27 SOHO SQUARE

Presented by

HARRIS ASSOCIATES

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27 SQ.

IN THE HEART OF SOHO

INVESTMENT SUMMARY

- Prime Central London freehold office building located in this prestigious garden square.
- The building was originally constructed in 1985 around a steel frame behind a red brick and stone facade, the building steps back at fourth and fifth floors.
- Total net internal area of **30,990 sq ft** (2,879 sqm) over lower ground, ground and upper six floors, with the majority of floors having expansive floor plates of just under 5,000 sq ft (464.5 sqm).
- Current rent including vendor 'top ups' of **£2,263,678 pa** with significant reversionary uplift opportunities.
- The exceptional windows with views over Soho Square and Central London coupled with generous ceiling heights of up to **3.3m** fill the floors with light.
- The first to sixth floors have all had replacement VRF air conditioning over the last 5 years, with replacement new passenger lifts in 2018. In addition an all-electric central plant air source heat pump system and new air handling unit has just been installed.
- Planning consent was granted and implemented to add roof terraces and addition floors, creating extra gross internal area of circa 4,500 sq ft (418 sq m).
- The **implemented planning consent** also enables the change from office use to 21 deluxe apartments from 1st to 7th floors and **restaurant** or retail or offices on the ground and lower ground floors.
- There is significant potential to increase income by leasing the Barclays unit of 9,178 sq ft on ground and basement as a destination restaurant. This will complement the newly opened Wolseley Group restaurant trading as Manzi's seafood, adjoining the building.
- The multiple gable roofs around the building could also be transformed into terraces, subject to planning.

LOCATION

Soho Square is located in the heart of Central London's Office, entertainment and leisure district. 27 Soho Square is one of the West End's premier office buildings, with the prime office address of Soho.

» Businesses are attracted to the area by the abundance of surrounding amenities as well as excellent transport links across London.

» Soho Square offers an expansive green, vibrant communal space in one of London's most urban areas.

» The building is located within 2 minutes walk to Tottenham Court Road Station, Elizabeth, Central and Northern lines. Which gives you direct access to Bond St Station and Farringdon Station in less than 1 minute.

» Soho Square is surrounded by theatres, restaurants, bars and members clubs such as Groucho Club and Soho House.

Meta

OXFORD STREET

APOLLO

TOTTENHAM COURT RD

TOTTENHAM COURT RD (ELIZABETH LINE)

Tripadvisor

MONEYSUPERMARKET

King

Palantir

bbfc

SOHO SQUARE

27 SOHO SQUARE

CHARING CROSS ROAD

WARDOUR STREET

CARLISLE STREET

NIKE

DEAN STREET

BERWICK STREET

MPC

BROADWICK STREET

FRITH STREET

BATEMAN'S BUILDINGS

GREEK STREET

MANETTE STREET

BATEMAN STREET

Google

Skyscanner

WB

27 SOHO SQUARE

Home To Some of The Boldest, Brightest & Most Exciting Names In Global Business.

27 SOHO SQUARE 06

DAY IN THE LIFE

Meet Talah.

"I don't work from home, I work, live & play from Soho"

