

ONE

F O R B U R Y S Q

READING

Refurbished Multi-Let South East Town Centre Office

Kimmre

INVESTMENT SUMMARY

- Fully refurbished, high-quality office building located in a prime position within Reading town centre.
- Reading serves as the economic and administrative hub of the Thames Valley, with robust growth projections forecast over the next five years.
- The town centre has experienced significant inward investment, driven by the arrival of the Elizabeth Line.
- Forbury Square offers one of the most attractive commercial public realm spaces within Reading's commercial district.
- One Forbury Square comprises 36,362 sq ft of Grade A office accommodation arranged over ground and four upper floors.
- Comprehensively refurbished at a total cost of £2.775m, achieving an EPC rating of B.
- Strong tenant line-up, including Savills, Lloyds Development Capital, Gateley, EJ Winter & Son and Secure Trust Bank.
- Current passing rent of £599,106 per annum, reflecting an average rent of £37.21 per sq ft (on let space).
- WAULT of 5.3 years to expiries and 1.4 years to break.
- Vendor to provide 12 month rates and service charge guarantee on vacant space (19,136 sq ft) which is in refurbished condition including Cat A+ on part first floor.
- Headline rents in Reading have reached £56.00 per sq ft with the town achieving its highest office take-up in six years, reaffirming its position as a leading office destination in the South East.

PROPOSAL

Offers are sought in excess of **£6,615,000 (Six Million Six Hundred and Fifteen Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this price reflects a NIY of 8.50% assuming purchaser's cost of 6.65% with a **significant headline reversionary yield in excess of 18.50% upon letting the vacant space.**

This equates to a low capital value £182 per sq ft.





KEY

LOCAL OCCUPIERS

1. SSE
2. KPMG, Rapid 7
3. Handelsbanken, Shoosmiths
4. EY
5. Deloitte
6. Osbourne Clark
7. Jacobs, Ericsson, BDO
8. Micro Systems, Santec
9. Visa
10. Barracuda, Workday, Work Life
11. Yell, RSM, Regus, Cooper Parry
12. Pepsico, KenVue, PwC
13. Ministry of Justice

LOCAL AMENITIES

1. Forbury Retail Park
2. The Oracle Shopping Centre
3. Crown Court

MAJOR DEVELOPMENTS

1. Huntley Wharf (765 residential homes)
2. Reading Prison (Proposed Mixed-Use Redevelopment)
3. Station Hill (£750m mixed-use redevelopment including 1,500 new homes)

LOCATION

Reading is the largest economic and commercial centres in the South East. Located 40 miles west of Central London, Reading is regarded as the premier business destination in the Thames Valley due to its excellent road and rail connectivity, and highly skilled workforce.



CONNECTIVITY

The town benefits from excellent road communications, with direct access to key motorways, including the M4, M40 and M25. Heathrow Airport is located 27 miles to the east of Reading and is the world's fourth busiest airport, making it a strategic choice for companies with international connections.

The £900m upgrade of Reading train station has further cemented the town's role as a major transport hub in the UK. As the western terminus of the Elizabeth Line, Reading now benefits from enhanced connectivity to Central London with frequent and direct services. Regular trains operate between Reading and London Paddington, offering up to 8 services per hour and a fastest journey time of 23 minutes.

BY ROAD



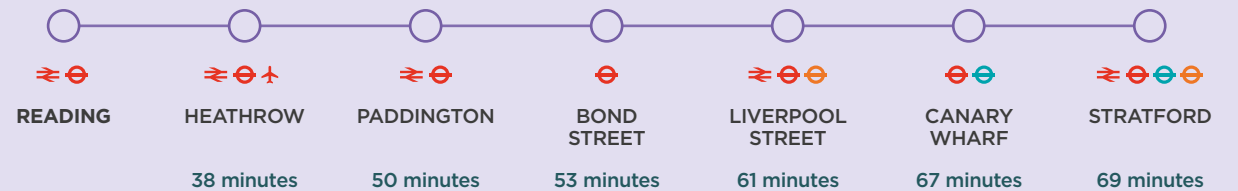
M4 (Junction 11)	4.5 miles
Oxford	25 miles
M25 (Junction 15)	23 miles
Heathrow Airport	27 miles
Central London	40 miles

