



SPECTRUM

BOND STREET | BRISTOL | BS1 3LG

City Centre Office Investment
with Immediate Asset Management
Opportunities



SPECTRUM 

Investment Summary

- **Opportunity to acquire a landmark city centre office** providing high quality accommodation over lower ground, ground and 4 upper floors.
- **Highly prominently position** on Bond Street, directly opposite Bristol's main shopping destination with an **abundance of shops, restaurants and leisure amenities.**
- The office has **excellent connectivity**, with immediate access to the inner city ring-road, positioned along a main city wide cycle route and is a 15 minute walk to Temple Meads railway station.
- The property provides **113,756 sq ft of open plan flexible accommodation**, that can easily be split into smaller suites without having a material impact on floorplates.
- **Excellent parking and ample cycle provision.**
- Let to 11 tenants, providing a **WAULT of 5.32 years to expiry and 2.49 years to break.**
- Total contracted income of **£2,029,408 per annum, equating to a low rent of £22.45 per sq ft.**
- Prime rents in Bristol now stand at **£48.00 per sq ft.**
- **Immediate asset management opportunities** through lease events, tenure extension and ESG enhancements.
- **Positioned on a large 1.75 acre site** the property has **exceptional redevelopment potential** for residential and student uses.
- Long leasehold.
- EPC C.

Proposal

Offers are invited in **excess of £12,000,000** (Twelve Million Pounds) subject to contract and exclusive of VAT.

A purchase at this level reflects a Net Initial Yield of **19.36%** and a Triple Net Yield of **17.06%**, based on topped up income and assuming purchaser's costs of 6.71%. This reflects a low capital value of **£105 per sq ft.**



- ### Amenities
- 1 Artists Residence
 - 2 Moxy Hotel
 - 3 Faro Bakery
 - 4 Primark
 - 5 Starbucks
 - 6 TK Maxx
 - 7 Café Nero
 - 8 House of Fraser
 - 9 Sainsbury's
 - 10 Harvey Nichols

- ### Consented developments in the area
- 1 2 Moon Street
190 beds under construction (PBSA)
 - 2 360 Building
399 consented beds (PBSA)
 - 3 Premier Inn
574 consented beds (PBSA and Co-Living)
 - 4 Former Debenhams
502 consented apartments (BTR)
 - 5 29-31 Portland Square
267 beds under construction (PBSA)
 - 6 Dove Lane
358 consented apartments (Residential)



M32

Frome Gateway

Soapworks

University of Bristol
Temple Quarter
Enterprise Campus

Temple Meads Station

Temple Quay

Portland Square

SPECTRUM

Cabot Circus

Castle Park

Finzels Reach

Brunswick Square

Floating Harbour

Broadmead
Shopping
Quarter

Bus Station

Bristol

Bristol is the 5th largest conurbation in the UK and the capital of the South West of England.

Bristol has a metro population of 716,000. This is expected to increase 69,300 (15%) by 2043, and an urban zone of 1.6 million residence. This is significantly higher than the national average of 10% and the highest percentage increase of the other eight core cities in England. It is amongst the most attractive, successful and culturally prestigious cities in the UK, enjoying a rising profile within Europe and beyond.

Bristol has a relatively young population profile. The median age of people living in Bristol standing at 34.3 years compared to 40.6 years in England and Wales. Bristol has a higher percentage (15.7%) than the UK average (13.1%) in socio economic groupings of higher, intermediate and supervisory managerial, administrative and professional groups.

15%
population growth by 2043

34.3 years
median age

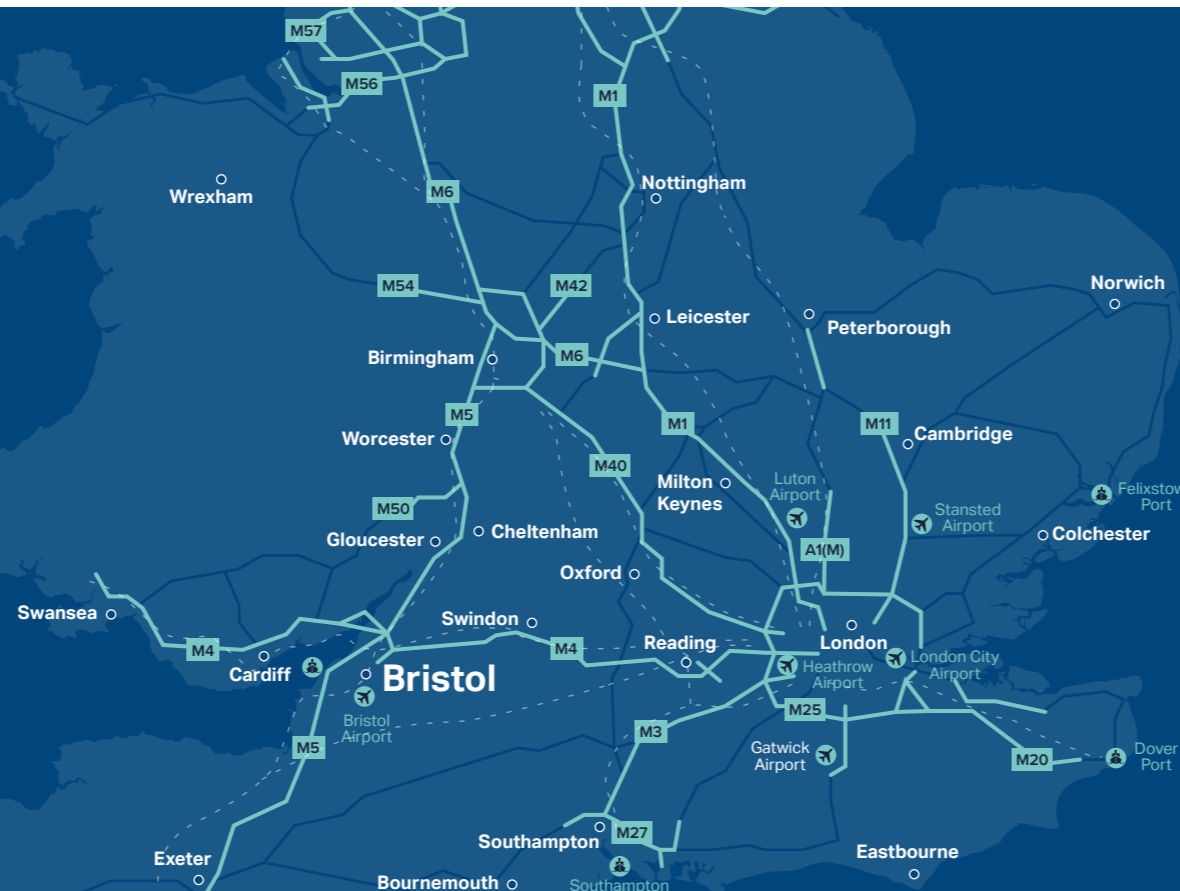
1.6 million
urban zone residence



ECONOMY

Bristol's rich history in aerospace and technology and as well as having two high calibre universities has made it an established economy in:

- Technology
- Aerospace
- Defence
- Engineering
- ICT
- Electronics
- Financial services
- Media
- Creative industries.



ROAD



Bristol is strategically located adjacent to the junction of the M4/M5 interchange, which provides excellent access to London, South Wales, the South West and the Midlands. This connectivity results in the city only being a 50-minute drive from Cardiff, a 1 hour and 30 minutes' drive to Birmingham and a 2-hour drive to London.

RAIL



Bristol has two main line railway stations – Bristol Temple Meads and Bristol Parkway. Both stations provide frequent direct mainline services to major cities throughout the UK. London Paddington is reached in 1 hour 29 minutes from Bristol Temple Meads and 1 hour 12 minutes from Bristol Parkway.

AIR



Bristol Airport is located approximately 8 miles to the south west of the city centre. It is the 8th busiest airport in the UK, handling 8.96 million passengers and offers scheduled flights to 115 destinations across 15 airlines.

Situation

Spectrum is prominently positioned on Bond Street in central Bristol. Directly opposite is Cabot Circus shopping centre, Bristol's main shopping destination which provides an abundance of shops, restaurants and leisure amenities.

The surrounding area is characterised by Georgian terrace buildings, in particular the historical Brunswick & Portland Square just north of the property.

