



78 PORTSMOUTH ROAD
COBHAM
SURREY
KT11 1HY

CEDAR HOUSE

REPOSITIONED OFFICE
WITH EXCEPTIONAL
DEVELOPMENT & ALTERNATIVE USE
POTENTIAL



AN EXCITING OPPORTUNITY TO ACQUIRE A COMPREHENSIVELY REFURBISHED OFFICE BUILDING ON A 1.48-ACRE SITE, SUBJECT TO A SHORT-TERM LEASEBACK, WITH EXCEPTIONAL DEVELOPMENT AND ALTERNATIVE USE POTENTIAL LOCATED IN THE AFFLUENT VILLAGE OF COBHAM, SURREY

INVESTMENT SUMMARY

Cedar House is currently owner occupied by Hexagon who will be vacating the building. Hexagon Corporate Services Limited will take a short-term leaseback on the whole building from completion of the sale.

- Freehold office building located within the affluent village of Cobham in the Borough of Elmbridge, Surrey.
- Situated within close proximity to Cobham High Street with a wealth of local and national retailers, including a Waitrose supermarket.
- Prominent 1.48-acre site with significant alternative use potential subject to obtaining the necessary consents.
- Cedar House is a highly specified office building totalling 31,113 sq ft which was subject to a £6 million refurbishment in 2019 (£193 per sq ft) to provide future-proofed office accommodation.
- 96 on-site car parking spaces providing an attractive ratio of 1:307 sq ft on the office accommodation.
- Draft allocated for residential within the emerging Elmbridge Local Plan, as well as the opportunity to take advantage of the recently amended Permitted Development rights subject to meeting the necessary requirements.

PROPOSAL

Offers are invited for the freehold interest, subject to contract and exclusive of VAT.



THE LOCATION

To CENTRAL LONDON / 21 miles

Chelsea FC Training Ground

River Mole

Cobham Library

Sainsbury's

The Ivy

Caffè Nero

High Street

Sainsbury's

Cobham Village Hall

GAIL's Bakery

Waitrose & Partners

5-MINUTE WALK

CEDAR HOUSE

Cobham Bowers Retirement Home

Portsmouth Road

Painshill Gardens

Between Streets

To A3 / 1 mile & M25 (J10) / 2 miles

To HEATHROW AIRPORT / 15 miles

CEDAR HOUSE

COBHAM

AN AFFLUENT LOCATION

Cobham is a large, affluent Surrey village located 21 miles south west of Central London and 11 miles north east of Guildford. The village offers extensive connectivity to Greater London, Heathrow and Gatwick airports, in addition to the national motorway and railway networks.

The property is a 5-minute drive from Cobham & Stoke D'Abernon railway station, providing regular direct rail services to London Waterloo, with a fastest journey time of 38 minutes.

Cedar House fronts Portsmouth Road which provides immediate access to the A3 (via the A245), a major trunk road that connects Cobham to the south, towards Guildford and Portsmouth, and north towards London. Both the A3 and M25 (Junction 10) can be reached in under 5 minutes.

Cobham also benefits from being in close proximity to Esher, Woking and Walton-on-Thames which offer further amenity. Hampton Court Palace and Bushy Park, one of London's eight Royal Parks, can be reached in under 15 minutes.



COBHAM VILLAGE



COBHAM MILL



CHELSEA FC TRAINING GROUND



COBHAM HIGH STREET



COBHAM HIGH STREET



COBHAM & STOKE D'ABERNON RAILWAY STATION



THE IVY RESTAURANT



WAITROSE



ST ANDREW'S CHURCH

STEEPED IN HISTORY

Cobham is a village that is rich in history. It has an abundance of ancient buildings and key heritage sites with its origins tracing back to the Iron Age.

