

One of the lowest rented 2030 MEES compliant office buildings in the South East innovation corridor and 'last mile' logistics location at a price underpinned by industrial land value

AVISON  
YOUNG



SANDRINGHAM  
HOUSE

SANDRINGHAM AVENUE | HARLOW BUSINESS PARK  
HARLOW | CM19 5QA

- EPC: 44-B (**MEES 2030 compliant**)
- Passing Rent: **£12.81 psf** (Prime Industrial/Office rents £13.50/£20 psf)
- Price: **£3,985,000**
- NIY: **10.00%**
- Capital value: **£120 psf**
- Price per acre: **£2,100,000**

## INVESTMENT SUMMARY

- Single let office investment in a prime mixed commercial use business area, 27 miles north of London.
- Strategically located with excellent accessibility, the M11 motorway is located 3.5 miles to the east, providing a direct link to the M25 (J27) and the national motorway network.
- Located within Harlow Business Park with other notable occupiers including CEF, Pearson, Clipper, Teva Pharmaceutical Industries, G4S Cash Solutions, Dulux, Fedex and Raytheon.
- A prominent self-contained HQ office totalling 33,140 sq ft (3,079 sq m) located on the established Harlow Business Park.
- Large car park comprising approximately 154 car parking spaces providing an excellent parking ratio of 1:215 sq ft.
- A FRI lease renewal was agreed with the strong covenant of Exela Technologies Ltd who have been in occupation for over 20 years.
- Unexpired term of 4.54 years.
- Passing rent of £424,482.20 per annum (£12.81 psf)
- Freehold.
- The 1.9 acre site could allow future industrial redevelopment of the site.
- Current passing rent is well below prime industrial (£13.50 psf) and offices rents (£20.00 psf) in Harlow.

We are instructed to seek offers in excess of **£3,985,000 (Three Million Nine Hundred and Eighty Five Thousand Pounds)**, subject to contract and exclusive of VAT.

A purchase at this level reflects an attractive **Net Initial Yield of 10.00%**. A **low Capital Value of £120 per sq ft** and **£2,100,000 per acre** after purchasers costs of 6.54%.



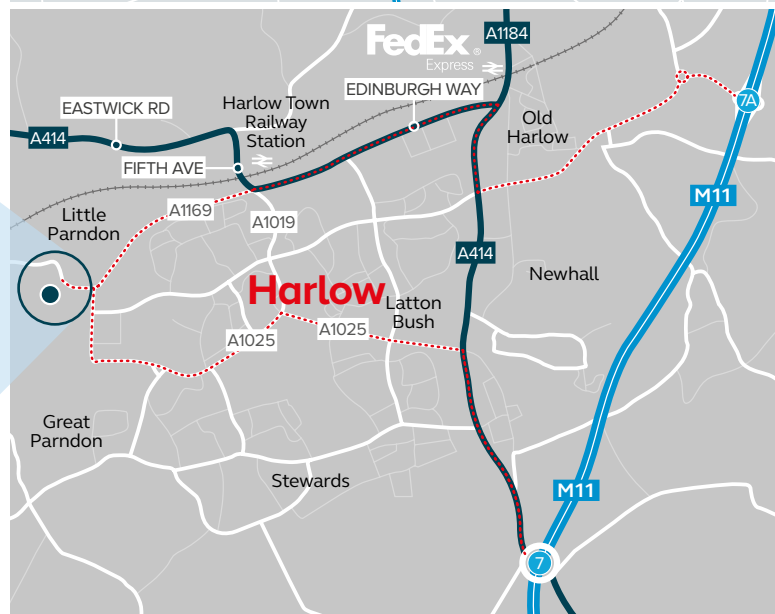
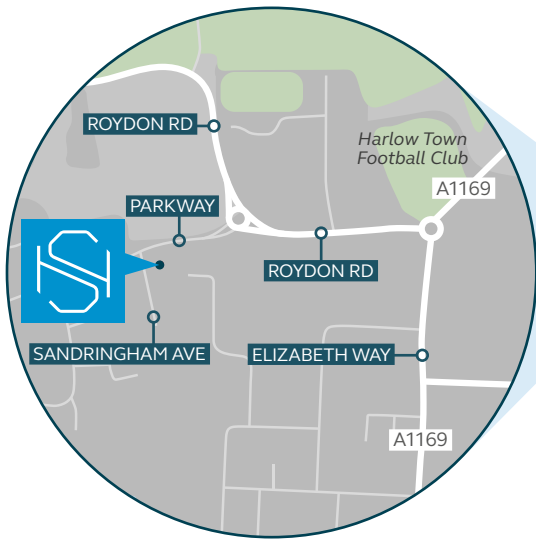
## LOCATION

Harlow, a New Town on the Essex-Hertfordshire border, is one of the predominant and fastest growing centres in the London-Stansted-Cambridge M11 corridor. Harlow is at the heart of the London Stansted Cambridge Innovation Corridor, a significant growth region for science, business and technology.

