

CABINET OFFICE

35 GREAT SMITH ST.

VICTORIA - LONDON SW1

Investment Summary

- **Single let to the UK Government, who have occupied the building for over 34 years** with the Cabinet Office occupying for over 21 years
- **Mission critical building for the Cabinet Office** due to its proximity to 10 Downing Street, Houses of Parliament and 70 Whitehall
- Office building over lower ground, ground and four upper floors totalling **31,850 sq ft NIA**
- **WAULT to expiry of 10 years** with 5 years to break
- Total passing rent of **£1,607,500 per annum**, reflecting a low overall rent of just **£50.47psf**
- Prime Victoria rents are achieving in excess of £100psf
- Virtual **Freehold**
- The **tenant has just completed a full refurbishment** of the entire building
- Long term development potential, with John Robertson Architects having carried out a feasibility study for an additional 15% massing
- Significant award winning developments in the immediate vicinity continue to evolve a location which is rich in cultural heritage

Offers are invited for 100% of the issued share capital of the UK SPV in which the asset is held.





Investment Rational

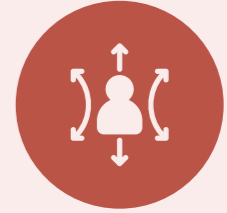
Exceptional Covenant

Single let to the undoubted covenant of the Secretary of State for Levelling Up, Housing & Communities (UK Government) with the ultimate tenant being the Cabinet Office.



Mission Critical Building for the Cabinet Office

Due to the buildings proximity to 70 Whitehall, 10 Downing Street and the Houses of Parliament, 35 Great Smith Street is a critical building for the government having occupied it for 34 years.



Evolving Location

Significant local development pipeline which continues to completely redefine the immediate landscape, elevating the local amenity offer, ensuring increased occupier demand and driving future rental performance.



Comparatively Low Rent

With rents in Victoria for new developments now achieving in excess of £100 per sq ft, 35 Great Smith Street offers significant future growth potential coming off a current rent of £50.47 per sq ft overall.



Strong Sustainability Credentials

With EPC 'B' rating the property already complies with future sustainability criteria.



Tenant Investment in the Building

Over the past 12 months the tenant has invested in the building through a comprehensive refurbishment both internally and externally, along with upgrading and replacing the M&E.



Location

Victoria – One of London’s most evolving and innovative locations

Victoria has truly blossomed and evolved as a location over the past 10 years following a £5 billion regeneration project spearheaded by Landsec.

The area showcases remarkable change that combines modern infrastructure and developments married with the existing rich cultural heritage and heart of the UK Government.

The area is now a thriving hub for businesses, attracting diverse industries thanks to its strategic position and excellent transport links. The completed and pipeline developments in Victoria have seen some of London’s most architecturally innovative and advanced designs of recent times, with numerous accolades being won for their design, sustainability and community impact.



