

Our Ref: AS/4391



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6th May 2020

Dear Mr Abdul

**MARKETING REPORT - KARSLAKE, RUSHTON AND WARD BUILDINGS
HAMPTON WATER WORKS
SUNBURY
TW12 2DS**

Further to your instructions the above property was inspected on the 8th December 2017 by Andrew Shaw MRICS in order to commence a full marketing campaign to let the property in existing condition for industrial purposes.

Martin Campbell & Co are specialist commercial property consultants and have been practicing in the Borough for over 40 years. Our extensive market knowledge and established working practices qualifies us to provide the necessary advice and marketing strategy for the subject property.

Location

Hampton is a low density suburban town in the London Borough of Richmond. The area has high quality amenities including local retail units in Hampton village, a large community centre with a number of local cafes and pubs. It also has a range of schools serving all ages.

It is an attractive residential area with substantial family homes as well as retirement homes. There is also abundance of local amenity space being adjacent to Bushey Park and the River Thames. The area benefits from excellent transport links, being within a mile of the A316, M3 and Hampton train station.

The subject property occupies a prominent position at the corner of Upper Sunbury Road and Lower Sunbury Road. Existing site access is via gates off the Upper Sunbury Road.

Directors: Dominic C. Arthur
Andrew J. Shaw MRICS

Consultant: Jeremy Levy MRICS

Description

The property comprises two Grade II Listed self-contained buildings which were formally used as a water treatment centre. The buildings are known as the 3 storey Karlake Building and the 2 storey Rushton Building, together with two semi-detached dwellings and a single storey building. To the front and rear are hard standing areas for onsite parking. The buildings are in a very poor condition and require significant upgrading. (See Appendix 1 for Photos)

Local Economy / Market

Historically Hampton has suffered from a lack of good quality commercial accommodation and was not viewed as a preferred location; as such there have been no new speculative commercial schemes for over a decade. However, over the last 2 years the rental increase in neighbouring towns are pushing cost sensitive occupiers further out towards Hampton and Sunbury. This has resulted in downward pressure on rent free periods from 12 months to 9 months on a straight 5 year lease. Whilst Brexit may continue to put a number of occupier requirements on hold it is anticipated that the market will remain constant in 2020.

Industrial Market Commentary – Supply and Demand

Over the last 3 – 5 years the supply of industrial properties in the borough has been in steady decline as an increasing number of buildings and estates have been converted to other uses. The decrease in supply has resulted in an increase in both demand and rent across the sector for modern industrial premises. With new and existing businesses all competing to stay in the area, this trend is set to continue for the foreseeable future.

The highest demand is for good quality industrial units from 2,500 sqft upwards. Prospective tenants require clear workable space with minimum eaves heights of 4m, low office content of approximately 10% and ample onsite parking for staff and deliveries. Docking stations are required for logistics occupiers and buildings must be energy efficient with low maintenance and repair costs. Buildings that are inefficient or costly to repair will not be desirable.

Suitability for Industrial Use

The property is currently configured for use as a water treatment plant and still has extensive heavy duty equipment in situ. It is extremely dilapidated and in its current condition it is completely unfit for any purpose other than very basic storage, with some areas not even safe for occupation.

The lighting, heating and basic security provisions are either none existent or inadequate for industrial use in both buildings. The 3 storey tower blocks in both buildings would also be unsuitable for industrial use because of the differential in floor levels; even with the provision of a goods lift, the accommodation would be inferior to other industrial premises of the same size on ground floor that do not require a goods lift. This is because the vast majority of industrial occupiers prefer ground floor accommodation for ease of access and loading.

Furthermore, the Grade II listing status would prohibit the modifications required for industrial occupiers, such as dock loading and access; the current site entrance is also too narrow for articulated lorries to enter. Whilst there is demand for industrial property in the area, the property fails to provide basic tenant requirements and is not fit for any purpose other than low quality storage.

Suitability for Alternative Uses

In consideration of the location and external appearance, both buildings would be more suitable for B1(a) offices than industrial use. The prominent road side location, character building and onsite parking would appeal to occupiers seeking functional accommodation that provides a different working environment to a standard office.

