

REPORT

IN RESPECT OF

MARKET DEMAND

1+2 PLOUGH LANE

TEDDINGTON

TW11 9BN



1 OCTOBER 2020

BUSINESS SPACE DEPARTMENT

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1.0 JOHN VOKINS MRICS

- 1.1 I, John Vokins am a Partner of Vokins Chartered Surveyors, and am a professional member of the Royal Institution of Chartered Surveyors. I have been qualified as a Chartered Surveyor since 1991 and established Vokins Chartered Surveyors in 1993. I am also a Registered Valuer.
- 1.2 This practice provides advice to a large range of clients to include statutory bodies and authorities, institutional investment funds, public companies, private companies and numerous private clients.
- 1.3 My geographical area of expertise is West and South West London to incorporate Teddington.
- 1.4 I am the Partner in charge of Vokins' commercial agency department.
- 1.5 Property of the type found at 1 + 2 Plough Lane, Teddington is among the type of property I would encounter in my day-to-day activities.
- 1.6 In the market place, my firm is considered to be amongst a group of the active commercial property agents operating in the area.
- 1.7 In summary, I believe that I am suitably qualified to give the opinions contained herein on market demand for commercial uses at this site.

2.0 INSTRUCTIONS

- 2.1 My firm has been appointed to provide its professional opinion upon the demand for storage space or the potential for other employment generating uses at these properties.
- 2.2 I have inspected the properties externally. Internal inspection was precluded on advice that the properties were structurally unsafe, being semi-derelict, upon grounds of Health & Safety, and that certainly appeared to be the correct approach from what I was able to see. I have taken external photographs and been provided with floor areas. I am able to report back with my opinion in respect of the market demand for the properties for B8 storage, or indeed alternative commercial uses at this site.

2.3 The instructing client has also requested that I provide commentary upon whether or not an extensive marketing campaign in respect of this property would likely result in identification of a commercial storage.

3.0 LOCATION

3.1 The property is located due south of the High Street, close to Teddington town centre, close to its junction with Field Lane, due west of the River Thames and A310 Kingston Road.

3.2 The space under consideration sits within a micro-location that is primarily residential although there is commercial space to the eastern end of Plough Lane, which I am advised is not occupied at all times during normal working hours. It appears that this is storage and ancillary office space, which I understand is owned by a building company, who I am advised are often out on site during working hours. Plough Lane itself is a cul-de-sac.

3.3. The nearest train station is at Teddington and there are a number of bus routes that serve the nearby High Street.

3.4 In terms of immediate amenities and facilities, the property is within walking distance of the amenities of Teddington town centre. A location plan is attached as Appendix 1.

4.0 THE PROPERTIES

4.1 The properties comprise pre-war brick-built rudimentary structures, which I believe originally formed part of a terrace of 8 properties. I understand the properties were historically used for B8 storage purposes.

4.2 Both properties appear to be in very poor condition externally, and whilst I was precluded from internal inspection, I was advised and it was apparent that internally they are not in good repair.

4.3 There is a small amount of external space to the west of Unit 1 for car parking. There is no external space with Unit 2, and overall external servicing areas are inadequate for storage or other commercial uses.

4.4 As previously stated, internal inspection of the property was not possible, upon the basis that I was advised the structures were unsafe and they had been semi-derelect for some time. From what I could see of the property, that assessment appeared entirely correct procedure.

4.5 The specification of each building is rudimentary and would not be acceptable to most businesses in today’s market. I consider that they were never constructed as anything more than low budget overflow storage space, in times when energy efficiency etc., was not a consideration. Nowadays, businesses are encouraged by statutory authorities to operate from energy efficient buildings, and to reduce their carbon footprint etc., and these properties would not be able to fulfil that criteria on any level.

