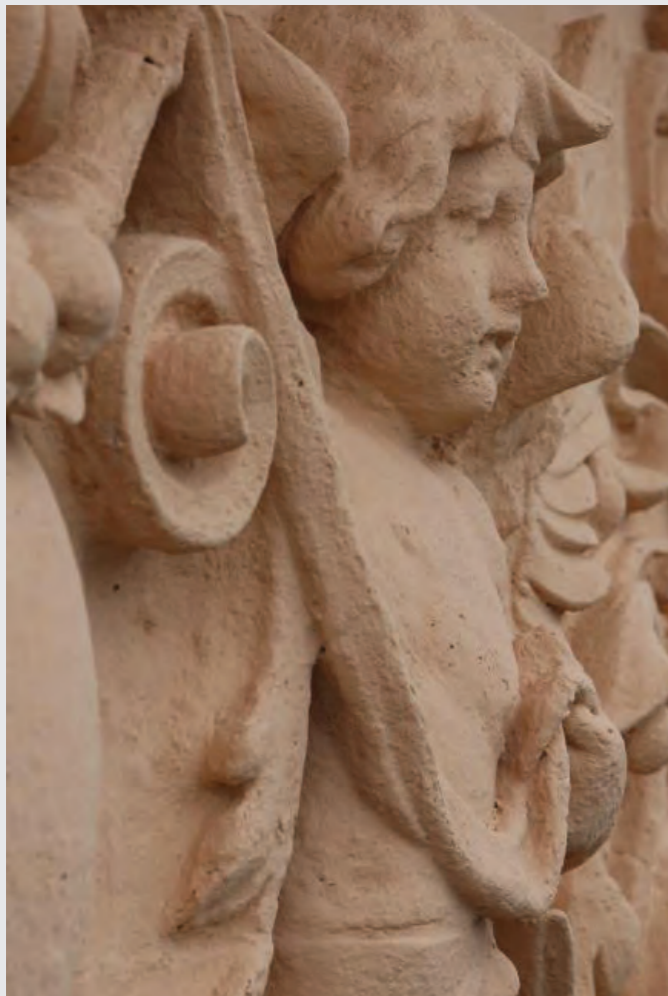


**PRIME ISLINGTON FREEHOLD
MIXED-USE INVESTMENT OPPORTUNITY**

**N^o 1
ANGEL**

**1 ISLINGTON HIGH STREET
LONDON N1 9TR**



INVESTMENT SUMMARY

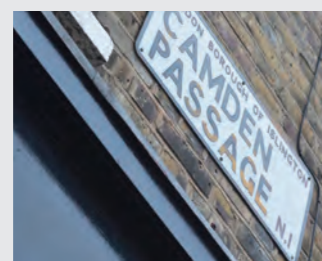
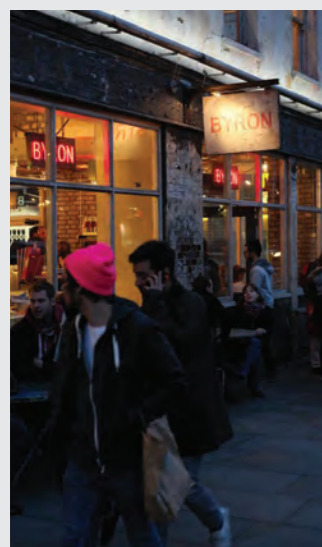
- Prominent freehold corner building
- Prime location opposite Angel underground station
- Attractive Grade II listed, mixed-use office and A2 retail building
- 11,483 sq ft (1,066.6 sq m) arranged over basement, ground and five upper floors
- Comprehensively refurbished in 2013 including new air conditioning
- Multi-let to five tenants producing a total income of £463,684 per annum exclusive
- Reversionary average overall office rent of £42.00 per sq ft
- Average weighted term of 5.83 years to expiry and a term certain of 5.33 years
- Secure, reversionary A2 retail unit currently let off a low Zone A rate of £117.4 per sq ft

INVESTMENT RATIONALE

- Attractive freehold
- Offices recently refurbished to a very high standard
- Well let double fronted A2 retail unit on prominent corner location
- Both the A2 retail unit and the offices are reversionary
- Excellent opportunity for active management and value enhancement
- Potential change of use of the A2 retail unit to A3/A4 use, subject to planning
- Potential change of use to residential, subject to planning
- Equidistant between Kings Cross St.Pancras and Old Street Roundabout

We are seeking offers in excess of **£8,500,000 (Eight Million, Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **net initial yield of 5.16%**, a **reversionary yield of 6.42%**, adopting our Estimated Rental Value of £577,765 per annum, and a **capital value of £740 per sq ft** after allowing for standard acquisition costs of 5.8%.