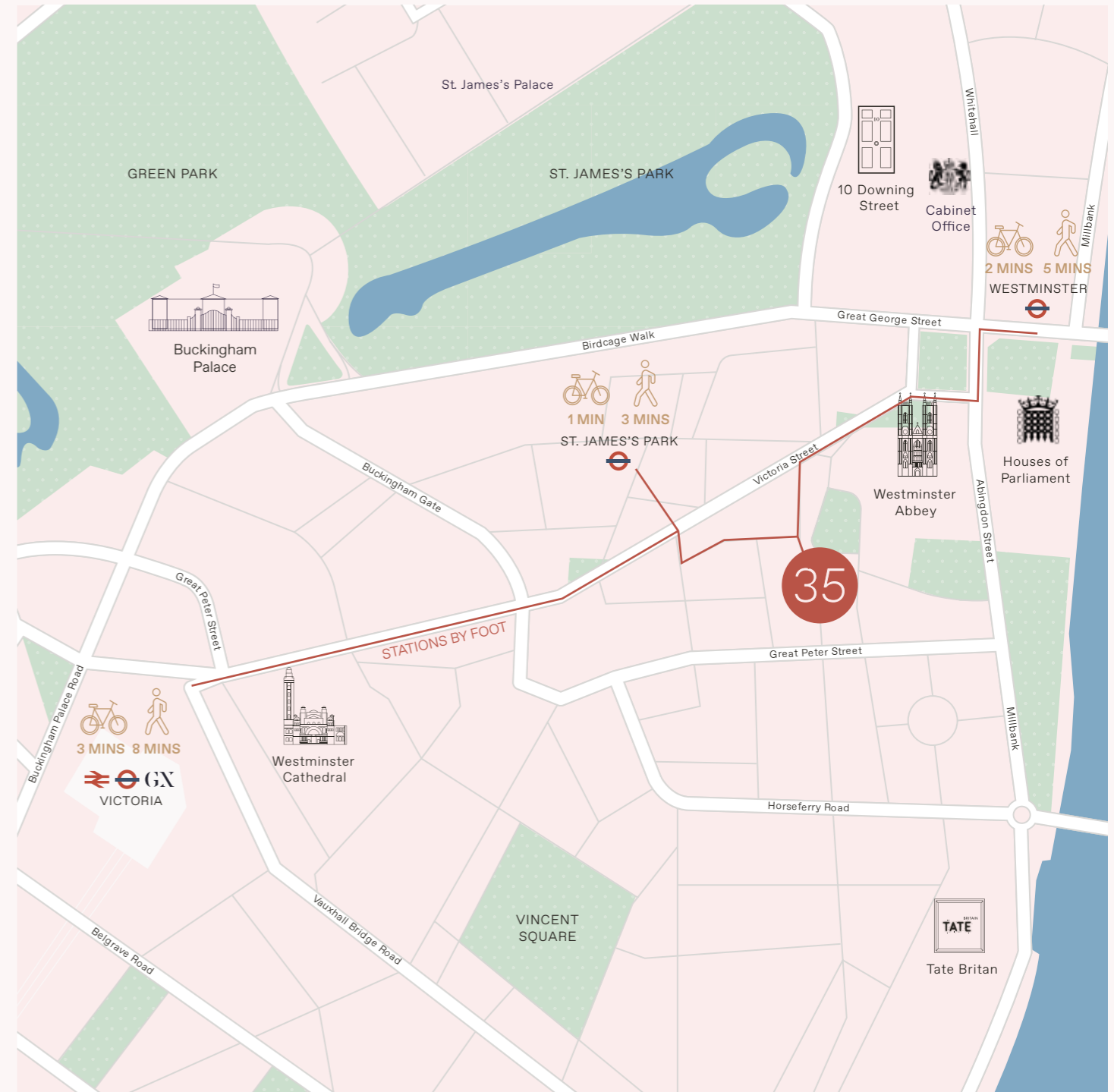


Connectivity

35 Great Smith Street is within short walking distance of Victoria (Victoria, Circle & District lines, National and Gatwick Express), Westminster (Jubilee, Circle & District lines) and St James's Park (Circle & District lines) stations.

The building's close proximity to these key transport nodes offers exceptional connectivity across all of Central London and the South East of England. Victoria Station is London's second busiest transport hub, with over 74 million passengers annually and direct services to Gatwick Airport via the Gatwick Express within 30 minutes.

	Walking Times	St James's Park 3 MINS	Victoria 8 MINS	Westminster 5 MINS
	Cycling Times	Covent Garden 5 MINS	Mayfair 8 MINS	Knightsbridge 12 MINS
	Tube Times	Oxford Circus 5 MIN	Tottenham Court Road 10 MINS	King's Cross St Pancras 10 MINS
	Airport Journey Times	Bank 12 MIN	Tower Hill 13 MINS	Wimbledon 18 MINS
		 GX		
		Gatwick 33 MINS	City Airport 40 MINS	Heathrow 49 MINS





The Evolution of Victoria

55 Broadway

Integrity International Group
526 bed hotel with extensive
leisure facilities.
Target completion Q1 2027

Southside, 105 Victoria Street

Bentall Green Oak
445,000 sq ft of office and leisure
Target completion Q2 2026
135,000 sq ft pre-let to Evercore
at a rent of c.£117psf overall.

Greencoat and Gordon, 1 Francis Street

Derwent London
110,000 sq ft of offices.
Target completion 2027

Greycoat Stores, 10 Greycoat Place

RE Capital
70,000 sq ft of office.
Completed in Q4 2024

With 2m sqft of commercial
space under construction
or anticipated by 2027,
Victoria is evolving into one of
London's most exciting and
sophisticated submarkets.

