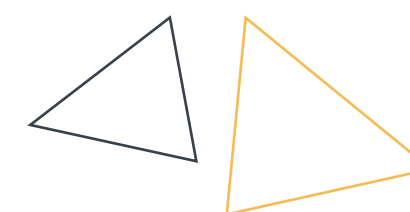


Union Stockley Park

1 Furzeground Way

A RARE OPPORTUNITY
TO ACQUIRE A **FULLY**
REPOSITIONED, BEST
IN CLASS OFFICE
INVESTMENT WITH
MARKET LEADING ESG
CREDENTIALS INCLUDING
AN **EPC A RATING**



UNION STOCKLEY PARK IS ONE
OF THE UK'S MOST SUSTAINABLE
OFFICE BUILDINGS

Union
Stockley
Park



Investment Summary

- > Union Stockley Park is a **best in class office** following a **£10 million back-to-frame refurbishment** which completed in 2021, providing flexible floor space to meet occupier demands.
- > The 73,416 sq ft asset is **multi-let to three tenants** who have been attracted from **off the park**, setting new rental tones on Stockley Park.
- > **Market leading sustainability credentials** with an EPC of A (18) and aligned to CRREM for 18 years. The building is **fully electric**, providing the highest levels of sustainability criteria in the South East office market.
- > Situated on **one of Europe's premier business parks** with excellent transport connections to London, Heathrow Airport and the national motorway network.
- > **Secure income profile** with a WAULT to expiry of **6.1 years** (2.8 years to break), with the opportunity to enhance the income profile.
- > The asset is let to three tenants providing an income of **£1,896,758 pa** all with a **Creditsafe Rating of 'Very Low Risk'**.
- > **Opportunity to add value by creating an amenity offering** whilst further enhancing the income profile of the building by letting the balance of the vacant first floor.
- > The building has 225 car parking spaces, 10 of which are EV charging points, providing an **attractive ratio of 1:331 sq ft and 80 cycle spaces**.
- > The property is held **freehold**.

Proposal

Offers are sought in excess of:

£21.70M

Offers are sought in excess of £21,700,000 (Twenty One Million, Seven Hundred Thousand Pounds) subject to contract and exclusive of VAT.

9.50%

A purchase at this level reflects an attractive net initial yield of 9.50% on the contracted income assuming purchaser's costs of 6.74% and £175 per sq ft on the vacant part first floor.

11.06%

Reversionary yield of 11.06% on letting the balance of the vacant first floor (not being topped up).

£296 PSF

Low capital value per sq ft.

FUTURE-PROOFED INVESTMENT OPPORTUNITY

**Union
Stockley
Park**



06/07



MULTI-LET ASSET WHICH HAS BEEN
SUBJECT TO A BACK-TO-FRAME
REFURBISHMENT AT A COST OF £10M



Union Stockley Park

The USP's

**Union
Stockley
Park**

A rare opportunity to acquire a future-proofed office investment with asset management initiatives as part of Stockley Park's rejuvenation.

Website Link: unionstockleypark.co.uk



FUTURE-PROOFED

An unrivalled lakeside position with over £10 million spent on a back-to-frame refurbishment, creating a market leading office building in the South East



OPPORTUNITY

To add value by creating an amenity offering in the expansive atrium whilst further enhancing the income profile by letting the balance of the first floor



ESG

Union Stockley Park has an aligned 'Decarbonisation Pathway' for 18 years without retrofitting or intervention measures according to CRREM analysis, coupled with an unrivalled ESG specification



POSITIONING

The three tenants have all come from off the park, setting new occupational trends whilst being in the top 3.6% of offices in the Thames Valley with an EPC of A



EMBRACE

Stockley Park's thriving business community with a mix of global corporations, start-ups, and SMEs. Stockley Park provides opportunities for networking, collaboration and business growth with over 100 events per year



Union Stockley Park

Market Leading ESG Credentials

Union
Stockley
Park

Union Stockley Park is a stunning, fully repositioned office building on the UK's premier business park. The property provides the highest levels of sustainability criteria in the South East office market, including an EPC A rating and CRREM alignment until 2042.

Union Stockley Park is one of the few offices on the Park to benefit from attractive views over the lake, with a west-facing lakeside terrace. The Grade A and highly flexible accommodation meets the demands of current occupiers and investors.



