

ON BEHALF OF THE FIXED-CHARGE RECEIVERS

THE RELAY BUILDING

LONDON E1

LANDMARK INVESTMENT OPPORTUNITY WITH CHANGE OF USE POTENTIAL

INVESTMENT HIGHLIGHTS

Majority freehold

Excellent connectivity situated above Aldgate East Station and within a short walking distance of Liverpool Street, Bank and Fenchurch Street stations

Liverpool Street, the UK's busiest station, is only a short walk or 1 tube stop away from The Relay Building, providing easy access to the Elizabeth Line for the building's occupiers

Constructed in 2014, the landmark tower was designed by Sigma Seifert and developed by Redrow

The building comprises 102,416 sq ft of Grade A office, education and retail accommodation arranged over lower ground, ground and six upper floors. 207 residential apartments above have been sold off

Multi-let to four office and educational tenants and three retail tenants

Topped up passing rent of £5,323,697.98 per annum, reflecting a low overall rent of £51.98 per sq ft

WAULT of 2.4 years to expiries and 1.8 years to breaks on the let accommodation

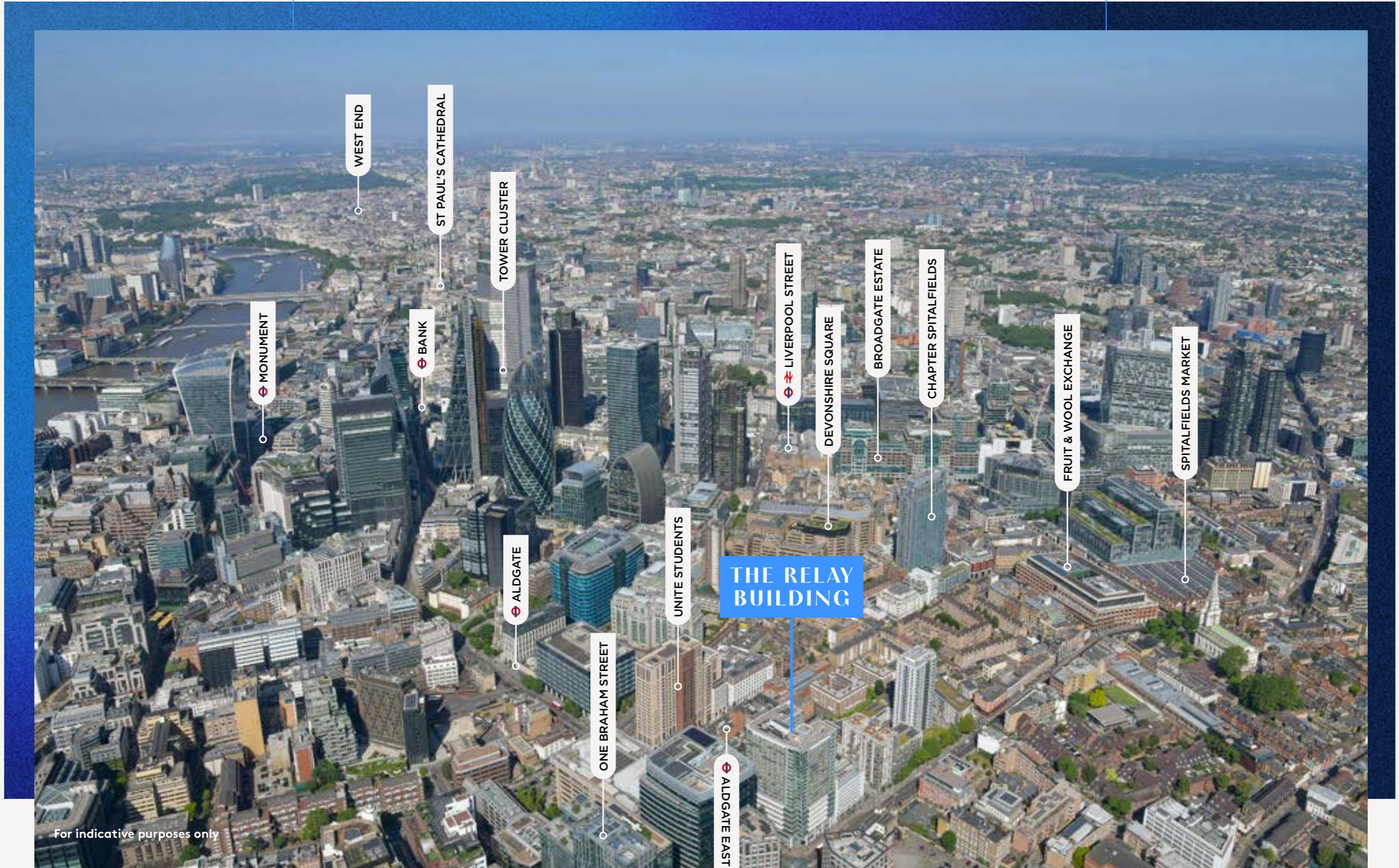
The provisions of Section 5 under the Landlord and Tenant Act 1987 "Qualifying Leaseholders' Right of First Refusal" do not apply

Positive pre-application for change of use to education across the office floors

The building is situated outside London Borough of Tower Hamlets' Article 4 designation and therefore benefits from permitted development rights and the opportunity to seek prior approval for change of use to residential

Offers are invited in excess of £45.3 million, reflecting a highly attractive net initial yield of 11.00% and a low capital value of £442 per sq ft (assuming purchaser's costs of 6.80%). Subject to contract and exclusive of VAT.





For indicative purposes only

LONDON

THE GLOBAL GATEWAY CITY

London contributes 25% of the UK's national GDP and continues to be a leading global city for commerce, finance and culture.

10 MILLION

population forecast by 2030

22 MILLION

International visitors every year

FINTECH CAPITAL

of the world – home to 17 of the top 50 global fintech companies

£97 BN

economic output annually

Nº. 1

Global Business District according to the EY-ULI Index

40 UNIVERSITIES

more than any other city in the world



ALDGATE

The Relay Building is situated in the heart of Aldgate, one of London's most vibrant and culturally diverse submarkets



Strategically positioned to benefit from The City, Spitalfields and the Tech Belt

Aldgate has been subject to a dramatic transformation making it one of London's most vibrant submarkets. Aldgate benefits from being connected to Spitalfields and Shoreditch and is located on the edge of the Tower Cluster.