① 7:00AM

Arrive at TCR crossrail station and head straight to my HIIT session at F45

② 8:30AM

Walk through the inspirational streets of Soho and arrive at the office

③ 10:30AM

Meet a client at the Groucho Club to discuss next week's pitch

④ 3:30PM

Pop out to find a gift for my wine-loving sister at Noble Rot

⑤ 6:30PM

Head to Barrafina for a glass of wine and some sharing plates with a friend

⑥ 11:00PM

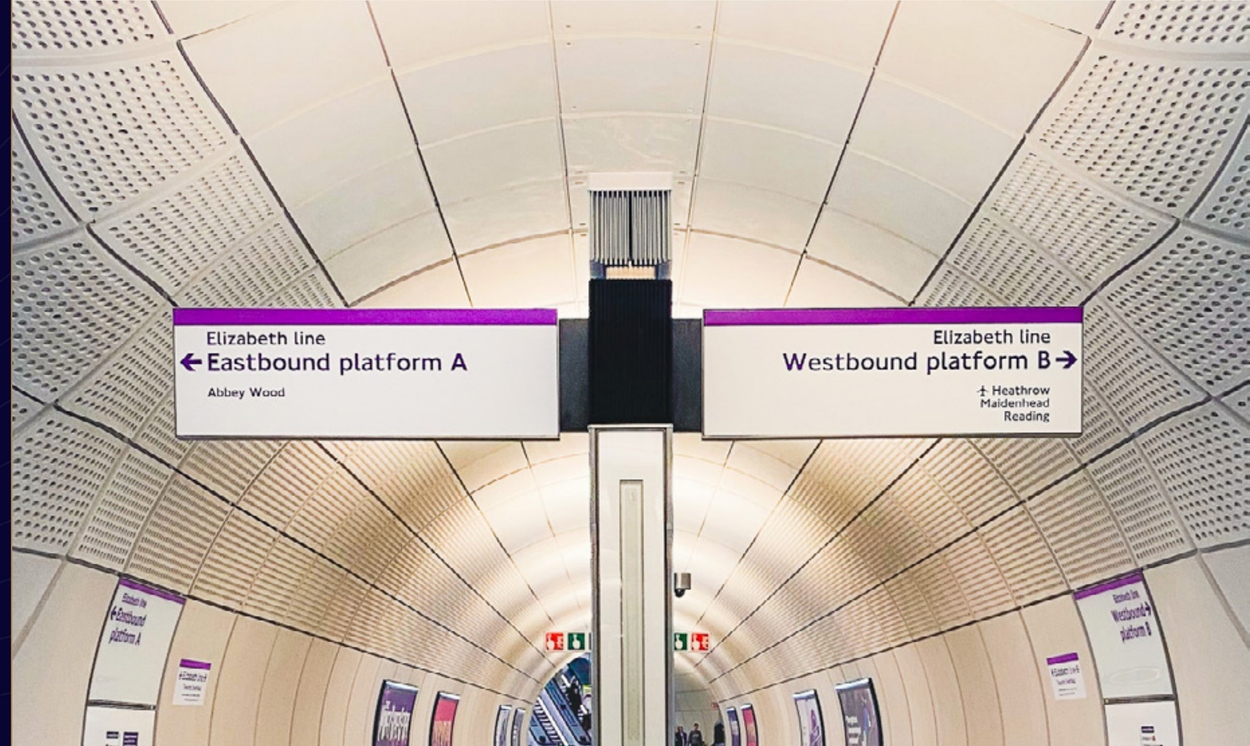
Grab a quick nightcap (mine's an Old Fashioned) at Ronnie Scotts to end the night

CONNECTIVITY

» 27 Soho Square is within a 2 minute walk from Tottenham Court Road Station.

» The Elizabeth line is the most significant addition to London's transport network in a generation. The new railway is transforming life and travel in London and the South East, reducing journey times, creating additional capacity, transforming accessibility and providing a huge economic boost.

» The new railway delivered by Crossrail Ltd runs for over 100km through central London from Shenfield and Abbey Wood in the east to Reading and Heathrow in the west and has a total of 41 stations including 10 major new stations. The Elizabeth line connects London's main employment centres and supports new journeys through central London out to Essex, Buckinghamshire and Berkshire.



ELIZABETH LINE

To Heathrow & Reading
Acton Main Lane 10 Minutes
Paddington 5 Minutes
Bond Street 2 Minutes
Tottenham Court Road
Farringdon 3 Minutes
Liverpool Street 6 Minutes
Whitechapel 9 Minutes
To Shenfield

CENTRAL LINE

To West Ruislip
Notting Hill Gate 9 Minutes
Queensway 8 Minutes
Lancaster Gate 6 Minutes
Marble Arch 4 Minutes
Bond Street 3 Minutes
Oxford Circus 1 Minute
Tottenham Court Road
Holborn 2 Minutes
Chancery Lane 3 Minutes
St. Paul's 5 Minutes
Bank 7 Minutes
Liverpool Street 9 Minutes
To Epping

NORTHERN LINE

To High Barnet
Kentish Town 10 Minutes
Camden Town 7 Minutes
Mornington Crescent 6 Minutes
Euston 4 Minutes
Warren Street 3 Minutes
Goodge Street 1 Minute
Tottenham Court Road
Leicester Square 1 Minute
Charing Cross 3 Minutes
Embankment 4 Minutes
Waterloo 5 Minutes
Kennington 8 Minutes
Oval 10 Minutes
To Morden

BUILDING SPECIFICATION

» New all-electric central plant including air source heat pump system and new air handling unit.

» All the upper floors have been fully refurbished and new air conditioning replaced over the last 1-5 years on a rolling programme. Second floor tenant fit out is original.

