
NEW PREMIER HOUSE

150 SOUTHAMPTON ROW
LONDON WC1

CENTRAL LONDON MULTI-LET
OFFICE AND RETAIL INVESTMENT



EXECUTIVE SUMMARY

- Freehold multi-let Central London investment with significant asset management opportunities.
- 34,124 sq ft (3,170.2 sq m) of office, retail and restaurant accommodation arranged over basement, ground and seven upper floors.
- The office accommodation is let to 7 tenants with approximately 37.3% of the accommodation vacant and benefitting from a 12 month rental top up. The office rental income is £653,059 per annum equating to a low passing rent of £26.57 per sq ft overall.
- The retail/restaurant accommodation is let to three tenants producing a combined income of £192,900 per annum.
- The total current passing rent, including rental top ups is £845,959 per annum exclusive.
- Low base rent of only £24.79 per sq ft overall, offering excellent potential to benefit from rental growth in the short term through refurbishment and active management.
- Potential to increase the net floor area by infilling the lightwells and reconfiguring the office core.
- Potential for change of use to hotel, serviced apartments or residential, subject to obtaining the necessary planning consents.
- Seeking offers in excess of **£11,000,000** reflecting an attractive net initial yield of **7.27%**, allowing for purchaser's costs of 5.8%, and a low capital value of **£322 per sq ft**.



LOCATION

New Premier House is situated on the eastern side of Southampton Row in the Bloomsbury area of Midtown. Southampton Row is a major thoroughfare extending south to the junction of High Holborn and Kingsway and north to Russell Square.

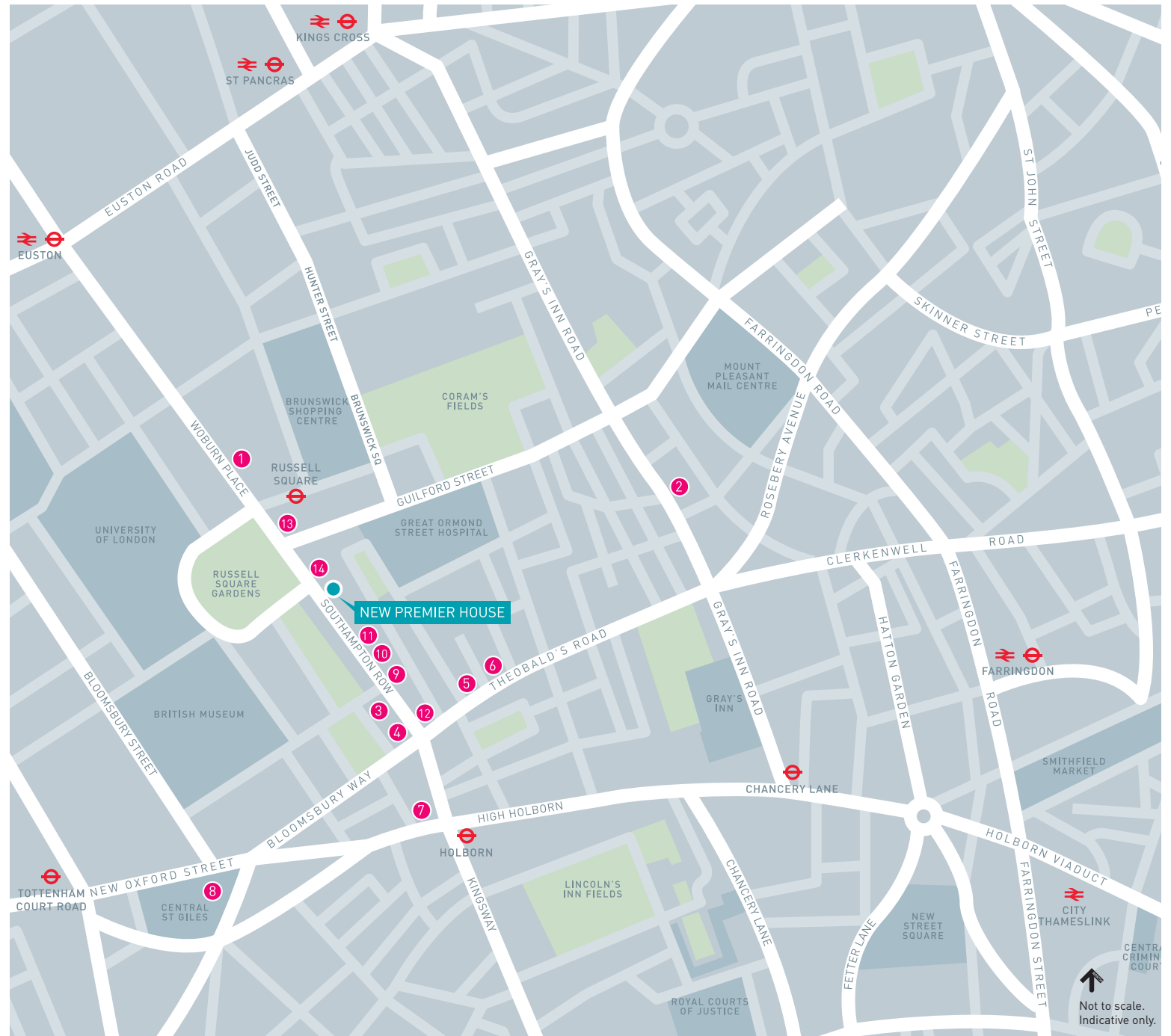
The immediate area attracts a diverse tenant base and a number of high profile developments in Bloomsbury have further enhanced the immediate area. These developments include Central St Giles, Victoria House and 1 Southampton Row.

