



CONNAUGHT HOUSE

ONE BURLINGTON ROAD | DUBLIN 4

INVESTMENT MEMORANDUM



Exceptional Landmark Asset,
Strategically Located in One of Dublin's
Leading Office Locations





INVESTMENT HIGHLIGHTS

HIGH-QUALITY LANDMARK BUILDING

Extending to 116,191 sq ft (10,795 sq m)¹ of Grade A office accommodation.

COMBINED RENT ROLL OF €7.1M PER ANNUM²

Income is secured by an excellent tenant line-up including Macquarie Aviation Capital, Alkermes, CBRE and Biohaven.

OPTIMAL FLOOR PLATE CONFIGURATION

The building provides typical 5,200 sq ft – 10,500 sq ft floor plates, in line with peak active demand³.

EXCELLENT CONNECTIVITY

The Luas, DART and Dublin Bus are all situated within close proximity.

PROVEN AND ROBUST RENTAL TONE

Average passing rent of approximately €58 per sq ft (excluding cars)⁴.

ASSET MANAGEMENT OPPORTUNITIES

Including the execution of a sustainability pathway to achieve a **BER B1** rating with minimal disruption to tenants and additional route to **BER A3** with likely facade works required (subject to further investigation)⁵.

EXCELLENT CAR PARKING RATIO

Two-level basement car park including 86 car parking spaces, providing a strong car parking ratio (1 space per 1,351 sq ft).

FREEHOLD EQUIVALENT TITLE

(freehold and long leasehold)

¹ Includes gym spaces, areas as per Murphys Surveys Measurement Report, ² As of April 2024, ³ JLL Research, ⁴ Car spaces assumed at €4,000 per space for analysis, ⁵ Axiseng Pathway Report, April 2024.



INVESTMENT RATIONALE

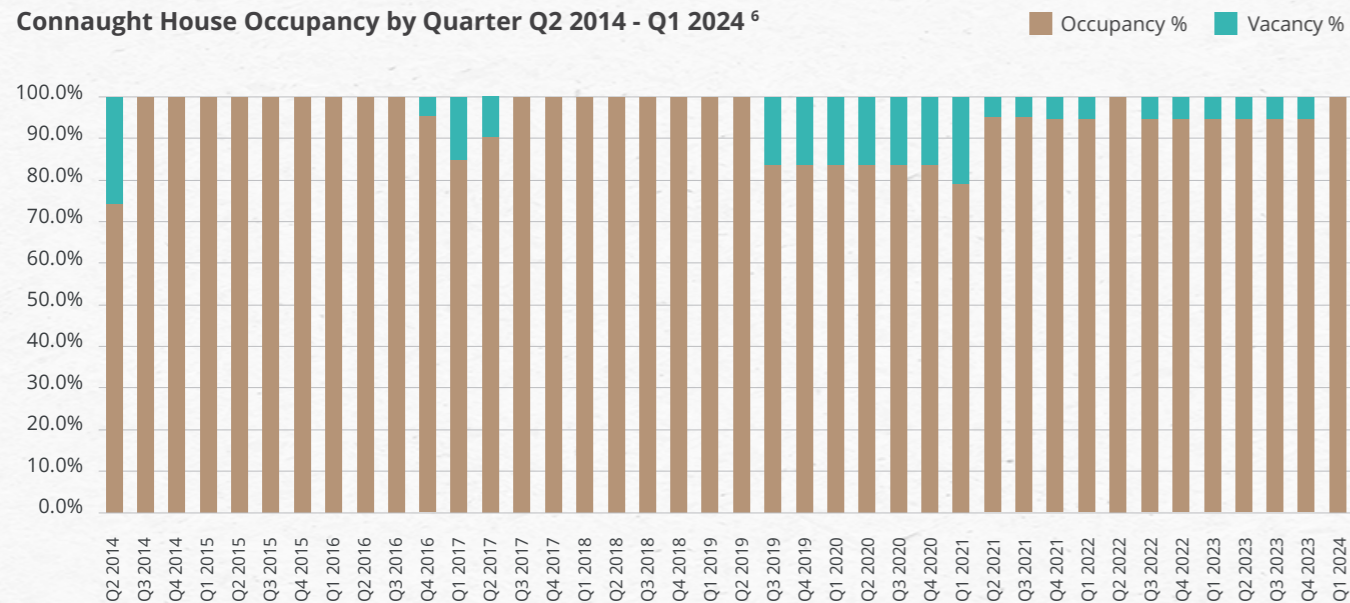
Unique opportunity to acquire a proven well-performing landmark asset, and fully reposition to a 'best-in-class' Office Investment.

STRONG HISTORICAL OCCUPANCY

Connaught House has achieved an average occupancy of 94% over the past 10 years ⁶

- Proven robust leasing and occupational history within the building.
- The building has an average occupancy of 94.4% since Q2 2014.

Connaught House Occupancy by Quarter Q2 2014 - Q1 2024 ⁶

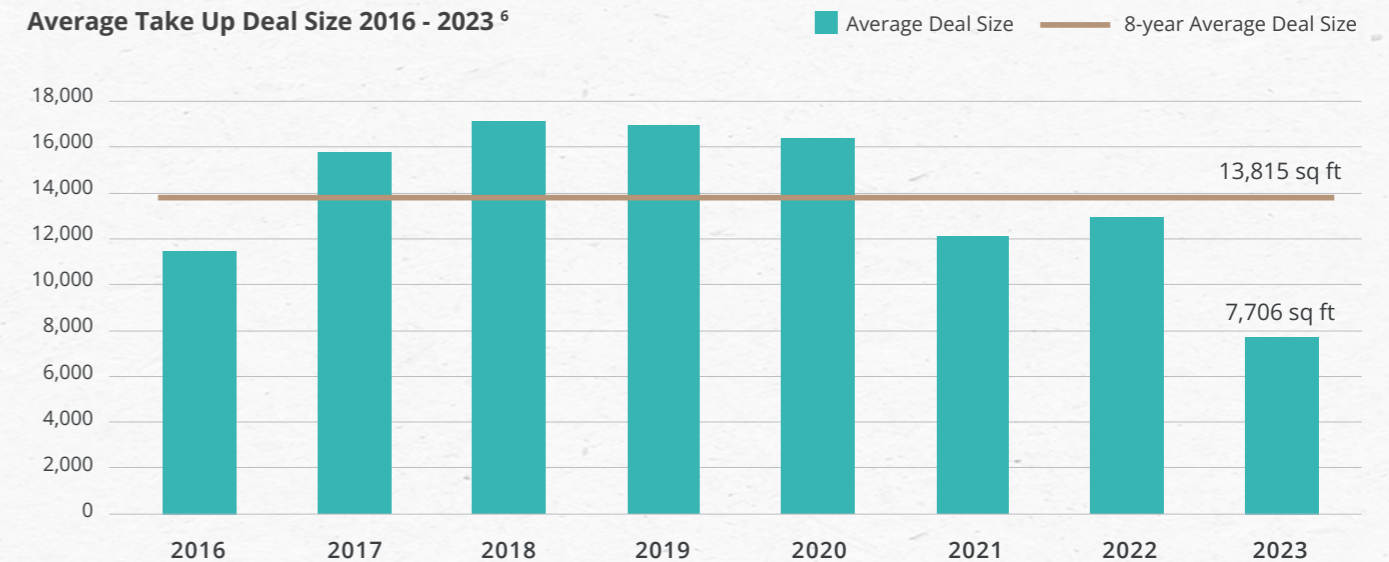


OPTIMUM FLOOR PLATE CONFIGURATION

The building has typical floor plates of 5,000 sq ft - 10,000 sq ft, which are in high demand

- 80% of active demand focused on sub 20,000 sq ft floor plates.
- Average leasing deal size in 2023 was 7,706 sq ft in line with Connaught House floor plates.

