

**PRIME THAMES VALLEY OFFICE INVESTMENT**  
**BRAYWICK GATE, BRAYWICK ROAD, MAIDENHEAD SL6 1DA**







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## INVESTMENT SUMMARY

- **Freehold** office building located in **Maidenhead town centre**, one of the strongest office locations in the Thames Valley and South East.
- Situated within **200 metres** of Maidenhead mainline railway station which will be a **Crossrail** station from 2019.
- Prominent **Grade A office** building constructed in 2004 over ground and 3 upper floors extending to approximately **40,450 sq ft**.
- 120 car parking spaces providing an **excellent car parking ratio of 1:331 sq ft**.
- Multi-let on effective full repairing and insuring terms to **Alnylam UK Limited, Rovi Europe Limited and Tibco Software Limited**.
- WAULT of approximately **7.3 years to expiries** and **4.0 years to tenant break options**.
- Current income of **£1,194,725 per annum**, equating to **£30.07 per sq ft overall**.
- Prime rents in Maidenhead are currently **£37.50 per sq ft** providing excellent reversionary potential.
- Medium term asset management potential including increasing the total footprint of the building via extension at the rear.
- Offers are invited in excess of **£18,650,000 (Eighteen Million, Six Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT, reflecting a **net initial yield of 6.00%** after an allowance for graduated costs of acquisition calculated at **6.74%**.



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## LOCATION

The Royal Borough of Windsor and Maidenhead is one of the country's most affluent boroughs and a perennially popular and prestigious location in which to both work and live. The current borough population is estimated at 146,000, an increase of 8.2% since the 2001 census.

Maidenhead is the largest town in the borough and one of the Thames Valley's principal office centres. Benefitting from a skilled workforce and excellent connections to central London and Heathrow, the town has attracted many blue chip companies, with major employers in the town including Hutchison 3G, GlaxoSmithKline, Adobe Systems and Fujitsu.



## COMMUNICATIONS

### Road

Maidenhead lies immediately north of the M4 Motorway (Junction 8/9) which, via the M25, provides direct connectivity to the wider motorway network. The A404(M), located directly to the west of Maidenhead, links the M4 and M40 motorways.

Destination	Approximate Distance
M4 (J8/9)	3 km (2 miles)
M40 (J4)	14 km (9 miles)
M25 (J15)	19 km (12 miles)
Reading	23 km (14 miles)
Central London	44 km (27 miles)

### Air

Heathrow, one of the world's busiest airports, is located 24 km (15 miles) east of Maidenhead, with three more international airports within 80 km (50 miles).

Destination	Approximate Distance
Heathrow Airport	24 km (15 miles)
London City Airport	61 km (38 miles)
Luton Airport	68 km (42 miles)
Gatwick Airport	80 km (50 miles)

### Rail

There are up to 11 services an hour from Maidenhead Station direct to London Paddington, with a fastest journey time of 20 minutes. Additionally, Maidenhead is set to benefit from the Western Rail Link which will provide a direct connection to London Heathrow with a journey time of 14 minutes.



