



The best employers find the best workplaces

- What can a modern workplace do for an organisation?
- Managing the risks of an office move
- Our track record

**Lambert
Smith
Hampton**

www.lsh.co.uk

The best employers find the best workplaces

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What can a modern workplace do for an organisation?

As businesses re-focus to be as cost effective and operationally efficient as possible, getting the most out of their office space and those within it becomes crucial. We set out below how modern work practices can support an organisation to get the best from its workforce.

Sharing versus owning

By sharing workspace in the office rather than owning it, a company can increase the number of people who can work from a typical office building by 25–40%. On average, only 53% of workstations are occupied at peak usage – so one might say that businesses on average are paying for 47% of unused office space.

The mantra to be adopted by office occupiers of all sizes is ‘fewer workstations and personal space, more workplaces and communal workspace’. To set out

some figures, Barry Varcoe, a previous Chair of CoreNet Global, addressed an IPD Occupiers in Business Conference with three example ‘magic numbers’: 12 sq m (the amount of workspace to allow per person); 1.3 people per workstation; and 80% utilisation.

These benchmarks will enable collaboration and communication between multiple teams through shared, flexible space and more open areas – a universal aim for businesses.



“magic numbers”

Old versus new

Businesses moving from older offices into new space will look to adopt and benefit from modern working practices, and will typically need 25–40% less office space as a result. As increasing numbers of corporate occupiers turn this theory into practice, we are seeing a structural change whereby overall volume of office demand is reducing. However, at the same time we are seeing increased focus on newer, quality office stock that has been developed to suit modern occupier demands.

Heads of Property within large corporates have previously estimated that it costs around £400 to move an individual from one place to another in a building, considering the associated IT and telecoms relocation required.

It is also dependent on having spare capacity and 'swing space' in the office during the move. However, businesses that create shared workspace from the outset, and implement flexible technology infrastructure accordingly, are able to benefit from easy, quick and cost-free reorganisation of teams and individuals, on account of any desk being able to suit any individual.



... staff retention
and employee
satisfaction

are just two of the benefits
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Culture change

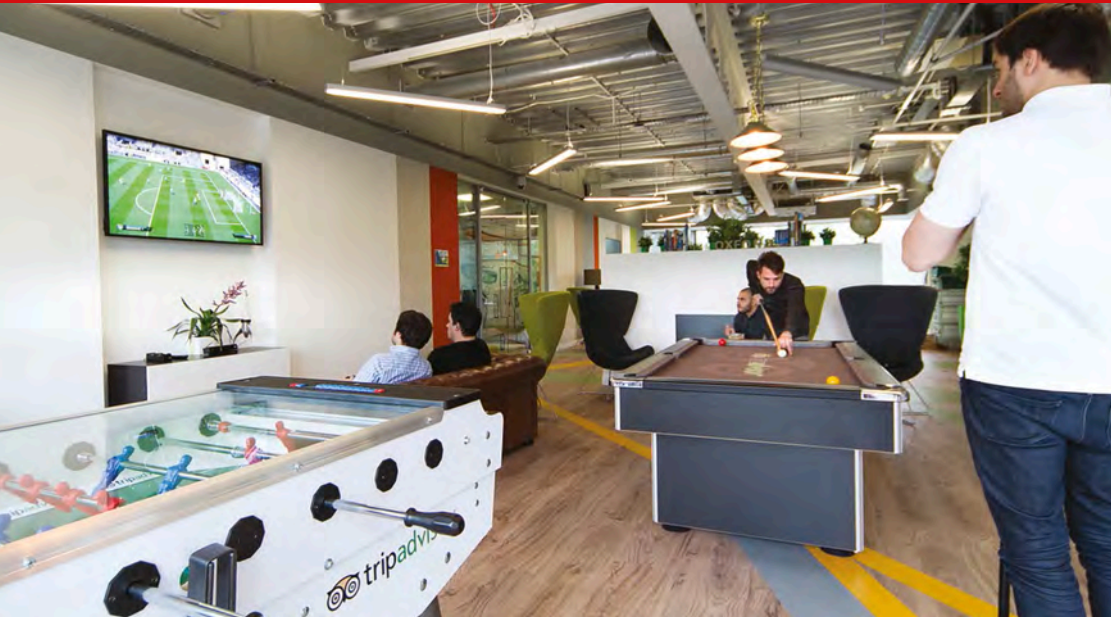
Creating the modern workplace inherently changes the culture of a business to be more open, collaborative, flexible and productive. For those companies that do it right, staff retention and employee satisfaction are just two of the benefits to be had from providing the right combination of space, tuned to the needs of the employees.

The implementation of the modern workplace should no longer sit with the property team alone; it goes beyond simply acquiring space and moving in. Achieving genuine interaction of a company's people, processes and property requires management from all three teams: property/corporate real estate to understand occupancy trends and requirements; HR to overlay these requirements to people management strategies; and IT to develop the technology infrastructure to support the next generation of the business.

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What are the occupier drivers for modern working practices?

Change

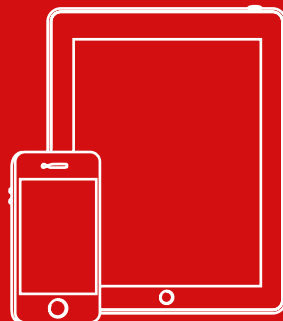
There is today a need for businesses to cope with structural and consumer volatility, including growing competitive and cost pressures. The pace, unpredictability and scale of technological innovation is driving the change agenda.

People

The recruitment and retention of an effective workforce is critical for businesses success. In the modern world there is now a need to accommodate and enable fluid and flexible working patterns. Businesses are also facing increasing demands for compliance and CSR (Corporate Social Responsibility).

Structure

Businesses are looking to enable simplified systems and processes. There is a need for workplaces to support flexible business structures, avoiding working silos which are inefficient and too restrictive. Increasingly business needs to engage, motivate and innovate through networks.



What research and business issues need to be addressed and understood?

People survey

Look into:

- the work environment itself
- transport/travel
- job roles
- catering
- facilities and
- flexible working.

Space utilisation survey

Ascertain workstation and meeting room usage. Set these results against best practice benchmarks.

The new property

- Look in detail at the size and location requirements.
- Consider the age, configuration and specification preferences of the new office space.
- Determine sustainability improvements and inherent cost savings.