There is strong occupational demand from other employment users, such as health clinics, nursery/crèche, educational or leisure. Although the demographics and location would be suitable for these users, there are a number of property and site related constraints that may inhibit their occupation, such as the lack of outside space and the Grade II listing.

Prior to any alternative use, the buildings would require a total strip out and comprehensive full refurbishment with the addition of mezzanine floors in the old pump house.

Marketing Strategy

In accordance with LP42 we have undertaken a robust and active marketing campaign. The site was first advertised in Jan 2018 for B1c light industrial / storage and the following marketing strategy was implemented:

- Highly prominent 'To Let' board on the entrance gates erected on the 17th Jan 2018 (see Appendix 2a)
- In house marketing details circulated to our database of applicants (see Appendix 3)
- Advertise with EACH (see Appendix 4), EG Property Link, Kent Surrey & Essex Commercial Property Register (see Appendix 5) and other suitable online platforms

The property was marketed for existing use at rate of £10 per sq ft on a new lease, terms to be agreed, which was commensurate with the existing condition and location of the property.

After 3 months of marketing there had been 11 property views (hits) and 1 PDF download on the CPR register, 5 direct enquiries and 1 viewing (see Appendix 5). Each party was interested in renting basic storage space and the advertised rate of £10 psf was within budget. On further investigation into the poor condition, lack of suitable utilities and severely restricted options to carry out any alterations, each party subsequently withdrew their interest. There was only 1 party who viewed on the 18th April (Consumer Electrics Ltd) but the cost of modifying the space to meet their needs greatly exceeded their budget.

After 9 months of marketing there had been 20 property views and 3 PDF downloads (see Appendix 5a). The enquiring parties included tyre repair operators, storage for amusement arcade games, light engineering firms, van storage and film companies. Each party rejected the subject property for the following reasons:

- Lack of sufficient heating / lighting
- Excessive costs of fitting out
- Restrictions on alterations

- No roller shutter doors
- Inadequate turning circles
- Time delay in obtaining planning / fitting out

In Jan 2019 the marketing strategy was widened to 'all uses considered' subject to planning. (see revised board order Appendix 2a and revised Marketing Brochure Appendix 3a).

We subsequently received a further 18 enquiries from parties interested in the following uses:

- Primary / nursery school
- Cross fit training
- Mobility scooter workshop
- Graphic design studio
- Wedding venue
- Offices

A register of all enquiries and viewing request has been maintained and is included in Appendix 6.

Marketing Summary

The property has been widely marketed for ~ 24 months for both existing use and alternative uses (stp). Although the marketing generated over 41 enquiries, we received no offers to rent from any of the applicants.

National Planning Policy Framework

Paragraph 22 of the NPPF states that "*Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*"

In our opinion this is directly applicable to the subject property. There is no reasonable prospect of letting the property for industrial purposes in its current use and alternative uses should be considered.

Richmond Employment Sites and Premises 2013

In the above report, the subject property is not considered to be one of the key employment sites in the borough. From our extensive experience of letting commercial property we concur; our view is that Hampton has always lagged behind other towns in the Borough is considered one of the weakest locations for commercial occupier demand.

Richmond Employment Sites & Premises 2016 and 2017 (updates)

Since 2013 the demand for office space has doubled, primarily due to the improved economic outlook and the effects of Permitted Development Rights (PDR). The updated Richmond Employment Sites and Premises Report supports the Councils

policy of strong protection and encouragement of new office space. The proposed mixed use of the subject property would provide much needed additional office space and be in line with the report's recommendations.

Richmond Adopted Local Plan 2018 (Appendix 5)

In response to Policy LP 42 the property has been robustly and widely marketed for existing and alternative uses and all of the points raised in section 18.0.3 and 18.0.4 have been satisfied.