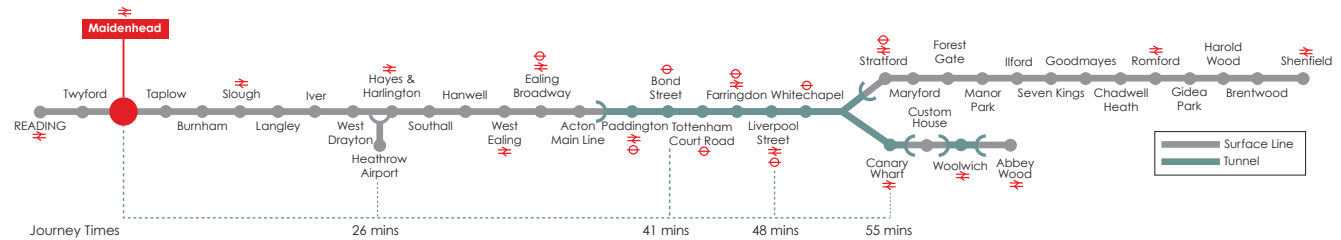
# BRAYWICK GATE, BRAYWICK ROAD, MAIDENHEAD SL6 1DA



## CROSSRAIL

At a total budget cost of £14.8 billion, Crossrail is among the most significant infrastructure projects ever undertaken in the United Kingdom. On completion in 2019, Crossrail will increase central London rail capacity by 10% and transform the connectivity between the Thames Valley and central London. It will be possible to travel from Maidenhead to the heart of London's West End in 41 minutes, to the City in 48 minutes and to Canary Wharf in 55 minutes. The service from Maidenhead is scheduled to commence in early 2019 and will provide up to four trains per hour.

Braywick Gate is situated within 200 metres of Maidenhead Station and the commencement of the Crossrail service will be a significant additional benefit to its attraction to occupiers.