4.6 On a gross internal basis, I have been provided with the following approximate floor areas: -

	Sq. M.	Sq. Ft.
Unit 1	36	388
Unit 2	78	839
Total	114	1,227

5.0 MARKETING – ILLUSTRATIVE EXAMPLE OF COMPARABLE SPACE

5.1 Although the subject units have not been marketed, in assessing the demand for this type of space, I have drawn upon the experience of both my own firm’s agency department and that of 2 other local agents with whom we have worked jointly and continue to work with on an ongoing basis being:

Sneller Commercial, Teddington – Sharon Bastion.

Featherstone Leigh Commercial, Richmond – Andrew Weeks.

5.2 I have had lengthy discussions and consultation with each of the above, in respect of storage premises of this type in the area, both of whom are familiar with these properties.

- 5.3 In terms of assessing the likely demand for the subject properties in addition to my own extensive experience of such demand, I have drawn upon the marketing experience of similar premises that Sneller Commercial have been marketing at 55 High Street, Hampton Wick, which I understand have been on the market for approaching 9 months with no interest from commercial occupiers in occupying the property. I have selected this particular example, as it is a good comparable property, being a similar size to the subject space, also has sub-standard vehicular loading facilities, albeit they are able to provide much better yardage than the space at 1 + 2 Plough Lane, Teddington.
- 5.4 I am satisfied that the marketing undertaken of 55 High Street, Hampton Wick represents a full and extensive marketing campaign undertaken by Sneller Commercial, and set out below details of the campaign that Sharon Bastion at Sneller Commercial advises me has been undertaken.
- 5.5 I consider there to be 3 principle target markets for commercial applicants when undertaking a marketing campaign, which should be targeted to ensure a thorough and active marketing project. These are: -
- a. Direct marketing to known and registered applicants.
 - b. Direct marketing to relocation agents and commercial agents.
 - c. Direct marketing targeted at prospective applicants.
- 5.6 In today's market targeting the above sources is undertaken through a series of measures, and it is apparent to me that the efforts of Sneller Commercial have covered these 3 principle target markets.
- 5.7 Marketing particulars, as attached at Appendix 2 were prepared. The particulars do not incorporate a photograph, as rather like 1 + 2 Plough Lane, photographs of the subject property could actually prove detrimental to marketing, as the property is not in any way photogenic. I am advised were distributed to: -
- a. Existing applicants registered with Sneller Commercial seeking this type of space in and around Hampton, Teddington and South West London generally. I understand that the marketing particulars have been regularly circulated to their database of applicants.
 - b. Any applicants who enquired seeking this type of property during the course of marketing.

- c Agents who had circulated requirements on behalf of clients seeking this type and size of property in South West London during the extensive marketing period.
- 5.8 Property particulars have been available as a download from Sneller Commercial's website, which I believe is extensively used by applicants, research organisations and agents alike, seeking information on available property in the Teddington and surrounding area.
- 5.9 I am advised that marketing particulars were circulated to central London agents, plus regional and local commercial agents and relocation consultants that may have retained clients seeking this type of space.
- 5.10 The property has been registered throughout the course of marketing on external property portals such as Zoopla etc.
- 5.11 In addition, I understand that Sneller Commercial periodically undertake the following marketing measures in respect of other properties that we are marketing to include: -
- a. Emailing campaigns in respect of properties they are marketing to local occupiers, which generates enquiries for space. Being based in Teddington, many of their instructions that are email-shot are alternative commercial buildings in and around London Borough of Richmond that could generate potential enquiries for business space if there was demand for it at 55 High Street, Hampton Wick.
 - b. Follow-up tele-marketing campaigns after email shots are also undertaken and in respect of companies recorded with Sneller Commercial as having lease events.
 - c. Advertising of property in the locality, the national and property press.
- 5.12 For this type of site, the above marketing measures comprise a very comprehensive marketing campaign in my opinion.
- 5.13 I consider the quoting terms are competitively placed in the market, being below the general levels applicable in locations elsewhere in the vicinity on better specified space.

