CHEFFINS

COMMERCIAL

ISSUE 19 SCENE WINTER 2021

DELIVERY OF NEW SPACE KEY TO ALLOWING LIFE SCIENCE CLUSTERS TO THRIVE

The life science sector is expanding into what could be considered a 'golden age' with record levels of investment and interest during 2021.

It now produces around £80bn in revenue each year and provides employment for more than 250,000 people, as the pandemic brought with it a renewed interest in the industry and with global health care spending already increasing annually by over 4 per cent, this growth is set to continue on a long-term basis.

However, the challenge is that as investment grows, so do the companies being funded, and we need to support this growth with a supply of new, high tech laboratory space.

(Continued overleaf...)

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Examples of this expansion include medical technology business, CMR Surgical, which announced a record breaking £425m raised by venture capital in June as well as significant funding rounds secured by the likes of Alchemab, PragmatIC, Artios Pharma and Owlstone Medical amongst many others,

At the time of writing, the supply of lab space in Cambridge is effectively non-existent with all space currently under construction having been spoken for. And whilst this is being addressed with a number of proposals being progressed, this scarcity looks set to continue for at least the next two years due to the time required to build and deliver new space.

These proposals include further buildings at Babraham, Chesterford Research Park and at Granta Park where BioMed Realty has recently announced the acquisition of a further 27-acre site to expand its holding there, together with 15 acres of land at Cambridge International Technology Park. These will have the ability to provide an additional 800,000 sq ft of space in a total investment which could reach £850 million.

Whilst these proposals will ultimately go some way to reducing the mismatch between supply and demand, the challenge will be to deliver this space as quickly as possible against a backdrop of delays in the planning system and construction periods being affected by uncertainty over supplies of materials and labour.

"The life science sector is entering a 'golden age' with record levels of investment and interest..."

Some have warned of lab occupiers looking to move elsewhere amid talk about the development of the Oxford-Cambridge Arc but, to my mind at least, the unique ecosystem provided by Cambridge is more likely to ensure demand remains focussed around the cluster (and indeed around Oxford at the other end) as Cambridge's double-helix is that it can provide everything a pharmaceutical or technology company needs, all within a few square miles. If anything, rather than there being significant geographical spread, the area between the two centres is more likely to provide the support services needed for the sector, including warehousing and industrial space plus homes for workers, rather than spawning major new research parks.

However, it would clearly be unwise to be complacent and risk testing this view too strongly. As a relatively small city with rising rents and prices, together with an acute lack of housing and creaking infrastructure, we now need to work hard to allow the city to continue to flourish.

Cambridge was clever back in the 1970s and 1980s, it realised the need to create a world-class incubator system to nurture the ground-breaking spin outs which were emerging, and this it did to great acclaim, however, with this major acceleration of growth, it could be possible that we are almost reaching the point of critical mass. If venture capital is to continue to feed the life sciences industry, we need to build and build fast to keep Cambridge in the eye of the storm.

Michael Jones, Head of Cheffins Commercial Department
01223 271971 | michael.jones@cheffins.co.uk

Confidence grows in investment market as private buyers and smaller corporates look to cash-in on lower capital values and consistent yields

Investment into the commercial sector from private individuals and smaller property companies has increased throughout 2021, as many look for alternative income streams and to safeguard against future economic fluctuations following the fall out of the Covid-19 pandemic.

Residential landlords have felt the pinch in recent years due to the adverse regulatory changes and tax hikes which have been introduced, and many are now looking to mixed-use or purely commercial investments as alternative assets. As we discussed in our last issue of this publication, with the economic outlook uncertain, we have seen a growth in SIPP purchasers looking to commercial property both via private treaty sales or through the Cheffins property auction, and these buyers are now sitting alongside the smaller property investment companies competing for the best opportunities which come to the market. As stock markets continue to fluctuate and with much uncertainty around inflation growth, those with spare cash in the bank are consistently turning towards bricks and mortar solutions.