IT infrastructure

- Understand the operational needs of the business.
- Ascertain the connectivity set-up of the property, and how it matches the business needs.
- Provide collaborative IT infrastructure, such as 'thin client' operating systems, wireless networks, etc.

What is the modern workplace agenda?

New world

Businesses are operating in a new and ever-changing environment. Both they and the workplace must adapt rapidly to be successful and survive.

Simplification

Simplified client systems do not need complicated workplace solutions.

People power and agile working

There is a growing recognition of the importance of people to business success. Workplace management is less about property and more about enabling productivity and collaboration within teams. Today, this is encapsulated in the development of agile working – the 'modern workplace' may be considered the operating platform, while agile working is how that platform is then utilised.

Branding and innovation

The workplace is becoming an expression of an organisation's brand, ethos and culture.

Outsourcing

As a business changes, new outsourcing models and services will emerge. New patterns of occupancy require new approaches to facilities management. The shift to 'people power' in the workplace will raise the profile of facilities management with a greater need for more proactive office and service management.

Managing the risks of an office move

How we can help you

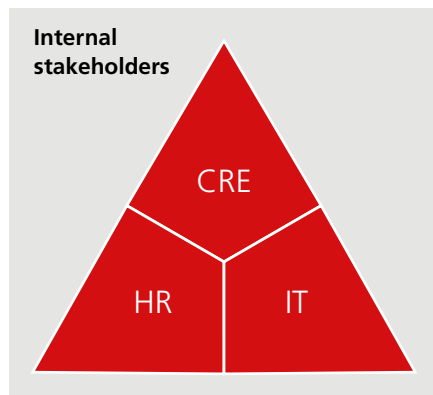
We are able to offer a 'turn-key' office acquisition service. As we have offices all over the UK and Ireland, with expert office agents, who are very experienced in their markets, we can search find and acquire your office on the most advantageous terms.

As an office occupier you will be signing a Full Repairing and Insuring (FRI) lease. This is potentially a very onerous document, and one that could expose your business to significant liabilities if the correct due diligence is not carried out. Below we set out how we can help your company manage the inherent risks associated with acquiring space, by undertaking due diligence surveys, procuring and managing your office fit-out and the subsequent move management to your new offices.

Due diligence surveys

This will involve:

Undertaking a building survey and organising a mechanical and electrical survey.



Value to you:

- **Most commercial leases are on FRI terms. Given their onerous nature, this is a key area of risk profiling and management (financial and operational) for your business**
- **Important issues that arise can be addressed beyond the Heads of Terms agreement**
- **Due diligence surveys may identify risks to the service charge costs going forward**
- **A detailed understanding of the building can benefit your fit-out procurement, design and management process.**



Procurement and management of fit-out

Our Building Consultancy team can:

- Undertake budget costing to provide management information support
- Conduct space auditing and planning to determine actual space utilisation trends
- Take on a CDM coordinator role to manage health and safety duties for the building contract
- Agree the most appropriate method of procurement
- Act as the employer's agent throughout the building contract (if design and build), or project management (if traditional).

Value to you:

We will identify the best procurement route and form of contract (i.e. design and build or traditional) and can undertake the project management of the fit-out works.

The building contract needs to be procured and managed in terms of your risk profile (not the contractor's), timescales and cost control. We will:

- **Oversee the standard of works**
- **Issue valuation certificates for contractor's payments, ensuring that work is completed to standard and budget**
- **Organise the provision of warranties or bonds, as required**
- **Manage the retention of monies for defect liability period**
- **Negotiate the contractor's final account**
- **Manage statutory consents.**

Lambert Smith Hampton can help your company manage the inherent risks associated with acquiring space and the subsequent move to your new offices.