Key local occupiers include:

- 1 McCann Erickson
- 2 ITN/ITV
- 3 Sport England
- 4 Competition Commission
- 5 Mediacom UK Ltd
- 6 Warner Bros Entertainment Ltd
- 7 Metro Bank
- 8 Google

Key local hotels include:

- 9 The Bonnington Hotel - Hilton
- 10 Bloomsbury Park Hotel - Thistle
- 11 Mercure London Bloomsbury - Mercure
- 12 Grange Holborn Hotel - Grange
- 13 Hotel Russell - Principal Hayley
- 14 Imperial Hotel - Imperial Hotels





COMMUNICATIONS

New Premier House benefits from excellent transport communications with the following underground and overland stations all within close proximity:

| STATION (APPROX DISTANCE) | LINE |
|---|---|
| Holborn 400 metres | Piccadilly & Central Underground Lines |
| Russell Square 200 metres | Piccadilly Underground Line |
| Goodge Street 700 metres | Northern Underground Line |
| Euston 900 metres | Circle, Hammersmith & City and Metropolitan Underground Lines & Mainline Services |
| Tottenham Court Road 650 metres | Circle Underground Line & Crossrail Services |
| St Pancras / Kings Cross 800 metres | Northern, Victoria & Piccadilly Underground Lines & Mainline Services |

Numerous bus services run along Southampton Row providing access to Kings Cross and Holborn.

Eurostar – St Pancras international provides access to mainland Europe and is accessible via Goodge Street.

Crossrail is due for completion in 2018 providing a high speed, high frequency train service across Central London's East-West axis. Both Farringdon and Tottenham Court Road are easily accessible.





DESCRIPTION

New Premier House was constructed in the early 20th Century on a concrete frame with brick elevations and a Portland stone façade. The property is arranged over basement, ground and seven upper floors, providing 34,124 sq ft (3,170.2 sq m) in total of retail /restaurant and office accommodation.

The building provides typical upper floor plates of approximately 3,500 sq ft configured into front and rear units separated by a central core and two large light wells. The net area of the ground floor is substantially larger at approximately 4,600 sq ft, excluding the office entrance/core.

The office accommodation is presented on the whole in good decorative order, with the specification varying throughout the property, in part including comfort cooling, raised floors and suspended ceilings with integrated lighting. All of the upper parts have central heating.



ACCOMMODATION

A measured survey has been undertaken by Armada Surveys in accordance with the RICS' Sixth Edition Code of Measuring Practice. The areas are as follows:

| FLOOR | USE | FLOOR AREAS SQ M | FLOOR AREA SQ FT |
|--------------|---------|------------------|------------------|
| 7th | Office | 256.9 | 2,765 |
| 6th | Office | 297.5 | 3,202 |
| 5th | Office | 313.4 | 3,373 |
| 4th | Office | 328.1 | 3,532 |
| 3rd | Office | 348.7 | 3,753 |
| 2nd | Office | 366.8 | 3,948 |
| 1st | Office | 363.7 | 3,915 |
| Ground | Retail | 886.6 | 9,543 |
| Basement | Storage | 8.6 | 93 |
| Total | | 3,170.20 | 34,124 |

TENURE

The property is held Freehold under Title Number NGL 353334 and is shown edged red, for indicative purposes only on the site plan below.