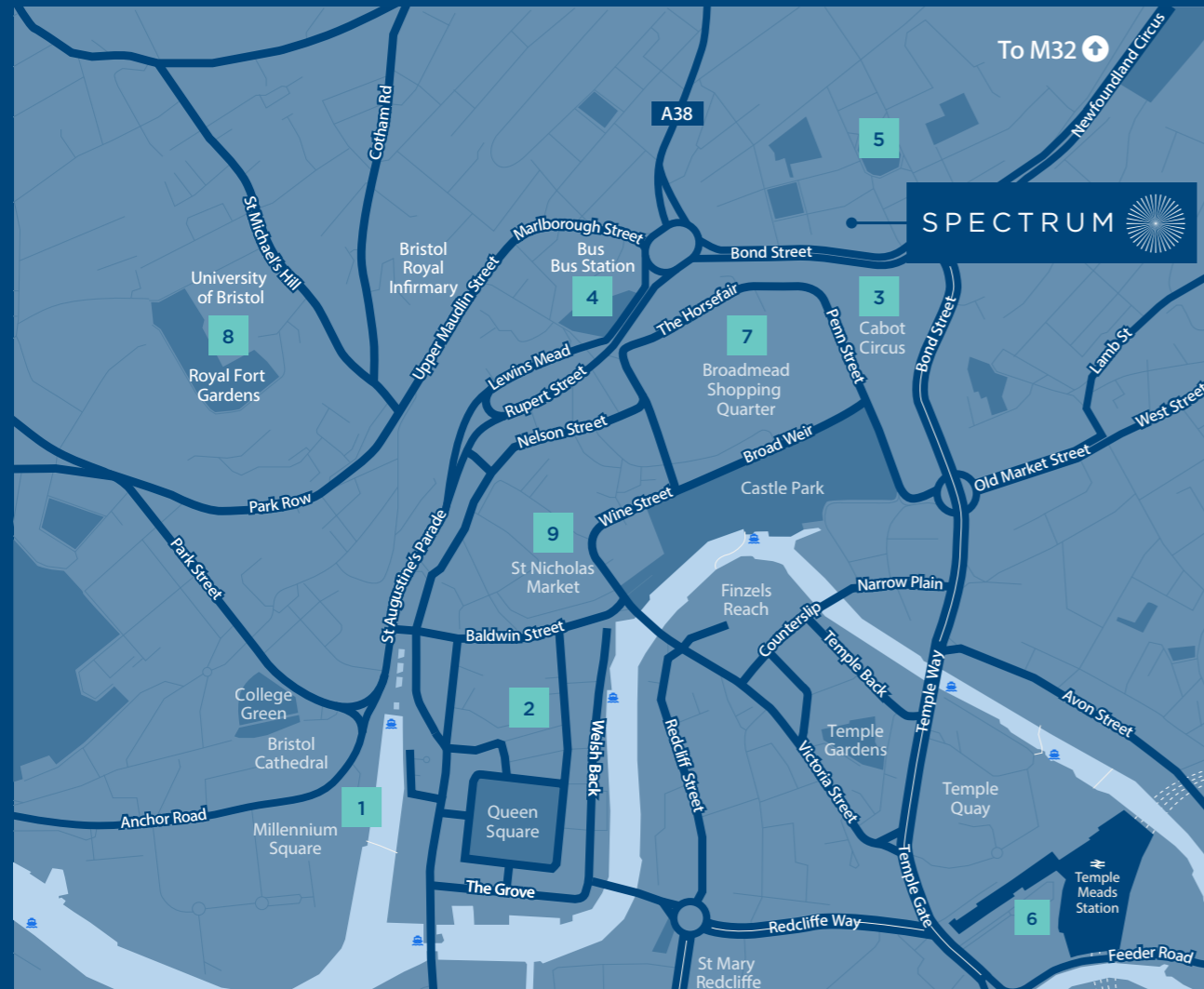
Road connectivity is excellent due to its proximity to the inner city ring road which connects to the M4, via the M32, within 8 minutes.

The property is easily accessible by public transport, with bus stops immediately west of the property providing frequent services

across the city and the city's bus station is just 500 metres to the west.

Temple Meads railway station is a short 15 minute walk and provides direct services to London Paddington in just over an hour and a half.

The property is conveniently positioned at the end of Concorde Way, one of the main north/south cycle routes which spans 7 miles to Filton and Stoke Gifford.



Description

Spectrum provides open-plan accommodation arranged in five interconnecting suites off two central cores. The building extends over lower ground, ground and four upper floors, with stepped tiered roof terraces.

The building is accessed via a bright double height reception area to the south elevation, with a landscaped area to the front. The reception area has a rectangular glass atrium with a glazed barrel-vaulted roof allowing this space to have an abundance of natural light.

The property benefits from three passenger lifts to the east core and a further two to the west core serving the four upper floors. All lifts were replaced in 2015.

The property has a basement car park with 79 parking spaces, representing an excellent ratio of 1:1,435, and with vehicular access/ egress on Pritchard Street and Gloucester Street.

The property is on a large 1.75 acre site and benefits from private landscaped courtyards, a rare amenity for an office in Bristol city centre.



SPECIFICATION

The property has undergone a rolling refurbishment with more recent works including the refurbishment of the ground floor (Suites D&E), 2nd floor (all Suites) and 4th floor (Suite A), upgrades to the HVAC system (to VRV) on ground, 1st and 2nd floors and refurbishment of the shower facilities on the lower ground floor.



**Flexible floor plates
(3,450 - 24,059 sq ft)**



**VRV air conditioning
to refurbished floors**



**Raised access
flooring**



**Mix of exposed ceilings/
services and traditional
suspended ceilings**



**Landscaped gardens
surrounding**



**LED
Lighting**



**All five lifts
replaced in 2015**

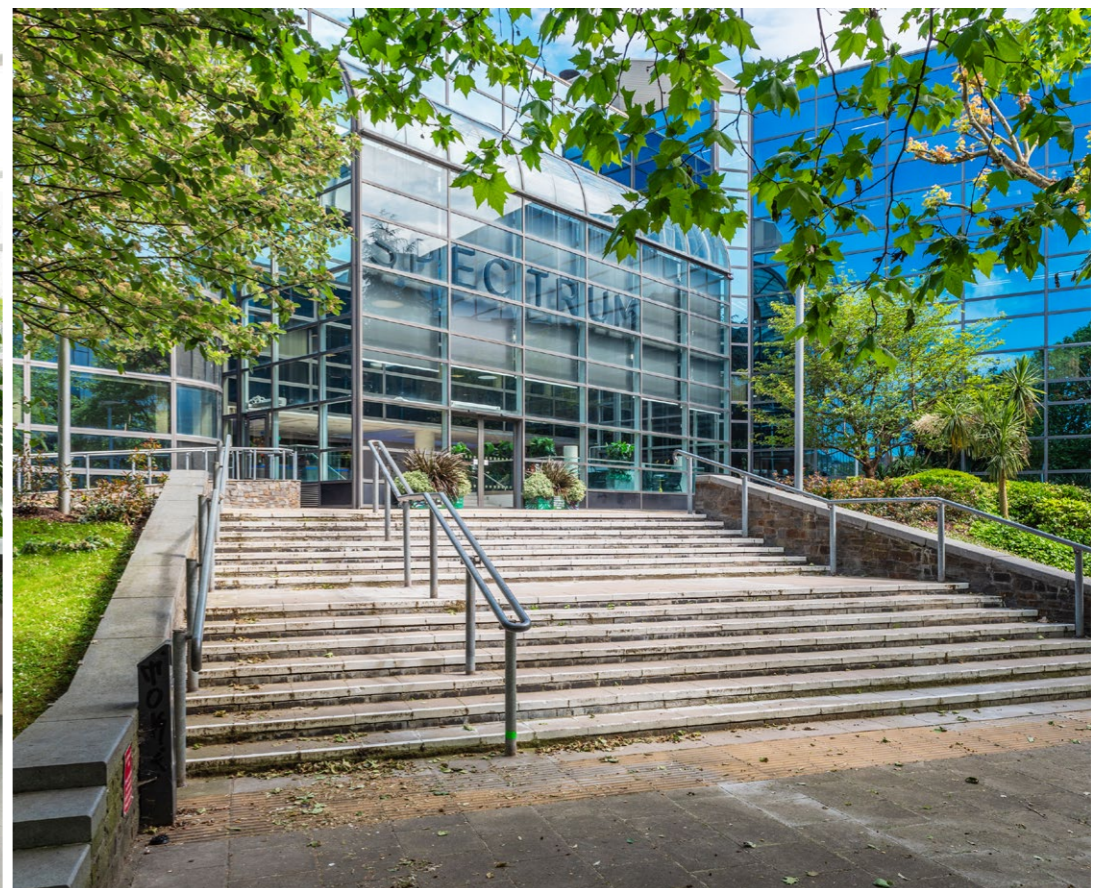
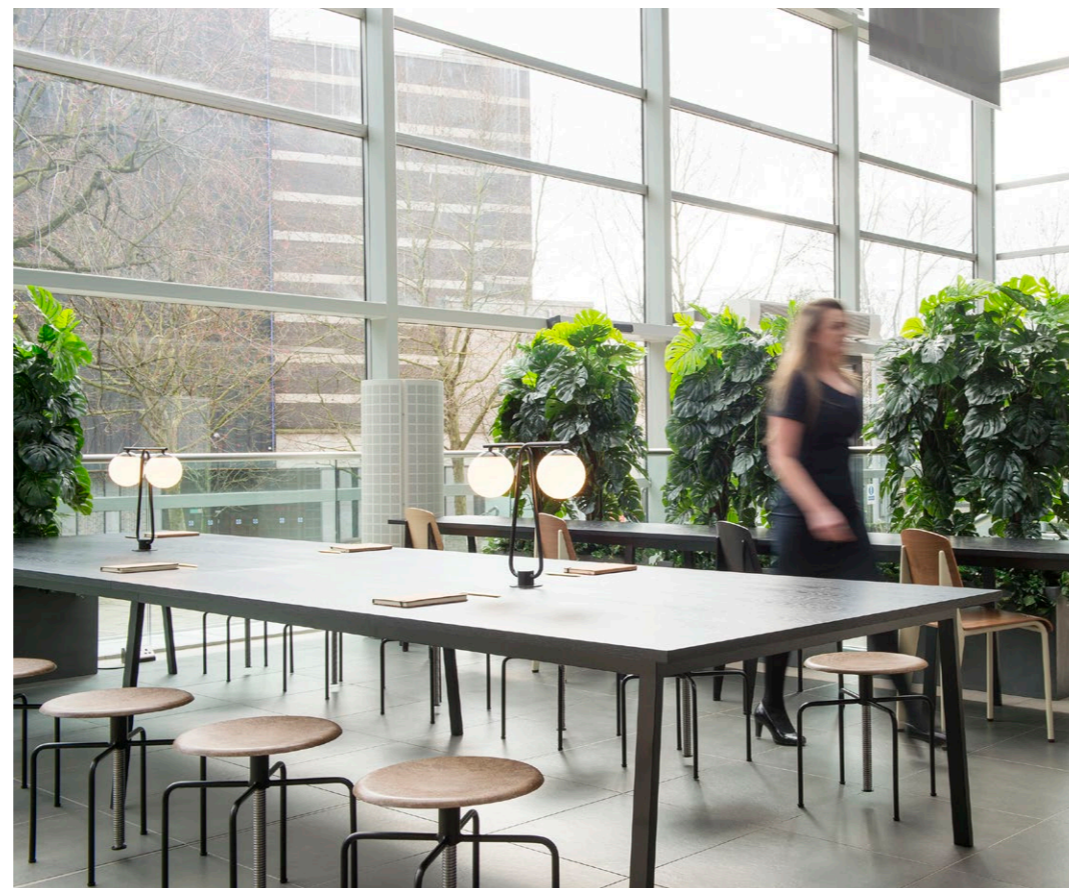
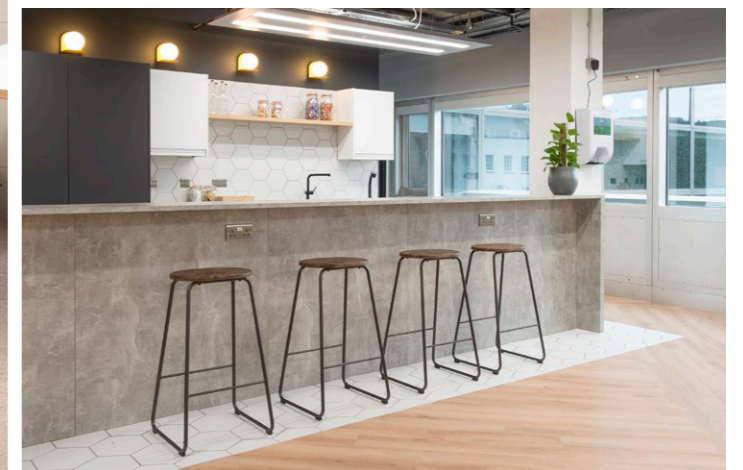


**Bike, locker, shower
and drying facilities**



**79 parking spaces
providing an excellent
ratio of 1:1,435**

Gallery



Accommodation

The configuration of the building allows for continuous occupancy across the entire floor, or can be easily split into 5 separate suites (Suites A, B, C, D & E) arranging from 1,289 sq ft to 8,190 sq ft.

