8-20

POCOCK STREET

LONDON, SE1

HIGH YIELDING OFFICE INVESTMENT OPPORTUNITY FOR SALE

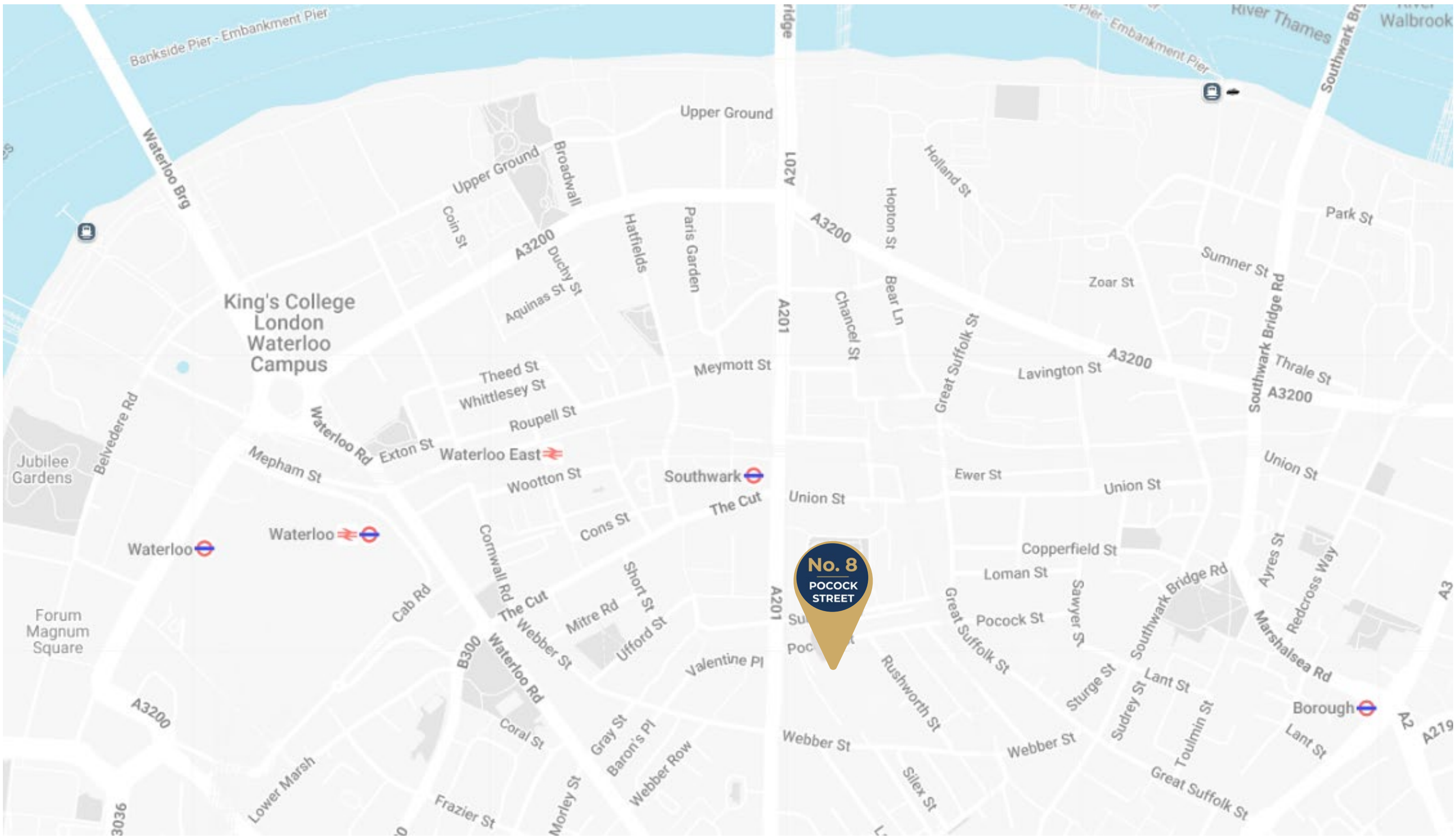
GROUND FLOOR ENTRANCE AND RECEPTION AREA