A Highly Sustainable Office Building

Union Stockley Park upholds best in class sustainability credentials including an EPC of A (18) and is targeting a BREEAM rating of 'Very Good'. This is supported by the asset's following sustainable features:

- > WiredScore 'Gold'
- > Aligned to CRREM Decarbonisation Pathway for 18 years
- > Targeting BREEAM 'Very Good'
- > 10 EV car charging points
- > New double-glazed sealed window units designed for Part L Compliance

Environmental Best Practice: Carbon Reduction has been Stockley Park's focus with an implementation of methods to reduce carbon emissions and its commitment to reducing their carbon footprint.



CRREM - Carbon Risk Real Estate Monitor

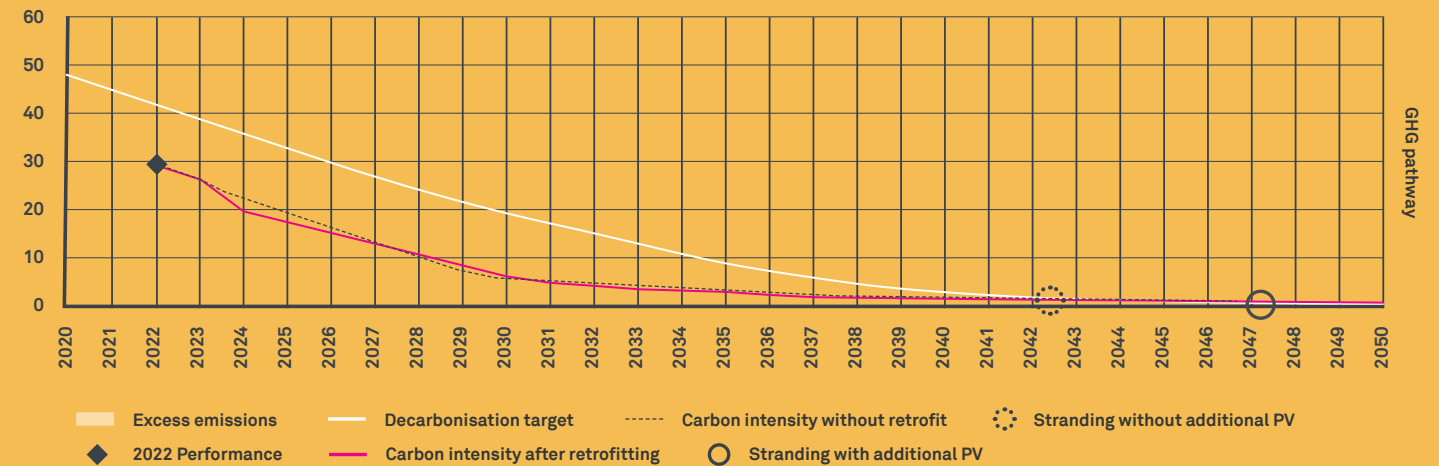
CRREM aligned for 18 years

Savills' Sustainability Team have undertaken CRREM analysis under Version 2.0 on Union Stockley Park to evaluate the asset's carbon reduction performance against reduction targets (the developed "pathways") in line with the Paris Agreement. It provides insights into the carbon emissions associated with the energy consumption of buildings.

The graph below demonstrates the 'stranding' risk for Union Stockley Park under the 1.5 degrees Celsius global warming scenarios including the scenario of installing additional PV panels.

Positively, Union Stockley Park is aligned to the Decarbonisation Pathway for 18 years in its current state. With the installation of additional PV panels which has planning consent, the stranding year improves to 2047.

If the emission intensity is above the target value, "stranding" will occur.



Photovoltaic (PV) Asset Management Potential

An exercise has been undertaken by Savills' Sustainability Team to ascertain the benefit of adding more PV panels to Union Stockley Park.

Overall, it is estimated that there is a potential 17.6% energy saving if more PV panels are added to the roof. As a result, Union Stockley Park not only is one of the most energy efficient buildings in the South East today, but there is also asset management potential to enhance the asset's environmental performance in the future.