Whilst it can't be denied that 2020 was a difficult year for commercial property, with lockdown leading to deferred and concessionary rental payments, and doubts about the future of office working, the sector has seen a strong recovery throughout this year. According to The Investment Association, property funds saw outflows of circa £291 million in 2020 which certainly led to a decline in confidence amongst investors.

And this led to the larger REITs focussed on the foodstore and industrial sectors of the market, which benefitted directly from changes in consumer behaviour during the pandemic.

However, the private and small-scale buyers were also actively picking up opportunities to provide alternative incomes ensuring that retail and mixed-use options were also in demand, painting a picture of confidence in the recovery of the market. For many, this year provided a chance to pick up commercial properties at competitive values as they saw potential for growth and recovery post-pandemic. And they were right, values are increasing, and a number of small-scale investment options, particularly in and around Cambridge city centre, saw strong competition when they were launched to the market.

"Cheffins currently has over £21,000,000 worth of investment property on the market or under offer."

Rental returns (net initial investment yields) for this type of secondary commercial property tend to be in the order of 5.5 to eight per cent, significantly higher than the residential market which offers around three to four per cent, and this has definitely had an impact on the desirability of commercial assets.

We have brought a number of retail and mixed-use properties to the market in recent months, with Essex House on Regent Street, Cambridge, being an example. This refurbished building of over 10,000 sqft comprised of a mixture of retail, restaurant and residential uses and was marketed at £4.5m, offering a buyer a potential yield of approximately five per cent. The property attracted interest from both locally based and national property companies and private investors and a sale was agreed prior to completion of the refurbishment works.

On the smaller side, private investors have taken the opportunity to snap up a series of opportunities throughout Cambridge city centre. For example, Cheffins offered a small portfolio of freehold properties on behalf of Cambridge City Council including a property on Mill Road, let to the NHS. It offered a yield of 6.7 per cent and with fierce bidding, eventually sold for well over its asking price of £550,000. Similarly, a small retail unit on Burleigh Street, offering a yield of 6.4 per cent, saw multiple bids, eventually selling to a private individual well in excess of its guide price of £200,000, whilst a building comprising a large restaurant and residential first floor flat also saw strong bidding and sold for well over its asking price of £550,000 to a local buyer.

At the time of writing, Cheffins currently has over £21,000,000-worth of investment property on the market or under offer: in a range of property types located in the Cambridge and East Anglian Region, including a major residential portfolio of five properties. There is a very real opportunity now for investors to reap the rewards of capital and rental growth, as we forecast that this market will continue to grow during 2021 and 2022 as the regional economy bounces back.

Philip Woolner, Joint Managing Partner
01223 271910 | philip.woolner@cheffins.co.uk

Advice for commercial landlords – how to navigate the 'new normal'

In our last issue of Commercial Scene in September 2020, we were in the midst of the pandemic, having had a relatively 'normal' summer, before being plunged back into lockdown during the autumn and winter months.

This was a time of mediation between landlords and tenants, managing rent deferrals and arrears and how to navigate the sudden and significant cash flow issues which affected many tenants and landlords.

Looking ahead, landlords should be putting a number of actions into practice to protect their interests over the coming months and years. Lease events can provide the opportunity for landlords to renegotiate terms, and this ought to be reflected upon over the coming months. Lease renewals, which may have been overlooked during the pandemic to ensure security of income, now need to be considered. Landlords also ought to consider refurbishing any older office space. We have seen tenant expectations heighten in the past few months, with a demand for quality and modernised space. For landlords, this can provide an opportunity to achieve higher rental values whilst adding to the capital value of a building.

Similarly, we have been recommending that landlords review whether the current use for the property is still the most valuable, particularly if it has recently been vacated. As the new use Class E has come into play, allowing a large swathe of traditional commercial buildings to be converted to residential with only prior approval, some landlords might benefit from considering mixing up their portfolios by converting some buildings to residential.

