Over 5 years of single-let, secure income in an EPC A office building with future alternative use potential

DTRE

Compass South | Chatham Maritime | Chatham | ME4 4YG

Investment Summary

An opportunity to acquire a single-let Grade A office investment located within Chatham Maritime, a prominent Thames Gateway office location, providing secure medium-term income from a strong corporate covenant.

- Grade A detached office building extending to approximately 33,857 sq ft NIA, arranged over three floors
- Fully let to Portal Chatham LLP, guaranteed by Vanquis Bank LLP, who occupy the building as their UK HQ
- Tenant recently removed their break option, demonstrating commitment to the building and Chatham
- Passing rent of £558,640 per annum, reflecting a low passing rent of £16.50 psf
- The property is let on an FRI lease with 5.3 years unexpired to September 2031
- The tenant is in the process of consolidating from another office in Chatham into Compass South, doubling the number of staff based out of the office to 600
- Portal Chatham LLP have a A2 Dun & Bradstreet rating
- EPC rating A (24)
- The tenant spent c. £2.1m in 2016 future-proofing the buliding which is now fully electric with new M&E, new staff canteen, breakout space and common parts
- Long Leasehold (989 years remaining at a peppercorn)
- Site extends to c. 2.47 acres, offering long-term strategic optionality
- Excellent car parking provision of 157 spaces, equating to a strong ratio of 1 : 215 sq ft
- Rail connections to London St Pancras (40 mins) and London Victoria (46 mins)

Proposal

Offers are invited in excess of £5,230,000 (Five Million Two Hundred & Thirty Thousand Pounds) subject to contract and exclusive of VAT.

This reflects a Net Initial Yield of 10.00% assuming purchasers' costs of 6.60% and a low capital value of £154 psf.

Location

Compass South is located within Chatham Maritime, a well established mixed-use campus on the northern edge of Chatham town centre in Kent. Chatham sits within the Medway unitary authority, approximately 36 miles south-east of Central London, benefiting from strong road and rail connectivity to London and the wider South East.

Chatham is positioned approximately 6 miles east of Junction 2 of the M2 motorway, providing onward access to the A2 and M25, while Junction 6 of the M20 lies approximately 9 miles to the south. Chatham railway station provides frequent mainline services to London St Pancras International, with fastest journey times of approximately 40 minutes, alongside connections to London Victoria and the Kent coast.

Chatham Maritime is a prominent waterfront business and education quarter, located approximately 1.5 miles north of Chatham town centre, bordered by St Mary's Island to the north and the Historic Dockyard to the south. The location benefits from a campus style environment with a mix of office, residential, leisure and higher education occupiers, including the University of Greenwich, University of Kent and Canterbury Christ Church University.

The property occupies a prominent position on Maritime Way and is accessed via Pembroke Road, with dedicated ingress and egress via North Road.

Google Maps ///axed.scared.wires

LOCAL OCCUPIERS

LLOYD'S

University of Kent

Canterbury Christ Church University

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Transport Links	Miles	Mins
Chatham Station	2 miles	8 mins
M2	3 miles	8 mins
Strood Station	3 miles	9 mins

Locations	Miles	Mins
University of Greenwich (Medway)	0.5 miles	4 mins
Nearest supermarket (Lidl/Asda)	1 mile	6 mins
Chatham Town Centre	2 miles	9 mins

Airports	Miles	Mins
Gatwick Airport	47 miles	55 mins
Stansted Airport	54 miles	1 hr

Rail Links	Miles	Mins
London St Pancras	40 miles	34 mins
London Victoria	46 miles	35 mins


Waterside Court
Office to residential conversion (68 units) via Permitted Development
D2 FACILITIES
LLOYD'S
ASDA
University of Kent
Cavalier House
8.2 acre residential development comprising 126 townhouses and 74 apartments
ArcelorMittal
The Range
HY-TEN
TOUR PADEL
LIDL
osb Group
Ministry of Defence
BROMPTON BARRACKS
Canterbury Christ Church University
UNIVERSITY OF GREENWICH
MEDWAY CAMPUS
GLASSBOX
Medway Campus
A289
Maritime Way
Dock Road

Specification

Compass South comprises a modern, part two- and part three-storey office building extending to approximately 33,857 sq ft NIA. The building was originally constructed in 1988 and comprehensively refurbished in 2016, with further internal enhancements undertaken by the tenant in recent years.