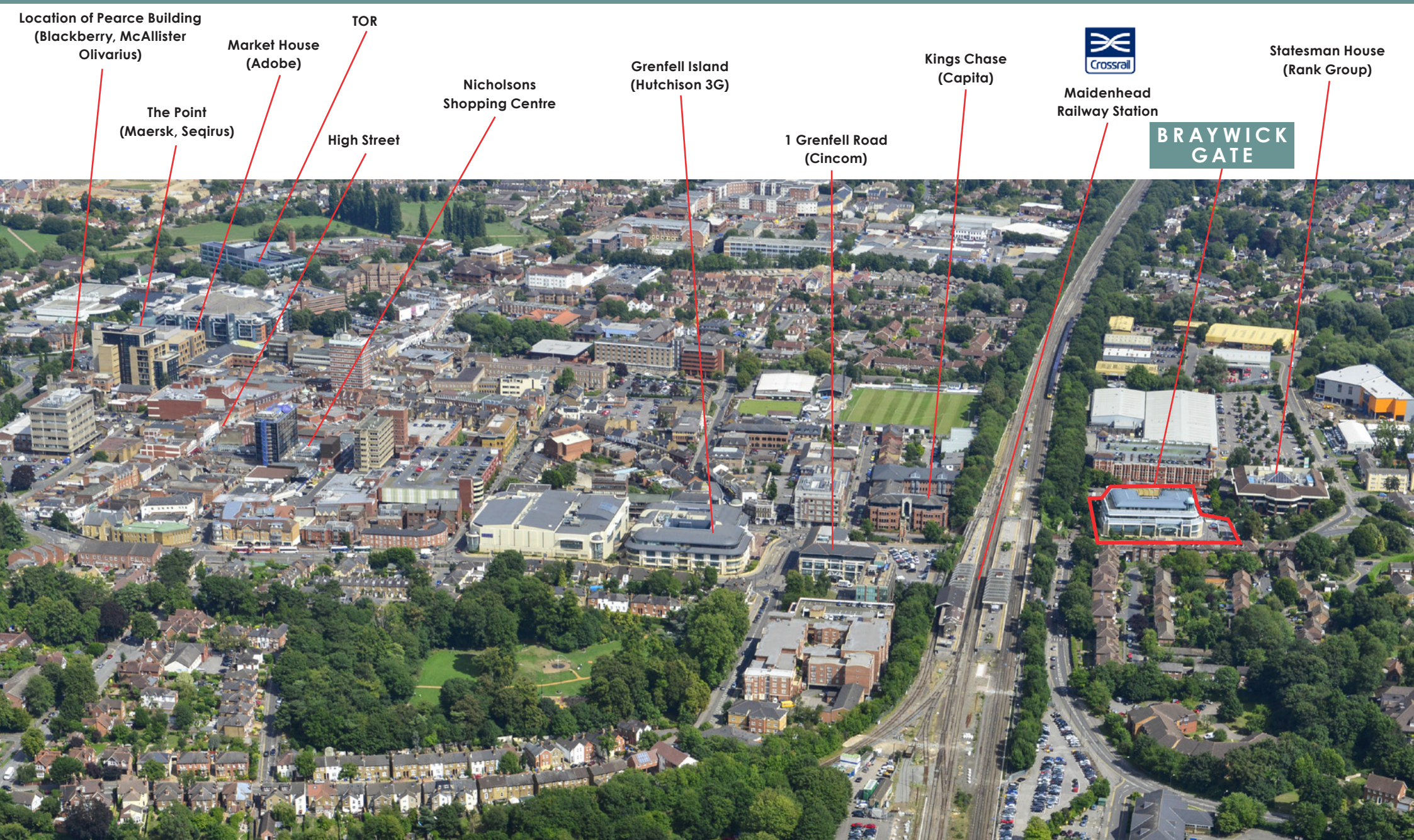


Illustrations of proposed Maidenhead Station improvements





# BRAYWICK GATE, BRAYWICK ROAD, MAIDENHEAD SL6 1DA



Location of Pearce Building  
(Blackberry, McAllister  
Olivarius)

Market House  
(Adobe)

TOR

The Point  
(Maersk, Seqirus)

High Street

Nicholsons  
Shopping Centre

Grenfell Island  
(Hutchison 3G)

1 Grenfell Road  
(Cincom)

Kings Chase  
(Capita)



Maidenhead  
Railway Station

**BRAYWICK  
GATE**

Statesman House  
(Rank Group)



# BRAYWICK GATE, BRAYWICK ROAD, MAIDENHEAD SL6 1DA

## SITUATION

Braywick Gate occupies a prominent town centre location, within 200 yards of Maidenhead railway station, which will be served by Crossrail from 2019. The property is situated on the eastern side of Braywick Road which connects the town centre to Junction 8/9 of the M4, 3 km (2 miles) to the south. The immediate area constitutes Maidenhead's primary office core. The property's location is further enhanced by its proximity to Nicholson's Shopping Centre which is half a mile to the north of the property as well as the diverse amenities of the town centre.



The town centre is set to benefit from several major regeneration projects. The railway station and immediate surrounds are to be overhauled with enhanced public realm, as part of the Crossrail project. London & Aberdeen's £200 million 'Landing' scheme, which covers a large site bounded by Broadway, King Street and Queen Street, was granted planning permission in October 2015 and, on completion, will deliver a high quality, mixed-use development and new public plaza. Elsewhere, the Chapel Arches scheme, close to High Street, is being constructed in 3 phases, built around the town's waterways. Phases 1 & 2 are due for completion in Autumn 2016 and will provide 242 homes and approximately 30,000 sq ft of retail, restaurant and office space.



The Landing (Proposed)





## DESCRIPTION

Completed in 2004, Braywick Gate comprises a self-contained detached office building of steel frame construction, over ground and 3 upper floors, providing approximately 3,758 sq m (40,450 sq ft) of open plan office accommodation. The property's striking appearance incorporates virtual full height double glazed windows and attractive architectural features including reconstituted stone columns and panels and external terraces at 2nd and 3rd floor levels.

Internally the accommodation provides a Grade A specification incorporating the following:

- Raised full access floors with 150mm void.
- Suspended ceilings incorporating metal perforated ceiling tiles with integral lighting.
- 4 pipe fan-coil air conditioning.
- Two 13-person passenger lifts.
- Separate male and female WCs at each level, disabled WCs at ground and second floor level and a shower room on the first floor.
- The reception area was refurbished in 2014 and all the WCs have been refitted over the last 24 months.

The property benefits from a mixture of surface and underground car parking for 120 cars providing an excellent car parking ratio of 1:31 sq m (1:331 sq ft) of net office area, excluding reception.