40 Broadway

Tellon Capital
100,000 sq ft office. and leisure
Target completion Q4 2025

4 Victoria Street

OPIC
180,000 sq ft of office,
residential and leisure.
Target completion Q3 2025

1 Victoria Street

Mitsubishi Estate & Stanhope
700,000 sq ft of office, retail
and leisure
Target completion 2028

The Smith, 7 Millbank

Old Park Lane
125,000 sq ft of office
Target completion Q1 2027

The Property

35 Great Smith Street is an attractive office building arranged over lower ground, ground, and four upper floors totalling 31,850 sq ft.

Originally constructed in the early 20th Century, the building has classic Victorian elements, including red brick facades, large windows and decorative detailing.

The building was redeveloped behind the retained façade in the 1970's with a comprehensive refurbishment taking place in 2000. Since signing their reversionary lease, the tenant has undergone a significant refurbishment program which illustrates their continued long term commitment to the building.

The refurbishment works can be summarised as follows:

Mechanical & Engineering

- Refurbishing the two passenger lifts
- Replacing the car/goods lift
- Refurbishment of the on-floor M&E
- Upgrade to the extract fans
- New air handling units
- New extract pipes

General Improvements

- Refurbishment to all the floors
- Refurbishment to all the w/c's
- New shower and cycle facilities
- Refurbishment of the reception and common areas
- Overhaul of the fire alarm system

Roof and façade

- Cleaning, repair and maintenance to the façade
- Roof stripped back to original layer with a new Alumasc roofing and insulation installed
- Roof finished with new stone work

The Government has recently completed a comprehensive refurbishment of the building.



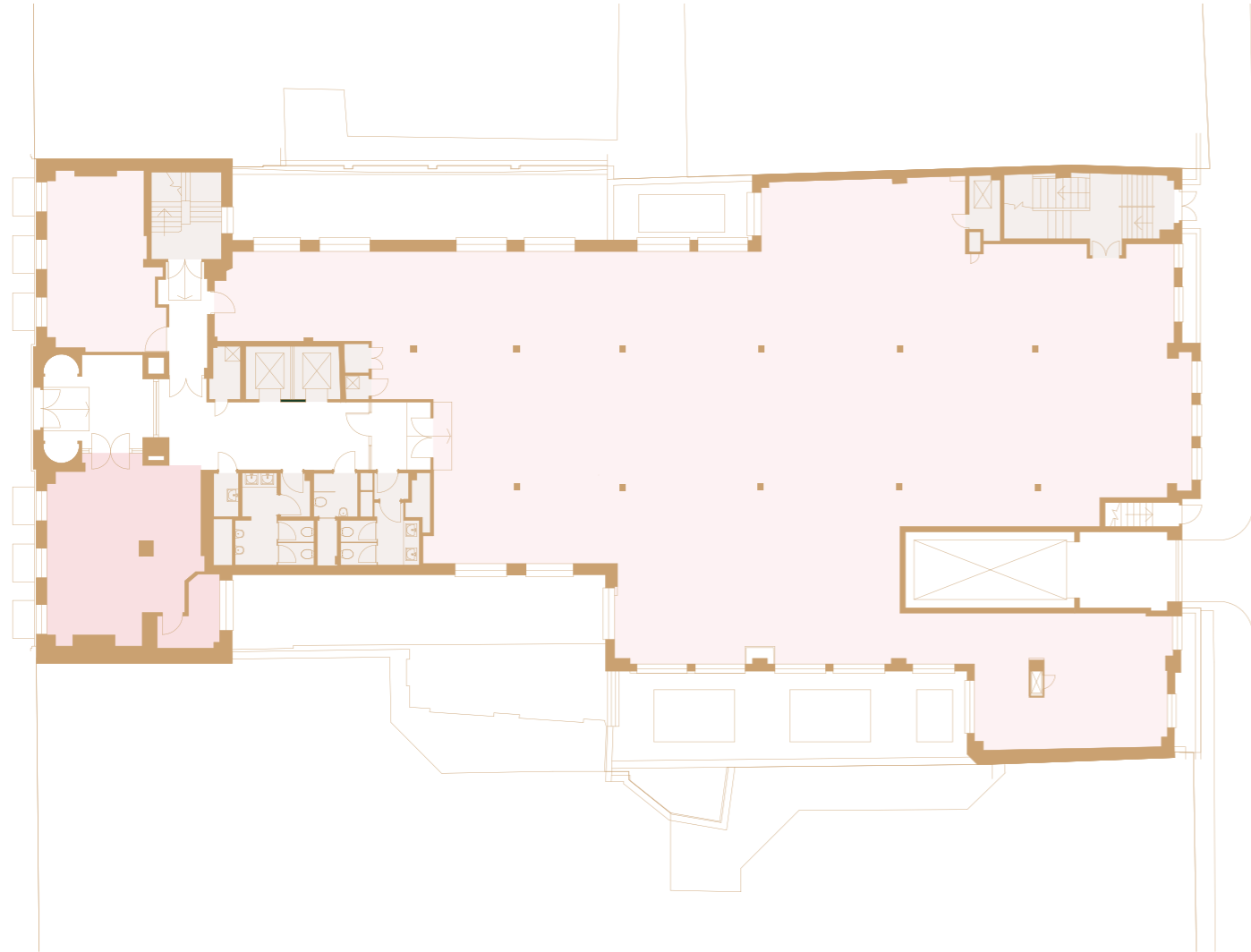
The property provides the following Net Internal Area (NIA) which has been agreed between landlord and tenant over the past three rent reviews and lease re-gear.