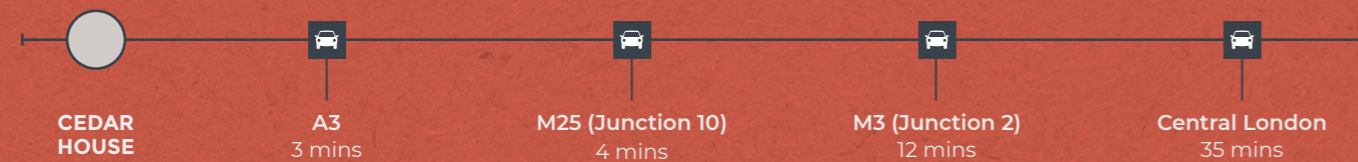
- Cobham Mill was built in 1822 and was used in grinding corn until the early 20th century and has now been restored to full working order.
- St Andrew's Church is a Grade I listed building, which dates back to the 12th century. The church preserves a Norman tower and for some 850 years, it continues to be an active church.
- Painshill is an 18th century landscape garden created by Charles Hamilton, inspired by his landscape paintings and travels across Europe. The park welcomes about 250,000 visitors each year to walk the work of art and submerge themselves into its history.

CONNECTIVITY



ROAD

Driving distances from Cedar House



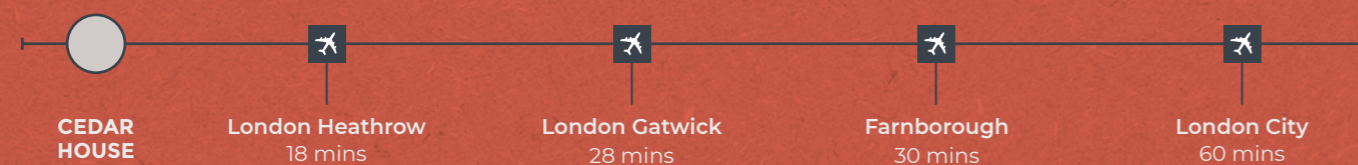
RAIL

Train times from Cobham & Stoke D'Abernon Station



AIR

Driving distances from Cedar House



SITUATION

Cedar House is situated on the southern part of Portsmouth Road offering easy access to the A3 in less than 3 minutes' drive time, as well as Cobham High Street just a 5-minute walk away.

The surrounding area offers a vast array of local amenities including Waitrose & Partners, GAIL's Bakery, The Ivy, Mint Velvet and Sweaty Betty. A selection of independent shops, restaurants and historic architecture provides an ideal balance between a bustling village and a peaceful countryside backdrop.



THE PROPERTY

CEDAR HOUSE

DESCRIPTION

Cedar House is a prominent office building fronting Portsmouth Road, providing 31,113 sq ft over ground and three upper floors.

Originally constructed in 1997, the property has a concrete frame with external brick cladding and is rich in amenities such as conference rooms and event space.

The ground level entrance opens to an attractive full height atrium, forming the centrepiece of the building, along with a spacious reception. The ground floor also benefits from a fully fitted auditorium along with kitchen and dining areas.



SPECIFICATION



Highly specified, future-proofed office accommodation



Flexible floor plates



Floor to ceiling height of 3.3 metres



Fully fitted auditorium comprising a large LED display screen



2 passenger lifts



96 on-site car parking spaces (ratio of 1:307 sq ft on the office accommodation)



