



# WONERSH HOUSE & COMPTON HOUSE

G U I L D F O R D

THE GUILDWAY OFFICE PARK  
OLD PORTSMOUTH ROAD  
GUILDFORD, GU3 1LR

**Multi-Let Reversionary Office Investment**

## WONERSH HOUSE



## COMPTON HOUSE



## Multi-Let Reversionary Office Investment

### EXECUTIVE SUMMARY

- The Guildway Office Park is an **established South East office park** comprising four detached office buildings.
- Located in an **affluent commuter town** immediately south of the M25 and in close proximity to the M3 and M4 motorways.
- Excellent rail connectivity with **9 trains per hour at peak times** from Guildford to London Waterloo with a **fastest journey time of 31 minutes**.
- The Guildway Office Park comprises 118,400 sq ft of accommodation over four buildings set in attractive landscaped surroundings.
- Wonersh House & Compton House provide **two self-contained office buildings** arranged over ground and two upper floors totalling 59,962 sq ft.
- **Excellent on site car parking provision** with 326 spaces equating to a ratio of 1:184 sq ft.
- Wonersh House is let to three tenants including Galliford Try Construction and DMH Stallard LLP.
- Compton House was refurbished in 2016 and is now 43% let to Solventis and Barratt Homes.
- Average weighted unexpired lease term of **5.3 years to expiries** and 3.8 years to breaks.
- Total passing rent of £786,398 per annum, which equates to a **low average rent of £25.54 per sq ft**.
- Prime rents in out of town Guildford have reached in excess of £36.00 per sq ft demonstrating the reversionary potential.
- Freehold.
- **Significant asset management potential** including letting the remaining vacant space and exploring the opportunity to re-gear existing leases to extend the WAULT and improve the rental tone.

We are instructed to seek offers in excess of **£13,100,000 (Thirteen Million, One Hundred Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **low capital value of £218 psf**.

## GUILDFORD

Guildford, an affluent and thriving employment centre is also a well-established commuter town as a result of its excellent connectivity to Central London along with its attractive and affluent residential hinterland and extensive shopping and leisure amenities. Guildford has long been one of the most dominant towns in the region and was ranked 8th in the 2019 UK Vitality Index.

Located 33 miles south west of Central London, Guildford is just 10 miles from Junction 10 of the M25 and 11 miles from Junction 3 of the M3 offering road connectivity to the national motorway network and the South East. Guildford railway station provides an excellent service to London Waterloo with a fastest journey time of 31 minutes and up to 9 trains an hour at peak times. Heathrow Airport, the world's second busiest airport, is 20 miles north easily accessible via the A3 and M25. Gatwick Airport is 31 miles east.

Guildford is home to a large number of international and national occupiers including BAE Systems, Avaya, Allianz Insurance, BOC, Colgate-Palmolive, RSM, Wargaming and Electronic Arts. In addition, a number of Government and Local Government organisations are located in the town, including the Highways Agency.

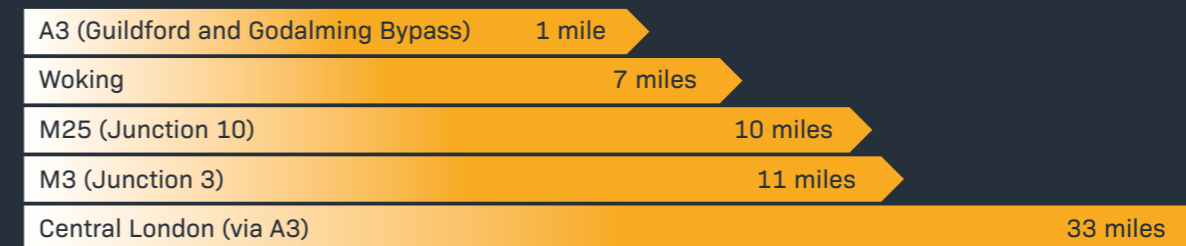
Guildford has been the benefactor of infrastructural investment in recent years. A £40m facelift of the Friary Centre has been completed and Guildford station is currently undergoing a £200 million redevelopment. This will enhance the station building and onwards transport connections and is set to include 440 new homes and a 644-space multi-storey car park to ease pressure on the town centre's current capacity. Investment of this kind will renew the town and demonstrates the confidence in Guildford's position as a leading South Eastern conurbation.

Guildford has an extensive leisure offering. G Live is a state of the art entertainment venue hosting a multitude of events, as well as catering for exhibitions and company conferences with the ability to host up to 1,000 delegates. Guildford Spectrum provides an extensive range of sporting facilities, with an Olympic sized ice rink, 32 lanes of ten pin bowling and four swimming pools. In addition, the local council has outlined plans to create a new leisure led quarter and hotel adjacent to the River Way, in an area known as Bedford Wharf.