Average Take Up Deal Size 2016 - 2023 ⁶



ASSET STRATEGY

ENTRY

ACQUIRE LANDMARK ASSET

- Fully occupied.
- Optimal floor plate configuration.
- Excellent leasing history.



Develop Sustainability Strategy

- Finalise strategy to reposition the buildings sustainability operations and credentials.



Implement Positive Action ⁷

- Implement landlord & common area upgrades.
- LED light upgrades.
- Upgrade to air source heat pumps.
- Collect energy use data and track impact of ESG improvements.



Execute Broader Strategy & Engage with Occupiers

- Target green lease clauses with new tenants.
- Seek longer term commitments following building sustainability enhancements, aiming to increase WAULT and improve rental tone.

HOLD / EXIT

Fully repositioned prestigious office asset designed to meet peak occupier demand with strong ESG credentials achieved.

⁶ JLL Research, ⁷ Axiseng Pathway Report, available in the dedicated data room.



Exceptionally well connected, **Connaught House** is positioned within walking distance to the LUAS, Dart and Dublin Bus, all within close proximity.

WALK TIMES

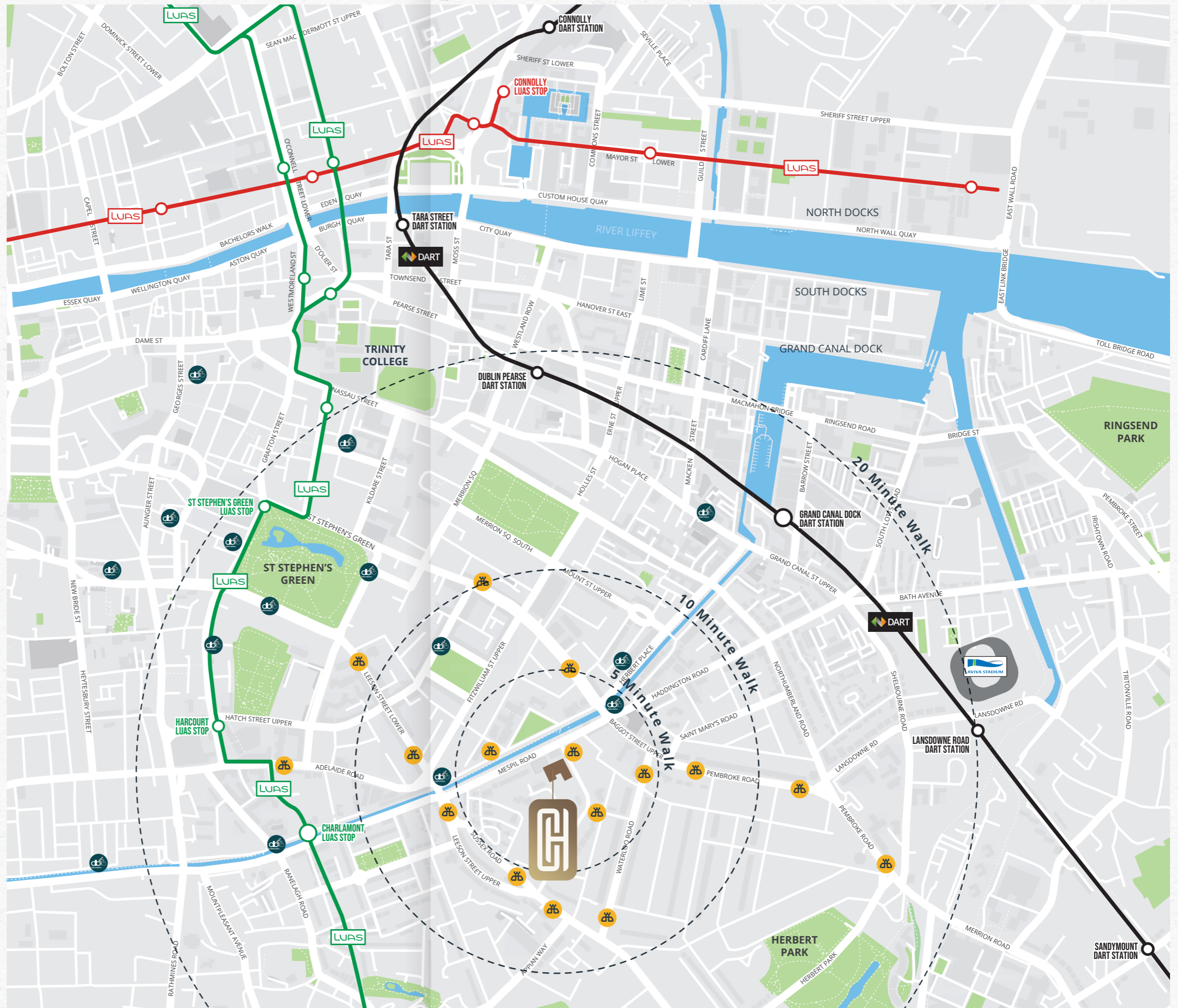


DUBLIN BUS	0 MINS