USER CLASSIFICATION:

- Educational
- Hotel
- Office
- Medical
- Residential

This plan is based upon the Ordnance Survey Map with the sanction of the controller of H.M Stationary Office. Crown copyright reserved. For indicative purposes only – not to scale.

TENANCIES

New Premier House is multi let to 10 occupational tenants on 14 leases, providing a total current rent passing of £845,959 per annum exclusive (including rental top ups). This equates to a low passing rent of £24.79 per sq ft overall.

The average weighted unexpired term to the earlier of lease expiry or break option is approximately 2.3 years.

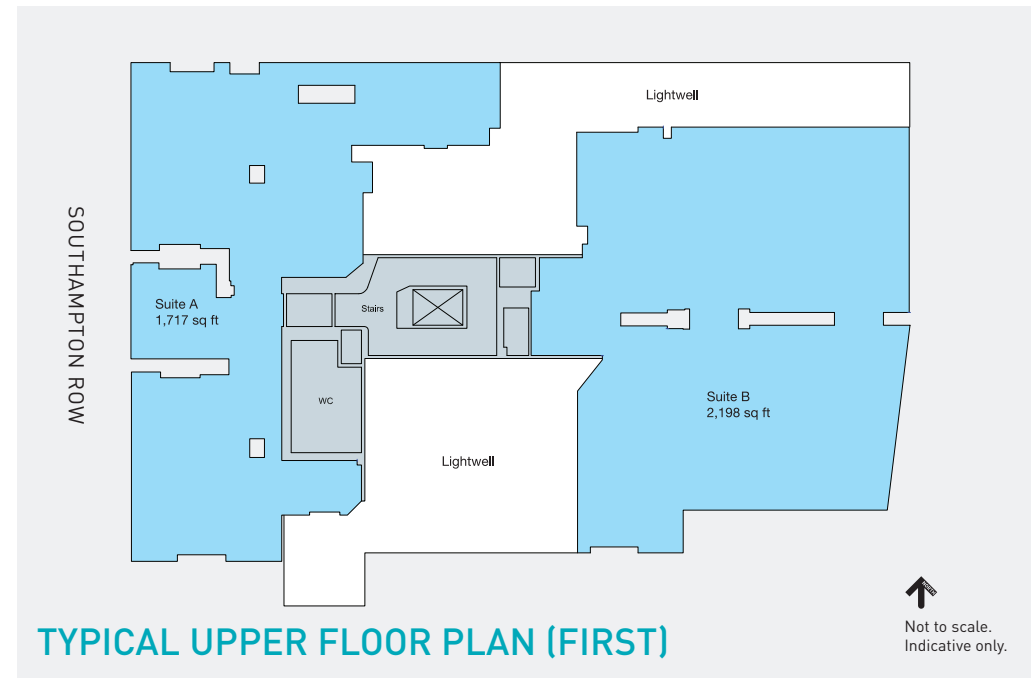
37.3% of the total net office area is currently vacant and the vendor will provide a rental top up at a rate of £26.50 per sq ft on this accommodation. The office element therefore produces a total annual rent of £653,059, equating to an average rent of £26.57 per sq ft overall.

The retail accommodation is let to 3 tenants producing an income of £192,900 per annum (22.8% of the total income). The average weighted unexpired term of the retail accommodation is 4.2 years.