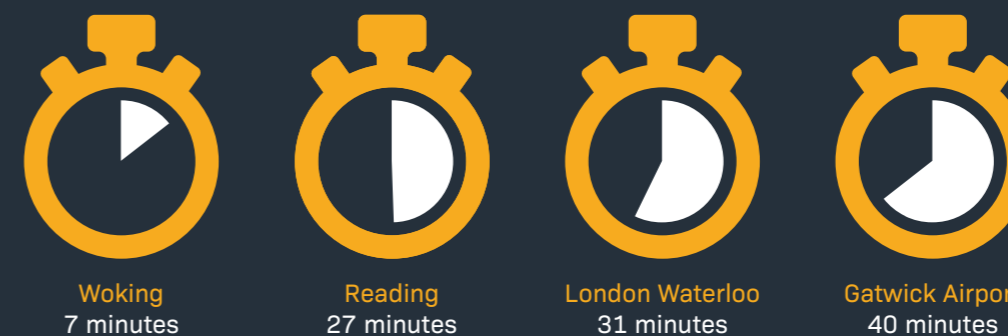


## COMMUNICATIONS

### ROAD



### RAIL



### AIR

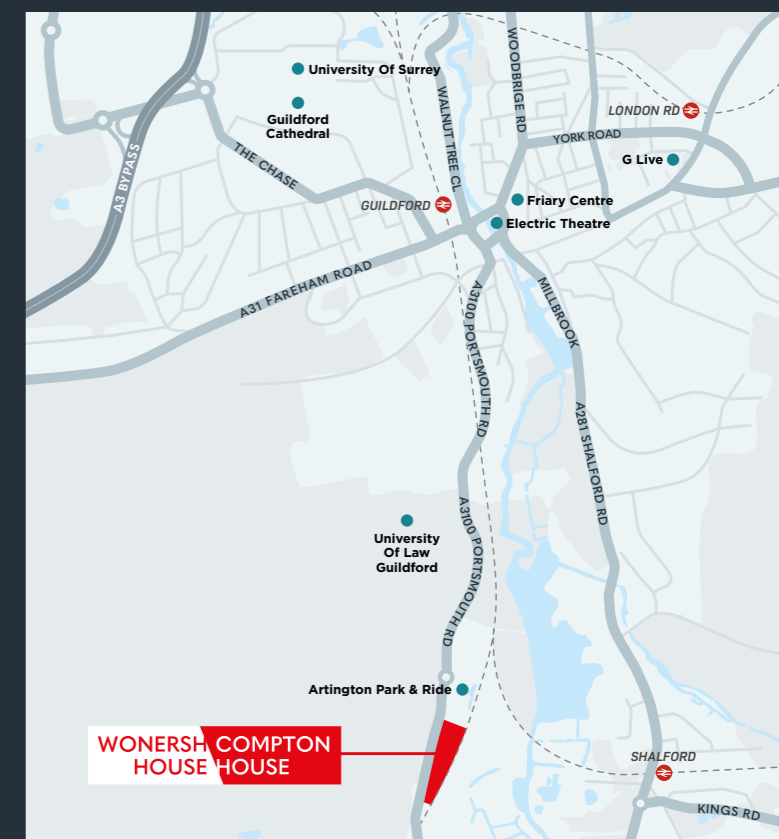


## SITUATION

Wonersh House & Compton House are situated on The Guildway Office Park, located just 1.5 miles south of Guildford town centre. The Guildway Office Park comprises four self-contained office buildings constructed in 1999, set in an attractive landscaped environment and let to occupiers including Welbilt UK, Vivid Imaginations, Lovetts Solicitors and Bessler Hendrie.

Artington Park & Ride is adjacent to The Guildway Office Park, providing easy access on the Guildford "Glide" 200 Artington service to Guildford town centre with 5 bus services an hour and a journey time of just 7 minutes.

Access to the town centre is via Old Portsmouth Road (A3100), which also provides access to the A3, 4 miles south.





