

LONDON E14

# 3 HARBOUR EXCHANGE

INVESTMENT OPPORTUNITY

A PRIME LONG LEASEHOLD  
INVESTMENT OPPORTUNITY  
POSITIONED ON HARBOUR  
EXCHANGE SQUARE

HARBOUR EXCHANGE



# EXECUTIVE SUMMARY

Existing office building of **90,814 sq ft (NIA)**  
covering 10 floors

Extensive car-parking area for 107 cars

Situated in South Quay just south of Canary Wharf  
in an area undergoing significant transformation

Adjacent to South Quay DLR

An additional new pedestrian bridge into  
Canary Wharf planned for 2025

The building is situated in a Designated  
Tall Building Zone surrounded by numerous new  
and proposed tall tower developments

Excellent potential for redevelopment, conversion  
or retro-fit (subject to all necessary consents)

Full vacant possession capable during 2025

Being sold with an income of **£2,360,384 pa**  
(averaging £26 per sq ft on the current let area)

Long-leasehold interest being sold with  
**163 years remaining**

Quoting price of **£22,000,000** equating to a **10.54% NIY**  
(assuming purchasers costs equivalent to 1.8% of  
the purchase price)

A sale at this level would equate to the equivalent  
to a very low capital value of **£242 per sq ft**



 Crossharbour

 South Quay

  Canary Wharf

 Canary Wharf

**3 HARBOUR EXCHANGE**

Harbour Exchange Square

Crossrail Place

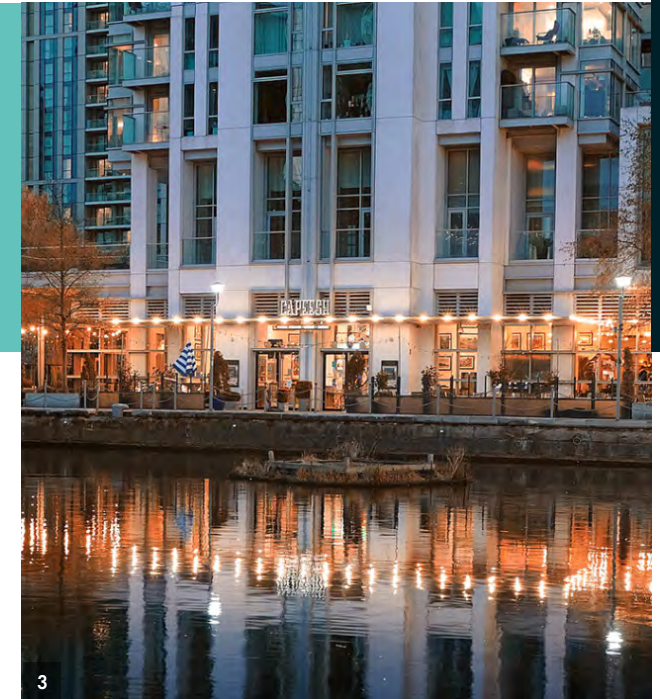
3 HARBOUR EXCHANGE

# SOUTH QUAY

Harbour Exchange is a unique Central London estate located in Docklands' South Quay, surrounded by vibrant local amenities, further enhanced by its proximity to the Canary Wharf Estate.

Originally developed as a major office hub, much of the surrounding area is being redeveloped as state of the art residential, including Berkeley's South Quay Plaza and Galliard's Millharbour Village.

The building is part of the Harbour Exchange Estate, which comprises ten self-contained buildings on a 7-acre landscaped site. The estate provides piazza style space with access to an extended water frontage with stunning views of Canary Wharf.



3 HARBOUR EXCHANGE



**3 Harbour Exchange is situated in a prominent position overlooking Marsh Wall to the north and Limeharbour to the east.**

To the north of the Harbour Exchange Estate is Canary Wharf's Wood Wharf. The master plan, designed by Allies and Morrison Architects, creates a strong and complementary mix of uses, including residential, phased office space, 550,000 sq ft of shops, restaurants and community uses.