BY TRAIN



Maidenhead	14 minutes
London Paddington	23 minutes
Oxford	23 minutes
Heathrow Airport	56 minutes
Bristol	71 minutes

ELIZABETH LINE WITH READING



Source: www.crossrail.co.uk



WHY READING?

Reading continues to rank among the UK's leading business destinations outside of Central London, offering exceptional prospects for growth, innovation and long-term success.

Major occupiers already located in the town centre include SSE, PepsiCo, KPMG, PwC, Yell Group and Ernst & Young. As the capital of the Thames Valley, one of the fastest-growing economic regions in the country, Reading presents a key opportunity for more organisations seeking a strategic UK base.



3rd in the UK for productivity, measured by GVA per hour (Centre for Cities)



Fastest-growing areas in the UK over the next three years, with an annual GVA growth of 2.5% (EY's 2024 Regional Economic Forecast)



Employment in Reading is **forecast to grow by 14%** by 2030 (Oxford Economics)



Reading's economy is **forecasted to grow by 2.7%** over the next two years (Central Bank of Ireland)



Voted top 10 best places to live in the South East by The Sunday Times in 2025



Reading ranks among the **strongest economies in the UK** by Cities Monitor in 2025



10th best place for job opportunities in the UK (Ciphr) and University of Reading voted Sustainable University of the Year



3rd in the UK as hotbed for fostering AI enterprises in 2024 (AI Business Rankings 2024)



In LSH's 2025 Vitality Index, Reading is ranked among the **top 10 locations in the UK for living and work**

SITUATION

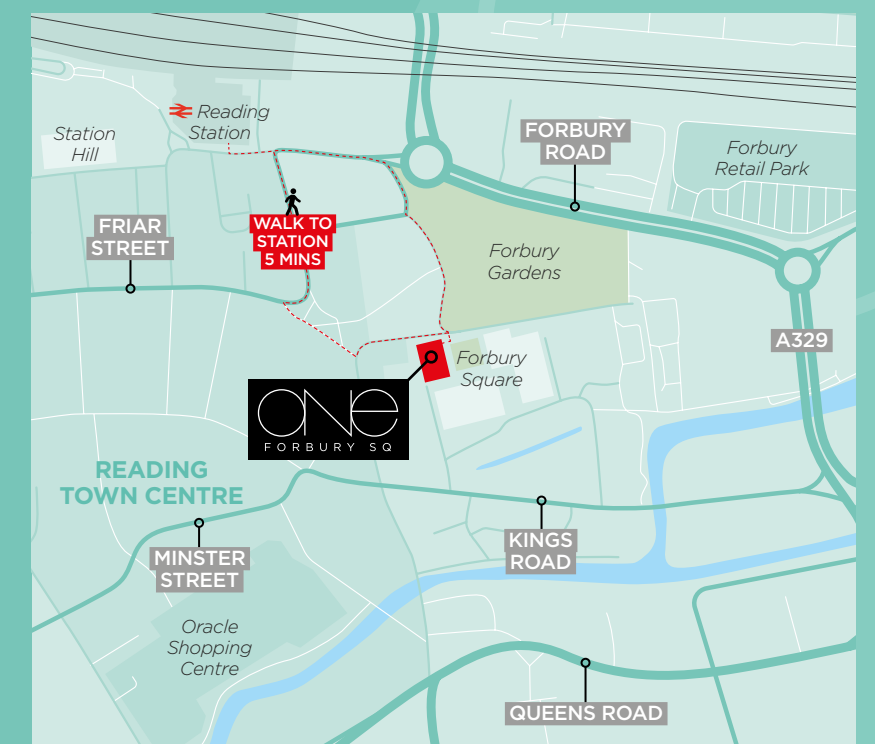
 Click here for Google Map

 What3words
pine.invite.gains



One Forbury Square occupies a highly prominent position in the heart of Reading town centre. Situated adjacent to Davidson House, it forms part of Forbury Square, a thoughtfully designed public space that reflects the character and heritage of Reading's historic core.