DUBLIN BIKES	4 MINS
LUAS GREEN LINE	11 MINS
DART	16 MINS

DRIVE TIMES



ST STEPHEN'S GREEN	5 MINS
N11 NATIONAL ROUTE	8 MINS
M50 MOTORWAY	20 MINS
PORT TUNNEL	22 MINS
DUBLIN AIRPORT	25 MINS



DUBLIN BUS
Bus Stops



DUBLIN BIKES
Pick up/drop off bike stations

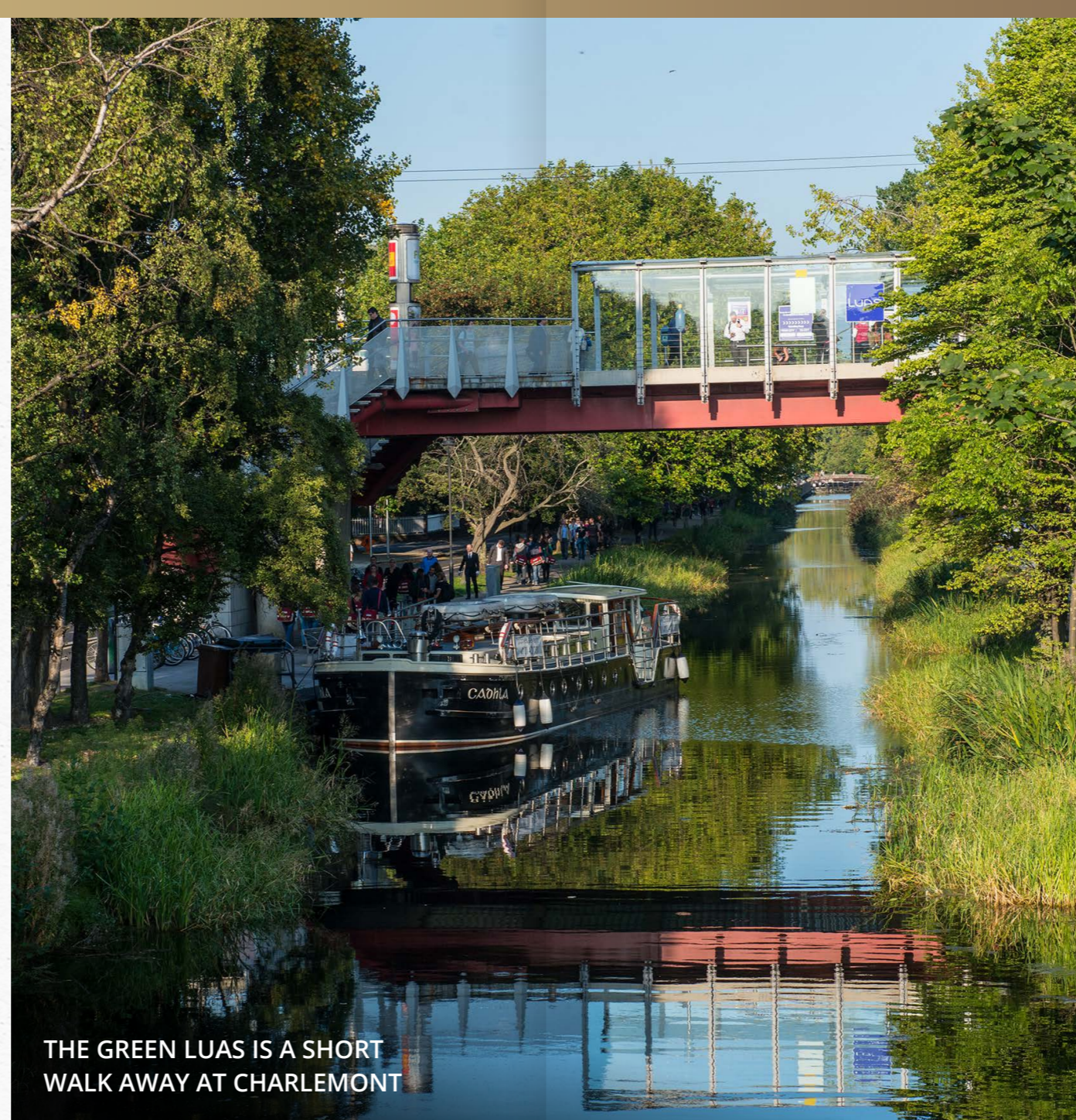


FULL CONNECTIVITY

CONNAUGHT HOUSE OFFERS EXCEPTIONAL ACCESSIBILITY, IN CLOSE PROXIMITY TO ALL MAJOR TRANSPORT LINKS.

Directly outside the entrance, there are various Dublin Bus routes available, ensuring convenient access across the city.

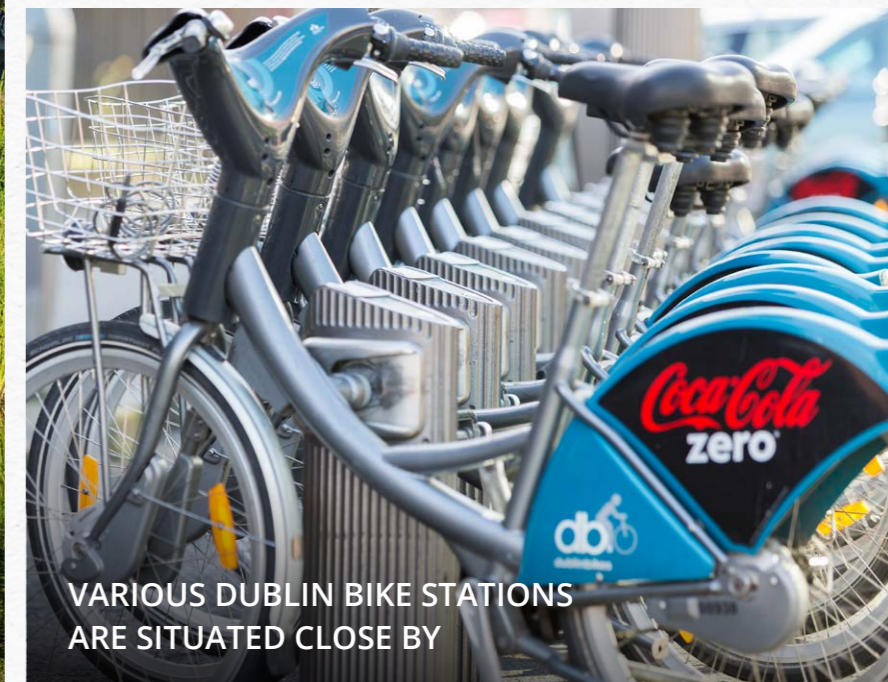
Additionally, the nearest Luas (light rail) stop is located at Charlemont, which is only a short 11-minute walk. Furthermore, the DART is situated nearby, just a 15-minute walk away at Grand Canal and Lansdowne Road Stations.



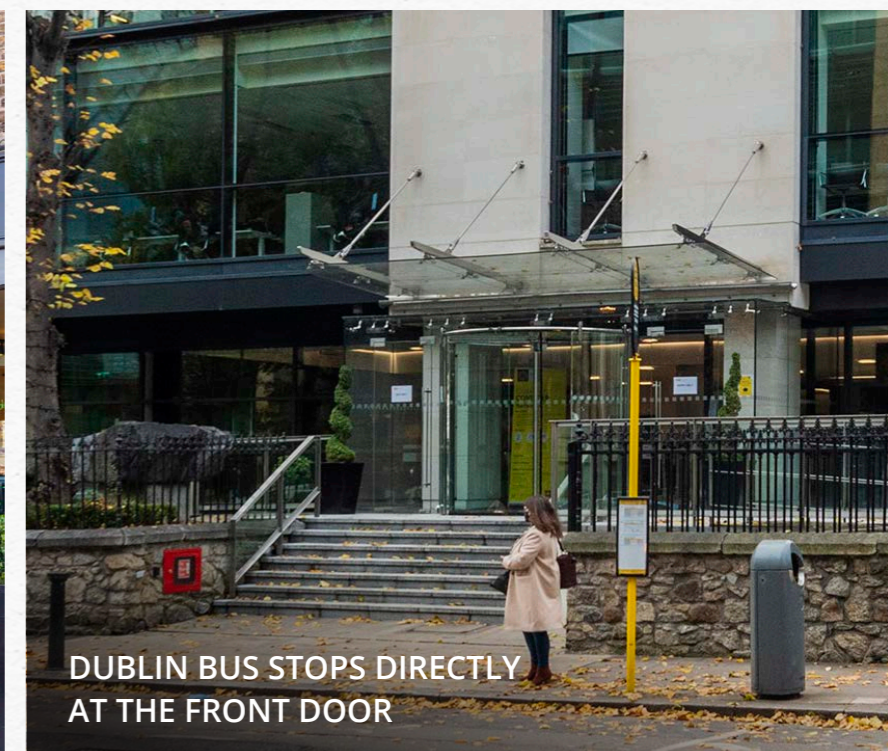
THE GREEN LUAS IS A SHORT WALK AWAY AT CHARLEMONT



THE DART CONNECTS CLOSE BY AT LANSDOWNE ROAD



VARIOUS DUBLIN BIKE STATIONS ARE SITUATED CLOSE BY



DUBLIN BUS STOPS DIRECTLY AT THE FRONT DOOR



Connaught House offers exceptional accessibility, ensuring convenient access across the city.



