

FREEHOLD OFFICE WITH CONSIDERABLE POTENTIAL
OF INTEREST TO INVESTORS, OCCUPIERS OR DEVELOPERS



GUARDIAN
HOUSE

BOROUGH ROAD
GODALMING GU7 2AE



INVESTMENT SUMMARY

Godalming, 4 miles south-west of Guildford, 30 miles south-west of London, is an attractive historic market town on the main rail line from Portsmouth to London (Waterloo). It is the administrative centre for the Borough of Waverley.

Guardian House is an attractive two storey office complex in a riverside location, providing a total circa 8,300 sq ft with 68 car spaces on a site of 0.65 acres (0.26ha).

Freehold, and run as a serviced office, with a gross income (2020) of £277,613 pa and a stabilised net income anticipated in the order of £160,000 pa.

Of interest to investors, serviced office operators, owner occupiers, and developers.

Potential to obtain a change of use to residential through permitted development rights, subject to approval.

Initial feasibility study illustrating a comprehensive redevelopment scheme of 43 residential dwellings and 4,704sq ft of flexible commercial accommodation.



Offers sought in excess of £2,000,000 to show a purchaser a net initial yield of circa 7.53% after normal costs of acquisition, and a capital cost of £241 per sq ft.

LOCATION

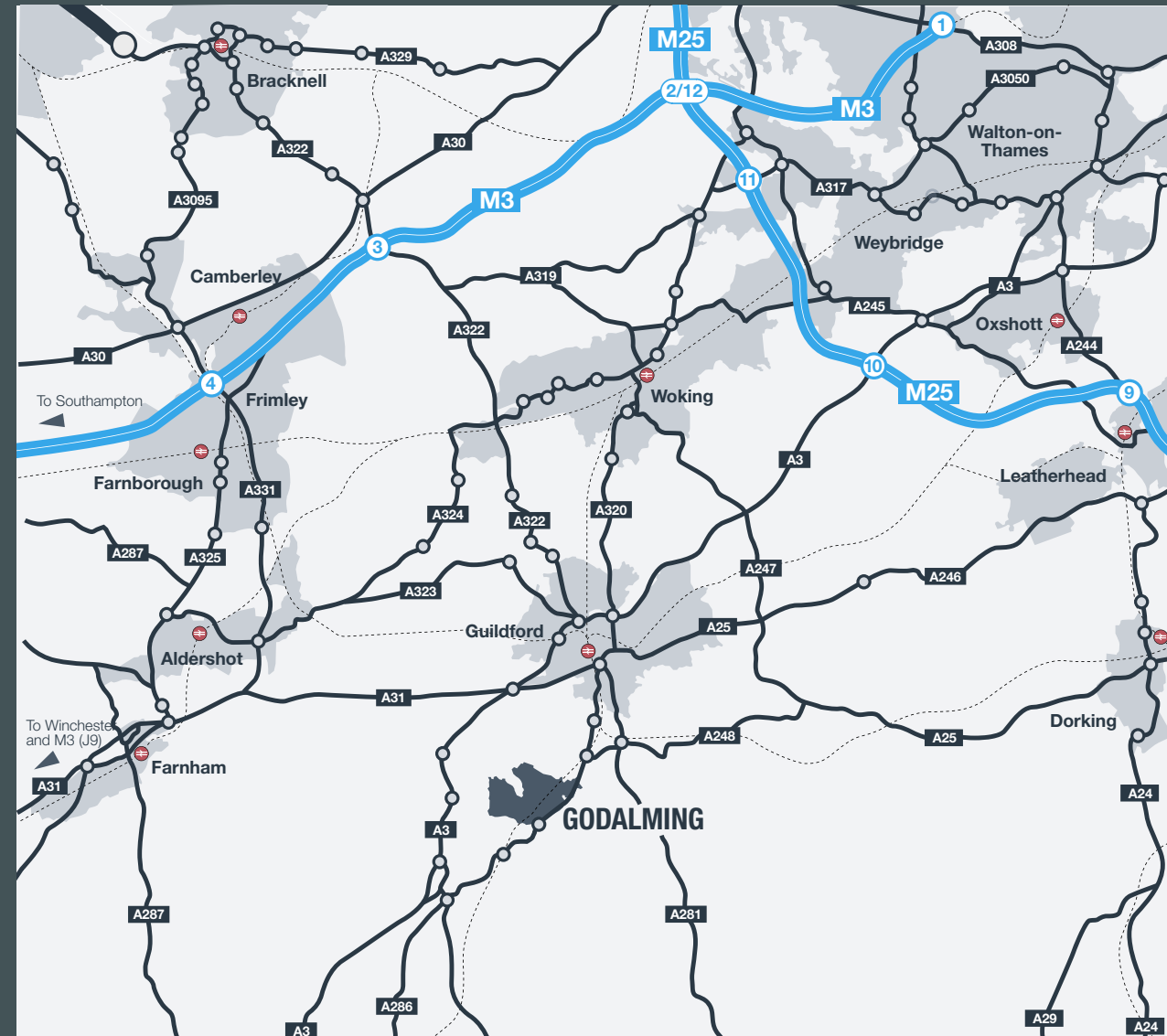
Godalming is a historic market town and administrative centre of the Borough of Waverley in Surrey, 4 miles south-west of Guildford, and 30 miles south-west of London. The town traverses the banks of the River Wey in the Greensand Ridge – a hilly, heavily wooded part of the outer London commuter belt and Green Belt.