## Multi-Let Reversionary Office Investment

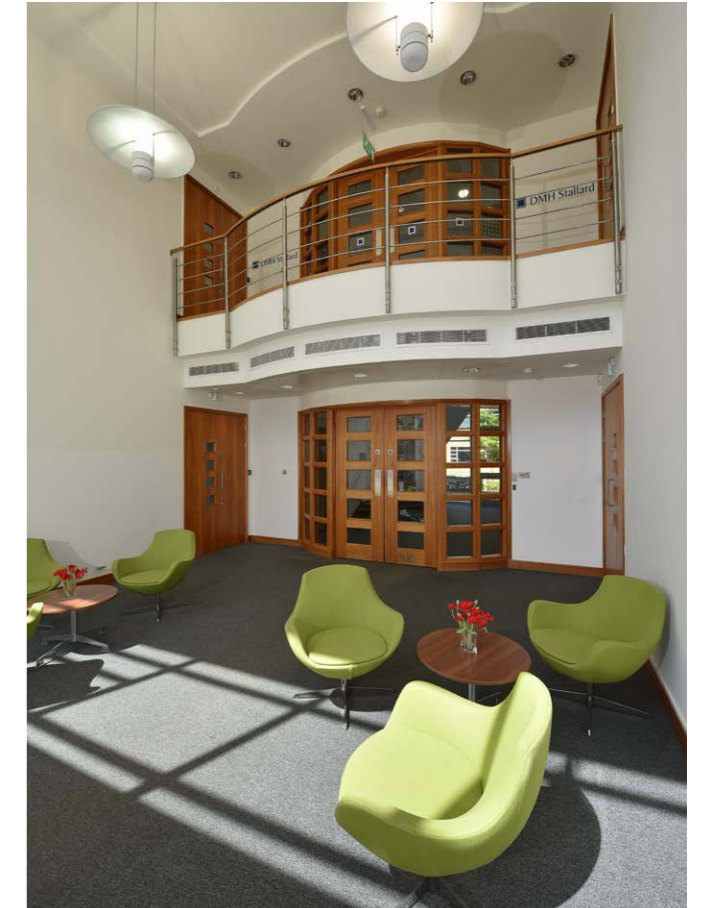
### Accommodation

The property has been measured by Plowman Craven in accordance with RICS Property Measurement (1st Edition). The survey, which is assignable to the purchaser, provides the following areas:

Floor	Use	NIA (sq ft)
Second East	Office	4,878
Second	Office	2,886
First	Office	7,501
Ground	Office	7,799
<b>TOTAL</b>		<b>23,064</b>

### Car Parking

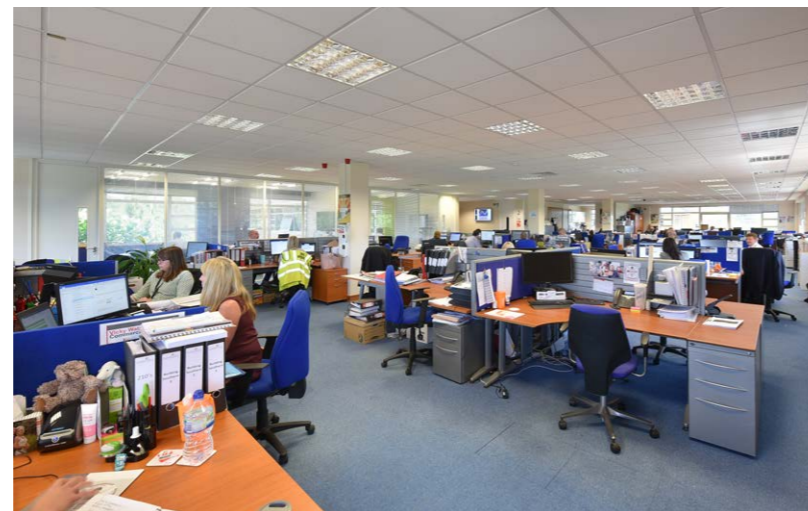
The property benefits from 194 car parking spaces at surface level equating to an exceptional ratio of 1:119 sq ft.



## WONERSH HOUSE

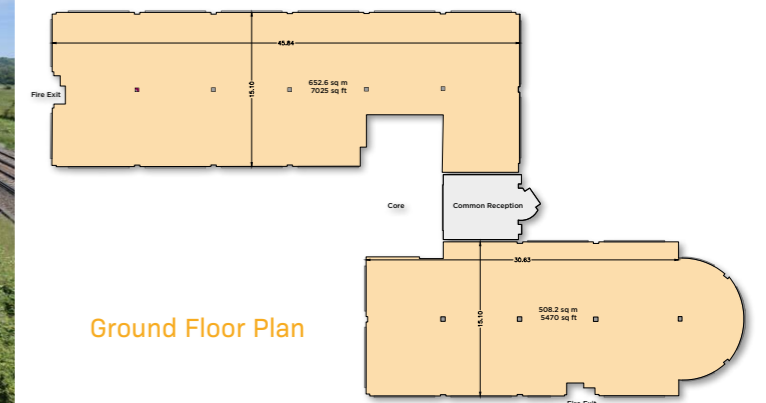
### Overview

Wonersh House is a self-contained office building, arranged over ground and two upper floors totalling 23,064 sq ft. Constructed in 2001, the property has an impressive full height atrium providing excellent natural light throughout. The floors are split into two wings, providing flexibility to be let on a whole, floor by floor or part floor basis such that Wonersh House can serve a wide range of occupier requirements.