The building is situated less than a five-minute walk from Reading Station and is within close proximity to the town centre's amenities. With its prestigious address and exceptional amenity offering, Forbury Square is well positioned to attract and retain high-calibre occupiers seeking best-in-class office space.



DESCRIPTION

One Forbury Square is a high-quality Grade A office building comprising 36,362 sq ft arranged over ground and four upper floors.

The building offers highly efficient, flexible open-plan floor plates designed to accommodate the evolving needs of modern occupiers. Extensive glazing provides an excellent level of natural light throughout, while offering impressive views over Forbury Gardens.

Following a comprehensive £2.775m refurbishment, the building's specification has been significantly enhanced. Sustainability and energy efficiency were key drivers of the capital expenditure programme, with the integration of eco-conscious materials and systems that support reduced operational costs and deliver a high-quality, environmentally responsible working environment.

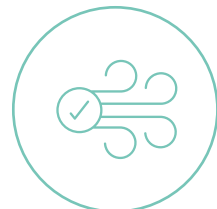
The property benefits from the following specification:



ROOF TERRACE
(ON THIRD FLOOR)



ENERGY EFFICIENT
LED LIGHTING



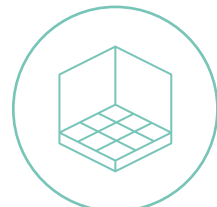
AIR QUALITY
MONITORING



FITWEL 1
STAR RATING



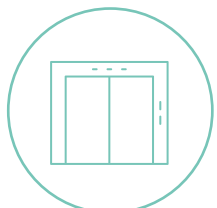
FOUR PIPE FAN COIL
AIR-CONDITIONING



EPC RATING
OF B



SHOWER FACILITIES,
LOCKERS AND
DRYING ROOM



TWO 13 PASSENGER
(1,000 KG) LIFTS



MALE/FEMALE
WC FACILITIES ON
EACH FLOOR

CAR PARKING

Secure car parking is provided at basement level and is shared with Davidson House. There are a total of 36 car parking spaces allocated to One Forbury Square providing a car parking ratio of 1:1,018 sq ft.





ACCOMMODATION

An assignable measured survey has been carried out by Lane & Frankham in accordance with the RICS Property Measurement, 2nd Edition and provides the following net internal areas:

Floor	Area (sq m)	Area (sq ft)
Fourth	624.2	6,718
Third	682.7	7,349
Second	696.9	7,491
First	679.7	7,316
Ground (Office)	251.3	2,705
Ground (Office)	339.7	3,656
Ground (Reception)	104.7	1,127
TOTAL	3,378.2	36,362