Life on Stockley Park

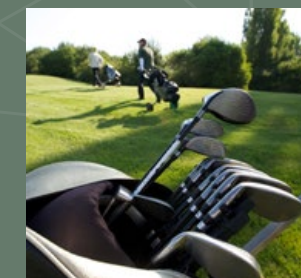
Stockley Park is an ideal location for occupiers to both work and spend time, due to its rich amenity offering and stunning natural surroundings including a lake and immaculately landscaped grounds. In addition, the Park offers the following leisure and amenity facilities to occupiers:

- > 88 acres of fresh air with dotted lakes and 140,000 trees
- > Jogging and cycle paths
- > Think-Tank meeting pods
- > Street food
- > Busy Bees Nursery
- > Nuffield Health Gym
- > Summer Fair – held annually, creating a community for all businesses and employees
- > Stockley Festival – held annually, along with 100 events every year
- > Travelodge Hotel
- > Stockley Park Golf Course



Environmental Best Practice: Conservation and Wildlife Projects awarded to Stockley Park for their commitment to increasing biodiversity.

- > In 2022 a significant number of biodiversity actions have been completed; including ecological surveys, woodland management, installing hedgehog homes, wildflower planting, tree planting, Orchid management, and monitoring, low mow May and butterfly ID training
- > In 2021 Stockley Park was awarded the Wildlife Trusts Biodiversity Benchmark Award
- > The Set coffee shop was designed from a recycled freight container and hosts a green sedum roof
- > Rainwater collected from each building and car park feeds back to the 10 lakes with the quality of the lake water regularly tested and many of the lakes are stocked with fish. The water from the lakes is used for irrigation of the landscaping
- > 100% of garden waste is recycled



Green Leases

All three of the leases are subject to 'green clauses' which allow building owners and occupiers to meet ambitious decarbonisation targets.

As investors and occupiers integrate ESG as a priority into their decision making, green leases help them align their real estate assets and operations to meet their Net Zero Carbon commitments.

The leases incorporate the following high level terms:

- > To promote and improve the environmental performance of the building
- > To co-operate with each other and identify appropriate environmental strategies and data sharing
- > To attend an annual sustainability engagement meeting
- > To comply with all environmental regulations



Minimum Energy Efficiency Standards

EPC Regulations have come into force as part of the Government's push to achieve net zero emissions by 2050.

On 1 April 2023 all commercial property must hold an EPC rating of band 'E' or better prior to any new leases or renewals being granted. Looking ahead, the standards will be increased to band 'B' by 1 April 2030.

Union Stockley Park meets current and future regulations, protecting an investor against environmental legislation.



Stockley Park Occupier Engagement

Stockley Park has a dedicated website and app, coupled with a market leading onsite management team.

- > Stockley Portal - providing up to date news and information of the Park
- > World Bee Day - education on the Stockley Park bees and their importance to the ecosystem
- > Union Stockley Park upholds a 'Net Zero Carbon Aligned' status

Environmental Best Practice: Workplace Wellbeing programme - a varied, year-round enlivenment programme offers the community seasonal activities in addition to regular events.



Stockley Park

The UK's Premier Business Park

**Union
Stockley
Park**

Website Link: stockleypark.co.uk

Strategic Location

Stockley Park is strategically located near Heathrow Airport, a global transport hub which served over 62 million passengers in 2022. Stockley Park offers excellent access to major road networks such as the M4 and M25, providing convenience for businesses that require easy access to national and international markets.



Amenities and Services

Stockley Park offers a range of amenities and services that can enhance the work-life balance of employees, including restaurants, cafés, fitness centres, green spaces and recreational areas. These amenities can contribute to employee well-being and productivity, making it an attractive location for businesses.



Established Business Community

Stockley Park has a thriving business community with a mix of global corporations, start-ups, and SMEs. The Park provides opportunities for networking, collaboration and business growth.



Fast Access to Central London

Since May 2022, Stockley Park now benefits from the Elizabeth Line due to the Park's close proximity to both Hayes & Harlington and West Drayton railway stations.

Trains from Hayes & Harlington provide a fastest journey time of 15 minutes into Central London.

