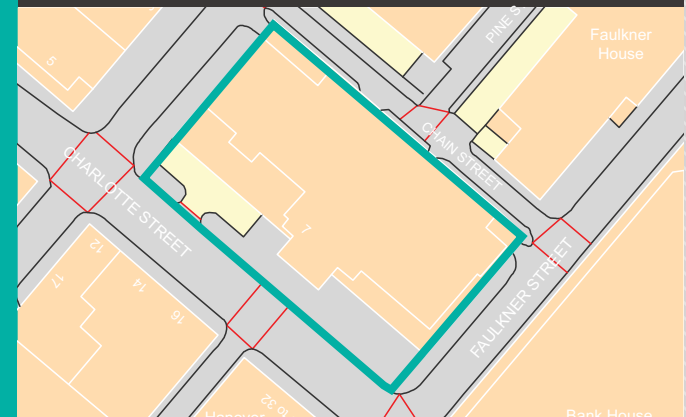
Accommodation

The property has been measured by Hollis in accordance with the 6th edition of the RICS Code of Measuring Practice on practical completion and comprise the following net internal areas:

Floor	Floor Area (NIA) sq ft
Basement	1,324
Ground	11,217
First	15,291
Second	12,606
Third	12,751
Fourth	2,754
Fifth	2,921
Sixth	2,921
Seventh	2,746
Eighth	2,977
Ninth	2,982
Tenth	2,754
Eleventh	2,985
Twelfth	2,977
Fourteenth	2,975
Fifteenth	2,982
Sixteenth	2,743
Total	87,905

Site

The property is located on an island site providing an approximate **area of 0.45 acres**.



Tenure

The property is held freehold (Title no LA5665).

Service Charge

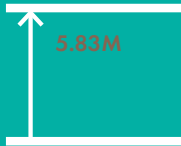
The service charge for the year ending 31/12/2022 is **£459,901 per annum equating to £5.33 per sq ft** on the office space (based on the service charge area). Further information available in the dataroom.

EPC

Further information available upon request.

St James's Tower is a high quality office building which has been transformed over the last 5 years to provide **Grade A office accommodation across 87,905 sq ft** over ground, three "podium floors" and 12 tower floors.

The building benefits from strong fundamentals including;



DOUBLE HEIGHT RECEPTION



FULLY RAISED FLOORS



3
10 PERSON PASSENGER LIFTS



SUSPENDED METAL TILED CEILINGS



46
UNDERCROFT CAR PARKING SPACES AND 14 BIKE RACKS



MALE AND FEMALE WC FACILITIES ON EACH FLOOR



VRV/F FAN COIL AIR CONDITIONING



360
UNINTERRUPTED 360 CITY VIEWS



SHOWERS WITH CHANGING FACILITIES



During the current ownership, the Landlord has undertaken works totalling approximately £4.5m to future proof the asset and improve the occupiers experience at the building.



Approximately 60% of the building has been refurbished during the comprehensive rolling refurbishment programme between 2015 - 2021.

The office specification comprises the following:

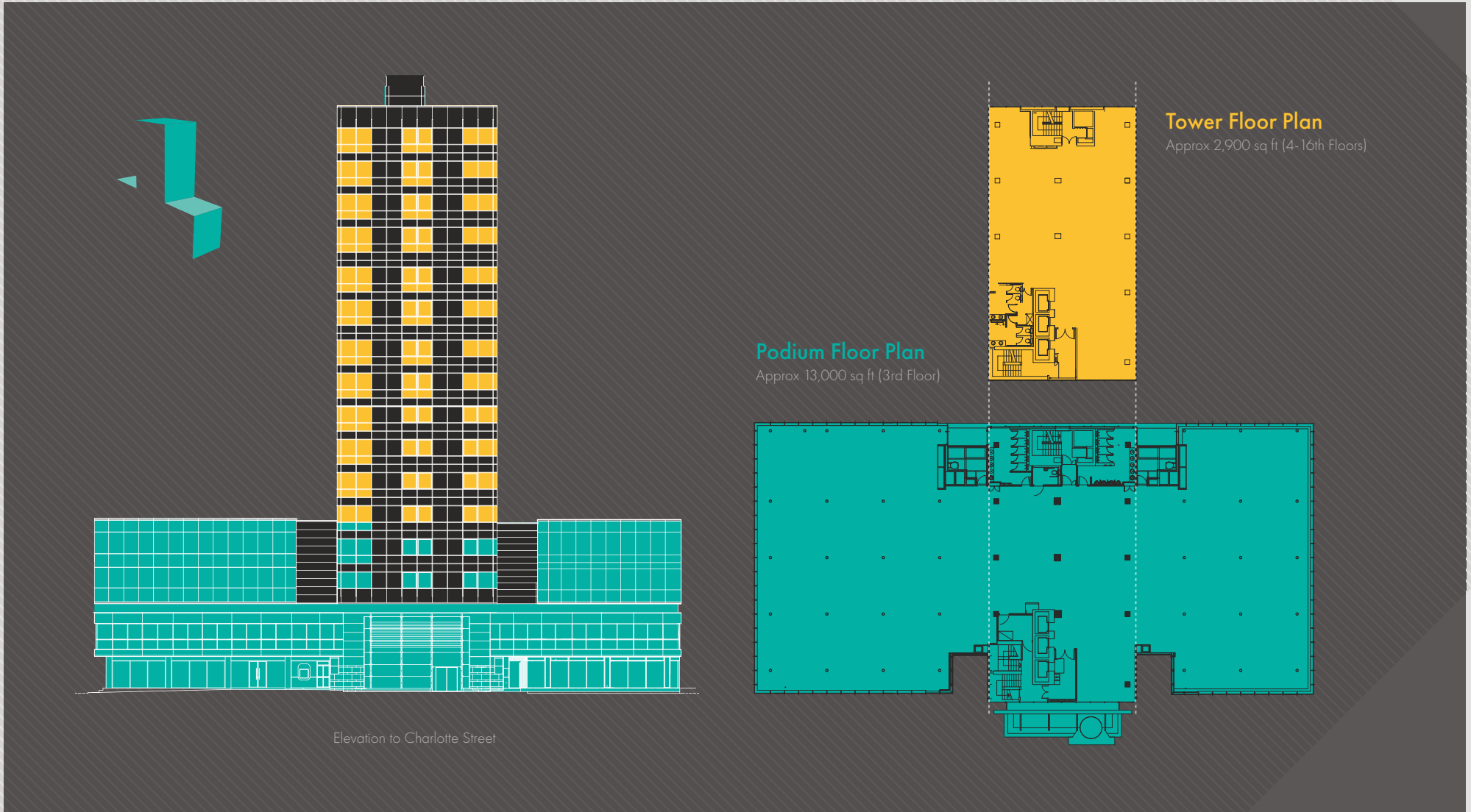
- VRF comfort cooling
- Flat panel LED lighting
- Metal tile suspended ceiling (plasterboard finish to 16th floor)
- Raised access floors
- Self-contained WC facilities to each floor
- Secure underground car parking
- DDA compliant

The refurbished office specification provides:


- Extension and refurbishment of the main reception area
- 2 storey extension to the front elevation and the introduction of full height glazing
- Installation of amenity and wellbeing facilities, to include shower block and cycle storage within the basement
- 3 No. refurbished passenger lifts
- New Male and Female WC facilities



Typical Floor Plan







Manchester is the premier regional city in the UK and the heart of a thriving city region. It is the largest economic area outside London with a gross value added of £56bn.

Why Manchester?

DTRE **OBi**

MANCHESTER'S **ECONOMY**
HAS ALMOST DOUBLED IN SIZE
OVER THE LAST 20 YEARS

NO OTHER CITY IN EUROPE HAS INVESTED
AS MUCH IN ITS MEDIA AND DIGITAL SCENE
AS MANCHESTER, WITH **£3.5BN SPENT**
CREATING THE 2ND LARGEST HUB FOR
CREATIVE INDUSTRIES ON THE CONTINENT