Many landlords in the current market are still trying to navigate large rent arrears as a hangover from the pandemic. Many will benefit from taking professional advice on these as negotiating manageable payment plans for current tenants will often prove more profitable than a potential void period. And although the moratorium on forfeiture of commercial leases is in place until 25th March 2022 as part of the Coronavirus Act 2020, landlords can still work with tenants in a number of ways to reduce arrears. This could include initiating a recovery from guarantors, depending on the lease arrangements or using rent deposits against arrears. Consideration can also be given to commencing Court proceedings. This needs careful negotiation and handling and should only be executed with proper professional advice.

Commercial property management is having to adapt quickly to the 'new normal' and anyone looking for advice on their portfolio can contact our Property Management team.

Lorna Gordon, Director, Commercial Management
01223 271978 | lorna.gordon@cheffins.co.uk

"Many landlords in the current market are still trying to navigate large rent arrears as a hangover from the pandemic."

Looking to cash in on commercial property investments? Consider the auction room

The auction room continues to be one of the easiest and most profitable routes for many to cash in on unwanted commercial property investments. Offering quick and hassle-free transactions, as well as an engaged group of investors, the auction room has continually delivered high value sales for commercial properties across the region.

The auction room is a guaranteed way to bring a bricks and mortar asset in front of investors, whether those be private individuals looking to bolster their portfolios or even large-scale property companies, these buyers are there and ready to purchase. As the property auction has also seen a dramatic shift to mainly hybrid sales with remote online bidding, this pool of investors has been widened, as purchasers look to buy up properties across the country using only a few clicks of a mouse. Undoubtedly, as online bidding becomes further imbedded in the property investor's way of life, this sector looks set to grow over the coming years. In fact, the most recent property auction was one of our busiest to date, with 780 legal pack downloads and 108 bidders registered for the 15 lots offered.

As well as the selection of buyers on offer at the auction room, the real draw for many commercial property owners is the method of sale. This process allows sellers to avoid the protracted and expensive private sale route and allow for a quick-fire sale. We often find that sellers in the auction room are looking to release equity fast for another investment which the auction room is perfectly set up for.

Whilst we can't guarantee that every property offered through the auction room will definitely sell, the past year has seen a sale rate of over 80% of commercial properties offered, with many achieving well over their guide price. And alongside the high probability of the majority of property selling at auction, there is the additional draw of the fact that buyers exchange contracts on the fall of the hammer; buyers (and indeed sellers) can't pull out at the last minute and if they were to change their minds, there are legal systems in place to protect the transaction.

Often auctions are the place for unusual properties, or those which are in need of refurbishment. Properties perhaps with only a short term left on their lease, those with voids or needing refurbishment work, can all regularly sell quickly to the open-minded buyers who tend to purchase via the auction method. Similarly, we have seen that auctions can be a fantastic way to manage the sale of properties that we think will gain large amounts of interest, such as those with strong covenants, or those with development potential. The transparent auction method allows buyers to see their competition and gain confidence in the fact that there is someone bidding against them, rather than having to contend in a "best and final offers" scenario; the auction is therefore a good way of capitalising on the marketing momentum and bringing the sale to an efficient conclusion.

Auctions can provide the opportunity to sell all types of commercial property, from large-scale mixed-use buildings to office blocks, to warehouses, to pubs and shops. For example, at the Cheffins property auction in September, a three-storey, mixed-use property in Frinton-on-Sea, which was previously occupied by Lloyds Bank was sold for £650,000 against an estimate of £500,000. This large building incorporated a prime retail shop with a total frontage of 11.8 metres, as well as two substantial duplex apartments, all vacant, set on Connaught Avenue, right in the heart of this busy seaside town and was bought by a local investor. On the other end of the scale, two small industrial units in St Ives, Cambridgeshire, sold for well over the estimates in the June sale.

If you'd like to find out more about selling a commercial property at auction contact our auction team for further information and advice.

"'...the past year has seen a sale rate of over 80% of commercial properties offered, with many achieving well over their guide price."