INVESTMENT SUMMARY

- 8-20 Pocock Street provides a unique opportunity to acquire a ground and first floor office investment in one of **London's fastest growing and diverse submarkets.**
- Prime South Bank location, positioned on the south side of Pocock Street, close to the junction of Blackfriars Road.
- Located within **200 metres of Southwark Station** and accessible via **London Waterloo and Borough Station.**
- Modern, open plan offices providing circa 13,759 sq ft (1,279 sq m) of accommodation arranged over ground and first floor.
- The ground floor underwent a comprehensive refurbishment in 2023, to provide circa 6,217 sq ft (577 sq m) of modern fitted office space with contemporary exposed services and dedicated, step free access from the street.
- The property is let to two tenants, The Secretary of State for Communities & Local Government over part ground and first floors and to VF Services Ltd on the ground floor producing a net income of **£672,407.50 pa (£48.87 psf).**
- Excellent high yielding asset with future rental growth prospects and asset management opportunities.
- Held on a **Long Leasehold from Sanctuary Housing Association** for a term of 150 years from 2nd November 2001 at a peppercorn ground rent, providing approximately 125 years to lease expiry.

Offers are invited in the region of **£7,000,000** for the Long Leasehold interest, subject to contract and exclusive of VAT. An asset purchase at this level reflects an attractive NIY of **9.00%** and a low capital value of **£509 psf**.

8-20 Pocock Street is conveniently situated within a two-minute walk of Southwark Street Underground Station (Jubilee Line)



LOCATION

8-20 Pocock Street benefits from exceptional connectivity being within walking distance of five underground stations and three mainline stations, as well as a number of major bus routes and arterial roads. The property is situated within 200m of Southwark Underground Station providing access to the Jubilee Line, only 6 minutes to Bond Street Station, in London Mayfair.

TENANCY

The property has been measured by Plan London in accordance with the RICS Code of Measuring Practice (6th edition).

The accommodation comprises the following areas:

FLOOR	TENANT	SIZE (SQFT)	SIZE (SQM)	LEASE START	REVIEW	BREAK	EXPIRY	RENT (PSF)	RENT (PA)	COMMENTS
Part Ground & First Floor	The Secretary of State for Communities & Local Government	7,542	700	22/03/2017	-	-	24/03/2027	£50.00	£377,100	Outside '54 Act.. Operates as a hearing center collecting evidence for legal cases, and was bespoke fitted around 2017. Should the tenant vacate they are required to re-instate to grade A office space.
Ground Floor	VF Services Limited	6,217	578	15/01/2025	-	14/01/2028 (tenant)	14/01/2030	£47.50	£295,307.50	Recently fully refurbished. Outside '54 Act. Tenant entitled to three months rent free if lease break not served
Total		**13,759**	**1,278**					**£48.87**	**£672,407.50**	

TENANT INFORMATION

VF Services (UK) Limited is a European subsidiary of VF Worldwide Holdings Limited. The Company started operations in 2007 in the UK when it was awarded a contract with the Embassy of Belgium to carry out visa processing and administrative support services. Between 2008 and 2022 the company had the privilege to be awarded and to retain contracts with the Embassies and Consulates in the UK including: India, Italy, Sweden, Denmark, Hungary, Austria, Canada, Norway, Greece, Germany, Portugal and Netherlands, Philippines Passport, Bulgaria, Lithuania Biometric and Iceland. In 2023, the company was awarded contract with Singapore and Saudi Arabia and there are some projects in pipeline. The company now handles visa processing and administrative support for 30 embassies in the UK.

The company has branches in France, Belgium, Switzerland, Netherlands and Austria. In addition to this, the company has subsidiaries in Portugal, Lithuania, Greece, Czech Republic, Denmark, Romania, Poland, Germany, Nigeria, Kosovo, Estonia, Bulgaria, Spain, Latvia, South Africa and Ireland.