- 5.14 Sneller Commercial have advised me that their client has been prepared to be very flexible upon rental, lease terms and lease duration throughout the marketing period, upon the basis they are keen to generate income from this property.
- 5.15 Unfortunately, I am advised that no interest has been generated in respect of the property, and no offers have been received, either for the existing B8 storage use, or indeed any other commercial uses, such as B or D class uses. I am advised that the secondary location, restricted access, rudimentary construction plus appearance, limited services, and inability to enjoy any level of energy efficiency from the building, have proven to be unacceptable to any business applicants. In short, the feedback has been the space is deemed to be unfit for purpose.

6.0 REFURBISHMENT WORKS REQUIRED TO UPGRADE 1 + 2 PLOUGH LANE FOR COMMERCIAL STORAGE

- 6.1 Whilst I have not undertaken a detailed costed appraisal to upgrade these properties from their semi-derelict state, to a condition which would be consistent with good and substantial lease repairing obligations, it appears to me that expenditure on upgrading these properties would be tantamount to trying to make a 'silk purse out of a sow's ear', as their inherent deficiencies mean that they have no value as commercial storage in this day and age. It is clear to me that there would be no point in spending capital on trying to make this space modern storage or other commercial/ employment generating space, as there would be no demand for it in this location, as explored later on within this report.
- 6.2 In my experience, in respect of property of this age and type, repair and maintenance costs tend to be much higher than those of more modern buildings, which also make them unattractive to occupiers.
- 6.3 In terms of energy efficiency, again good BREEAM ratings/ EPCs are an important priority for responsible commercial occupiers in today's market. This fact would further dissuade applicants from basing themselves from this type of property in today's market.

7.0 THE MARKET – GENERAL

- 7.1 The business space market to include storage requirements in South West London was challenged in terms of activity and take-up of space throughout 2019, as a result of political and

economic uncertainty, with issues over missed Brexit deadlines and a general election in December. Any positive effects of the 'Boris bounce' were short-lived at the beginning of 2020, as by March 2020, the impact of COVID 19 and the subsequent enforced lockdown has had a significant detrimental effect upon the commercial property market, which was effectively closed in late March and throughout April.

- 7.2 Whilst there has been a trickle of transactions in the locality since, as the country emerged from lockdown, we now find ourselves in a recession. In our experience, most occupiers are looking at cost-saving measures, rather than considering taking on storage units or business space. Many are looking at managing overheads and saving on property expenditure. Uncertainties around whether or not we will 'crash-out' of the European Union without a full trade agreement in place at the end of 2020 are also causing nervousness amongst businesses, which is not conducive to businesses taking on office space.
- 7.3 Disappointingly, we fully expect that market conditions will worsen over the coming months, as the Government's furlough scheme is due to wind down at the end of next month, unemployment rises and fears remain over the 'second wave'. All these factors weigh very heavily upon business confidence, and it is unrealistic to expect businesses to have any interest in leasing business space of the type available at 1 + 2 Plough Lane. Given the above factors, I conclude that even if marketing were to occur, as demonstrated by the case study at 55 High Street, Hampton Wick, there is no realistic prospect for there to be any occupier demand for the subject property given these macro-economic and market conditions.
- 7.4 Occupiers for commercial space are becoming increasingly conscious of the environment, and in line with Government directives, many are choosing energy efficient modern buildings from which to operate today. I would not expect either Unit 1 or 2 Plough Lane to attain an acceptable energy performance rating, and both buildings would most likely not have a legally compliant energy performance rating for anyone to work from the premises.
- 7.5 Whilst stock levels of storage and industrial space within London Borough of Richmond and South West London have decreased over recent years, that in itself does not create demand for older sub-standard stock of the type found at 1 + 2 Plough Lane, Teddington. Occupiers that are seeking business space in the market do have alternative opportunities to secure suitable property with a better specification in line with modern business needs. Generally, occupiers requiring smaller amounts of storage of the size found at 1 + 2 Plough lane tend to utilise self-

storage facilities, which provide managed, secure space, without the liability for repairs, provision of security, and the inadequate loading provisions found at 1 – 2 Plough Lane. There are many such facilities available across the London Borough of Richmond. Those looking at other B and D class type uses tend to need property which conveys a good image for their business and can be conveniently accessed and operated from. With the tight site constraints at 1 – 2 Plough Lane, and generally surrounding residential property, a positive business image is not ever going to be possible in this location.