The property has been measured by Plowman Craven on a Net Internal Area (NIA) basis.

Floor	Sq Ft	Sq M
Lower Ground	8,158	757
Ground	24,046	2,234
First	23,290	2,164
Second	22,937	2,131
Third	20,635	1,917
Fourth	14,308	1,329
TOTAL	113,374	10,533

Measurements above exclude the building reception area.

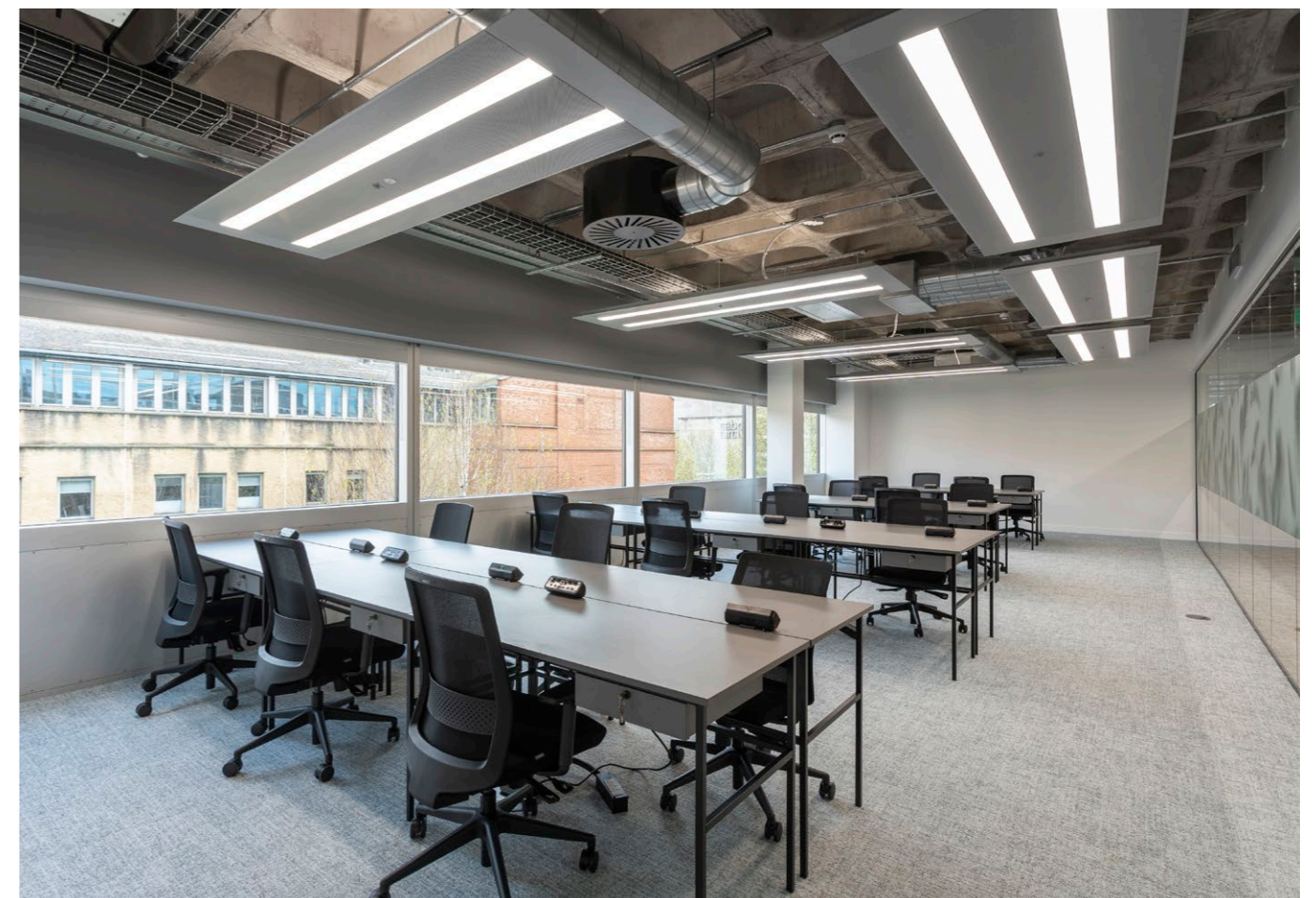
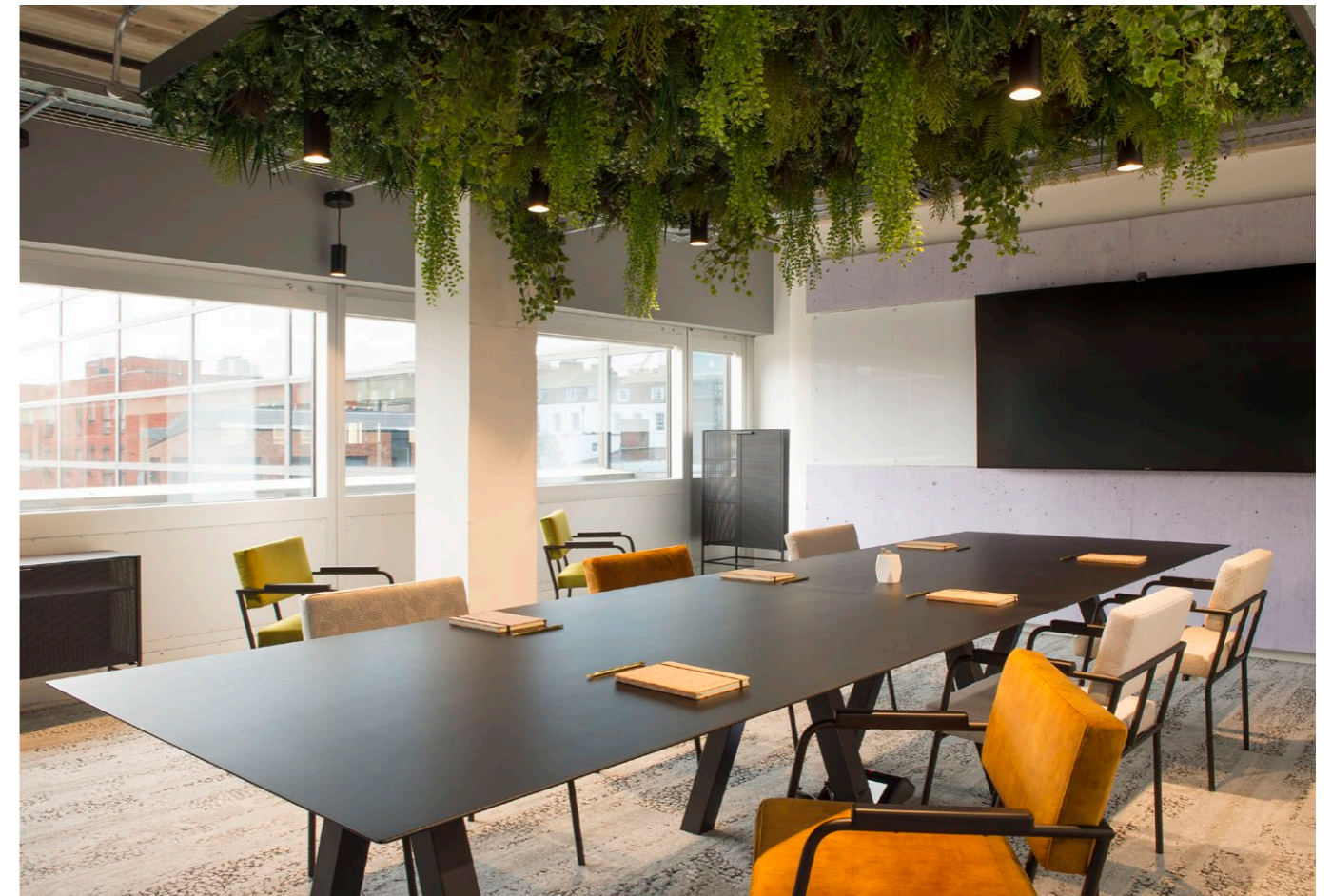
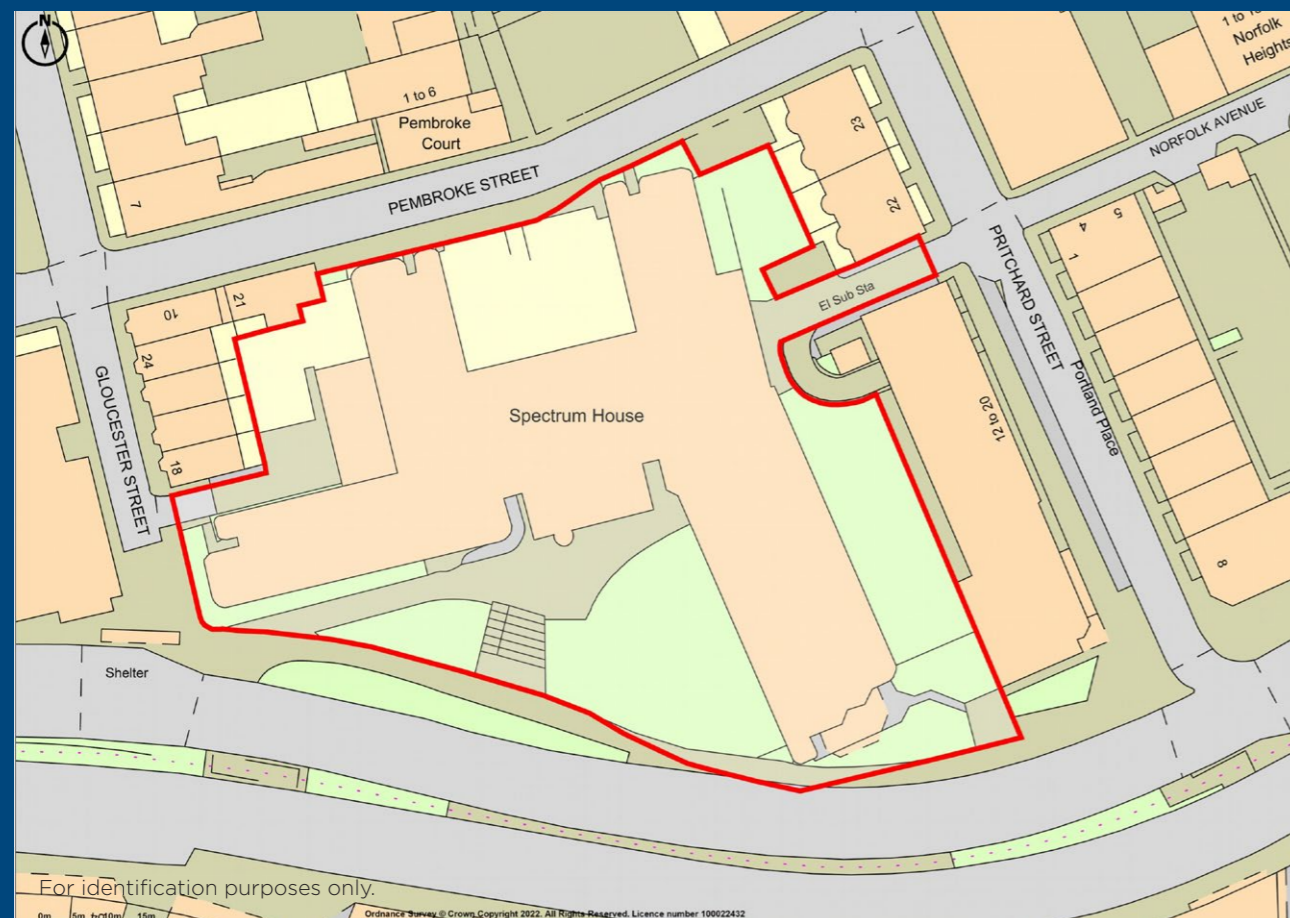
TENURE