The Relay Building is located in the heart of Aldgate, above Aldgate East underground station. Prominently positioned on the intersection of Commercial Street and Whitechapel High Street, the property is ideally situated to benefit from the insurance, finance, creative, tech and media sectors.

Aldgate is home to some of London's most prestigious corporate and education occupiers.



The Relay Building sits in the heart of the Aldgate BID which straddles The City of London and Tower Hamlets. The BID has four areas of focus and will invest almost £4 million in the area:

1. **Make the district more appealing** by improving the public realm
2. **Keep everyone protected** by cracking down on anti-social behaviour and partnering with counter terrorism teams
3. **Create a stronger community** through wellbeing initiatives and career development programmes
4. **Welcome people in** by developing a marketing strategy showcasing its uniqueness

THE EPICENTRE OF LONDON'S EDUCATION CLUSTER

A clustering of education occupiers in the Spitalfields-Aldgate arc has been driven by the dynamic amenity offering in the vicinity including Spitalfields Market, Brick Lane and Devonshire Square. The Relay Building is situated within the heart of this established cluster, further supported by the agglomeration of wider services and amenities for students including PBSA assets.

London was named the 'Best Student City 2024' by QS World University Rankings for a 5th year in a row. Total full-time student numbers in Central London have increased by 36% over the last ten years, driven by a significant increase in international students. Non-EU student numbers have achieved a compounded annual growth rate of 7.46% with 41% of London's total full-time student population now international.



STUDENT ACCOMMODATION

- 1 Chapter Spitalfields 1,117 beds
- 2 Chapter Aldgate 347 beds
- 3 iQ Aldgate 417 beds
- 4 iQ Magenta 187 beds
- 5 UNITE Students Hayloft 920 beds
- 6 UNITE Students Drapery Place 617 beds
- 7 Yugo The Curve 350 beds
- 8 urbanest Tower Bridge 177 beds
- 9 urbanest City 619 beds

EDUCATION OCCUPIERS

- 1 Coventry University London
- 2 London Metropolitan University
- 3 Northeastern University
- 4 BPP University
- 5 Nottingham Trent University
- 6 London College of Contemporary Arts
- 7 Access Creative College London
- 8 INTO London
- 9 City of London University
- 10 London School Of Commerce & IT
- 11 Hult International Business School
- 12 David Game College
- 13 Northumbria University London
- 14 UK College of Business and Computing
- 15 London Corporate College
- 16 City of London College
- 17 GCU London - Shoreditch University
- 18 The London Interdisciplinary School
- 19 Arden University
- 20 Royal College of Psychiatrists
- 21 The London School of Business & Finance
- 22 Istituto Marangoni
- 23 British School of Fashion

40

higher education institutions – of which 12 have acquired or expanded since 2020

357,000

full time students – an increase of 36% over the last 10 years

145,000

full time international students

36,500

new beds under construction

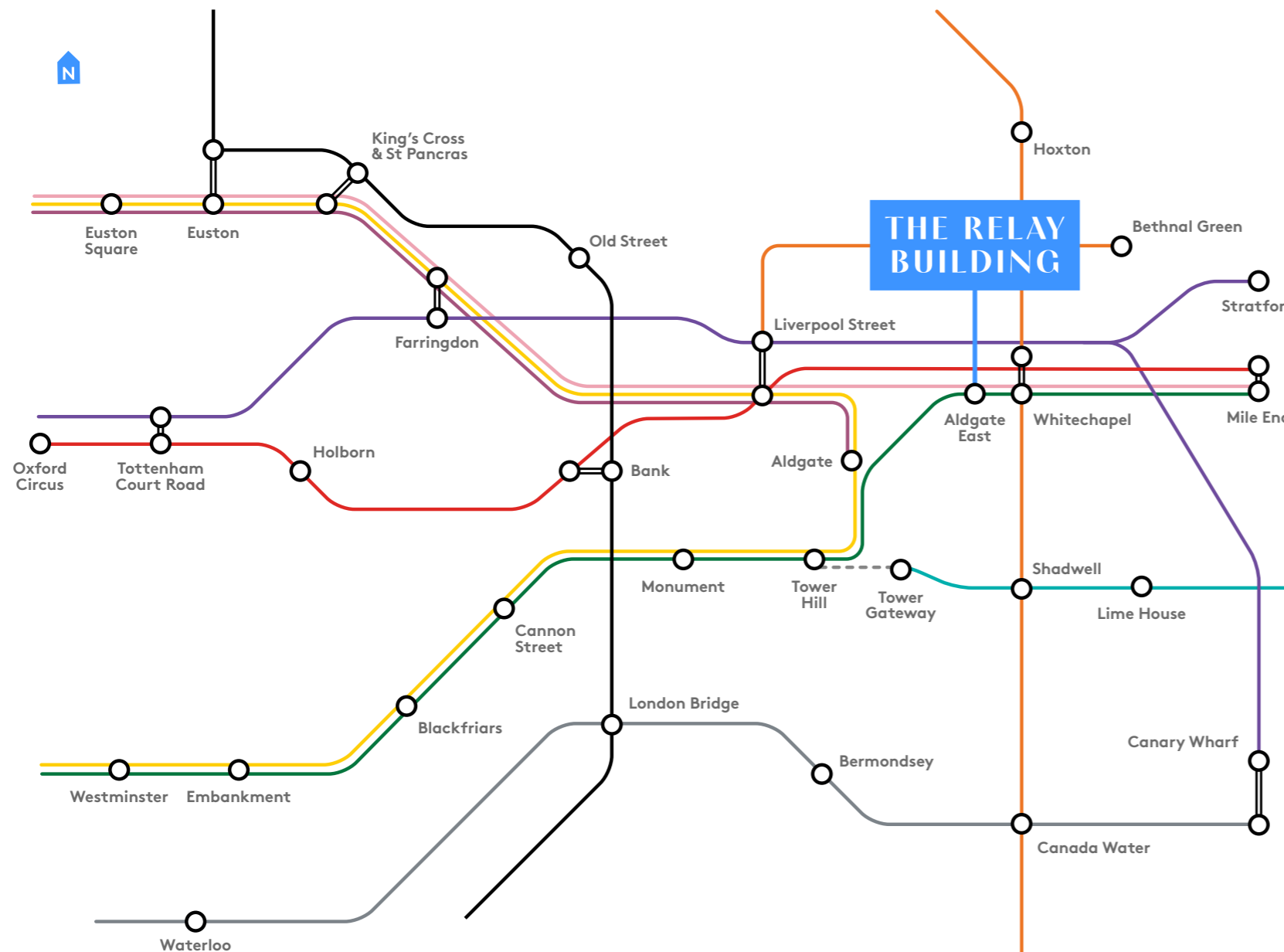
600,000

international student forecast by 2030



CONNECTIVITY

Aldgate is one of the best connected areas in Central London with a PTAL score of 6b. The Relay Building benefits from being situated within 10 minutes' walking distance of 6 underground lines as well as National Rail. The arrival of the Elizabeth line has reduced journey times across Central London and provides trains every 2.5 minutes during peak hours with each train able to carry 1,500 passengers