7.6 In summary, demand for storage and other employment generating space is primarily for more modern space with good loading facilities, ancillary yardage and car parking, where more generous eaves heights would allow for construction of full height mezzanine accommodation or higher level racking. Such space conveys a better business image for occupiers, than older style rudimentary space, such as that found at 1 – 2 Plough Lane, for which in our opinion, there would be no demand.

8.0 THE MARKET – MICRO LOCATION

8.1 1 – 2 Plough Lane, Teddington is very secondary in terms of its inherent site constraints and sub-standard access for commercial storage or other business occupiers. As established in the previous section, I believe that occupiers would seek out much better commercial properties in alternative locations both within London Borough of Richmond and elsewhere in South West London. In my experience, applicants rule out the type of property found at 1 + 2 Plough Lane, as operationally they are inefficient, even when more modern stock levels are limited.

8.2 Even in the strongest of economic times, property like 1 + 2 Plough Lane is not well located for commercial storage or other business occupiers. In my view, occupiers would conclude that this property is within a very poorly accessed, congested piecemeal site, and provides the most basic specification of accommodation. Loading and unloading into Unit 2 in particular entails blocking access rights across Plough Lane to neighbouring residential property as well as that property located to the east within the Plough lane cul-de-sac. In practical terms this would cause significant problems in terms of acrimony and nuisance to neighbours, complaints to authorities in respect of nuisance etc.

8.3 Whilst stock levels have decreased in recent years, there is enough of other available commercial space to suit the demands of occupiers within areas that would be considered by companies looking for business space in the area.

8.4 Attached as Appendix 3 is a schedule of industrial space where up to 140 sq.m. (1,500 sq.ft.) is available as advertised on CoStar, Right Move and Zoopla as at the date of this report.

9.0 THE MARKET – EXISTING PREMISES

9.1 The properties suffer from the following inherent defects: -

9.2 There is no yardage at all (Unit 2). Loading facilities to both are amongst the most restricted, adversely impacting upon delivery and distribution functionality. This makes this site completely unattractive for occupiers needing any form of lorry access and highly inconvenient for any vehicular access whatsoever given the parking constraints, which would negatively impact upon B8 and any other employment generating use.

9.3 The floor to ceiling height within the properties is below the standard occupiers would expect from more modern, purpose-built storage space.

9.4 Applicants would seek out better specified more efficient space available in alternative London Borough of Richmond locations which would be useable without detriment to neighbouring occupiers in terms of blocking of access in my opinion, rather than compromise and operate from 1 + 2 Plough Lane, Teddington.

9.5 I do not believe that the properties have ever generated to employment contribution in the borough historically. Their unsuitability for other B or D class uses for the reasons specified also means that they would not be able to contribute to employment in the future either. In summary, the space is neither fit for purpose, nor could it be made so, due to its inherent defects and limited to non-existent services, as detailed herein.

9.6 The site itself is too constrained and tight in terms of access and amenity to realistically redevelop for modern commercial storage or alternative B or D class type employment use.