LOCATION

Islington is an exciting and affluent North London suburb located approximately 2 miles to the north of the City.

Islington is renowned as a haven for shoppers, diners and theatre goers attracting visitors from all over London. The area houses a diverse range of fashion and lifestyle boutiques, as well as numerous bars and restaurants. Islington boasts eleven theatres, two cinemas, several art galleries and lively street markets. The Business Design Centre is also in close proximity hosting some 80 exhibitions and 250 conferences every year which attracts over half a million visitors.

The area is served by a comprehensive transport network, which offers flexible and regular travel into Central London and beyond. London Underground services are provided at Angel Station (Northern Line) and Highbury & Islington (Victoria Line). Kings Cross St. Pancras Eurostar terminal and London Euston mainline stations are within a short distance to the north west. In addition there are numerous bus services to Central London and surrounding areas.

The main arterial roads into Central London are accessed via the A1 (Upper Street). These transport links provide easy access to the following key central destinations:

Kings Cross, St. Pancras International:
3 minutes

Old Street, Farringdon and Shoreditch:
4 minutes

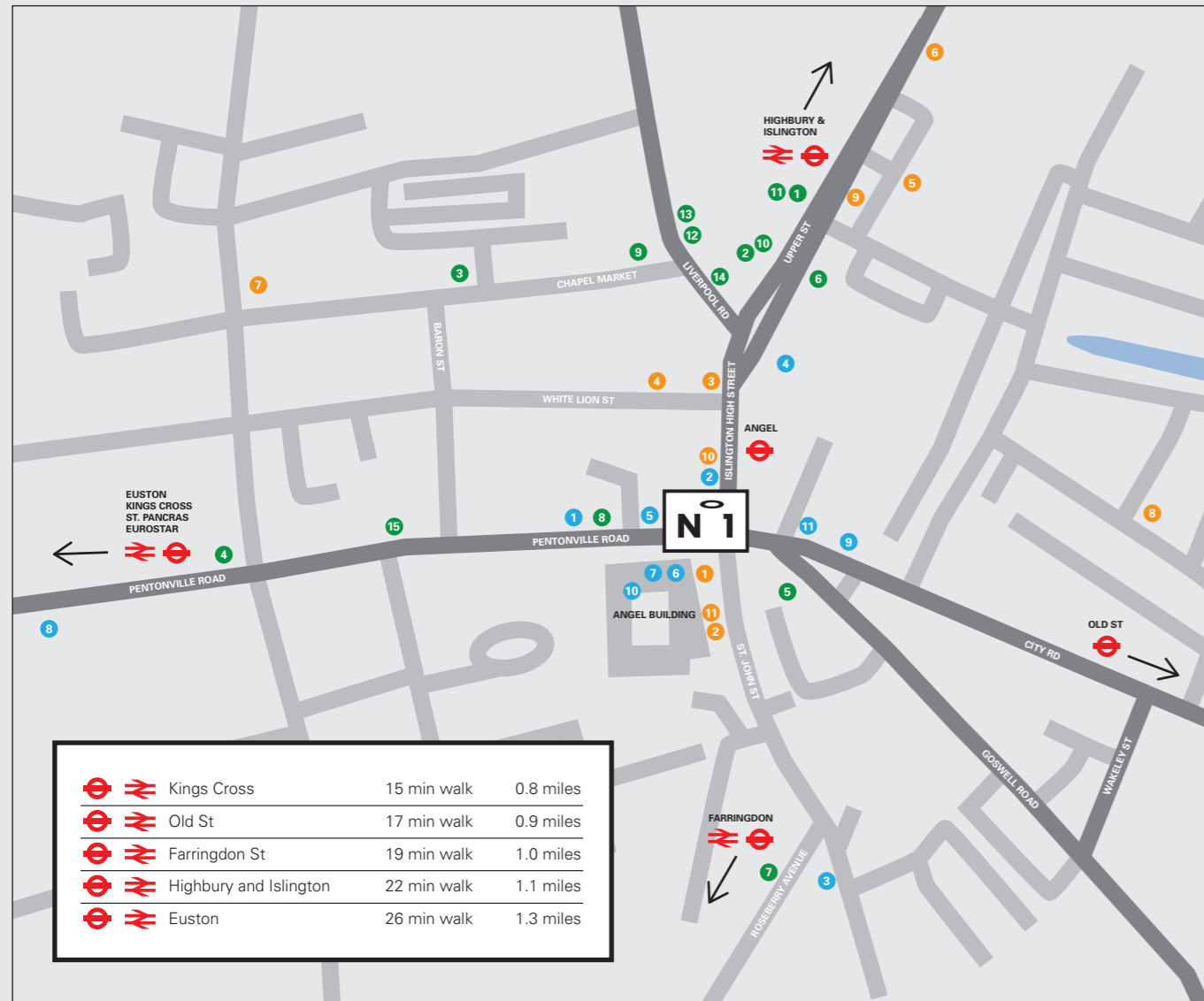
Bank and the City:
7 minutes

Oxford Circus and the West End:
10 minutes

SITUATION

The property occupies a prominent position at the corner of Islington High Street and Pentonville Road, opposite the entrance to Angel Underground Station.