Ian Kitson, Director, Cheffins' Property Auction
01223 271942 | ian.kitson@cheffins.co.uk

Rising rents and capital values ensure that industrial remains at the top of the agenda for investors throughout 2021

The industrial sector has shown itself to be one of the only winners from the Covid pandemic, with rising rental costs and capital values throughout the UK.

Current headline rents for new-build industrial units in good locations in the region are in the range of £10-£12.50 per sq ft, with even higher rents achievable in the prime Cambridgeshire locations. Only five years ago, top industrial rents were at around £7-£8 per sq ft, however a combination of very short supply, increased build costs and strong demand have contributed to this growth which shows no signs of abating.

Rents are growing due to a lack of industrial land coming forward to the market, and currently, the majority of warehousing developers are looking to build industrial space on a speculative basis, as confidence and inward investment into the market continues to grow. Perhaps one way in which the UK could help to meet this challenge would be to allocate significant acreage to industrial development in some of the larger government-led schemes, such as the Oxford to Cambridge Arc. These logistics spaces will have to be created in order to underpin further development of R&D, laboratory or office space and should not be overlooked in the face of the more exciting parts of the commercial sector. There are a number of large-scale projects on which the government is taking a top-down approach to development and industrial space now needs to be factored into these schemes if we are to feed the demand from logistics companies currently within the market.

One project which ought to go some way to meet current demand is Bourn Quarter. Planning permission was granted for this major new industrial development in January 2021, which is set to span circa 260,000 sq ft of warehouse, R&D, mid-tech and business space. Construction has already begun on the first phase of the scheme, with units available ranging from 1,710 sq ft to 26,930 sq ft, which will be ready for occupation from March 2022. With a pre-let already agreed with Cambridge Design Partnership, we are now in the market for other occupiers looking to secure high quality space in this remarkable new location. Set within the Oxford-Cambridge Arc, Bourn Quarter is within easy reach of Cambridge, London and major motorway networks, whilst also offering an inspirational space for workers. The combination of this strategic location, coupled with significant savings for tenants thanks to the energy efficiency features which have been put in place, will ensure that Bourn Quarter will set the bar when it comes to business space close to Cambridge.

Other deals which have been completed within the industrial sector over the past six months include a letting of a prime industrial unit on the Clifton Road Industrial Estate of 4,821 sq ft to Gorillas which is one of Europe's fastest-growing start-ups. In addition, Cheffins has agreed a letting of a modern warehouse unit of 70,284 sq ft in Newmarket, subject to planning, which is due to complete in Q1 2022. Cheffins has also agreed lettings at Unit 11 Cambridge Commercial Park which comprises a newly refurbished industrial unit of 2,675 sq ft to an established café business with bakery which is expanding its operation, and at Unit 26 Clifton Road Industrial Estate, a modern business unit of 2,586 sq ft has been let to a high-tech occupier.

As there are relatively few industrial units available to let within Cambridge, supply is limited for those occupiers looking for property. The imbalance between supply and demand will continue to put pressure on already increasing rental values and we forecast these to keep rising over the coming months.

Mark Drummond, Associate
Cheffins Commercial Department
01223 271946 | mark.drummond@cheffins.co.uk

PlanSurv Acquisition

We are delighted to announce that we have recently successfully acquired PlanSurv, an independent planning firm based in Ely.

Cheffins has a long history of providing professional advice to its clients and this acquisition will enable the firm to enhance the value and increase the knowledge pool of planning expertise for existing and potential clients.

Adam Tuck, Director of PlanSurv, will join the Cheffins Partnership and he and all six staff from PlanSurv will remain at their current premises on Broad Street in Ely.

This is a strategic acquisition for Cheffins which will significantly boost our long-term growth ambitions. PlanSurv's values-led approach to business and focus on quality advice and exceptional service is exactly what we've been looking for and is an excellent fit for Cheffins.

