

**PORTFOLIO ASSET INVESTMENT & REGEN STRATEGY
APRIL 2023 – MARCH 2024**

1. Portfolio Overview (as at 31 March 2023)

No of assets	11 (8 Investment & 3 Regeneration)
No of tenants	97 across all assets
Rental income	£46.16m per annum (sinking fund, debt servicing, revenue contribution)
Av. lease length	8.15 years (Industry average 7 yrs)
Vacancy rate	
(Investment)	15.41% (SE Office av. vacancy rate 16%)
(Regen)	7.22%
Portfolio (NI Yield)	5.29%
Capital Value	£776.3m

Chart showing capital & income for Investment & Regen portfolios 2018-2023

Chart showing vacancy rate and WAULT for both portfolios 2018-2023

2. Key Asset Management Initiatives Delivered 2022-2023 (Rank Order by income)

Property	Tenant	Initiative (Date)	Impact on income	Comment

3. Key Lease Events 2023-2024 (Rank Order by income)

Property	Tenant	Event (Date)	Income £pa	Comment
Charter Building	IWG/Spaces	Rent Review (23/6/23)	£	Ground floor to be reviewed to 50% of Market Rent

4. Major Revenue Expenditure Projects 2023-2024 (Rank order)

Property	Tenant	Description	Expenditure	Comment
Charter Building		2 nd floor separation	£	In 22/23 budget

5. Anticipated Voids plus Associated Costs and Mitigation 2023-2024

Property/Tenant	Lease Event (Date)	Current Rent (£pa)	Holding Costs (Rates, Service charge, insurance)	Mitigation
Part ground floor, Charter Building	Break Operated/Disputed & Lease Surrender	£	£	Tenant has completed refurbishment to agreed spec and in funds for surrender to complete.

6. Key Asset Management Initiatives 2023-2024

Investment Portfolio

Property	Tenant	Description	Impact on Income FY23/24	Target Date
2 nd Floor, Charter Building		Complete separation works and target two new lettings by end Mar-24	£Nil (assume in rent free)	Mar-24

Regeneration Portfolio

Property	Tenant	Description	Impact on Income FY 23/24	Target Date
Elmsleigh Centre	Matalan	Secure new lease at renewal	Nil	Mar-23

7. Summary 12-month strategy 2023-2024

Focus on maintaining and improving income to both Investment & Regeneration portfolios through the letting of significant voids such as Charter Building (60,000 sq ft). Maintain focus on lease break options at Thames Tower with a view to extending medium term income through rent free periods etc.

8. Medium Term Strategy 2024-2028

Consider the timing of redevelopment, re-positioning or alternative use on assets such as Elmsleigh Centre through feasibility reports and impact analysis on income returns.