The town occupies a strategic position 27 miles (43 km) north-east of Central London, 40 miles (64 km) south of Cambridge and 13 miles (21 km) south west of London Stansted Airport.

The M11 corridor offers a large and highly educated workforce with a significant catchment population of 3.3 million people within a one hour journey of the town with the population set to grow by 20% by 2032. House prices in Harlow are expected to rise by 20% by 2023.

Harlow is home to a number of major international occupiers, drawn by the town's location in the London-Stansted-Cambridge M11 corridor. These include Pearson, Teva Pharmaceutical Industries, Raytheon Systems, Clipper, Fedex, Dulux, DHL, Travis Perkins, CEF, Bunzl and Charles River.



## SITUATION

Sandringham House lies 1.5 miles to the west of Harlow Town Centre on Harlow Business Park. The business park sits within a major mixed commercial area based around Elizabeth Way (A1169), Roydon Road and Parkway. Some of Harlow's largest employers are all located within the vicinity including Public Health England, Brakes, Bidfood, Fedex, DHL and Molecular.

Sandringham House is prominently situated on Sandringham Avenue at its junction with Parkway close to the entrance of Harlow Business Park.

[CLICK HERE FOR GOOGLE STREET VIEW](#)

## CONNECTIVITY

Harlow benefits from excellent transport links via road, rail and air. The city is well located in the London-Stansted-Cambridge corridor to provide easy access to the UK motorway network with the town being situated 3.5 miles (6 km) north-west of Junction 7 of the M11 motorway, accessed via the A414. The M11 Motorway provides direct access to Junction 27 of the M25 Motorway 8 miles to the south. The town has two railway stations, Harlow Town and Harlow Mill providing regular services to London Liverpool Street, London Stansted and Cambridge.

### IMPROVED MOTORWAY ACCESS

Harlow Council has worked with Essex County Council and Highways England to develop a new motorway junction on the M11 to the north east of the town (Junction 7a), providing faster access to the motorway. The new junction opened in June 2022.



### CAR



London	1 hr 15 minutes
Stansted Airport	25 minutes
Cambridge	55 minutes
Milton Keynes	1 hour 10 minutes

### TRAIN



London (Liverpool Street)	30 minutes
Stansted Airport	20 minutes
Tottenham Hale (Victoria Line)	16 minutes
Cambridge	45 minutes

### PLANE



Edinburgh	1 hour 15 minutes
Dublin	1 hour 25 minutes
Amsterdam	1 hour 5 minutes
Berlin	1 hour 50 minutes



**THE TENANT HAS BEEN IN OCCUPATION FOR OVER 20 YEARS**



## SANDRINGHAM HOUSE

SANDRINGHAM AVE | HARLOW BUSINESS PARK  
HARLOW | CM19 5QA

## DESCRIPTION

Sandringham House is a modern detached 'L-shaped' office building over ground and two upper floors. The building was constructed in the early 1990s and totals 33,140 sq ft (3,079 sq m). The property is concrete framed with brick elevations under a pitched slate roof.

The floor plates comprise largely open plan offices with suspended ceiling and raised access flooring fitted with carpet tiles. Some of the office areas benefit from air conditioning whilst others have comfort cooling.

There are two 10 person (800 kg) passenger lifts serving all floors together with a main concrete staircase, as well as fire escape staircases at the end of each wing.

The property includes a large car park of approximately 154 car parking spaces within a landscaped perimeter providing a parking ratio of 1:215 sq ft.

## FLOOR AREAS

The property provides the following areas:

FLOOR	NIA (SQ FT)	NIA (SQ M)
Reception	804	74.7
Ground	10,608	985.6
First	11,046	1,026.2
Second	10,682	992.4
<b>TOTAL</b>	<b>33,140</b>	<b>3,078.9</b>

## SITE AREA

0.77 hectares (1.9 acres).

## TENURE

Freehold.