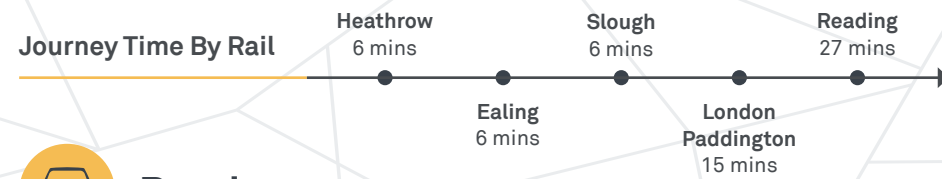
Stockley Park

Unrivalled Connectivity

Union
Stockley
Park

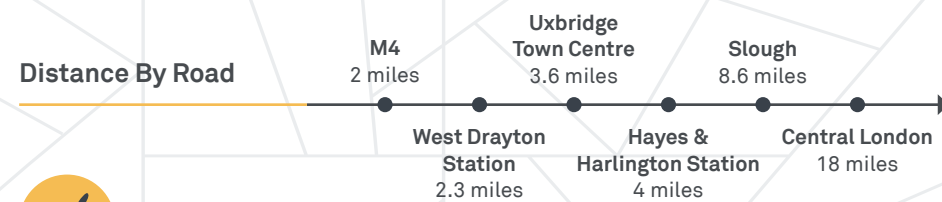
Rail

Stockley Park is situated only 3 miles from Hayes & Harlington railway station, which provides excellent rail links to the capital with a fastest journey time of 15 minutes to London Paddington. Additionally, Hayes & Harlington railway station boasts a fastest travel time of 6 minutes to Heathrow Airport, providing ease of access to both national and international destinations alike. A shuttle bus is operated by the Park to Hayes & Harlington railway station.



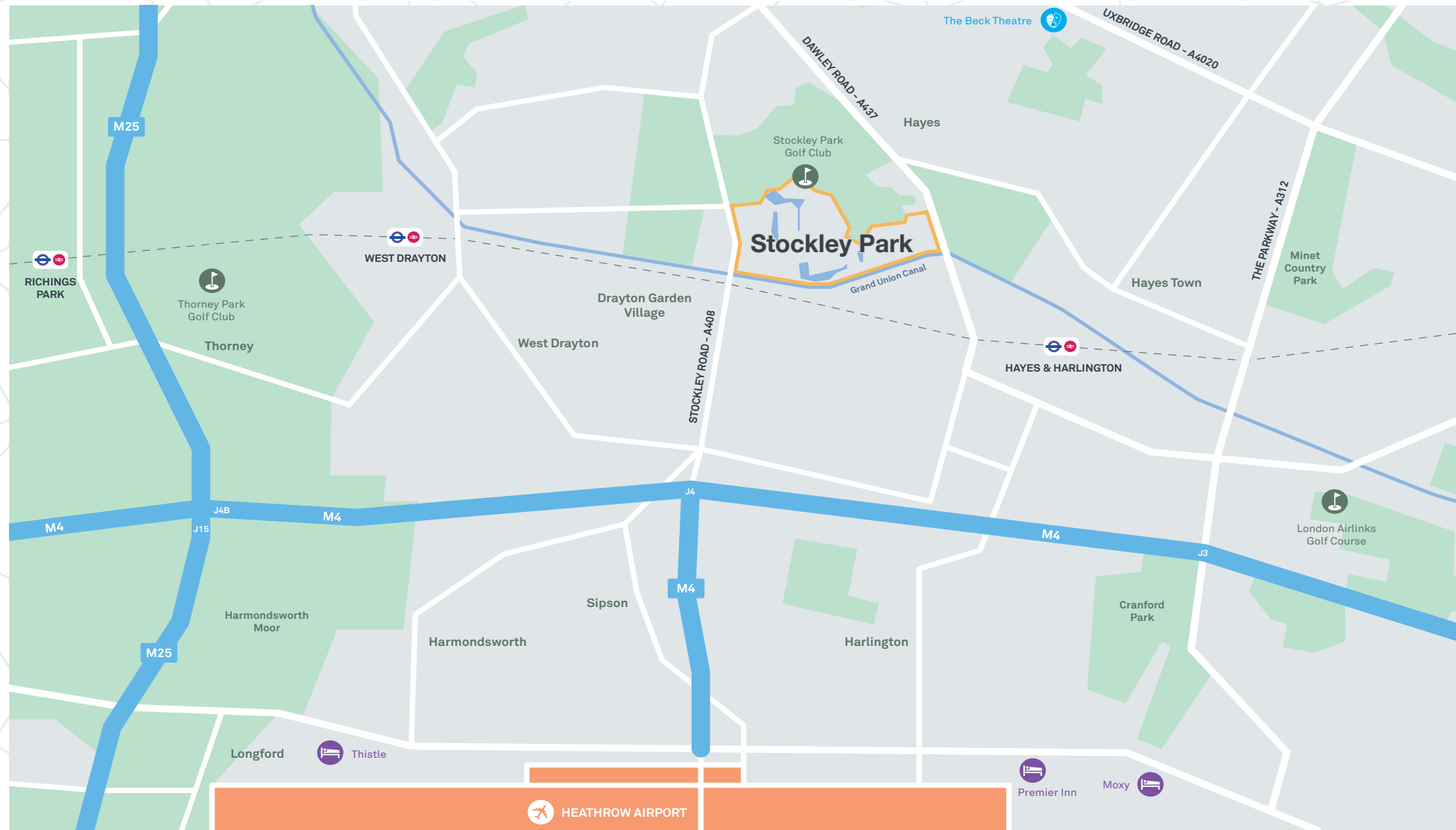
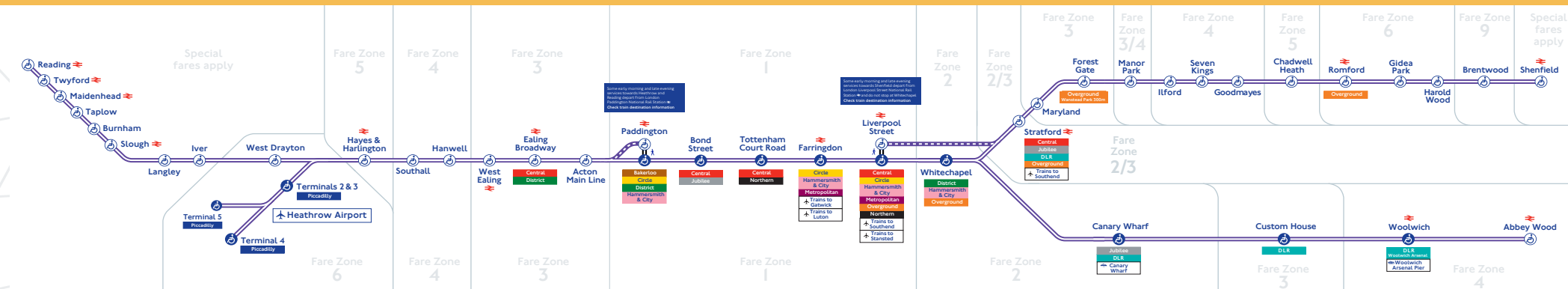
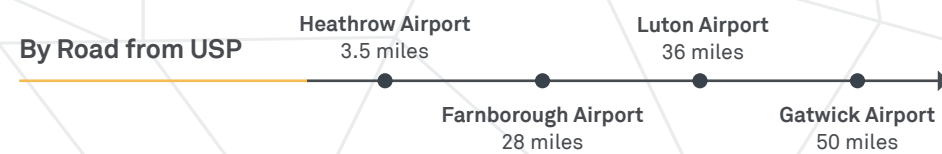
Road