Marketing Conclusion

In consideration of the marketing campaign undertaken we would draw the following conclusions:

- There is demand from commercial occupiers for this location but it is limited and is for small unit sizes
- There is demand for basic storage use but occupiers need to undertake substantial alterations to provide suitable accommodation
- There is demand from alternative B1(a), B1(c), B2 and D1 users but occupiers need to undertake substantial alterations to provide suitable accommodation
- The property as a whole far exceeds any single occupier use and needs to be divided into smaller units to meet market demands
- Whilst there was good demand from B1(c) and B2 occupiers, most applicants required roller shutter doors and additional parking facilities
- B1(a) applicants were attracted by the potential 'character offices' that could be created but all parties required substantial Cat A and Cat B changes prior to occupation
- The strongest demand was for B1(a) units of 1,500 – 2,500 sqft with on site parking.

To conclude, we are of the opinion that the building has no potential to be let in its current use and condition. In consideration of the extensive marketing campaign undertaken we are of the opinion that a mixed use proposal, C3 and B1(a) would be most appropriate and would be in line with current market demands for both commercial and residential occupiers.

I trust this provides sufficient market commentary and an overview of the most suitable alternative use for the subject property.

Do please contact us if you require anything further.

Yours sincerely

Martin Campbell & Co

Martin Campbell & Co

APPENDIX 1 – Site Photos



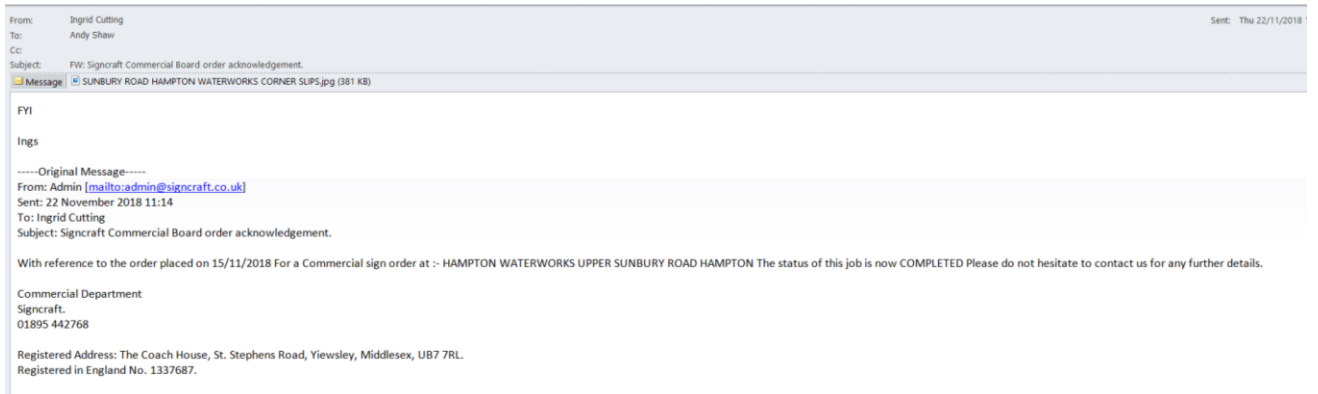




APPENDIX 2 – Lettings Board



APPENDIX 2a – Revised Letting Board with Slip (Dec 2018)



APPENDIX 3 – Letting Brochure



COMMERCIAL PROPERTY CONSULTANTS

**INDUSTRIAL / WAREHOUSE
TO LET**

**HAMPTON WATER WORKS, KARSLAKE AND RUSTON & WARD BUILDINGS,
UPPER SUNBURY ROAD, HAMPTON, TW12 2DS**



SUMMARY

- Multiple storage units
- Approximately 15,000 sq ft over two buildings
- Grade II Listed site
- To Let
- Rent: £10 per sq ft
- A new FRI Lease, the length to be agreed

AMENITIES

- Good Vehicular access
- Good natural light
- High vaulted ceilings
- Original Victorian Features
- On-site parking for over 20 cars
- Suitable for storage purposes

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LOCATION

Hampton is located within the London Borough of Richmond Upon Thames, to the west of Bushy park and Hampton Court Palace. The buildings are situated within the historic Hampton Waterworks, at the junction of Upper Sunbury Road to the North and Lower Sunbury Road to the South, covering a substantial area along the river Thames. Hampton Station is a short distance from the site with a direct rail link to Waterloo. Motorway access is provided via the M3 and M25 motorways.