Clients will benefit from the combined professional planning expertise and extensive knowledge base as well as our ability to offer practical and forward-thinking solutions across the full spectrum of planning matters.

Adam Tuck says: "We are excited to be joining Cheffins and look forward to realising our shared vision of creating a solid base of professional, highly qualified, client-focussed and solutions-orientated advisors. Our clients will now benefit from access to the full spectrum of professional expertise within Cheffins including commercial, development and rural consultancy advice, as and when they require it."

NIB New addition to the ranks

We're delighted to welcome Alexander Smith to our Commercial team. Alex hails from a farming family in Lincolnshire. He is currently studying for the APC and will be assisting the senior team in agency, valuation and management work.

"...the prime retail parades of city centres like Cambridge are now starting to attract new hospitality operators."

Changing of the guard on today's high streets

As we tentatively emerge from the shadow of the Covid crisis, the question remains as to how our retail centres are adapting to life post-pandemic? The immediate aftermath witnessed a number of retail closures in town and city centres, including several long-established household names. The traditionally buoyant High Streets up and down the country, that are so endemic in British life, must innovate to encourage shoppers back to levels experienced pre-Covid.

We are seeing small green shoots emerging with a number of the newer retail names taking advantage of the situation to secure representation in locations which previously had experienced low vacancy rates and unit availability. In central Cambridge, Anthropologie, Urban Outfitters, Miniso and more latterly Lululemon have taken units on highly favourable lease terms, including tenant breaks and discounted/stepped rentals. Sadly, this level of new activity is not replicated across the whole country and in many centres, not least central London, rentals have been cut by as much as 50% to secure occupation. Cambridge is faring slightly better, with headline rents reduced by 30-35% in prime areas and by 10-15% in the more secondary and tourist locations. Cambridge has the advantage of being attractive to the staycation market, but it awaits the full return of overseas tourists.

In the longer term, we are likely to see a change in character of a number of High Streets with large space units with upper floors being targets for mixed-use spaces.

The likelihood is that residential units will be created in city centre locations, with community hubs at ground floor providing office and break-out space, surrounded by a retail and café or bar-type operation. We have already seen landlords seeking to be creative on High Streets and in Shopping Centres. For example, Town Centre Securities in Leeds has opened a free workshop environment in its Merrion Centre, whilst a working hub which is backed by Barclays Eagle Lab is opening in the Marlands Centre in Southampton and a collaboration between Kollider Incubator and Kommune Foodhall has breathed new life into a former co-op department store in Sheffield, the success of which is attracting other uses to the area. Closer to home L&G has undertaken a number of initiatives at the Grafton Centre in Cambridge in response to reduced market demand for retail space; this has resulted in flexible workspace provider x+why taking two vacant units on the site.

It will be up to individual councils and landlords to devise initiatives and incentives to form new multi-use city centres attracting not only retail customers but also businesses back to their respective areas and to create a new sense of place. The Government took some initiative in 2020 by creating the new E Planning Use Class; this makes it easier for freeholders to change between retail, restaurants and offices which has started to pay dividends with a growth in applications and conversions already underway. However, the market is not dead for traditional restauranteurs, and the prime retail parades of city centres like Cambridge are now starting to attract new hospitality operators. This will bring with it much needed new additions to city centre life, and to date, traders such as Loungers and the Breakfast Club are actively seeking units in Cambridge city centre.

In time, the centre of Cambridge is set to look slightly different, with a wider range of uses for each unit. Restaurants will sit comfortably alongside retail units, office space and also residential and this ought to bring a new sense of cohesion and life to the city's prime retail areas.

Edward Dodson, Director,
Cheffins Commercial Department
01223 271943 | edward.dodson@cheffins.co.uk

Guest interview with Nic Rumsey, Managing Director of Jaynic

Nic Rumsey, Managing Director of Jaynic, gives us the lowdown on the market and what's next for the major development company.

The Weerts Logistics unit at Suffolk Park, Bury St Edmunds

How did it all start for Jaynic?