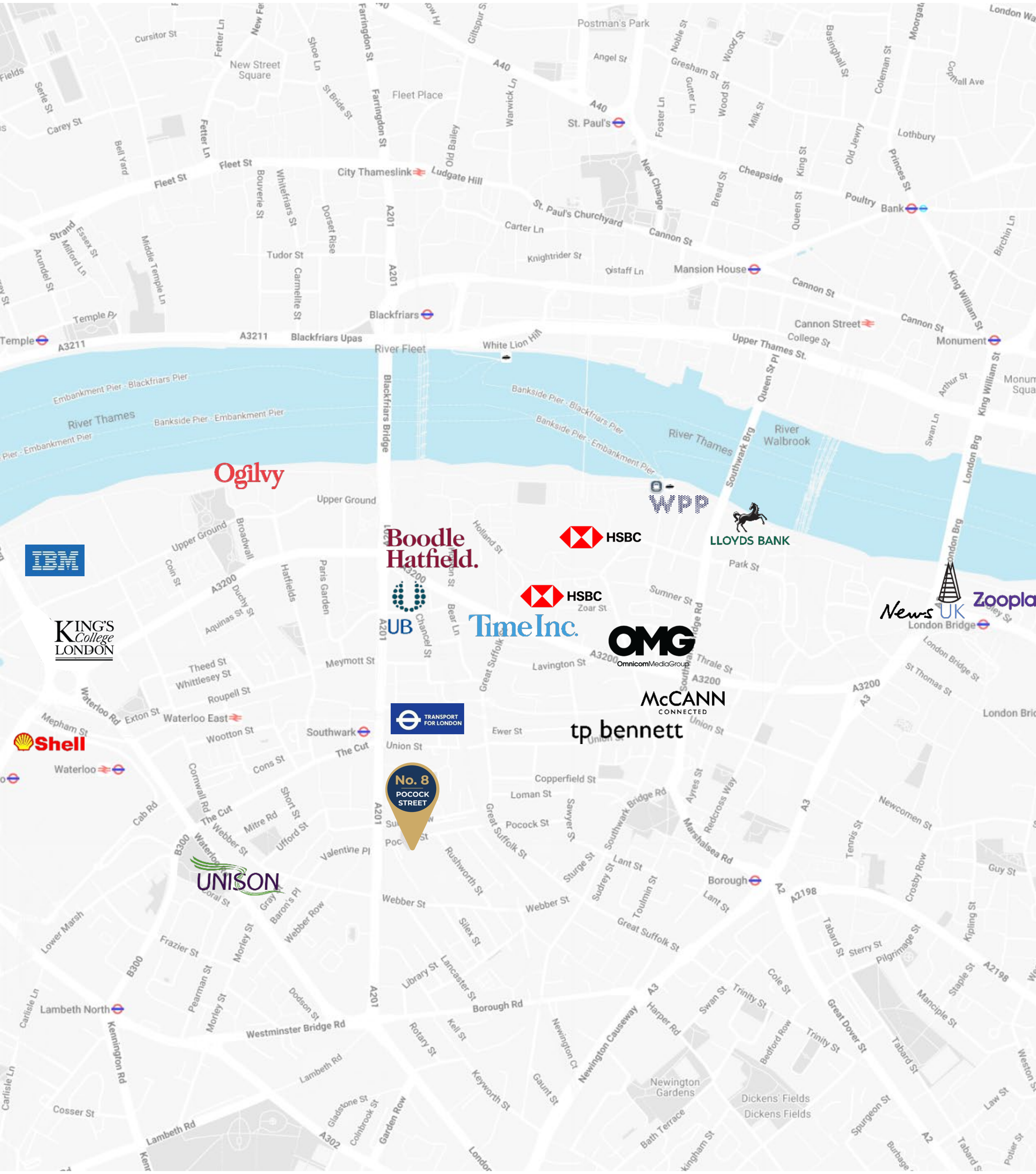
The company also retained contracts granted by the Embassies of India for the United Kingdom, France, Switzerland, Netherlands and Belgium awarded in previous years. The company operates on behalf of Embassies of Canada in Austria, France, Ireland, Greece, Spain and Netherlands and has recently extended to Portugal. Plan to extend this to Bulgaria and Belgium in on the pipeline.

Revenue for the financial year in 2023 increased by 23% to GBP 19.8 million (2022: GBP 16.1 million), operating profit has increased to GBP 1.31 million (2021: GBP 0.95 million). Carrying on from the efforts undertaken in 2023, VFS has continued its focus in revenue enhancement, cost saving and liquidity actions throughout 2023.

The company holds a Creditsafe Rating of **A78** indicating that the business is classed as **Very Low Risk**.

The Secretary of State for Communities & Local Government occupy the part ground and first floor. This is a government backed occupier, who operate a legal hearing centre, collecting and hearing evidence in preparation for court proceedings. Their demise is bespoke fitted as a hearing centre, to include sound-proof rooms and additional WCs. They have occupied these premises since 2000, and fully re-fitted the premises in 2017, and more recently applied to undertake additional work to the M&E. In the event the tenant vacates, the lease stipulates that the property must be re-instated to Grade A offices.