DART line



Merrion Square

Grand Canal Dock

Google

Shelbourne Park Greyhound Stadium

The Alliance

Accenture

SMBC

Department of Health

TAKEDA

Ogier

CPL

Fitzwilliam Square

IBEC

BSHM LLP

Intertrust

Wilton Park

Embassy of Canada

Bain Capital

Jazz Pharmaceuticals Plc

Bank of Ireland

LinkedIn

Glandore

Glandore

HUAWEI

Amazon

Mental Health Commission



BURLINGTON ROAD

BURLINGTON ROAD

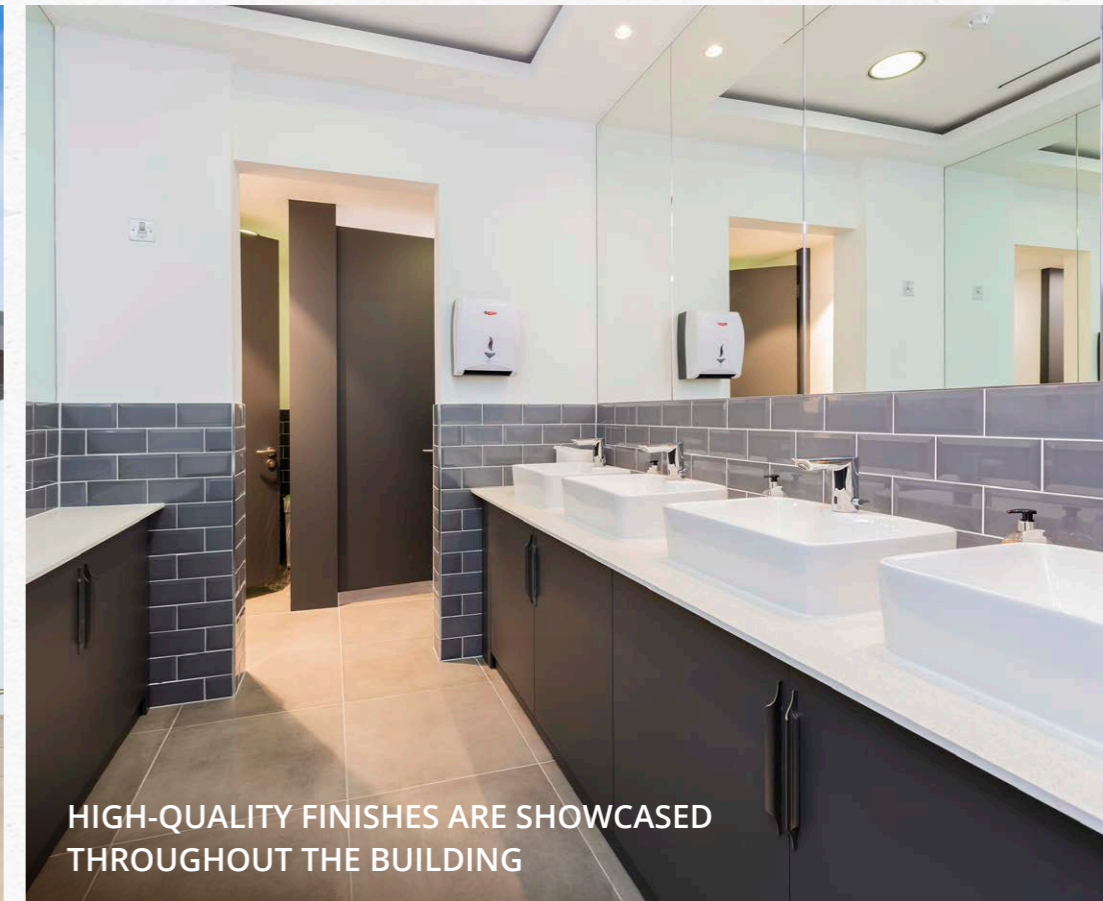
WATERLOO ROAD



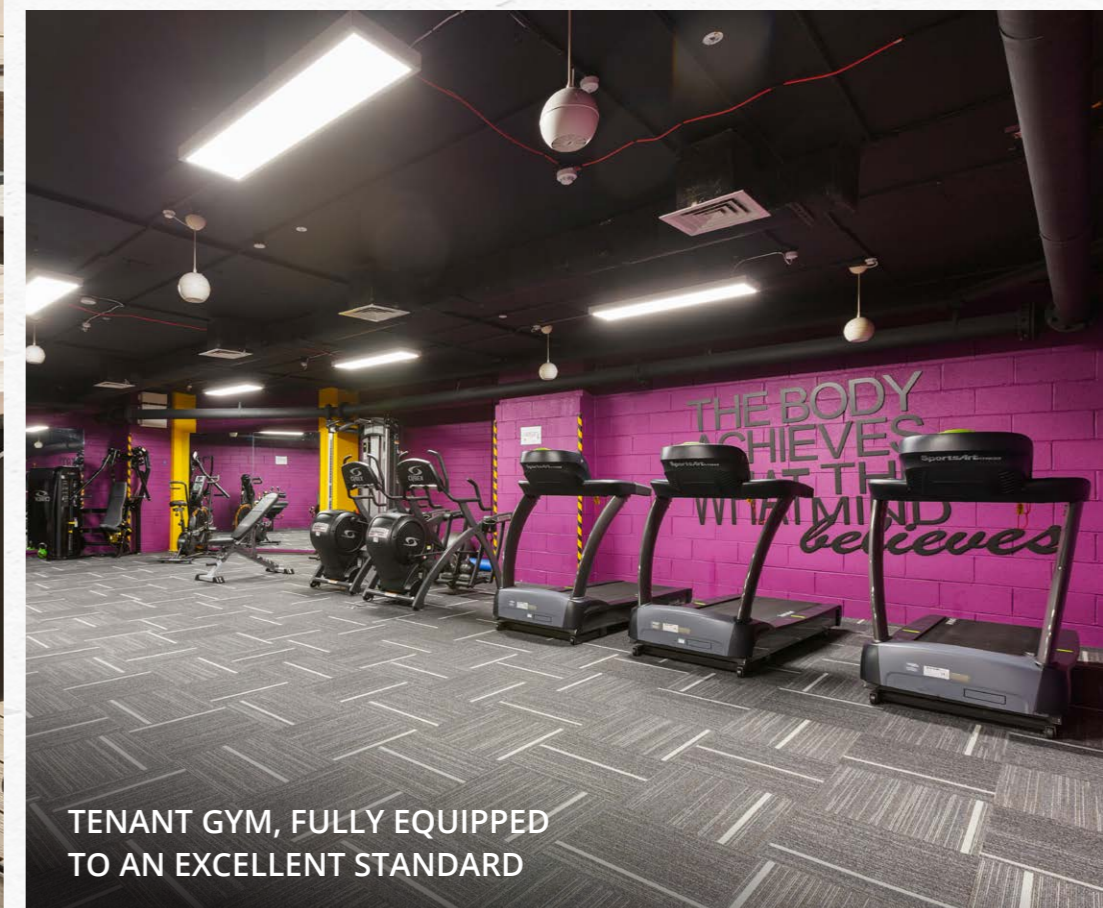
Finished to a premium standard,
Connaught House boasts top-class amenities



THE BUILDING BENEFITS FROM SEVERAL
EXPANSIVE, SOUTH-FACING TERRACES



HIGH-QUALITY FINISHES ARE SHOWCASED
THROUGHOUT THE BUILDING



TENANT GYM, FULLY EQUIPPED
TO AN EXCELLENT STANDARD



EXCELLENT SPECIFICATION



LED LIGHTING



RAISED ACCESS FLOORS



CAT 6 CABLING

GRADE A OFFICE SPACE EXTENDING TO 116,191 SQ FT (10,795 SQ M)⁸



DEDICATED SERVICE LIFT



4-PIPE FAN COIL AIR CONDITIONING



OPTIMUM FLOOR PLATE SIZE
(Ranging approx. 5,200 - 10,600 sq ft)⁸



86 SECURE CAR SPACES



FEATURE SERVICED RECEPTION



4 X 21 PASSENGER LIFTS



STATE-OF-ART SHOWER FACILITIES



MODERN FULLY EQUIPPED GYM



EXPANSIVE SOUTH FACING TERRACES

⁸ As per the Murphy Surveys assignable Measurement Report, which is available in the dedicated data room.