The property is held as two long leasehold titles (AV135816 & BL137143).

AV135816 is held from 25 December 1986 for a term of 125 years (87 years unexpired).

The ground rent is linked to 7.50% of the occupational rents received. The rent for the year ending 24th December 2023 was £155,366, which has reduced to a budgeted figure of £148,497 based of forecast rents for the year ending 24th December 2024 (rent to be reconciled at the end of each financial year).

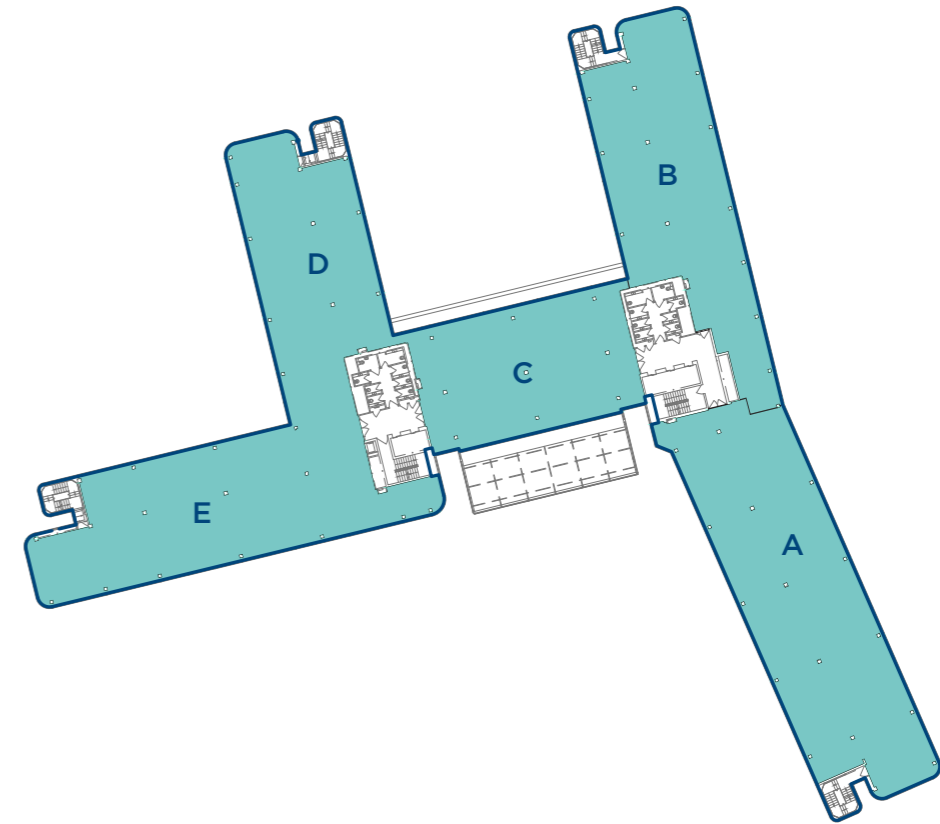
BL137143 is held from 31 October 2014 for a term of 97 years expiring (87 years unexpired) at a peppercorn rent.



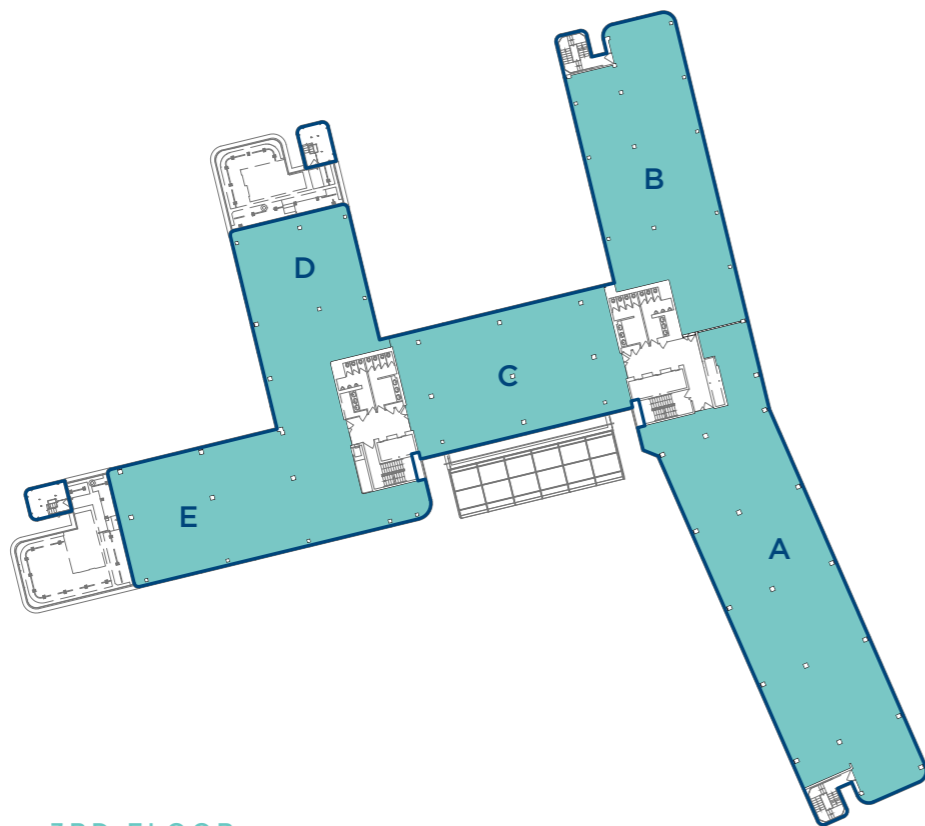
Floor Plans



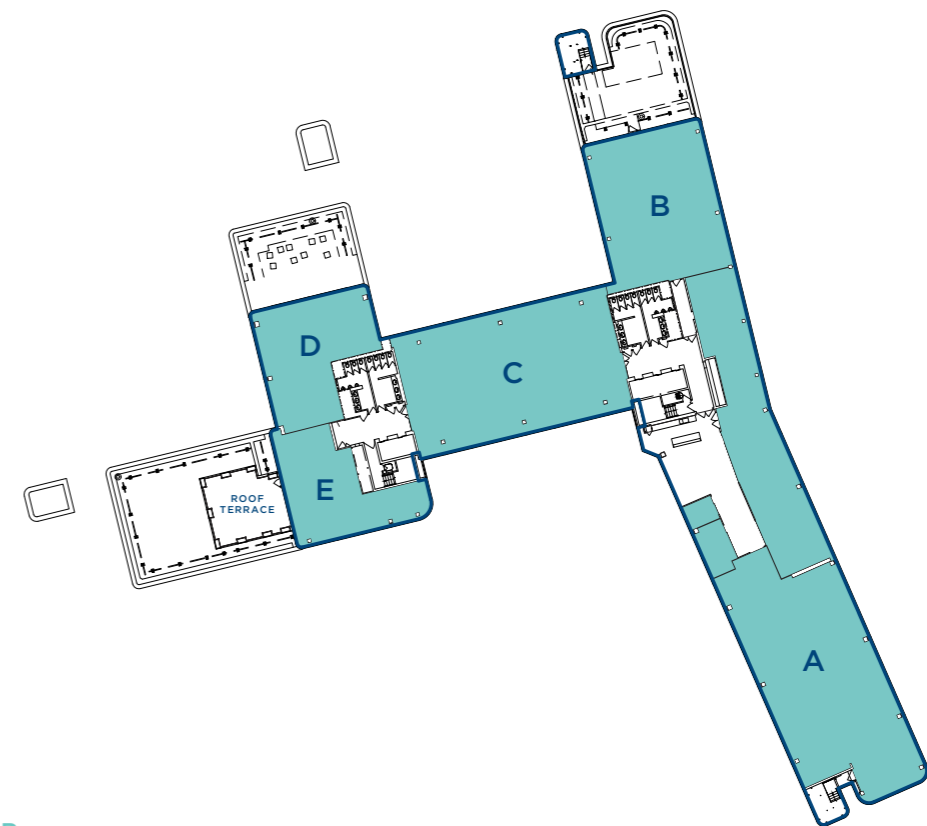
GROUND FLOOR



1ST & 2ND FLOOR



3RD FLOOR



4TH FLOOR

Tenancy

The property is let to 11 tenants, providing a WAULT of 5.32 years to expiry and 2.49 years to break.