- 9.7 The fact that the majority of space immediately surrounding and opposite these units is residential, there is restricted manoeuvrability space, realistically means that any employment generating uses, including B8 storage are highly unlikely to sit comfortably operating from either of these properties.
- 9.8 There is no feasible way that the inadequate loading provision could be addressed in Unit 2 in particular, and in the case of a redevelopment, the property will always be behind immediately surrounded by residential accommodation, which will be unattractive, as the site will be tertiary and without business profile.
- 9.9 I do not believe that the calibre of space within this particular property contributes to the commercial stock within London Borough of Richmond.
- 9.10 Further, I do not believe that the subject property has any historical interest attached to it. Although appearance is subjective, I do not believe that this property has any architectural merit or character, and I do not see that its demolition would be considered a loss to the community or area.

10.0 CONCLUSION

- 10.1 I conclude that the micro-location of these properties and their inherent deficient characteristics demonstrate why they do not offer viable commercial space for business occupiers of any type.
- 10.2 There is alternative, more appealing stock in other London Borough of Richmond locations and elsewhere in South West London for occupiers.
- 10.3 In my view, any marketing of the space would not produce an occupier or occupiers requiring the space for storage or other employment generating uses.
- 10.4 Significant marketing efforts have been made to market and attract commercial occupiers on a comparable property at 55 High Street, Hampton Wick by Sneller Commercial over many months, upon a no deal – no fee basis, with no success or prospect of it moving forwards.
- 10.5 Given the overall characteristics of the property and its micro-location, we at Vokins would actually decline instructions to market such poor-quality business space, upon the basis we would

conclude it would be a waste of our time, as there would be no demand for this type of property from commercial storage or business operators. Sneller Commercial and Featherstone Leigh Commercial advise they feel similarly about it.

- 10.6 In my opinion the most logical and sensible use on this site would be to allocate it as residential accommodation, in line with development taking place elsewhere within the terrace.
- 10.7 It is for the reasons set out herein, that we consider the owners have been well advised to pursue a change of use planning application to C3 residential purposes in order that the site may be put into a good and beneficial use. In the absence of a successful change of use for the property to C3 residential, we envisage the property would not attract occupiers and will sit empty.
- 10.8 I do not consider the loss of this property as a commercial use will be detrimental to the stock of storage or employment space available in Teddington and London Borough of Richmond.
- 10.9 I trust that the aforementioned is self-explanatory, although please do not hesitate to contact me should any further information be required.