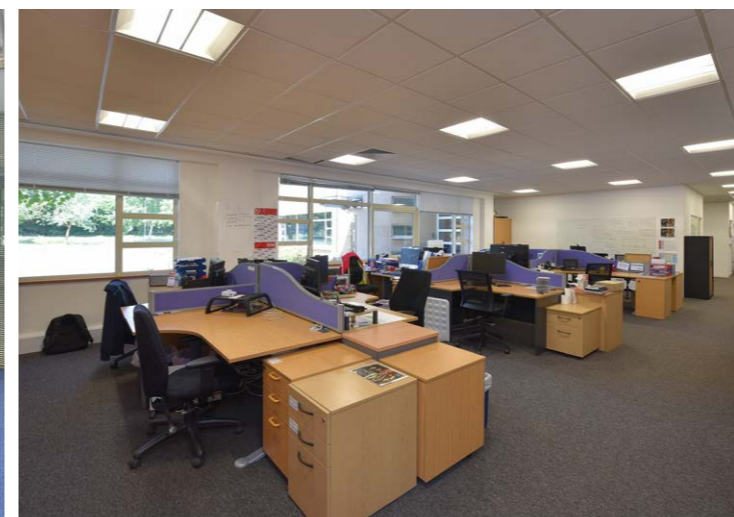


### Specification

- Raised access floors
- Suspended ceilings with mineral fibre tiles
- 4 pipe fan coil air conditioning
- One 800kg, 10 person lift
- Male and female WC facilities on each floor
- Disabled WC facilities
- EPC Rating E (105)



Ground Floor Plan





## Multi-Let Reversionary Office Investment

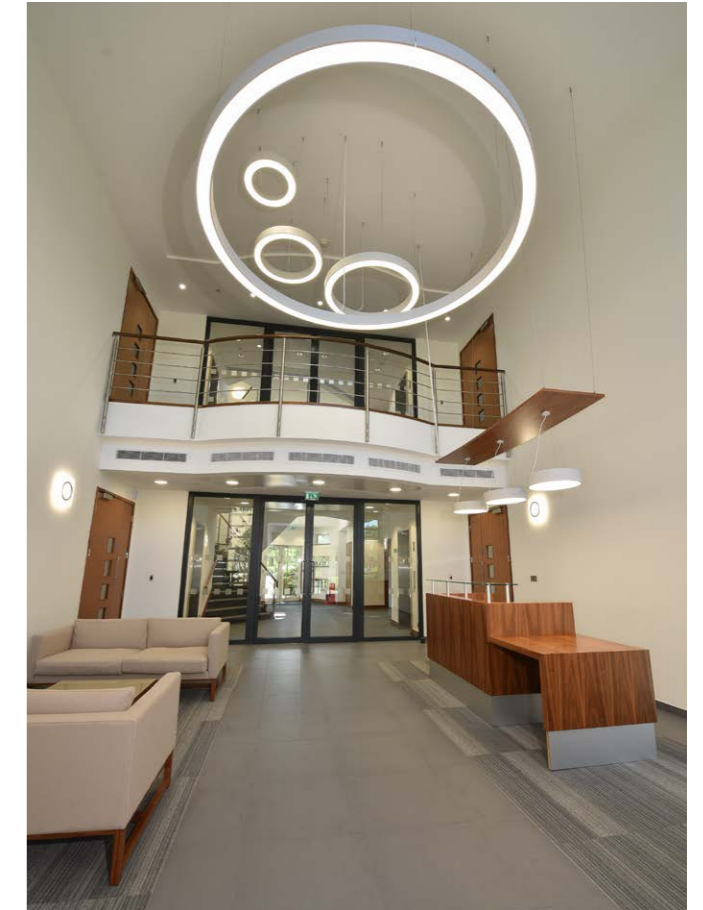
### Accommodation

The property has been measured by Plowman Craven in accordance with RICS Property Measurement (1st Edition). The survey, which is assignable to the purchaser, provides the following areas.