TENURE

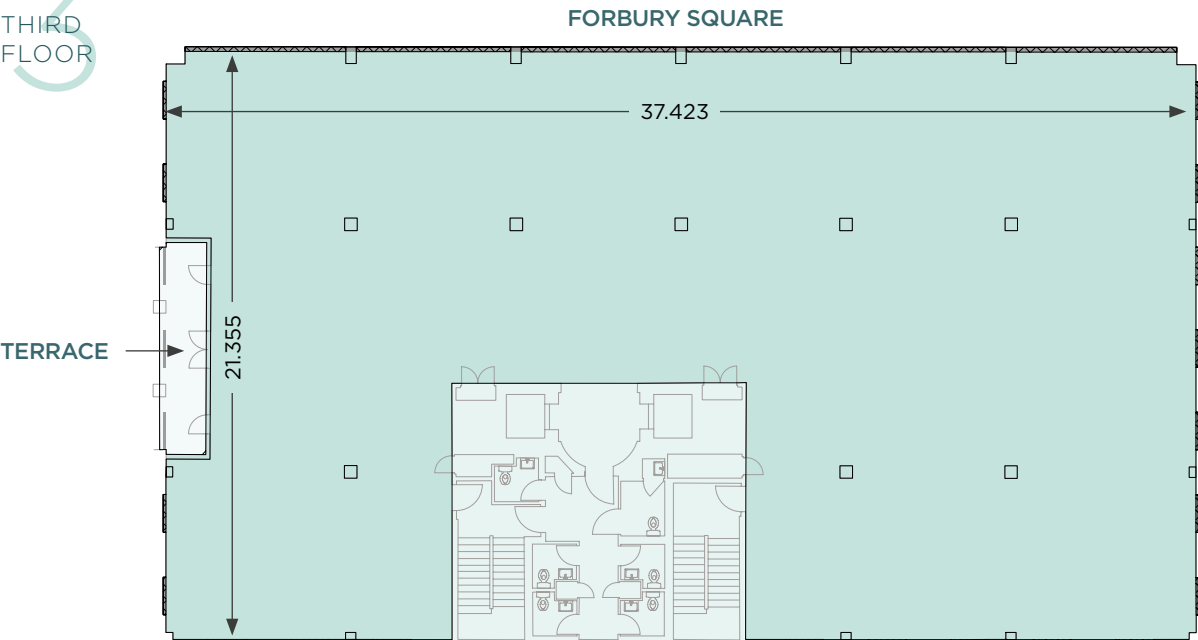
One Forbury Square is held Long Leasehold for a term of 999 years (less 3 days) from 3rd June 2004 at a peppercorn rent.

The site totals 0.21 acres.



FLOORPLAN

3
THIRD
FLOOR



TENANCY SCHEDULE

DEMISE	TENANT	AREA (SQ FT)	LEASE START	BREAK DATE	LEASE EXPIRY	RENT PA	RENT PSF	RENT REVIEW	COMMENTS
Part 4th Floor	Secure Trust Bank Public Ltd	1,823	03/02/2025	02/02/2028	02/02/2030	£71,175	£39.04		Tenant only option to break subject to 6 months' notice and subject to break penalty of £5,932. 2 months rent free if break not exercised.
Part 4th Floor	Gateley PLC	4,895	26/02/2021	25/02/2026	25/02/2031	£176,148	£36.00	26/02/2026	Tenant only option to break subject to 6 months' notice and subject to break penalty of £44,037. 10 months rent free if break not exercised.
3rd Floor	Vacant (Refurbished)	7,349							Vendor to provide 12 month rates and service charge guarantee
2nd Floor	Vacant (Refurbished)	7,491							Vendor to provide 12 month rates and service charge guarantee
Part 1st Floor	Lloyds Bank PLC	3,020	31/03/2023	30/03/2026	30/03/2028	£112,310	£37.19		Tenant only option to break subject to 6 months' notice
Part 1st Floor	Vacant (Refurbished to Cat A+)	4,296							Vendor to provide 12 month rates and service charge guarantee
Part Ground Floor (North)	EJ Winter & Son LLP	2,705	23/04/2021	22/04/2027	22/04/2031	£100,085	£37.00	23/04/2026	Tenant only option to break subject to 6 months' notice. 4 months rent free if break not exercised.
Part Ground Floor (South)	Savills (UK) Ltd	3,656	14/04/2022	13/04/2027	13/04/2032	£129,788	£35.50	14/04/2027	Tenant only option to break subject to 6 months' notice. 9 months rent free if break not exercised.
Reception		1,127							
Car Parking Spaces (88, 93, 139, 140, 141)	Savills (UK) Ltd		09/01/2024		08/01/2026	£7,200			Landlord can break lease at anytime on 4 weeks' notice.
Car Parking Spaces (94, 113, 114, 115)	EJ Winter & Son LLP		23/03/2021		22/04/2023	£2,400			Lease expired but renewal being negotiated
TOTAL		36,362				£599,106	£37.21		

SERVICE CHARGE

The current service charge (including Estate Charge) for the year ending 2025 totals £355,704 per annum which equates to £10.10 per sq ft overall. Further information is available on request.