» Landlords capital expenditure over this period has totalled some £3.8m.

» Excellent natural light.

» Floor to ceiling heights of up to 3.3 meters.

» Two ten person passenger lifts.

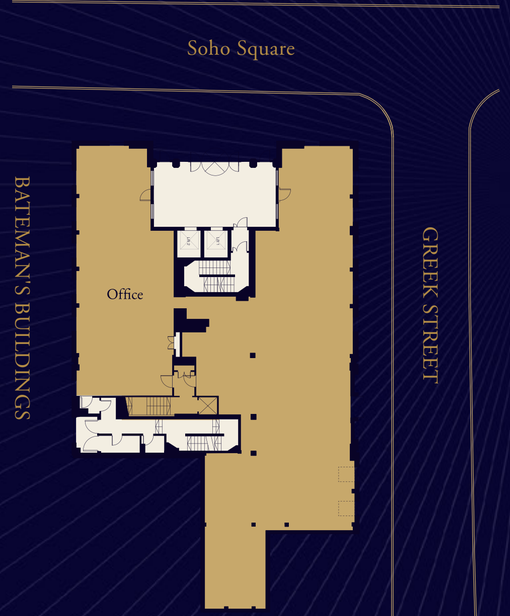
» Metal raised floors throughout.

» Basement bike racks and shower facilities.

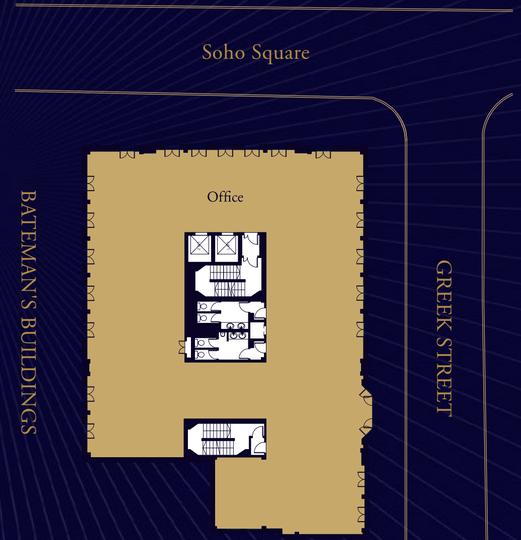
AREA SCHEDULE AND FLOOR PLANS

Basement
Floor Area: 4,683 sq ft NIA

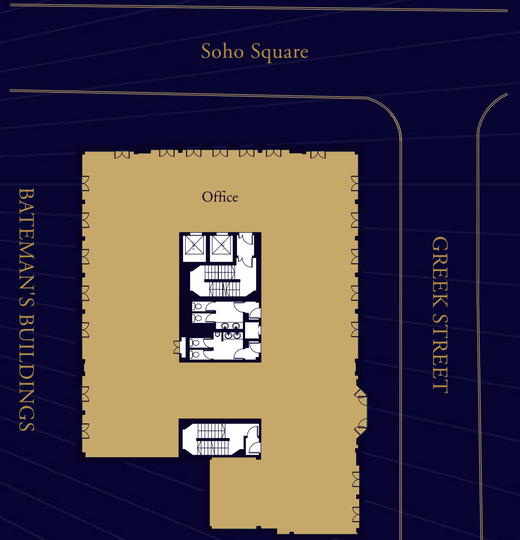
Ground Floor
Floor Area: 4,495 sq ft NIA



First Floor
Floor Area: 4,908 sq ft NIA



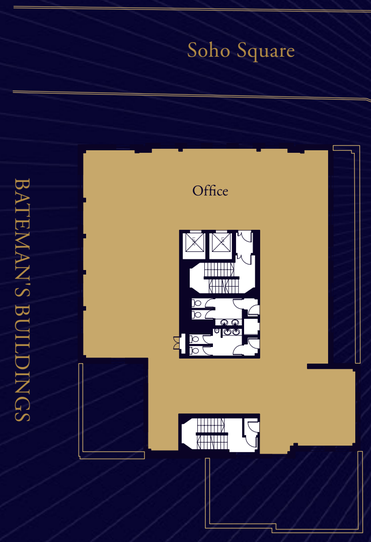
Second Floor
Floor Area: 4,907 sq ft NIA