80 OF THE
FTSE 100 REPRESENTED
IN MANCHESTER



VISION TO BE A
TOP 20 GLOBAL
CITY BY 2035

£7.5BN
TOURISM
ECONOMY

MANCHESTER HAS
UP TO **40% LOWER**
OPERATION COSTS
THAN LONDON

MANCHESTER
AIRPORT'S **£1BN**
EXPANSION
PROGRAMME
UNDER WAY

105,000 STUDENTS WITH THE BEST GRADUATE
RETENTION OUTSIDE OF LONDON. **STUDENTS**
FROM MORE THAN 160 COUNTRIES STUDY
IN MANCHESTER – MAKING IT THE BEST UK
DESTINATION FOR INTERNATIONAL STUDENTS

Digital & Technology

Manchester has a thriving community of more than 10,000 digital and tech businesses, from start-ups and SMEs to global brands including Google, Microsoft, IBM and Cisco – as well as numerous home grown unicorns that IPO above \$1 billion.

North Shoring

The strength of the city's lifestyle and culture has contributed to the attraction of major national and international businesses selecting Manchester for north shoring requirements ahead of other cities around the UK and Europe.

North-shoring has created a hotbed of expertise for other industries in Manchester, including the media centre that has become Manchester following the move of BBC and ITV Granada to Media City in Salford.



Universities and Education

Greater Manchester's universities continue to attract the highest calibre of researchers and teachers, with the University of Manchester boasting 25 Nobel Prize winners and more Nobel laureates on their staff than any other UK university.



MANCHESTER
1824

The University of Manchester

UK's **largest single-site** university

32% of staff and students are international

105,000 graduates per year

94% of students graduate straight into employment

70% of graduates remain in the north west

50% of graduates remain in Manchester



- 16 FLETCHERS SOLICITORS
- 15 FLETCHERS SOLICITORS
- 14 BIRCHALL BLACKBURN LAW
- 12
- 11 WATTS GROUP
- 10 DOTDIGITAL / PIMBERLY
- 9 PIMBERLY
- 8 WSP INDIGO
- 7 TAYLORS SOLICITORS
- 6 KEOGHS
- 5 REGUS
- 4 REGUS
- 3 MARSH & MCLENNAN RECEPTION
- 2 MARSH & MCLENNAN
- 1 REGUS
- G REGUS

Floor	Tenant	Floor Area (NIA) sq ft
16	Fletchers Solicitors	2,742
15	Fletchers Solicitors	2,982
14	BB Legal Ltd	2,975
12	Spence & Partners	2,977
11	Watts Group Ltd	2,985
10	Dotmailer Ltd / Vacant	1,713 / 1,041
9	Pimberley Ltd	2,982
8	Pimberley Ltd	2,977
7	Taylor's Legal Service Ltd / Vacant	1,037 / 1,709
6	Keoghs	2,921
5	Regus	2,921
4	Regus	2,754
3	Marsh Corporate Services Ltd	12,751
2	Marsh Corporate Services Ltd	12,606
1	Regus	15,291
G	Regus / Blue Whale	5,753 / 5,464
B	Blue Whale	1,324
Total		87,905