COVENANT INFORMATION

SECURE TRUST BANK PUBLIC LIMITED COMPANY

Secure Trust Bank PLC is a well-established UK retail and commercial bank, founded in 1952 and listed on the London Stock Exchange. The bank provides a broad range of financial services, including personal savings, consumer finance, and commercial lending solutions.

Three years summary accounts are as follows:

	31 Dec 2023	31 Dec 2022	31 Dec 2021
Turnover	-	-	-
Profit Before Tax	£36,100,000	£39,000,000	£56,000,000
Net Worth	£295,500,000	£320,300,000	£344,500,000

GATELEY PLC

Gateley PLC is a leading UK-based legal and professional services group, and was the first commercial law firm in the UK to be publicly listed, joining the London Stock Exchange in 2015. The firm offers comprehensive legal services alongside complementary consultancy offerings, serving a wide range of corporate and private clients across the UK.

Three years summary accounts are as follows:

	30 Apr 2024	30 Apr 2023	30 Apr 2022
Turnover	£119,702,000	£118,230,000	£113,798,000
Profit Before Tax	£12,177,000	£16,655,000	£17,373,000
Net Worth	£33,399,000	£39,040,000	£38,731,000

LLOYDS BANK PLC

The building is operated by Lloyds Development Capital (LDC) who have been in occupation since 2006. LDC is the private equity arm of Lloyds Banking Group and one of the UK's leading mid-market private equity investors. Established in 1981, LDC has a strong track record of supporting management buyouts, growth capital investments, and strategic partnerships across a wide range of sectors.

Three years summary accounts are as follows:

	31 Dec 2024	31 Dec 2023	31 Dec 2022
Turnover	-	-	-
Profit Before Tax	£4,688,000,000	£7,056,000,000	£6,094,000,000
Net Worth	£33,863,000,000	£34,536,000,000	£33,853,000,000

E J WINTER & SON LLP

E J Winter & Son LLP is an established law firm based in Reading, with a strong regional reputation for delivering high-quality legal services. The firm specialises in residential and commercial conveyancing, family law, and private client matters, and is known for its professional service and enduring client relationships.

Three years summary accounts are as follows:

	31 Mar 2024	30 Apr 2023	30 Apr 2022
Turnover	-	-	-
Profit Before Tax	-	-	-
Net Worth	£1,708,565	£1,790,767	£1,408,722

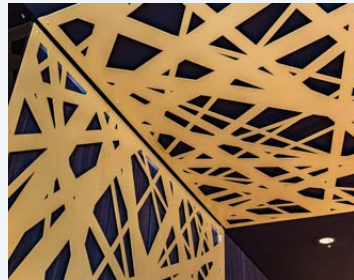
SAVILLS (UK) LIMITED

Savills UK Limited is the UK arm of Savills plc, a global real estate services provider listed on the London Stock Exchange. The company offers a wide range of property consultancy and transactional services across commercial, residential, and rural sectors.

Three years summary accounts are as follows:

	31 Dec 2023	31 Dec 2022	31 Dec 2021
Turnover	£705,905,000	£727,684,000	£719,006,000
Profit Before Tax	£88,019,000	£102,721,000	£107,419,000
Net Worth	£16,259,000	£30,804,000	£66,650,000





READING OFFICE MARKET

Reading is a key destination for major corporate occupiers in the UK and has been one of the strongest performing markets in the Thames Valley over the last 18 months.