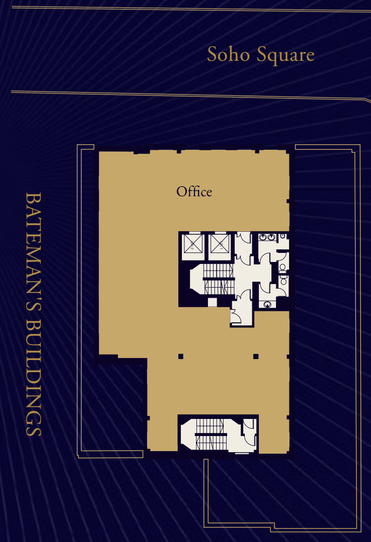
AREA SCHEDULE AND FLOOR PLANS

Third Floor
Floor Area: 4,815 sq ft NIA

Fourth Floor
Floor Area: 3,454 sq ft NIA



Fifth Floor
Floor Area: 2,523 sq ft NIA



Sixth Floor
Floor Area: 730 sq ft NIA

TENANCY SCHEDULE

Unit Description	Floor area (sq ft NIA)	Tenant Name	Lease Start Date	Break Option	Next Rent Review	Lease End Date	Inside L&T	Rent £pa	Rent £psf	Comments
Ground & Lower Floors	9,178	Barclays Bank UK Plc	24/06/2010			23/06/2025	Yes	£445,000	£42.97	Ground 4,495 sq ft, lower ground 4,683 sq ft . Rent is to the higher of office or retail rents. Formerly A2 and B1 Use Class (now Use Class E)
1st Floor	4,908	Genius Sports Group Ltd	02/02/2023	02/02/2026		01/02/2028	No	£425,863	£86.77	Fully refurbished with new M&E and part fitted. 6 months rent deposit
2nd Floor	4,907	John Ayling & Associates	24/03/2021	23/03/2026	24/03/2026	23/03/2031	No	£388,080	£79.08	Regeared in 2021 and the M&E was replaced whilst tenant in situ.
3rd Floor	4,815	Muse Developments Ltd	02/08/2019	01/08/2024	02/08/2024	01/08/2029	No	£411,145	£85.38	"1.The lease requires reinstatement of the Premises to the state and condition described in the Category A specification annexed to the lease. 2. If the tenant does not exercise its break option on 1 August 2024 then the rent will be reduced to 50% for the period from the 1 August 2024 to 1 December 2025"
4th Floor	3,454	Dawn Capital LLP	21/09/2018	21/09/2023	21/09/2023	20/09/2028	No	£289,000	£83.67	"1.The lease requires reinstatement of the Premises to the state and condition described in the specification annexed to the lease. 2. If the tenant does not exercise its break option on 21 September 2023 then the rent will be a peppercorn from the 21 September 2023 to 21 March 2024. 3. Rent Deposit Deed dated 21 September 2018 - initial deposit £145,095 plus VAT"
5th Floor	2,523	Vacant						£233,378	£92.50	Fully refurbished to CAT A.
6th Floor	730	Vacant						£67,525	£92.50	Fully refurbished to CAT A.
Basement vaults x 5	475	Vacant								
Total	30,990							£2,260,091		

TENANT PROFILES

BARCLAYS BANK UK PLC

D&B rating 5A1

Financial year end 31-12-2021
Turnover £7.846 billion
Profit £1.86 billion
Net worth £13.87 billion

GENIUS SPORTS GROUP LTD

Genius Sports is the official data, technology and broadcast partner that powers ecosystem connecting sports, betting and media. They are partners with over 400 sports organisations, including NFL,EPL, FIBA, NCAA, NASCAR,AFA and Liga MX.

Parent company is quoted on the NY Stock exchange.

Financial year 31-12-2021
Net worth (£2.84m).
Profit (loss) (£6.28m)

JOHN AYLING & ASSOCIATES LTD

Large independent media buying agency.

D&B rating 2A
Financial year 31-12-2021
Turnover £51.357m
Profit £1.1m
Net worth £4.6m

MUSE DEVELOPMENTS LTD

Real estate developers.
Part of Morgan Sindall Group PLC.

D&B rating 5A
Financial year 31-12-2021
Turnover £202m
Profit £12.6m
Net assets £109m

DAWN CAPITAL LLP

Venture Capital specialising in Fintech.

D&B 2A
Financial year 31-03-2022
Net worth £1.365m

MARKET COMMENTARY

» Soho Square is a prime location for commercial property in London, known for its vibrant mix of media, creative, and technology companies. The area has seen significant growth in recent years, with increasing demand for office space from a variety of industries. Rents in the area are among the highest in London, and vacancy rates are low. The area's proximity to Oxford Street and the West End, as well as its excellent transport links, make it a desirable location for businesses.