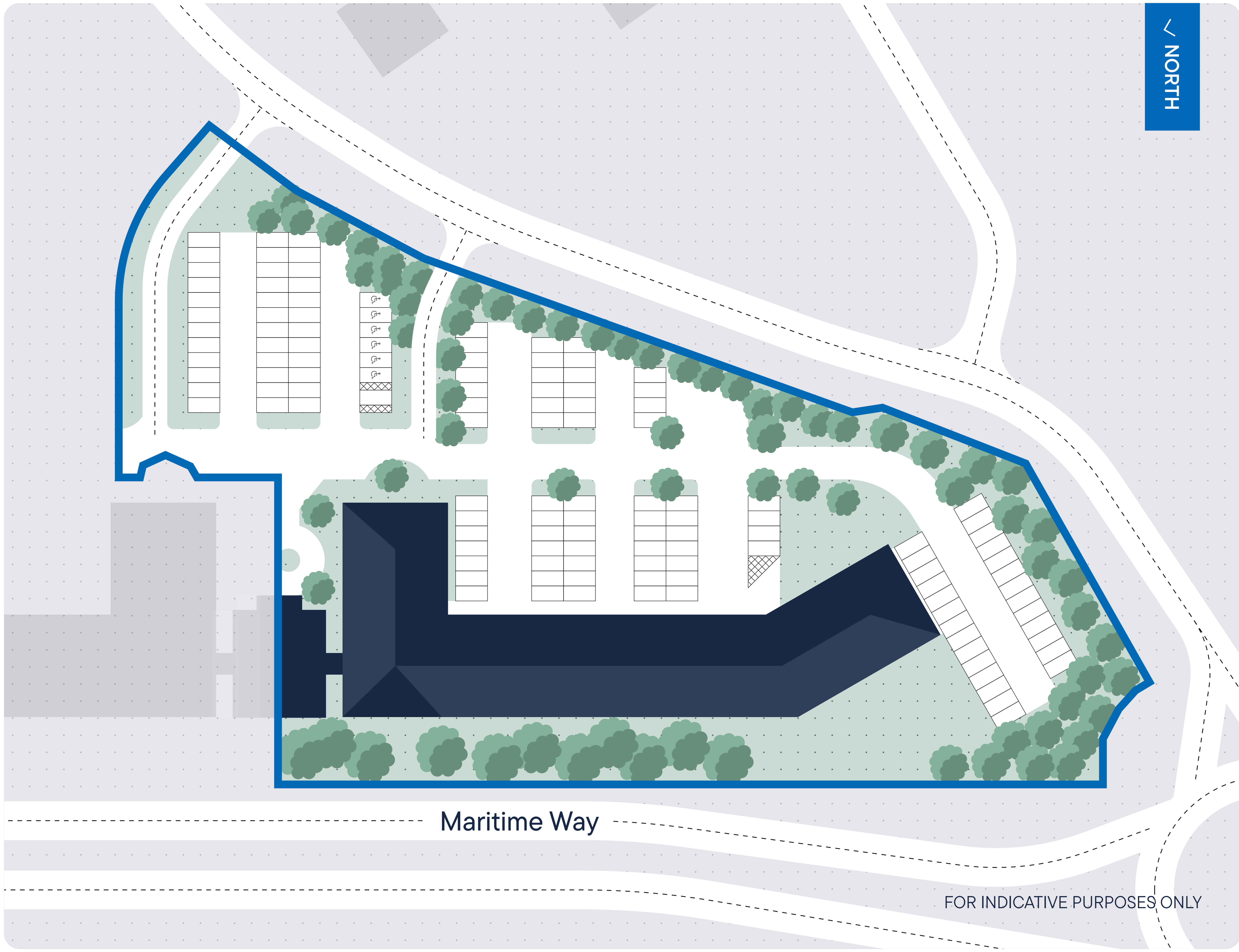
The property is arranged around a shared single storey reception and link block at the northern end of the building, which connects to the adjacent Compass North building. Internally, the accommodation is predominantly open plan, providing flexible and efficient floorplates suitable for a single corporate occupier.