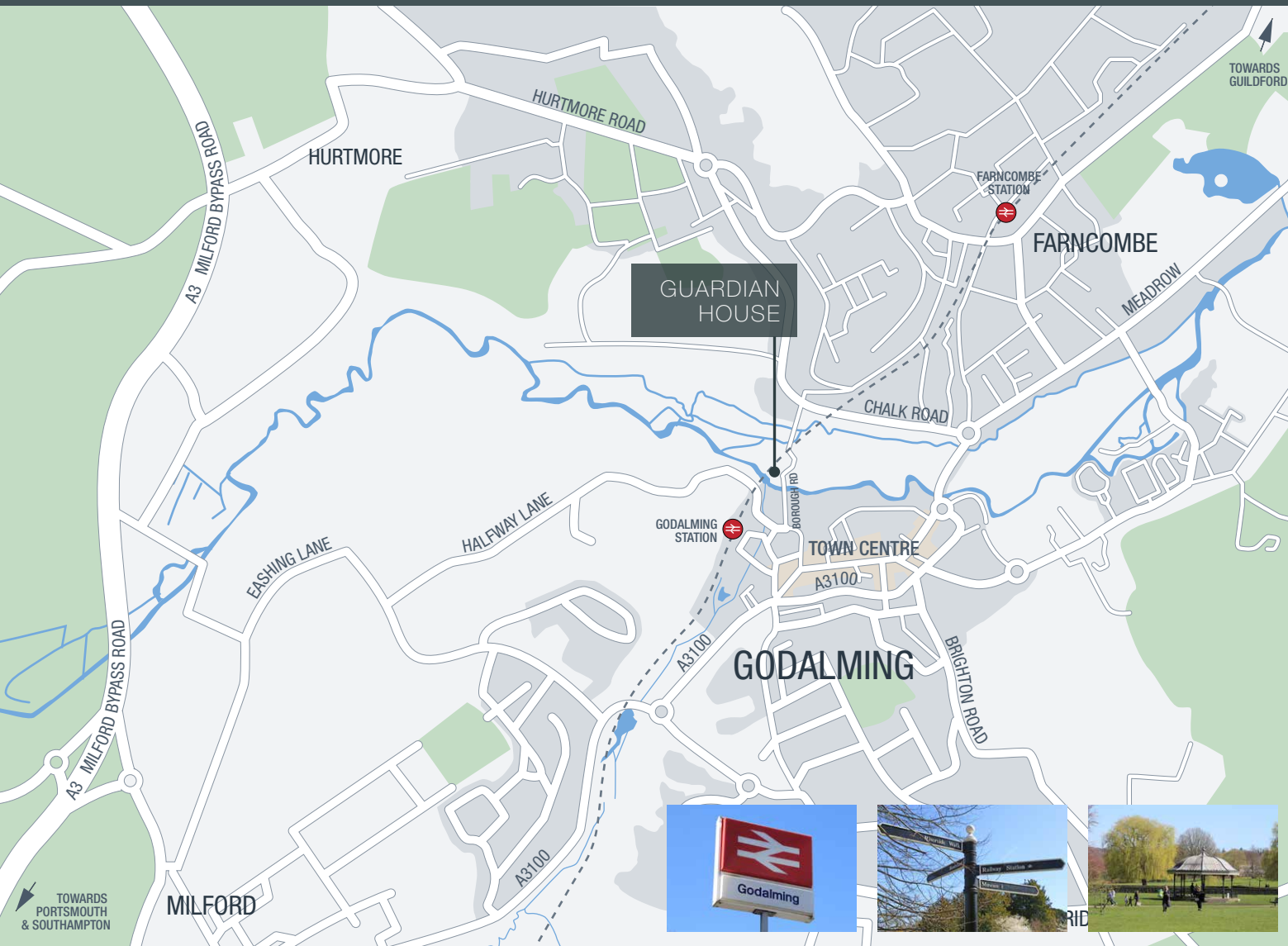
Godalming is regarded as an affluent residential town, partly due to its visual appeal, favourable transport links and high proportion of private housing. The town centre comprises an attractive environment including many listed buildings, from Tudor timber framed to the Lutyens designed “Red House” built in 1899. In 2007 it was voted the fourth best area of the UK in which to live. The Borough of Waverley, which includes Godalming, was judged in 2013 to have the highest quality of life in Great Britain, and in 2016 to be the most prosperous place in the UK. Godalming is also home to Charterhouse, one of the leading public schools in the UK, for both boarding and day pupils.