The Elizabeth Line

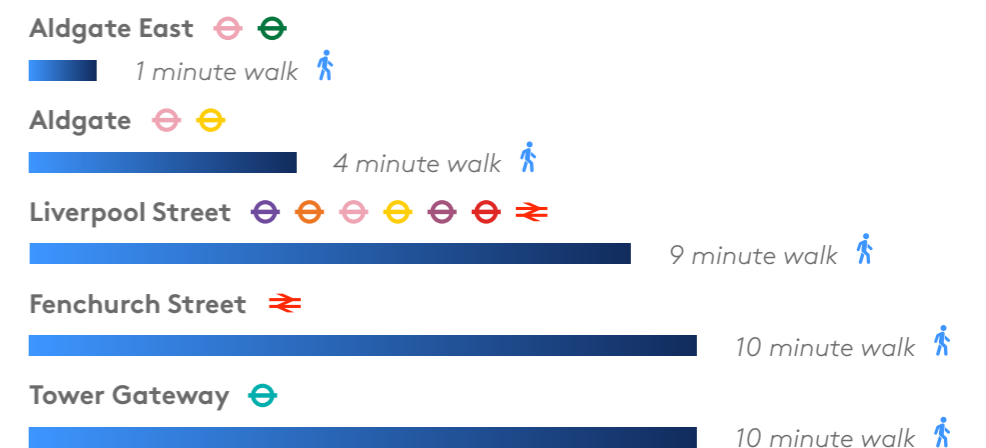
80.4 MILLION
passengers annually at
Liverpool Street

Adds
£42 BILLION
to the UK economy

Services
200 MILLION
passengers per year

226 MILLION
Elizabeth line journeys
anticipated in 2024/25

Walking times from The Relay Building



LOCAL DEVELOPMENTS AND OCCUPIERS

A hive of development activity in Aldgate ensures it is home to some of London's most prestigious corporate and education occupiers



1 GOODMAN'S FIELDS
Berkeley Homes
100,000 sq ft of offices and retail, 600 student rooms and 250 bedroom hotel
Completed - 2020



2 ONE BRAHAM STREET
Union
343,000 sq ft offices and retail
Completed - 2020



3 ONE PORTSOKEN STREET
Alfred Equities
233,333 sq ft educational
Completed - 2021



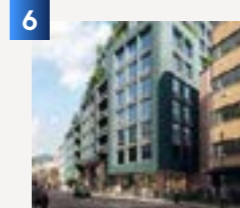
4 41 TOWER HILL
SRE Group
160,000 sq ft offices
PC due 2025



5 55 MANSELL STREET
Ali & Sons
61,000 sq ft offices
PC due 2025



For indicative purposes only



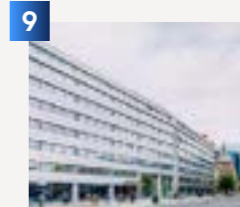
6 30 MINORIES, EC3
Patrizia
90,000 sq ft offices
PC due 2027



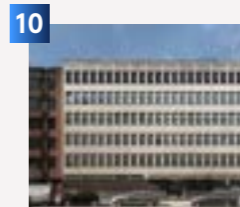
7 100 LEMAN STREET
Henderson Park / Dukelease
205,000 sq ft offices
Planning granted



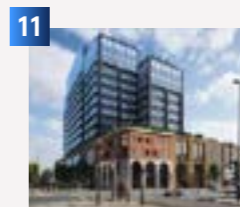
8 60 ALDGATE, EC3
4C Hotel Group / Rocket Properties
215,000 sq ft office and ancillary retail
Planning granted



9 150 MINORIES
HubCap / Bridges fund Management
300 residential units
Pre-planning



10 LEMAN STREET POLICE STATION
The Mayors Office for Policing and Crime
43,000 sq ft offices
Pre-planning



11 101 WHITECHAPEL HIGH STREET
SSAM
280,000 sq ft offices
Pre-planning



THE RELAY BUILDING

Developed in 2014 by Redrow, The Relay Building comprises a landmark 22 storey tower providing 102,416 sq ft NIA of office, education and retail accommodation below 207 residential apartments.

The office accommodation, accessed from Whitechapel High Street via a refurbished reception area, totals 95,340 sq ft of warehouse-style space arranged over basement and six upper. The floor plates total c. 15,800 sq ft and are arranged around a central core, providing regular and flexible accommodation benefitting from excellent levels of natural light on all four elevations. The first floor benefits from education use.

The retail accommodation is arranged over the ground floor and totals 7,076 sq ft NIA across three self-contained units. There are 30 car parking spaces located in the basement.