LOCAL OCCUPIERS

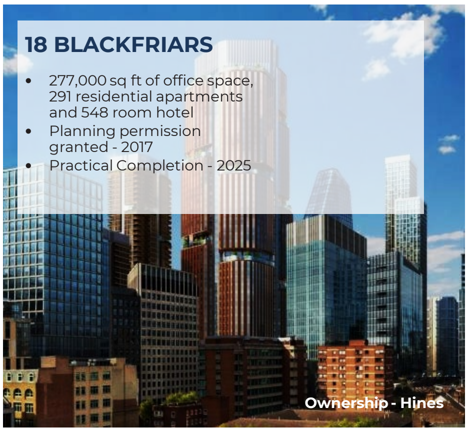


LOCAL DEVELOPMENTS

ITV STUDIOS

- 525,000 sq ft of offices and television studios and 213 residential units
- Planning permission granted - 2024
- Practical Completion – TBC

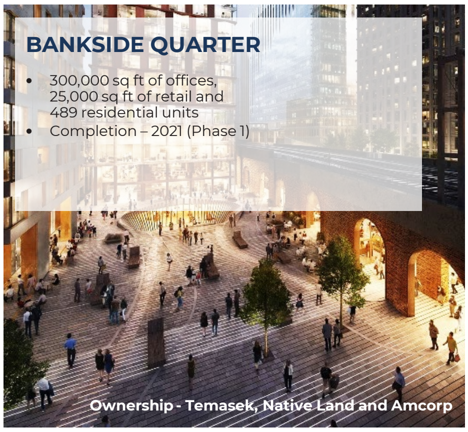
Ownership - Mitsibushi Estate



18 BLACKFRIARS

- 277,000 sq ft of office space, 291 residential apartments and 548 room hotel
- Planning permission granted - 2017
- Practical Completion - 2025

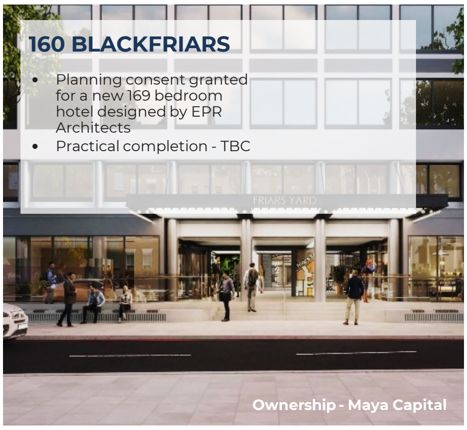
Ownership - Hines



BANKSIDE QUARTER

- 300,000 sq ft of offices, 25,000 sq ft of retail and 489 residential units
- Completion – 2021 (Phase 1)

Ownership - Temasek, Native Land and Amcorp



160 BLACKFRIARS

- Planning consent granted for a new 169 bedroom hotel designed by EPR Architects
- Practical completion - TBC

Ownership - Maya Capital

125 LAVINGTON STREET

- Mixed use scheme or comprehensive refurbishment
- Vacant possession – 2019

Ownership - Landsec

"ROOTS IN THE SKY"

- Formerly Blackfriars Crown Court
- Planning granted for 280,000 sq ft of offices
- Practical Completion – 2027

Ownership - Fabrix Capital

TRIPTYCH

- Completed in October 2021
- The project includes two residential towers and a leased office building

Ownership - JTRE

THE FORGE, BANKSIDE

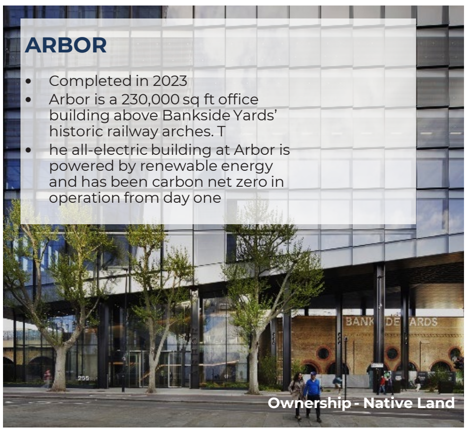
- Completed in Jan 2023
- The Forge offers 91,078 sq ft of Grade A office space between two new-build net-zero commercial office buildings

Ownership - Landsec

ROSE COURT

- Extensive refurbishment completed in 2021 providing a refurbishment and extension of an existing commercial building

Ownership - M&G



ARBOR

- Completed in 2023
- Arbor is a 230,000 sq ft office building above Bankside Yards' historic railway arches. T
- he all-electric building at Arbor is powered by renewable energy and has been carbon net zero in operation from day one

Ownership - Native Land

THE TIDE

- Practical completion in 2024, the new 12-storey, 148,486 sq ft building will provide 131,900 sq. ft of office space, 12,900 sq. ft of affordable workspace, and a further 1,500 sq. ft of retail space

Ownership - Barings

22-24 SOUTHWARK BRIDGE ROAD

- Redevelopment plans to replace outdated buildings with a modern, mixed-use commercial space. This involves demolishing building 24 and partially demolishing building 22 to create a single, sustainable office building.