» Notable office occupiers in Soho include media companies such as Warner Bros, Sony, Skyscanner, Meta and Palantir.

» Soho is a vibrant neighbourhood in London known for its dining, nightlife, and entertainment options. There are many restaurants, bars, and theatres in the area, catering to a wide variety of tastes and budgets.

» The Wolseley group which includes restaurants such as, The Wolseley, Colbert, Fischer's & The Delaunay are opening their Manzi's Seafood restaurant in Bateman's Buildings in Summer 2023. The restaurant, which runs along Bateman's Buildings will offer 240 covers, with a very sizeable ground floor terrace.

» Other restaurants in the area include, Barrafina, Polpo, Yauatcha, The Palomar and Bar Italia as well as a plethora of bars and pubs and 5 of London's main theatres. You can also find a lot of different styles, from traditional pubs to speakeasy-style bars, from Italian to Chinese cuisine, from West End theatres to independent venues, it's a neighbourhood that has something for everyone.

INVESTMENT MARKET

There is exceptional demand for Central London assets in strong West End locations.

The resilient occupational market and constrained supply pipeline has ensured that the investment pricing remains strong.

This depth of demand is particularly prevalent in the"value-add" sector of the market. Investors are keen to capitalise on a limited supply pipeline which is expected to shrink further as development becomes more challenging.

International investors have increased their focus on London, particularly in prime West End locations.

Comparable Investment Evidence

Date	Address	Tenure	Price	NIY	Capital Value PSF
May-22	12-13 Wells Mews, W1	Long Leasehold	£43,500,000	4%	£1,902
Apr-22	19-23 Dering Street, W1	Freehold	£61,500,000	3.21%	£1,786
Mar-22	20 Golden Square, W1	Freehold	£49,000,000	3.44%	£1,984
Aug-21	1-5 Poland Street, W1	Freehold	£42,550,000	4.18%	£1,573
Dec-20	4-6 Soho Square, W1	Freehold	£31,000,000	3.04%	£1,632
Jul-20	2 & 4 Soho Place, W1	Long Leasehold	£40,500,000		£2,200

2 & 4 Soho Place

12-13 Wells Mews

20 Golden Square

OCCUPATIONAL MARKET

Office Market

Soho is characterised by low vacancy and an acutely constrained development pipeline. These favourable market dynamics have driven considerable pre-letting activity.

Major schemes such as Soho Place, IIona Rose House and One Newman Street all secured major pre-lets, achieving market rents in excess of £100 per sq ft or more.

Restaurant Market

Post pandemic, the restaurant market has witnessed a strong resurgence as people have returned to the office. Westminster Council's support of al fresco dining in Soho has acted as a further incentive to employees and enabled the buzz in Soho to return with restaurants, in many cases, recording record monthly turnovers.

Restaurant space is a desired commodity in Soho, with increasingly high end and reputable operators looking for prime positions in the area. Restaurant rents have now reached £150 per sq ft.

Comparable Leasing Evidence

Date	Address	Tenant	Floor	Area SF Leased	Rent PSF
Jan-23	44-45 Great Marlborough St	Beam Suntory	5th	2,607	£102.26
Nov-22	25-31 Golden Square	Highland Capital	5th-7th	9,023	£112.00
Oct-22	25 Great Pulteney St	Magnetar Financial	3rd	5,288	£105.00
Oct-22	Ilona Rose House, Charing Cross Road	Planet Payments	4th	17,270	£100.00
Aug-22	44-45 Great Marlborough St	Scottish Equity Partners	4th	2,657	£105.00
Jul-22	25-31 Golden Square	N/A	4th	5,100	£95.00
Oct-22	113-119 Charing Cross Rd	Dawn Capital	7th	9,085	£110.00
Dec-22	The Wingate, Shaftesbury Avenue	Investment Fund	7th,8th,9th	8,862	£110.00

Ilona Rose House

The Wingate

25-31 Golden Square

FURTHER INFORMATION

PROPOSAL

Offers are invited for the freehold interest as an asset purchase.

DATA ROOM

Data Room access is available and includes all the building technical and legal information.

EPC

The building has EPC ratings of A-C, copies of which are available in the data room.

VAT

The property has been elected for VAT and the transaction will be treated as a Transfer of a Going Concern.

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