Tenancy Schedule

1 of 2

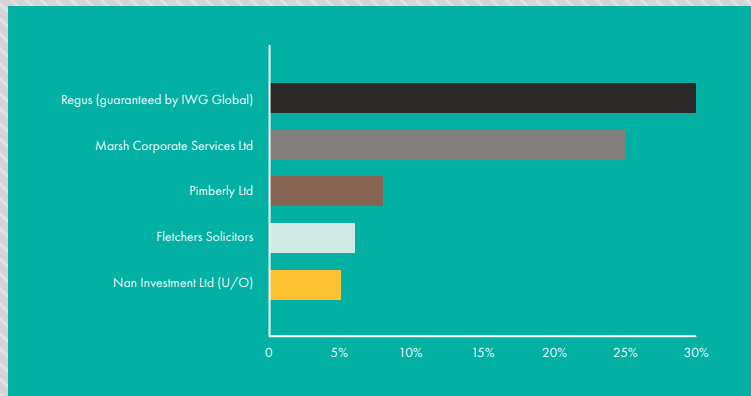
Tenant	Demise Type	Floor	NIA sq ft / Parking Space	Start	Rent £ pa	Rent £ psf	Expiry	Break	Review	Inside / Outside the Act	Comments
Zen Land Investments Limited t/a Blue Whale	Retail	B G & B (Unit 1)	1,324 5,464	07/06/2021	£118,000	£17.38	06/06/2041		07/06/2026 07/06/2031 07/06/2036	Inside	Year 1: £0 (13 months rent free), Year 2: £23,900, Year 3: £47,500, Year 4: £105,000, Year 5: £118,000 £30k deposit to be repaid to the Tenant once they have spent min £300k on fit out. 20 year FRI lease. The annual rent will be reviewed upwards only every 5 years, linked to RPI compounded annually subject to a collar and a cap at 1% and 3%. The final review, on expiry of the 15th year, will be upwards only to the higher of Open Market Value or linked to RPI compounded with a collar and a cap at 1% and 3%.
Manchester Charlotte Street Centre Limited t/a Regus	Office	GF (Unit 3 & 4) 1st 4th 5th	5,753 15,291 2,754 2,921	01/05/2020	£635,208	£23.77 £23.77 £23.77 £23.77	30/10/2032		01/05/2025	Inside	Guarantee equivalent to 5 years rent, reducing annually to 1 years (IWG Global Investments SARL registered in Luxembourg as a société anonyme under number RCS Luxembourg B-200985). Rent agreed at £635,208 p.a, with a minimum uplift to £701,375 p.a. (£26.25 psf) at first review (5th year).
Marsh Corporate Services Limited t/a/ Regus	Office	2nd	12,606	23/01/2017	£279,749	£22.19	31/12/2030	31/12/2025 01/01/2028	01/01/2023	Inside	Office rent £279,749 plus 7 car parking spaces @£2,750 /space pa. Tenant has vacated the floor and is actively marketing via sublease or assignment via CBRE.
Marsh Corporate Services Limited t/a/ Regus	Office	3rd	12,751	23/01/2017	£279,749	£21.94	31/12/2030	31/12/2025 01/01/2028	01/01/2023	Inside	Office rent £279,749 plus 7 car parking spaces @£2,750 /space pa. Tenant has vacated the floor and a sub-let to Golden Egg Group Limited at £308,640 pa is in legals.
Keoghs	Office	6th	2,921	06/12/2016	£62,292	£21.33	05/12/2021			Inside	Passing rent of £67,792 pa, including 2 car parking spaces. Office rent reflects £21.75 psf plus £2,750 per car parking space pa.
Taylor's Legal Services Limited	Office	Part 7th	1,037	02/11/2020	£36,009	£34.72	30/11/2025	30/11/2022		Outside	Fitted and furnished solution. All-inclusive rent of £45,000 p.a. (Rent, S/C, Ins). Service charge = £8,715 p.a. (£7.88 psf) / Building Ins £276.50 p.a. (£0.25 psf) 4 months notice on the break. Tenant has the benefit of a 3 month rent free period if break is not exercised.
Vacant	Office	Part 7th	1,709		£54,688	£32.00					Suite recently refurbished to a Cat A+ standard. 12 months rent, rates and service charge to be guaranteed by the vendor.