SPECIFICATION



Refurbished shower & changing facilities



Refurbished manned reception



3.3m floor to ceiling height



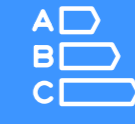
Fan coil air conditioning



Secure underground car parking



Exposed ceilings & services



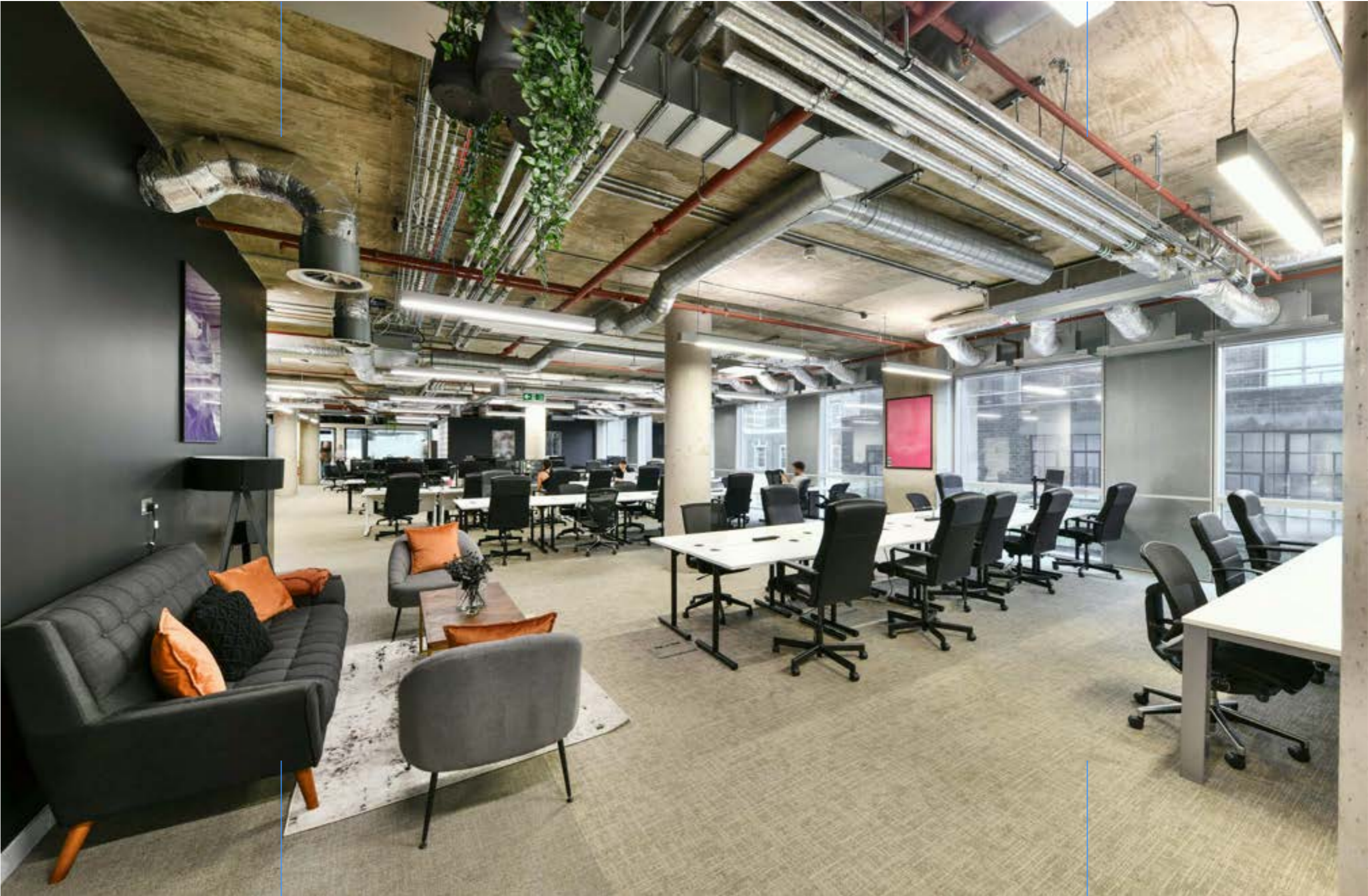
EPC C 59

BREEAM

BREEAM Very Good



3 x 13 passenger lifts



ACCOMMODATION SCHEDULE

The property has been measured in accordance with the RICS Code of Measuring Practice (sixth edition) incorporating the International Property Measurement Standards.

Demise	Use	Area Sq Ft	Area Sq M
Sixth	Office	15,815	1,469.2
Fifth	Office	15,880	1,475.3
Fourth	Office	15,862	1,473.6
Third	Office	15,914	1,478.5
Second	Office	15,897	1,476.9
First	Office	14,807	1,375.6
Ground	Storage	44	4.1
Basement	Storage	1,121	104.1
Office Subtotal		95,340	8,857.4
Unit 1	Retail	2,657	246.8
Unit 2	Retail	770	71.5
Unit 3	Retail	3,649	339.0
Retail Subtotal		7,076	657.3
Overall Total		102,416*	9,514.8