The location has been greatly improved following the comprehensive refurbishments of both The Angel Building and 10–4 Pentonville Road which has increased the retail footfall as well as the public realm. The proposed refurbishment/redevelopment of Angel Court will further enhance the immediate area.



Companies

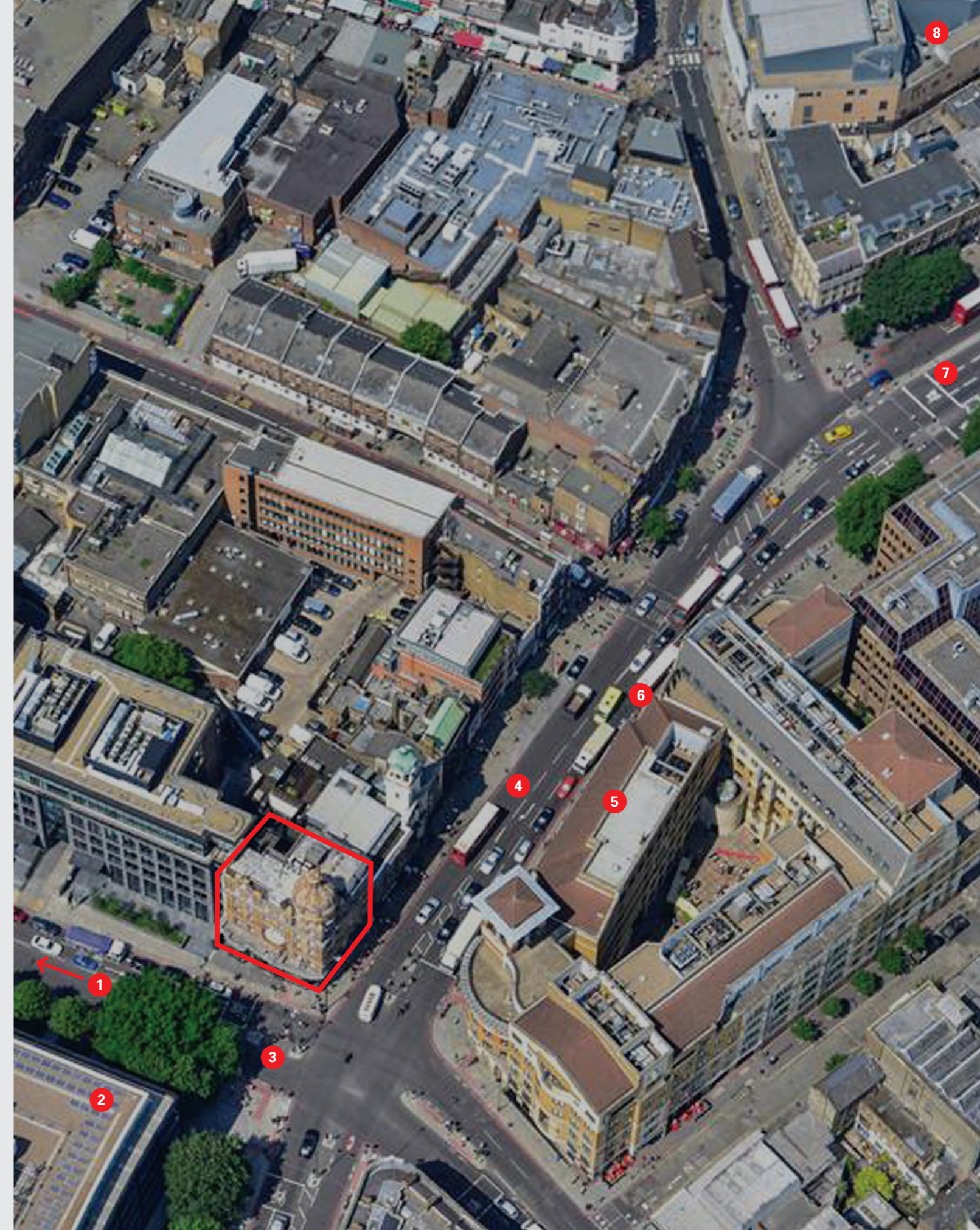
- 1 North One Television Ltd
- 2 Elite Models
- 3 Trace Solutions
- 4 RBS
- 5 Ticketmaster
- 6 Sage
- 7 Cancer Research UK
- 8 National Association of Citizens Advice Bureaux
- 9 National Autistic Society
- 10 Expedia
- 11 HM Customs and Excise