EV charging provision



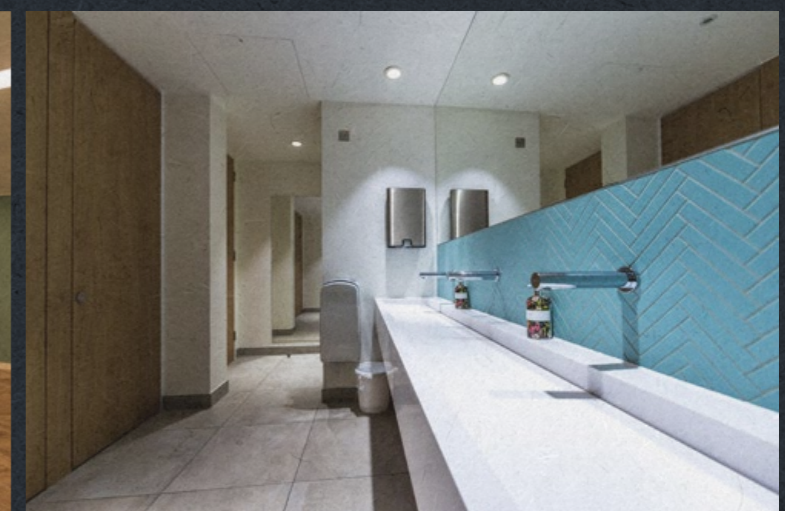
Cycle racks



Shower and changing facilities



Locker facilities



£6 MILLION REFURBISHMENT

Cedar House was subject to a £6 million refurbishment in 2019 (£193 per sq ft) to provide highly specified, future-proofed office accommodation.

Works included the following:

- New FCUs throughout
- Refurbishment of all office floor areas, including new fit out
- Refurbishment of toilet accommodation, staircases and reception
- Replacement of electrical lighting and energy distribution panel
- New boilers
- Replacement of cold-water storage tank

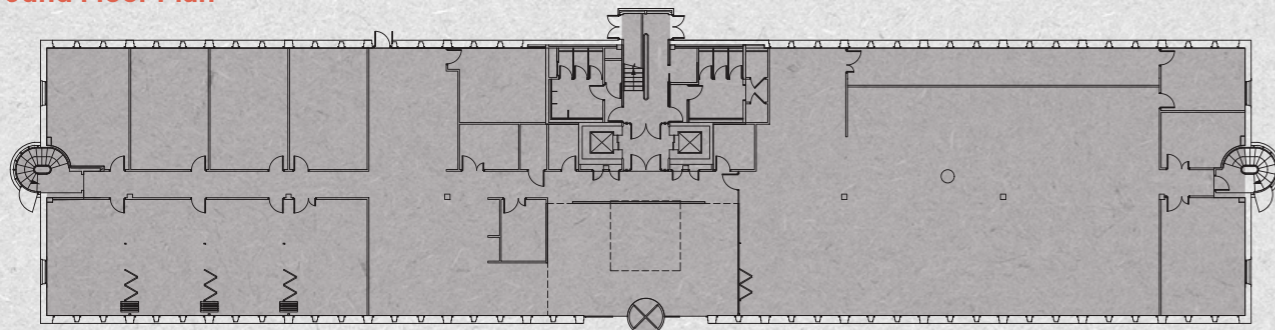
Further information is available upon request.

ACCOMMODATION

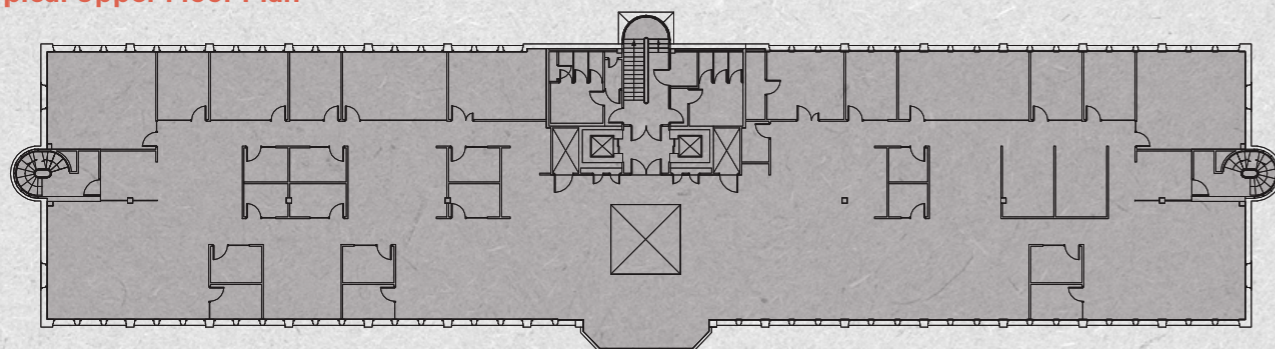
The property has been measured by PRE Chartered Surveyors in accordance with the RICS Code of Measuring Practice 6th Edition (January 2018). The survey, which can be assigned to the purchaser, provides the following floor areas:

Floor	Use	NIA (sq m)	NIA (sq ft)	GIA (sq m)	GIA (sq ft)
Third	Storage / Comms	82	884	642	6,905
Second	Office	931	10,019	1,041	11,210
First	Office	931	10,016	1,042	11,215
Ground	Office	880	9,472	1,045	11,249
	Reception	67	722		
TOTAL		2,891	31,113	3,770	40,579

Ground Floor Plan



Typical Upper Floor Plan




HEXAGON

11:50 Fri Jan 2024

Did You Know?

Smart farms

Hexagon is putting data to work to lower greenhouse gases coming from agriculture, forestry and land use changes, which account for nearly one-quarter of the world's CO₂ output.



HEXAGON

m approaches. Lawmakers rushed through temporary funding to keep the government open ahead of a Friday deadline. Biden says US strikes

THE SITE

SITE

The total site area extends to 1.48 acres (0.6 hectares). This represents a 19% site coverage based on the existing building.



THE OPPORTUNITY



THE OPPORTUNITY

The size, prominence and location of the site means that Cedar House benefits from exceptional development and alternative use potential for a range of uses including living, hotel and/or self storage, subject to securing all necessary consents, as well as a continuation of the existing office use.

LIVING



RESIDENTIAL



LATER LIVING



CARE HOME

COMMERCIAL

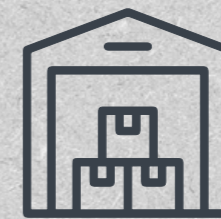


OFFICE

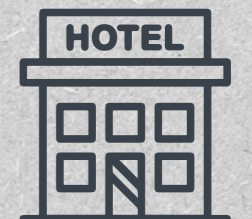


SERVICED OFFICE

ALTERNATIVE



SELF-STORAGE



HOTEL

THE OPPORTUNITY: RESIDENTIAL

The property offers an excellent opportunity to acquire a prominent site with strong residential redevelopment potential. The site is located within a prime commuter area, offering fast and frequent rail services into Central London and easily accessible motorway connections.

The immediate surrounding area is characterised by new, high-quality residential development, with Lifestory and Beechcroft having recently completed Later Living schemes to the immediate south west and west of Cedar House respectively.

FEASIBILITY STUDY

Scene Architects have undertaken a feasibility study on two bases: conversion of the existing building and a demolition and rebuild.

Option 1 outlines a conversion of the existing building, providing 42 units with 55 car parking spaces. This does not take into account any additional storeys under Class AA or extensions to the building.

Option 2 outlines a redevelopment of the site, providing 60 units arranged in 3 blocks with 84 car parking spaces and associated communal facilities.

KEY HIGHLIGHTS



Flood Zone 1



No listed buildings on site



Not located in a conservation area



No Tree Preservation Orders on site

Feasibility Study - Option 1



Feasibility Study - Option 2



The above drawings are prepared for indicative purposes only.

THE OPPORTUNITY: RESIDENTIAL

PLANNING SUMMARY

JLL's Planning & Development team have prepared a detailed Planning Feasibility Report which can be found in the data room. The highlights are summarised below:

The site previously sat within Strategic Employment Land ("SEL") as per the Adopted Elmbridge Core Strategy Planning Policy Map (2011). However, within the emerging Local Plan (likely to be adopted in Autumn 2024) significant redevelopment potential has been sought with the site no longer designated within SEL. JLL's report identifies a number of key Policies that would support residential development at the site:

1. The site is draft allocated for 30 residential units, with a delivery period of 11-15 years (due to its previous unavailability through the building being subject to a 10 year lease). The Local Plan also highlights that the site does not have any major development constraints to overcome.
2. The Core Strategy Policy CS2 states that the Council plans for approximately 3,375 net additional dwellings (225 net dwellings annual average) within the Borough between 2011 and 2026. Elmbridge's Five Year Housing Supply 2023-2028 states a current shortfall in dwellings equating to 3.81 years of housing supply.
3. Policy CS1 states that the Council will direct new residential development towards previously developed land, within existing built-up areas.

