

# investment

Unit 2, Ternion Court,  
267/271 Upper Third Street  
Central Milton Keynes MK9 1DR



**FREEHOLD OFFICE INVESTMENT FOR SALE**

## Investment Summary

- Prime Central Milton Keynes (CMK) business location
- Purpose built freehold office building of 4,025 sq ft net
- Let to Abbey National Plc until March 2015
- Underlet to Geoffrey Leaver Solicitors (Property) LLP until March 2015
- Annual rental income of **£71,250** from Abbey National Plc
- Low rise building in CMK, where much higher new developments have been permitted
- Milton Keynes is one of the UK's fastest growing urban areas
- Quoting price in the region of **£600,000** for the freehold interest
- A purchase at this level would show an attractive net initial yield of **11.22%**, after purchasers costs of 5.8%

## Location

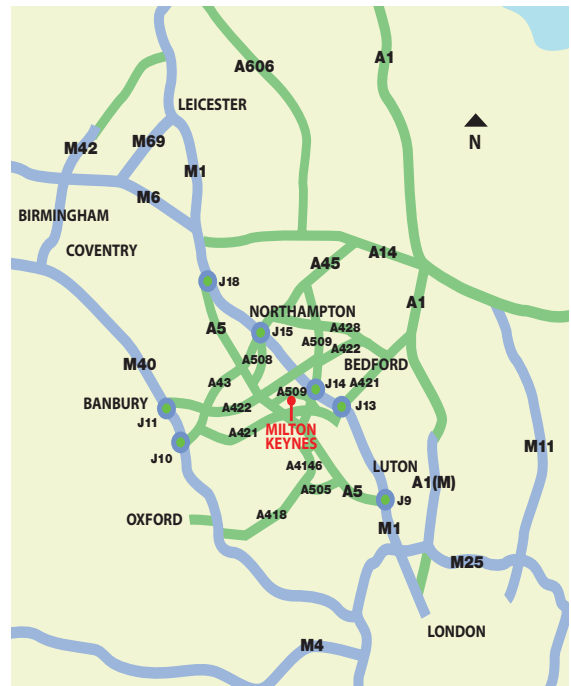
Milton Keynes is one of UK's fastest growing urban areas. It has become a major centre for commerce and industry, with a current population of approximately 225,000 and plans for substantial further growth over the next two decades.

Milton Keynes is approximately 55 miles north of London and 70 miles south of Birmingham. It has excellent communications by rail, road and air.

Direct Mainline rail services are available from Milton Keynes Central to many destinations, including London Euston (35 minutes), Birmingham New Street (55 minutes) and Manchester Piccadilly (1 hour 40 minutes).

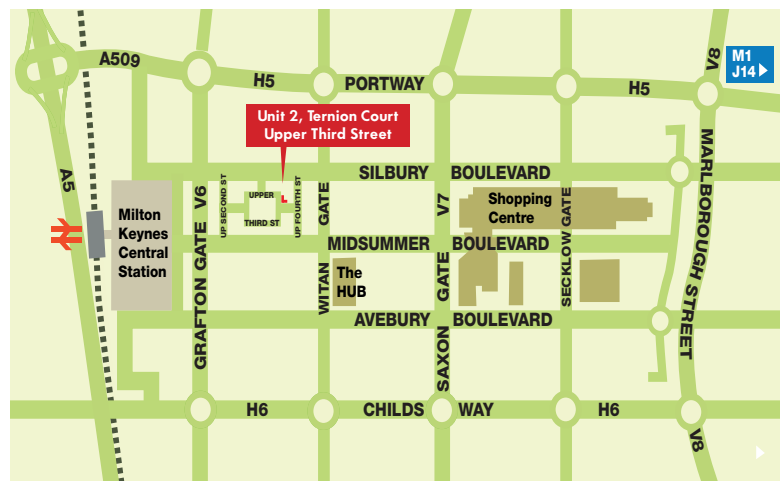
Junction 14 of the M1 motorway is 4 miles away and the A5 is situated immediately to the west of CMK.

Luton International airport is approximately 25 miles to the south east.



## Situation

The building is situated on the north east side of Upper Third Street (also known as Bouverie Square) between Silbury and Midsummer Boulevards in the heart of Milton Keynes central business district. The shopping centre and CMK mainline railway station are within a 5 minute walk. Nearby restaurants include Brasserie Blanc, Loch Fyne, Zizzi, Café Rouge and Wetherspoons.



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## Local Occupiers

CMK has a host of major corporate occupiers including Santander, RBS, BP Oil, Deloitte, Baker Tilly and Argos. Other well known occupiers in MK include Unisys, Siemens, The Open University & Mercedes – Benz.

Network Rail have chosen CMK to house their new national office headquarters building of 320,000 sq ft on the corner of Grafton Gate and Silbury Boulevard. Completion is scheduled for 2012.

## The Building

This is a handsome purpose built detached office building arranged over ground and two upper floors, with great natural daylight and a dual aspect onto Bouverie Square. It has an approximate net internal floor area of 4,025 sq ft (374 sq m).

The floors are structurally open plan and the tenants have installed partitioning to provide a striking reception and a variety of private offices, meeting rooms, comms. room and a kitchen. There is a single staircase serving the building, suspended ceilings with integral lighting & perimeter central heating. The tenants have installed a number of wall and ceiling mounted comfort cooling units.

There are 3 dedicated car parking spaces at the front of the building and additional shared parking in Bouverie Square.





## Tenure

The freehold interest is offered subject to the following leases:

The building is let in its entirety on a full repairing and insuring lease to Abbey National Plc for a term of 25 years from 25th March 1990 until 24th March 2015. The passing annual exclusive rent is £71,250 (£17.70 per sq ft).

Abbey National Plc have sublet the entire building to Geoffrey Leaver Solicitors (Property) LLP on a full repairing and insuring underlease from 26th April 2006 until 23rd March 2015, at an annual exclusive rent of £50,000 (£12.42 per sq ft), outside The 1954 Act.

There is an amenity lease for 149 years from 1st January 1988. The amenity lease provides for 3 parking spaces in front of the building and maintenance of a shared courtyard. It also provides for landscaping, vehicular access and additional parking in Bouverie Square.

## Covenant Information

Abbey National Plc reported total shareholder equity of £7.220 billion and profit after tax of £1.245 billion in their accounts to 31st December 2009. Abbey National Plc changed their name to Santander UK Plc in January 2010.

Geoffrey Leaver Solicitors LLP are a well established modern law firm providing legal services in Milton Keynes and the surrounding area. The underlease is held by Geoffrey Leaver Solicitors (Property) LLP.

## Proposal

The freehold interest of this building is being offered for sale at a price in the region of **£600,000**, subject to contract. A sale at this level would show a net initial yield of **11.22%**, after allowing for purchasers costs at 5.8%. The building is VAT registered.

## Viewing

By appointment through joint sole agents

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