Restaurants/Bars

- 1 Jamie's Italian
- 2 Busaba Eathai
- 3 Pret A Manger
- 4 Bill's
- 5 Frederick's
- 6 Byron
- 7 Hundred Crows Rising
- 8 The Charles Lamb
- 9 Thai Square
- 10 Starbucks
- 11 Hummingbird Bakery

Local points of interest

- 1 Business Design Centre
- 2 O2 Academy Islington
- 3 Islington Farmers Market
- 4 The Lexington
- 5 Virgin Active Gym
- 6 Toni & Guy
- 7 Sadlers Wells Theatre
- 8 Crafts Council
- 9 Chapel Market
- 10 N1 Centre
- 11 Sainsbury's
- 12 The Hilton, Islington
- 13 Waitrose
- 14 Marks and Spencer
- 15 Jurys Inn



- 1 Kings Cross St. Pancras
- 2 Angel Building
- 3 Pentonville Road
- 4 Islington High Street
- 5 Angel Court
- 6 Angel
- 7 Upper Street
- 8 N1 Shopping Centre

DESCRIPTION

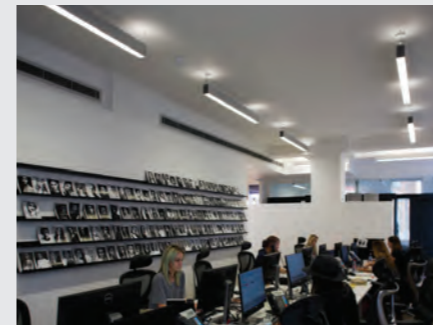
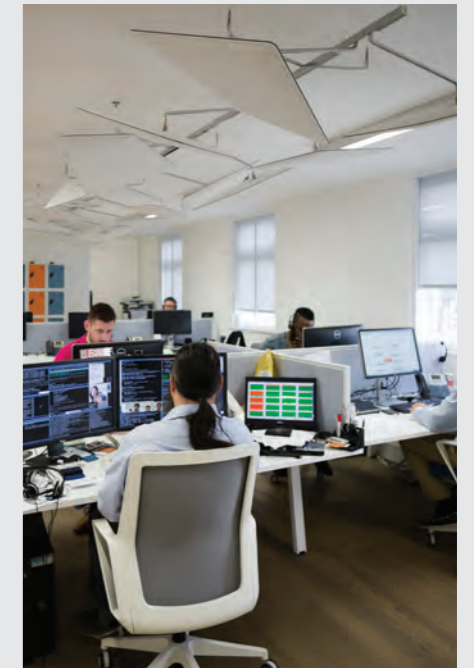
No.1 Islington High Street was originally built in 1801 and remodelled, in 1903, as The Angel Hotel after the site's previous use as The Angel Inn, one of London's famous coach-houses in the 17th century. It now comprises a Grade II listed office/retail building. The upper parts were comprehensively refurbished in 2013 to provide high quality contemporary office floors with floor plates ranging from 1,347 sq ft (125.1 sq m) to 1,615 sq ft (150.0 sq m). The building also benefits from excellent natural light on account of its prominent corner position.



The office specification includes:

- Bespoke re-modelled reception with security and 24 hour access
- Solid wood floors
- New 2-pipe VRV ducted heating and cooling system
- New plastered ceilings with 30mm void for conduit routing and surface mounted ceiling lights
- Perimeter trunking
- Refurbished 6 person passenger lift serving ground to 5th floors
- Refurbished timber framed windows with new secondary glazing
- Average floor to ceiling heights of 2.8m
- Excellent natural light
- External terrace at 3rd floor level and a balcony at 2nd floor level
- WCs on half landings
- Shower facilities at basement level

The ground and lower ground floor banking unit benefits from a prominent double frontage to both Islington High Street and Pentonville Road. The unit is currently occupied by Co-operative Bank PLC who have fitted it out in their corporate style.