4. The Council will support the development of specialist accommodation for older people in suitable locations, noting that developments should incorporate a high proportion of two-bedroom units.

PERMITTED DEVELOPMENT

Subject to meeting the necessary requirements, there is an opportunity to convert the existing building to residential under Class MA following the recent amendments to the Permitted Development Rights. Scene Architects have provided a scheme as seen on the previous page that offers 42 units. This does not account for any Class AA (additional two storeys) or further extensions to the building.

AFFORDABLE HOUSING

The current Core Strategy Policy CS21 states that on development sites of 15 dwellings or more, a 40% provision of affordable housing is required. However the Draft Local Plan, submitted to the Secretary of State on 10 August 2023, maintains that on brownfield sites or sites with 10 or more units, only a 30% affordable housing contribution will be sought as part of residential development.

COMMUNITY INFRASTRUCTURE LEVY

Elmbridge started collecting CIL in April 2013. The CIL charge was set in 2013 at £125 per sq m for residential dwellings. The CIL charge is liable to indexation which is calculated using the national All-in Tender Price Index published by the BCIS. With indexation, the current charge for 2024 is £212.61 per sq m for residential dwellings.



THE OPPORTUNITY: OFFICE

Following a £6 million refurbishment in 2019, Cedar House presents an excellent opportunity for continuation of its existing office use be it for an investor, owner occupier or serviced office provider. Cobham is undersupplied with best-in-class office accommodation with rents at a discount to competing centres, making Cedar House highly attractive to an occupier.

THE ATTRACTION OF CEDAR HOUSE



INVESTOR

- No day one capital expenditure requirements
- Flexible floor plates offering ultimate flexibility
- Limited competition in the locality
- Attractive headline rents yet discounted to neighbouring markets
- Ability to significantly enhance the asset value
- Site underpinned by alternative use potential



OWNER OCCUPIER

- Self-contained headquarters office building
- Offers a turnkey solution following recent refurbishment works
- Attractive car parking ratio at 1:307 sq ft on the office accommodation
- Prominent site with branding potential
- Easy access to major motorways, rail connections and London airports



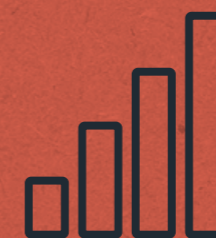
SERVICED OFFICE PROVIDER

- Situated in close proximity to a wide range of amenities
- Floor plate configuration lends itself to a range of smaller, self-contained suites
- Existing amenity in the building will appeal to occupiers
- A dearth of competing serviced offices in the surrounding area

KEY THEMES



Grade A accommodation is increasingly in demand, notably in undersupplied markets such as Cobham and the wider South West M25 quadrant



Headline rental growth for best-in-class offices such as Cedar House which has recently benefitted from a £6m refurbishment to provide future-proofed accommodation