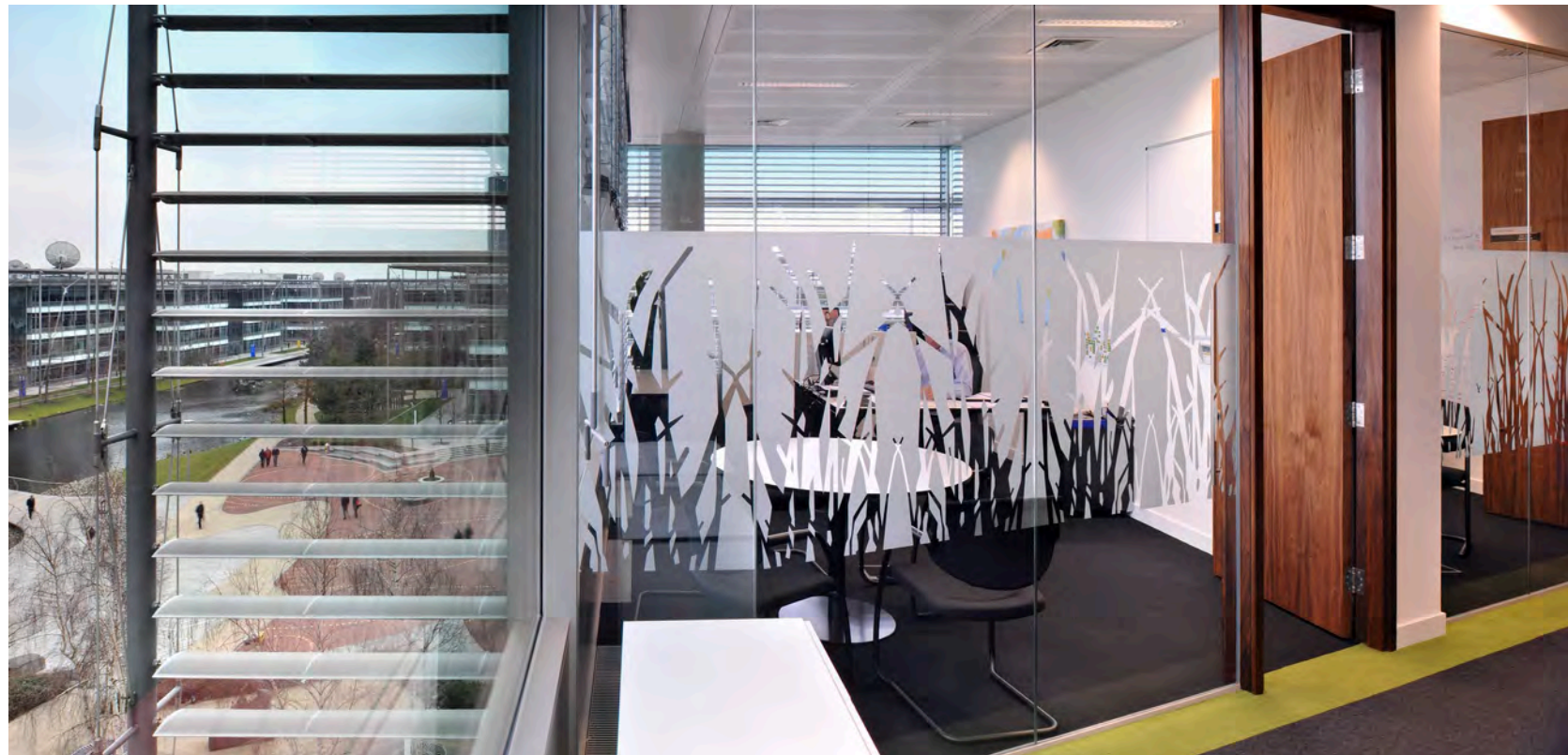
Move management

This will involve:

- Taking a brief to produce a requirements document
- Advising on the appointment of suitable specialist consultants
- Organising competitive tendering for specialist commercial removal
- Addressing furniture needs, for new or existing items
- Managing IT and networking requirements
- Managing the move and handover.

Value to you:

- **Experienced project managers will ensure smooth transition and business continuity**
- **Allows you to focus on your core business**
- **Tighter control of costs**
- **The contractual framework will protect your interests.**





Fleetmatics

Boston technology company crosses the Atlantic to expand in the UK

The client's challenge

To select a new building that suited its business requirements, including providing a modern working environment for staff, a goods-in access for deliveries and a separate production area.

To choose between two suitable building options, and ensure that there were no significant building defects that would affect its occupation, or add significant unforeseen costs to its fit-out or service charge.

To procure the works quickly to allow Fleetmatics to move out of its existing offices and into the new space within the timescales set by the US head office.

The LSH solution

LSH carried out a building survey to identify any risks that may affect Fleetmatics' occupation. In addition a dilapidations assessment was completed to identify the existing liabilities of the outgoing tenant. This was used as a negotiating point to secure a contribution from the landlord towards the fit-out costs of £50,000.

During the negotiations with the landlord LSH was able to identify significant cost savings for Fleetmatics by negotiating to re-use the existing furniture left behind by the previous tenant.

LSH completed a space planning exercise to ensure Fleetmatics' teams were positioned to maximise the efficient use of the space. Careful consideration was given to positioning Fleetmatics' 'closing rooms' so that they could be viewed by all sales staff.

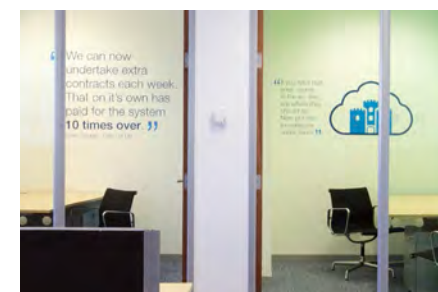
The fast track procurement process, allied to collaborative working with the client's US-based key contact and the contractor on a design and build approach, ensured the project completed on time for Fleetmatics' occupation.

"It has been a great experience working with the entire LSH team. Managing the project from the US was a challenge but you made it seem effortless. Thank you for a job well done"



Results achieved

- The project was completed well under budget at a cost of £285,000.
- LSH successfully managed the project to completion for the key client contact, who was based in the USA. He was able to rely on us providing clear guidance on the project status and priorities of issues arising.
- LSH successfully resolved a significant problem caused by a new wayleave agreement imposed by the telephony supplier. This had put Fleetmatics' move in jeopardy. Using our contacts with the landlord and proactively managing the supplier, we were able to resolve this issue and Fleetmatics successfully moved in on time.



Worldwide Pharmaceuticals Company

Acquisition, due diligence, refurbishment and fit-out with total confidentiality

The client's challenge

Our client's primary need was for a 60,000 sq ft office building in a location close to other operational facilities.

For commercial reasons the project required strict confidentiality.

The property had to also be organised to provide some specialist facilities including:

- A training centre with laboratories, visitor reception area, private dining room and a lecture theatre. It also required a sophisticated audio visual installation with a camera recording system in the laboratories.
- A commercial kitchen with servery and staff restaurant, informal breakout areas, a top floor cafe with roof terrace access and a fully equipped gym with shower and changing facilities.

The LSH solution

Following the search and identification of best property solution we negotiated the financial and lease terms for acquisition working in unison with the client's solicitors throughout the legal process.

We carried out a due diligence survey of the 1990s office building prior to the landlord's required refurbishment.

During the landlord's subsequent base build refurbishment we monitored the works on behalf of the tenant.

We then procured our client's office fit-out, the value of which was in the region of £2.8m.

We managed and coordinated the fit-out, including compiling the specification, the tender process and overseeing the fit-out works.

Results achieved

- The acquisition of the office building saw our agency team secure a substantial tenant incentive package. Through the process of the occupational fit-out project management we secured considerable additional cost savings. Our client therefore received a large return on its investment in our fees.
- Our knowledge of the market allowed us to shield our client's requirement and its identity. Substantial tenant incentives were agreed upon the chosen new office solution.
- The client now has a modern high quality office working environment with audio visual throughout, and good facilities for staff wellbeing.
- With Lambert Smith Hampton taking on the project management role on their behalf, it enabled them to concentrate on their core work, knowing that the project was in experienced hands.
- We assisted the client with the appointment and coordination of the project team, including mechanical and electrical engineers, IT and data consultants, CDM Coordinator, approved building control inspectors, audio visual installers, catering equipment designers and specialist compressed air contractors.

We were able to enter the market and identify **the best building solution for our client while maintaining its confidentiality** in the process of the property search and identifying best option.

Pegasystems

Management of Boston technology company expansion in the UK handled confidently



The client's challenge

A 22,500 sq ft office acquisition, due diligence surveys, space planning, project management of £1.2m fit-out and dilapidations on existing offices.

The project brief was to find and acquire a single office floor, replacing a multiple floor existing configuration at lease end, enabling Pegasystems to create a new modern workplace. The task included not only finding and acquiring new offices but managing the client's exits from two other sites.

The LSH solution

Following the search and identification of the best property solution, we negotiated the financial and lease terms for acquisition working in unison with the client's solicitors throughout the legal process.

