

**APPENDIX G**  
**CHARTER BUILDING, UXBRIDGE**

**A. Business Plan Summary**

Financial Year Ending	2024/2025	2025/2026	2026/2027
Predicted Rental Income pa	£	£	£
Predicted Vacancy Rate	%	%	%
Rent Variance from Market Rent	%	%	%
Irrecoverable Revenue Expenditure *	£	£	£

Key Asset Management Initiatives (in rank order)		Target date	Impact on Income £	Capital Value Impact
1	Undertake separation works to 2nd floor to enable next phase of lettings	Jun-23	TBC	£
2	Secure lettings on 2nd floor - assume 15,000 sq ft let by June-23 and next 15,000 sq ft by Dec-23 and Jun-24 respectively. 5 year lettings at ERV (£32-£34 psf +/- growth) with 15 months rent free.	Jun-23	-	-
3	Complete proposed lease of ground floor retail unit to Tempur Sealey (lease until 2030 at £30 psf with 6 months rent free)	Mar-23	TBC	TBC
4	Installation of Building Manager's office, plus occupier totem to north elevation	Mar-23	£	£
Key Sustainability Initiatives (in rank order)		Target Date	Estimated Cost £	Capital Value Impact
1	Review current sustainability credentials for the building and identify areas for improvement	Jun-23	£	£
2	Implement BUBL energy management system to all new occupiers in the building, to reduce energy use and allow greater tenant control of heating and cooling within their specific areas	Jun-23	£	£
3	Install additional EV charging points within basement car par. Assume 10 installed in 2023 and an additional 10 in 2024	Jun-24	£	£
Threats (in rank order)		Target date	Impact on Income £	Capital Value Impact
1	Leasing activity is affected by market downturn- assume no new leases entered into during FY23/24	Dec-23	£	£
2	LB of Hillingdon implement completion notices on vacant accommodation and charge for all business rates	Apr-23	£	£
3	Spaces default on Ground Floor and 1st floor leases	Sep-23	£	£

**B. Progress Since Business Plan (approved January 2023)**

- 2<sup>nd</sup> floor separation works inc building managers office being tendered – completion due August 2023
- Tracelink – dispute over Ground Floor West suite – surrender completing w/c 12 June; all monies paid to end March 2023 and fully separated and

refurbished suite handed back, ready for marketing. Net additional income of £178k secured since May 2022 break operated.

- Review of EV charging being undertaken. Potential for tenants to pay for the costs of installing dedicated charging stations, or for SBC to pay in return for lease regears.
- BUBL energy management system continues to be rolled out to new occupiers
- Filming licence agreed on 2<sup>nd</sup> floor with HTM (“Trigger Point 2”) between March and May 23.
- Caffe Kix turnover and profit continues to improve
- Tempur Sealy lease delayed while tenant confirms proposed fit out
- Terms proposed to Pizza Express for lease on 2<sup>nd</sup> floor of c 5,500 sq ft

### **C. 12 month Strategy for period commencing April 2023**

- Maintain Charter Building profile as best office building in Uxbridge town centre through tenant engagement/events; updated website and marketing; and continued letting success with announcements in industry press and via social media.
- Aim to reduce vacancy rate to approximately 8% in line with business plan by financial year end, through new lettings on 2<sup>nd</sup> floor.
- Enhance rents in the building from current (April 2023) levels through new lettings on 2<sup>nd</sup> floor and former Tracelink unit on ground floor.
- Secure uplifts from June 2023 rent reviews on ground and 1<sup>st</sup> floor leases to IWG/Spaces.
- Maintain current position with LB Hillingdon to ensure business rates are appropriately mitigated
- Caffe Kix performance to be monitored with potential soft marketing to other coffee shop operators in Q2/Q3 2023, so that break option can be operated in June 2024 (Dec-23 notice) if necessary.

### **D. Medium Term Strategy 2023-2026**

- To enhance income and reduce void costs through new lettings on the 2<sup>nd</sup> floor, plus retaining existing tenants through active asset management (i.e. removing break options and early renewal of leases).

#### **Notes**

*\* Revenue includes holding costs for vacant accommodation (business rates, service charge etc) and/or costs associated with a new letting (e.g. refurbishment costs, letting and legal fees etc).*

*\* CapEx of £ each year for installation of additional electric vehicle charging points*