I was brought up in Braintree and attended Notley High School so have a long-term link with the region.

After studying Estate Management at Leicester Polytechnic, I commenced my property career at London industrial property agency Phoenix Beard before becoming head of agency at Simon Houlston & Partners and subsequently national head of business space agency and development at Keith Cardale Groves.

I set up Rumsey and Partners, a niche development consultancy in 1993, acting as an in-house developer for clients with land. Bermuda Park, Nuneaton was our largest project, where a former open cast coal mine was developed into a major two million sq ft mixed use business park.

How long have you been active in the region and what are your biggest projects to date?

In 1995, I founded Carisbrooke Investments and developed Cambridge Research Park. Carisbrooke successfully developed close to 1 million sq ft of commercial space, including Buckingway Business Park at Swavesey on the A14, the Haverhill Business Park, and the University of Essex, Knowledge Gateway.

Subsequently I set up Jaynic to focus on land promotion and to facilitate residential and commercial development in the south and east of England.

At Jaynic, on the development side of our business, our biggest project to date has been Suffolk Park in Bury St Edmunds where we have developed 1.4m sq ft of space in four years after receiving consent for 2.3m sq ft of office, light industrial and warehouse space in 2017.

We have attracted many companies to the park including Weerts Logistics, NHS Supply Chain, MH Star, East of England NHS Ambulance Service Trust, Sealey, Treatt plc and Hermes Parcelnet. We continue to speculatively develop at the park and will have over 200,000 sq ft of warehouse space available in Q3 2022.

On the land promotion side, despite the pandemic and the complexities it has brought, we have recently secured an outline consent for our largest development to date, a 2.45m sq ft business, innovation and logistics park at Gateway 14 in Stowmarket working in partnership with Mid Suffolk Council. We are very excited for the future of this park. It has been designated as part of Freeport East and will offer many significant tax and customs benefits to ingoing occupiers.

How has the market for logistics space in the region changed since you started almost 25 years ago?

It has changed out of all proportion. In the old days all the talk was of the Midlands Golden Triangle with proximity to the M1 and M6 being the key. There was some warehouse development in East Anglia but nothing substantial. What has changed has been the upgrade of the A14 trunk road with direct links into the UK motorway network and the growing importance of Felixstowe that is now the largest container port in the country.

Where is current demand coming from for logistics and business park space?

On the logistics side of the business demand is coming from across the board including third party logistics companies, traditional retailers and most significantly from on-line retailers who are importing goods through Felixstowe.

> **"...we are selling or letting units at our warehouse parks almost as quick as we can build them."**

Currently the demand is almost insatiable, and we are selling or letting units at our warehouse parks almost as quick as we can build them. When we started developing several years ago there was a significant under supply of warehouse space ready to move into and now we are helping to fill that supply at Suffolk Park and other sites coming on stream in Cambridgeshire and Suffolk. Clearly the rapid expansion of home delivery during the pandemic has fuelled the demand for warehouse space and at Suffolk Park this is witnessed by the sale of a site to Belgian logistics giant Weerts and importer of garden furniture M H Star taking very large units that a few years ago would have been unthinkable.

How do you think we can satisfy that demand?

By building more logistics parks and ensuring the infrastructure is there to support that growth.

What are the biggest challenges that you face in the current market?

Probably the biggest challenge at present is the substantial increase in construction costs and the delays of procuring building materials such as steel and concrete because of the UK's exit from the EU.

As always obtaining a planning consent can take a significant amount of time but overall, we have a very good relationship with the planning authorities in the region and have been able to move ahead on most of our projects fairly rapidly.

You are currently building a 870,000 sq ft warehouse for Weerts at Suffolk Park, how has this project, and others, been affected by the covid pandemic?

Luckily there were very few delays in construction because of the pandemic and unlike large parts of the economy, building construction was given the go-ahead early in last year's lockdown to carry on as normal.

As mentioned above the bigger problem has been the significant increase in construction costs, the return of EU citizens back to their home countries that has depleted the UK construction workforce and delays in deliveries of construction materials from the Continent.