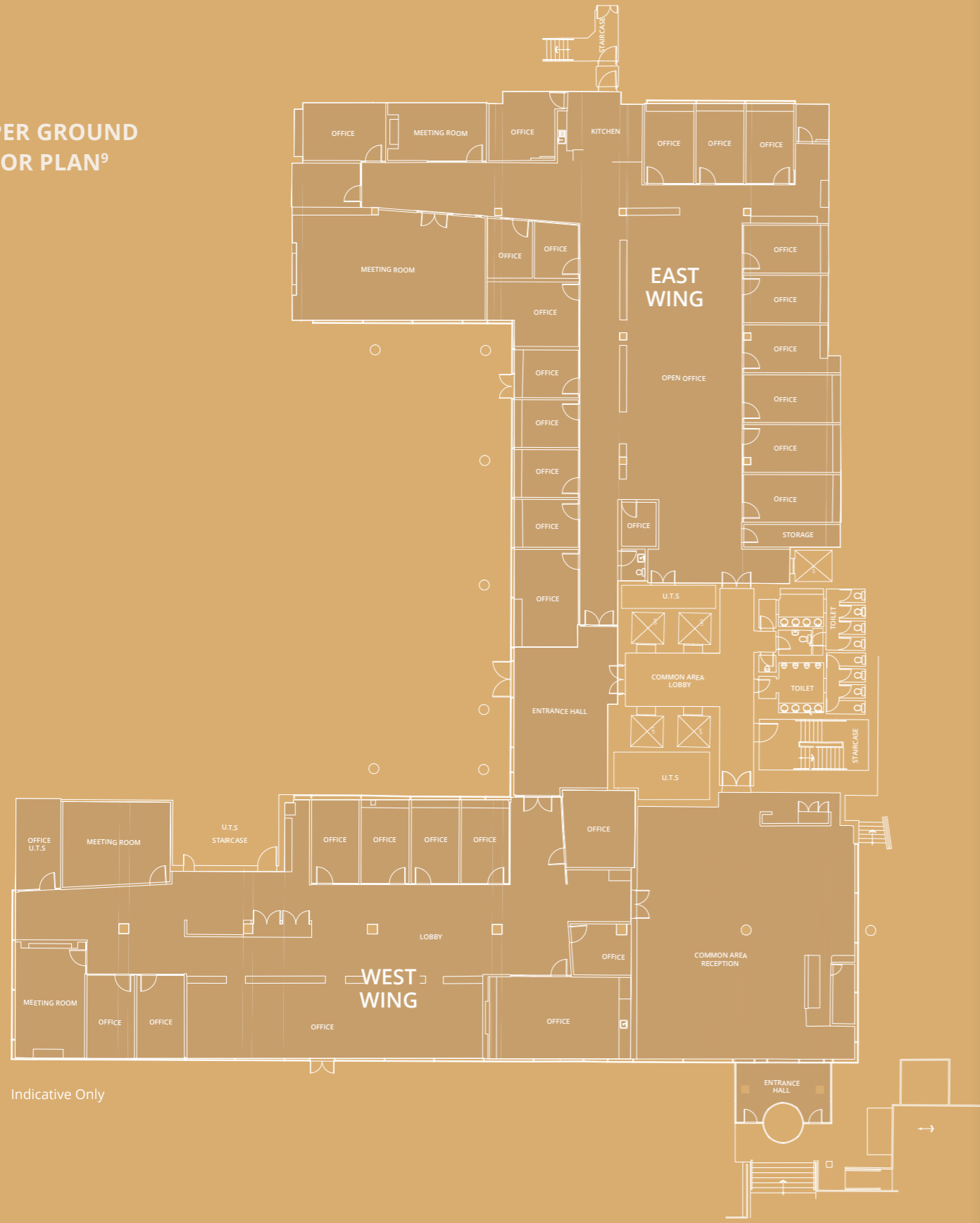


Connaught House is an impressive six storey over basement building



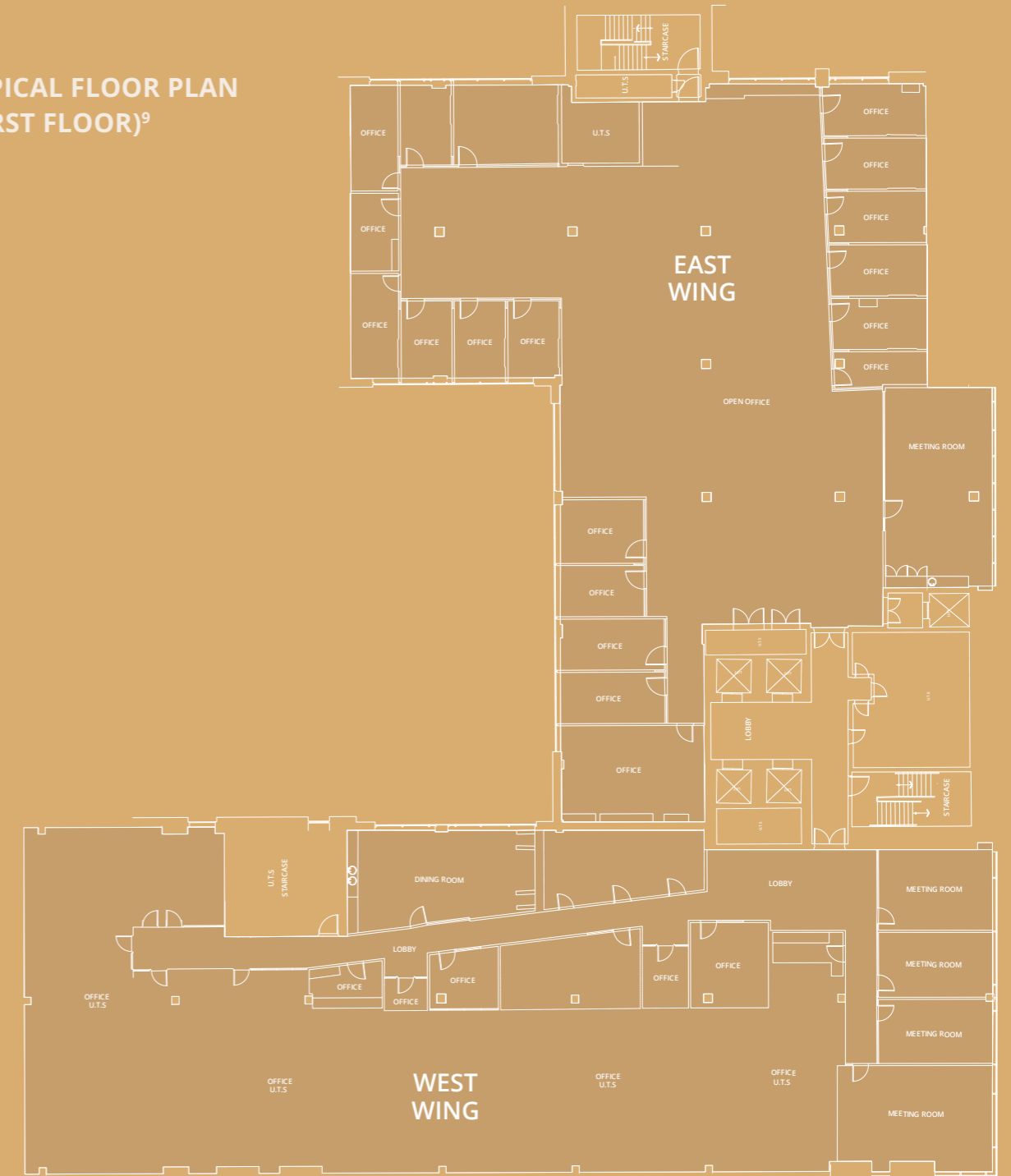
FLOOR PLANS

UPPER GROUND FLOOR PLAN⁹



Indicative Only

TYPICAL FLOOR PLAN (FIRST FLOOR)⁹



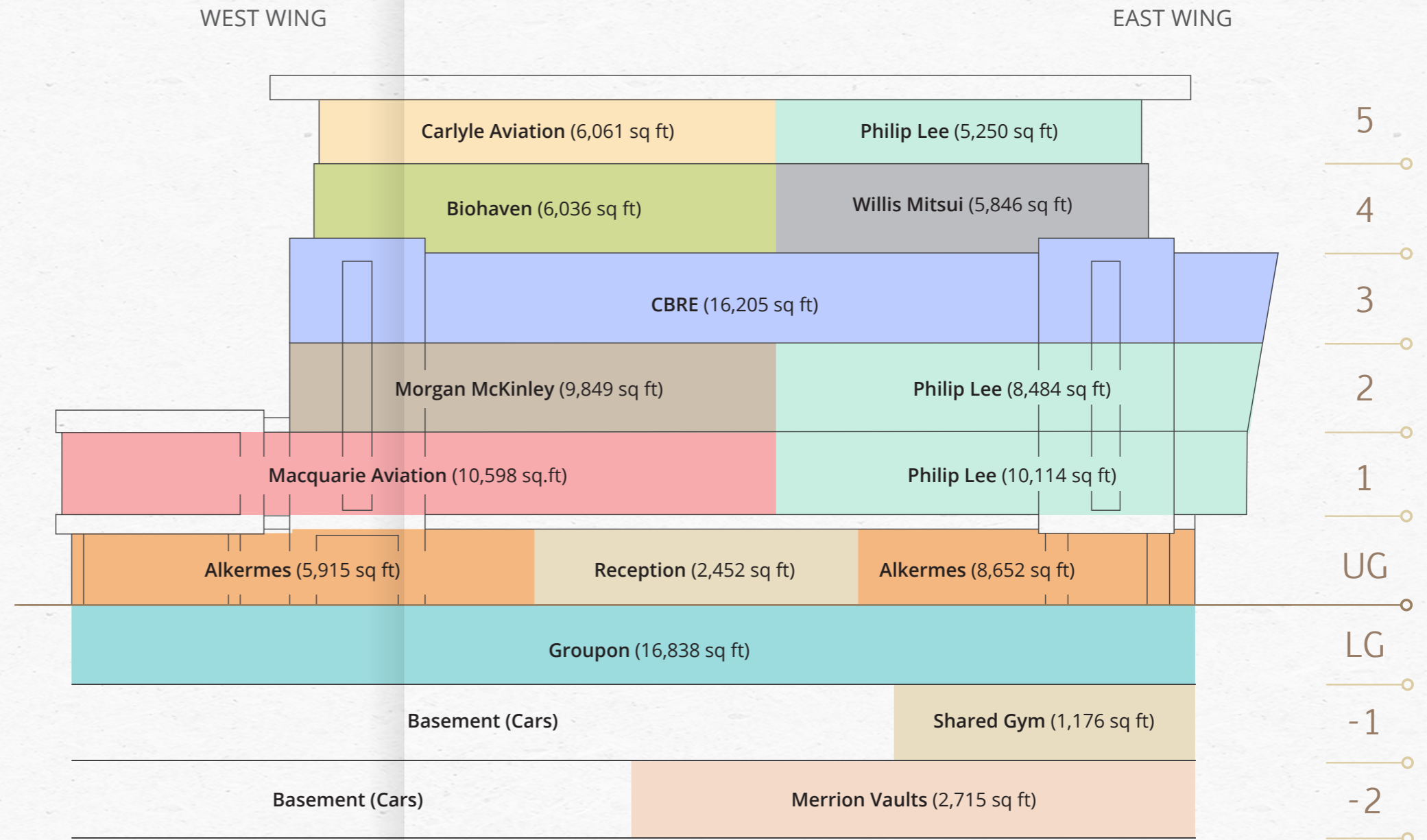
Indicative Only

⁹ As per the Murphy Surveys assignable Measurement Report, which is available in the dedicated data room.



STACKING PLAN

TENANT	AREA SQ FT (NIA) ¹⁰
Philip Lee	23,848
Groupon	16,838
CBRE	16,205
Alkermes	14,567
Macquarie Aviation	10,598
Morgan McKinley	9,849
Carlyle Aviation	6,061
Biohaven	6,036
Willis Mitsui	5,846
Merrion Vaults	2,715
Reception	2,452
Shared Gym	1,176
OVERALL	116,191



For illustrative purposes only, actual floor occupation and configuration differs.

BURLINGTON ROAD

¹⁰As per Murphy Surveys assignable Measurement Report, which is available in the dedicated data room.



TENANCY SCHEDULE

FLOOR / DEMISE	TENANT	NIA SQ M (LEASE AREA)	NIA SQ FT (LEASE AREA)	NIA SQ FT (MEASUREMENT SURVEY) ¹¹	CARS	ANNUAL RENT € P/A	COMMENCEMENT DATE	BREAK OPTION	LEASE EXPIRY DATE	NEXT RENT REVIEW DATE
Basement -2	Merrion Vaults	252	2,715	2,715 ¹²	1	€105,000	04/12/2018	01/08/2029	30/06/2035	04/12/2023
Lower Ground Floor	Groupon	1,588	17,098	16,838	10	€980,390	04/06/2014		03/06/2024¹³	
Lower Ground Floor	Gym Rent	113	1,216	1,176 ¹¹		€46,755				01/08/2025
Ground Floor	Reception Rent	204	2,195	2,452 ¹¹		€168,810				01/08/2025
Ground Floor (West Wing)	Alkermes	570	6,133	5,915	2	€375,980	29/08/2014		23/01/2027	