Floor	Use	Area (sq ft)	Area (sq m)
4th	Office / Residential	1,175	109.2
3rd	Office	6,955	646.1
2nd	Office	6,960	646.6
1st	Office	6,992	649.6
Ground	Office	5,622	522.3
Ground	Reception	497	46.2
Lower Ground	Office	3,649	339.0
Total		31,850	2,959

Floor Plans

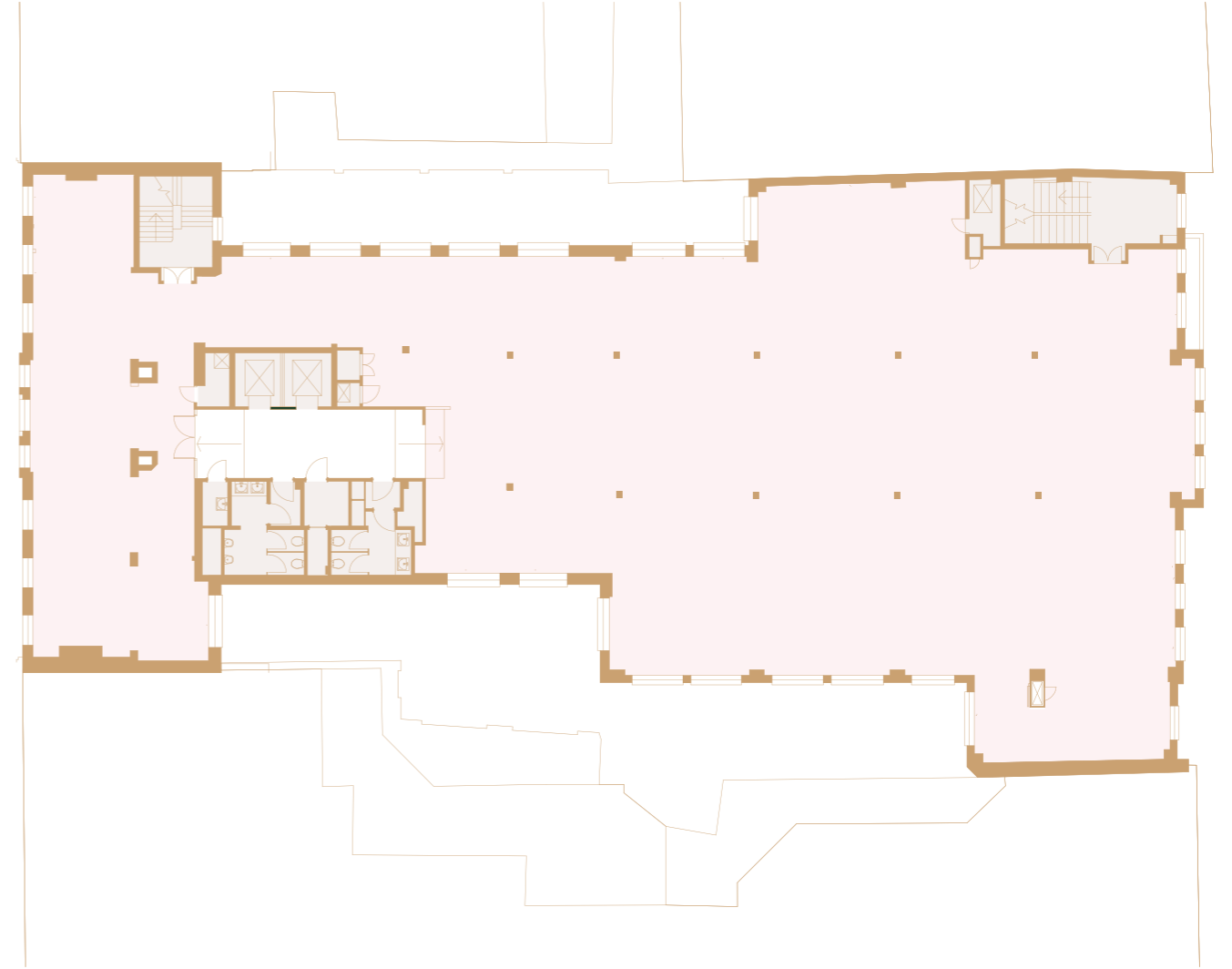
Ground Floor

Floor	sqft	m2	Use
Grd	5,622	522	Office
Grd	497	46	Reception



Typical Upper (1st - 3rd) Floor

Floor	sqft	m2	Use
3rd	6,955	646	Office
2nd	6,960	647	Office
1st	6,992	650	Office



Floor Plans

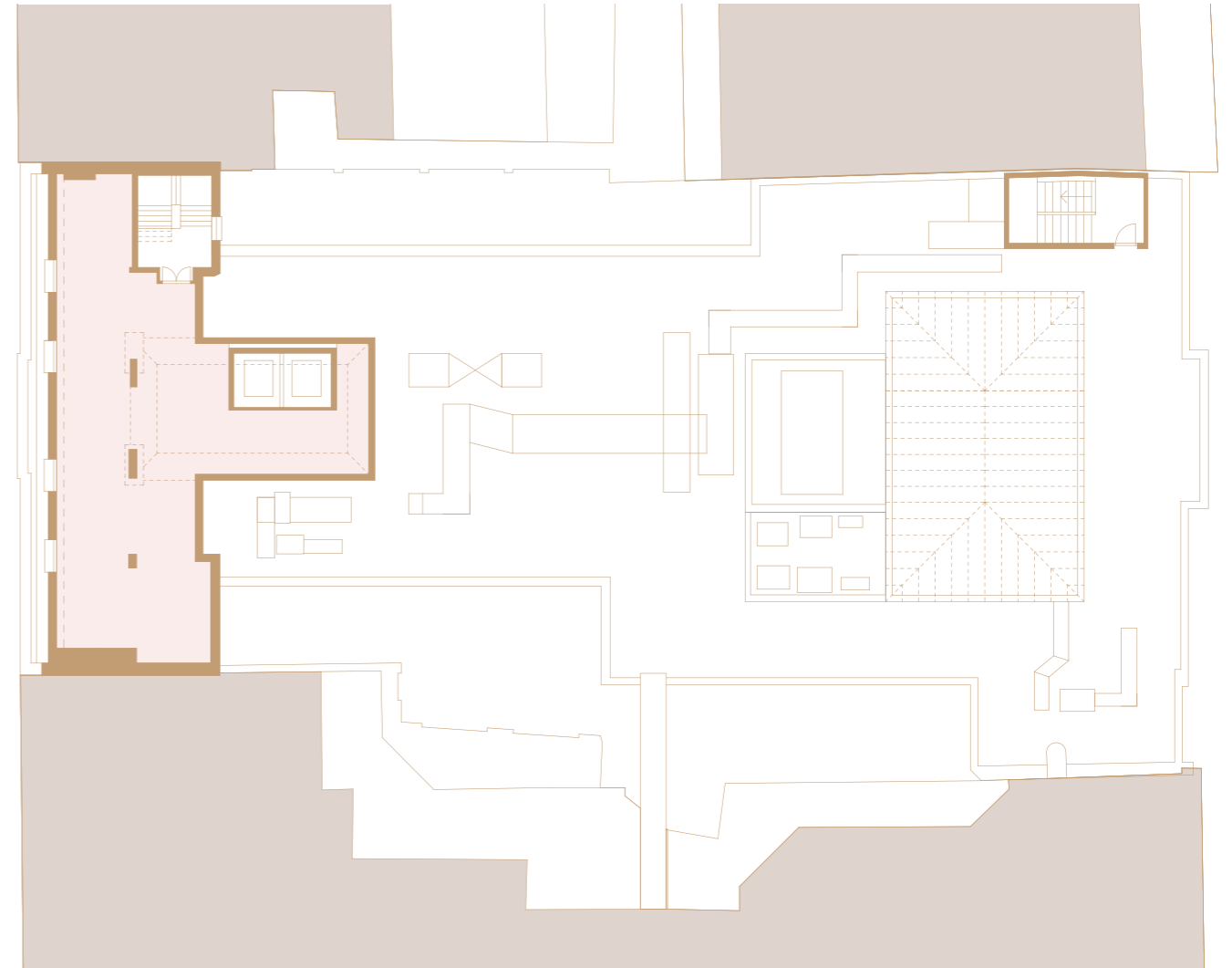
Lower Ground Floor

Floor	sqft	m2	Use
LG	3,649	339	Office
LG	4 Parking spaces		



4th Floor

Floor	sqft	m2	Use
4th	1,175	109	Office/ Residential



Photos pre-refurbishment works



Local Occupiers



Office Occupiers

1. Adam Smith Institute
2. Boeing
3. Burberry
4. Jimmy Choo
5. Jupiter Asset Management
6. Phoenix Equity Partners
7. Rolls Royce
8. Tom Ford
9. AAG Wealth Management
10. Schlumberger Oilfield UK
11. Almero Holdings
12. Advent Capital
13. Synthomer