What's next on the agenda for Jaynic?

We continue, as ever, to seek more partnerships with landowners in the region and are making progress on several substantial sites. As they say, "watch this space".

Opportunities throughout the eastern region as Cheffins launches major investment portfolio to the market

Cheffins has launched to the market a major investment portfolio, comprising five mixed residential and commercial properties located across the Eastern region.

'The Iceni Portfolio' encompasses a total of 75 residential units and 13 shops, with freehold buildings in March, Wisbech, Downham Market, Thetford and Mildenhall. On offer are 69 flats, two HMOs and a range of retail units with tenants including the likes of Ladbrokes, Norfolk Deaf Association, Wisbech Market and Savers Health & Beauty. The properties on offer include attractive period properties and purpose-built, large-scale buildings such as 'Church View' in Wisbech which includes 36 flats and three shops, all offered freehold with a value of circa £3.3 million.

Currently the portfolio is 95 per cent let, producing a gross rent of £617,650 per annum and offers are invited in excess of £7.85m for the portfolio in its entirety. This acquisition reflects an attractive gross yield of 7.87 per cent and is likely to draw interest from both corporate and private investors.

The portfolio is being sold on behalf of a major local property company and expressions of interest are invited for either the entire portfolio or individual buildings. Cheffins is acting jointly with Allsop LLP in the sale.

"...offers are invited in excess of £7.85 million for the portfolio in its entirety."

Philip Woolner, Joint Managing Partner
01223 271910 | philip.woolner@cheffins.co.uk

Office space returns to 'business as usual' for Cambridge city centre as sector bounces back

The past year has seen much discussion around the impact of the Covid-19 pandemic on the health of the office sector. However, as we return to some level of normality, the Cambridge office market appears to have bounced back, with a series of lettings both within the city centre and on the surrounding science and business parks.

We have certainly not experienced swathes of empty offices looking for occupiers as was forecast by many when working from home became the 'new normal' in March 2020, however it may well be the case that Cambridge is an anomaly. The city sits in the eye of the storm for the growth in technology, life sciences and bio-tech industries, and demand here has remained strong throughout the past 18 months.

As the city's ecosystem continues to develop, activity continues to be healthy, both within the science and business parks and also in the prime city centre locations. The Science Park has been particularly busy with the 118,000 sq ft letting of 2 Cambridge Science Park to Roku, and this was accompanied by other significant lettings to Microsoft and Endomag.

The city centre has been quieter mainly due to lack of available stock but there has been good interest in any tenant space that has been available; 50 – 60 Station Road continues to fly the flag for the best in class of city centre accommodation and recently saw law firm HCR Hewitsons taking an assignment of space formerly occupied by Centrica. There have also been recent lettings elsewhere in Station Road to the likes of Congentia Healthcare and CIC.

"...we are likely to see headline rents exceeding £50 per sq ft"

Cambridge city centre is small in area with very limited space available for new office development, which means that the supply of new offices will remain tight into the future. We predict that rental levels are likely to grow as a result of limited availability especially in the prime market around Station Road where we are likely to see examples of headline rents exceeding £50 per sq ft in the not-too-distant future and rental growth elsewhere across the best located business and science parks around the city. With a lack of new build opportunities, we are likely to see more investors and developers refurbishing existing office stock to meet the demand.

For more information on Cambridge office space, please do not hesitate to contact the Cheffins commercial department.

