

Barclays Bank PLC, 3 Admiral Way
DOXFORD INTERNATIONAL, SUNDERLAND SR3 3XR

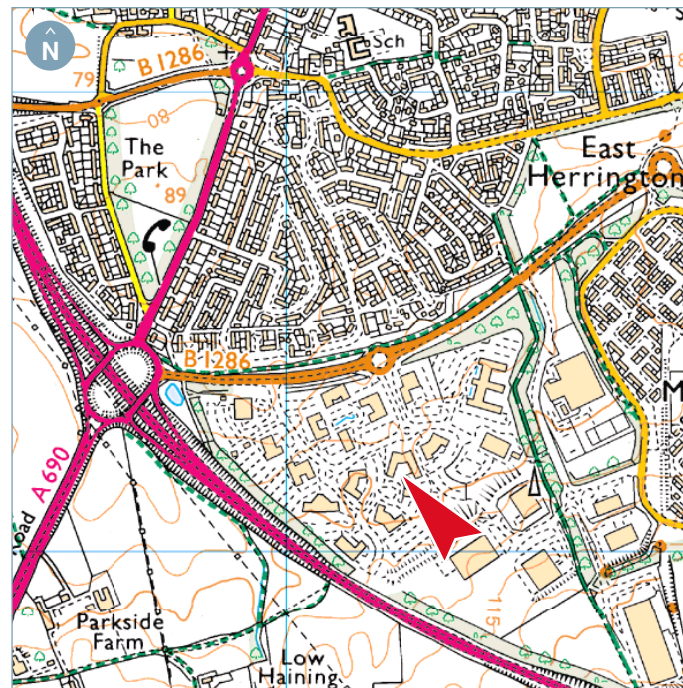
12 year income secured to Barclays Bank PLC



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Investment Considerations

- An opportunity to acquire an office building let to **Barclays Bank PLC** for an unexpired term of 12 years.
- Virtual freehold.
- Modern office building dating from 1997 arranged in two wings providing **flexible accommodation**.
- Good car parking ratio of **1:230 per sq ft**.
- **Recently re-gear** FRI lease demonstrating Barclays' commitment to the property.
- Passing rent of £702,000 per annum, equating to **low rate of £12.69 per sq ft**.
- **Large site** extending to 3.47 acres with **low site cover of 16%**.
- Offers invited in excess of **£8,565,000** which equates to an **attractive NIY of 7.75%** based on acquisition costs of 5.80%.
- Low capital value of **£153 per sq ft**.



Location

Doxford International is located at the junction of the A19 and A690, to the south west of Sunderland. The property is located close to the major urban areas of Tyne and Wear, Teesside and Durham. The park has excellent road links via the A19 and the A690 which provides direct access to the A1(M), only 7 miles to the south west. Durham is located 8 miles south west of the property and Newcastle Upon Tyne is 13 miles to the north.

The park also benefits from its proximity to both Newcastle and Teesside International Airports and from rail links via the East Coast Main Line where fast trains are available to both London and Edinburgh. The fastest journey time from Durham to London King's Cross is 2 hours 50 minutes.

Doxford International was developed from 1992 in eight phases and extends to 125 acres (51 hectares) with over 1.25 million sq ft of high specification office and industrial accommodation. The park was developed in partnership between Sunderland City Council and Goodman. It is one of the north east's most successful business and technology parks and is home to an impressive list of international occupiers, including Royal & Sun Alliance, Nike, Northern Rock, Royal Mail, Arriva, Regus, Reg Vardy, T-Mobile, EDF Energy, Teleport and Barclays Bank. Approximately 8,000 people are employed on the park.



- 1** SUBJECT PROPERTY
- 2** BARCLAYS BANK PLC
- 3** REGUS
- 4** ROYAL MAIL
- 5** SUBWAY
- 6** EDF
- 7** ARRIVA
- 8** HEWLETT PACKARD
- 9** TELEPORT
- 10** NORTHERN ROCK
- 11** MORE TH>N
- 12** RSA
- 13** UNITED UTILITIES
- 14** GENTOO
- 15** REG VARDY





Description

The property benefits from excellent prominence overlooking the main roundabout at the entrance to the park and comprises a modern purpose built brick clad steel framed office building with a pressed steel profile roof constructed in 1997 and arranged on ground and two upper floors. The accommodation is arranged in two wings with the central area containing the atrium and reception areas. The atrium has floor to eaves window panels providing excellent natural light. Access to the upper floors is via two lifts or a spiral staircase with a further two staircases at the end of each wing. The majority of the space is fitted out as open plan offices. On the ground floor there is a canteen and gym. The two separate wings allow for flexible arrangement of the floor plates and the property would be capable of division on a floor by floor basis.

Specification:

- Comfort cooling from ceiling mounted 4-pipe fan coil units.
- Raised floors.
- Suspended ceilings.
- Category II fluorescent lighting.
- Two 8 person passenger lifts.
- WC facilities to all floors, including disabled.
- 2.7m ceiling height.