The Park lies adjacent to both the M25 and M4 motorways, with Junction 4 of the M4 only 1.5 miles to the south and the M25 positioned 3 miles to the south east, demonstrating the Park's sought-after location and connectivity to the national motorway network.



Air

Stockley Park has enviable connectivity to Heathrow Airport with Terminals 1, 2, 3 and 5 only 10 minutes by car, and Terminal 4 a 15 minute car journey. Stockley Park also has good connectivity to other major UK airports such as Luton, Stansted and Gatwick via the motorway network. Heathrow Airport grew more than any other airport in the world last year, with 62 million passengers in 2022.



Stockley Park

Home to Global Occupiers

**Union
Stockley
Park**

18 miles to
Central London
1.7 miles to
J15 M25

**Hayes & Harlington
Railway Station**

15 minutes to
Paddington

Elizabeth Line

Heathrow Airport

27 miles
to Reading

Prologis Park

- OCCUPIERS**
- 01 Hasbro, Hikvision
 - 02 Mitsubishi Heavy Industries, Samsonite
 - 03 Regus, Rocket
 - 04 Gilead
 - 05 Canon
 - 06 Sharp
 - 07 Apple
 - 08 Alexion
 - 09 Kuehne + Nagel
 - 10 Cargologic, Verifone
 - 11 MSC Cruises
 - 12 Accord
 - 13 IMG
 - 14 Premier League, Coats, Orega
 - 15 Marks & Spencer
 - 16 Lucozade Ribena Suntory

Stockley Park
Golf Club

The Arena
Amenity Centre

Travelodge



FUTURE-PROOFED INVESTMENT OPPORTUNITY

UNION STOCKLEY PARK HAS ATTRACTED
THREE TENANTS FROM OFF THE PARK DUE TO
ITS MARKET LEADING ESG CREDENTIALS

Union Stockley Park

A Fully Repositioned Asset

Refurbishment

Completed in 2021, Union Stockley Park benefitted from a comprehensive £10 million refurbishment programme to transform the asset to provide future-proofed, best in class office accommodation with market leading sustainability credentials.