DESCRIPTION

The property is a Grade II listed former waterworks building. The Karslake Building comprises a series of storage rooms/office accommodation at ground level. The Ruston & Ward Building is arranged as three separate rooms on ground and mezzanine levels.

To the front and rear is onsite parking for over 20 cars.

ACCOMMODATION

	Ground Floor		Mezzanine	
	Sq m	Sq ft	Sq m	Sq ft
Ruston & Ward Building	959	10,322	48	518
Karslake Building	349	3,756	-	-

LEASE

A new FRI Lease, the length of term to be agreed.

RENT

£10 per sq ft

RATES

To be assessed

VAT

TBC

LEGAL COSTS

Each party to bear their own legal costs.

VIEWING

Viewing strictly by prior appointment with the agent:

Julius de Mattos
020 8940 2266

j.demattos@martincampbell.co.uk

Andy Shaw
020 8940 2266

a.shaw@martincampbell.co.uk

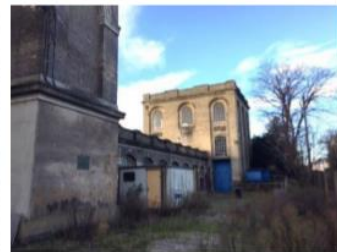
APPENDIX 3A - Revised Letting Brochure to include 'All Uses'



COMMERCIAL PROPERTY CONSULTANTS

OFFICE / INDUSTRIAL / WAREHOUSE
D1 / D2 / MIXED USE / TRADE COUNTER
TO LET

HAMPTON WATER WORKS, KARSLAKE AND RUSTON & WARD BUILDINGS,
UPPER SUNBURY ROAD, HAMPTON, TW12 2DS



SUMMARY

- Multiple storage units
- Approximately 15,000 sq ft over two buildings
- Grade II Listed site
- To Let
- Rent: Upon Application
- A new FRI Lease, the length to be agreed

AMENITIES

- Good Vehicular access
- Good natural light
- High vaulted ceilings
- Original Victorian Features
- On-site parking for over 20 cars
- All enquiries considered

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COMMERCIAL PROPERTY CONSULTANTS

APPENDIX 4 – Confirmation of advertising with Estate Agents Clearing House

[Click here to view in a web browser](#)



Estate Agents Clearing House

Dear Andy,

Please update the status of your Instruction on EACH by clicking a button below
The property is currently marketed as AVAILABLE Last updated 15th April 2018.

General Industrial, Warehouse, Trade Counter unit, Gym / Dance / Health Club

Karslake & Ruston & Ward Buildings, Hampton Water Works, Upper Sunbury Road,
Hampton, TW12



3,756 - 14,594 sf

Lease - £10 /sf

7+ Car spaces,

[Martin Campbell & Co Ltd](#)

020 8940 2266

[Andy Shaw](#)

[Julius de Mattos](#)

The property is a Grade II listed former waterworks building. The Karslake Building comprises a series of storage rooms/office accommodation at ground level. The Ruston & Ward Building is arranged as ..

Hampton is located within the London Borough of Richmond Upon Thames, to the west of Bushy park and Hampton Court Palace. The buildings are situated within the historic Hampton Waterworks, at the jun ..

Update STATUS of the **WHOLE Property** by clicking a coloured button, or for **SOME floors** use Update

Available

Under Offer

Withdrawn

Update

Pre-Let

Let

Sold

Size, Agent, PDF, picture
see 15 matching Reqs
or the 0 PDF Clicks

APPENDIX 5 – Confirmation of advertising with Kent, Surrey and Sussex CPR Jan – March 2018

Email confirmation:

Kent, Surrey & Sussex CPR site traffic report. - Message (HTML)

From: reports@compropregister.com
To: Andy Shaw
Subject: Kent, Surrey & Sussex CPR site traffic report.

