

Welcome to our new Hurst Warne Property Market bulletin. During these difficult times, we wanted to ensure you were fully updated with everything going on across the Hurst Warne markets. This bulletin is a summary of what we've observed in the market over the last two weeks.

- We are beginning to see a handful of office viewings mainly in the sub 3,000 sq ft size bracket. Occupiers have ranged from those wanting to reduce their future footprint as a result of more staff working from home, and those keen on moving out of serviced office accommodation. We've also seen several examples of businesses looking for their own self-contained buildings from the smaller size bracket up to 30,000 sq ft. Having control over your own building is a trend we certainly see continuing.
- Leatherhead and Farnborough remain office hotspots. Leatherhead has seen two lettings in May totalling 31,533 sq ft and with a further 19,154 sq ft under offer, take up for 2020 will be on the verge of surpassing 2019 levels of 60,000 sq ft. Meanwhile, Farnborough Aerospace Park is enjoying its greatest level of activity for many years with five lettings under offer totalling 93,000 sq ft. There is also strong interest in another building on the park which would add another 30,000 sq ft to that figure.
- We haven't seen any evidence yet of headline office rents falling although occupiers have been looking for additional rent free or delayed lease commencement dates.



Eli Lilly set a new record office rent for Bracknell at CCLA's refurbished 8 Arlington Square building

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SELF-CONTAINED BUILDINGS UP TO

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LEATHERHEAD HAS
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31,533 SQ FT



WITH A FURTHER

19,154
SQ FT UNDER OFFER

FARNBOROUGH AEROSPACE PARK
CURRENTLY HAS 5 LETTINGS
UNDER OFFER TOTALLING

93,000 SQ FT

MARKET LOCKDOWN LETTINGS (5,000 SQ FT+)

DATE	TOWN	BUILDING	TENANT	SIZE (SQ FT)	RENT/PRICE
May 2020	Bracknell	8 Arlington Square	Eli Lilly	43,186	£29.00
May 2020	Leatherhead	Building 4, The Square	Aviva	14,639	£29.00
May 2020	Leatherhead	Ground floor, The Birchwood Building	Hyundai	16,894	£27.50
March 2020	Woking	Ground floor, St Andrews House	Impact Foods	5,000	£26.50

OFFICE SPACE UNDER OFFER – CIRCA 202,000 SQ FT (10 TRANSACTIONS)

- We are still witnessing good levels of demand with new enquiries between 2,500 – 25,000 sq ft holding up relatively well with a significant level of demand for freehold owner occupier units sub 10,000 sq ft.
- A lack of supply continues to drive demand although there is approximately 500,000 sq ft of future pipeline either under construction or in the early stages of planning across the Surrey markets. New schemes will be delivered in Chertsey, Byfleet, Camberley, Redhill, and Guildford which will help address supply shortages. Fleet in Hampshire also has two new shed schemes which are in the early planning stages which will add 130,000 sq ft of new space. Hurst Warne are advising on both schemes.
- Buildings 260 and 270 at Bartley Wood Business Park, which were occupied by Virgin Media as two 125,000 sq ft offices, are rumoured to be under offer with the purchaser looking at redevelopment for new B1/B8 sheds
- Hurst Warne are currently marketing jointly with Stiles Harold Williams a two unit industrial warehouse scheme called Wells Point in Merstham, Redhill on behalf of Goya Developments. The scheme is currently under construction and due to be completed ready for September 2020. Unit 1 (17,620 sq ft GEA) has already been pre-sold to a company OTDS who are currently based in Croydon and we have good interest from both tenants and owner occupiers in Unit 2 that will provide 20,883 sq ft GEA.
- STIHL have obtained a planning consent for their new freehold 172,000 sq ft HQ warehouse on the 10 acre Thames Water land next to Watchmoor Business Park, Camberley.



Albany Point by Orchard Street IM LLP

- Hurst Warne along with Savills have been advising Orchard Street IM on a new industrial/warehouse development in Frimley. The Albany Point scheme will see the development of four units offering occupiers from 14,326 - 48,406 sq ft in size. Construction will commence shortly with a quoting rent will £12.95 psf. Completion will be Q2 2021.

A SIGNIFICANT LEVEL OF DEMAND FOR FREEHOLD OWNER OCCUPIER UNITS SUB 10,000 SQ FT

500,000 APPROX SQ FT OF FUTURE PIPELINE EITHER UNDER CONSTRUCTION OR IN EARLY PLANNING STAGES ACROSS SURREY MARKETS

FLEET HAS 2 NEW SHED SCHEMES TO BE BUILT WHICH WILL ADD

130,000 SQ FT OF NEW SPACE



MARKET LOCKDOWN LETTINGS (5,000 SQ FT+)

DATE	TOWN	BUILDING	TENANT	SIZE (SQ FT)	RENT/PRICE
May 2020	Aldershot	Unit C, Manway Industrial Park	Peachey Productions	6,249	£9.60
May 2020	Redhill	Unit 11 IO Centre	By The Horns Limited	5,000	£12.00
April 2020	South Godstone	Securit House	Blue Elephant	13,350	£6.00
March 2020	Farnborough	Unit 15 Southwood BP	Gravity Media / Hyperactive	12,220	£14.03
March 2020	Camberley	12 Bridge Road	Sytex	7,680	£730,000 (£95.00)

INDUSTRIAL/WAREHOUSE SPACE UNDER OFFER – CIRCA 104,000 SQ FT (12 TRANSACTIONS)

Local Expertise, Regional Presence



We're all about commercial property

With a reputation built over 40 years, our network of six offices gives us an unrivalled, regional coverage. Providing advice at a personal and senior level, we offer a full range of property services.

We pride ourselves on our ability to deliver concise, expert, tailored advice that achieves the desired results for our clients.

Our highly-regarded team of Chartered Surveyors are accredited and regulated by the Royal Institution of Chartered Surveyors (RICS), a recognition of our commitment to provide an unrivalled quality of service and professionalism.

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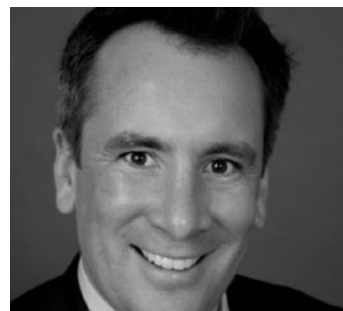
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