Communications are excellent. Godalming is located on the direct line between London and Portsmouth, served by South Western Railway. Services to London (Waterloo) have a journey time of approximately 48 minutes.

The A3 Trunk Road passes immediately to the north-west of Godalming, providing rapid access to Guildford, Kingston and London to the north; Haslemere, Petersfield and Portsmouth to the south. The M3 is available 15 miles to the north at Frimley, linking with the M25 at Chertsey. The A31 junction with the A3 is located just south-west of Guildford, giving direct access to Alton, Winchester and Southampton. Other major routes close by include the A281 (Brighton) A283 (Shoreham-by-Sea), A286 (Chichester) and A3100 (Guildford).

Godalming lies approximately equidistant, (31 miles), from Heathrow and Gatwick, the two major commercial international airports in South East England. Private flights are available at Fairoaks and Farnborough which are the closest airports but without scheduled services.





SITUATION

Guardian House is located on Borough Road, alongside the River Wey, in an attractive location overlooking the Lammas Lands Meadow, and a short walk to the north of the town centre and with the rail station only approximately 200 m to the south.

The property occupies a site of circa 0.65 acres (0.26ha) which is triangular in shape.



DESCRIPTION

The property comprises an attractive two storey office complex, of brick construction, converted into a variety of cellular offices, with a series of common kitchenette and WC facilities. The complex is arranged such that each wing has its own “front door” creating a semi-private environment along with a few other occupier suites. Each suite benefits from a good specification with double glazing, plastered/painted walls, carpet tiled floors and central heating/air cassette units.

One of the key attributes of the building is a sizeable car park, which accommodates circa 68 vehicles.