- 1. Goodman, South Quay
- 2. South Quay
- 3. Capeesh, South Quay
- 4. Harbour Exchange Square
- 5. Harbour Exchange Square

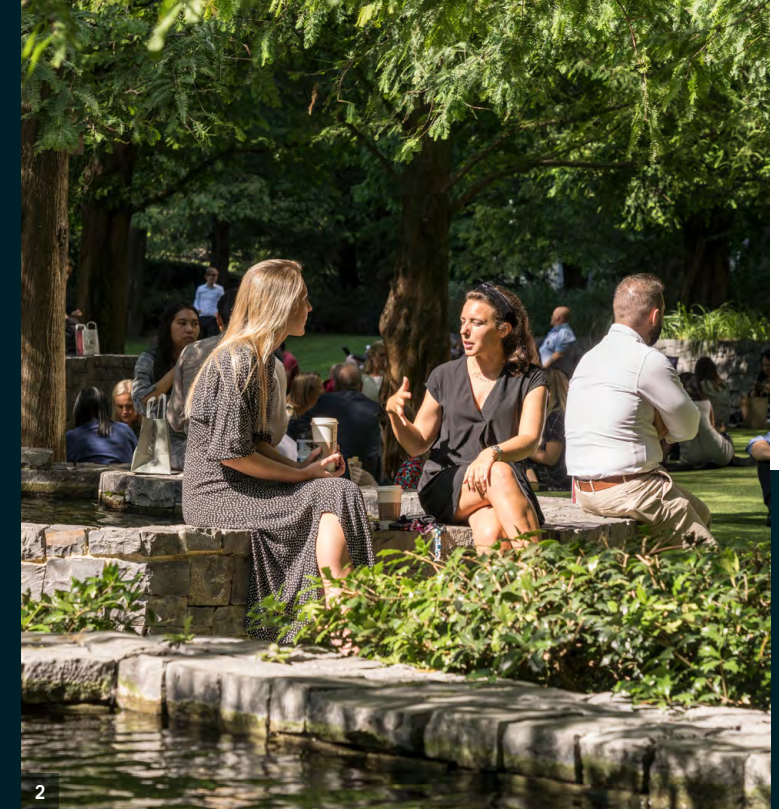
# CANARY WHARF

Canary Wharf has a working population of approximately 120,000 people and a further 150,000 people living within a 1-mile radius.

It is one of London's premier business districts, attracting a diverse tenant base from all sectors, and evolving into an established location for health and life sciences.

The area offers a wide range of lifestyle activities, over 300 shops, cafés, bars and restaurants. There is a growing residential sector with 2,368 apartments complete and a further 3,500 + in the pipeline.

Canary Wharf Group is one of the largest sustainable developers. With over 16.5 acres of parks and waterside gardens across the Estate, a partnership with the Eden Project has seen it establish a blueprint for urban spaces.



3 HARBOUR EXCHANGE



- 1. The Alchemist
- 2. Jubilee Park
- 3. Dishoom
- 4. The Grandstand
- 5. Canada Place



