

# 7 Springfield Lyons Approach

Springfield, Chelmsford, Essex, CM2 5EY



## Key Highlights

- Single Let in entirety to BDW Trading Ltd.
- 12,580 ft<sup>2</sup> (1,168.9 m<sup>2</sup>)
- 50+ on-site parking spaces.

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## Investment Summary

Chelmsford is an important commercial centre in the South East, benefitting from its strategic location offering strong road and rail links to Central London and the wider eastern region.

The local area is set to benefit in the longer term with a new railway station to the north of Chelmsford as well as significant inward residential and commercial development.

The subject property is located in a prominent commercial location to the north of Chelmsford city centre, with frontage to Springfield Lyons Way and direct access to Colchester Road.

12,580 ft<sup>2</sup> (1,168.9 m<sup>2</sup>) of high quality office accommodation constructed in 2008 and arranged over ground and two upper floors.

50 car parking spaces, reflecting an excellent parking ratio of 1:250 ft<sup>2</sup>.

Let in its entirety to B D W Trading Ltd who have a Dun & Bradstreet rating of 5A1 (report available upon request)

The tenant has not exercised their 2023 break option providing a WAULT of 5 years to expiry.

Fixed rental uplift Jan 24. to no less than £230,000 per annum, equating to £18.30 per ft<sup>2</sup>.

Freehold.

Offers are sought in the region of £3,000,000 (Three Million Pounds), subject to contract and exclusive of VAT.

## Location

Chelmsford is an affluent South East city and one of the most established commercial centres in the South East. Located approximately 31 miles (50km) north east of Central London, the city has excellent communication links including a fast train service to London and direct access to the A12 dual carriageway, which is the arterial route from London through East Anglia.

The city is located approximately 13 miles (21 km) from the M25 (Junction 28) providing access to the Greater London road network, as well as the M11 (Junction 9), which is one of the principle north south links in England.

The city is served by Chelmsford mainline railway station which provides a regular and direct service from London Liverpool Street with a fastest journey time of approximately 31 minutes.

London Stansted Airport is located 20 miles to the North West of Chelmsford. It is one of the UK's fastest growing airports and provides domestic and international flights to over 190 destinations worldwide and more scheduled European destinations than any other airport in the UK.

A wide range of national, regional and local occupiers have chosen to locate in Chelmsford, attracted by the excellent transport links in addition to the low overall costs of occupation, an educated / affluent workforce and the variety and quality of the city's amenity offering. Occupiers who have chosen to locate in the city include BAE Systems, Amlin, AON and RSA.

Chelmsford has a thriving demographic profile, being the dominant commuter town East of London, but also benefitting from its own resident work force. In addition, it is home to the Anglia Ruskin University which has been ranked in the top 20 universities for teaching excellence in The Times and The Sunday Times Good University Guide 2017.



## Situation

The property is situated on a prominent out of town site neighbouring Hedgerows Business Park, one of Chelmsford's most well recognised business park developments.

Situated approximately 2.5 miles North East of the city centre, the property benefits from excellent prominence to the A130 Colchester Road, a short distance from its intersection with Junction 19 of the A12 and the A138.

The property is located on Springfield Lyons Way accessed via a roundabout off Colchester Road which provides the main passage to neighbouring Hedgerows Business Park. Occupiers of note on the Park and in the vicinity include the National Health Service, The Secretary of State, Essex Chronicle, NFU and Anderson Group.

In the short term the micro location will benefit from the addition of a new railway station, Beaulieu railway station which will be situated between Chelmsford and Hatfield Peverel to the north of Chelmsford city centre. The station will support the established and expanding Beaulieu Park development which will eventually comprise 4,000 new homes and potentially up to 400,000 ft<sup>2</sup> of employment accommodation.

## Description

The property is a purpose built self-contained office building developed in the early 2000's, being arranged over ground and first floor. The property totals 12,580 ft<sup>2</sup> (1,168.9 m<sup>2</sup>) comprising mainly of high quality office accommodation with 50+ car parking spaces, reflecting an excellent parking ratio of 1:250 ft<sup>2</sup>.

The tenant has been in occupation for several years and occupies the building as their regional HQ.

We understand the property benefits from a good specification throughout, including:

- Heating and comfort cooling by VRF system
- Raised flooring.
- Suspended ceilings
- Passenger lift
- Male & Female WCs on each floor

## Tenure

The property is held Freehold.

## Tenancy

The property is let in its entirety to B D W Trading Ltd on a lease expiring on 31<sup>st</sup> December 2028, reflecting an unexpired lease term of 5 years. The tenant did not activate their 2023 break option.

The current passing rent stands at £211,803 per annum and is subject to a fixed uplift as of 1/1/24 to no less than £230,000 per annum equating to £18.30 per ft<sup>2</sup> overall.

### Covenant Strength

We have obtained company accounts information and are aware that as of 30<sup>th</sup> June 2022 the following information is recorded: -

Note as: £000  
Sales Turnover: £5,126,982  
Profit/Loss (before tax): £642,456  
Net Current Assets: £3,970,404



### Chelmsford Occupational Market

Chelmsford is a successful regional office market with a total estimated office stock of c.3.1 million ft<sup>2</sup>. The office market like many others in the south east has lost a significant proportion of its secondary and tertiary stock for conversion to residential, facilitated by Permitted Development Rights (PDR). The loss of secondary and tertiary stock to residential combined with the lack of development pipeline has seen total availability fall to just 304,000 ft<sup>2</sup> in the town, 9.8% of total office stock.

The fall in availability links to the rise in take-up in the City Centre with an annual average take-up of 75,000 ft<sup>2</sup> per year. Prime rents in the City currently stand at £28.00 per ft<sup>2</sup>. However, the top quoting rent has now reached £30.00 ft<sup>2</sup>. The local letting agents expect to be able drive the rental tone of the City forward and achieve a new headline rent for Chelmsford within the next 12 months.

### EPC

An EPC Assessment is awaited.

### VAT

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

### Proposal

Offers are sought in the region of £3,000,000 (Three Million Pounds), subject to contract and exclusive of VAT.

A purchase at this level reflects a capital value of £238 per ft<sup>2</sup>.

**We believe the fixed rental increase to be low and would expect the revised rental to be in excess of £20 psf**

Each party to bear their own legal costs incurred in the transaction.

### Anti Money Laundering

In accordance with the latest Anti Money Laundering Legislation, the purchaser will be required to provide proof of identity and address to the selling agents prior to solicitors being instructed.

### Viewing and further information

Strictly by prior appointment with the Sole Agent

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28<sup>th</sup> August 2023

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