



24 February 2017

WORKSPACE GROUP PLC

ACQUISITION OF 13-17 FITZROY STREET, LONDON W1

Workspace Group PLC (“Workspace”) is pleased to announce that it has signed an option agreement for the right to acquire the freehold of 13-17 Fitzroy Street, W1, for £98.5m, with the exercise of the option expected to take place on 25 March 2017. The building is being acquired at a capital value of £1,063 per sq. ft. and a net initial yield of 4.6%. The transaction will be funded from existing facilities.

This prime office building is well located in the heart of Fitzrovia. It is close to several transport hubs, just over 300m from Goodge Street and Warren Street stations on the London Underground and a short walk from the new Crossrail station at Tottenham Court Road.

The property provides 92,700 sq. ft. of net lettable space over lower ground, ground and six upper floors. It is occupied and let to Arup (the vendor of the property) until September 2022 at an annual rent of £4.9m (£53 per sq. ft.), rising to £6.0m (£65 per sq. ft.) in March 2021.

Arup are relocating from this building and the lease provides for their early exit with effect from September 2020 with a rolling nine-month break option. In due course, we will reposition the building as a multi-let business centre and aim to capture significant rental uplifts. The floor plates are ideally laid out for the creation of different sized units around a central atrium which offers natural light throughout the building.

Commenting on the announcement, Jamie Hopkins, Chief Executive Officer of Workspace, said:

“This is a really exciting purchase for Workspace, giving us a presence in an attractive location with a building ideally suited to our operational model. The transaction emphasises our commitment to expand further through targeted acquisitions, adding to our existing pipeline of refurbishment and redevelopment projects, to deliver superior value and returns to shareholders over the long-term.”

Ends

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This press release relates to the disclosure of information that qualified, or may have qualified, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Notes to Editors:

About Workspace:

- Workspace is a FTSE250 property company and has been listed on the London Stock Exchange since 1993
- Workspace owns and manages around 65 properties all across London and is home to some 4,000 new and growing companies
- Workspace provides the right properties in the right locations to attract its customers and the right services to retain them and help them grow
- Workspace is growing through deep market knowledge, operational excellence and strong customer relationships
- Workspace is a member of the European Public Real Estate Association
- For more information on Workspace, please visit www.workspace.co.uk