14. Evercore
15. Nestle
16. Sequel Technologies

Restaurants, Retail & Bars

1. The Ivy
2. Mauro Colagreco at Raffles
3. Saison by Raffles
4. Curzon Cinema
5. Farmer J
6. Nostos Coffee
7. Roux at Parliament Square
8. The Cinnamon Club
9. Blue Boar
10. Adam Handling at Caxton
11. Chez Antoinette
12. Yaatra
13. Ma La Sichuan
14. Noble Palace
15. Blecker Burger
16. Lane 7

Hotels

1. Conrad London St. James
2. Hotel 41
3. St. Ermin's Hotel Autograph Collection
4. St. James's Court Hotel
5. Taj 51 Buckingham Gate Suites and Residences
6. The Goring
7. The Rubens
8. Hub by Premier Inn



Government Occupiers



Government Departments

1. Department of Education
2. Defra
3. Environment Agency
4. Home Office
5. Ministry of Housing, Communities & Local Government
6. National Police Chiefs' Council
7. Department for Work and Pensions
8. Attorney General's Office Government department
9. Ministry of Justice
10. Cabinet Office
11. HMRC
12. Department for Transport
13. Department of Health and Social Care
14. HM Treasury
15. Ministry of Defence
16. Foreign, Commonwealth and Development Office
17. Department for Environment, Food and Rural Affairs
18. The Supreme Court

The UK Government at 35 Great Smith Street

The Secretary of State have occupied 35 Great Smith Street since 1991, originally as the Department of Health.

The Cabinet Office first took occupation in 2004 with the building being ideally located a short walking distance from the main Cabinet Office at 70 Whitehall, where it has been since its inception in 1916, the Houses of Parliament and 10 Downing Street.

The UK government operates with two Cabinet Offices primarily for logistical and operational reasons. The separation can help accommodate the diverse functions of government and allow for more effective management of resources and staff. Having two locations can indirectly help in reducing potential conflicts by providing spaces for different teams to work independently while still being part of the larger government framework.