The contract value of the fitting-out works was in the region of £1.2 million, including furniture.

We managed and coordinated all elements of the fit-out, including compiling the specification, the tender process, overseeing the fit-out works, and procurement of furniture, IT installations and assisting with suppliers. This involved negotiations with the landlord on the licence to alter.

The project incorporated a complex comms room, including down-flow air conditioning, UPS and a water based preaction sprinkler system.

Dilapidations were negotiated and agreed with the landlords of the legacy properties.



Results achieved

- Substantial tenant incentives to the value of over £2m were agreed upon the chosen new office solution.
- LSH's management role on this project was more intensive than usual due to the client contact being based in the USA; it encompassed a number of duties that would ordinarily be undertaken by the client's in-house team.
- The client was able to rely on LSH being its UK representative, to take the burden of all project matters, allowing the UK Pegasystems team to concentrate on its core business activities.
- Space planning commenced in the US, but the designer was unable to factor-in the constraints of the building, and the proposals were very much in the American corporate 'cellularised' style. LSH flagged this very early on and took over the initial design role to ensure an office was created that was suited to the UK modern workplace trends.
- LSH was able to analyse the tenders put forward by contractors to evaluate design proposals, then value-engineer and negotiate costs prior to contracting.
- Subsequent variations to the works were closely managed and benchmarked against tendered costs.
- Through the process of the project we secured cost savings well in excess of £200,000.

"You have put together one of the strongest brokerage and project management teams I have ever worked with and we will be your customer forever"

Dan Ryan
Vice President
Real Estate and Facilities of Pegasystems





BBC

Right-sizing – disposal and acquisition

LSH has worked closely with the BBC for over 20 years. During that time we have worked with the BBC to develop long term strategies that deliver the BBC Vision. Over time the Vision has changed from locating ever closer to its audiences to the current Delivering Quality First an initiative to ensure that the BBC broadcast platforms are fit for purpose and cost effective.

In the initial stages of our remit we worked with the BBC to develop and identify an acquisition programme that secured BBC relocations which took its regional hubs and local offices closer to audiences – in England this was labelled Project England. This involved the BBC moving from many historic locations to active town and city centres.

Following a series of changed Licence Fee settlements, BBC philosophy changed to reflect the need to be seen to achieve value for money and its programme changed to seek new fit for purpose (21st Century Broadcast facilities) whilst at the same time drive down its property operating costs. The diagram opposite illustrates those major strategic property-related projects that we have helped to successfully deliver.

Following the strategic relocation of BBC Children's TV and BBC Sport from West London to Media City in Salford, Manchester we were instructed to sell Television Centre for £200m, removing a £30m per annum liability in running costs in the process. How did we create this value? Our knowledge

of the site and the BBC told us that TVC could be worth a considerable amount more than a conventional sale would create. We ran a unique twin-track sales process – a conventional sale to act as a yardstick to measure the increase in value, while identifying future uses and creating a vision for the developer. We also delivered this complex sale at a level of detail that could be audited by the National Audit Office.

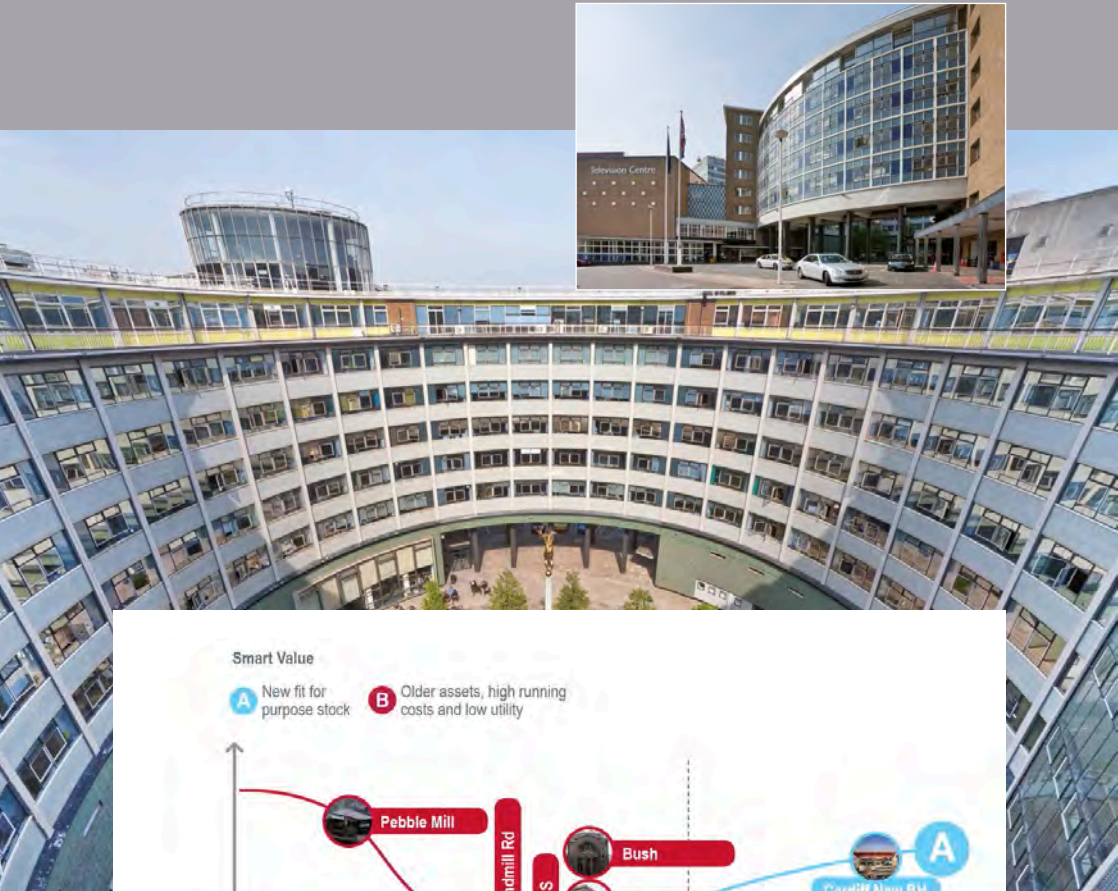
In Glasgow, we managed the disposal of the BBC's Queen Margaret Drive which constituted studios and offices within a 5.3 acre site that had been home to BBC Scotland since 1936. The BBC's operations were relocated to a new facility developed at Pacific Quay.