ACCOMMODATION

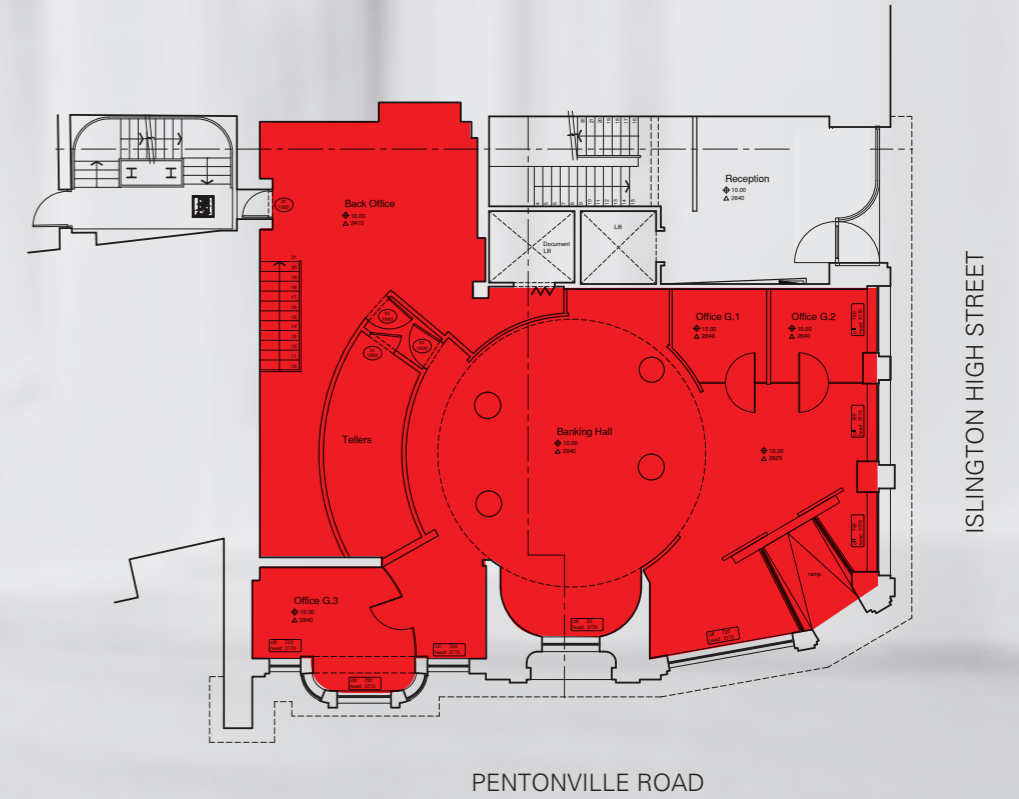
The building has been measured in accordance with the RICS Code of Measuring Practice and has the following approximate net internal areas:

Floor	Use	Area	
		Sq ft	Sq m
<i>Banking Unit</i>			
Ground	A2	2,119	196.9
<i>ITZA</i>		<i>1,184.25</i>	<i>110.02</i>
Lower Ground	A2	1,491	138.5
Vaults	A2	148	13.7
Banking Unit Sub Total		3,758	349.1
<i>Offices</i>			
Ground	Reception	221	20.5
1st Floor	B1	1,615	150.0
2nd Floor	B1	1,550	144.0
3rd Floor	B1	1,477	137.2
4th Floor	B1	1,515	140.7
5th Floor	B1	1,347	125.1
Office Sub Total		7,725	717.5
Total		11,483	1,066.6