Ownership - Lands

DESCRIPTION & SPECIFICATION

8-20 Pocock Street comprises 13,759 sq. ft of office accommodation arranged over the ground and first floor of an 8-storey building completed in 2000. Above the first floor, the property is held under a separate title and is used as residential accommodation, owned by the freeholder Legal & General.

The office specification includes the following:

- Both floors benefit from their own dedicated step free entrances at street level
- A mixture of exposed services and suspended ceilings
- Full access raised floors
- Disabled access lift
- Male, female and disabled WCs on each floor
- Air conditioning
- Shower and cycle storage facilities

The first floor underwent full comprehensive tenant refurbishment works in 2017, at lease renewal. The ground floor also underwent full landlord refurbishment in 2023, to include new air-conditioning, lighting, meeting rooms, bike store, WCs and showers.

TENURE

The property is held by way of a long leasehold interest, under title number TGL195726, from 2nd November 2001 for 150 years, at a peppercorn rent, with approximately 125 years to lease expiry.

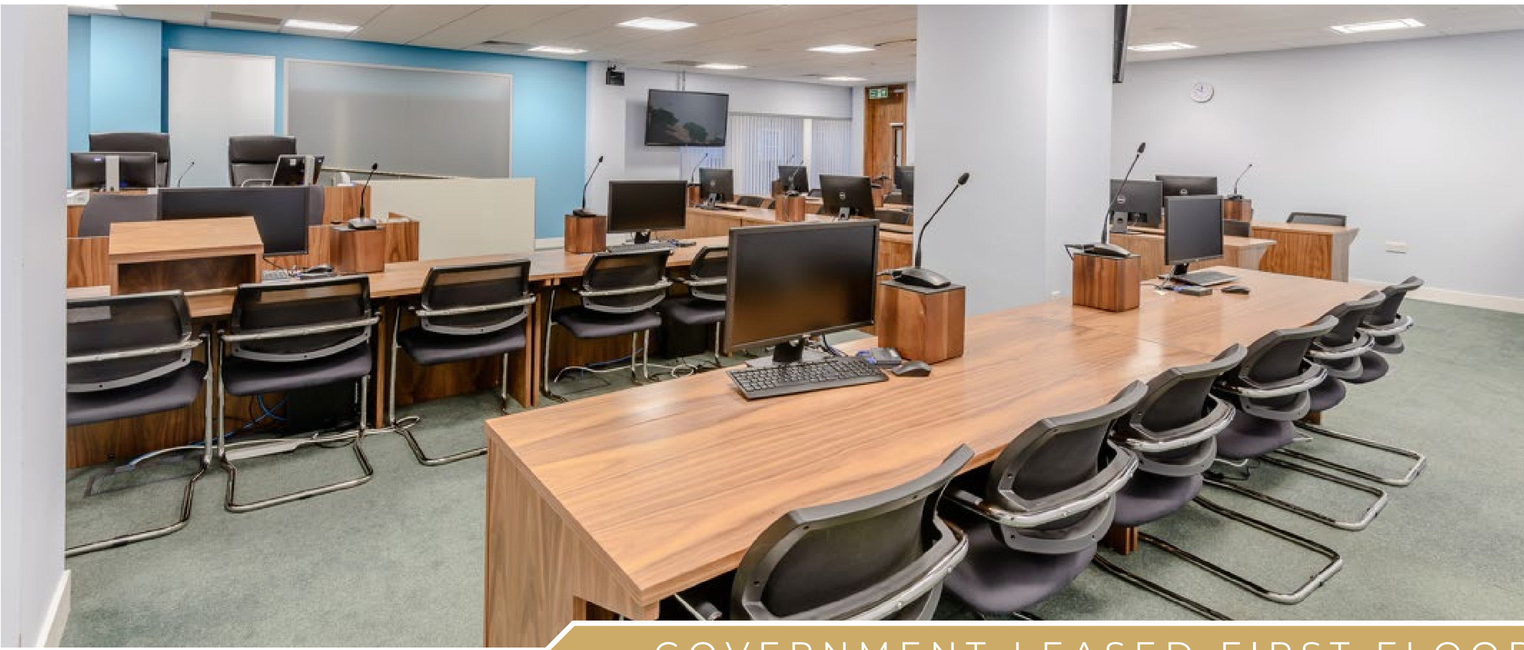
The property occupies a site of approximately 0.18 acres (0.07 hectares).