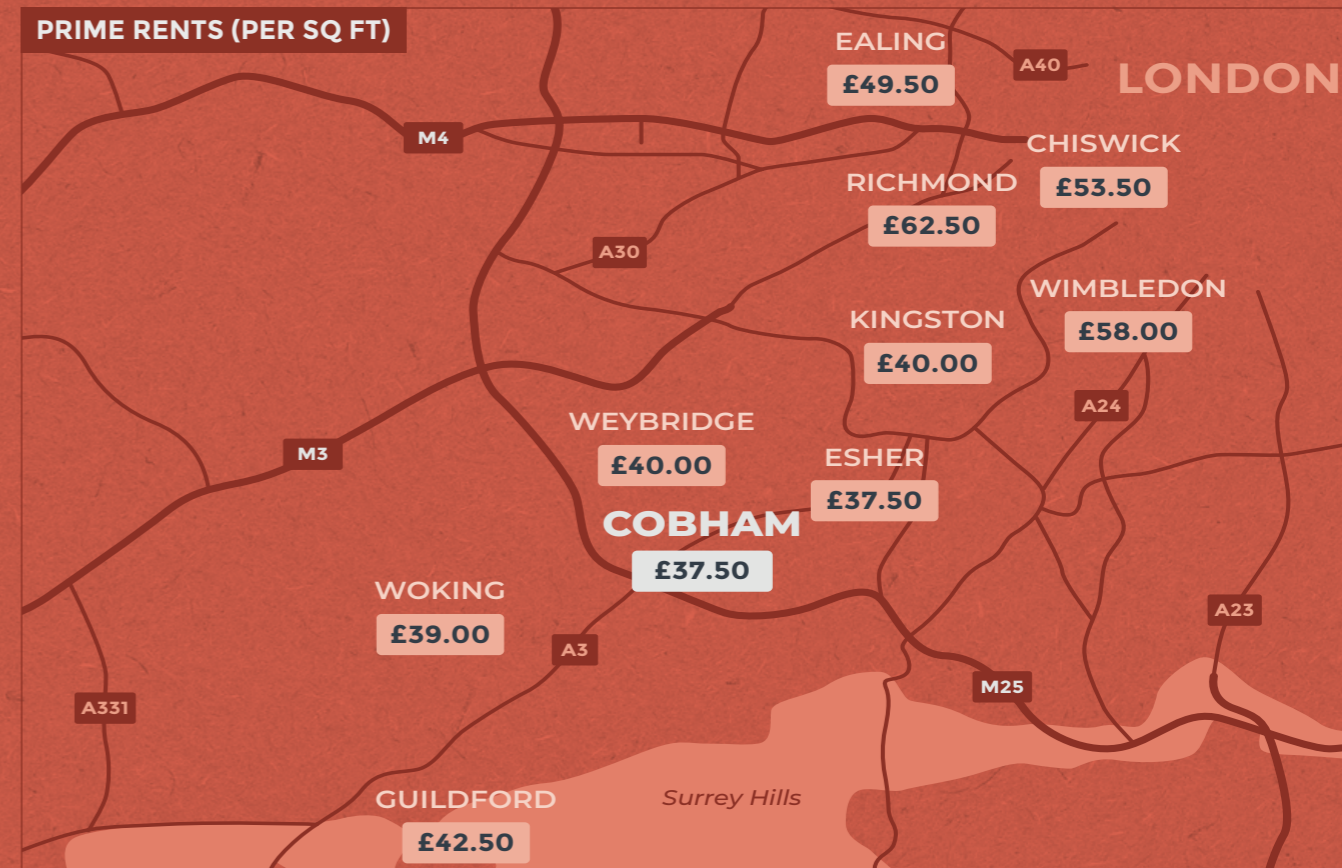


Amenity provision and well-being remains core to occupier decision making – Cedar House offers extensive breakout, catering, and event spaces, as well as being a 5-minute walk to Cobham High Street



Strong demand from occupiers for turnkey solutions such as Cedar House where negligible capital expenditure is required

PRIME RENTS (PER SQ FT)



THE PROPOSAL

FURTHER INFORMATION

EPC

The property has an EPC rating of D (86).

Data Room

Access to the data room is available on request. Parties are encouraged to undertake their own due diligence in advance of submitting a proposal.

VAT

The property is elected for VAT.

AML

In accordance with Anti-Money Laundering (AML) regulations, the purchaser will be required to satisfy the vendor on the source of funds used to complete the transaction.

Tenure

The property is held freehold under title number SY654891.

Leaseback

Cedar House is currently owner occupied by Hexagon who will be vacating the building.

Hexagon Corporate Services Limited will take a leaseback up to 2 years on the whole building from completion of the sale at a peppercorn rent, with rolling monthly break options at a mutually agreeable timescale from commencement of the leaseback.

There will be no dilapidations liability on expiry of the leaseback.



PROPOSAL

Offers are invited for the freehold interest, subject to contract and exclusive of VAT.



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