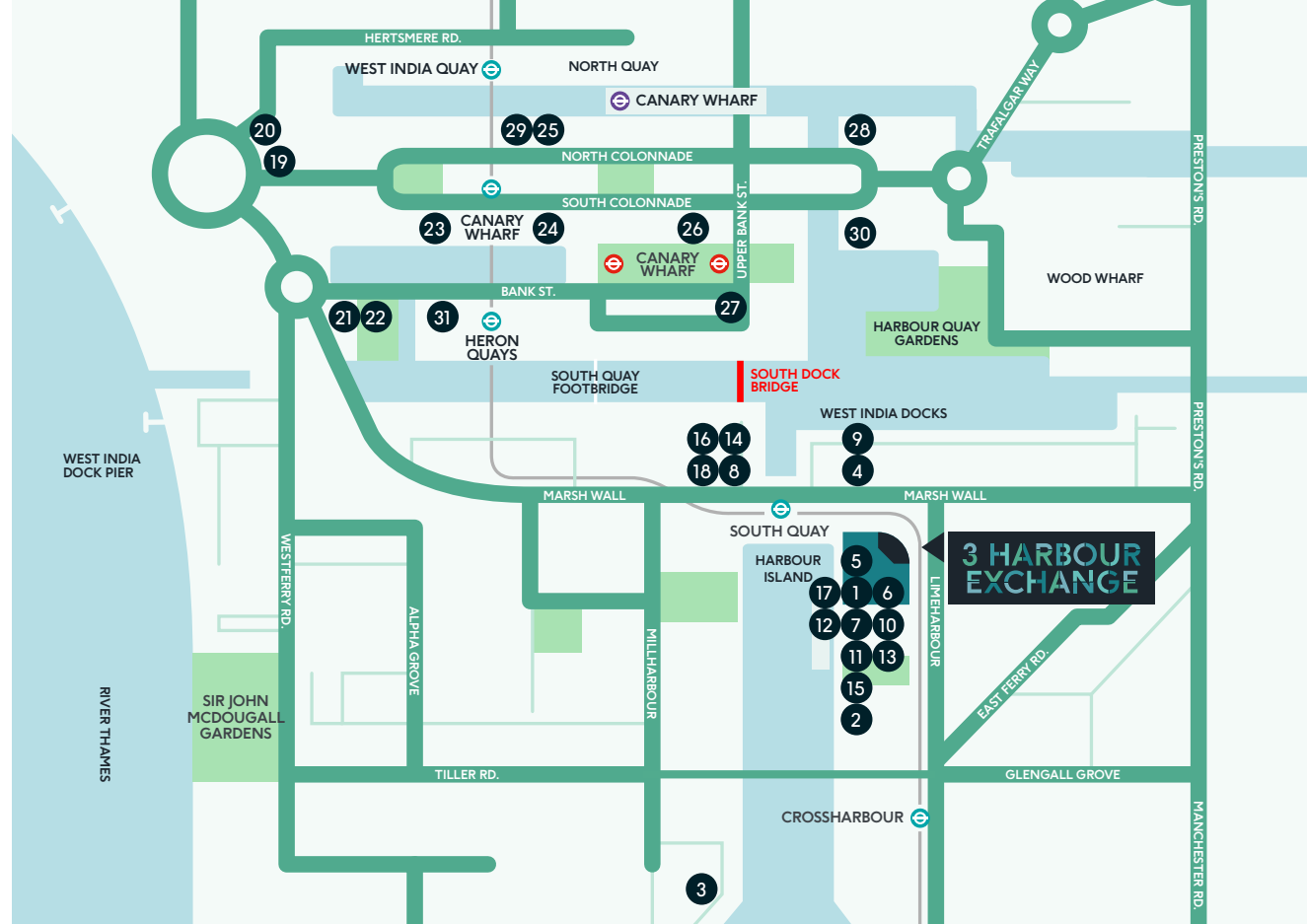
# SITUATION

Situated in a prime South Quay location surrounded by major corporates in a range of sectors including finance, tech and education.

South Quay bridge will link new development at South Quay with Canary Wharf and Wood Wharf. It will be designed to accommodate projected pedestrian flows well into the future. It will shorten walking times to the Elizabeth line station and other public transport links, as well as improving access to jobs, retail and other services at Canary Wharf.



South Dock Bridge CGI



3 HARBOUR EXCHANGE

## LOCAL OCCUPIERS

- |                                           |                                         |                      |                    |
|-------------------------------------------|-----------------------------------------|----------------------|--------------------|
| 1. Financial Ombudsman Services           | 8. ISS Group                            | 15. HMM              | 24. TOG            |
| 2. Equinix                                | 9. Lyca Mobile                          | 16. Forsters         | 25. BP             |
| 3. Telstra Global                         | 10. China Telecom                       | 17. Kidd Rapinet     | 26. CITI           |
| 4. Broadbridge Financial Solutions        | 11. SP Jain London School of Management | 18. Havin Bank       | 27. Deutsche Bank  |
| 5. University of Sunderland London Campus | 12. Bancroft Ltd                        | 19. Revolut          | 28. Barclays       |
| 6. Elizabeth School                       | 13. JTC                                 | 20. IFRS             | 29. ANZ            |
| 7. QBE                                    | 14. Guinness World Records              | 21. Societe Generale | 30. EY             |
|                                           |                                         | 22. European Bank    | 31. Morgan Stanley |
|                                           |                                         | 23. HM Government    |                    |