The Freehold of the property is owned by Legal & General, who granted an overriding lease to Sanctuary Housing Association (SHA). SHA are therefore the immediate Landlord.

The lease allows the Landlord (SHA) to buy back the ground and first floors, between September and December 2030. In our view this right is highly unlikely to be exercised, but in the event it is the terms of the buy-back are considered highly favourable to the leaseholder. Further details can be provided upon request.

NEWLY REFURBISHED GROUND FLOOR

- Self-contained entrance
- New M&E
- Excellent natural light
- Raised floors
- Newly refurbished part fitted floor
- Cycle racks & showers



GOVERNMENT LEASED FIRST FLOOR

FLOORPLANS

REFURBISHED GROUND FLOOR

GOVERNMENT-LET GROUND & FIRST FLOORS

LEASING COMPARABLES

ADDRESS	AREA (SQ. FT)	TENANT	DATE	TERM	RENT (£PSF)	RENT (£PA)
Union House, 182-194 Union Street, SE1	6,405	Tangle Teezer Limited	Jun-24	5 years	£74.50	£429,135
Union House, 182-194 Union Street, SE1	4,902	Confidential	May-24	5 years	£74.00	£328,434
Southworks, 14-21 Rushworth Street, SE1	5,159	Attensi Limited	Sep-23	5 years	£72.50	£374,028
9 Marshalsea Road, SE1	1,943	Ivy Rock Partners	Aug-24	5 years	£70.00	£136,010
230 Blackfriars, SE1	7,268	Instant Offices	Aug-24	10 years	£52.50	£381,570
230 Blackfriars, SE1	7,296	Hello Limited	Jun-24	n/a	£57.50	£419,520

INVESTMENT TRANSACTIONS

BLACK SWAN YARD, SE1

November 2024

£5,700,000/£507 per sq. ft.

11,137 sq. ft. Acquired by Store Properties.

The office was comprehensively refurbished in 2013 and benefits from open plan floorplates as access to terraces. The property was sold with vacant possession. EPC C and BREEAM 'Very Good'. Freehold.

59.5 SOUTHWARK STREET, SE1

October 2024

£13,500,000/£487 per sq. ft.

27,745 sq. ft. Acquired by TP Bennett.

The office was sold with vacant possession and was acquired on the basis of a full refurbishment prior to owner occupation by TP Bennett.. Freehold.

8 HOLYROOD STREET, SE1

November 2024

£7,900,000/£561 per sq. ft.

14,094 sq. ft. Acquired by Southwark Council.

Short income profile with leisure on the ground floor with offices above that are un- refurbished. Southwark Council acquired the site as part of a wider site assembly to undertake a total redevelopment for residential/Student/Hotel uses in the long term..

BRAMAH HOUSE, SE1

May 2023

£14,000,000/£891 per sq. ft./5.9% NIY 15,714 sq. ft. Acquired by GPE

Acquired by GPE to own and occupy with their own flexible office product. GPE own the asset opposite and would use this building as overflow for the existing office, quasi-special purchaser.

16-18 MONUMENT STREET, EC3

December 2024

£15,000,000/£653 per sq. ft.

22,951 sq. ft. Acquired by Owner Occupier

The asset is a vacant office building in need of significant refurbishment.

GOAT YARD, SE1

On the Market

£23,500,000/£789 per sq. ft./ 7.00% NIY.

29,748 sq. ft. Fully let at c.£60 per sq. ft.

Freehold.

FURTHER INFORMATION

EPC

The ground floor has an EPC rating of B45, and the first floor has an EPC rating of B42.

TENURE

8-20 Pocock Street is held by way of a long leasehold interest, under title number TG195726 from 2nd November 2001 for 150 years at a peppercorn rent.

PLANNING

The property lies within the London Borough of Southwark and is not listed.

VAT

Elected for VAT. It is anticipated that the sale will be structured as a TOGC.

PROPOSAL

Offers are invited in the region of **£7,000,000** for the Long Leasehold interest, subject to contract and exclusive of VAT. An asset purchase at this level reflects an attractive NIY of **9.00%** and a low capital value of **£509 psf**.

For more information or to arrange a viewing:

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SEPTEMBER 2025

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2. Identification and verification of ultimate beneficial owners.
3. Satisfactory proof of the source of funds for the Buyers / funders / lessee.

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