Ground Floor (East Wing)	Alkermes	791	8,515	8,652	5	€530,240	24/01/2012		23/01/2027	
1st Floor (West Wing)	Macquarie Aviation	988	10,630	10,598	5	€659,026	04/07/2011		03/07/2026	
1st Floor (East Wing)	Philip Lee	954	10,266	10,114	6	€639,960	04/11/2014		03/11/2029	04/11/2024
2nd Floor (West Wing)	Morgan McKinley	922	9,919	9,849	4	€571,464	08/05/2015	07/05/2025	07/05/2035	08/05/2025
2nd Floor (East Wing)	Philip Lee	797	8,574	8,484	6	€538,440	14/12/2015		03/11/2029	04/12/2025
3rd Floor (Entire)	CBRE	1,511	16,269	16,205	16	€960,746	01/10/2005		30/09/2030	01/10/2025
4th Floor (West Wing)	Biohaven	563	6,060	6,036	5	€401,250	21/04/2017		20/04/2027	
4th floor (East Wing)	Willis Mitsui	553	5,952	5,846	3	€388,472	04/10/2017		03/10/2027	03/10/2022
5th Floor (West Wing)	Carlyle Aviation¹³	564	6,075	6,061	2	€381,000	01/09/2014	31/08/2026	31/08/2034	01/09/2024
5th Floor (East Wing)	Philip Lee	493	5,306	5,250	3	€339,819	13/09/2021		03/11/2029	12/09/2026

CAR PARKING LEASES / LICENCES										
Car Parking	CBRE				4	€19,000				
Car Parking	Alkermes Pharma				3	€12,000	29/08/2014		23/01/2027	
Car Parking	Carlyle Aviation				1	€4,000	12/05/2015		31/08/2034	
Car Parking	CBRE				3	€14,250				
Car Parking	CBRE				1	€4,750				
Vacant					6					
OVERALL		10,862	116,923	116,191	86	€7,141,352				

NOTE: All prospective purchasers are advised to satisfy themselves as to the accuracy of any tenancy information, measurements and site areas referred to herein, and must undertake their own due diligence.