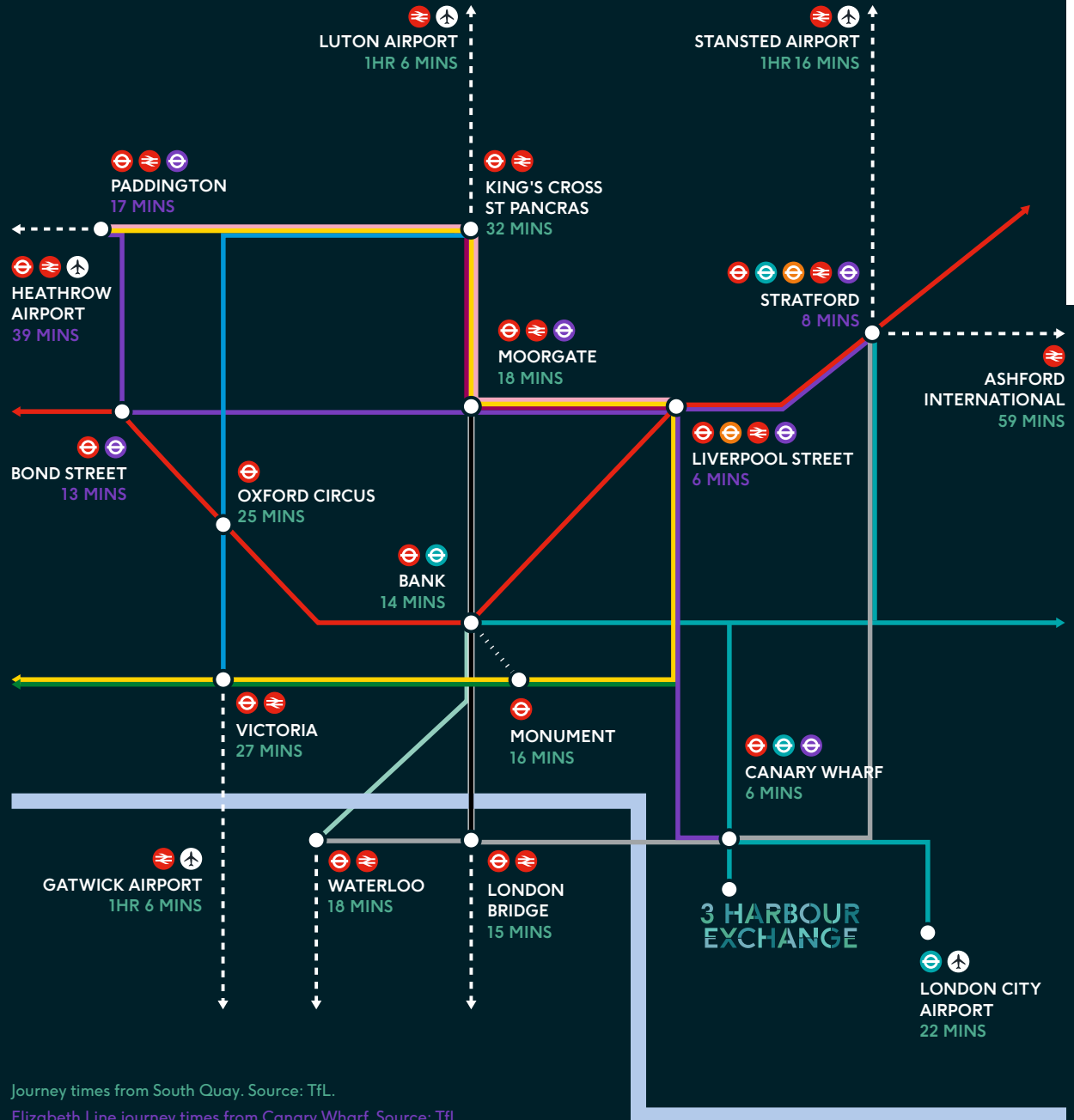
# CONNECTIVITY

Communications to Harbour Exchange are excellent with easy access to London's efficient and rapidly expanding public transport network.

The introduction of the Elizabeth Line has further enhanced connectivity to Canary Wharf, greatly improving journey times through London and providing access to Heathrow Airport in just 39 minutes.



South Quay station



Journey times from South Quay. Source: TfL.

Elizabeth Line journey times from Canary Wharf. Source: TfL.

# LOCAL DEVELOPMENTS

The South Quay area is going through a significant transformation with numerous completed or proposed tall tower developments covering a wide range of uses including residential, student accommodation, hotels, serviced apartments and co-living.



**LANDMARK PINNACLE** E14 9AB

**Description:** 76 storey  
700 apartments

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**Developer:** Chalgrove Properties Ltd

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**Architect:** Squire and Partners

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**Status:** Completed



**30 MARSH WALL** E14 9TP

**Description:** 47 storey  
1,069 student apartments

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**Developer:** Tide Construction

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**Architect:** EPR Architects

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**Status:** Under construction



**40 MARSH WALL** E14 9TP

**Description:** 38 storey  
305 room hotel

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**Developer:** Accor UK

---

**Architect:** BUJ Architects

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**Status:** Completed



**54 MARSH WALL** E14 9TP

**Description:** 41 storey  
216 apartments

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**Developer:** Daejan Holdings

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**Architect:** Rolfe Judd

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**Status:** Under construction



**WARDIAN** E14 9AB

**Description:** 55 storey  
767 apartments

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**Developer:** Ballymore Group

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**Architect:** Howells Architects