Floor	Use	NIA (sq ft)
Second	Office	12,227
First	Office	12,176
Ground	Office	12,495
<b>TOTAL</b>		<b>36,898</b>

### Car Parking

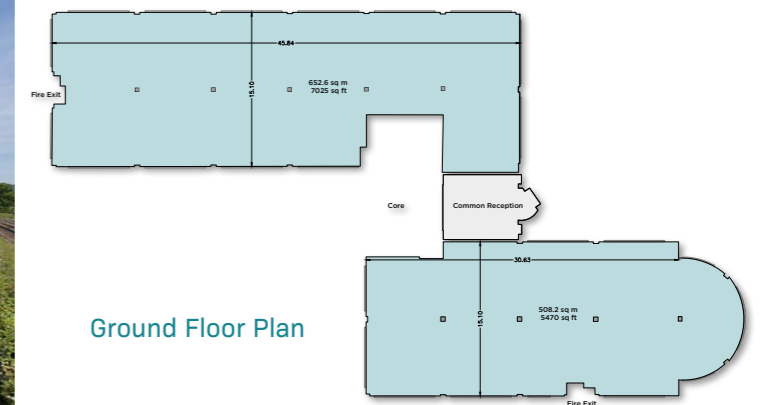
The property benefits from 132 car parking spaces at surface level equating to an exceptional ratio of 1:280 sq ft.



## COMPTON HOUSE

### Overview

Compton House is a self-contained office building, arranged over ground and two upper floors totalling 36,898 sq ft. Constructed in 1999, the property was comprehensively refurbished in December 2016. The property has an impressive full height atrium providing excellent natural light throughout. The office accommodation on the ground and first floors is split into two wings, whilst the second floor is split into three suits to accommodate the most recent letting in the building.



### Specification

- Full access raised floors
- New suspended ceilings with metal tiles
- New LED lighting
- New VRF air conditioning
- Two 800kg, 10 person lifts
- Male, female and WC facilities on each floor
- EPC Rating B(46)



## TENANCY SCHEDULE

The property is let in accordance with the tenancy schedule below. The total passing rent is £786,398 per annum, equating to a low average rent of £25.54 per sq ft. The WAULT is 5.3 years to expiries and 3.8 years to breaks.

Demise	Tenant	Area Sq Ft	Start Date	Next Review	Break Option	End Date	Rent	Rent (psf)	Comments
<b>Wonersh House</b>									
Ground Floor	Vacant	7,799							
First Floor	DMH Stallard LLP	7,501	24/09/2015			23/09/2025	£187,375	£24.98	Inside the 1954 Act.
Second Floor	HFS Millbourne Financial Services Ltd	2,886	15/09/2014			14/09/2024	£73,950	£25.62	Inside the 1954 Act. Service charge cap of £26,302.35 p.a. subject to annual RPI increases.
Second Floor East	Galliford Try Building 2014 Ltd	4,878	15/09/2014			14/09/2024	£125,170	£25.66	Inside the 1954 Act.
<b>Wonersh House Sub-total</b>		<b>23,064</b>					<b>£386,495</b>		
<b>Compton House</b>									
Ground Floor	Solventis Ltd	5,470	18/09/2017			17/09/2022	£158,631	£29.00	Inside the 1954 Act.
Part Ground and First and Second Floors	Vacant	21,375							
Second Floor Part 1	BDW Trading Ltd	*7,158	01/06/2021		01/06/2026	31/05/2031	**£171,792	£24.00	Agreement for lease signed on 19/04/2021 with a target completion date of 6 weeks from date of agreement (01/06/21) with a longstop date of 12/07/21. Inside the 1954 Act. Tenant to benefit from 6 months rent free followed by 24 months at half rent. Vendor to top up initial incentive periods. Tenant only break option subject to 6 months notice. 9 months rent free in the form of 18 months half rent if break not actioned. Lease subject to 5 yearly open market rent reviews. Service charge cap of £40,514.28 p.a. subject to 1% measurement tolerance and annual RPI increases. Lease subject to a schedule of condition covering building windows.
Second Floor Part 2	BDW Trading Ltd	*2,895	01/06/2021		01/06/2026	31/05/2031	**£69,480	£24.00	Agreement for lease signed on 19/04/2021 with a target completion date of 6 weeks from date of agreement (01/06/21) with a longstop date of 12/07/21. Inside the 1954 Act. Tenant to benefit from 6 months rent free followed by 24 months at half rent. Vendor to top up initial incentive periods. Tenant only break option subject to 6 months notice. 9 months rent free in the form of 18 months half rent if break not actioned. Lease subject to 5 yearly open market rent reviews. Service charge cap of £19,020.15 p.a. subject to 1% measurement tolerance and annual RPI increases. Lease subject to a schedule of condition covering building windows and balcony.
<b>Compton House Sub Total</b>		<b>36,898</b>					<b>£399,903</b>		
<b>TOTAL</b>		<b>59,962</b>					<b>£786,398</b>		

NB - No future rent frees will be topped up other than those mentioned in the table above.