In Cardiff, the BBC plans to move from its current base in Llandaff to a new 150,000 sq ft broadcast facility in Cardiff. LSH has advised on site acquisition and the simultaneous disposal of the BBC's current sites in Llandaff. The BBC hopes to relocate and be operational in 2018.



“There's a strong team of people at LSH that I trust. LSH take time to understand what the BBC needs and is very responsive to this.”
Andy Thornton
 Portfolio Director, BBC





Mizkan

Acquisition, due diligence, space planning, refurbishment and fit-out managed smoothly

The client's challenge

Mizkan is one of the largest private companies in Japan, producing vinegars, mustards, salad dressings, authentic Asian sauces, and other food products. It is based in Handa, Aichi Prefecture, near Nagoya. Its corporate motto is "Bringing Flavour to Life".

Lambert Smith Hampton acquired Mizkan's first European HQ offices at Building 5 Chiswick Park, and the project involved the search and acquisition of customer fronting offices, due diligence followed by the procurement and management of the tenant fit-out.

Mizkan wanted its European HQ offices to project and reflect its commitment to the UK and European market.

Mizkan has been so successful in the UK and Europe that it has since acquired double the amount of office space in London.

The LSH solution

Our office agency team undertook a market search to identify prestige offices that were close to Heathrow and the West End of London. The preferred location was established as being Chiswick Park.



Our first acquisition for this client involved us structuring a deal with Paramount and the owners of the Park, at Building 5 Chiswick Park. This involved a surrender of the Paramount lease to the owners of Chiswick Park and them then granting a new lease to Mizkan. In this process we were able to negotiate a capital contribution from Paramount towards our client's fit-out and additionally a rent free tenant incentive from the Landlord.

We have just completed a new project involving the surrender of the suite above to the Landlord and a back-to-back acquisition of a new larger 13,000 sq ft suite in Building 10 Chiswick Park. This involved us creating an innovative approach to the transaction that provided our client added value on top of the tenant incentive agreed.

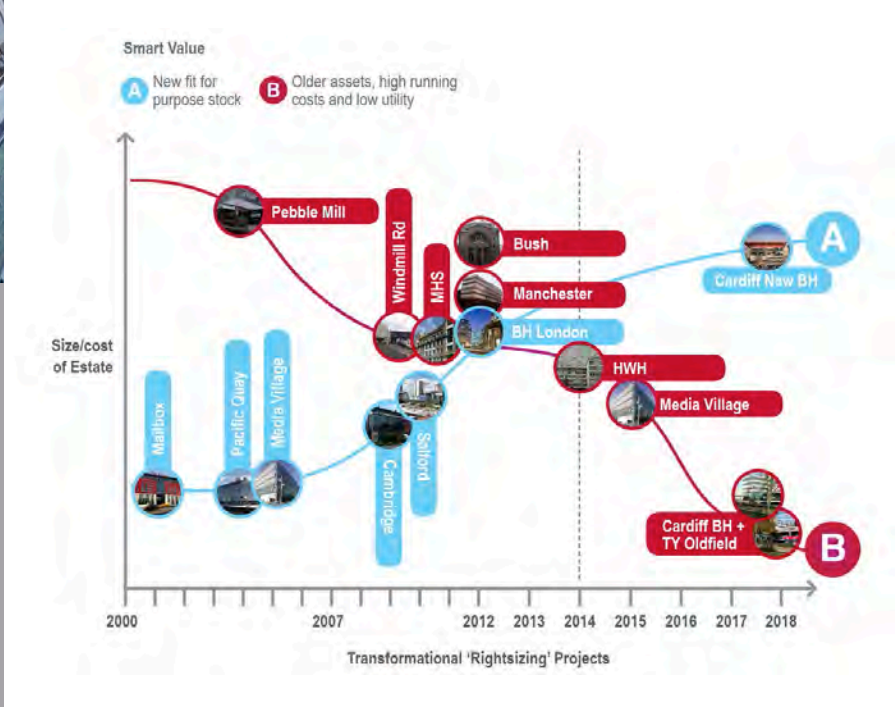
Our project managers have managed the procurement of the occupational fit-out of these new offices.

Results achieved

- The surrender and new lease approach ensured our clients had no legacy lease issues.
- We negotiated an exit dilapidations settlement on the vacated suite and a substantially higher contribution on the new suite towards our client's new fit-out, which itself was minimised. This has all maximised our client's position in difficult conditions where the market dynamic was weighted against the tenant.
- The client's occupational fit-out was completed on time, to a high quality and at a competitive price.

"The feedback from our employees has been excellent in every respect, in particular how everyone was 'up and running' by 10.00am on Monday, which is testament to how smoothly the transition was planned and executed."

Paul Tirebuck
HR Director, Mizkan-Euro Partners Ltd





Hibu (previously Yell)

Strategic headquarters relocation consolidating four buildings into one modern workplace

The client's challenge

Consolidating four long term operational office locations into one modern workplace. Undertaking the new HQ search in high confidence due to business commercial sensitivities.

Finding an occupational solution that would have large floor plates to allow for the creation of a new modern workplace agenda as opposed to the existing inefficient cellular private workplace.