Barclays operate from the property 24 hours a day and 365 days a year. Security is present at the property 24 hours a day.

Externally the site is attractively landscaped. The tenant funded and constructed an additional storage building, known as the power centre, which is located in the demised car parking area (visible on the plan and aerial photo). This single storey building houses a generator, switchgear, a volt transformer and voltage switchboard.

Based on 243 spaces, there is a car parking ratio of 1:230 sq ft.

Barclays occupy the neighbouring office building (Tyne House). The gym and canteen facilities in the subject property are available to the office workers in Tyne House. Barclays administer these two office buildings as a single site and is an established occupier on the park.

Accommodation

Description	Use	Sq Ft
Ground Floor	Offices	18,266
Ground Floor	Atrium / reception	975
First Floor	Offices	18,273
Second floor	Offices	18,307
Total		55,821

The atrium and reception area is triple-height. This reception area provides access to all ground floor areas and to the lifts and staircase serving the upper floors.

Site

The total site area is approximately 1.40 hectares (3.47 acres) providing a low site cover of approximately 16%.

Tenure

Long leasehold title for 999 years, less three days, from 4 April 1996 at a peppercorn rent.

Tenancy

The property is currently let to Barclays Bank PLC on a 15 year lease from 18 March 1998 expiring on 17 March 2013 at a passing rent of £702,000 per annum.

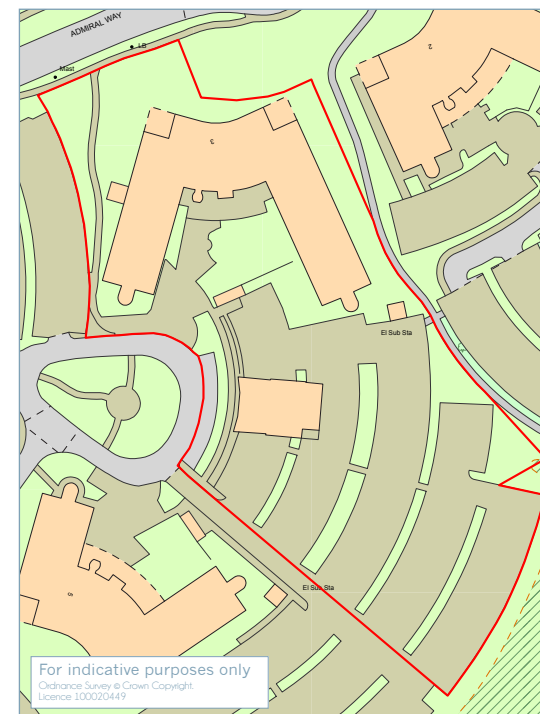
A new reversionary lease has been entered into for a term of 10 years from 18 March 2013 **expiring 17 March 2023**, subject to upwards only rent reviews at the commencement date of the reversionary lease and on 18 March 2018.

Adopting a half rate on the reception area, the passing rent equates to £12.69 per sq ft.

The current rent has recently been agreed with the tenant as part of a lease re-gear and we are therefore of the opinion that the passing rent is rack rented.

An estate service charge is payable and is fully recoverable from the tenant.

Tenant	Lease start	Lease expiry	Break	Rent review	Rent pa
Barclays Bank PLC	18/03/98	17/03/23	None	18/03/13 18/03/18	£702,000





Covenant Information

Barclays has a current market capitalisation of approximately £36 billion and is ranked 15th in the FTSE 100.

A summary of the last 4 years' accounts are set out below:

	FYE 31/12/2010*	FYE 31/12/2009	FYE 31/12/2008	FYE 31/12/2007
Pre-tax profit	£6,079,000,000	£4,559,000,000	£6,035,000,000	£7,107,000,000
Shareholders' funds	£59,174,000,000	£55,925,000,000	£41,202,000,000	£29,872,000,000
Total assets	£1,490,038,000,000	£1,379,148,000,000	£2,053,029,000,000	£1,227,583,000,000

* Preliminary results for 2010

D&B rate the tenant as 5A1.

Barclays Bank PLC is one of the largest employers within the north east with approximately 1600 employees in the Sunderland area. We have been informed by the tenant that they are currently recruiting personnel for this office building which confirms the tenant's entrenchment within the local area.

VAT

The property has been elected for VAT purposes and therefore VAT will be applicable to the sale. We envisage that a purchase will be dealt with as a TOGC.

Proposal

Offers are invited in excess of the quoting terms of **£8,565,000** (eight million five hundred and sixty five thousand pounds) for the long leasehold interest, exclusive of VAT and subject to contract.

A purchase at this level would reflect an **attractive net initial yield of 7.75%** having deducted purchaser's costs of 5.80%. The quoting price equates to a capital value of **£153 per sq ft**.

CLUTTONS

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