\*Target areas which are subject to completion of landlord's minor works. A measured survey will be undertaken upon completion of landlord's minor works.

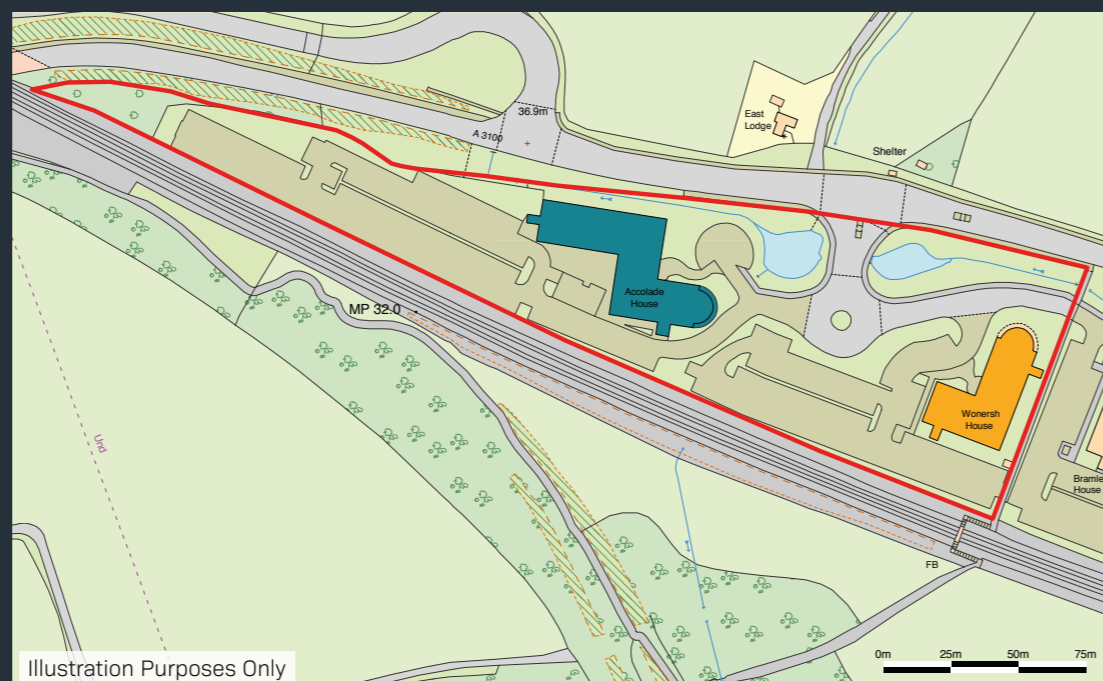
\*\*The principal yearly rent is the sum of the internal area multiplied by £24.00 provided that the principal yearly rent does not exceed a sum which equates to the target area plus a measurement tolerance of 1%.

## TENURE

Freehold.

## SITE

The site is accessed directly from Old Portsmouth Road (A3100) and totals 5.11 acres (2.07 hectares).



## COVENANT PROFILES

### BDW Trading Limited (Barratt Homes) (03018173)

31% of contracted income / D&B Rating 5A1



BDW Trading Limited, whose trade name is Barratt Homes, was initially established in Newcastle upon Tyne in 1958 and grew before becoming listed on the London Stock Exchange in 1968. Further expansion occurred in the following decades and with a landmark increase in 2007 with the acquisition of Wilson Bowden PLC. Barratt Homes has now built over 450,000 homes since inception, 17,579 of which were in the new financial year, and now has 227 divisions throughout. In 2019 Barratt Homes won the What House? Award for Housebuilder of the Year and in the same year also won the Large Housebuilder of the Year at the Housebuilders Awards.