Tenant	Demise Type	Floor	NIA sq ft / Parking Space	Start	Rent £ pa	Rent £ psf	Expiry	Break	Review	Inside / Outside the Act	Comments
Pimberly Limited (U/O)	Office	8th	2,977	02/01/2022	£89,370	£30.02	01/01/2027			Inside	Lease surrender to WSP and new lease U/O to Pimberly Ltd for a term of 5 years at £30.00 psf. Works to replace air conditioning between October and December 2021, estimated cost of £55,000.
Pimberly Limited (U/O)	Office	9th	2,982	02/01/2022	£83,412	£27.97	01/01/2027			Inside	New lease U/O to Pimberly Ltd (t/a Matrix CMS) for a term of 5 years at £28.00 psf with effect from 02.01.2022.
Dotmailer Ltd	Office	Part 10th (East)	1,713	02/11/2017	£42,560	£24.85	01/11/2023			Outside	2020 rent review outstanding.
Vacant	Office	Part 10th (West)	1,041		£33,312	£32.00					12 months rent, rates and service charge guaranteed by the vendor.
Watts Group Limited	Office	11th	2,985	09/02/2018	£67,140	£22.49	08/02/2028	09/02/2023	09/02/2023	Inside	Rent excludes the car parking space held on a licence.
Spence & Partners	Office	12th	2,977	09/07/2021	£89,370	£30.02	08/07/2026	09/07/2024		Inside	
BB Legal Ltd	Office	14th	2,975	10/12/2020	£90,204	£30.32	09/03/2023			Outside	Rent inclusive of service charge and insurance. Exclusive of VAT, business rates and any other outgoings. Service charge = £18,142 p.a. (£6.09 psf) / Building Ins £744.75 p.a. (£0.25 psf) lease Outside the Act. The Tenant has a right of pre-emption over Part 7th Floor, Suite 1 for the first 12 months of their lease.
Fletchers Solicitors	Office	15th	2,982	19/08/2019	£71,555	£24.00	30/11/2030	01/12/2025		Inside	Half rent (£35,777.5 pa) until 19/06/21. Then £71,555 pa with fixed rent increase to £76,015 pa on 19/06/2025. Break conditional on 9 months notice and a £16,750 penalty. Service charge cap of £31,642.24 reviewed annually in line with RPI and ending on the break date.
Fletchers Solicitors	Office	16th	2,742	15/07/2019	£72,800	£26.55	30/11/2030	01/12/2025		Inside	Half rent (£36,400) until 15/08/21. Then £72,800 subject to fixed increase to £77,000 pa on 15/07/25. Break conditional on 9 months notice and a £16,750 penalty. Service charge cap of £29,865.37 reviewed annually in line with RPI and ending on the break date.
Manchester Charlotte Street Centre Limited	Car Parking	G, 1st, 4th, 5th Parking	14	01/05/2020	£42,000	£3,000.00	30/04/2032				
Marsh Corporate Services Limited	Car Parking	2nd Parking	7	23/01/2017	£19,250	£2,750.00	31/12/2030				
Marsh Corporate Services Limited	Car Parking	3rd Parking	7	23/01/2017	£19,250	£2,750.00	31/12/2030				
Keoghs	Car Parking	6th Parking	2	06/12/2016	£5,500	£2,750.00	05/12/2021				
Watts Group PLC	Car Parking	11th Parking	1	08/02/2013	£1,750	£1,750.00					Holding over. Subject to a mutual option to determine on one month's notice.
Vacant	Car Parking		15		£41,250	£2,750.00					
Total			87,905 sq ft 46 car parking spaces		£2,234,418 pa		8.3 yrs	6.3 yrs			