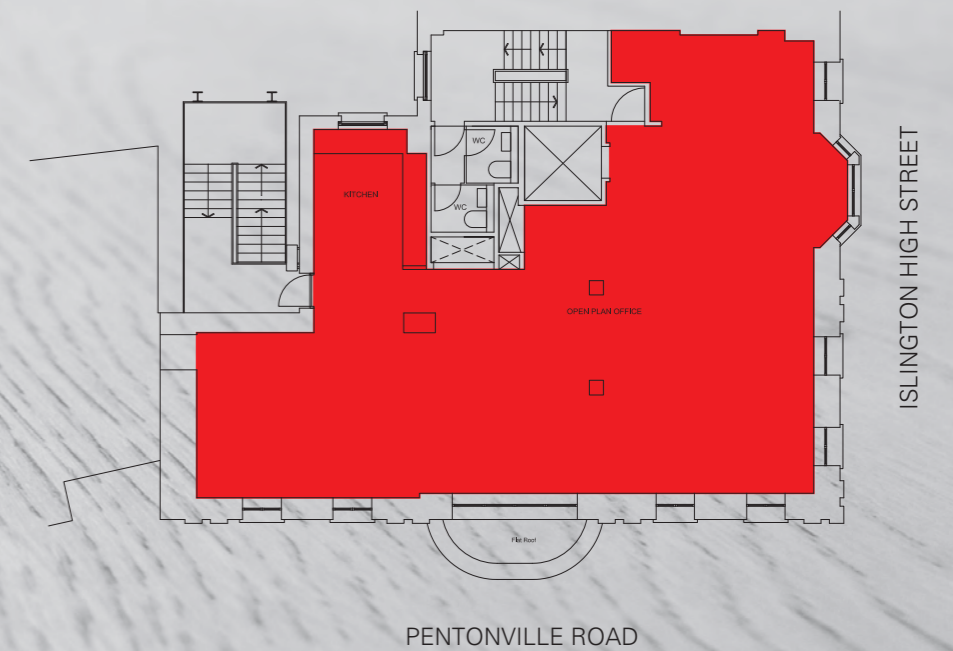


Typical Floor plans

Ground Floor
2,119 sq ft
196.9 sq m



Second Floor
1,550 sq ft
144.0 sq m



TENANCIES

The property is multi-let to five tenants, in accordance with the following tenancy schedule, and produces a total current income of £463,684 per annum. All the upper floor leases are outside the security of tenure and compensation provisions of the Landlord and Tenant Act 1954, as amended:

Tenant	Floor	Area Sq ft	Lease Start	Rent Reviews	Lease Expiry	Rent £pa (£psf)	ERV £pa (£psf)	L&T Act 1954	Comments
SE10 LLP	5th	1,347	22/01/2014	-	21/01/2019	£53,400 (£39.64)	£63,982 (£47.50)	Outside	Tenants only break upon 6 months prior written notice on 21/01/2017. 4 months rent free if break not exercised. Service charge cap equivalent to £7.92 psf
Aconex (UK) Ltd	4th	1,515	03/04/2014	-	02/04/2019	£64,500 (£42.57)	£71,962 (£47.50)	Outside	
Smyle Creative Ltd	3rd	1,477	28/05/2014	-	27/05/2019	£62,773 (£42.50)	£70,157 (£47.50)	Outside	Tenants only break upon 6 months prior written notice on 27/05/2017. 2 months rent free if break not exercised. Service charge cap equivalent to £10.00 psf
Elite Model Management London Ltd	2nd	1,550	12/12/2013	-	11/12/2018	£65,874 (£42.50)	£73,625 (£47.50)	Outside	
Elite Model Management London Ltd	1st	1,615	12/12/2013	-	11/12/2018	£68,638 (£42.50)	£76,713 (£47.50)	Outside	
Reception	Ground	221	-	-	-	-	-	-	
B1 Sub Total		7,725				£315,184	£356,439		
Co-operative Bank PLC	Ground LG Vaults ITZA	2,119 1,491 148 1,184.25	16/12/2008	29/09/2016 29/09/2021	28/09/2023	£148,500 (£117.41 ZA)	£221,326 (£175 ZA)	Inside	6 months rent free period equivalent to £74,250 +VAT commences from from 28/9/15 - 24/3/16
A2 Sub Total		3,758				£148,500	£221,326		
TOTAL		11,483				£463,684	£577,765		

COVENANT INFORMATION

The co-operative

Co-operative bank

The Co-operative Bank PLC is a commercial bank trading in the United Kingdom and Guernsey, with headquarters in Manchester. It is an ethical bank and refuses to invest in companies involved with the arms trade, global climate change and genetic engineering as stated in its unique Ethical Policy. Further information can be found at www.co-operativebank.co.uk



Elite Model Management London Ltd

Founded in Paris in 1972 and manages over 2000 models from 5 continents. Elite London opened in 2008. **Rent deposit of £40,736.** Guarantee from SMS Finance SA, the ultimate group parent company. Further information can be found at www.elitemodellondon.co.uk



Smyle Creative Ltd

Smyle develops creative, brand focussed life and digital events. **Rent deposit of £31,386.25.** Further information can be found at www.smyle.co.uk



Aconex (UK) Ltd

Aconex is a privately held Australian company providing mobile and web-based collaboration technologies for projects of information and process management to clients in the construction, infrastructure, power, mining and oil and gas sectors. **Rent deposit of £116,100.** Guarantee from Aconex Ltd in Australia, the ultimate group parent company. Further information can be found at www.aconex.com.