¹¹ Please refer to the Murphy Surveys Measurement Report provided in the dedicated data room for further details. The reception and gym areas are included in the NIA area as they are currently being rentalised.

¹² Please note that Merrion Vaults do not have a leased area and the measurement of 2,715 sq ft from the measurement survey was included in the NIA sq ft (Lease Area, fourth column).

¹³ Groupon have exercised their option to break in June 2024. Carlyle Aviation are in negotiations to assign their lease to the break.



THE COVENANTS

THE BUILDING IS FULLY LEASED BY 10 STRONG COVENANTS, INCLUDING MACQUAIRE AVIATION, ALKERMES AND CARLYLE AVIATION.



MACQUARIE GROUP SERVICES AUSTRALIA PTY LIMITED (IRELAND BRANCH)

Macquarie AirFinance is a global aviation lessor providing aircrafts and capital to the world's airlines. The company is owned by Macquarie Group (50%), PGGM Infrastructure Fund (25%) and Australian Retirement Trust (25%). The company has commitments and options for 253 jet aircraft leased to 83 operators in 45 countries, across six continents. As of March 2023, the Macquarie Group had \$A870.8 of assets under management, up 10% from 31 March 2022 and up 5% from 30 September 2022.¹⁴



ALKERMES PHARMA IRELAND LTD

Alkermes plc is a global biopharmaceutical company that is fully integrated in its operations. The company specialises in the development of pioneering medications in the fields of neuroscience and oncology, with a specific focus on central nervous system diseases including schizophrenia, depression, addiction, and multiple sclerosis. Established in 1987, Alkermes plc went public in 1991 and boasts a market capitalisation of €4.43 bn, as of April 2024.¹⁷



BIOHAVEN PHARMACEUTICALS IRELAND DAC

Biohaven is a Pharmaceutical company that focuses on immunology, neuroscience and oncology. The company has multiple clinical trials ongoing for products across neurological conditions such as obsessive-compulsive disorder (OCD) and spinal muscular atrophy (SMA). Biohaven has combined research and internal development with intellectual property licensed from companies and institutions including Yale University, Catalent, AstraZeneca AB, Bristol-Myers Squibb Company and Massachusetts General Hospital. Biohaven is a publicly listed company that trades on the NYSE and had a market capitalisation of €4.27 bn as of April 2024.¹⁵



CBRE ADVISORY (IRL) LTD

Founded in 1906, CBRE is a global firm that provides consulting services for various real estate types. The company offers landlord advisory, asset management, finance, real estate investment banking and project management services and serves property owners and other customers worldwide. CBRE has over 500 offices in over 100 countries. As of 2024, the company which is traded on the NASDAQ has a market capitalisation of \$29.22 bn.¹⁸



PREMIER RECRUITMENT (INTERNATIONAL) T/A MORGAN MCKINLEY

Morgan McKinley is a global professional recruitment company. In operation for over 30 years, they have offices in 10 countries and over 6,000 employees. The company has recently been awarded 'Great Place to Work, Certified in 2022', 'Best Workplaces for Women in 2022, Ireland', and 'Recruiter Investing in Talent Awards 2021'.¹⁶



SMITHWOOD LTD T/A PHILIP LEE

Philip Lee is a highly regarded corporate law firm offering services in various domains such as competition, construction, data, employment, energy, environmental, and real estate. With its primary office based in Dublin, the firm's expertise is further enhanced by its presence in Brussels, London, and San Francisco, ensuring a comprehensive and global reach for its practice.¹⁹

¹⁴ Macquarie Aero and Macquarie FY 23 results, ¹⁵ Biohaven - Reports Fourth Quarter and Full Year 2023 Financial Results, Google Finance, ¹⁶ Morgan McKinley, ¹⁷ Alkermes, Yahoo Finance, ¹⁸ CBRE, Yahoo Finance, ¹⁹ Philip Lee



BUILDING SUSTAINABILITY PATHWAY

CURRENT BER RATING OF C3, WITH A PATHWAY TO B1 IDENTIFIED WHICH CAN BE ACHIEVED WITH TENANTS IN SITU AND MINIMAL DISRUPTION. AN ALTERNATIVE PATHWAY TO A3 TO INCLUDE FAÇADE WORKS IS ALSO IDENTIFIED.²⁰







Connaught House is constructed to the highest standards and this prestigious building continues to attract strong covenants to one of Dublin's most sought-after office locations. The ESG credentials are one of the most important elements to consider in terms of repositioning the property to satisfy both occupier and investor requirements into the future.

To address this, a Building Energy Rating (BER) pathway assessment was undertaken by Axis Engineering and BPC Engineers to identify the current Building Energy Rating position and the interventions that can be implemented in the short to medium term to improve this rating.






THE OUTCOME²⁰

- The current BER is 1.49 placing it in the C3 BER Range.
- Potential to achieve BER of B1 with tenants in situ and minimal disruption. A3 can also be achieved which is likely to require facade works.
- These interventions provide a mix of landlord and tenant upgrades and would result in removal of gas and addition of on-site renewables.

THIS ASSESSMENT CONSIDERED:

<p>Immediately implementable interventions within landlord / common areas</p> 	<p>Lifecycle upgrades of M&E which are at or close to life expired</p> 
<p>Replacement of plant and equipment with more energy efficient modern alternatives</p> 	<p>Alternatives to existing plant to decarbonise the asset</p> 
<p>Working with tenants to upgrade their fit out to further improve efficiency</p> 	<p>Addition of PV on the roof to provide onsite renewable energy</p> 

THE FOLLOWING ARE SOME OF THE KEY INTERVENTIONS IDENTIFIED WITHIN THE BER ASSESSMENT REPORT NEEDED TO ACHIEVE B1 BER RATING:²⁰

 <p>Full LED upgrade throughout including monitoring and targeting system</p>	 <p>Air Handling Unit upgrades to include Heat Recovery</p>	 <p>Gas fired boilers to be replaced with air source Heat Pumps</p>	 <p>Fan Coil Units within tenant floors replaced</p>	 <p>Addition of PV panels at roof level</p>
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The proposed refurbished building can target LEED Gold ID & C sustainability Certification. This certification demonstrates a commitment to environmental responsibility, resource efficiency, and occupant well-being. The following is a summary of the ESG benefits which could be achieved for the proposed refurbished building:

1. MARKETABILITY AND TENANT ATTRACTION

Competitive Advantage: Sustainability certifications, such as LEED differentiate a commercial office space in a competitive real estate market. Many businesses and tenants prioritise sustainability, and a certified building will attract national and international environmentally conscious tenants. Premium rents and yields are achieved on this basis.

2. COST SAVINGS

Operational Efficiency: Sustainable buildings often incorporate energy-efficient systems, water-saving features, and other measures that contribute to lower operational costs over time. This can result in reduced utility bills and operational expenses for the tenants.

3. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Positive Image: Sustainability certifications align with corporate social responsibility goals. Businesses are increasingly aware of their environmental impact, and occupying a certified office space helps enhance their image as socially responsible and environmentally conscious organisations.

4. OCCUPANT HEALTH AND PRODUCTIVITY

Indoor Environmental Quality: Certification programs focus on indoor environmental quality, including factors such as air quality, lighting, and thermal comfort. A healthy and comfortable workspace can contribute to increased employee satisfaction, well-being, and productivity.

Transportation: Connaught House benefits from unrivalled public transport, cycling and walking which would result in lower environmental impact per person.

5. LONG-TERM RESILIENCE

Future-Proofing: Sustainable features and certifications demonstrate a commitment to long-term resilience and adaptability.

6. ENVIRONMENTAL IMPACT

Resource Conservation: Sustainability certifications require the use of environmentally friendly materials, energy-efficient technologies, and waste reduction strategies, contributing to overall resource conservation and a reduced environmental footprint.