Specification



VRF Air Conditioning with FCUs



New double-glazed sealed units designed for part L compliance



225 car parking spaces, an attractive ratio of 1:331



Aligned to the CRREM Decarbonisation Pathway for 18 years



2x 12-person passenger lifts



10/225 car parking spaces are EV charging points



Raised Access Floors, with a clear void depth of 150mm minimum



80 bike spaces, shower facilities and a DDA compliant shower



The building is fully electric with no reliance on fossil fuels



LED lamp sources in office areas, WCs and atrium



Feature staircase with a communal double height atrium spanning c.7,000 sq ft



Lighting control system with movement sensors and automatic daylight dimming



High frequency DALI control gear for lighting



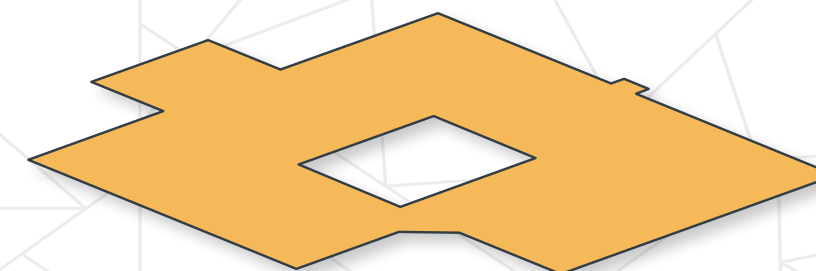
Existing PV panels located on the roof with an opportunity to expand the PV array, which is to provide an additional 17.6% energy consumption savings

Accommodation

FLOOR	USE	SQ FT (IPMS 3)	SQ M (IPMS 3)
Second	Office	23,980	2,227.8
First	Office	23,139	2,149.7
Ground	Office	19,807	1,840.1
Ground	Reception/Atrium	6,490	602.9
TOTAL		73,416	6,820.5

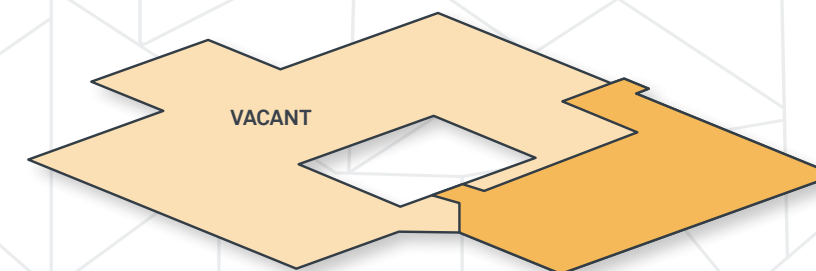
Second Floor

KEYENCE

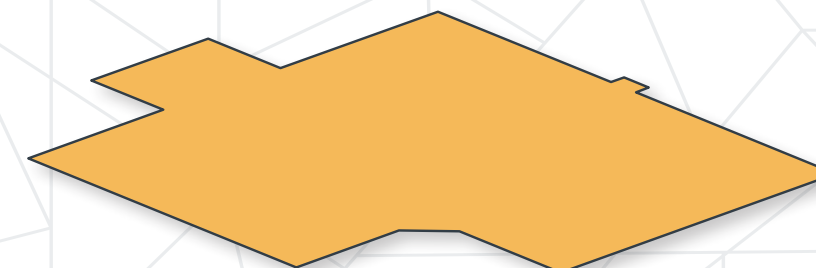


First Floor

TELEDYNE



Ground Floor





Union
Stockley
Park



Tenancy Schedule

Union Stockley Park has let well since its back-to-frame refurbishment in 2021, attracting tenants from off the park at market leading rental levels.

The asset benefits from a diverse income profile with a WAULT of 6.1 years to expiry (2.8 years to break) whilst offering attractive asset management opportunities to add value by creating an amenity offering in the expansive atrium whilst further enhancing the income profile by letting the balance of the vacant first floor.

