

QUEST HOUSE

125-135 STAINES ROAD

HOUNSLOW TW3 3JB

HIGH YIELDING MULTI LET OFFICE INVESTMENT

QUEST HOUSE



INVESTMENT CONSIDERATIONS

- Prominently located self contained office building fronting the A315 Staines Road.
- Freehold.
- 25,192 sq ft (2,340.35 sq m) on basement, ground and four upper floors.
- Excellent car parking ratio of 1: 247 sq ft (1: 22.94 sq m).
- Multi let on 5 leases providing an average income weighted lease expiry of 5.18 years (2.07 years to breaks).
- Current rental income of £351,487.50 per annum equating to only £13.95 per sq ft (£150.19 per sq m) overall.
- Strategically located close to Heathrow International Airport.
- Excellent transport communications with Hounslow Central underground station approximately 800 metres to the north east.
- Significant opportunities to enhance capital value through active asset management.
- Potential for alternative uses subject to the necessary consents.
- Low capital value of only £119.88 per sq ft (£1,290.40 per sq m).
- Offers in excess of £3,020,000 (Three Million and Twenty Thousand Pounds) subject to contract and exclusive of VAT.
- 11.00% initial yield net of purchase costs at 5.80%.
- SPV purchase also available.

LOCATION

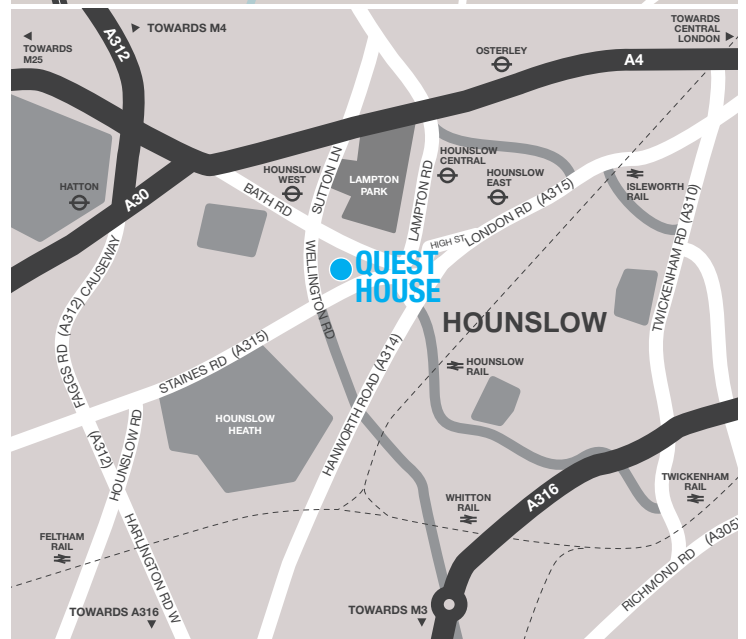
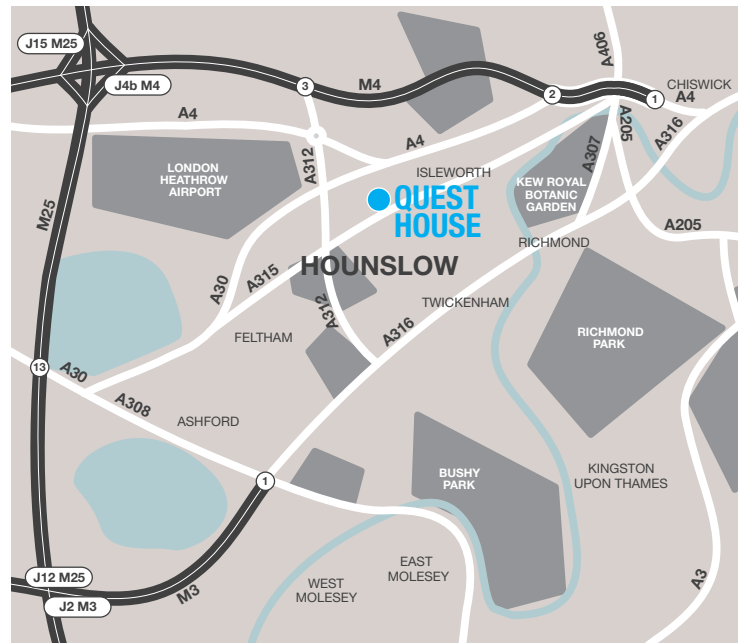
The London Borough of Hounslow is located in Greater London with Hounslow, being the principal town, situated approximately 19 km (12 miles) to the west of Central London. The Borough is bordered by Heathrow International Airport to the west, the M4 Motorway to the north, the A205 South / North Circular to the east and the River Thames to the south.