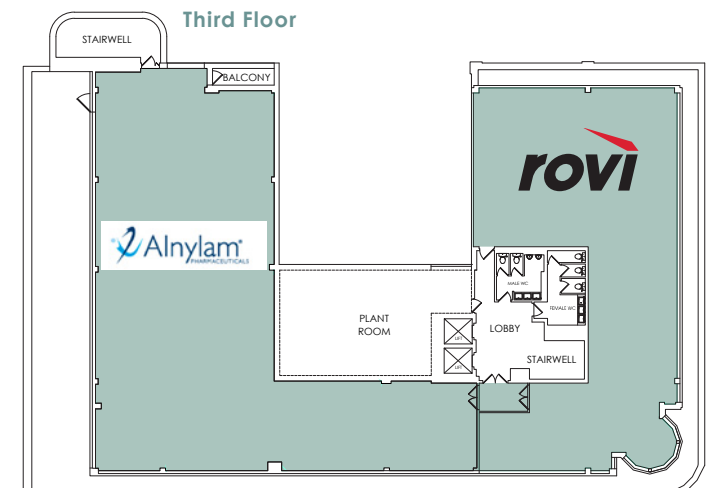
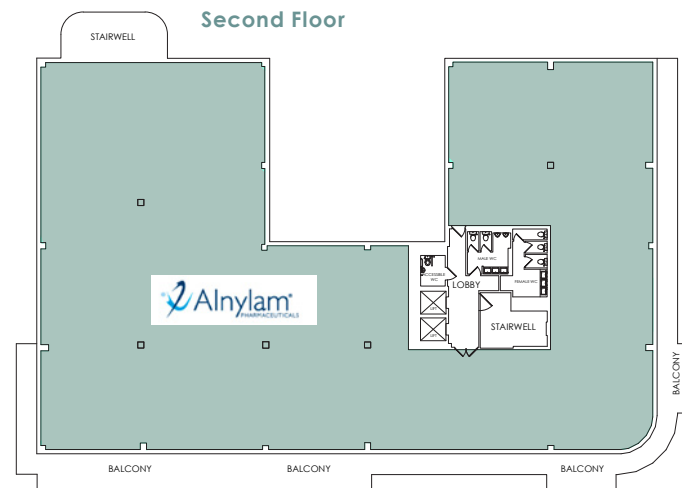
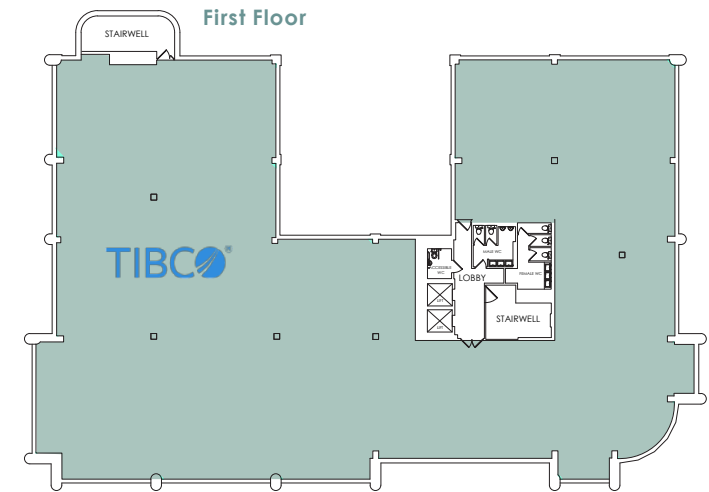




## ACCOMMODATION

The approximate net internal floor areas of the property are as follows:

Accommodation	Net Internal Area	
	Sq M	Sq Ft
Reception	67.0	721
Ground Floor	846.2	9,108
First Floor	1,173.6	12,633
Second Floor	1,004.2	10,809
Third Floor	667.0	7,179
<b>Total</b>	<b>3,758</b>	<b>40,450</b>





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## TENANCIES AND CURRENT INCOME

The property is multi-let to three tenants producing a total current rental income of **£1,194,725** per annum exclusive, reflecting £324 per sq m (**£30.07 per sq ft**) overall. This includes a vendor top-up of the rent free incentive agreed with Alnylam.