	30 June 2020	30 June 2019	30 June 2018
Sales Turnover	£3,271,983,000	£4,478,707,000	£4,544,382,000
Profit (Loss) Before Taxes	£504,230,000	£911,390,000	£830,802,000
Tangible Net Worth	£3,277,015,000	£3,357,649,000	£3,113,240,000
Net Current Assets	£3,412,473,000	£3,472,341,000	£3,223,063,000

### DMH Stallard LLP (0C338287)

24% of contracted income / D&B Rating N3



DMH Stallard is a full service, award winning UK based law firm with offices in London, Brighton, Gatwick and Guildford. The practice covers a diverse range of sectors from banks and financial institutions, through public sector to retail and technology. In 2021 the firm ranked in the top 2% of law firms as assessed by The Times (Best Law Firms 2021). DMH Stallard also won South East Property Awards and Dealmakers Awards at the South East Insider Dealmakers' Awards 2020. The practice has a most recent total headcount of 298, including 65 partners.

	30 June 2020	30 June 2019	30 June 2018
Sales Turnover	£30,048,000	£28,953,000	£24,988,000
Profit (Loss) Before Taxes	£27,000	£26,000	£20,000
Tangible Net Worth	(£1,072,000)	(£894,000)	(£643,000)
Net Current Assets	£9,490,000	£9,466,000	£8,736,000

### Solventis Limited (03366192)

20% of contracted income / D&B Rating 4A2



Solventis is one of the largest producers of antifreeze, coolants and brake fluids in Europe as well as being a major supplier of solvents. Established in 2002, the company has grown steadily and consistently and reported a turnover in excess of €200 million in 2017. The company has a blending, storage and distribution facility in Antwerp and Compton House is the company's only UK office location.

	31 December 2019	31 December 2018	31 December 2017
Sales Turnover	€208,133,783	€248,170,027	€196,608,639
Profit (Loss) Before Taxes	€1,272,292	€6,748,375	€14,701,245
Tangible Net Worth	€34,797,483	€33,901,182	€25,443,833
Net Current Assets	€32,805,683	€32,803,936	€25,841,634

### Galliford Try Building 2014 Limited (SC209666)

16% of contracted income / D&B Rating 5A



Galliford Try is one of the UK's leading house building, regeneration and construction groups. The company operates through three renowned businesses: Linden Homes, Galliford Try Partnerships and Construction & Investments. The company was created in 2000 through a merger of Try Group Plc and Galliford Plc and is headquartered in London with circa 5,700 employees. The company is listed on the London Stock Exchange and a member of the FTSE 250 Index.

	30 June 2019	30 June 2018	30 June 2017
Sales Turnover	-	-	-
Profit (Loss) Before Taxes	-	-	-
Tangible Net Worth	£53,263,000	£53,263,000	£53,263,000
Net Current Assets	£53,263,000	£53,263,000	£53,263,000

### HFS Millbourne Financial Services Limited (02061008)

9% of contracted income / D&B Rating A1



HFS Millbourne Financial Services is an independent financial advisory business, regulated by the Financial Conduct Authority (FCA). The company specialises in wealth management, pensions, finance on divorce, mortgages, employee benefits and corporate financial planning. Its clients range from private individuals, through SME companies to pension funds. The company was created in 2005 through a merger of Hayden Financial Services and Millbourne Financial Services. Wonersh House is the company's registered headquarters.

	30 June 2020	30 June 2019	30 June 2018
Tangible Net Worth	£678,003,000	£655,811,000	£625,073,000
Net Current Assets	£638,651,000	£634,858,000	£607,527,000

## GUILDFORD OCCUPATIONAL MARKET

- Guildford is one of the most successful commercial centres within the South East market and remains a popular location due to its excellent transport links, proximity to the M25 motorway, the talented labour pool and its high quality residential, retail and leisure amenities.
- Take up in 2020 was estimated to be 84,000 sq ft despite the global pandemic and the expectation is for this figure to rise in 2021 due to the pent up demand caused in 2020.
- Guildford has a total office stock of 3.3 million sq ft. Availability has decreased, further enhancing the still significantly low levels in the context of the Thames Valley.
- Town centre supply continues to fall as a result of continued demand and Grade A vacancy rates are extremely low compounded by key sites such as Guildford Plaza and Station View being sold for retirement and residential use.
- There is currently no space under construction in Guildford and the delivery of future supply is likely to be impacted by continued uncertainty.
- Prime out of town rents currently stand at £36.00 per sq ft
- Compton House has achieved rents of £26.00 per sq ft which demonstrates the significant reversionary potential at Wonersh House.
- The combination of the dearth of Grade A accommodation and strengthening occupier demand is set to drive the rental tone further.