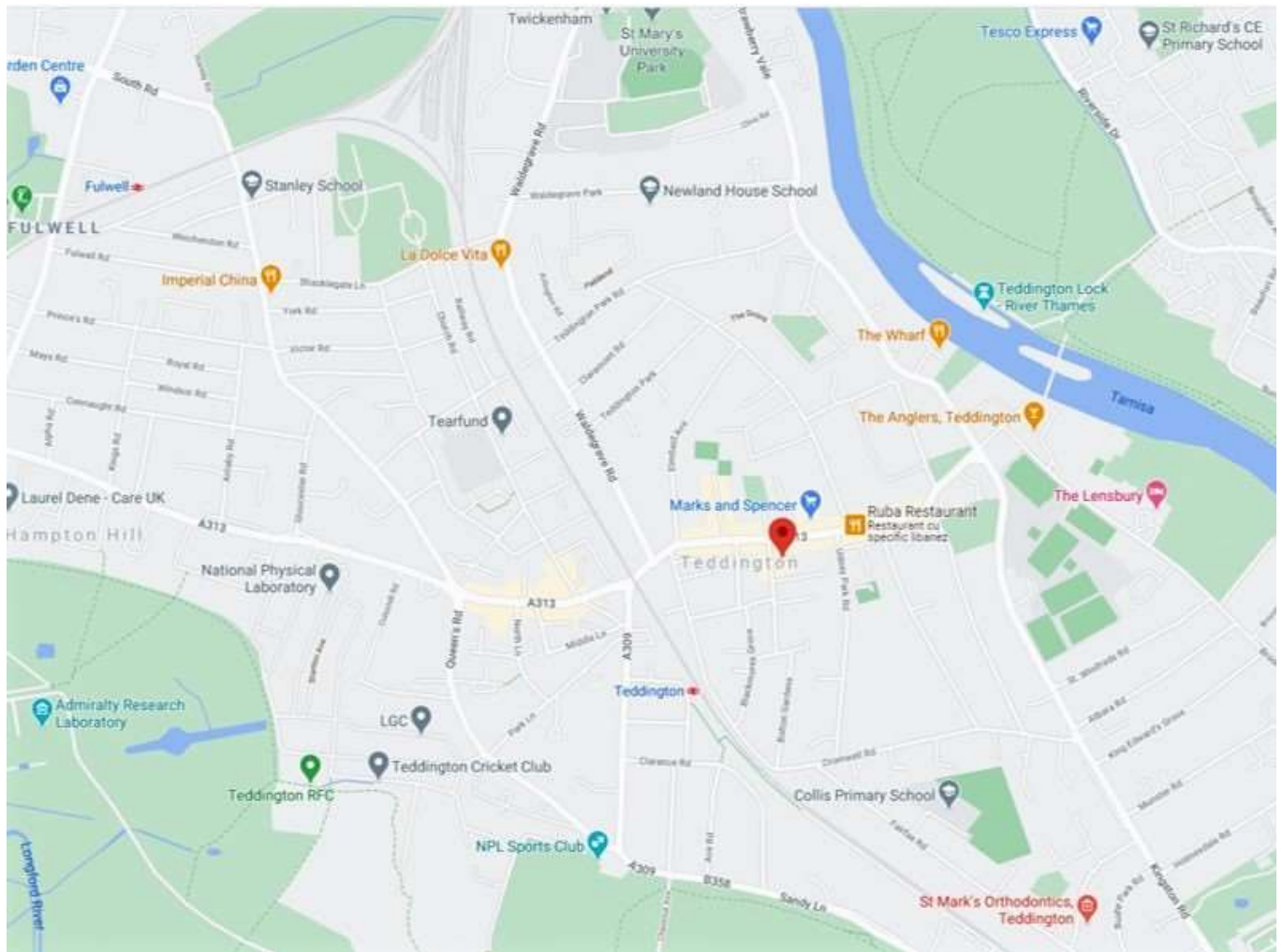
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APPENDIX 1

LOCATION PLAN



APPENDIX 2

MARKETING PARTICULARS

COMPARABLE CASE STUDY

55 HIGH STREET, HAMPTON WICK

TO LET

174 SQ. M (1872 SQ. FT) APPROX.

REAR OF 55 HIGH STREET, HAMPTON WICK, SURREY KT1 4DG

SNELLER
COMMERCIAL
CHARTERED SURVEYORS

WORKSHOP, STORAGE AND YARD SPACE

**PEDESTRIAN ACCESS
FROM THE HIGH STREET**

**TWO WORKSHOP/STORAGE BUILDINGS
WITH A TOTAL OF 74.2 SQ. M (799 SQ. FT)**

**YARD SPACE (PARTLY COVERED)
99.8 SQ. M (1074 SQ. FT)**

**TO LET - £15,000 per annum
FURTHER DETAILS UPON REQUEST**

Sharon Bastion
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74 Broad Street
Teddington
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These particulars are intended to give a fair description but their accuracy is not guaranteed and they do not constitute an offer or a contract. All statements contained in these particulars are made without responsibility on our part or on the part of the vendor and any intending tenant or purchaser must satisfy themselves as to their correctness. All prices / rents are quoted exclusive of VAT where applicable.

