



MARKHAM HOUSE - 20 BROAD STREET

&

1 & 2 MARKHAM MEWS
WOKINGHAM, RG40 1AH



Investment Summary

- Opportunity to acquire a Grade II listed building with two mews buildings at the rear
- Short term income from the mews represents 46% of the income
- Approximately 8,000 sq ft offices in total
- Principal tenant, The Workstation who operate 10 business centres in the South East
- Residential potential subject to planning
- Held freehold
- Our clients are seeking offers in excess of £1.43m reflecting a net initial yield of 7.38% allowing for purchasers costs of 6.07% and a capital value of £180 per sq ft.



Location

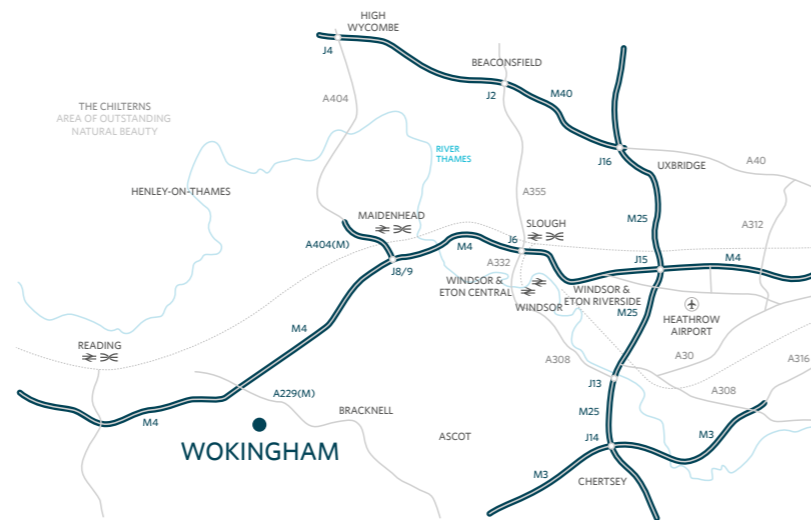
Wokingham is a historic market town approximately 39 miles west of London, 7 miles south east of Reading and 5 miles west of Bracknell.

Wokingham lies within the M4 corridor and there is direct access to the M4 via the A329 (M) at junction 10.

Broad Street is situated in Wokingham Town Centre conservation area, in the heart of Wokingham which is undergoing a £117m retail and leisure regeneration project by the Council.

Markham House is situated on the South side of Broad Street and comprises a Grade II listed building, originally built as a house. The building now comprises a serviced office facility and is situated near to occupiers such as Clifton Ingram, Herrington Carmichaels and Cote Brasserie which is next door.

Trains from Wokingham to London Waterloo take approximately 47 minutes at peak times



Description

Markham House is arranged over four floors being, Lower Ground, Ground, 1st and 2nd Floors split into 16 separate rooms. There is central heating, CAT II lighting and raised floors in part. Parts of The Mews benefit from air conditioning.

1 & 2 Markham Mews provides good quality office accommodation on two floors. 1 & 2 Markham Mews lie at the rear of the site separated by a courtyard used for parking, the overall site area is approximately 0.32 acres (0.13 ha)



Approximate Net Internal Areas set out below for each building:

Markham House	Size (Sq Ft)	Size (Sq M)	1 Markham Mews	Size (sq ft)	Size (Sq M)	2 Markham Mews	Size (sq ft)	Size (Sq M)
2nd Floor	1090	101	1st / 2nd Floors	1726	160	1st / 2nd Floors	1675	157
1st Floor	1037	96	Total	1726	160	Total	1675	157
Ground Floor	1285	119						
Lower Ground Floor	1130	102						
Total	4542	421				Grand Total	7943	738

Planning

The council granted planning permission for 1 & 2 Markham Mews in 1989 for office use.

Broad Street is designated as a secondary Shopping Frontage.

The Core Strategy 2026 was adopted in 2010. Work is underway on an updated Local Plan which will shape the future of Wokingham Borough.

The updated local plan will guide how growth will take place in the Borough in the years up to 2036.

The timetable for the Local Plan has been agreed and is expected to be adopted in Winter 2021.

Market Commentary

Like a number of town centres there have been a number of period properties in Wokingham that have been converted to residential use either as a whole or in part or converted into serviced office/co-working centres as the trend for flexible working continues to grow.

We believe office rents in Wokingham Town centre to be in the region of £16-£17 per sq ft.

Recent capital transactions range from £189-£223 per sq ft.

Baileys House, Central Walk - Ground floor let to Loungers until 2032 part ground, first and second floors vacant offices, which had consent for flats, which has now been built out, the building totalled 11,000 sq ft and was sold in July 2018 for £2.1m or £191 per sq ft.

Maxwell House, 612 Reading Rd an office building totalling approximately 5,298 sq ft was sold in October 2018 to Cavity Dental Staff Agency Ltd for £1m or £189 per sq ft.

St Pauls Clockhouse, 2 Reading Rd, an office building built c. 1882 and totalled approximately 3,582 sq ft was sold with vacant possession in September 2019 for £800,000 or £223 per sq ft.



Tenancies

The property is let in its entirety to three separate tenants at a passing rent of £112,000 pa as follows:

Tenant	Lease Start Date	Lease Expiry	Review Date	Break Date	Passing Rent (Per annum)	Comments
The Workstation, ~Markham House	06-Apr-18	05-Apr-43	2023 x 5 yearly	5 yearly	£60,500 (£13.32 psf)	Inside the act Includes 4 parking spaces
Trident Financial Planning	10 Jan 2016	9 Jan 2021			£24,000 (£13.90 psf)	Tenant only break option includes 4 parking spaces
Videocentric Ltd	06-Nov-18	05-Nov-23		06-Nov-21	£27,500 (£16.42 psf)	Tenant only break option includes 4 parking spaces

Trident Financial and Videocentric leases are outside the Act. All leases are subject to a Schedule of Condition

Viewing

Strictly by appointment with the sole agents Savills

Nick Berrill
Wytham Court
+44 (0) 1865 269 066
+44 (0) 7967 555 814
nberrill@savills.com

Sophie Holder
Wytham Court
+44 (0) 1865 269 104
+44 (0) 7966 186 313
saholder@savills.com

Tenure

Freehold

EPC

Markham House is listed.

- 1 Markham mews D-78
- 2 Markham mews C- 62

Covenant Strength

The Workstation have approximately 10 centres, serviced and co-working centres, each are held in Special Purpose Vehicles (SPV), and has a D&B rating of N2.

Videocentric have been trading for 19 years and have customer support services or support teams in Reading, Newcastle, Manchester, London and Scotland. Their D&B rating is C3 and a net worth of £162,297.

Trident Financial Planning have been trading for 9 years and have a D&B rating of C2 and a net worth of £125,839.

VAT

The property has been elected for VAT.

Proposal

We are instructed to seek offers in excess of £1.43 million showing a net initial yield of 7.38% after deducting purchasers costs of 6.07%.



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