Date	Address	Tenant	Size (sq ft)	Rent (psf)	Term (Break)
Q2 2021	Compton House	Barratt Homes	10,053	£24.00	10 (5)
Q4 2020	Building 2 Guildford BP	Reed Recruitment	3,148	£36.00	6
Q1 2020	Bramley House, Old Portsmouth Road	Technology Group Limited	3,131	£29.50	10
Q3 2019	Building 2, Guildford Business Park	Wargaming	12,189	£36.00	10 (5)
Q4 2019	2000 Cathedral Square	Knight Frank Finance LLP	1,432	£38.00	10
Q4 2019	1000 & 2000 Cathedral Square	Gateley PLC	19,000	£32.50	10

## GUILDFORD

Total Stock  
**3.3m sq ft**

Vacancy Rate  
**9.2%**

Grade A Vacancy Rate  
**5.8%**

Prime Quoting Rent  
**£36.00 psf**

## INVESTMENT MARKET

The South East office investment market remained resilient despite the high levels of uncertainty surrounding 2020 including Brexit and the majority of the year spent home working due to the Covid-19 pandemic. Investment volumes for the year totalled £2.6 billion, a 30% increase on 2019 total volume.

The weight of money and depth of demand continues to be drawn from a wide range of investors seeking to take advantage of the region's resilience following the pandemic and underlying market fundamentals that the South East office market offers.

The start of 2020 has been characterised by a continuing imbalance in demand and supply with both domestic and overseas investors chasing limited quality amounts of stock.

Wonersh House & Compton House affords an investors the opportunity to add value and drive returns through asset management over a sensible business plan period. Set out below are some recent comparable transactions:

Date	Address	Area (sq ft)	Tenant	WAULT (years)	Rent (psf)	Price	NIY	CV psf
Dec 20	Aviator One, Addlestone	65,615	Multi Let	2.40	£29.13	£19.75m	9.07%	£301
May 20	Enterprise House, Hook	23,632	Serco Ltd	5.4	£18.68	£4.75m	8.72%	£201
Feb 20	Omnibus, Reigate	67,300	Update Infrastructure	3.5	£22.17	£15.21m	9.19%	£226
Mar 19	Ashbourne House, Guildway Business Park	35,027	Welbilt UK and Vivid Imaginations	5.5	£27.60	£12.75m	7.10%	£364

Date	Address	Area (sq ft)	Tenant	WAULT (years)	Rent (psf)	Price	NIY	CV psf
Dec 20	Aviator Two, Addlestone	35,088	Vacant	N/A		£6.00m		£171
Dec 20	The Meadows Business Park, Camberley	149,425	Vacant	N/A		£13.00m		£87
Nov 20	Coombe Hill House, New Malden	55,300	Vacant	N/A		£12.00m		£217
Dec 19	Liongate, Guildford	42,500	Vacant	N/A		£10.20m		£240
Jun 19	Quadrant House, Redhill	29,481	Vacant	N/A		£6.25m		£212
May 19	Atlantic House, Reading	38,551	Vacant	N/A		£8.25m		£214





## BUSINESS PLAN & INVESTMENT CONSIDERATIONS

### Key Asset Management Considerations

- Potential to negotiate lease re-gears/extensions to extend the term certain profile at Wonersh House.
- Let the remaining vacant space in Compton House to drive rents and improve the overall WAULT.
- Scope to add amenity offering within a self-contained building on the park.
- Possibility to explore longer term change of use potential (subject to planning).

### Rental Reversion

- Current Grade A achievable rents in Guildford in excess of £36.00 per sq ft.
- Compton House has achieved rents in excess of £26.00.

### Strong Occupational Market

- Low Grade A vacancy in the town centre as a result of sustained tenant demand and absorption of stock to alternative uses.
- Record level of named demand in the South East of over 3.3 million sq ft.
- Rents have risen from £30.00 to £36.00 per sq ft in the last 5 years.

### Future Liquidity

- Opportunity to reposition Wonersh House to create a premium product on the Park.
- Possibility to split title to offer two attractive lot sizes to the market.
- Guildford remains a popular destination with investors as demonstrated by the activity in the last 18 months.

## ADDITIONAL INFORMATION

### VAT

The property is elected for VAT. It is anticipated that the sale of the property will be treated as a Transfer of a Going Concern (TOGC).

### Estate Charge

The total estate and service charge budget for the year ending 31 December 2021 is £497,719.57 which equates to £8.09 per sq ft based on the managing floor areas.

### Data Room

Access to the data room can be provided on request.

## PROPOSAL

We are instructed to seek offers in excess of **£13,100,000 (Thirteen Million, One Hundred Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **low capital value of £218 psf**.

## CONTACTS

To arrange a viewing or obtain access to the data room please contact:

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WONERSH  
HOUSE & COMPTON  
HOUSE

G U I L D F O R D