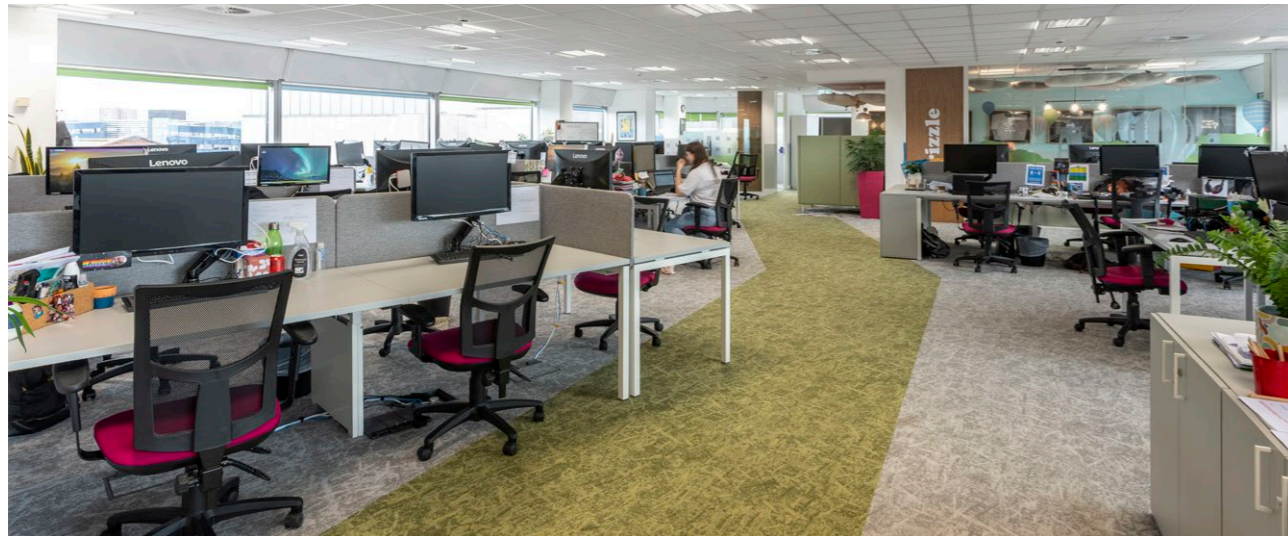
Headline rent totals **£2,029,408 per annum**, equating to a low rent of **£22.45 per sq ft**. Including topped up rents on vacant space, this increases to **£2,663,742 per annum**. The net rent receivable is **£2,515,245 per annum** after deducting the latest estimated head rent payable.

All leases are drawn on effective full repairing and insuring terms via a service charge contribution.

Floor	Suite	Tenant Name	NIA (Sq Ft)	Headline Rent (per annum)	Headline Rent (per sq ft)	% of Income	Lease Start	Lease Expiry	Rent Review	Break Date (L/T/M)	Comments
Lower Ground	A	BUPA Occupational Health Ltd	8,158	£187,515	£22.50*	7.0%	10/05/2024	09/05/2029			i) Half rent for 1st year - Vendor to top up ii) SC Cap for 2024 Year End: £90,594. *Rent agreed at £22.50 psf on IMPS 3 basis. Rent equates to £22.99 psf on an NIA basis.
Ground	D & E	Under offer to DWP (engrossments issued)	8,854	£239,058	£27.00	9.0%	TBC	TBC	TBC	TBC	i) Under offer to Department for Work and Pensions (DWP) for a term expiring 30th November 2030, with a tenant only break at year 3. Rent agreed at £27.00 psf with 6 months rent free ii) Vendor to top up rent free
Ground	A, B & C	Teleperformance Ltd	15,192	£303,800	£20.00	11.4%	28/12/2018	27/03/2029	28/12/2023 & 28/12/2028		i) December 2023 rent review to be agreed ii) SC Cap for 2024 Year End: £140,628 iii) 9 parking spaces included
First	A, B & C	Civica UK Limited	14,346	£279,010	£19.45	10.5%	27/08/2015	26/08/2030	27/08/2025	27/08/2025 (T)	i) 9 parking spaces included
First	D & E	Civica UK Limited	8,944	£188,919	£21.12	7.1%	06/06/2016	26/08/2030	27/08/2025	27/08/2025 (T)	i) 5 parking spaces included
Second	A	Impact Working Ltd	6,057	£167,250	£27.61	6.3%	25/12/2021	31/03/2031	29/09/2026	29/09/2026 (T)	i) 4 parking spaces included
Second	B	Blackmagic Design (Technology) Ltd	4,599	£115,400	£25.09	4.3%	27/11/2020	26/11/2025			
Second	C,D & E	Impact Working Ltd	12,281	£306,900	£24.99	11.5%	01/04/2021	31/03/2031	01/04/2026	01/04/2026 (T)	i) 7 parking spaces included
Third	A	Four Times Enterprises Limited	6,518	£147,420	£22.62	5.5%	25/12/2020	24/12/2030	28/01/2026	25/12/2025 (T)	i) 6 months rent deposit held ii) Tenant has been in occupation since 2016
Third	B	Vacant (Vendor Guarantee)	4,112	£115,136	£28.00	4.3%					i) Vendor to provide 12 months' rent guarantee at £28.00 psf
Third	C	Vacant (Vendor Guarantee)	3,411	£95,508	£28.00	3.6%					i) Vendor to provide 12 months' rent guarantee at £28.00 psf
Third	D & E	Vacant (Vendor Guarantee)	6,594	£184,632	£28.00	6.9%					i) Vendor to provide 12 months' rent guarantee at £28.00 psf
Fourth	A (Part 2)	Ethi-Call Limited	3,561	£78,452	£22.03	2.9%	13/05/2021	12/05/2026			i) SC Cap for 2024 Year End: £37,528 ii) 2 parking spaces as part of lease, 2 spaces under licence iii) 3 months rent deposit held
Fourth	A (Part 1)	Impact Working Ltd	2,298	£54,625	£23.77	2.1%	29/09/2021	31/03/2031	29/09/2026	29/09/2026 (T)	i) 2 parking spaces included
Fourth	B	Priority Dispatch Corp UK Ltd	2,265	£56,352	£24.88	2.1%	03/09/2022	02/09/2027	03/09/2024		i) 12 months rent-free spread as half rent for 2 years (increasing 03.09.2024) - to be 'topped up'
Fourth	C	TerraQuest Solutions Ltd	3,420	£77,018	£22.52	2.9%	15/06/2015	14/06/2025			i) SC Cap is £32,521 until 30/06/2024, which increases to £33,496 until 30/06/2025 ii) 2 car spaces
Fourth	D	Morgan McKinley Group Ltd	1,466	£34,523	£23.55	1.3%	25/12/2021	24/12/2026		25/12/2024 (M)	i) SC Cap for 2024 Year End: £17,286
Fourth	E	CS2	1,298	£32,225	£24.83	1.2%	03/06/2016	23/06/2026		23/06/2024 (M)	i) Break clause actioned
Sub Total			113,374	£2,663,742	£22.45	100%					
Headlease		Freeholder: Bristol City Council.		£148,497			25/12/1986	24/12/2111			Rent geared to 7.5% of annual 'rents received'
Total				£2,515,245							

Block Plan & Tenant Profile

The property has a strong tenant line up with eight tenants showing a D&B Financial Strength rating of 'A' or higher and ten tenants having a 'Low' or 'Minimal' Risk indicator.



Tenant	Year Ending	Turnover	Profit / (Loss) Before Taxes	Net Assets / (Liabilities)	D&B Score	% of Income
Teleperformance Ltd	Dec-22	£279,355,000	£4,064,000	£61,859,000	5A1	15.0%
Impact Working Ltd	Aug-22	-	-	-£755,739	N3	26.1%
Civica UK Ltd	Sep-22	£313,057,000	£24,825,000	£187,103,000	N2	23.1%
BUPA Occupational Health Ltd	Dec-22	£90,858,000	-£5,192,000	£9,597,000	3A2	9.2%
Blackmagic Design (Technology) Ltd	Jun-23	£2,730,791	£190,581	£1,492,528	1A1	5.7%
Four Times Enterprise Ltd	Dec-23	£9,250,565	£2,322,052	£2,039,647	1A1	7.3%
Ethi-call Ltd	Mar-23	-	-	£582,883	A1	3.9%
Priority Dispatch Corp UK Ltd	Jun-22	-	-	£490,772	A1	2.8%
TerraQuest Solutions Ltd	Dec-22	£20,893,500	£6,716,949	£11,329,677	N2	3.8%
Morgan McKinley Group Ltd	Dec-22	£64,462,131	-£548,125	£20,871,703	4A2	1.7%
CS2 Limited	Mar-23	£8,528,975	£1,495,587	£2,333,120	2A1	1.6%