Tenant Commitment

All three tenants are highly committed to Union Stockley Park having undertaken extensive fit out works to their space at the following approximate costs:

TENANT	COST	COST (PER SQ FT)	COST (PER ANNUAL RENT)
Keyence	£2,000,000	£83	2.1 years
Teledyne	£300,000	£49	1.3 years
Heidelberg	£1,300,000	£66	1.8 years

Testimonial



We are delighted to have secured accommodation at Union for our new headquarters. We were impressed with the quality of the refurbishment and the sustainability and ESG credentials. Being at Stockley Park supports our position as a technology leader in our industry and we are pleased to be alongside other such technology leaders. The move has also allowed us to modernise our customer support centre and create a hub for enhanced service delivery to our customers and our field based colleagues.

Ryan Miles, Managing Director of Heidelberg

FLOOR	TENANT	AREA SQ FT (IPMS 3)	LEASE START	RENT REVIEW	TENANT BREAK OPTION	LEASE EXPIRY	RENT (£ PSF)	TOTAL RENT (£ PA)	COMMENTS
Second	Keyence (UK) Limited	23,980	23/12/2022	-	23/12/2025	22/12/2027	£39.50	£947,210	Rent free of 16 months half rent. Tenant break option with 12 months notice. Outside the 1954 Act
Part First	Teledyne UK Limited	6,064	30/04/2023	30/04/2028	30/10/2029	29/04/2033	£39.00	£236,496	Rent free of 18 months. Tenant break option with 9 months notice. Outside the 1954 Act
Part First	Vacant	17,075	-	-	-	-	-	-	Fully refurbished and available for immediate letting. Empty rates are not payable
Ground	Heidelberg Graphic Equipment Limited	19,807	24/10/2021	25/10/2026	25/10/2026	24/10/2031	£36.00	£713,052	Rent free of 21 months. Tenant break option with 6 months notice. Outside the 1954 Act
Ground	Reception/Atrium	6,490	-	-	-	-	-	-	
TOTAL		73,416			2.8	6.1		£1,896,758	

Covenant Overview

Keyence (UK) Limited

Keyence (UK) Limited is a market leader in the supply of laser markers, microscopes, machine vision systems, sensors and measuring systems globally. Keyence has an impressive global network of over 300,000 clients, 230 offices and across 46 countries as well as placing in the Top 100 in the World in terms of innovative companies (Forbes List 2011-2018, The World's Most Innovative Companies).

Teledyne UK Limited

Teledyne UK Limited is a technology company providing technologies for industrial growth markets such as factory automation, condition monitoring, aerospace and defence, medical imaging and pharmaceutical research.

Teledyne is a global business with 1,483 employees and has recently been awarded the 'Queen's Award for Innovation' in 2021.

Heidelberg Graphic Equipment Limited

Heidelberg Graphic Equipment Limited is an innovative market leader in the global printing industry and the leading supplier of integrated printing solutions to UK commercial, packaging and printing companies. Heidelberg and their sales partners have approximately 10,200 employees, 250 production sites across 170 global countries and an annual print production volume of approximately €400 billion in packaging, advertising, and label printing.



OVERVIEW

Company name	Keyence (UK) Limited
Description	Factory Automation

FINANCIALS

Company number	02818080
Creditsafe rating	A 79 'Very Low Risk'
Fiscal year ending	28 February 2022
Latest turnover	£35,811,984
Pre-tax profit	£2,823,778
Total Assets	£29,055,851
Total Liabilities	£7,915,048

OVERVIEW

Company name	Teledyne UK Limited
Description	Technology Company

FINANCIALS

Company number	00432014
Creditsafe rating	A 97 'Very Low Risk'
Fiscal year ending	1 January 2023
Latest turnover	£230,830,000
Pre-tax profit	£35,417,000
Total Assets	£301,211,000
Total Liabilities	£86,223,000

OVERVIEW

Company name	Heidelberg Graphic Equipment Limited
Description	Printing Solutions

FINANCIALS

Company number	01177224
Creditsafe rating	A 88 'Very Low Risk'
Fiscal year ending	31 March 2022
Latest turnover	£66,448,000
Pre-tax profit	£24,557,000
Total Assets	£76,317,000
Total Liabilities	£34,057,000



ESG COMMITMENT: Uphold an ISO 9001/14001 Certification, whilst being committed to reducing their CO2 emissions and increasing energy savings. Additionally, focus is on the development of products with low environmental impact through reduction in parts used, utilising long lasting materials and using less energy.