ACCOMMODATION

Our clients advise that the segregated areas provided are as follows:

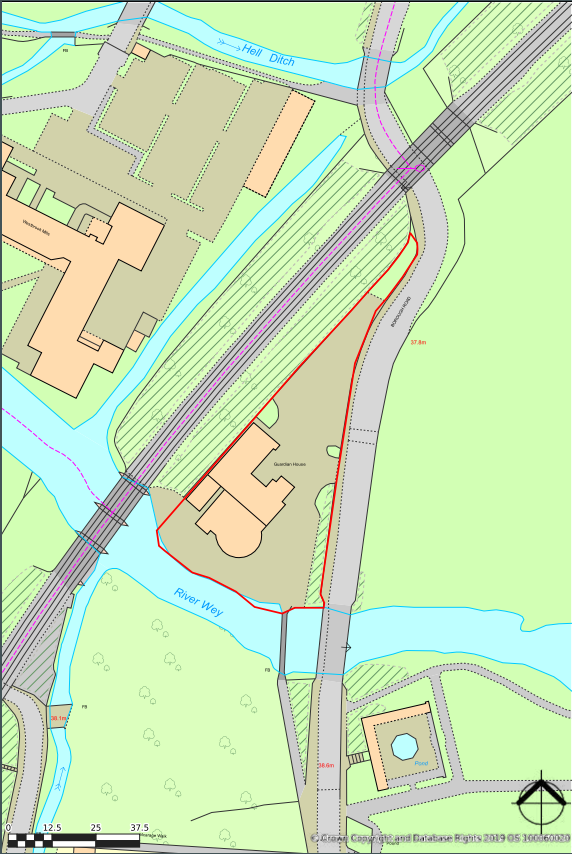
Description	Sq Ft	Sq M
First Floor Offices	2,210	205.31
First Floor Communal Areas	625	58.06
Total First Floor	2,835	263.37
Ground Floor Offices	4,230	392.97
Ground Floor Communal Areas	1,235	114.73
Total Ground Floor	5,465	507.70
Grand Total	8,300	771.07

A breakdown of the areas of each of the individual suites, and areas relating to each of the tenants is provided in the dataroom.

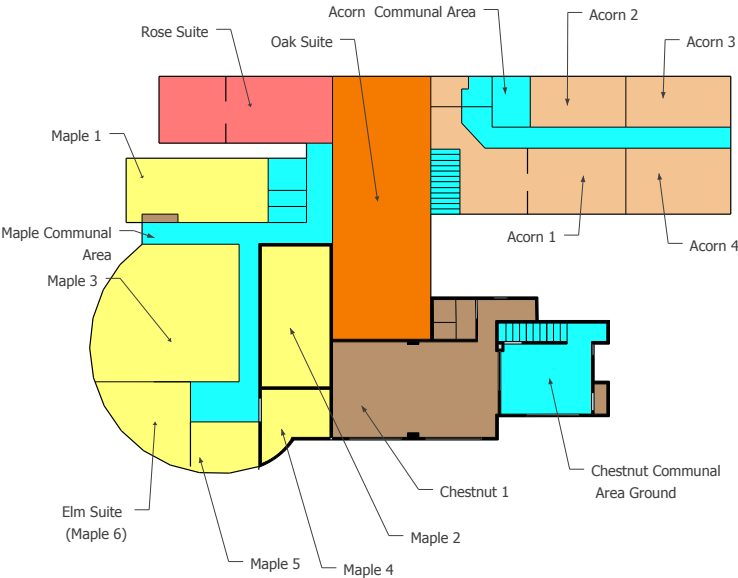


TENURE

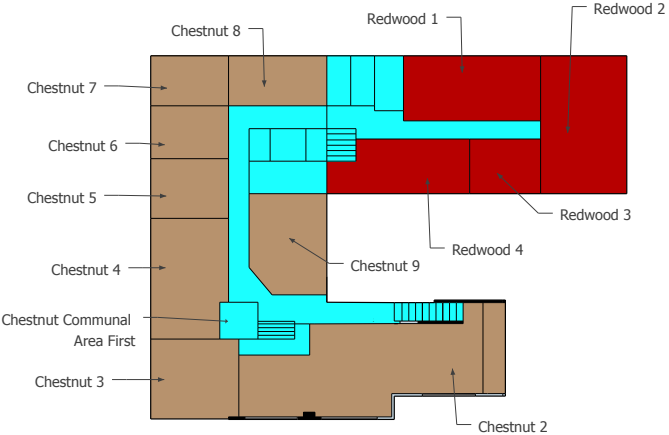
Freehold. There is a public footpath across the front of the site.