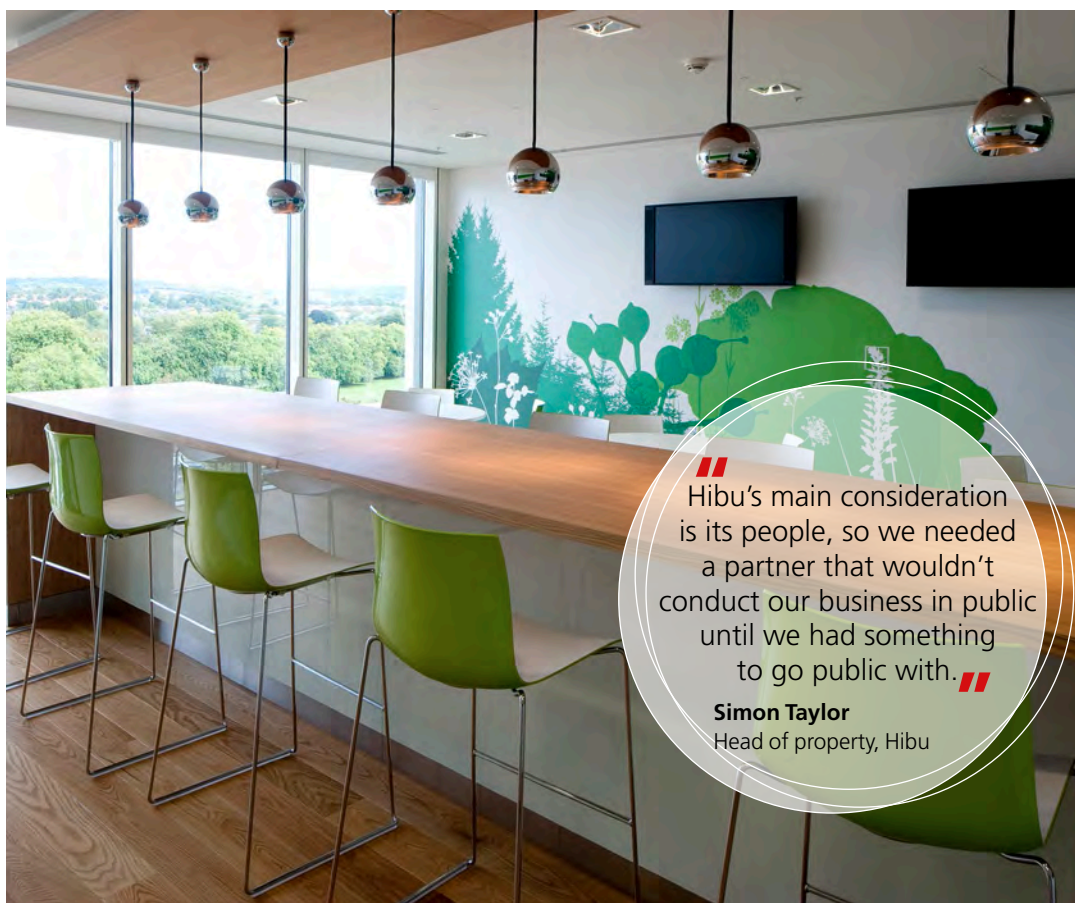
Minimising the legacy costs of the four vacated properties.

The LSH solution

The search was conducted in confidence where most of the market had no knowledge that a large office requirement existed. Otherwise the client's identity was protected via a pseudonym: Project Atlanta.

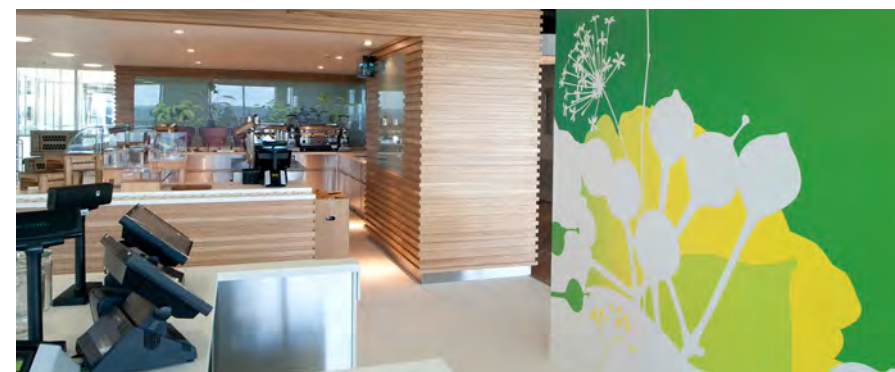
Identifying the best solution in terms of location, size and advantage of pre-let procurement. (Delayed lease start for construction allowed for run down of occupational leases and exit arrangements thus minimising legacy costs).

Negotiating Agreement to Lease and Lease for pre-let of 153,500 sq ft that addressed



“Hibu’s main consideration is its people, so we needed a partner that wouldn’t conduct our business in public until we had something to go public with.”

Simon Taylor
Head of property, Hibu



important elements such as tenant surveyor’s monitoring of landlord’s development, specification improvements, advantageous definition of practical completion of landlord’s building contract and provision of warranties package.

Negotiating landlord’s financial contribution and rent free to undertake the Category A fit-out (Hibu took control of the space upon completion of the shell and core).

Negotiating a tenant incentive package in relation to the lease.

Surrendering 58,000 sq ft office lease in Slough.

Re-gearing operational lease on two offices totalling 120,000 sq ft to allow for a dovetailing of lease end and move.

Assigning three year unexpired lease on 27,500 sq ft surrendering another 27,500 sq ft for nil dilapidations.

Results achieved

- Our negotiations provided the client with over £23m of value via tenant incentives and contributions beyond incurred later costs.
- Hibu’s staff gave the end office solution an approval rating of over 90%.



Siemens

Strategic headquarters relocation

The client's challenge

To find a new HQ office of 180,000 and to sell its existing freehold HQ building in Bracknell and to advise them upon the critical commercial property issues arising from the relocation.

The LSH solution

Our office agency team undertook a confidential search for a suitable new HQ location while maintaining strict confidentiality of our client's identity in the process. We identified the best solution and then negotiated very advantageous terms for the acquisition of a new, four building, built campus totalling 183,000 sq ft.

The existing HQ sale process was tightly controlled and brought to a conclusion within 12 weeks. A one year lease back was also negotiated to allow Siemens an orderly fit-out and relocation to Frimley Square. The competitive sale process ensured that the highest price was achieved, substantially more than Siemens' expectations and book value.

Our building surveyors benchmarked the condition of Siemens' Bracknell HQ freehold to support the sale process and carried

out due diligence surveys upon the new headquarters destination at Frimley Square.

We supported the decision making process by researching key management information by undertaking GIS Mapping analysis. LSH's research team produced scatter graphs of staff postcode locations. From this they were able to analyse travel to work time variations between the existing HQ location and alternative options. This helped in the identification of the optimum solution.

We undertook an 'RICS red book' benchmark asset valuation of Siemens' existing Bracknell freehold office property to benchmark the asset value before the sale process. This was also used in the budgeting of the whole relocation project.

Results achieved

- We negotiated a tenant incentive on new offices of a value in excess of £16m.
- We sold the existing HQ for a figure very substantially greater than the 'red book' asset valuation.
- As a result of the due diligence process a number of important maintenance repairs were identified at Frimley Square, and had to be undertaken by the landlord



before the leases were completed. In one case this involved the re-commissioning of the mechanical and electrical plant during which process performance issues were identified. At LSH's insistence these had to be addressed by the landlord. The subsequent repairs took 12 weeks (much longer than expected) – the combined savings for costs of time (lost rent-free had Siemens had to address issues post completion) and cost of works were substantial.