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**Status:** Completed



**56-58 MARSH WALL** E14 9TP

**Description:** 46 storey  
795 co-living studios

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**Developer:** Olympian Homes Ltd

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**Architect:** Rio Architects

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**Status:** Planning consented



**CUBA STREET** E14 8LB

**Description:** 52-storey  
421 apartments

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**Developer:** Ballymore Group

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**Architect:** Morris + Company

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**Status:** Planning consented



**CONSORT PLACE** E14 9TP

**Description:** 65 storey  
509 apartments & Hotel

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**Developer:** Far East Consortium

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**Architect:** Pilbrow and Partners

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**Status:** Under construction



**ENSIGN HOUSE** E14 9XQ

**Description:** 56 storey  
500 apartments

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**Developer:** Far East Consortium

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**Architect:** Maccreehan Lavington

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**Status:** Planning consented



**QUAY HOUSE** E14 9XG

**Description:** 40 storey  
400 room hotel  
279 apartments

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**Developer:** Rockwell

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**Architect:** Simpson Haugh

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**Status:** Planning consented



**PAN PENINSULA** E14 9HA

**Description:** 50 storey  
752 apartments

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**Developer:** Ballymore Group

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**Architect:** Skidmore, Owings & Merrill

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**Status:** Completed



**SOUTH QUAY PLAZA** E14 9SW

**Description:** 68 storey  
888 apartments

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**Developer:** Berkeley Group

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**Architect:** Foster + Partners

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**Status:** Under construction/  
completed



**MILLHARBOUR VILLAGE** E14 9FZ

**Description:** 1,500 homes, a school,  
commercial space & park

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**Developer:** Ballymore Group

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**Architect:** Howells Architects

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**Status:** Planning consented



A PRIME ASSET AMONGST  
PRESTIGIOUS CORPORATES  
AND VIBRANT AMENITIES.



# THE BUILDING

The Harbour Exchange Estate is a collection of striking office buildings offering a piazza-style commercial campus surrounded by attractive landscaped public realm and unique water frontage overlooking the world renowned Canary Wharf Estate.

3 Harbour Exchange is an attractive glass-clad office development occupying an island site on the northern tip of the estate within easy walking distance of the South Quay DLR station.



The property was originally completed in 1988 and provides approximately 90,814 sq ft (8,436.9 sq m) of highly specified office accommodation over ground and ten upper floors.

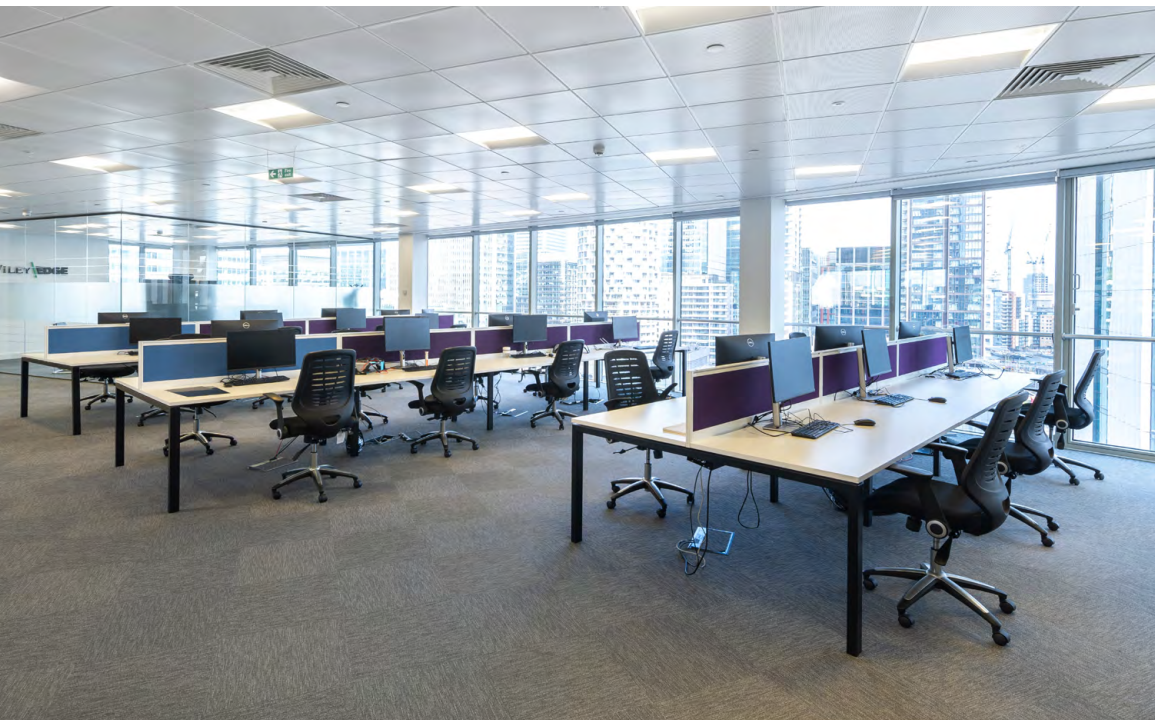
The property has been refurbished recently to include a new reception, enhanced common areas, external canopy, remodelling of the landscape and a comprehensive renovation of the office floors.