SUITE E	SUITE D	SUITE C	SUITE B	SUITE A			
CS2 - Suite E Rent - £32,225 NIA - 1,298 Lease Expiry - 23/06/2026 Mutual Break - 23/06/2024	Morgan Mckinley - Suite D Rent - £34,523 NIA - 1,466 Lease Expiry - 24/12/2026 Mutual Break - 25/12/2024	TerraQuest Solutions - Suite C Rent - £77,018 NIA - 3,420 Lease Expiry - 14/06/2025	Priority Dispatch - Suite B Rent - £56,352 NIA - 2,265 Lease Expiry - 02/09/2027	Impact Working - Suite A (Part 1) Rent - £54,625 NIA - 2,298 Lease Expiry - 31/03/2031 Tenant Break - 29/09/2026	Ethi-Call - Suite A (Part 2) Rent - £78,452 NIA - 3,561 Lease Expiry - 12/05/2026	FOURTH FLOOR	Year of first lease event ■ 2024 ■ 2025 ■ 2026 ■ 2027 ■ 2029 ■ Vacant
Vacant - Suites D & E NIA - 6,594		Vacant - Suite C NIA - 3,411	Vacant - Suite B NIA - 4,112	Four Times Enterprises - Suite A Rent - £147,420 NIA - 6,518 Lease Expiry - 24/12/2030 Tenant Break - 25/12/2025		THIRD FLOOR	
Impact Working - Suites C, D & E Rent - £306,900 NIA - 12,281 Lease Expiry - 31/03/2031 Tenant Break - 01/04/2026			Blackmagic Design - Suite B Rent - £115,400 NIA - 4,599 Lease Expiry - 26/11/2025	Impact Working - Suite A Rent - £167,250 NIA - 6,057 Lease Expiry - 31/03/2031 Tenant Break - 29/09/2026		SECOND FLOOR	
Civica UK - Suites D & E Rent - £188,919 NIA - 8,944 Lease Expiry - 26/08/2030 Tenant Break - 27/08/2025			Civica UK - Suites A, B & C Rent - £279,010 NIA - 14,346 Lease Expiry - 26/08/2030 Tenant Break - 27/08/2025			FIRST FLOOR	
Under offer to DWP - Suites D & E Rent - U/O at £239,058 NIA - 8,854 Lease Expiry - TBC Tenant Break - TBC		Teleperformance - Suites A, B & C Rent - £303,800 NIA - 15,192 Lease Expiry - 27/03/2029				GROUND FLOOR	
ENTRANCE				BUPA Occupational Health - Suite A Rent - £187,515 NIA - 8,158 Lease Expiry - 09/05/2029		LOWER GROUND FLOOR	

Bristol Office Market

OCCUPATIONAL MARKET

Bristol is a well connected city that has a highly skilled workforce and is an attractive place to live and work. The city benefits from two high calibre universities, which continue to grow and invest heavily in their facilities and are a major contributor to the labour pool in the city. This makes Bristol an attractive place for employers to source talent, with strong demand from legal, professional, and tech sectors.

TAKE-UP

Take-up levels in 2023 totalled 419,180 sq ft for Bristol city centre, reflecting a 24.3% drop on the five-year average, a reflection of the distinct lack of high quality product available to satisfy a number of larger pre-let enquiries/requirements in the market. Take up has had a positive start to 2024 with Q1 reporting 126,979 sq ft of take up across 20 deals, reflecting a 54% improvement on the same period last year and just below the five year average.

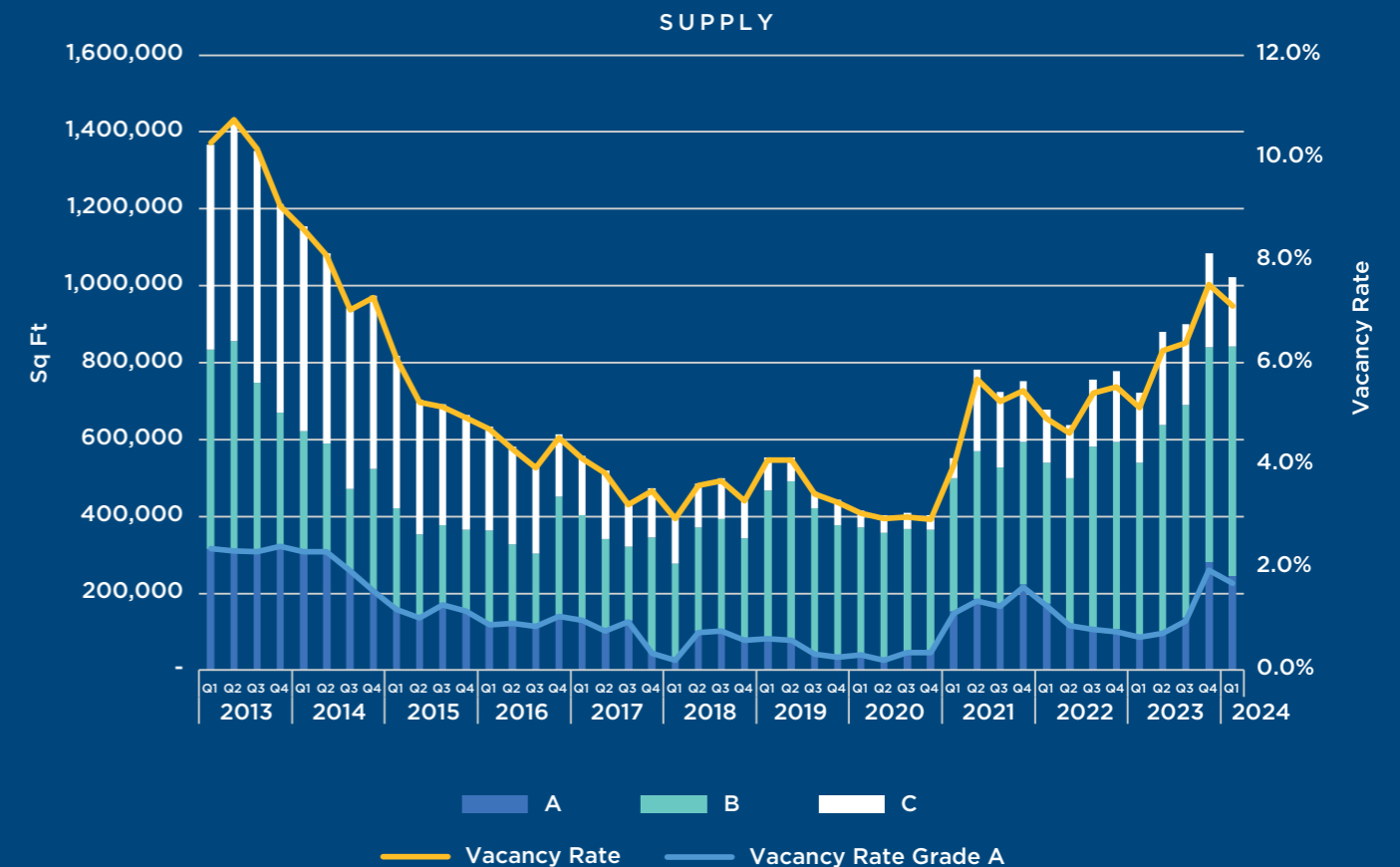
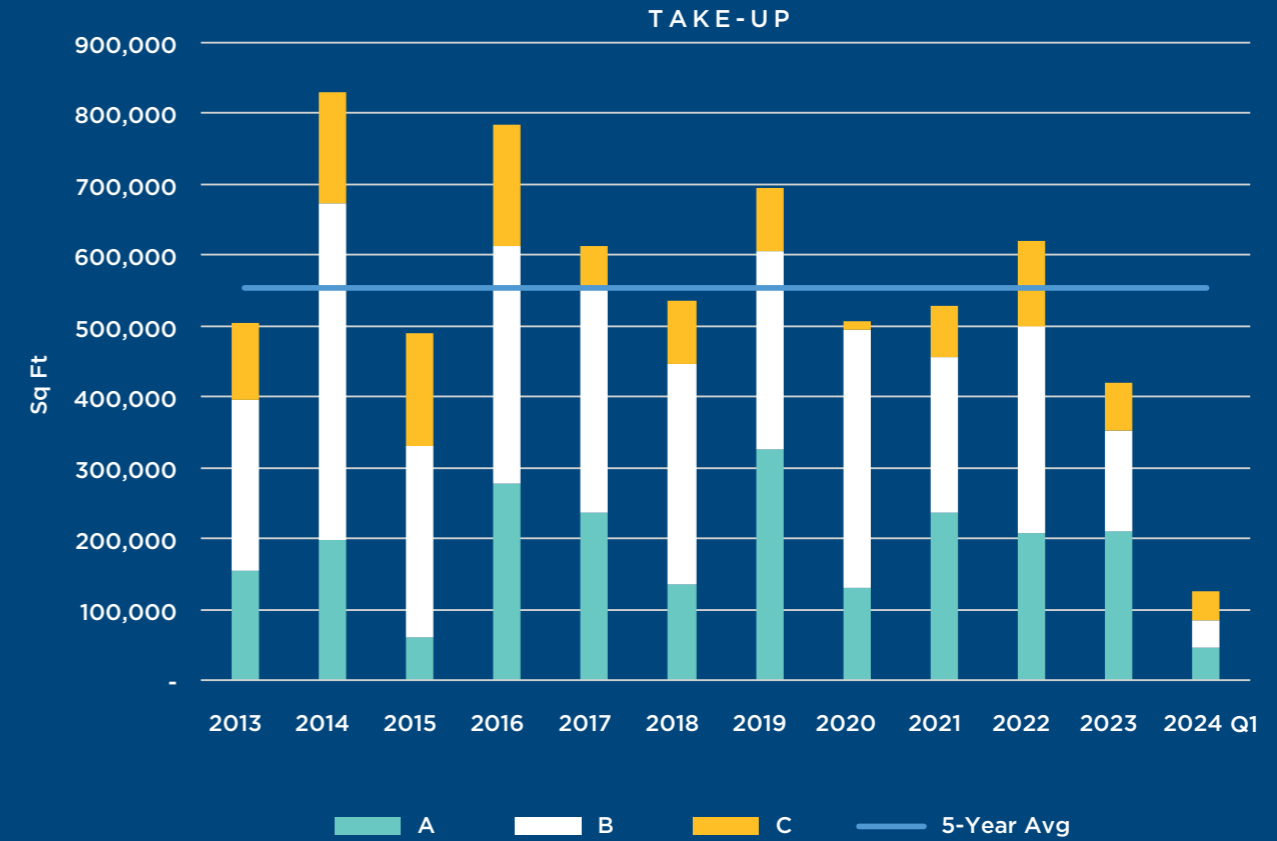
Demand from small to medium sized companies remains strong, particularly for flexible office space that allow businesses to grow. Often these occupiers are more price sensitive, preferring to focus their capital on business growth rather than paying prime rents. In the past 5 years, the average deal size was 5,877 sq ft and 75% of lettings were in the sub 5,000 sq ft bracket.