Testimonial

We chose Lambert Smith Hampton to advise us upon this strategic project, due to our ongoing national relationship and because we knew they had the right people and resources to help us deal with every aspect of this project. LSH progressed our search and subsequent negotiations, maintaining total confidence as to our identity. This was an important aspect. It enabled us to properly evaluate the market options, without the disruptive and damaging publicity that might have made the relocation project impossible to undertake.

LSH's market knowledge and expertise enabled us to successfully complete the sale of our Bracknell HQ and acquire our new HQ office campus in Frimley. We were delighted with the terms achieved upon both the sale and acquisition transactions, they were very advantageous for our business.

Our people and clients will experience all the benefits of our new modern working environment – certainly one fit for the 21st century.

Objective achieved!

“ We chose Lambert Smith Hampton ... because we knew they had the right people and resources to help us deal with every aspect of this project. ”

Andrew Beshaw

Managing Director, Siemens Real Estate

TripAdvisor

Acquisitions in the technology hubs of Thames Valley (Oxford), London and Dublin



The client's challenge

Bringing together two business divisions Holiday Lettings and T4B into one location in Oxford, expanding within its London West End office and acquiring a new office location in Dublin

The LSH solution

Undertaking search, building appraisals and acquisition of two offices (located next to each other), one via assignment the other via a new lease, totalling 45,000 sq ft of offices in the Thames Valley.

Negotiating advantageous terms to acquire an additional floor in existing London West End office building.

Undertaking search and office acquisition in Dublin.

Undertaking due diligence surveys, agreeing dilapidation contribution from the vendor tenant for the Oxford building.

Procuring and managing tenant fit-out building contracts to deliver them within agreed timescales, on cost and at expected quality.

Results achieved

- We have provided our clients with £3.5m of value in terms of tenant incentives (rent free and capital contributions) plus savings upon the fit-out proposal in respect of the Oxford project alone.
- Our negotiations upon the main building contract identified £900,000 of unnecessary costs and the fit-outs were delivered to timetable and cost.



A selection of images of TripAdvisor's London offices





World Wildlife Fund

Acquisition of a site suitable for a new environmentally friendly workplace

The best employers find the best workplaces



The client's challenge

WWF-UK leased an aging office building, with poor environmental credentials, which was not well located for public transport and was no longer fit for purpose.

WWF considered upgrading the current building but decided it was better to build its own green HQ where it could work more effectively and spread its message.

We were tasked with finding a site close to a mainline station to enable access to public transport and Central London, in a location between Guildford and Waterloo.

With a generous £5m donation from the Rufford Foundation and a subsequent capital appeal WWF raised £11.5 million, meaning it did not have to divert money away from conservation projects around the world.

The LSH solution

A site was identified in Brewery Road, Woking. It was a local authority owned car park and we negotiated the acquisition of a long leasehold interest from Woking Borough Council (WBC).

In an innovative transaction structure WWF was able to build its new HQ, whilst retaining an improved car park for WBC use and income generation.

Results achieved

- LSH was able to agree a transaction structure that significantly reduced the purchase price as the vendor retained income from the site.
- The central location delivered to WWF a high profile building, with great public transport links and a readily accessible location from which to spread its message.
- The immediate environment, alongside the Basingstoke Canal and backing onto protected heath land, allowed the creation of a location where both people and nature can thrive.
- The prominent location has enabled easy access to the WWF Experience Zone for visitors – the public, students, politicians and business – and a Learning Zone so schools can visit.
- Building a new HQ has allowed for sustainability features including; ground source heat pumps, solar panels, a curved roof to maximise natural light, rainwater harvesting, a thermally efficient structure, energy efficient appliances and wildlife friendly planting.





Uninterruptible Power Supplies

European HQ freehold acquisition, Hampshire



The client's challenge: Freehold acquisition and relocation to a new European office HQ

The LSH solution: Extensive M4 and M3 search of the property options leading to the acquisition of refurbished office building. Procurement of client's fit-out.

Results achieved: 35% discount on quoted freehold price – a saving of £1.65m. Ensured client's fit-out procured on time and on budget.

KFC (GB) Ltd

Acquisition of 31,000 sq ft Woking, Surrey



The client's challenge: KFC (GB) is owned by Yum! Brands Inc, which is a United States based Fortune 500 Company which also owns Taco Bell, Pizza Hut and Wing Street Restaurants. Yum! Is the world's largest fast food restaurant company trading from more than 39,000 restaurants in over 125 countries.

The LSH solution: LSH was instructed by KFC (GB) to undertake negotiations for a new lease on 31,500 sq ft of offices at Orion Gate, Woking to tie in with the expiry of the lease on its existing Woking HQ.

Results achieved: The acquisition saw our agency team secure a tenant incentive package of £1.9m.



Waters Corporation

US-owned manufacturer of mass spectrometers consolidates its operations

This transaction won LSH the coveted Insider North West Property Awards, Deal of the Year Award



The client's challenge

Creating a new Global Research and Development Centre in Manchester and then consolidating the client's occupation into the new site and disposing of and minimising costs of legacy properties

The LSH solution

LSH has worked with Waters Corporation over the last six years on a strategic plan to secure a site for the new facility involving identifying and acquiring the new site via four shortlisted schemes. We selected a 35 acre site in Wilmslow as the best solution.

Subsequently Waters has had a new 220,000 sq ft headquarters built out on the acquired site.

The new facility includes open plan offices, customer demonstration laboratories, R&D capabilities, storage and a manufacturing/assembly capacity.

Our agency team has dealt with the residual/legacy properties, which include the sale of a light industrial unit of 22,000sq ft and a 45,000 sq ft three storey HQ office building.

Our building consultancy team advised on the issue of dilapidations in relation to two other properties where there were lease terminations.

Results achieved

- Searched for best operational site and then advised upon the acquisition of a 35 acre site to accommodate a new 220,000 sq ft operational campus, upon most advantageous terms.
- Minimised legacy costs of existing properties.
- The new facility successfully united Waters' existing mass spectrometry operations, consisting of more than 500 employees who were located on four separate sites in South Manchester and Altrincham.

“... Manchester was also the birth place of mass spectrometry so it is entirely fitting that you [Waters] are continuing that tradition and continuing the work done in Manchester in this new facility.”