7. INNOVATION AND TECHNOLOGY ADOPTION

Encouraging Innovation: The adoption of innovative technologies and construction practices, promoting advancements in the industry.

²⁰ Axiseng Pathway Report, April 2024

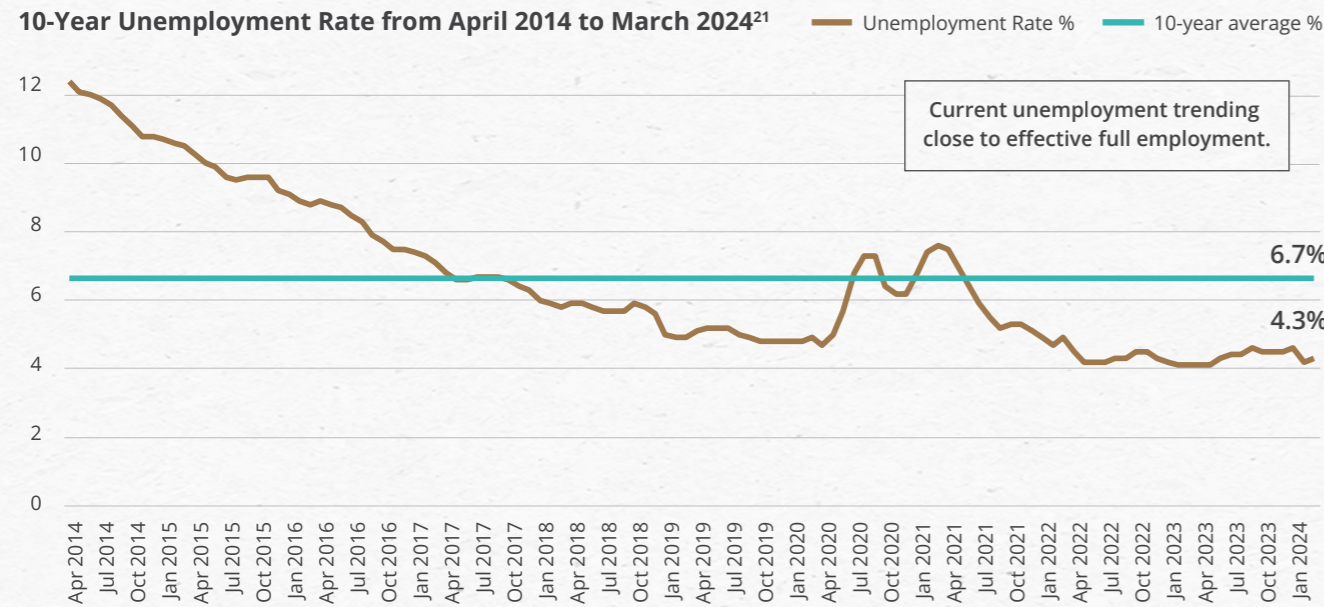


INVESTMENT LANDSCAPE

Sentiment regarding the interest rate environment and inflation have shifted positively in the opening quarter of 2024, further encouraged by sustained robust employment.

EMPLOYMENT LEVELS ARE CLOSE TO FULL EMPLOYMENT ²¹

Despite a global slowdown, Ireland's labour market remains tight with stable growth forecasted.



PRIME OFFICE YIELDS VERSUS GOVERNMENT BONDS ²²

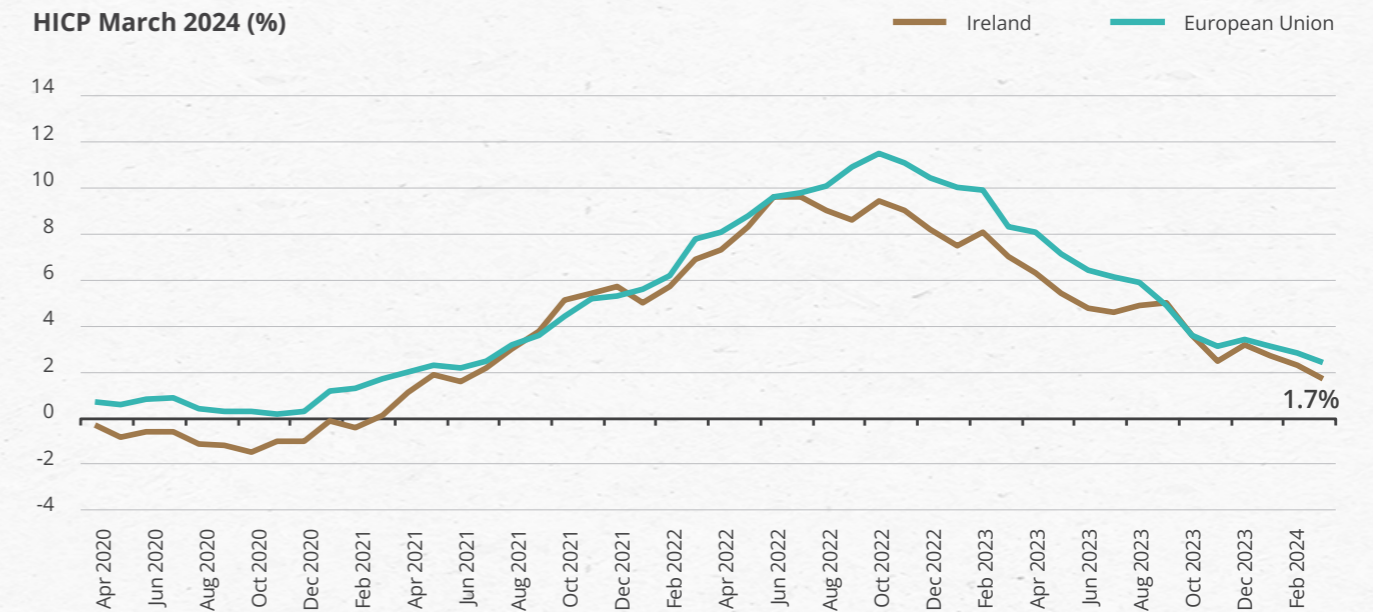
In Dublin, the gap between 10-year government bonds and prime office yields currently stands at approx. 230bps, making Dublin attractive versus other leading office markets.

Prime Cities, 10-Year Government Bonds Versus Prime Office Yields



IRISH HICP BELOW 2% IN MARCH 2024 ²¹

In March 2024, the HICP recorded in Ireland was below the 2% inflation target for the first time since June 2021.



LENDING ENVIRONMENT IMPROVING AS SWAP RATES DECLINE ²³

In anticipation of ECB rate cuts, the EUR 3-year swap is reflecting a downward and more stable trajectory, resulting in more favorable lending terms.

EUR 3-year Swap Rates from May 2023 to March 2024



²¹ JLL Research, ²² JLL Research, Financial Times, April 2024, ²³ JLL Research

FURTHER INFORMATION

TITLE

Unregistered title. A title summary note is provided in the dedicated data room.

BUILDING ENERGY RATING

BER C3

BER Number: 800981615

Energy Performance Indicator: 211.83 kWh/m²/yr1.49

Cert Date: April 2024

BER certificates are available in the dedicated data room.

VIEWINGS

For further information or to arrange a viewing, please contact the joint selling agents JLL & Cushman Wakefield.

For the avoidance of doubt, please note that this is an investment sale and all tenants are unaffected.

DATA ROOM

Interested parties will, at the vendor's discretion, be provided with access to a dedicated data room.

WEBSITE

www.connaught-house.com





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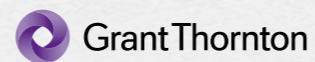
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Subject to contract/contract denied

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