- Reading has experienced exceptional rental growth, with prime headline rents reaching **£56.00 per sq ft in 2024**, an all-time high for the market.
- Office take-up in 2024 totalled **530,841 sq ft** across 42 transactions, with **79% of this activity comprising Grade A space**, reflecting strong demand for high-quality accommodation.
- This represents the **highest annual take-up since 2019** and significantly exceeds both the five- and ten-year averages, accounting for **38% of all office take-up across the Thames Valley region**.
- Reading led the Thames Valley office market in **Q1 2025**, recording 256,197 sq ft of leasing activity, with a further 84,305 sq ft currently under offer, highlighting sustained occupier momentum.
- A significant proportion of town centre office stock is earmarked for conversion to alternative uses, resulting in a tightening supply of quality office accommodation.
- This trend is driving the displacement of occupiers seeking to retain a presence in the town centre, positioning **One Forbury Square to capitalise on increasing demand for best-in-class space**.

RECENT READING TOWN CENTRE LEASING TRANSACTIONS



ONE STATION HILL

Date: Feb 25
Size: 34,570 sq ft
Tenant: KenVue
Rent: £52.50 psf



APEX PLAZA

Date: Dec 24
Size: 7,104 sq ft
Tenant: Office of Independent Adjudicator
Rent: £42.50 psf



THAMES TOWER

Date: Dec 24
Size: 13,926 sq ft
Tenant: Jacobs PP&S
Rent: £40.00 psf



ONE STATION HILL

Date: Jun 24
Size: 38,254 sq ft
Tenant: Pepsico
Rent: £56.00psf

SOUTH EAST OFFICE MARKET

Despite ongoing market headwinds, investor sentiment towards the South East office market is showing signs of recovery. Renewed confidence is being driven by sustained rental growth and robust occupier demand for high-quality space. This is further supported by tightening supply and a constrained development pipeline, with prime office rents forecast to rise significantly.

Recent South East office investment transactions include:

DATE	PROPERTY	AREA (SQ FT)	TENANT(S)	TERM CERTAIN	SALE PRICE	NIY	CV (£psf)
Mar-25	Brinell Building, Brighton	63,492	Multi-let	4.6	£27,000,000	7.25%	£425
Dec-24	One Bell Street, Maidenhead	19,849	Glencore	3.5	£9,250,000	8.97%	£466
Sep-24	Park Central, Oxford	25,266	Multi-let	4.5	£19,000,000	6.75%	£752
May-24	40 Clarendon Road, Watford	47,000	Multi-let	5.5	£19,500,000	8.35%	£394

INVESTMENT RATIONALE



Strong covenant profile of incumbent tenants



Attractive reversionary yield through the letting of the vacant space



Minimal capital expenditure required following comprehensive refurbishment



Positive ESG credentials, supporting occupier retention and future-proofing the asset



Low capital value, offering a significant discount to replacement cost



Scope to enhance rental performance and capitalise on current prime rents of £56.00 per sq ft



Opportunity to acquire a high-quality building in a core town centre location



Robust leasing activity in the Reading office market, with strong take-up in 2024 and Q1 2025

FURTHER INFORMATION

EPC

Rating of B(43). A copy of the certificate is available upon request.

VAT

The property has been elected for VAT purpose and will be treated as a transfer of a going concern (TOGC).

CAPITAL ALLOWANCES

Capital allowances are available. Further information can be provided upon request.

DATAROOM

A dataroom has been prepared for prospective purchasers' due diligence. Access can be provided upon request.

ANTI MONEY LAUNDERING

In accordance with AML regulations, the successful purchaser will be required to satisfy the Vendor on the source of funds used to acquire the property.

PROPOSAL

Offers are sought in excess of **£6,615,000 (Six Million Six Hundred and Fifteen Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this price reflects a NIY of 8.50% assuming purchaser's cost of 6.65% with a **significant headline reversionary yield in excess of 18.50% upon letting the vacant space.**

This equates to a low capital value £182 per sq ft.



CONTACT

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Kimmre

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