APPENDIX 3

SCHEDULE OF ALTERNATIVE ADVERTISED SPACE AS ADVERTISED AS AT SEPTEMBER 2020

**Availability Schedule – Teddington, Hampton, Hampton Hill, East + West Molesey, Sunbury, Kingston
- As Advertised as at September 2020**

	Address	Use	Floor / Unit	Size (Sq. Ft.)	Rent PA/Sq. Ft.
1	The Factory - 2 Acre Rd, Kingston Upon Thames, KT2 6EF	Storage + Office	Part Ground	672	£18,486.72 pa (£27.51 psf.)
2	Rear of 55 High Street, Hampton Wick, Surrey, KT1 4DG	Workshop, Storage and yard space	Two Workshop / Storage	799	£15,000 pa (c. £8.00 psf.)
			Yard Space	1,074	
		Total		1,872	
3	12 Teddington Business Park, Station Road, TW11 9BQ	Light Industrial / Storage	Ground Floor	483	£10,000 pa (£20.70 psf.)
4	10 Teddington Business Park, Station Rd, Teddington, TW11 9BQ	Workshop / Office	Part Ground + Part 1 st Floor	839	£25,000 pa (£29.79 psf.)
5	114a Windmill Road Sunbury on Thames Middlesex TW16 7HB	Light Industrial / Storage	Ground Floor	1,220	£23,000 pa (£18.85 psf.)
6	Ocean House - 121 Harris Way, Sunbury On Thames, TW16 7EL	Warehouse	Part Mezzanine	850	£11,475 pa (£13.50 psf.)
		Warehouse	Part 1 st Floor	1,204	£16,254 pa (£13.50 psf.)
7	137E Armfield Close, West Molesey, KT8 2RT	Industrial	Part Ground	792	£18,000 pa (£12.82 psf.)
		Storage / Office	Part Ground	188	
		Industrial	Part Mezzanine	424	
		Total		1,404	
8	Units 15-20, Kingsmill Business Park - Chapel Mill Rd, Kingston Upon Thames, KT1 3GZ	Light Industrial	Part Ground	1,242	£29,149 pa (£23.47 psf.)
		Light Industrial	Part 1 st Floor	1,260	£29,572 pa (£23.47 psf.)
9	Units 1-7, Kingsmill Business Park - Chapel Mill Rd, Kingston Upon Thames, KT1 3GZ	Light Industrial	Part Ground	775	£18,212 pa (£23.50 psf.)
		Light Industrial	Part Ground	773	£18,165 pa. (£23.50 psf.)
		Light Industrial	Part 1 st Floor	781	£18,353 pa (£23.50 psf.)
		Light Industrial	Part 1 st Floor	779	£18,306 pa (£23.50 psf.)

10	Rear Of - 60 High St, Kingston Upon Thames, KT1 4DB	Industrial + Storage	Part Ground	257	£7,500 pa (£17.73 psf.)
		Industrial + Storage	Part 1 st Floor	166	
11	Constables Boathouse - 5-17 Thames St, Hampton, TW12 2EW	Light Industrial (Storage + Office)	Part 1 st Floor	1,255	£31,939 pa. (£25.45 psf.)
Address					
1	Big Yellow Self Storage Kingston – 163 London Road, Kingston Upon Thames, Surrey KT2				
2	Access Self Storage - Units A & B, Station Yard, Norbiton Station, Kingston upon Thames KT2 7AZ				
3	Standby Self Storage - 4 Island Farm Ave, West Moseley, KT8				
4	Kiwi Storage - 20 Island Farm Ave, Molesey, West Molesey KT8 2UZ				
5	Armadillo Self Storage - 36 Central Avenue, West Moseley, KT8				
6	Harrogate Court Self Storage - Unit 1a, Hampton Court Estate, Summer Road, Thames Ditton, KT7 ORH				
7	The Self-Storage Company - 61 Central Avenue, West Molesey, KT8 2RF				
8	Access Self Storage - Unit F, Dolphin Ind Estate, Windmill Road, Sunbury-on-Thames TW16 7HT				
9	Lok'n Store Self Storage - The Sunbury Centre, Hanworth Rd, Sunbury-on-Thames TW16 5LN				
10	Ben's Storage - Vicarage Farm, Halliford Rd, Sunbury-on-Thames TW16 6DW				