Additionally, it allows for better organisation of various departments and initiatives.

The security measures around the building are significant due to the highly sensitive nature of the work being carried out with access control, surveillance systems and security personal.

For the above reasons, 35 Great Smith Street is seen as a mission critical building for the UK Government and the security measures around the building will make it very difficult for the Government to find an alternative location for the Cabinet Office. Its commitment to the building is bolstered further by the development pipeline and growth of rent in the surrounding area, which will make it difficult to find alternative premises at an affordable rent in the future.



Tenancy

The property is let in accordance with the below tenancy schedule producing a total gross rent of £1,607,500 per annum, reflecting £50.47 total per sq ft overall.

The rent is reviewed on an upwards only basis subject to Open Market Rent Value. The tenant break option is subject to 9 months' notice. Should the tenant not break the lease, a further 12 months' rent free will be granted from the day after the break date, to be received as a half rent.

The lease is contracted inside Landlord & Tenant Act 1954.

The UK Government agreed a new 10 year reversionary lease commencing from April 2025

Floor	Area (sqft)	Use	Tenant	Lease Start	Lease Expiry	Rent Review & Break Option	Rent pa	Rent psf
4th	1,175	Office/Residential	The Secretary of State for Levelling Up, Housing & Communities (occupied by the Cabinet Office).	20/04/2020	19/04/2035	19/04/2030	£1,607,500	£50.47
3rd	6,955	Office						
2nd	6,960	Office						
1st	6,992	Office						
G	5,622	Office						
G	497	Reception						
LG	3,649	Office						
LG	4 Parking spaces							
Total	31,850						£1,607,500	



35



Tenure

The property is held on a Virtual Freehold Interest (title number NGL357384) from the Church Commissioners until 23rd June 2902 (877 years remain unexpired) at a fixed rent of £1,600 per annum.



View from the fourth floor roof



The Market

Leasing Transactions

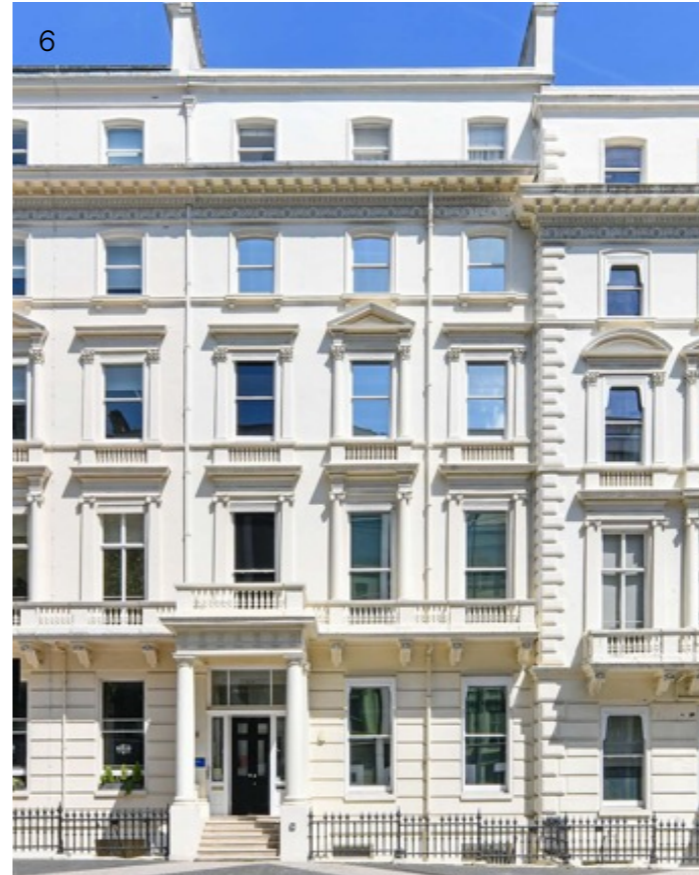
	Date	Address	Floor	Size (Sq Ft)	Rent (psf)
1	May-25	11 Belgrave Road	6th - 7th	20,157	£97.61
2	Feb-25	The Dacre, 19 Dacre Street	7th	1,841	£92.50
3	Jan-25	20 Greycoat Place	3rd	4,338	£91.00
4	Nov-24	21 Palmer Street	8th - 9th	10,608	£110.00
5	Sep-24	Greycoat Stores, 10 Greycoat Place	3rd	10,000	£86.00
6	Sep-24	105 Victoria Street	8th - 15th	135,000	£114 overall (£175psf on best)
7	Aug-24	The Dacre, 19 Dacre Street	5th	2,928	£89.00
8	Jul-24	20 Greycoat Place	4th	4,338	£92.00
9	Jun-24	1 Old Queen Street	1st	3,258	£93.50