George Osborne,
Chancellor of the Exchequer



ATKINS

Atkins

Multiple national property projects including large office acquisition in Bristol



Autodesk

Autodesk

Relocation into a modern workplace embracing agile working practices

The client's challenge

We were instructed to acquire a new HQ building which could facilitate circa 1000 staff, currently spread over five separate locations in Bristol, on behalf of Atkins. The project was not limited to negotiating preferential terms for the client on its new building, but also involved assessments of its existing offices in Bristol and realigning lease expiries in order to limit ongoing liabilities.

The LSH solution

The Office Agency team conducted a thorough search of the Bristol market and shortlisted five sites across north Bristol, inviting proposals on all. Using these proposals the Office Agency team negotiated terms on two sites.

On completion of negotiations, Aztec 500 was selected and LSH assisted in bringing together the necessary development team.

LSH undertook assessments of Atkins' existing offices in Bristol. Lease terms were negotiated to engineer coterminous lease ends and new short term office space was acquired.

Results achieved

- Operating out of a single building has provided Atkins with economic operational benefits and substantial cost savings. Atkins benefited from LSH's in-depth market knowledge and expertise, enabling it to select a suitable site which met all of its relocation objectives.
- Atkins received a cohesive service from LSH that tied together the acquisition of its new site and the issues relating to the disposal of the lease liabilities on its numerous former office sites. LSH negotiated significant cost savings on behalf of the client on rent, rates and service charges by disposing of all but one lease liability before its relocation.
- The 100,000 sq ft site, located in the centre of Aztec West, has been taken on a 15 year lease at a rent of £22.50 per sq ft. LSH achieved a 33 month rent-free period (value over £6.1m) for the client, which was partly offset against the tenant's fit-out works that the landlord would carry out.



The client's challenge

LSH was tasked with reviewing the company's current HQ situation, and delivering cost savings through either a lease re-gear or an office relocation.

Autodesk held a lease on 37,500 sq ft of offices on a business park in Farnborough, but changing business needs (modern working practices) meant that less space was required.

Autodesk was paying an above market rent of £27.50 per sq ft, with a lease break looming. LSH was instructed to prepare a strategy for re-sizing the current office space, to suit the needs of the business while reducing occupational costs.

The LSH solution

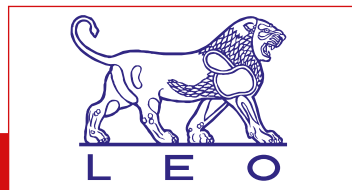
We compiled an options review, comparing the costs of re-gearing the current lease on less space with relocating to alternative accommodation. We also undertook a search for suitable alternative premises, identifying single floor or self-contained buildings of circa 22,000 sq ft.

A shortlist of potential schemes was viewed, and a favoured option was identified. We then entered negotiations with the current and prospective landlords to secure the best possible terms for Autodesk.

Results achieved

- Even after taking into account dilapidations and relocation costs, significant savings could still be made by moving from existing premises to a new alternative property.
- LSH negotiated terms on new property, agreeing a rent of £18.50 per sq ft and substantial incentives on a ten year lease. The result of these negotiations will deliver savings in excess of £1m over the term of the lease.
- As a result, Autodesk has secured impressive, high quality office space on a single floor. This will inherently transform team communication, while still achieving market-beating terms.
- Autodesk exercised its lease break on original office lease and we negotiated its terminal dilapidations settlement.





Leo Pharma

Relocation and sale of existing site for alternative higher use value

The client's challenge

To search the market for a new office headquarters to replace the client's older style outdated premises and by doing so, unlock considerable development value for its existing site.

The LSH Solution

Our agency team undertook a regional search for new office premises, shortlisting a number of possible options. Confidentiality was critical throughout the project with the LSH team dealing with all Landlord enquiries direct.

Our building surveying team was also engaged to advise on modern working practices, assessing the new office requirement going forward and undertaking critiques of the final short listed options.

In parallel, our development team was engaged in assessing options for the existing premises, undertaking a full planning audit and financial appraisal for existing and alternative use potential.

Results achieved

- Our office agency team sought the best terms available on the preferred option, Horizon at Hurley and worked collaboratively with the other LSH teams to facilitate a successful and efficient office relocation. The building surveying team project managed the fit-out to ensure best value and practice. Meanwhile the development team bought about a successful and unconditional sale of the former site to ensure maximum savings and added value across the whole project.



SkyBet

Office accumulator
14,450 sq ft to circa 43,000 sq ft

The client's challenge

SkyBet (nee British Sky Broadcasting) was outgrowing its existing offices in Harrogate and needed to move to larger premises. We were appointed to search and acquire a new regional headquarters in Leeds city centre to facilitate our clients' relocation and expansion.

LSH solution

Having established a detailed brief, we identified and shortlisted a number of potential buildings, which satisfied our client's particular requirements. We then negotiated Heads of Terms for the shortlisted options, providing a detailed financial analysis of occupational costs against incentives offered.

We eventually acquired 14,450 sq ft within the prestigious Wellington Place development in the West End of Leeds. We were also appointed to negotiate the dilapidations claim on the client's former premises to minimise its exit costs.

Results achieved

- The relocation allowed our clients the opportunity to acquire a brand new, grade A office building, in a major regional City Centre, with minimal financial impact to

its business, by negotiating better than market terms and as well as minimising their dilapidations liability in the office it vacated in Harrogate.

- As part of our initial instructions, it was important to ensure that any building shortlisted would allow for the future expansion of the business. Following the acquisition of 2 Wellington Place, Sky Bet has expanded threefold and now occupies a total of around 43,000 sq ft.



About us

At Lambert Smith Hampton, our clients mean a lot to us. Our success and reputation depends on how we contribute to their success and reputation. So why do our clients choose us? There are many reasons, but chief amongst them is that we're unashamedly and single-mindedly focused on the UK and Ireland. This means that we're on the ground, in the thick of it, at the heart of things. We're not here, there and everywhere. We're just here.

We want to understand all our clients' issues, from the huge right down to the tiny. This is – and always will be – the Lambert Smith Hampton approach. No stone is left unturned. No angle goes unconsidered. Every job is important.

It sounds like hard work. It is. But that's how success happens.

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Details of Lambert Smith Hampton can be viewed on our website www.lsh.co.uk
Due to space constraints within the report, it has not been possible to include both imperial and metric measurements.

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