* doesn't include 1,808 sq ft reception







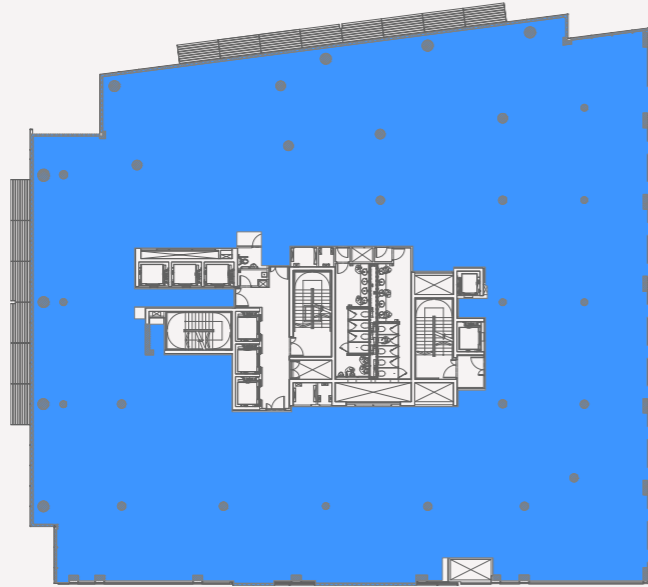
FLOOR PLANS

OFFICE
RETAIL

SIXTH FLOOR

WHITECHAPEL HIGH STREET

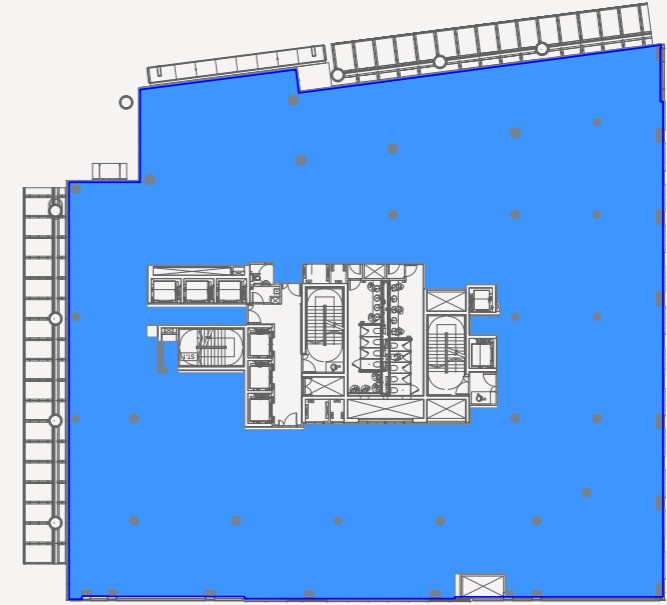
COMMERCIAL STREET



FIRST FLOOR

WHITECHAPEL HIGH STREET

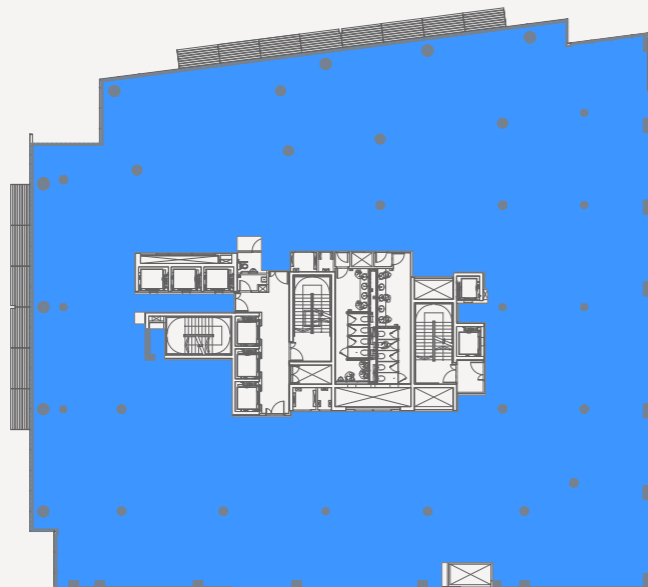
COMMERCIAL STREET



FIFTH FLOOR

WHITECHAPEL HIGH STREET

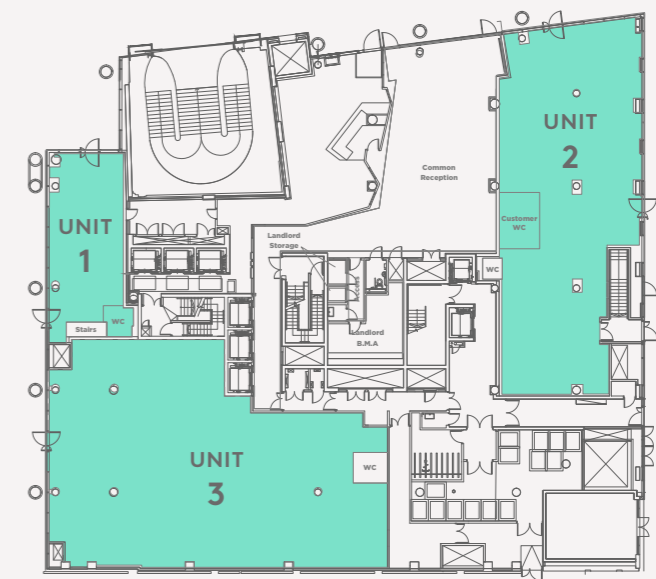
COMMERCIAL STREET



GROUND FLOOR

WHITECHAPEL HIGH STREET

COMMERCIAL STREET



TENANCY SCHEDULE

Multi-let to office, education and retail occupiers providing a topped up passing rent of £5,323,697.98 per annum, reflecting £51.98 per sq ft overall. WAULT of 2.4 years to expiries and 1.8 years to breaks on the let accommodation.

Tenant	Demise	Use	Area	Lease Start	Rent Review	Lease Break	Lease Expiry	Rent £ per sq ft	Rent £ per annum	1954 Act	Comments
Vacant	6	Office	15,815	-	-	-	-	£49.50	£782,842.50	-	24 month rental guarantee to be provided by the vendor.
LadBible Group Ltd	5 North	Office	8,280	01-Aug-23	-	-	28-Jan-26	£50.17	£415,432.48	Outside	-
Vacant	5 South	Office	7,600	-	-	-	-	£49.50	£376,200.00	-	24 month rental guarantee to be provided by the vendor.
Zayo Group UK Ltd	4	Office	15,862	22-Nov-22	-	22-Nov-25	21-Nov-27	£52.50	£832,755.00	Outside	Tenant only break option subject to 9 months' notice.
8x8 UK Limited	3	Office	15,914	22-Jun-16	-	-	21-Jun-26	£55.00	£875,215.00	Outside	-
LadBible Group Ltd	2	Office	15,897	29-Jan-16	-	-	28-Jan-26	£56.00	£890,232.00	Outside	-
General Assembly Space Limited	1	Education	14,807	29-Feb-16	-	-	28-Feb-26	£52.54	£777,893.00	Outside	Sublease to Coventry University from 1 Dec 2023 until 24 Dec 2024 at £777,893 per annum.
Vacant	G	Storage	44	-	-	-	-	£0.00	£0.00	-	-
	B		1,121	-	-	-	-			-	
Office Subtotal			95,340					£51.93	£4,957,930		
Power Leisure Bookmakers Limited (Guaranteed by Flutter Entertainment Plc)	Unit 1	Retail	770	19-Dec-23	19-Dec-28	19-Dec-28	18-Dec-33	£84.42	£65,000.00	Outside	5 yearly upwards only rent review. Tenant only break option subject to 6 months' notice.
Pret A Manger (Europe) Limited	Unit 2	Retail	2,657	23-Oct-13	23-Oct-28	-	22-Apr-32	£50.81	£135,000.00	Inside	5 yearly upwards only rent review.
Tesco Stores Limited	Unit 3	Retail	3,649	18-Nov-13	-	18-Nov-28	17-Nov-33	£46.27	£168,828.00	Inside	RPI linked 5 yearly rent reviews subject to annual cap and collar of 1% and 5%. Tenant only break option subject to 9 months' notice.
Retail Subtotal			7,076					£52.12	£368,828.00		
8X8 UK Limited	CPS	Car Parking	1	08-Nov-23	-	-	30-Nov-24	-	£4,300.00		
Car Parking Subtotal			1						£4,300.00		
Gross Passing Rent Total			102,416					£51.98	£5,323,697.98		

INCOME ANALYSIS

The property is multi-let to three office occupiers, one educational occupier and three retail tenants generating a topped up passing rent of £5,323,697.98 per annum, reflecting £51.98 per sq ft overall. WAULT of 2.4 years to expiries and 1.8 years to breaks on the let accommodation. The office and educational accommodation produces a topped-up passing rent of £4,950,570 per annum, reflecting £51.93 per sq ft overall.