Hounslow is an established office location which has attracted a diverse base of national and international companies from the pharmaceutical, IT, financial services and airline industries together with various local government departments. Major occupiers include GlaxoSmithKline, BSKyB, Pernod Ricard, GE Capital, Sabre, British Airways, Alitalia and American Airlines.

The town benefits from an excellent communications network by road, air and rail:

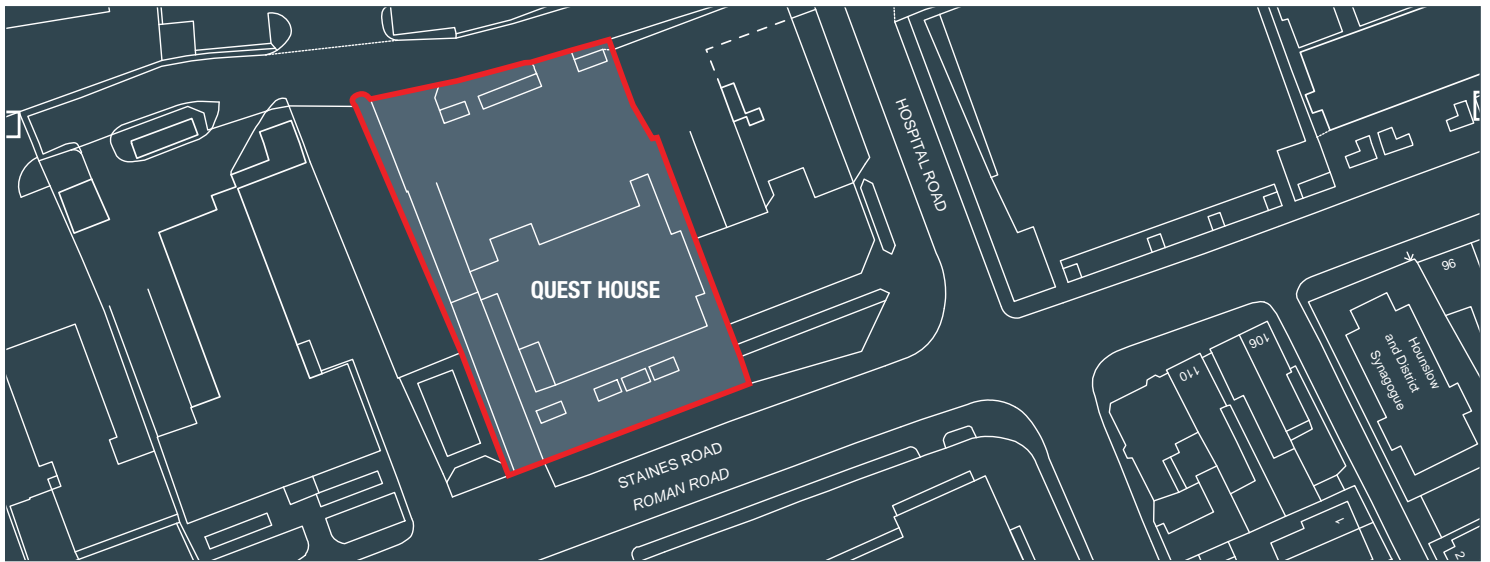
ROAD	KM	MILES
Central London	19	12
M40 (JCN 1a)	13	8
M4 (JCN 3)	3	2
M25 (JCN 15)	10	6
M3 (JCN 1)	5	3
London Heathrow International Airport	5	3

RAIL	DESTINATION	APPROXIMATE JOURNEY TIME
Hounslow Mainline	London Waterloo	38 mins
Hounslow Central	Heathrow International Airport	10 mins
	West End	37 mins
	City	43 mins



Not to Scale - For Identification Purposes Only.