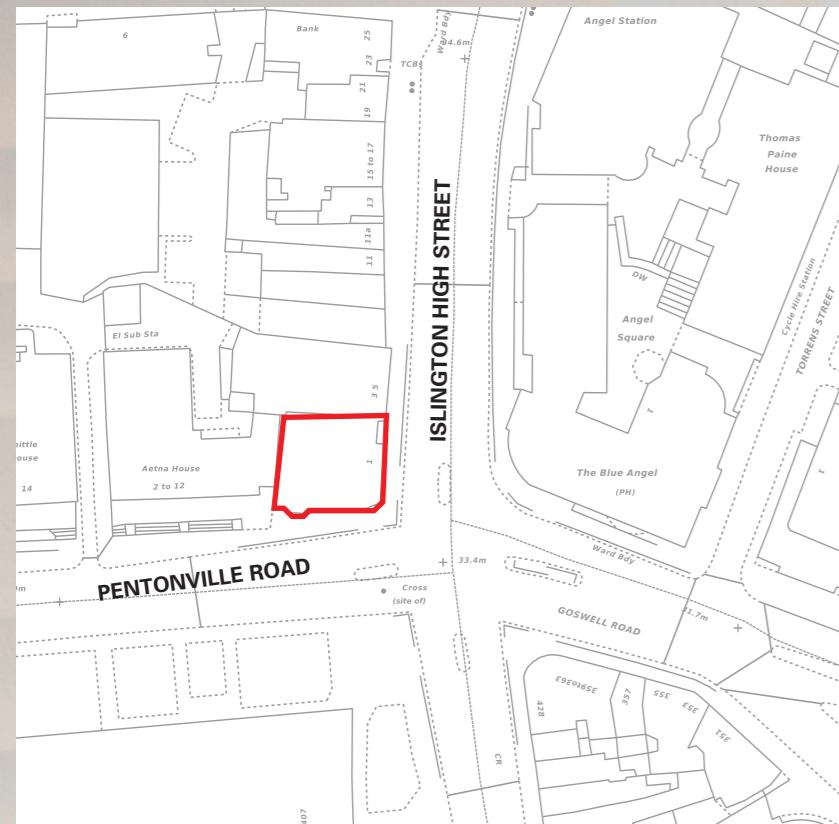
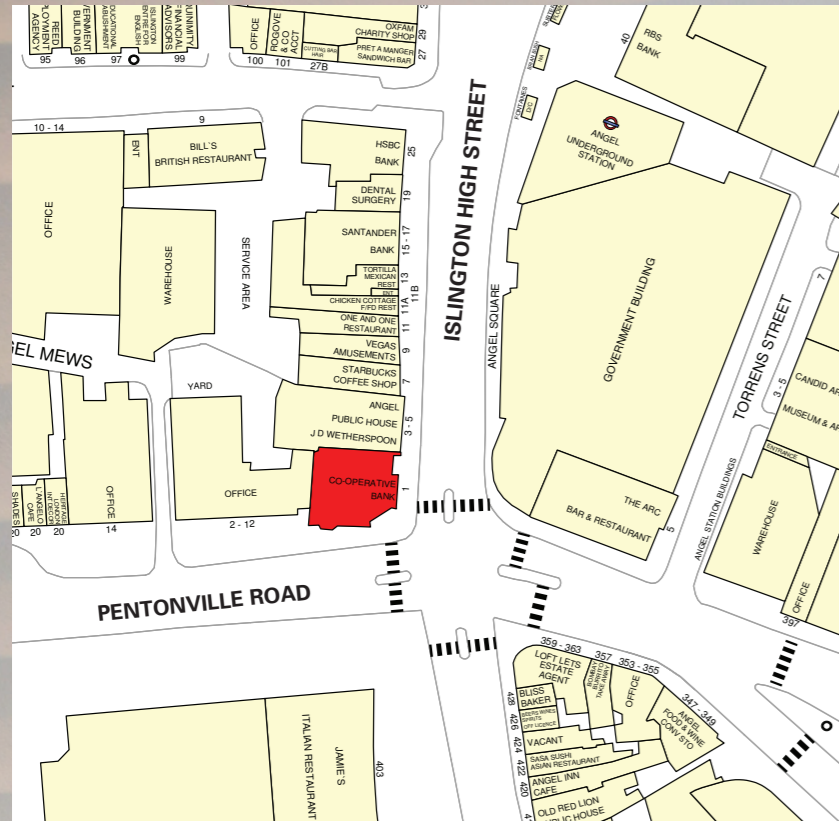


SE10 LLP

SE10 provide public relations and other writing-related services for its clients from speech writing to strategy and newsletters and news conferences. **Rent deposit of £18,690.** Further information can be found at www.se10.com

TENURE

Freehold



Not to scale. For identification purposes only. This plan is based upon an Ordnance Survey map with the sanction of the controller of HM Stationery Office. Crown copyright reserved.

PLANNING

The property is in the London Borough of Islington. It is Grade II listed and lies within the Angel Conservation Area.



OFFICE OCCUPATIONAL MARKET

The office market in Islington has benefitted from the resurgent TMT sector, which has been particularly active over the last 2–3 years. Office rents have remained buoyant as a result of the diverse occupier base, lively retailing and leisure scene and its excellent communications to the rest of Central London.