The property is set within landscaped grounds and benefits from excellent car parking provision of 157 spaces, equating to a ratio of approximately 1 space per 215 sq ft.

Accommodation (NIA)

Floor	Area (sq ft)
Ground Floor	15,700
First Floor	15,505
Second Floor	2,652
Total	**33,857**

Areas provided for indicative purposes only.



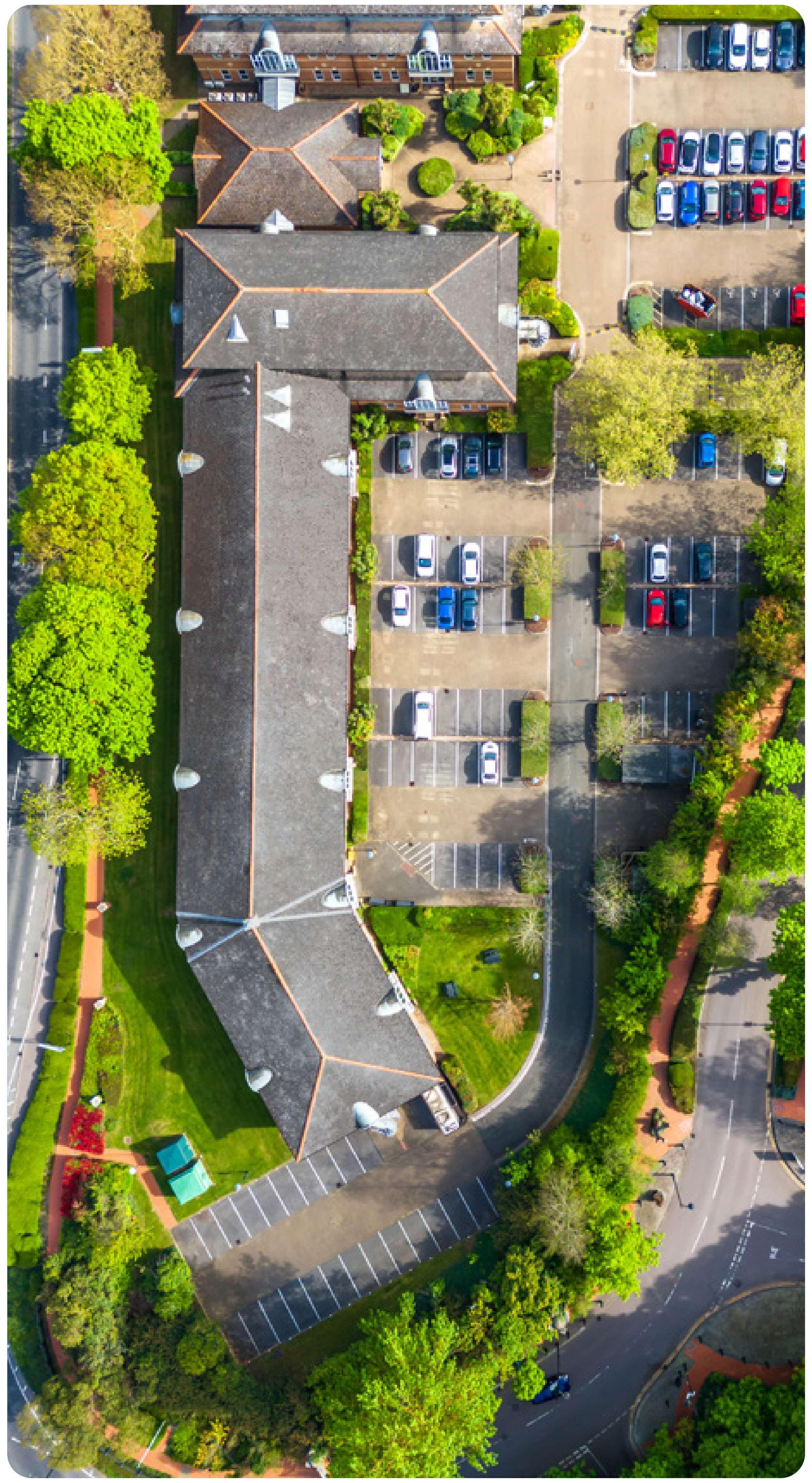
2016 Tenant Refurbishment Works

- Fully electric building, completely de-gassed in 2016
- EPC rating A (24)
- New VRF air conditioning system and LED lighting throughout
- New staff canteen and breakout facilities
- £2.1m total capex
- Refurbished common parts reception
- New transformer, standby generator and power capacity uplift (500kVA) required by data heavy occupier
- Excellent car parking provision of 157 spaces