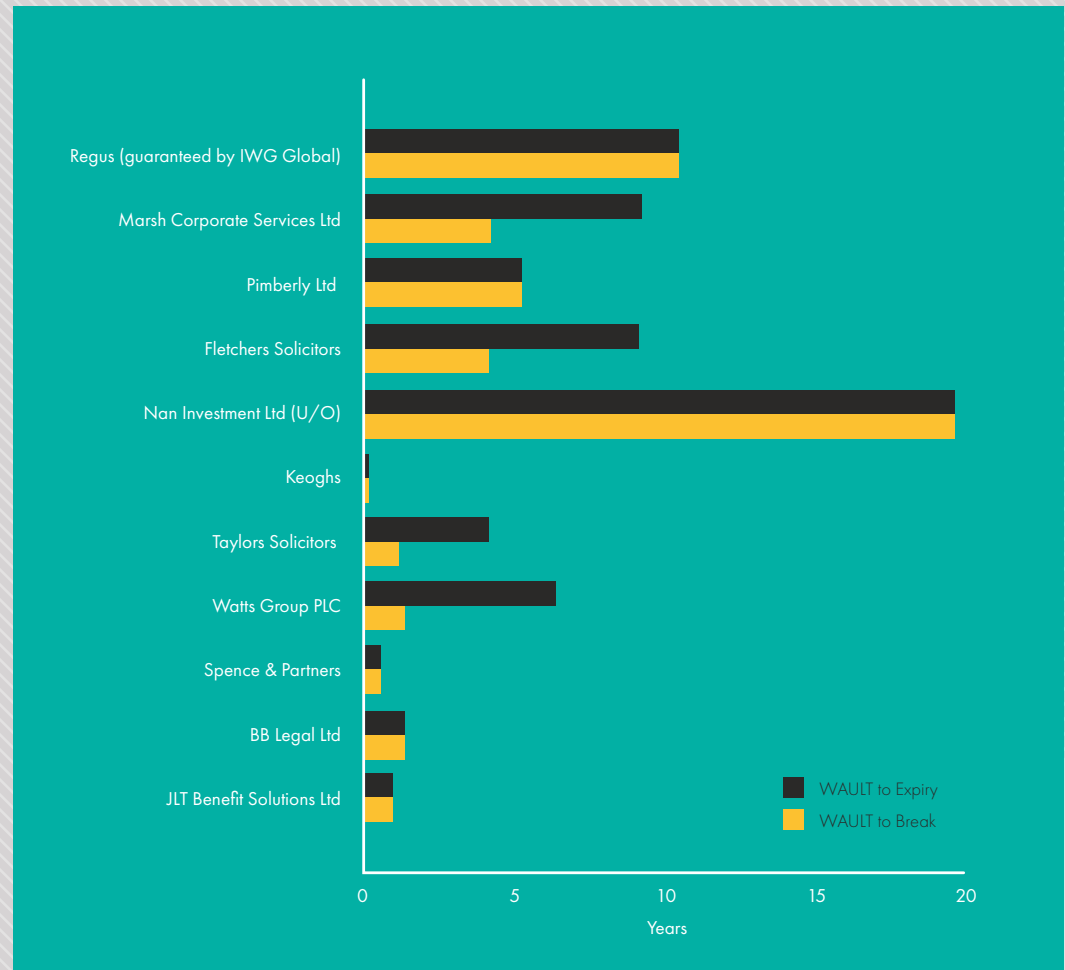
Tenant	Amount of Contracted Income	% of Contracted Income	D&B rating	Principle Activities
Regus (guaranteed by IWG Global Investments)	£677,208	30%	N2	Regus are a global supplier of serviced office space
Marsh Corporate Services Ltd	£597,997	27%	5A2	Marsh Corporate Services Limited are a world leading professional services firm specialising in insurance broking, risk management and investment advisory amongst other activities
Keoghs	£67,792	3%	N2	Keoghs is the leading provider of claims-related services to insurers, businesses and other suppliers to the insurance sector
Taylor's Legal Services Ltd	£36,009	2%	N2	Taylor's Solicitors are a commercial law firm that practice predominantly in the North. In diverse industries such as manufacturing, Food waste management and property investment
Pimberly Ltd	£172,782	8%	N3	Pimberly are a software development firm that provide a software to aid in data management and storage
DotMailer Ltd	£42,560	2%	4A1	DotMailer is a flexible email marketing automation platform that helps its users create, automate, test and send emails
Watts Group Ltd	£68,890	3%	2A2	The Watts Group is a firm that provide property services including Building Surveying, Project Management and Cost Consultancy services
Spence & Partners	£89,370	4%	1A2	Spence specialises in advising on and managing defined contribution and final salary pension schemes
BB Legal Ltd	£90,204	4%	A2	Birchall Blackburn Law is a long established firm of solicitors and provider of legal services. With over 310 members of staff and offices across the North West in Chester, Chorley, Leyland, Manchester, Morecambe, Preston and Southport
Zen Investment Lands Ltd	£118,000	5%	N3	Provides a high end oriental grocery experience and sushi restaurant called Aka Sushi
Fletchers Solicitors	£144,355	6%	3A1	Fletchers Solicitors Limited is a legal firm that specialise in litigation and personal injury litigation



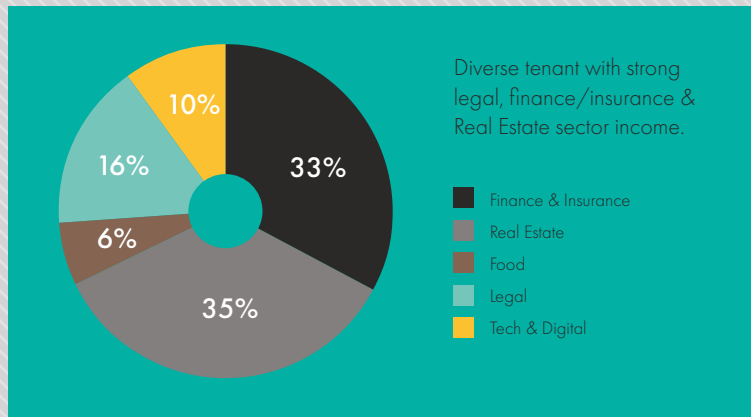
% Total Income by Tenant



WAULT to Break / Expiry by Tenant



Income by Business Centre





BEA 東亞銀行

Market Commentary

DTRE **OBi**

The Manchester City Centre office market has been the **best performing regional city outside of London** in terms of space transacted during 2021 YTD, recording 730,000 sq ft of take up.