Floor	Tenant	NIA (sq m)	NIA (sq ft)	Lease Start	Next Review	Lease Expiry	Tenant Breaks	Passing rent (£pa)	Passing Rent (£psf)	Comments
Part Ground & Part Third	Alnylam UK Ltd	996	10,720	13.05.2016	13.05.2021	12.05.2026	13.05.2021	£326,960	£30.50	12 months rent free (remainder to be topped up by vendor). Guarantee from Alnylam Pharmaceuticals Inc. <sup>1</sup> In the event the break clause is not exercised, the tenant receives a further 3 month rent free period.
Part Ground & First	Tibco Software Ltd	1,418	15,268	07.02.2014	07.02.2019	06.02.2025	06.02.2020	£457,590	£29.97	Lease guaranteed by Tibco Software Inc. In the event the break clause is not exercised, the tenant receives a further 4 month rent free period. The ground floor element has been sublet to Stonebridge International Insurance Ltd until 31.01.2017 at a rent equating to £30.77 psf.
Second	Alnylam UK Ltd	1,004	10,809	24.06.2016	13.05.2021	12.05.2026	13.05.2021	£329,675	£30.50	12 months rent free (remainder to be topped up by vendor). Guarantee from Alnylam Pharmaceuticals Inc. <sup>1</sup> In the event the break clause is not exercised, the tenant receives a further 3 month rent free period.
Part Third	Rovi Europe Ltd	272	2,932	01.10.2013	–	30.09.2018	30.09.2016	£80,500	£27.46	Lease excluded from security of tenure provisions of Landlord and Tenant Act, 1954. The break option has not been exercised. Rent deposit of £72,450 plus VAT.
<b>Total</b>		<b>3,690</b>	<b>39,729</b>					<b>£1,194,725</b>	<b>£30.07</b>	

<sup>1</sup> The guarantees will remain in place until the tenant can demonstrate audited pre-tax profits of at least three times the rent for three consecutive years. This test is to be applied separately to each lease.

As at October 2016 the average weighted unexpired lease term is approximately 7.3 years to expiries and 4.0 years to tenant break options.

Until 13.05.2021, Alnylam UK Ltd has a right of first refusal in respect of any vacant office accommodation in the building which is made available to let. Further details are available on request.





## TENANT COVENANTS



**Alnylam UK Ltd (Company No: 08871372)**  
[www.alnylam.com](http://www.alnylam.com)  
 55% of total income

Alnylam is a biopharmaceutical company headquartered in Cambridge, Massachusetts. The parent company's shares are listed in the United States on NASDAQ. Major shareholders include the global healthcare company Sanofi (12%) and Fidelity (15%).

Alnylam UK Ltd, which is a wholly owned subsidiary of Alnylam Pharmaceuticals Inc, was established in January 2014 to give the group a platform in the United Kingdom. The UK subsidiary was formed ahead of the company establishing a physical presence in the United Kingdom (which was achieved by leasing the space at Braywick Gate) and the company has to date, produced only abbreviated accounts. For the year to 31st December 2014 they reported net shareholder's funds of £84,752.

Accordingly, the leases to Alnylam UK Ltd provide that Alnylam Pharmaceuticals Inc will act as guarantor until such time as Alnylam UK Ltd produces audited accounts showing that for each of the three preceding accounting years, the tenant has had net profits of at least three times the passing rent. This profit test is to be applied separately to each lease.