Kent, Surrey & Sussex CPR
Monthly Update for your listings on our website www.compropregister.com

Over the last 3 month(s) 28 days full details of your 1 listings have been **viewed 11 times by 11 different companies** (unique IP addresses).
You still have 0 month(s) 11 days to run on this campaign.
Please see below for full details of the traffic so far generated from your listings on our website:-

		Listings:
a.shaw@martincampbell.co.uk		1
Total	Property Details Viewed	11
Total	No. of distinct IP addresses Viewing Details	11
Industrial	Property Details Viewed	11
Industrial	Brochure clicks	1
Industrial	Property details printed	1
Industrial	Brochures downloaded WITHOUT contact details	1

For a more detailed property report see attached.
Remember these figures are from our Internet site only.
Your listings also appeared in the November issue of the Kent, Surrey & Sussex CPR which was mailed to over 9,000 occupiers & their agents.
You can view the online version of the Kent, Surrey & Sussex Magazine here www.southcoastpublishing.co.uk
The next issue will be published on the 03 March 2018.
For further information please do not hesitate to contact me or one my colleagues on 01732 870415.

Kind Regards
Charlie Potter
01732 870415

Kent, Surrey & Sussex

Commercial Property Register CPR

Summary

Region: Kent Surrey Sussex

Contact Email: a.shaw@martincampbell.co.uk

Listings Placed by:

	You	Your Joint Agents
Offices:	0	
Industrial:	1	
Managed/Serviced:	0	
Sites:	0	
Retail:	0	

Industrial

Agents Listing:

Kent Surrey Sussex

Date:

14 March 2018

Contact Email:

a.shaw@martincampbell.co.uk

Property Count:


1

Sq Ft	Sq M	Address	Detail Views	PDF Clicks	PDF Download W/Details	Enquired W/Details	Request Listed	Email Clicks	Agent Clicks	Printed
Hampton		Hampton Water Works, Upper Sunbury Road	11	1	0	0	0	0	0	1

APPENDIX 5a – Confirmation of advertising with Kent, Surry and Sussex CPR March - Sept 2018

Kent, Surrey & Sussex		Commercial Property Register		CPR						
Summary										
Region:	Kent Surrey Sussex	Contact Email:	a.shaw@martincampbell.co.uk							
Listings Placed by:		You	Your Joint Agents							
Offices:		0								
Industrial:		1								
Managed/Serviced:		0								
Sites:		0								
Retail:		0								
Industrial										
Agents Listing:	Kent Surrey Sussex	Date:	19 Sept 2018							
Contact Email:	a.shaw@martincampbell.co.uk	Property Count:	1							
Sq Ft	Sq M	Address	Detail Views	PDF Clicks	PDF Download W/Details	Enquired W/Details	Request Listed	Email Clicks	Agent Clicks	Printed
Various		Hampton Water Works, Upper Sunbury Road	20	3	0	0	0	0	0	2

APPENDIX 5b – Confirmation of advertising with Kent, Surry and Sussex CPR Sept 2019

Kent, Surrey & Sussex		Commercial Property Register		CPR						
Summary										
Region:	Kent Surrey Sussex	Contact Email:	a.shaw@martincampbell.co.uk							
Listings Placed by:		You								
Offices:		0								
Industrial:		1								
Managed/Serviced Offices:		0								
Managed/Serviced Industrial:		0								
Sites:		0								
Retail:		0								
Industrial										
Agents Listing:	Kent Surrey Sussex	Date:	16 September 2019							
Contact Email:	a.shaw@martincampbell.co.uk	Property Count:	1							
Sq Ft	Sq M	Address	Description	Eaves	LH/FH	Price	Agent	Tel	E P C	P H M I Y D A C P F P
Various		Hampton Water Works, Upper Sunbury Road, TW12 2DS	Industrial Storage Units in Grade II Buildings & Parking. Good Access. Up to 15,000 sq ft		LH	poa	Martin Campbell	020 8940 2266		