RETAIL

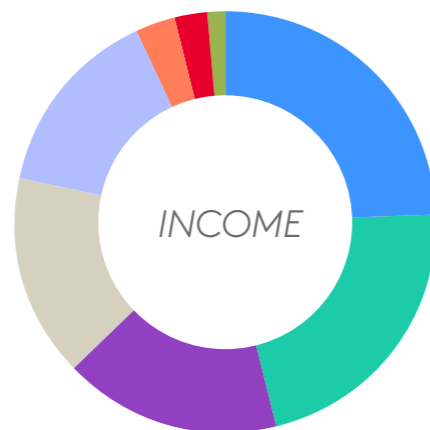
The retail accommodation is multi-let to Paddy Power Bookmakers, Pret A Manger and Tesco Express generating a total income of £368,828 per annum, reflecting £52.12 per sq ft.

Unit 1 comprises 770 sq ft of ground floor accommodation and is let to Power Leisure Bookmakers t/a Paddy Power and guaranteed by Paddy Power Plc at £65,000 per annum.

Unit 2 comprises 2,657 sq ft of ground floor accommodation and is let to Pret A Manger (Europe) Limited until 22 April 2032 at £135,000 per annum. The lease is inside the 1954 Act.

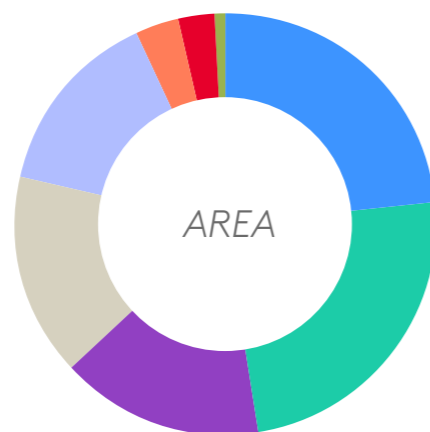
Unit 3 comprises 3,649 sq ft of ground floor accommodation and is let to Tesco Stores Limited until 17 November 2033 at £168,828 per annum. The lease is inside the 1954 Act.

INCOME PROPORTION

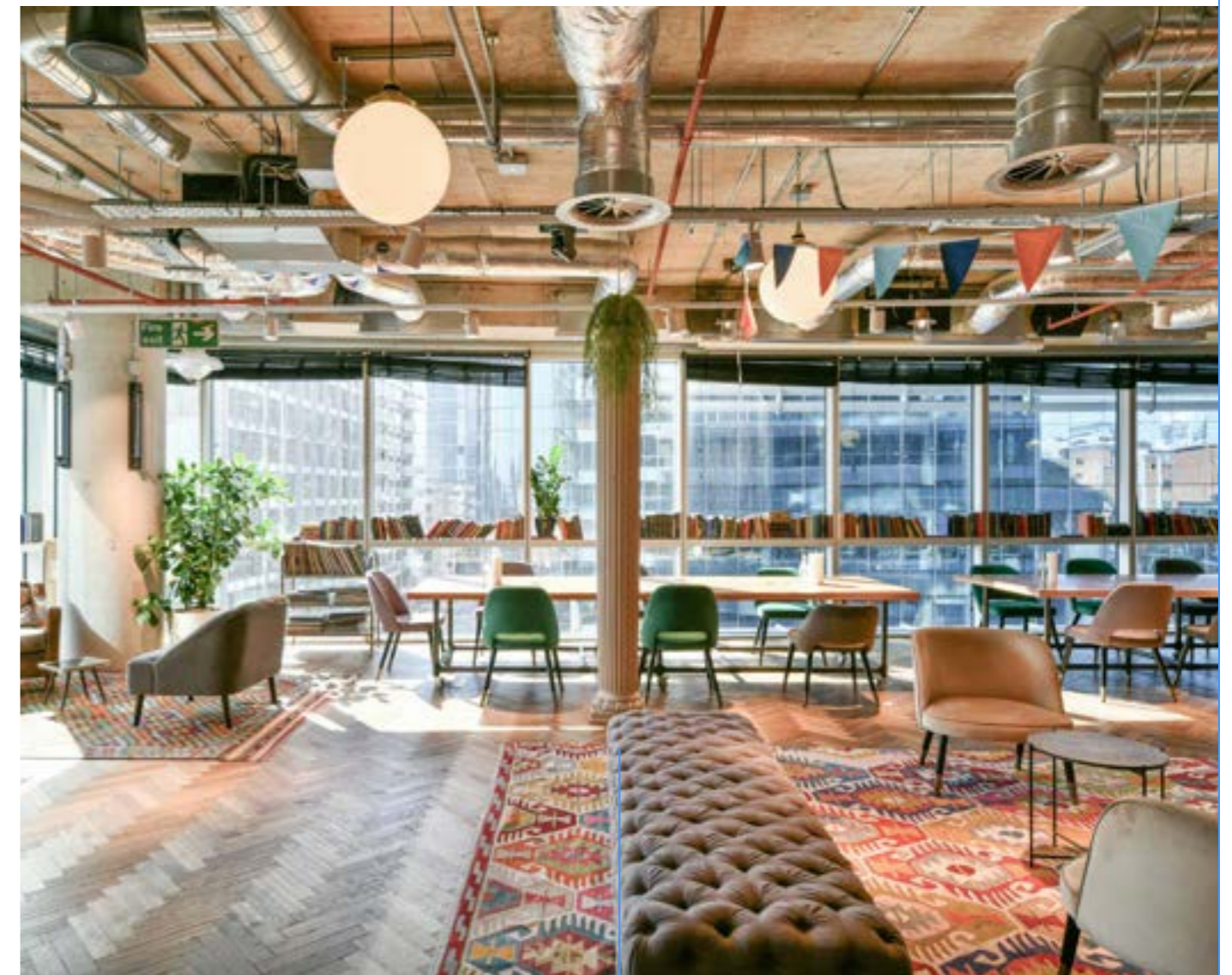


Tenant	Income
LadBible	24.53%
Vacant	21.77%
8x8 UK	16.52%
Zayo Group	15.64%
General Assembly	14.61%
Tesco Stores	3.17%
Pret A Manger	2.54%
Paddy Power	1.22%

AREA PROPORTION



Tenant	Area
LadBible	23.61%
Vacant	24.00%
8x8 UK	15.54%
Zayo Group	15.49%
General Assembly	14.46%
Tesco Stores	3.56%
Pret A Manger	2.59%
Paddy Power	0.75%



TENANT COVENANTS



24.53% OF INCOME

D&B RATING: 4A 1

Founded in 2012, LadBible is a global social publisher headquartered in Manchester with offices in London, Dublin, Sydney, Melbourne and Auckland. LBG Media PLC is listed on the FTSE 250 stock exchange. The company is a digital publisher and provides entertainment and news globally. LadBible Group operates across major social publishers including Facebook, TikTok, Snapchat, Instagram and Youtube and reaches 69 million monthly users across its five websites including LADbible, UNILAD, Tyla, SPORTbible and GAMINGbible.