Despite the pandemic the city has experienced strong demand from a wide range of sectors including Financial & Professional Services, Legal, Tech and Digital & Creative. The city benefits from strong demand from indigenous occupiers and is also attracting inward investors, both regionally and nationally, from both the public and private sectors.

Take-up for 2021 is expected to exceed 1M sq ft, which would represent a strong year considering the backdrop of the pandemic.

10-year average take-up : 1.19M sq ft

5-year average take-up : 1.40M sq ft

Average annual Grade A take-up : 500,000 sq ft

Rental Values

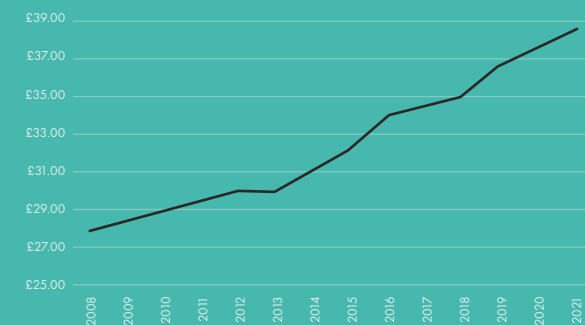
Prime office rents have continued to grow, with **£38.50 psf being achieved** during Q1 2021

Manchester has experienced **average rental growth of 2.5% per annum** since 2009, the strongest and most consistent growth by any regional market

Current **quoting rents for Prime Grade A workspace are £37.00 - £40.00 psf**

Grade A refurbished office rents in the city centre for prime locations are achieving rents between £32.00 - £36.50 psf

Prime Headline Rental Growth (psf)



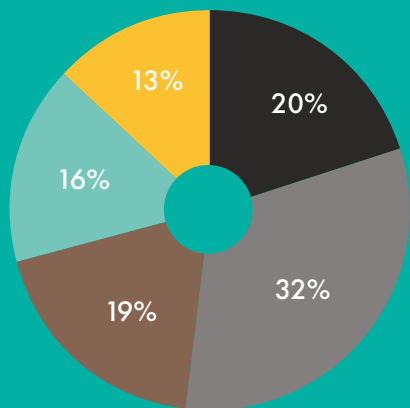
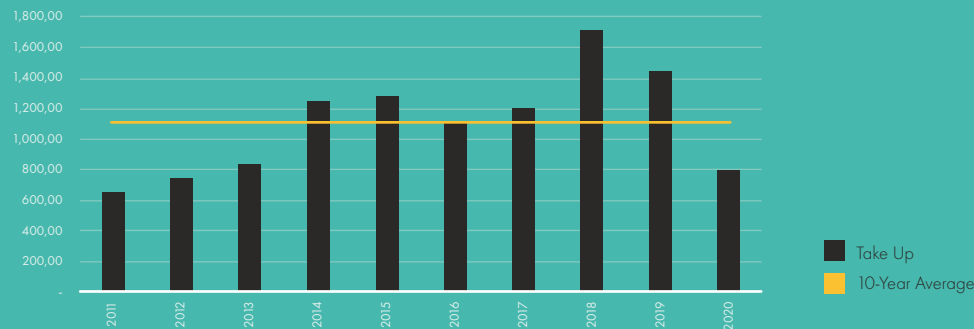
Transaction £20+ psf

Since 2012, the percentage of transactions achieving a rent in excess of £20.00 psf has consistently increased year on year, with 74% of transactions in 2020 achieving this level. The average headline rent achieved in 2020 was £26.00 psf, representing a 13.5% increase on 2019, where the average headline rent was £22.90 psf. This further reflects the strength of the Manchester office market and the resilience of rents within the city centre to external factors such as the pandemic.