SUPPLY

The vacancy rate currently stands at around 7.1%, of which 245,832 sq ft (1.7%) is Grade A and 596,088 sq ft (4.1%) is Grade B.

Development pipeline is very limited, a result of development costs increasing and outward movement in office yields impacting viability. There is 450,302 sq ft office accommodation being delivered in 2024 and there is currently no new build supply guaranteed beyond 2024.

Overall office supply over the past 10 years has reduced significantly, with a number of offices being redeveloped into residential and student accommodation. More recently, Melberg secured planning permission to convert the nearby 360 building to 399 student beds, which will remove a further 110,000 sq ft of office accommodation from within the immediate vicinity of Spectrum.



Bristol Office Market

RENTS

Office rents in Bristol have grown significantly in recent years, with prime rents at £48.00 psf for best-in-class city centre offices. At the start of the year prime rents were firmly embedded at £42.50, which moved onto £46.00 psf following the 44,000 sq ft letting at the Welcome Building and more recently increased to £48.00 psf following the 6,000 sq ft letting at EQ. This reflects 13% rental growth since January 2024. With prime rents standing at £38.00 psf in 2020, this shows a significant 6.00% average annual rental growth over the past 5 years.

Whilst demand for best-in-class office space remains high, the significant rental growth has inevitably led to many occupiers seeking more affordable accommodation that still delivers high quality workspace. The ground floor letting to DWP will increase headline rents at Spectrum to £27.00 psf, reflecting a discount of £6.50 psf on nearby Castlemead and a £21.00 psf discount on prime office space.

LEASING TRANSACTIONS

Date	Property	Tenant	Size (sq ft)	Rent (psf)	Term (Break)
Q1 24	Narrow Quay House (2nd Floor)	Fraser Nash	13,831	£32.50	8 years (2 years)
Q1 24	The Programme (Part 5th Floor)	Ghyston	8,369	£31.50	10 years (5 years)
Q1 24	One The Square (Part 1st Floor)	Hayes Parsons	4,085	£32.50	10 years (5 years)
Q4 23	Beacon Tower (5th Floor)	Eight Group Ltd	4,230	£32.00	5 years
Q4 23	33 Bristol (Ground Floor)	Rappor	2,175	£32.50	5 years (3 years)
Q4 23	The Quorum (Part 6th Floor)	Grayling Communications	1,123	£31.00	2 years
Q3 23	Castlemead (Part 12th Floor)	Opusapeiro	3,603	£33.50	10 years (5 years)
Q3 23	Castlemead (Part 17th Floor)	Baltimore Consulting	5,290	£33.50	5 years (3 years)

CAT A+ SPECIFICATION

Cat A+ is proven in the Bristol market, as evidenced at Pivot + Mark, Distillery and 10 Victoria Street, all of which are at or near full occupancy. Many occupiers appreciate the benefits a Cat A+ lease can offer; a faster route to occupation, capex savings and greater flexibility in terms of their size requirements. Despite the growing sentiment for this type of offering, there is still a lack of speculative product in the local market. Rents for Cat A+ typically provide a £5.00 - £8.00 psf premium on Cat A, dependant on quality and level of fit-out. Notably, in Beacon Tower, 2,220 sq ft of fully fitted accommodation was let at £40.00 psf in Q4 2023, a £7.50 psf premium when compared to their Cat A accommodation, also let in the same quarter.

FLEX OFFICE SPACE

Bristol has strong demand from small to medium sized companies seeking flexible office space. These occupiers do not typically want to pay prime rental levels as they prefer to focus their capital on business growth. Affordable and flexible office space therefore occupies a crucial niche in the market and means strong demand can be achieved from a wide range of exciting growing companies.

INVESTMENT TRANSACTIONS - BRISTOL

Property	Size (sq ft)	Date	Price	NIY	Price (psf)	WAULT (Term Certain)	Tenure
One Cathedral Square Trinity Street	56,059	Launched Q1 2024	Quoting £22.40m	Quoting 7.50%	Quoting £400	3 years	LLH (peppercorn)
Castlemead Lower Castle Street	132,000	Launched Q1 2024	Quoting £27.50m	Quoting 11.48%	Quoting £208	3.9 years	LLH (8% of rents receivable)
Redcliff Quay & The Landings Redcliff Street	108,932	Q2 2024	£16.10m	n/a	£148 psf CV	n/a (40%+ vacancy)	Freehold
121 Winterstoke Road	85,394	Q1 2024	£33.76m	7.94%	£395	15.5 years	Freehold
2 Rivergate Temple Quay	70,149	Q1 2024	£14.50m	11.25%	£201	1 year	Freehold
Programme All Saints Street	174,387	Q1 2024	£36.5M	9.23%	£209	4.4 years	Freehold
Temple Quay House 2 The Square	154,000	Q4 2023	£48.50m	5.75%	£315	13.0	Freehold

Exceptional Redevelopment Potential

Bristol has significant demand pressures across the residential sector including Build to Rent, Co-Living and Purpose Built Student Accommodation and now represents the least affordable place to live in the UK outside London. In the areas surrounding Spectrum, there has become a focus for BTR and PBSA development, to start to address the demand-supply imbalances. These developments also demonstrate a considerable relaxation in building height and massing for the area, which goes against the general 'low rise' policy the vast majority of Bristol is subject to.

As these major developments come forward, the new buildings, pedestrian access routes and public realm and will enhance to overall feel and appearance to the area. Further regeneration of areas such as the Frome Gateway will continue to add to areas slightly further out from the city centre.

STUDENT AND RESIDENTIAL REDEVELOPMENT

Spectrum comprises around 114,000 sq ft of accommodation and is positioned on a 1.75 acre site, reflecting a very low site density considering it's city centre location. Stride Treglown architects have carried out an initial massing exercise, looking at both student and residential redevelopment options. Initial feedback suggests the width of the existing floor plates, the floor to floor heights and the escape core locations lend themselves well to both student and residential conversion.

The proposed massing adopts a conservative approach considering redevelopment within the existing building footprint.

A new build footprint/massing could increase the width from 12m to 17m to achieve standard units either side of a central corridor and decrease the floor-to-floor to suit residential thereby fitting in more storeys. There may also be an opportunity to increase height on the building, particularly for residential due to local need.

PERMITTED DEVELOPMENT RIGHTS - MARCH 2024 UPDATE

Legislation governing Permitted Development Rights have been adjusted in two ways:

1. The floorspace limit for the existing building changing use (of up to 1,500 sq m) has been removed entirely; and
2. The limitation requiring the building to be vacant for a continuous period of at least 3 months immediately prior to the date of the application for approval will be removed entirely.

The proposed use must be residential (Class C3), although as witnessed by 360 Building, establishing residential consent under Permitted Development Rights improves the ability to change consent to student.

RESIDENTIAL BUILT TO RENT

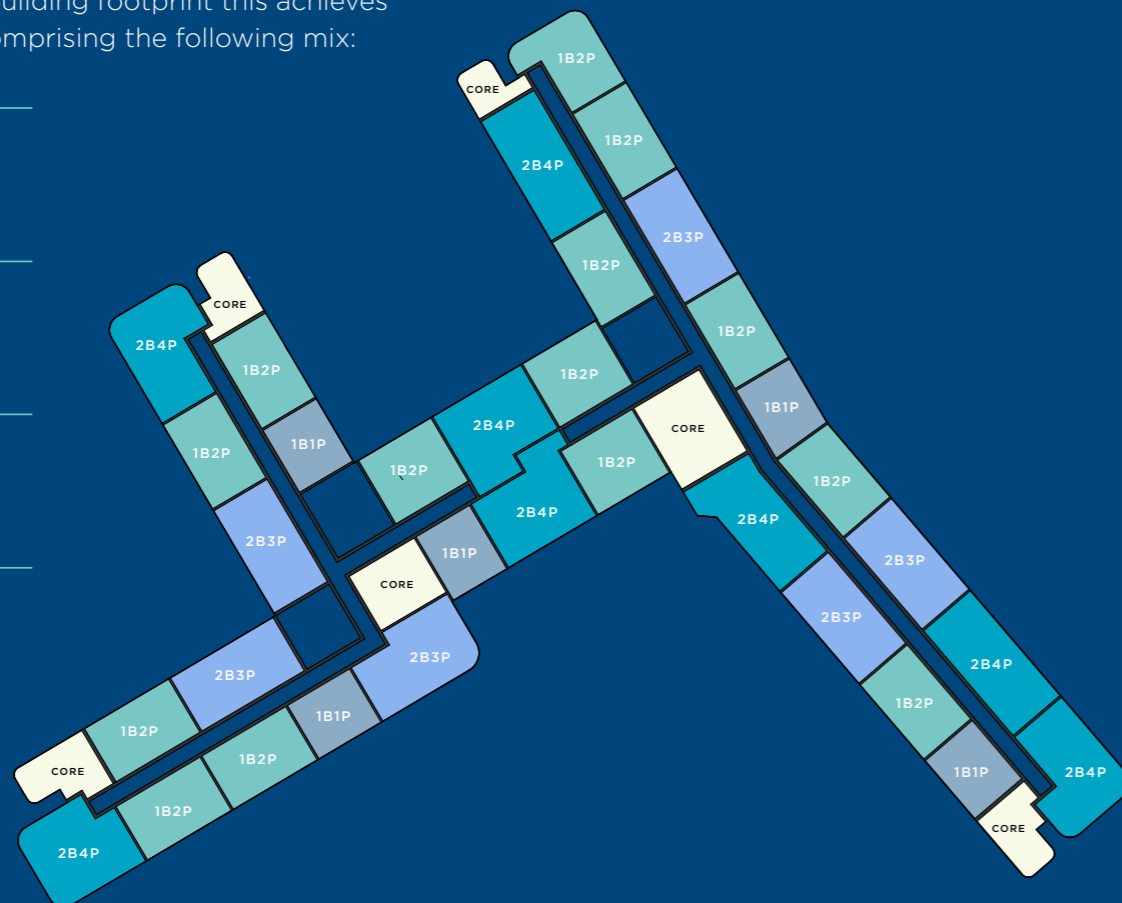
Using the existing building footprint this achieves around 142 units, comprising the following mix:

1B1P (17%)
24 units

1B2P (40%)
57 units

2B3P (21%)
30 units

2B4P (22%)
31 units



STUDENT ACCOMMODATION

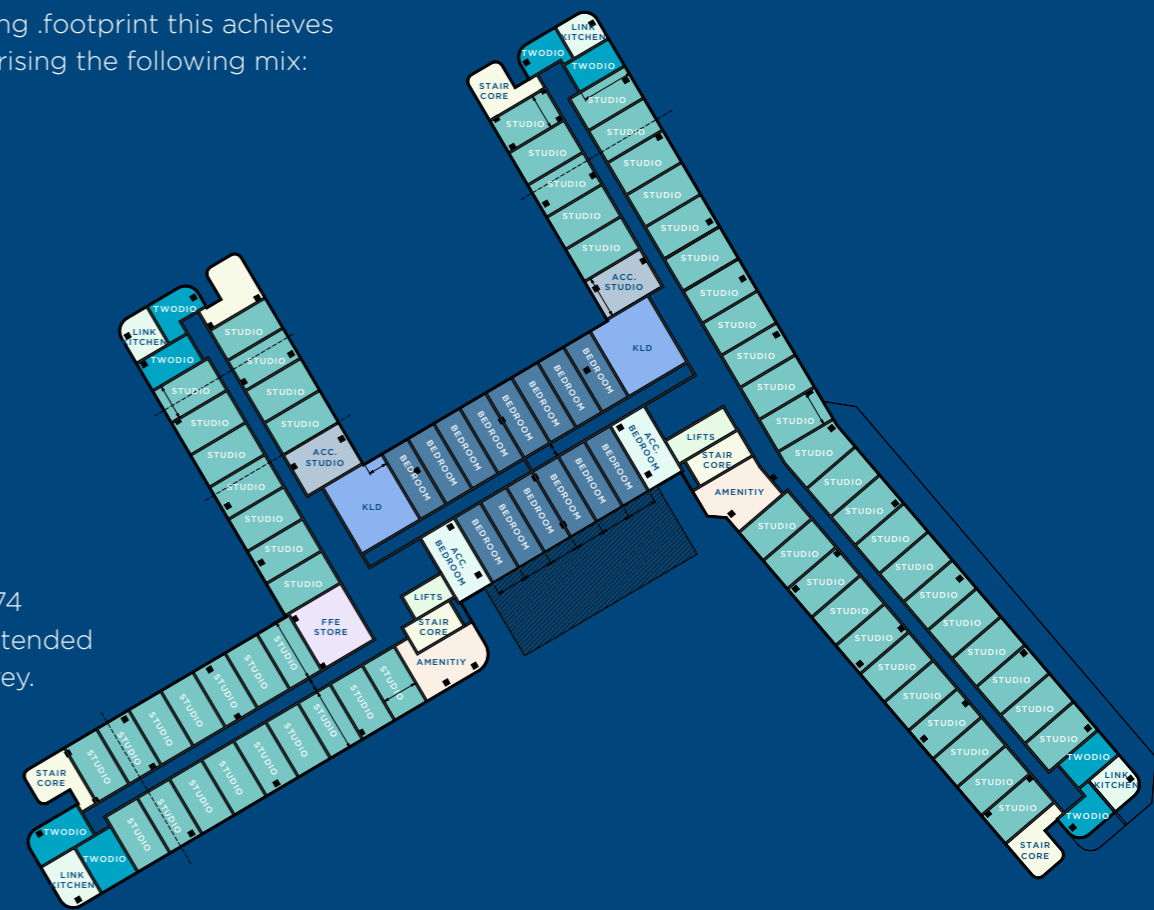
Using the existing building footprint this achieves around 405 beds, comprising the following mix:

77%
Studios

16%
Cluster Beds

7%
Twodios

This could increase to 474 beds if the building is extended upwards by a single storey.



High profile developments in the vicinity

The map outlines some of the major developments in the vicinity which are either complete, under construction or have secured planning consent.



There is considerable change to this part of Bristol planned over the next few years with significant residential led developments now consented including BTR, Co-Living and Purpose Built Student Accommodation.

Address	Plot	Existing Building (Height)	Proposed Development (Height)	Stage
1. 360 Building	0.76 acres	110,000 sq ft office (7 storeys)	399 student beds (10 storeys)	Planning granted April 2024
2. Former Debenhams	1.14 acres	216,600 sq ft retail (6 storeys)	502 BTR apartments across two blocks (9, 10 and 28 storeys)	Planning granted April 2024
3. Rupert Street Car Park	0.74 acres	498 space multi-storey car park above 3 retail units (6 storeys)	250 co-living beds 320 student beds 412 space car park (Up to 21 storeys)	Planning granted March 2024
4. Premier Inn	0.84 acres	20 storey hotel	132 co-living beds 442 student beds (18 and 28 storeys)	Planning granted March 2024
5. Dove Lane	3.95 acres	Brownfield land	358 residential apartments (4-10 storeys)	Planning granted July 2023
6. 2 Moon Street	0.43 acres	1960's warehouse and a 2 storey building	190 student beds (5 storeys)	Under Construction
7. 29-31 Portland Square	0.50 acres	1960s warehouse and two 4 storey Grade I listed buildings	267 student beds (4-6 storeys)	Under Construction
8. Malthouse	0.70 acres	Series of 1-4 storey buildings inclusive of a Grade II listed townhouse.	348 student beds (3-6 storeys)	Completed July 2021
9. Dean Street Works	0.42 acres	2 storey 1970's building	225 student beds (5 storeys)	Completed October 2020
10. Dean + Wilder	0.32 acres	2 storey building	42 residential apartments - mix of 1,2 & 3 beds. (5 storeys)	Completed November 2020

Asset Management Opportunities

LEASE EVENTS

- **Ground Floor Suites A, B & C (15,192 sq ft)**
finalise Teleperformance December 2023 rent review.
- **1st Floor Suites A, B, C, D & E (37,459 sq ft)**
renew Civica UK's 1st Floor Suite A (6,057 sq ft) and agree an early dilapidations settlement of their remaining 1st floor accommodation.
- **3rd Floor Suites B, C, D & E (14,301 sq ft)**
finalise Teleperformance dilapidations settlement.
- **4th Floor Suite D (1,501 sq ft)**
agree a new lease with Morgan McKinley who have expressed a wish to remain in the building.

The 3rd floor (B, C, D & E) has recently been vacated following Teleperformance's consolidation into their ground floor space. The flexible floor plates allow the building to be easily split into smaller suites, meeting the sweet spot for occupier enquiries without having a material impact on floorplates. It therefore creates a great opportunity to provide a mix of Cat A and Cat A+ refurbishment to meet varying requirements in the market.

TENURE EXTENSION

The Freeholder (Bristol City Council) has indicated they are open to discussions for extending or regearing the Long Leasehold interest.

ESG REVIEW

- Utilise roof space with installation of PV panels.
- Transition to a fully electric building by installing VRF/VRV systems to remaining floors (Lower Ground, 3rd and 4th) and switching to electric run boilers for hot water.
- Full conversion to LED lighting, including remaining tenant demises and outside lighting.

GLAZING

A Façade Technical Due Diligence Survey was commissioned March 2024 which outlines £222,000 of works to be carried out in the short to medium term:

- **Plant room:** seal services penetrations through floor slab and gaps between cladding and upstands (£14,000)
- **Coping Panels:** seal failed gaps between coping panels (£8,000)
- **Fire stops:** make good firestops between floor edge and curtain wall (£50,000)
- **Façade curtain wall finish:** refurbish using specialist non-abrasive products to improve aesthetics (£150,000)

A full copy of the Façade Technical Due Diligence Survey is available on request.



Further Information

SERVICE CHARGE

The service charge budget for the year ending June 2024 is £1,256,417 per annum, equating to £11.11 per sq ft. The June 2025 year end budget has been agreed at £11.03 psf.

EPC

The property has an EPC rating of C58 expiring in May 2032.

VAT

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

AML

To discharge its legal obligations, including under applicable anti-money laundering regulations, Cushman & Wakefield will require certain information of the successful bidder. In submitting a bid, you agree to provide such information when Heads of Terms are agreed.

CONTACTS

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The Property is offered for sale by the joint LPA/Fixed Charge Receivers who act as agents for the vendor and without personal liability. The Receivers can give no representations or warranties including as to VAT.

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3. Nothing in these particulars shall be deemed to be a statement that the property is in good condition or otherwise nor that any services or facilities are in good working order.
4. The photographs appearing in this brochure show only certain parts and aspects of the property at the time when the photographs were taken. Certain aspects may have changed since the photographs were taken and it should not be assumed that the property remains precisely as displayed in the photographs. Furthermore, no assumptions should be made in respect of parts of the property which are not shown in the photographs.
5. Any areas, measurements or distances referred to herein are approximate only.
6. Where there is reference in these particulars to the fact that alterations have been carried out or that a particular use is made of any part of the property this is not intended to be a statement that any necessary planning, building regulations or other consents have been obtained and these matters must be verified by any intending purchaser.
7. Descriptions of a property are inevitably subjective and the descriptions contained herein are used in good faith as an opinion and not by way of statement of fact. July 2024

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Proposal

Offers are invited in **excess of £12,000,000** (Twelve Million Pounds) subject to contract and exclusive of VAT.

A purchase at this level reflects a Net Initial Yield of **19.36%** and a Triple Net Yield of **17.06%**, based on topped up income and assuming purchaser's costs of 6.71%. This reflects a low capital value of **£105 per sq ft.**