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SITUATION

Quest House is prominently located fronting the north side of the A315 Staines Road approximately 50 metres west of its junction with Hospital Road.

Hounslow Central underground (Piccadilly line) is approximately 800 metres to the north east with the mainline Hounslow Station situated 1.1 km (0.7 miles) to the south east providing regular services to Central London (Waterloo).

The substantial town centre retail and leisure amenities are situated approximately 300 metres to the east.

The property is in a mixed use location comprising offices, retail warehousing, new build residential apartments and the Heart of Hounslow Centre for Health. Nearby occupiers include First Rate Exchange Services, The Big Yellow Self Storage, Halfords, Currys and Aldi.

DESCRIPTION

Built in the 1970's, Quest House comprises a self contained office arranged on basement, ground and four upper floors. Car parking is situated at basement and ground floor levels.

The property is of concrete frame construction with red brick elevations under a flat roof. The office specification includes:

- 4 pipe fan coil air conditioning
- Secondary glazed windows
- Suspended ceilings with integral category II lighting
- Perimeter and 3 compartment underfloor trunking
- 16 person passenger lift serving ground to fourth floors
- Male and Female WCs to each floor with a shower and a disabled WC to the ground floor
- 24 hour access



CAR PARKING

There are 102 on site car parking spaces (33 surface and 69 basement) providing an excellent car parking ratio of 1:247 sq ft (1:22.94 sq m). The car park is accessed from Hospital Road.

SITE

The site extends to approximately 0.24 hectares (0.59 acres).

TENURE

Freehold.

TENANCIES

Quest House is fully let on 5 effective full repairing and insuring leases at a current rental of £351,487.50 per annum.

The average income weighted lease term is 5.18 years to expiry (2.07 years to breaks) with effect from 24 June 2011.

TENANT	FLOOR	NET INTERNAL AREA		LEASE (i)		RENT REVIEW	RENT		DEMISED CAR PARKING SPACES	COMMENTS (ii)
		SQ FT	SQ M	START	EXPIRY (BREAK)		PER ANNUM	PER SQ FT (PER SQ M)		
Vandemoortele (UK) Limited	Ground	5,220	484.94	24-Jun-07	23-Jun-17 (24-Jun-12)	24-Jun-12	£78,300.00	£15.00 (£161.46)	20	Service charge capped at £42,236.11 & reviewed in June 2011 & annually thereafter. Mutual break - tenant on 6 months prior notice & landlord on 9 months prior notice. Limitation on repair, at expiry, for ceiling grid, ceiling finishes, lighting and floor finishes. Tenant in negotiations to remove break.
Quest Diagnostics Limited	First	5,052	469.33	10-Aug-10	24-Mar-16 (24-Mar-14)	-	£189,462.50	£12.50 (£134.55)	60	Service charge capped at £113,677.50 & reviewed in August 2011 & annually thereafter. Tenant only break on 6 months prior notice. Current rent is £94,731.25 pa with fixed rental increases on 10-Aug-11 to £143,991.50 pa; 10-Aug-12 to £189,462.50 pa.
	Second	5,050	469.15							
	Third	5,055	469.61							
	Sub Total	15,157	1,408.09							
Careers Development Group	Part Fourth	2,620	243.40	16-Nov-09	15-Nov-14 (14-Nov-12)	-	£39,300.00	£15.00 (£161.46)	7	Service charge capped at £19,650.00 & reviewed in December 2010 & annually thereafter. Rent deposit held of £6,779.25. Mutual break on 3 months prior notice. Current rent is £31,440 pa with a fixed rental increase on 15-Nov-11 to £39,300 pa. Tenant in negotiations on potential regear.
Aer Lingus Limited	Part Fourth	2,195	203.92	29-Feb-08	28-Feb-18 (28-Feb-13)	28-Feb-13	£32,925.00	£15.00 (£161.46)	7	Service charge capped at £17,295.91 & reviewed in February 2011 & annually thereafter. Mutual break on 6 months prior notice. Tenant in negotiations to remove break.
Telefonica O2 UK Limited	Roof Aerial			17-Dec-09	16-Dec-19 (16-Dec-12)	17-Dec-14	£11,500.00			Mutual break - tenant on 12 months prior notice & landlord at any time on 18 months prior notice.
TOTAL		25,192	2,340.35				£351,487.50		94	