The majority of office requirements now include Clerkenwell, Shoreditch, Old Street or Angel and rents have been steadily increasing:

Address	Tenant	Date	Area (Sq ft)	Rent (£psf)
26–27 Great Sutton Street	Frank Reynolds Architects	Q3 2014	1,547	£48.00
Suncourt House, 18–26 Essex Road	Net Media Planet	Q3 2014	4,003	£43.00
1 Olivers Yard	Orms Architects	Q3 2014	6,500	£50.00
91–93 Farringdon Road	MMT Digital	Q2 2014	2,223	£50.00
17–18 Haywards Place	Kinosis	Q1 2014	2,180	£50.46
3–4 Hardwick Street	VE Interactive	Q4 2013	12,015	£45.00

INVESTMENT MARKET

Improving transport links together with the diverse local amenities and comparatively low occupational costs, compared to similar areas of London, Islington has proved popular with tenants and investors alike resulting in significant increases in demand and capital values.

Address	Date	Area (Sq ft)	Sale Price	NIY	Price (£psf)
Islington Portfolio	On Market	20,552	£18 million - Quoting	4.45%	£875
186 City Road	Q3 2014	38,300	£23.3 million	4.09%	£608
1 Islington Green	Q3 2014	4,694	£3.16 million	3.95%	£694
91 Goswell Road	Q3 2014	17,117	£13.85 million	4.52%	£809
59 Upper St	Q2 2014	5,081	£4.410 million	4.16%	£868
154 Clerkenwell Road	Q3 2013	13,635	£10.3 million	4.13%	£755
2 Peartree Court	Q3 2013	14,343	£9.850 million	4.85%	£686
8–9 Upper St	Q1 2013	4,087	£3.900 million	4.85%	£954

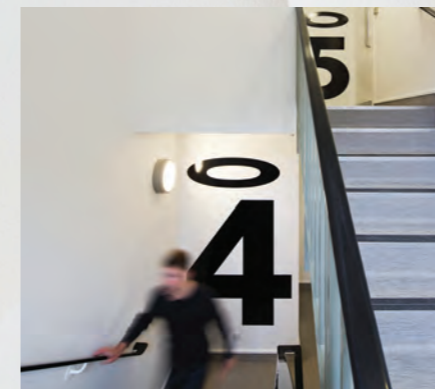
The accuracy of the information in the above tables have been sourced from third parties and are subject to verification.

RETAIL OCCUPATIONAL MARKET

Islington provides over 700,000 sq ft of retail, restaurant and bars, centred around Upper Street, Liverpool Road and the N1 Shopping Centre. Not only does it attract the main retailers such as H&M, Superdry, Gap, Marks & Spencer and Next, Camden Passage is home to one of London's best known antiques market.

Angel continues as a true mixed-use location, with its reputation as a haven for shopping and fine dining. The high footfall and exciting range of retailers has meant that demand for prominent units in Angel is substantial and rents have been increasing accordingly. Prime Zone A rents at the intersection of Upper Street and Liverpool Road range between £215 and £245 whilst further north on Upper Street and Islington High Street they are in the region of £160 and £180.

Address	Tenant	Date	Area (Sq ft)	Rent
162 Upper Street	The Tool Shop	Q3 2014	1,240	£61.25 psf with A/2 on basement
42 Upper Street	Flight Centre	Q2 2014	1,193	£165.00 psf ITZA
160–161 Upper Street	Post Office	Q2 2014	2,863	£50.44 psf overall with A/2 on basement
159 Upper Street	Topps Tiles	Q1 2014	1,461	£55.88 psf overall with A/2 on basement
71 Upper Street	Five Guys	Q3 2013	2,323	£169.00 psf ITZA
40 Upper Street	Phones 4 U	Q2 2013	2,872	£180.00 psf ITZA
68–69 Upper Street	Wahaca	Q1 2013	4,861	£48.76 psf overall with A/2 on basement and first floor



VAT

The property is elected for VAT purposes. It is anticipated that the sale will be treated as a Transfer Of a Going Concern.

CAPITAL ALLOWANCES

Capital allowances can be made available by way of separate negotiation.

PROPOSAL

We are instructed to seek offers in excess of **£8,500,000 (Eight Million, Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **net initial yield of 5.16%**, a **reversionary yield of 6.42%**, adopting our Estimated Rental Value of £577,765 per annum, and a **capital value of £740 per sq ft** after allowing for standard acquisition costs of 5.8%.

FURTHER INFORMATION

Further information is available at www.no1angel.co.uk. This includes:

- Freehold Title
- Occupational leases
- Floor plans
- Service charge information
- EPC certificates
- Building specification
- Asbestos and fire risk reports

Should you wish to access the password controlled data site or arrange an inspection, please contact:

Burlington Partners

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DDI: 020 7183 5549/020 7183 5225
M: 07881 631674/07872 605362
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shall@hanovergreen.co.uk

Hamilton Investment Properties

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M: 07768 998 333
eoffenbach@hamiltoninvestment.co.uk

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