TENANCY SCHEDULE

| TENANT NAME | UNIT LOCATION | FLOOR | FLOOR AREAS SQ M | FLOOR AREA SQ FT | ITZA | START DATE | END DATE | NEXT RENT REVIEW DATE | FRI | RENT (P.A) £ | RENT PSF £ | COMMENT |
|----------------------------------|-----------------|-------------|------------------|------------------|------|------------|------------|-----------------------|-----|-----------------|---------------|------------------------------------|
| VACANT | Suite A | 7th | 141.0 | 1,518 | | | 29/09/2012 | | | £40,227 | £26.50 | |
| VACANT | Suite B | 7th | 115.9 | 1,247 | | | 29/09/2012 | | | £33,046 | £26.50 | |
| VACANT | Suite B | 6th | 135.8 | 1,462 | | | 29/09/2012 | | | £38,743 | £26.50 | |
| THAMES EDUCATION LIMITED | Suite A | 6th | 69.7 | 750 | | 15/09/2011 | 14/09/2016 | | | £15,000 | £20.00 | |
| DREW MARINE INTERMEDIATE II BV | Suite A | 6th | 92.0 | 990 | | 28/04/2006 | 27/04/2012 | | YES | £26,500 | £26.77 | |
| THE EDUCATIONAL RECORDING AGENCY | Suite B | 5th | 149.9 | 1,613 | | 09/05/2007 | 08/05/2017 | 09/05/2012 | YES | £49,000 | £30.38 | Mutual Break Option on 05/05/2012 |
| SAM LEARNING | Suite A | 5th | 163.5 | 1,760 | | 12/05/2011 | 11/05/2014 | | | £32,782 | £18.63 | Tenants Break Option on 12/12/2012 |
| PREMIER IT GROUP LIMITED | Suite B | 4th | 164.8 | 1,774 | | 24/06/2003 | 23/06/2013 | | YES | £48,537 | £27.36 | |
| PREMIER IT GROUP LIMITED | Suite A | 4th | 163.3 | 1,758 | | 24/06/2003 | 23/06/2013 | | YES | £44,714 | £25.43 | |
| CLEVELAND TRAVEL LTD | Suite B | 3rd | 180.7 | 1,945 | | 19/11/2007 | 18/11/2013 | | YES | £52,500 | £26.99 | |
| EMC- ENERGY MARKET CONSULTANTS | Suite A | 3rd | 168.0 | 1,808 | | 29/11/2007 | 28/11/2012 | | YES | £60,000 | £33.19 | |
| PREMIER IT GROUP LIMITED | Suite C | 2nd | 108.1 | 1,164 | | 24/06/2003 | 23/06/2013 | | YES | £32,120 | £27.59 | |
| VACANT | Suite B | 2nd | 93.8 | 1,010 | | | 29/09/2012 | | | £26,765 | £26.50 | |
| PREMIER IT GROUP LIMITED | Suite A | 2nd | 164.8 | 1,774 | | 24/06/2003 | 23/06/2013 | | YES | £48,262 | £27.21 | |
| VACANT | Suite B | 1st | 204.2 | 2,198 | | | 29/09/2012 | | | £58,247 | £26.50 | |
| VACANT | Suite A | 1st | 159.5 | 1,717 | | | 29/09/2012 | | | £45,501 | £26.50 | |
| PREMIER IT GROUP LIMITED | Basement | Basement | 8.6 | 93 | | 24/06/2003 | 23/06/2013 | | YES | £1,116 | £12.00 | |
| Sub Total Office | | | 2,283.7 | 24,581 | | | | | | £653,059 | £26.57 | |
| PIZZA HUT (UK) LIMITED | Ground Basement | Units A & B | 213.1 232.0 | 2,294 2,497 | 982 | 25/12/1988 | 24/12/2013 | | YES | £98,000 | £99.80 | Part Sub Let |
| CITY LANGOUSTE LIMITED | Ground Basement | Unit C | 151.4 225.5 | 1,630 2,427 | 507 | 06/05/2004 | 05/05/2019 | 06/05/2014 | YES | £62,900 | £124.06 | |
| CLOCKWORK RETAIL LIMITED | Ground | Unit D | 64.6 | 695 | 406 | 25/12/2004 | 24/12/2014 | | NO | £32,000 | £78.82 | |
| Sub Total Retail | | | 886.6 | 9,543 | | | | | | £192,900 | £20.21 | |
| Total | | | 3,170.2 | 34,124 | | | | | | £845,959 | £24.79 | |



ASSET MANAGEMENT

New Premier House offers a significant number of short and medium term asset management opportunities which include:

- Refurbishment of the vacant office accommodation and improvement of the specification.
- Obtaining vacant possession and undertaking a substantial refurbishment/extension of the property, partially infilling the light wells and incorporating an improved office reception area.
- Improving the retail mix, possibly by amalgamating and offering two larger units.
- Change of use – A planning report has been prepared by Montagu Evans highlighting the potential for obtaining a change of use on the property. The immediate vicinity supports a large number of hotel, residential, serviced apartment and educational users and it is envisaged that, subject to planning, the property would be suitable for change of use to either hotel, services apartments or residential use. Further information can be provided upon request.

PLANNING

New Premier House is located within The London Borough of Camden. It is not listed but is located within the Bloomsbury conservation area.

COVENANTS

Further information can be provided upon request.

VAT

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

PROPOSAL

We are instructed to seek offers in excess of **£11,000,000** (Eleven Million Pounds), subject to contract and exclusive of VAT, for the Freehold interest. Allowing for purchasers costs of 5.8% this reflects an attractive net initial yield of **7.27%** and a low capital value of **£322 per sq ft**.

FURTHER INFORMATION

For further information, or to arrange an inspection, please contact:



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Misrepresentation Act 1967

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