GROUND FLOOR



FIRST FLOOR



INCOME

Our clients have operated a successful serviced office business within Guardian House for a number of years, and have had a number of long term occupiers, and at times a waiting list of parties seeking space in the building, drawn by the quality of accommodation, environment, accessibility to town and rail station, and ease of car parking. Copy accounts for the previous three years are available within the dataroom, which can be summarised as follows:

Year Ending	March 2018	March 2019	March 2020
Gross Income	£253,540	£259 708	£277,613
Net profit	£143,115	£162,165	£130,514

The trading figures demonstrate a consistent and growing turnover. Net profit was down in 2020 primarily due to central management costs from a wider business being charged back, and obviously the onset of Covid. We would anticipate that, based on the 2019 trading year, it would be reasonable to anticipate an expectation of a net profit of circa £160,000 pa.

THE MARKET

Smaller office suites in the Godalming area tend to command circa £25 per sq ft, or between £35-£40 per sq ft including rates and service charge. Quoting rents on available office suites include £26.50 per sq ft at River Court, Mill Lane (1,983 sq ft), Mill Pool House has availability at £26.50 per sq ft, and Mountain House has between 6,619 – 20,721 sq ft available quoting £23 per sq ft. At the Godalming Business Centre, Unit 7 (1,019 sq ft) is under offer and unit 8 available at a quoting rent of £22.21 per sq ft.

Just along the River, The Mill, a conversion of the former office building is taking place, with 128 one and two bed apartments nearing completion. Due to a lack of available land in the town, there is a dearth of new build apartment schemes in the pipeline.





DEVELOPMENT CONSIDERATIONS

The Council has issued an 'Article 4 direction' removing permitted development rights from a number of office buildings surrounding the station. However, the subject site is not included and therefore retains its permitted development rights.

The property is not statutory listed but is located within 'Godalming Town Centre Conservation Area'

The property is located within an 'Area of Strategic Visual Importance'

A flood risk report is available on request, and we note that ground floor residential is being constructed at "The Mill", a conversion of a former office (into 128 1 and 2 bed apartments) under way by Stonegate Homes a short distance upriver. Our clients confirm that they have not experienced flooding to the buildings due to proactive river management with the Lammas Lands flood plain to the east.

EPC

D (81)

DEVELOPMENT POTENTIAL

RnH

RnH architects have developed an initial feasibility study that illustrates the potential for a high quality mixed used development providing 43 new residential dwellings and a re-provision of 4,704 sq ft of ground floor commercial space. Clearly this is a conceptual scheme, and any proposals would be subject to planning and other appropriate consents.

All residential dwellings are dual aspect and benefit from either river or meadow views

The design incorporates the public footpath along the eastern boundary and a landscaped residents garden to the west.

The initial feasibility shows no habitable rooms at ground floor and utilises the space for commercial and ancillary uses. Should residential be delivered at ground floor then it may be possible to accommodate further apartments.



Ground floor plan



Upper floor plan



Fourth floor plan



PROPOSAL

Our clients are seeking offers in excess of £2,000,000 subject to contract and exclusive of VAT. A purchaser may take over the serviced office business, and based on a stabilised net income of circa £160,000 pa, this would provide a net initial yield of circa 7.53%, after normal acquisition costs.

Alternatively, if a purchaser is considering for their own occupation, or redevelopment, the quoting terms equate to £241 per sq ft capital cost.

FURTHER INFORMATION

A desktop environmental report and flood risk report is available upon request. For further information, for access to the dataroom, or to arrange an inspection please contact:



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