The building is of concrete frame construction with a distinctive reflective floor to ceiling double glazing.

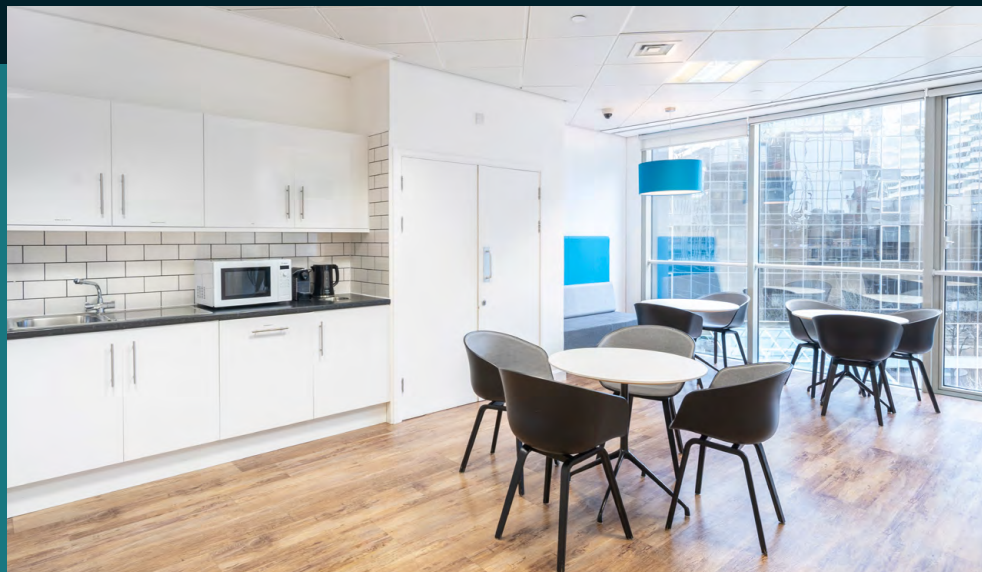
# THE SPACE

The property provides flexible open plan floor plates of approximately 8,400 sq ft. The floors benefit from exceptional levels of natural light and stunning panoramic views across Central London.

The floor plates wrap around a central core with two secondary cores situated either end of the building, each incorporating a firefighting/goods lifts and emergency stairs.







# SPECIFICATION



VAV air-conditioning



Clear floor to ceiling height of 2.7m



Metal tiled suspended ceiling



Fully accessible raised floor with 100mm clear void



3 passenger lifts & 2 firefighting/goods lifts



1:10 sq m occupational density existing



Standby generation



24 hour access and security



Shower facilities & cycle storage

# ACCOMMODATION

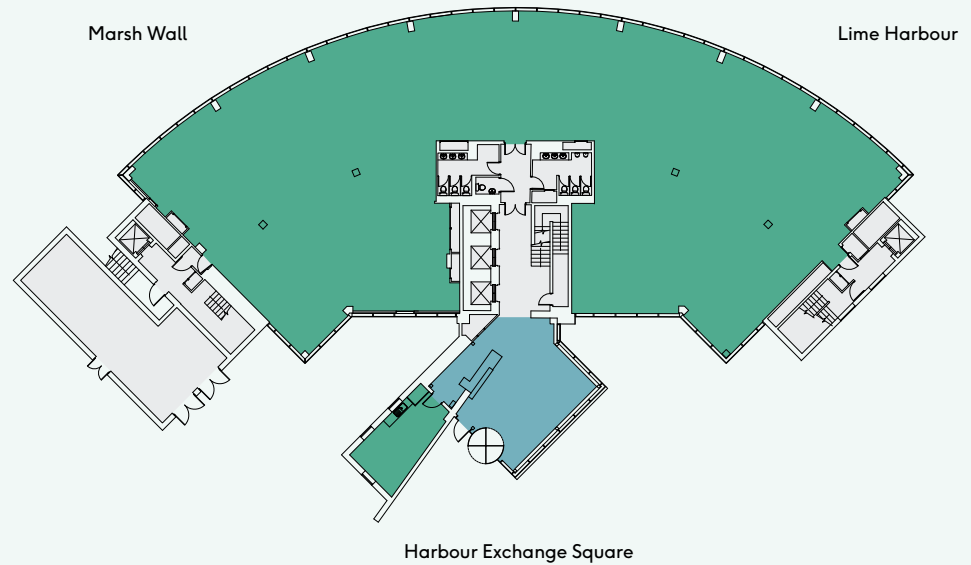
The property comprises the following approximate net internal floor areas:

FLOOR	USE	SQ M	SQ FT
10th	Office	781.0	8,407
9th	Office	780.6	8,402
8th	Office	752.0	8,095
7th	Office	771.4	8,303
6th	Office	768.7	8,275
5th	Office	770.3	8,292
4th	Office	732.7	7,887
3rd	Office	725.9	7,814
2nd	Office	778.8	8,383
1st	Office	778.6	8,381
Ground	Office / BMA	796.7	8,575
<b>TOTAL</b>		<b>8,436.9</b>	<b>90,814</b>

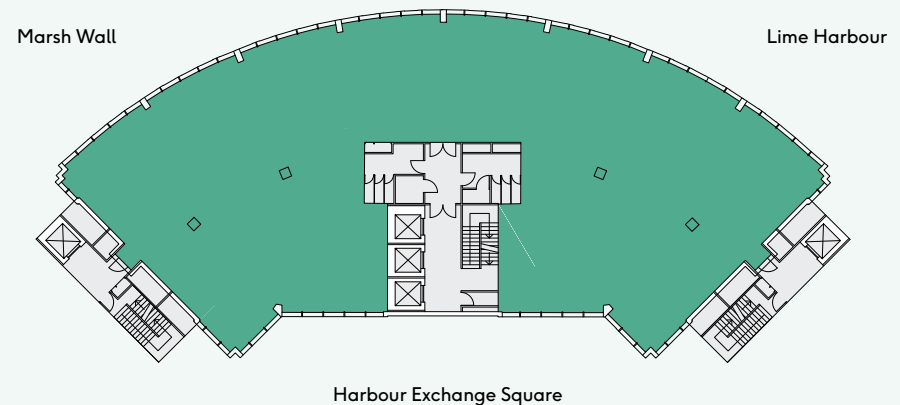
- Office
- Reception
- Core

  
 Plans not to scale.  
 For indicative purposes only.