The Market

Investment Comparables

	Date Sold	Address	Tenure	Size (Sq Ft)	WAULT B/E	Price	NIY	Capital Value (psf)
1	Apr-25	24-28 Bloomsbury Way, WC1	FH	44,657	5.5	£44,000,000	4.25%	£985
2	Apr-25	13 Southampton Place, WC1	FH	16,752	6.1/7.2	£17,575,000	5.48%	£1,049
3	Mar-25	20 Greycoat Place, SW1	FH	24,384	Part vacant	£37,000,000	-	£1,517
4	Mar-25	1 Chapel Place, W1	FH	34,230	3	£56,000,000	4.39%	£1,636
5	Feb-25	Ariel House, Charlotte Street, W1	FH	23,820	3/4.3	£28,660,000	5.50%	£1,203
6	Oct-24	52 Princes Gate, SW7	FH	8,641	5.0/8.0	£12,500,000	4.00%	£1,447
7	Aug-24	1 Bow Churchyard, EC4	FH	44,430	11.5	£63,000,000	4.50%	£1,418
8	Aug-24	4-5 Buckingham Gate, SW1	FH	21,459	Vacant	£45,000,000	-	£2,097
9	Mar-24	Charlotte House, 11-14 Windmill Street, W1	FH	28,790	5	£42,350,000	5.51%	£1,471



Longer Term Development Opportunity

A professional team including renowned architects John Robertson, planning consultants Gerald Eve and Rights of Light specialists Delva Patman Redler, have previously investigated the potential massing and comprehensive repositioning of 35 Great Smith Street. This repositioning opportunity will aim to deliver a total NIA of 37,101 sq ft of best-in-class, fully ESG compliant office accommodation, including the following:

- Extension of the existing 4th floor with wrap around terrace
- Creation of a new 5th floor and communal roof terrace with panoramic views across Central London
- Best-in-class end of journey facilities including 6 showers, 1 DDA shower, 65 lockers and 65 bike racks at basement level
- Relocation of plant to basement
- Reconfigured and enlarged ground floor reception
- Reconfiguration of the core to provide a more contiguous floor plate
- An additional 5,251 sq ft NIA of additional massing.

Full information on the proposal is located within the data room.



Proposed Areas

The initial feasibility study identifies an additional 5,251 sq ft NIA of massing, achievable as follows:

Floor	Use	Existing		Proposed	
		NIA (sq ft)	GIA (sq ft)	NIA (sq ft)	GIA (sq ft)
5th	Office	-	-	863	1,379
4th	Office	1,175	1,500	3,956	4,579
3rd	Office	6,955	8,234	7,244	8,234
2nd	Office	6,960	8,234	7,239	8,234
1st	Office	6,992	8,234	7,212	8,234
Ground	Office	5,622	8,210	5,566	8,210
Ground	Reception	497		1,621	
Lower Ground	Office	3,649	9,239	3,400	9,239
Total		31,850	43,652	37,101	48,109



Further Information

VAT

The property has been elected for VAT and it is proposed that the transaction will be completed by way of a Transfer of a Going Concern (TOGC).

EPC

The property benefits from an EPC rating of B. Further details available in the data room.

Planning

The property is situated in the City of Westminster. The property is not listed but does lie within the Westminster Abbey and Parliament Square Conservation Area.

Data Room

Please contact Tydus Real Estate for access to the data room.

Proposal

Offers are invited for 100% of the issued share capital of the UK SPV in which the asset is held.

Contact

Ed De Stefano

07817 638 129
eddestefano@tydusre.com

Henry Leighton

07793 726 286
henryleighton@tydusre.com