In its most recent annual filings, Alnylam Pharmaceuticals Inc reported its financial standing as follows:

Year ending	Cash, Cash Equivalents & Fixed Income Marketable Securities	Working Capital	Total Assets	Total Stockholder's Equity
31/12/2015	\$1,280,951,000	\$1,043,289,000	\$1,386,510,000	\$1,264,714,000
31/12/2014	\$881,929,000	\$651,033,000	\$1,079,595,000	\$936,267,000
31/12/2013	\$350,472,000	\$200,164,000	\$420,530,000	\$270,347,000



**TIBCO Software Ltd (Company No: 03875990)**  
[www.tibco.co.uk](http://www.tibco.co.uk)  
 38% of total income

TIBCO Software Ltd is the wholly owned United Kingdom subsidiary of TIBCO Software Inc of California. Previously publicly listed, the US parent company was acquired in 2014 by Vista Equity Partners for \$4.3 billion. The company provides digital intelligence and analytical software for over 10,000 customers. Clients of the company include; Vodafone, ING, Marks & Spencer, Shell, AirFrance and KLM.

The lease is guaranteed by TIBCO Software Inc for the entire term.

TIBCO Software Ltd has a current **D&B rating of 2A1**. The company's most recent reported accounts state as follows:

Year ending	Turnover	Pre-Tax Profit	Net Worth
30/11/2015	£42,207,000	£3,616,000	£3,521,000
30/11/2014	£45,835,000	£7,096,000	£3,505,000
30/11/2013	-	£18,210,000	£91,151,000



**Rovi Europe Ltd (Company No: 02096781)**  
[www.rovicorp.co.uk](http://www.rovicorp.co.uk)  
 7% of total income

Rovi is a US based media technology company. The company trades from 16 locations across the US, Asia and Europe. Its patents, products, and technologies include copy protection, software licensing and "search recommendation".

Rovi Europe Ltd, which has its headquarters at Braywick Gate, has a current **D&B rating of 2A1**. The company's most recent reported accounts state as follows:

Year ending	Turnover	Pre-Tax Profit	Net Worth
31/12/2015	£6,499,000	£453,000	£4,000,000
31/12/2014	£7,107,000	£317,000	£17,070,000
31/12/2013	£10,119,000	£732,000	£15,398,000







## MARKET COMMENTARY

### OCCUPATIONAL MARKET

Maidenhead has a total office stock of 5.6 million sq ft. Average annual take-up over the past 5 years has been approximately 112,000 sq ft, with the 10 year average standing at 114,500 sq ft. The 10 year average for the Thames Valley as a whole is showing take-up of 900,000 sq ft per annum, with Maidenhead accounting for approximately 13% of this. Take-up has traditionally been for Grade A accommodation, with 88% of all take-up over the last 10 years falling into this category (Promis).

Prime office rents in the town have hardened significantly since mid-2015 and are now established at £37.50 per sq ft. This represents a premium of 25% above the overall passing rent at Braywick Gate, indicating the strong potential for future rental growth.

Key recent lettings in Maidenhead town centre include:

Date	Address	Tenant	Area (sq ft)	Headline Rent (£ psf)
Jun 16	Pearce Building (Part GF, 5th & 6th Floors)	Blackberry UK Ltd	16,537	£37.50
Jan 16	Pearce Building (7th Floor)	McAllister Olivarius LLP	4,898	£37.50
Oct 15	The Point (2nd & Part 3rd Floors)	Seqirus Ltd	20,980	£33.50
Jun 15	The Point (GF, 4th-8th Floors)	Maersk Line UK Ltd	49,051	£33.50

## INVESTMENT MARKET

2015 saw a record level of investment activity in the South East office market, with the volume of transactions approaching £4 billion. Investor appetite in the first half of 2016 was tempered by the prospect of the EU referendum but, in spite of this (and the unexpected result), it is estimated that investment volumes for the first half of the year totalled c. £1.4 billion in some 60 transactions. The immediate aftermath of the referendum coincided with the traditional summer lull during which occupiers and investors have digested the implications of Brexit. The fundamental attractions of the market remain intact and with tenant demand holding up in the key markets it is anticipated there will be a robust level of investment activity for the remainder of 2016 and beyond.