Michael Jones, Head of Cheffins Commercial Department
01223 271971 | michael.jones@cheffins.co.uk

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Acquisitions

Part 1st Floor, Victory House, Vision Park, Histon
Office Acquisition
Size: 4,300 sq ft
Client: Ensors

Office Lettings

Suite 7225 Cambridge Research Park, Waterbeach
Grade A Office
Size: 2,625 sq ft
Client: The Royal London Mutual Insurance Society Ltd
Tenant: Cellxion

Office Lettings

Part Building 8200 Cambridge Research Park, Waterbeach Grade A Office and Lab Space
Size: 7,834 sq ft
Client: The Royal London Mutual Insurance Society Ltd
Tenant: Sitec Infrastructure Services Ltd

Office Lettings

The Emmanuel Building, Chesterford Research Park
R&D Lettings
Size: 37,480 sq ft
Client: Aviva Investors
Various Tenants

Retail Lettings

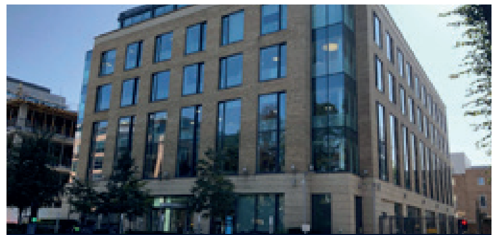
2 Market Hill, Cambridge Prime Shop
Size: 6,009 sq ft
Client: Marylebone Investment Managers
Tenant: LuluLemon

Retail Lettings

36 High Street, Haverhill Ground Floor Retail Unit
Client: West Suffolk Combined Authority
Tenant: Papa Johns Pizza
Size: 1,169 sq ft

Industrial Lettings

Units 2 & 3, Bourn Quarter Pre-lets
Client: Diageo Pension Trust Ltd
Tenant: Cambridge Design Partnership
Size: 56,430 sq ft & 25,980 sq ft



Management

22 Station Road, Cambridge
Client: Mott MacDonald Ltd

Lease Renewal

1st Floor North Wing, Clarendon House, Cambridge B1a Office Lease Renewal
Client: Reddie & Grose (Tenant)
Size: 4,128 sq ft

Rent Review

Newnham House, Cambridge Business Park
B1a Office Rent Review
Client: Redgate (Tenant)
Size: 42,480 sq ft

Property Auction **SOLD**

Unit 2 Accent Park, Bakewell Road, Orton Southgate, Peterborough
Office Investment

Investments **SOLD**

Essex House, 67 – 73 Regent Street, Cambridge
Mixed Use Fully Let Commercial Retail Units with 15 Quality Apartments

Investments **SOLD**

40 Burleigh Street, Cambridge
Fully Let Investment Property
Client: Cambridge City Council

Investments **SOLD**

152 – 154 Mill Road, Cambridge
Fully Let Investment Property
Client: Cambridge City Council

Investments **SOLD**

181 East Road, Cambridge
Fully Let Investment Property
Client: Cambridge City Council

MEET THE TEAM

Michael Jones MRICS
Director, Head of Commercial Division
01223 271971
michael.jones@cheffins.co.uk

Philip Woolner MA (Oxon) MRICS
Director, Joint Managing Partner
01223 271910
philip.woolner@cheffins.co.uk

Edward Dodson BSc (Hons) MRICS
Director
01223 271943
edward.dodson@cheffins.co.uk

Lorna Gordon BSc MRICS
Director, Head of Management & Professional Team | 01223 271978
lorna.gordon@cheffins.co.uk

Darren Hill MA MRICS
Associate
01223 271969
darren.hill@cheffins.co.uk

Mark Catley FRICS FAAV
Consultant
01223 271925
mark.catley@cheffins.co.uk

Alison Coulson MSc MRICS
Associate
01223 271955
alison.coulson@cheffins.co.uk

Mark Drummond BSc (Hons) MRICS
Associate
01223 271946
mark.drummond@chefffins.co.uk

Luke Davenport BSc (Hons) MRICS
Commercial Surveyor
01223 271974
luke.davenport@cheffins.co.uk

Georgina Bifulco BSc (Hons)
Surveyor
01223 271936
georgina.bifulco@cheffins.co.uk

Harriet Lancaster
Property Team Manager
01223 213666
harriet.lancaster@cheffins.co.uk

CHEFFINS

Clifton House, 1-2 Clifton Road, Cambridge, CB1 7EA T 01223 213777
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