Rent Analysis - % of transactions that achieved in excess of £20 psf



10 Year Take Up Manchester City Centre (sq ft)



Percentage of Transactions by Size Band

- 0-1000
- 1001-2500
- 2501-5000
- 5001-10000
- 10001 plus

In 2021, over 70% of transactions concluded have been between 0 – 5,000 sq ft.

Supply

1.476M
SQ FT

TOTAL
CURRENT
SUPPLY

570,500
SQ FT

EXISTING
PRIME GRADE
A SUPPLY

308,959
SQ FT

PRIME GRADE
A UNDER
CONSTRUCTION

500,000
SQ FT

AVERAGE
GRADE A
TAKE UP

No 1 regional city

Rare opportunity to gain exposure to the globally renowned Manchester city centre office market, the UK's premier regional City.

Highly reversionary

Office accommodation is highly reversionary producing low average rent of **£24.50** per sq ft, providing a 29% discount to building's proven rental tone of £34.72 per sq ft and a 36% discount to Manchester Prime rents.

Strong rental growth prospects

Headline rents in Manchester have grown from £34.00 to £38.50 per sq ft over the last 5 years (2016 – 2021) reflecting **2.5% pa growth**. We expect rents to reach **£40.00 per sq ft** over the coming 12 months with a number of new schemes including Landmark quoting £40.00 per sq ft.

Top performing occupational market

Manchester occupational office market has shown strong resilience during the pandemic, being the **top performing regional office market by take up** and rental growth over the last 2 years.

Attractive income

Building is now **97% let to 11 tenants**, offering exceptional income diversity, with an attractive **WAULT of 8.3 years to lease expiry and 6.3 years** to tenant break options.

Guaranteed rental performance

28% of the income benefits from a minimum rental uplift from £23.77 to £26.25 per sq ft in 2025.

World class infrastructure

The Piccadilly district of Manchester is the focus of over **£2bn of further development** and infrastructure work across mixed use schemes such as; ID Manchester, London Road Fire Station, Kampus, Mayfield and in due course, Manchester's new HS2 rail-link all within a 5 minute walk from St James's Tower.

Excellent value

A purchase at the quoting level would reflect a **100 basis point discount** to prime Manchester office yields which are currently 5.00%.

Building future proofed

The property has benefited from significant cap ex investment with a **comprehensive rolling refurbishment programme between 2015 – 2021**, future proofing the building.

Strong rental payment history

All tenants up to date, demonstrating a robust income stream and indicating the tenant's ongoing commitment to the building

Rare freehold site

Island site providing approximately **0.45 acres**.

Highly liquid investment

Due to its location, proximity to infrastructure, amenity and lots size, and income profile.

Offers are invited in excess of **£34,880,000 (Thirty Four Million Eight Hundred and Eighty Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level would reflect a net initial yield of 6.00% and a capital value of £397 per sq ft, allowing for purchaser's costs of 6.77%.

Further information

Surveys

A full suite of surveys is available in the dataroom for the purchaser to take reliance upon. Further detail available in the dataroom.

VAT

We understand the property will be treated as a Transfer of a Going Concern for VAT purposes.

AML

In accordance with AML Regulations, the successful purchaser will be required to satisfy us on the source of the funds used to complete the transaction.

Capital Allowances

Further information available upon request.

Dataroom website

A dataroom has been set up to provide details of all the property and legal information which is deemed relevant for the sale.

Financing & Investment Returns

Indicative terms on the following basis should be available with lenders expected to focus on the strength in the occupational market, the income profile and multi-let tenant line up, and its reversionary rental level.

Indicative Financing Terms:

LTV: 55%
Term: 5 years
All-in: 2.75%
Arrangement Fee: 1%
Cash-on-Cash 9.64%

To discuss these debt financing terms confidentially, please contact:

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DTRE OBI

Misrepresentation Act: All Agents and for the vendors or lessors of this property whose agents they are, give notice that (i) these particulars are produced in good faith, are set out as a general guide only and do not constitute any part of an offer or contract. They are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves as to the correctness of each of them. (ii) no person in the employment of all agents has any authority to make or give any representation or warranty in relation to this property.

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