All tenancy information is from our clients management records. (i) All leases are excluded from s24-28 of the Landlord & Tenant Act 1954. (ii) Service charge figures are for the year ended 24-Dec-10. All service charge caps are increased annually to the higher of RPI or 2.50% per annum.

COVENANTS

Vandemoortele (UK) Limited

Vandemoortele is a European food group that manufactures and sells high quality food products. The activities of Vandemoortele can be split into two basic product groups: frozen bakery products and margarines & fats.

For the year ending December 2009, Vandemoortele (UK) Limited reported pre-tax profits of £443,000 and net assets of £1,906,000 from a turnover of £43,736,000.

For additional information: www.vandemoortele.com

Quest Diagnostics Limited

Quest Diagnostics Limited is one of the world's leading providers of medical diagnostic testing, information and services.

For the year ending December 2008, the company reported pre-tax profits of £1,391,000 and net assets of £10,005,000 from a turnover of £52,309,000.

For additional information: www.questdiagnostics.com

Careers Development Group

Careers Development Group is a leading "welfare to work" charity operating out of 26 centres in the UK.

For the year ending March 2010, the charity reported a pre-tax profit of £1,559,300 and net assets of £5,337,400 from an undisclosed turnover.

For additional information: www.cdguuk.org

Aer Lingus Limited

Aer Lingus is a leading low cost, low fares, Irish airline providing passenger transportation services.

For additional information: www.aerlingus.com

Telefonica O2 UK Limited

Telefonica O2 UK Limited is a leading communications company for consumers and businesses in the UK, with over 21.957m mobile customers as at 30 September 2010.

For the year ending December 2008, the company reported pre-tax profits of £879,000,000 and net assets of £9.528 Billion from a turnover of £5.568 Billion.

For additional information: www.O2.com



VAT

The property is elected for VAT.

CAPITAL ALLOWANCES

Capital allowances may be available by separate negotiation.

SPECIAL PURPOSE VEHICLE

The asset is held in a Special Purpose Vehicle (SPV). Further information is available upon request.

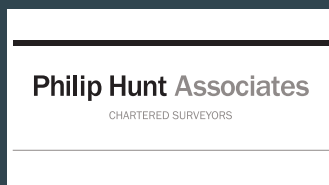
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PROPOSAL

Offers in excess of £3,020,000 (Three Million and Twenty Thousand Pounds) subject to contract and exclusive of VAT, reflecting an attractive initial yield of 11.00% net of purchase costs at 5.80%.

Should the asset be acquired through the SPV the quoting price reflects an initial yield of 11.38% net of purchase costs at 2.30%.

IMPORTANT NOTICE

De Souza and Co and Philip Hunt Associates Limited and their clients give notice that:

1. They are not authorised to make or give any representations or warranties in relation to the property either here or elsewhere, either on their own behalf or on behalf of their client or otherwise. They assume no responsibility for any statement that may be made in these particulars. These particulars do not form part of any offer or contract and must not be relied upon as statements or representations of fact. 2. Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all necessary planning, building regulation or other consents and De Souza and Co and Philip Hunt Associates Limited have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise. May 2011.