APPENDIX 6
Schedule of Interested Parties Jan 2018 – Nov 2019

Company/ Applicant	Date of Enquiry	Notes	Status
C/o Karen Smith	09/10/19	Max 10,000 sq ft requirement for nursery. Would need outside space and allocated parking. Would also require private access.	No further interest
R-Type Plumbing	16/09/19	Plumbing storage but would need a double garage and vehicle access	No further interest
Bruce Hodgson / FGC Ltd	10/09/19	Commercial kitchen – 1,500 sq ft	Needs extensive fit out – No further interest
Jon Slinn	18/08/19	Interested in the space for mixed usage. Looking for long term.	No further interest
Con Crowley	16/08/19	Storage required for vintage clothes plus housing products. Need 1,000 sq ft.	Condition not adequate and them would want to sub-divide.
Hamilton HVAC Ltd	05/08/19	Required space for office/storage – want a long lease and to renovate.	No further interest
Ash Island Lofts	27/06/19	Enquiry for storage	Outstanding
1001 Weddings	10/06/19	Wanted wedding venue + 2,000 sqft storage. Needed substantial alterations + external parking for circa 50+ cars	Not feasible to accommodate
Mina Lima	27 th May	Wanted 3,000 sqft for graphic design studio+ storage area.	Considering options
Film Location Services	20/05/19	Work light suppliers needing studio/storage space. Loading important. Power supply important.	No further interest
MJC Mobility Services	9/04/19	mobility scooters workshop Needs 600 sq ft	Rejected as no W/C or kitchen
ETL Logistics	26/03/19	Parking for rigid vehicles (11m)	Rejected due to access
Radnor House	Feb / 19	Interest in new primary school Rejected – lack of external space/parking	Rejected – lack of external space / parking
Waqar Siraj (Cross-fit)	14/02/19	Enquired as to possible use for Cross-fit. -Not suitable due to poor condition.	Not suitable due to poor condition
Stepstone Projects	15/11/18	Automotive car parts. 6 months to 1 year. Needs 700 sq ft.	Needs roller shutter doors
Dimitri Sarris	18/09/18	Food truck company – seeking storage space for freezers. 700 sq ft max.	Needs roller shutter doors
Mark Rainham	24/08/18	Wants to divide up space.	No further interest

Company/ Applicant	Date of Enquiry	Notes	Status
Wayne Hughes	22/08/18	Spoke with – looking for storage space	No further interest
Sat	18/08/18	Online enquiry.	No further interest
Peter Oats	06/08/18	Enquired - emailed	No further interest
Edward Shaw	01/08/18	Online enquiry.	No further interest
The Community Brain	19/07/18	Online enquiry.	No further interest
Miss Briscoe	27/06/18	Investor looking to purchase	No further interest
Retrorama	18/06/18	Storage required for amusement/arcade machines. Sent details.	Too much work required
Joseph Lacaee	14/06/18	In-bound phone enquiry. Discussed and sent details.	Not adequate for them
Dynamic Boost	05/06/18	Engineering firm. Seeking 5,000 sq ft. B1 plus storage/workshop. Needs B2 plus roll-up shutter. Viewing requested.	Too much work
Peter Lopko	30/05/18	Tyre storage required. Discussed.	No further contact
3D stripout	15/05/18	Commercial plus retail soft strip-out company. Emailed details and discussed re storage options. Await desired dates to view.	No further interest
Kader Alazawi	24/04/18	Manufacturer of eliquid. Considered space but not suitable for needs.	Poor condition
DickyBirds	16/03/18	Investor looking to purchase. Not interested in renting with amount of work needed.	No further interest
Jono Strickland	14/03/18	Company provides water for movie sets. Needs storage space for diving equipment and boats etc	No further interest
Rob Simpson	01/03/18	Only the mezzanine is required – private workshop. Only wants 500 sq ft.	No further interest
Opticolour	27/02/18	Storage space for glass required. Vehicle access and roller £20k max budget.	No further feedback
Dough and Deer	13/02/18	Mobile pizzeria company. Enquiry for storage space for food – based in Hampton. Currently using 500 sq ft.	No further feedback
Consumer Electrics Ltd	12/02/18	Required for storage space. Electrics distribution. Spoke with. Enquired about access for large vehicles.	Poor access

Viewings

Company/ Applicant	Date of Viewing	Notes	Status
Radnor House	6/02/19	Viewed with architects to assess layouts	Lack of outdoor space
Dynamic Boost	12/07/18	To assess but would need power supply and would want to alter.	No further interest
Consumer Electrics Ltd	18/04/18	Viewed once. Cannot justify costs of works required.	No further interest