16.52% OF INCOME

D&B RATING: 3A 1

Founded in 1987 and headquartered in the United States, 8x8 UK Limited offers cloud communications and contact centre solutions for businesses. 8x8's platform includes voice, video, chat, SMS, and contact centre services, and can help businesses with customer engagement, customer experience, and agent engagement.



15.64% OF INCOME

D&B RATING: 5A 2

Founded in 1999, Zayo is a leading independent provider of transmission infrastructure, including fibre and transport to international network connectivity and managed services. The company connects major markets in Europe and North America.



14.61% OF INCOME

D&B RATING: N3

As part of the Adecco Group, General Assembly provide part time and full time courses and workshops in coding, data and UX. Founded in 2011, General Assembly has trained over 100,000 alumni and helped them launch worldwide tech careers.

SUB-TENANT

Coventry University is a public research university in England, tracing its origins back to the Coventry School of Design, founded in 1843. The School gained university status in 1992. The university has a satellite campus in London and the Relay building provides study space for its post graduates.



2.54% OF INCOME

D&B RATING: 5A 2

Pret A Manger is an international café and sandwich shop chain based in the UK, originally founded in London in 1983 by Julian Metcalfe and Sinclair Beecham. The company now has shops in major cities across the UK, United States, Hong Kong, France and others.



3.17% OF INCOME

D&B RATING: 5A 2

Tesco was founded in 1919 by Jack Cohen in London and has grown into one of the largest and most well-known retail chains in the United Kingdom, primarily known for supermarkets and the provision of grocery's. Tesco Stores Limited is a subsidiary of the wider Tesco PLC.



1.22% OF INCOME

D&B RATING: 5A 2

Paddy Power (Power Leisure Bookmakers Limited) is a well-known Irish bookmaker, famous for its sports betting services, online casino games and various other gambling products. The enterprise was originally founded in 1988 and now operates under the parent company Flutter Entertainment plc (formed through the merger of Paddy Power and Betfair in 2016).



PADDY POWER GUARANTOR

Flutter Entertainment plc is an international sports betting and gambling company formed through the merger of Paddy Power and Betfair in 2016. The company is listed on the New York Stock Exchange and has a secondary listing on the London Stock Exchange. It owns brands such as Betfair, FanDuel, Paddy Power, PokerStars, Sky Betting & Gaming and Sportsbet.

THE RELAY BUILDING LONDON E1



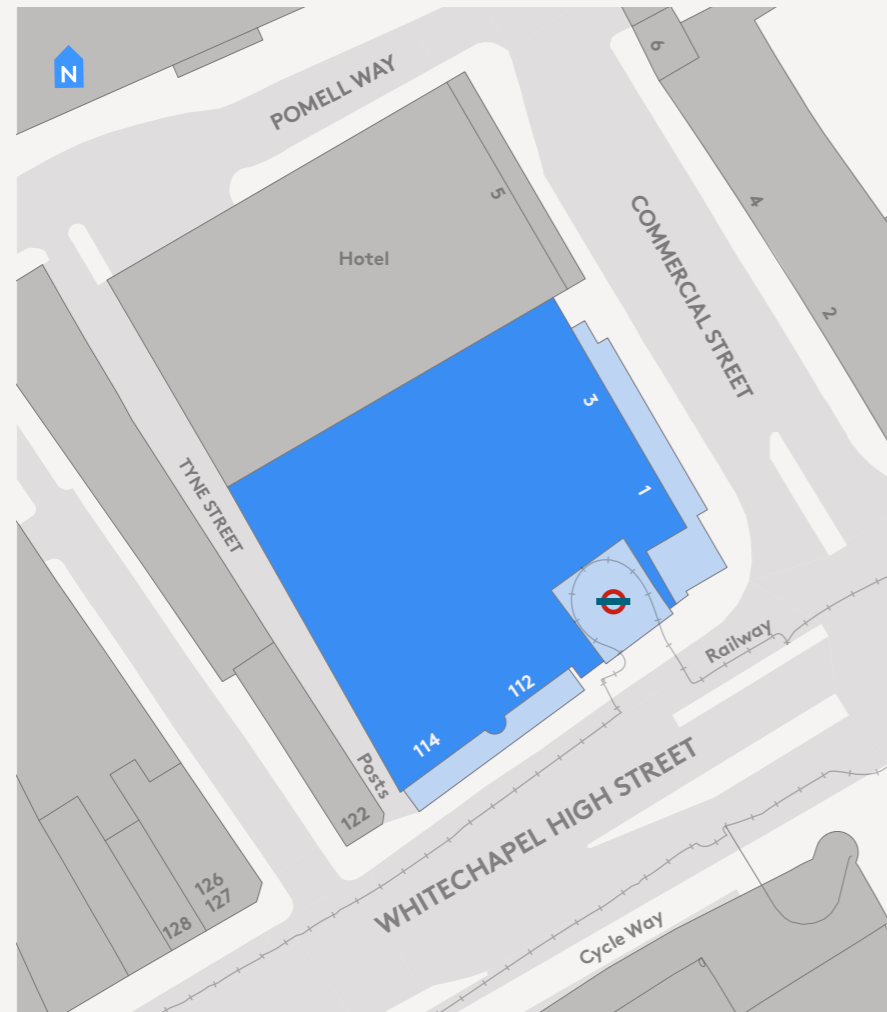
THE RELAY BUILDING LONDON E1



TENURE

The property is held majority freehold with long leasehold interests in the parts of the building above the station box and adjacent to the TfL highway on Commercial Street, the freehold of which is retained by the transport operators. The property also benefits from a long leasehold interest in a basement car park and service corridor below the adjoining property. All leasehold interests are held at a peppercorn rent.

The site area extends to 0.39 acres (0.16) hectares.



