

Guaranteed Commercial Property Solutions

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REPORT

ON

THE MARKETING OF

**63-71 HIGH STREET
HAMPTON HILL
TW12**

FOR B1 OFFICE USE

PREPARED FOR

GREATPLANET LTD

BY

BONSORS

CHARTERED SURVEYORS & COMMERCIAL PROPERTY CONSULTANTS

**WARWICK LODGE
75-77 OLD LONDON ROAD
KINGSTON UPON THAMES
KT2 6ND**

25 October 2016

1. Background

This report prepared by Tim Gault MRICS sets out the record of the marketing of 63 – 71 High Street, Hampton Hill, TW12 between 2005 and 2015 for reoccupation as B1 offices either as a whole or as small units in support of the proposed planning application for the redevelopment of the site to provide a mix of residential flats and houses together with ground floor retail units being submitted by Greatplanet Ltd.

I am a member of the Royal Institution of Chartered Surveyors and a director of the practice of Bonsors Penningtons Ltd trading as Bonsors.

Bonsors have been active as agents and consultants in commercial property in the South-West London and Surrey area for in excess of 50 years.

2. Property History

Bonsors have been involved with this property and the adjoining St Clare Business Park, which is to the rear of 63 – 71 High Street, since the 1970s.

At that time the combined properties comprised the headquarters offices and builder's yard of Gosling Builders Ltd.

The High Street frontage is currently developed with two office buildings, (the northern dating from c. 1970 and the southern c. 1980s). The southern building incorporates three self-contained residential flats on the top floor. There is an ancillary small office building located in the south-west corner of the site.

Due to a contraction of business, Gosling Builders instructed us to let the offices at the front of the site.

In the mid-1990s, Gosling Builders ceased trading and we were instructed to sell the property.

It was purchased by Martins Properties in c. 1996 and they held the property until 2001 when 63 – 71 High Street was sold to Londis for use as their head offices. St Clare Business Park, to the rear was sold separately to Tyton Properties Ltd.

Following the takeover of Londis by Musgrave Plc., the offices were surplus to the requirements of that group and our company sold 63 – 71 High Street to Hampton Hill, Richmond Ltd in August 2006.

The property was let in its entirety shortly thereafter to the Jewellery Channel who used the combined buildings as their head offices and the studio at the rear of the site, as ancillary accommodation.

In 2008 the Jewellery Channel vacated No. 63 – 65 High Street (the southern building) as their business shrunk and it was surplus to requirements. 67 – 71 continued to be occupied until September 2013 when the Jewellery Channel vacated the property in its entirety and relocated.

From September 2013 until the present date, the entire property has been vacant.

It was sold in December 2015 to Greatplanet Ltd, the current owners.

3. Marketing

As set out above we were appointed to market the freehold of the property in 2005/2006. Marketing commenced early 2005 and a sale was eventually completed some 18 months later in August 2006. The property was vacant throughout this period. The length of time it took to find a buyer demonstrated at that time there was not a good market for this type of property either for investment/development or for owner occupation as offices.

When, as set out above the Jewellery Channel vacated the southern block (63 – 65 High Street), we were instructed to seek sub-lettings of the offices. In 2010 when the lease expired we then continued to market and offered the building for Hampton Hill Richmond Ltd, the freeholders.

When the Jewellery Channel vacated the northern building (67 – 71) in 2014, the entire office complex was marketed by Hampton Hill Richmond Ltd on a letting basis either as a whole or in suites and this marketing continued until February 2015 when the decision was made to sell the property.

Details of Marketing of 63 – 65 undertaken on behalf of the Jewellery Channel 2008 – 2013.

We were appointed by the Jewellery Channel to let Nos. 63 – 65 High Street in December 2008 and a full marketing campaign was launched at the beginning of 2009. The marketing campaign included the following:

- a. Marketing Particulars
Marketing particulars were designed and produced to be issued as hard and soft copies.
- b. Letting Boards
These were affixed to the property throughout the period of marketing.
- c. Estate Agents Clearing House
Particulars were submitted to Estate Agents Clearing House who distributed the particulars to all other commercial agents so they can approach clients with requirements.

- d. Mailing to other agents
Details were circulated to other commercial agents both in London and local areas.
- e. Local companies' details were mailed to local office occupiers from our in-house marketing lists.
- f. Applicant Mailing
Details were mailed to our applicants seeking office property.
- g. Web based marketing
The property was listed on our own company's website and also listed with the main commercial property search engines serving the industry including:
 - Estates Gazette Property Link
 - Rightmove
 - Movehut
 - Nova Loca
 - Costar Focus

Details of Marketing of the Whole Property undertaken 2014 – 2015

The marketing comprised the following:

- a. Marketing Particulars
Marketing particulars were designed and produced to be issued as hard and soft copies.
- b. Letting Boards
These were affixed to the property throughout the period of marketing.
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g. Web based marketing

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Details of Terms on which the Building(s) were marketed

In respect of instructions from the Jewellery Channel the offices were marketed at a competitive rental of £14.00 per sq ft. Subsequently in 2014 this was revised to £15.00 per sq ft.

The accommodation was offered in units ranging from 1,500 sq ft upwards i.e. half a floor in the southern building and a floor in the northern building.

Lengths of leases were offered from three years and longer.

The attached report produced from Costar, an independent source of data used by the industry, shows the lettings of offices which took place within a 1.5 mile radius of the site between 1st January 2009 and 1st March 2015. This demonstrates that the average rental for office property during this period was c. £17.50 per sq ft. The quoting rental for 63 – 71 High Street was in our opinion therefore competitive being significantly below the average rental being achieved in the market place.

Response to the Marketing

Despite the flexibility of the offered term and the reasonable level of asking rent there was little to no interest in the property. While we do not have detailed records of all the enquiries and cannot supply a complete breakdown of the viewings and responses it is suffice to say that interest levels were generally extremely thin.

4. Conclusion

For many years there has been a significant surplus of available office space in Hampton Hill and limited demand as evidence by our marketing.

The market competition was better quality in locations close to good levels of public transport and the main hubs of Kingston, Richmond, Teddington and Twickenham.

Generally, offices (which includes developments like 63 – 71) in areas less well served by good transport were not favoured by tenants.

Based on my experience I would advise any client that the location of 63 – 71 High Street is not a particularly suitable one for office space.

Our experience of marketing the buildings in both the early 2000s, when the building was sold and its marketing to let from 2008 until February 2015 demonstrates that there is little to no appetite in the office user market for this property.



Tim Gauld MRICS Registered Valuer
On behalf of BONSORS
Guaranteed Commercial Property Solutions

APPENDIX 1

Sale Report and Brochure 2006

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***REPORT ON THE DISPOSAL
OF***

***Eurogroup House
63-71 High Street
HAMPTON HILL
RICHMOND UPON THAMES***

6th February 2006

Directors: T J Gauld MRICS. A T J Pollard BSc. FRICS. FCI Arb.

Bonsor Penningtons Ltd (Trading as Bonsors).

Registered in England No. 321 6636.

Registered Office: Warwick Lodge, 75 - 77 Old London Road, Kingston-upon-Thames, Surrey KT2 6ND.

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