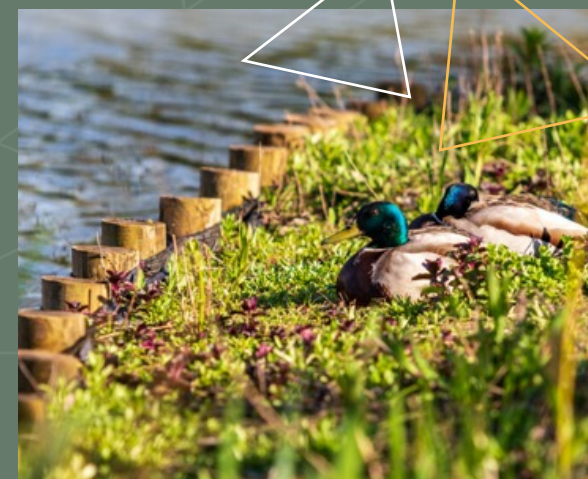
ESG COMMITMENT: Set target to reduce greenhouse gas emissions in company operations by 40% for the end of the 2040 fiscal year. Teledyne have already reduced greenhouse gas emissions by 21% since 2020.



ESG COMMITMENT: Committed to climate neutral by 2030, development of eco-friendly innovations for all phases of the product life cycle, committed to using environmentally friendly packaging, transportation, and transport routes.

THE RUNNING YIELD IMPROVES TO 11.06% ON
LETTING THE BALANCE OF THE VACANT FIRST FLOOR
PLUS EMPTY RATES ARE NOT PAYABLE

UNION STOCKLEY PARK MEETS ALL OF THESE THEMES



ESG Credentials

HR stakeholder engagement has started to focus more on culture and collaboration.

Environmental and social aspirations have already started to shape occupier requirements.



Flight to Quality

Occupier preference focused on best in class space, with over 85% of take up in the Western Corridor in 2022 within Grade A schemes.

Focus on flexible, quality space becoming a greater priority than expanding total footprint.



Well-being

Community and creating space for work and play at the top of occupier agendas.

Well-being and collaboration now the heart of decision making.



Optimising Floor Space

Occupier requirements are changing in light of hybrid working. This is leading to the rejuvenation of the office.

Access to high quality, plug and play office space remains central to the work ecosystem.

Key Investment Themes

UNION STOCKLEY PARK MEETS ALL OF THESE THEMES

**Union
Stockley
Park**



EPC

As per the Minimum Energy Efficiency Standards 2015 Regulations, as of April 2023 it is now unlawful to continue to let a commercial property with an F or G EPC rating. Importantly, only 3.6% of offices in the Thames Valley have an EPC of A and Union Stockley Park meets this criterion.



Growth Industries

Such as science and technology, where the UK tech ecosystem was valued at just under \$1 trillion in 2022 according to Tech Nation, placing it third in the world, more than 17x value 10 years ago. With three global technology companies already moving to Union Stockley Park from off the park, Union Stockley Park is a rare office investment product on the market.



Location

Increasingly important on a macro and micro level. Stockley Park benefits from an enviable location with immediate access to major road networks, Heathrow Airport and Crossrail.



Proven Track Record

Stockley Park has a proven track record of attracting world class businesses with occupiers including Canon, Mitsubishi, Toshiba, Alexion and IMG - the latter who have just taken on more space on the Park.

Additional Information

Tenure

The property is held freehold.

Site

The site extends to 1.2 hectares (2.76 acres).

Service Charge

The current service charge for the year ending 31 July 2024 is £586,655 equating to £8.06 psf with no service charge caps.

Data Room

Access to the data room is available on request.

VAT

The property is elected for VAT. It is the intention of the parties that the transaction will be treated as a transfer of a going concern (TOGC).

Capital Allowances

All capital allowances from the £10 million refurbishment programme will be available to the purchaser, however they will need to rely on their own investigations.

AML

In accordance with Anti-Money Laundering (AML) Regulations, the purchaser will be required to satisfy the vendor on the source of the funds used to complete the transaction.



**Union
Stockley
Park**

Proposal

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Offers are sought in excess of £21,700,000 (Twenty One Million, Seven Hundred Thousand Pounds) subject to contract and exclusive of VAT.

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11.06%

Reversionary yield of 11.06% on letting the balance of the vacant first floor (not being topped up).

£296 PSF

Low capital value per sq ft.



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FUTURE-PROOFED INVESTMENT OPPORTUNITY