Recent investment transactions in the South East office market include:

Date	Address	Location	Tenant	Area (sq ft)	WAULT / Term Certain	Price	Yield
Aug 16	Wey House	Guildford	Stevens & Bolton	44,945	10.80	£22.65m	5.10%
Jun 16	2 Longston Road	Loughton	Kier Ltd	17,128	15.00	£6.5m	5.44%
May 16	Abbvie House	Maidenhead	Abbvie Ltd	55,958	11.50	£24.425	5.42%
Mar 16	GMAC House	High Wycombe	GMAC UK PLC	19,678	9.50	£6.175m	5.73%
Jan 16	Beta Building	Reading	Prudential Assurance Ltd	27,162	10.00	£9.73m	5.90%
Dec 15	One Valpy	Reading	50% vacant	85,155	-	£27.5m	-
Sep 15	Mallards Reach	Maidenhead	Sanofi Pasteur LSD Ltd	37,544	5.60	£16.90m	6.20%
Aug 15	Leonardo Building	Crawley	Virgin Atlantic	106,774	10.00	£46.34m	5.30%
Aug 15	The Atrium	Uxbridge	Multi-let	158,528	4.30	£56.9m	5.88%
Aug 15	Velocity	Weybridge	LG Electronics & Cargill Plc	106,400	13.10	£56.1m	5.70%
Jul 15	Gateway House	Guildford	Multi-let	18,781	3.00	£7.13m	5.75%
Jul 15	Apex Plaza	Reading	Multi-let	221,231	3.20	£91.55m	5.53%
Jun 15	Tempus Court	Guildford	Multi-let	25,691	2.17	£10.5m	5.85%
Apr 15	Building8500, Oxford Business Park	Oxford	John Wiley & Sons	65,556	3.50	£19.425m	5.00%
Mar 15	Flow, The Causeway	Staines-upon-Thames	VMware UK Ltd	63,799	9.80	£38.15m	5.17%
Dec 14	Grenfell Island	Maidenhead	Hutchison 3G	197,500	5.80	£90.20m	5.90%
Sep 14	Market House	Maidenhead	Adobe Systems (UK) Ltd	74,603	9.00	£38.5m	5.35%



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## ASSET MANAGEMENT

The vendor has explored a range of asset management initiatives which could be applied at the property over the medium / long term. These include the potential to increase the net internal area by extending the property to the rear, infilling the ground level undercroft car parking and rear lightwell. Indicative sketches have been produced and are available on the data site.

In 2011, The Royal Borough of Windsor and Maidenhead published the Maidenhead Town Centre Area Action Plan, which designated six 'Opportunity Areas'. Braywick Gate occupies the frontage section of the Stafferton Way Opportunity Area, where the Council's aspiration is to

encourage up to 15,000 sq m of office development, 4,000 sq m of non-office employment floorspace and a new multi-storey car park. The indicative layout plan does not involve any interference with Braywick Gate, with the new development focussed to the south and east. Full details can be viewed on the data site.

## VAT

The property is elected for VAT and VAT will therefore be chargeable on the purchase price if it is not possible to arrange this transaction by way of a transfer of a going concern.

## EPC

The property has an EPC rating of C. A copy of the EPC is available on our data site.

## PROPOSAL

Offers are invited for the freehold interest in excess of **£18,650,000 (Eighteen Million, Six Hundred and Fifty Thousand Pounds)**, subject to contract and exclusive of VAT.

A purchase at the asking terms reflects a **net initial yield of 6.00%** after an allowance for graduated costs of acquisition calculated at **6.74%**.





## FURTHER INFORMATION

For further information or to arrange an inspection to view, please contact Christopher Eccles, Harry Fell or Matthew Joyce at:

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INVESTMENT • DEVELOPMENT • ASSET MANAGEMENT

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