- FREEHOLD
- LEASEHOLD



ALTERNATIVE USES

PLANNING SUMMARY	
London Borough of Tower Hamlets	Located in the Central Activities Zone
Potential for change of use to flexible office/educational	Excluded from the Article 4 designation area

FLEXIBLE OFFICE AND EDUCATIONAL USE

The Relay Building benefits from education use on the first floor. We have received a positive pre-application for change of use to education on the fifth and sixth floors of the building.

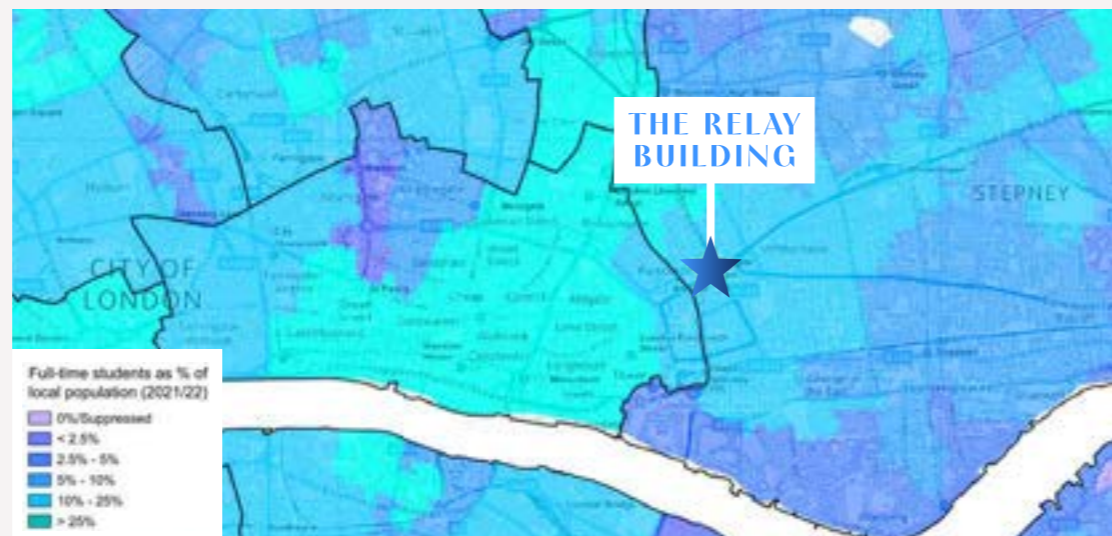
The Tower Hamlets Local Plan treats educational uses as community facilities, with policy stating that new community facilities will be directed towards the Borough's centres.

The Relay Building sits on the edge of the Whitechapel District Centre. New and enhanced community facilities will be permitted under the local plan where an up to date and robust local need can be demonstrated.

The full pre-application note is uploaded to the data room.

Tenant	DE MONTFORT UNIVERSITY LEICESTER	Northeastern University	GLOBAL UNIVERSITY SYSTEMS	confetti Institute of creative technologies	NYU	access creative college	BPP UNIVERSITY
Address	The Amp, Commercial Road, E1	1 Portsoken Street, E1	The Amp, Commercial Road, E1	The Amp, Commercial Road, E1	265 Strand, WC2	The Amp, Commercial Road, E1	1 Portsoken Street, E1
Date	Sep-24	Sep-23	Nov-23	Sep-23	Nov-22	Oct-22	Dec-21
Area	18,459 sq ft	98,1389 sq ft	37,733 sq ft	33,460 sq ft	73,000 sq ft	17,528 sq ft	126,587 sq ft
Average rent	£59.50 psf	£49.00-£54.00 psf	£56.00 psf (blended)	£40.00-£50.00 psf	Acquisition	£55.00 psf (blended)	£47.75-£54.50 psf

KEY EDUCATION OCCUPIERS WITH ACTIVE REQUIREMENTS:



PERMITTED DEVELOPMENT

The London Borough of Tower Hamlets has an Article 4 direction in place restricting the permitted development rights of designated areas within the borough. The Relay building is **not included** within this designation.

The building therefore benefits from permitted development rights under Class MA of the General Permitted Development Order (GPDO) enables the principle of converting to a residential use subject to some limited prior approval matters. Residential schemes under permitted development rights do not require affordable housing contributions, nor do they stipulate requirements for unit mix and amenity space. However, a prior approval application submission to the LPA is required. Effective from 5th March 2024, Class MA was amended to remove the 1,500 sq m floorspace cap and the requirements for the building to be vacant for at least 3 months.

The property benefits from a significant opportunity for conversion to residential uses and allows flexibility for varying different unit sizes and allows flexibility for varying different unit sizes and optimised scheme layouts. Aldgate's vibrant edge of City location make the location very attractive for residential.

We set out below a selection of recent residential sales within the area;

INDICATIVE RESIDENTIAL VALUES

Residential Scheme	Developer	Approx achieved £per sq ft
London Dock, E1	Berkley St George	£1,265
The Haydon, EC3	4C Hotel Group	£1,495
The Stage, EC2	Galliard Homes	£1,365
The Arc, EC1	Ghelamco	£1,435
250 City Road, EC1	Berkley Homes	£1,430

FURTHER INFORMATION

PLANNING

The Relay Building sits within London Borough of Tower Hamlets. The property is not listed nor is it situated in a conservation area.

LANDLORD & TENANT ACT 1987

The provisions of Section 5 under the Landlord and Tenant Act 1987 "Qualifying Leaseholders' Right of First Refusal" does not apply to this transaction. A full legal note is provided on the online data room.

EPC

The property has an EPC rating of C 59.

VAT

The property is elected for VAT. The transaction will be treated as a Transfer of Going Concern.

DATA ROOM

Access to the online data room is available upon request.

PROPOSAL

We are instructed to seek offers in excess of £45.3 million. A purchase at this level reflects a net initial yield of 11.0% and a capital value of £442 per sq ft (assuming purchaser's costs of 6.80%). Subject to contract and exclusive of VAT.



CONTACT

For further information or to arrange a viewing, please contact:

Central London Investment:

PAUL BASSI

pbassi@savills.com
+44 (0) 7779 981 370

HANNAH HESLOP

Hannah.heslop@savills.com
+44 (0) 7866 203 372

FELIX RABENECK

frabeneck@savills.com
+44 (0) 7788 871 616

LUKE WOODMANSEE

luke.woodmansee@savills.com
+44 (0) 7812 686 387

London Residential Development:

ED DE JONGE

edejonge@savills.com
+44 (0) 7807 999 190



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