Tenant Commitment

Recent tenant consolidation and rationalisation from two buildings (70,000 sq ft) to one building (subject property)

- Tenant recently removed December 2026 tenant-only break
- 600 staff based in Chatham
- Portal Chatham has been located in Chatham for 20 years



Tenant recently spent £2.1m capex upgrading and future-proofing the building to an EPC A (24)

Tenancy

Tenant
Portal Chatham LLP

Company Number
OC334569

Guarantor
Vanquis Bank Limited

Company Number
02558509

www.portalgroup.uk.com

The property is fully let to **Portal Chatham LLP**, with the lease guaranteed by **Vanquis Bank Limited.** Compass South serves as the tenant's UK headquarters building, underlining the strategic importance of the asset to the occupier.

Lease commencement	04/03/2016
Lease expiry	03/09/2031
Unexpired term	5.3 years
Passing rent (£ p.a.)	£558,640
Passing rent (£ psf)	£16.50
Lease type	Full repairing and insuring

The tenant has recently **removed a tenant-only break option** in September 2026, highlighting a clear commitment to the building. In addition, the occupier is in the process of consolidating staff from another Chatham office into Compass South, **increasing on-site employment to approximately 600 employees.**

Covenant

Portal Chatham LLP benefits from an 'A2' Dun & Bradstreet rating. Vanquis Bank Limited benefits from a strong covenant profile, with a '5A1' Dun & Bradstreet rating.

Tenure

Long leasehold interest held on a virtual freehold basis, with approximately 989 years remaining at a peppercorn ground rent. The freeholder of the property is the Chatham Maritime Trust.

ESG & Sustainability

Compass South presents strong sustainability credentials, underpinned by its EPC A (24) rating, placing the building comfortably above current and anticipated minimum energy efficiency standards.

The comprehensive refurbishment undertaken by the tenant included upgrades to the building's mechanical and electrical systems, LED lighting throughout and the removal of gas from the building, supporting long-term operational efficiency and reduced environmental impact.

These credentials align well with the requirements of institutional investors seeking resilient, future-proofed office assets.

Future Alternative Uses

Compass South sits within the **Chatham Maritime** area of Medway Council's Local Plan. Chatham Maritime is identified in the adopted planning policy as a suitable location for a range of uses. This includes offices, residential, hotel, leisure, education, food and beverage, and other complementary activities. This provides a favourable backdrop for exploring alternative uses beyond traditional offices, particularly where proposals would enhance activity, connectivity and the wider regeneration objectives of the area.

Compass South sits adjacent to the Medway Campus, occupied by the University of Kent, University of Greenwich and Canterbury Christ Church University. The most obvious alternative use case would be for some form of educational or educational-adjacent use case. Other potential value-add opportunities include repositioning the building for alternative Class E uses, such as healthcare, wellness, education, training, flexible workspace or R&D, alongside the potential to explore residential conversion or a more comprehensive residential-led, specialist living, hotel or mixed-use redevelopment.

Any alternative use strategy would be subject to detailed planning, but the scale of the site, existing car parking and mixed-use policy context provide a compelling basis for future asset management and redevelopment optionality.

VAT

The property is elected for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC), subject to the usual conditions.

EPC

The property has an EPC rating of A (24).

Data Room

A data room is available upon request.

AML

In accordance with Anti-Money Laundering Regulations, the purchaser will be required to satisfy the vendor's agents as to the source of funds prior to completion.

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James Cook
james.cook@dtre.com
07538 967 514

Joe Dowley
joe.dowley@dtre.com
07867 339 776

Martha Allhusen
martha.allhusen@dtre.com
07860 967 715

Archie Hancock
archie.hancock@dtre.com
07481 816 720