## TENANCY

The property is let in its entirety to Exela Technologies Ltd on an FRI lease expiring on 4th November 2027, providing 4.54 years term certain.

The tenant underlined its commitment to the building by signing a new lease on the entirety of the building in November 2021 taking more space than they occupied previously. In addition, they have removed their up coming break option in November 2024.

The current passing rent is £400,000 per annum. This equates to a low £12.07 psf. The rent increases to £424,482.20 per annum (£12.81 psf) from the 5th November 2024.

The vendor will top up the rent to £424,482.20 per annum and any rent free period.

## COVENANT

EXELA TECHNOLOGIES LTD



Exela is a leader in global business process automation and serves over 4,000 customers throughout 50 countries, including over 60% of the Fortune 100.

Further information can be found at their corporate website: <https://emea.exelatech.com/en>

YEAR TO DATE	TURNOVER	PRE TAX PROFIT	TOTAL NET WORTH
31/12/2021	£29,568,000	£1,355,000	£6,694,000
31/12/2020	£32,205,000	£145,000	£2,177,000
31/12/2019	£36,958,000	(£216,000)	£5,585,000
31/12/2018	£38,105,000	£2,182,000	£8,184,000

## INDUSTRIAL POTENTIAL

**This property lends itself for medium term industrial redevelopment. The site measures 1.9 acres and could accommodate a single last mile logistics warehouse or a terrace of industrial units.**

Prime industrial rents in Harlow are at £13.50 per sq ft, with strong future growth prospects.

Over the past 18 months the demand for warehouse accommodation in the northern M25 has remained strong, underpinned by the seismic shift in consumer spending habits. The lack of available accommodation has applied significant upward pressure to rents and land values in the area.

The absence of significant pipeline supply supports continued rental growth in the location over the coming years.

Demand from industrial occupiers in the South East remains consistently strong with a number of major international and national retailers, 3PLs and manufacturers basing their national distribution operations in the region in order to benefit from proximity to London, the South East and the Midlands.

Occupiers are also attracted to Harlow by the readily available labour at comparably lower rates than other South East locations.



## “ THE PROPERTY LENDS ITSELF FOR MEDIUM TERM INDUSTRIAL REDEVELOPMENT. ”



## OFFICE MARKET

The office market in Harlow is driven in the main by the innovation corridor. With prime office rents in the order of £20.00 psf, Harlow offers a value option compares to Cambridge at c£50.00 psf, St Albans at £38.50 psf, Milton Keynes at £29.00 psf and Chelmsford at £23.50 psf.

“ THE MARKET IS ALSO ANTICIPATED TO SEE 23,000 NEW HOMES CREATED IN THE HARLOW AND GILSTON AREA. ”

## HARLOW AN INNOVATION CENTRE

**Harlow is located within the UK's innovation corridor between London, Stansted and Cambridge. It is a significant business and technological growth region and the council has created the Harlow Enterprise Zone to encourage regeneration. This comprises Kao Park, Harlow Science Park and Templefields.**



KAO PARK



NEW HOSPITAL

Harlow is witnessing significant levels of investment with close to £1.3 billion committed over a number of schemes. These include the development of the new Harlow Enterprise Zone, which includes Harlow Science Park in tandem with Public Health England's £450 million national science hub cementing Harlow as a major contributor to the Golden Triangle.

London Road North in Harlow Science Park is a £250 million scheme backed by Harlow Council, Vinci Developments and Wrenbridge. Construction is underway with the first phases already complete providing 50,000 sq ft of office space and 60,000 sq ft of mid-tech space. The remaining site will be developed in a campus style providing space for both large and small businesses. On site amenities will follow including retail, cafes and restaurants.

Strawberry Star Homes are delivering "Harlow Quarter" - a £244 million mixed use development providing 523 new apartments and 40,000 sq ft of retail and leisure. Weston Homes are also delivering a £93 million scheme providing 361 new homes in the town centre. This will help home the associated population growth that has been created due to the employment drive created by regeneration.

£600 million of government funding has been agreed for a brand new hospital near junction 7a of the M11 in Harlow which delivery expected in 2028.



HARLOW SCIENCE PARK

STRAWBERRY STAR



## VAT

The property is elected for VAT purposes and therefore VAT will be payable by the purchaser, unless the sale is structured as a TOGC.

## EPC

B-44. Compliant with  
MEES 2030 Regulations.

## PROPOSAL

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## FURTHER INFORMATION

For further information, access to the dataroom and to arrange an inspection, please contact the sole agents:

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