## GROUND FLOOR PLAN 8,575 SQ FT - 796.7 SQ M



## TYPICAL UPPER FLOOR PLAN 8,407 SQ FT - 781.0 SQ M





# TENANCY SCHEDULE

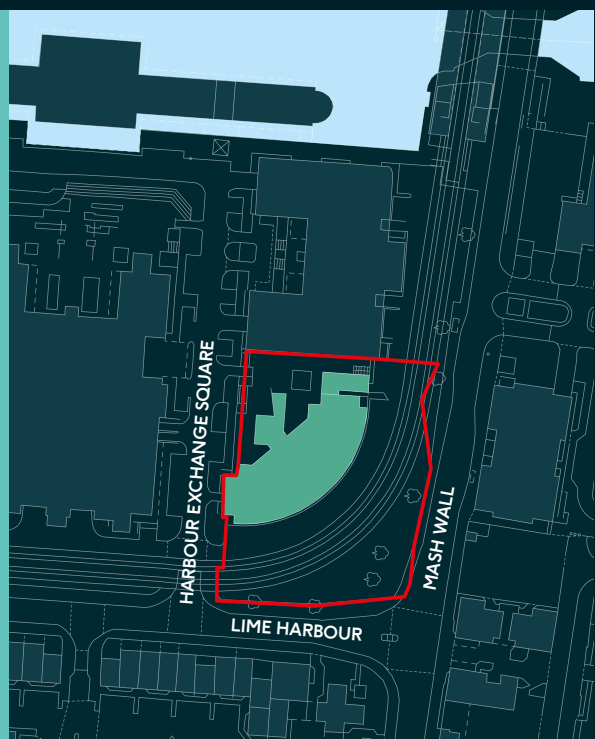
TENANT	FLOOR	CAR SPACES	AREA (SQ FT)	START DATE	EXPIRY DATE	RENT PA	RENT PA PSF	OUTSIDE LANDLORD & TENANT ACT	COMMENTS
M Three Corporate Consulting Ltd	10th	3	8,407	07/02/2020	09/11/2025	£278,765	£33.16	Yes	Office Rent: £274,365 pa. Car-parking rent: £4,400 pa. SC Cap: £110,144.83 plus VAT (increasing with RPI annually)
Vacant	9th		8,402			£193,246	£23.00		The vendor will provide two years rent top-up
Commscope Connectivity UK Ltd	8th (East - Suite A)	2	4,158	11/11/2015	10/11/2025	£130,771	£31.45	Yes	
Vacant	8th (West - Suite B)		2,381			£54,763	£23.00		The vendor will provide two years rent top-up
Telappliant Ltd	8th (West - Suite C)	6	1,556	19/06/2020	18/06/2025	£85,173	£54.74	Yes	
Vacant	7th (East)		4,155			£95,565	£23.00		The vendor will provide two years rent top-up
Vacant	7th (West)		4,148			£95,404	£23.00		The vendor will provide two years rent top-up
TOPRA	6th (East)	2	4,152	29/01/2015	28/01/2025	£119,360	£28.75	Yes	
Vacant	6th (West)		4,123			£94,829	£23.00		The vendor will provide two years rent top-up
US Tax and Financial Services Ltd	5th (West)	2	4,138	03/10/2014	02/10/2024	£138,795	£33.54	Yes	SC Cap: £47,909 pa (increasing with RPI annually)
RETN Limited	5th (East)	2	4,154	01/09/2014	31/08/2024	£116,985	£28.16	Yes	Rent Deposit: £72,000
To be vacated	4th (East)		4,067			£93,541	£23.00		Currently occupied - vacant possession to be provided on completion. The vendor will provide two years rent top-up
Vacant	4th (West)		3,820			£87,860	£23.00		The vendor will provide two years rent top-up
DT&T Corporation Ltd	3rd (East - Suite A)	3	1,624	01/06/2020	31/05/2025	£40,436	£24.90	Yes	
Vacant	3rd (East - Suite C)		2,611			£60,053	£23.00		The vendor will provide two years rent top-up
M Three Corporate Consulting Ltd	3rd (West - Suite B)		3,579	07/02/2020	09/11/2025	£88,975	£24.86	Yes	
Vacant	2nd		8,383			£192,809	£23.00		The vendor will provide two years rent top-up
Vacant	1st		8,381			£192,763	£23.00		The vendor will provide two years rent top-up
Vacant	Ground		8,317			£191,291	£23.00		The vendor will provide two years rent top-up
Management Office	Ground		258						
Vacant	Car-parking spaces (internal)	18							
Vacant	Car-parking spaces (external)	45							
To be vacated	Basement Storage in former parking spaces 1-6								Currently occupied - vacant possession to be provided on completion
Bancroft Limited	Car-Parking Spaces (36-39, 61-62)	6				£9,000			Annual licence (1 month notice to terminate)
To be vacated	Car-parking Spaces (7-12, 23-28, 31-34, 48, 56)	18							Currently occupied - vacant possession to be provided on completion
<b>TOTAL</b>		<b>107</b>	<b>90,814</b>			<b>2,360,384</b>			

# TENURE

3 Harbour Exchange is held long leasehold from Caretown Limited for a term of 200 years (less three days) from December 1986 (over 163 years unexpired term certain).

The head rent payable is a peppercorn.

The approximate extent of the headlease ownership is shown outlined red on the ordnance survey extract plan adjacent.



## FURTHER INFORMATION

### EPC

The property has an EPC rating of E122.

### CAPITAL ALLOWANCES

Capital Allowances are available and will be transferred with the sale of the SPV company.

### DATA ROOM

Access available upon request.

### VALUE ADDED TAX

The building is elected for VAT. It is proposed that the sale will be structured as a Transfer of a Going Concern (TOGC).

### PLANNING

The building is situated in the Isle of Dogs and South Poplar opportunity area within the London Borough of Tower Hamlets in a designated Tall Tower Zone.

## PROPOSAL

The property is available by way of a sale of 100% of the share capital of the Isle of Man registered Special Purchase Vehicle (SPV) company holding the long-leasehold interest.

We are instructed to quote a price of £22,000,000 showing an extremely low capital value of £242 per sq ft. A purchase at this price produces a 10.54% Net Initial Yield (NIY) assuming purchasers costs equivalent to 1.8% of the purchase price.

## CONTACTS

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## 3 HARBOUR EXCHANGE