



INVESTMENT SOUTH COAST MODERN FREEHOLD OFFICE





A3 | A272 INTERSECTION

TRAIN STATION

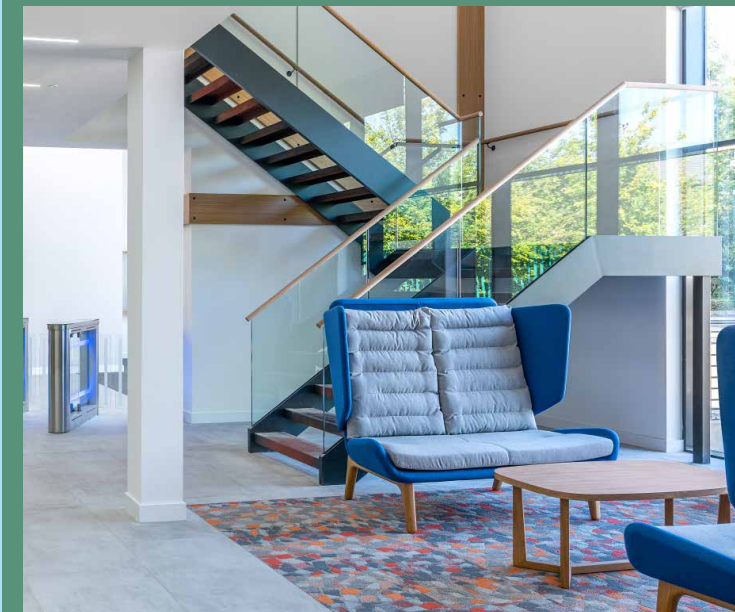
TOWN CENTRE





## INVESTMENT SUMMARY

- **Freehold**
- Petersfield is an affluent market town with excellent road and rail links
- Athena House is a two storey portal frame design situated on a standalone secure site in the principal business district of Petersfield, adjacent to the main A3 trunk. The town centre is within walking distance
- In 2019, the building was extensively refurbished, and the roof was completely replaced in order to comply with current building and insurance regulations
- The comprehensive refurbishment involved a significant capital expenditure of circa £3 million
- The property has an EPC rating of B (43). This meets government guidelines due to come into play in 2030 and further underlines the investments ESG credentials.
- The site is 1.6 acres and comprises a building of 26,400 sqft (2,452.63 sqm) IPMS.
- There is a secure car park with space for 100 cars, and a parking ratio of 1:264
- The site is fully let to Moneybarn Limited on a **15 year FRI lease expiring 23.04.2034** with tenant-only breaks at 24.01.2028 and 24.04.2031
- The lease is subject to upward-only rent reviews on 24.04.2025 and 24.04.2031
- The headline rent is **£382,000 pax (£14.47 per sqft)**
- The tenants, Moneybarn Limited, commenced trading in 1992 and are involved in financial leasing. They have a **Dunn & Bradstreet Rating 4A 1**, and at 31.12.2020 have a net worth of £19.8m and a turnover of £25.1m
- Whilst there is no cross guarantee in place, the ultimate Parent Company is Provident Financial Plc who have a Dunn & Bradstreet Rating of 5A 1. At 31.12.2020, they have a tangible net worth of £531.2m, and total assets of £2.3bn
- **Flude Property Consultants have been instructed to seek offers in excess of £4,900,000 which equates to a net initial yield of 7.31% (after graduated purchasers costs of 6.59%)**





## LOCATION

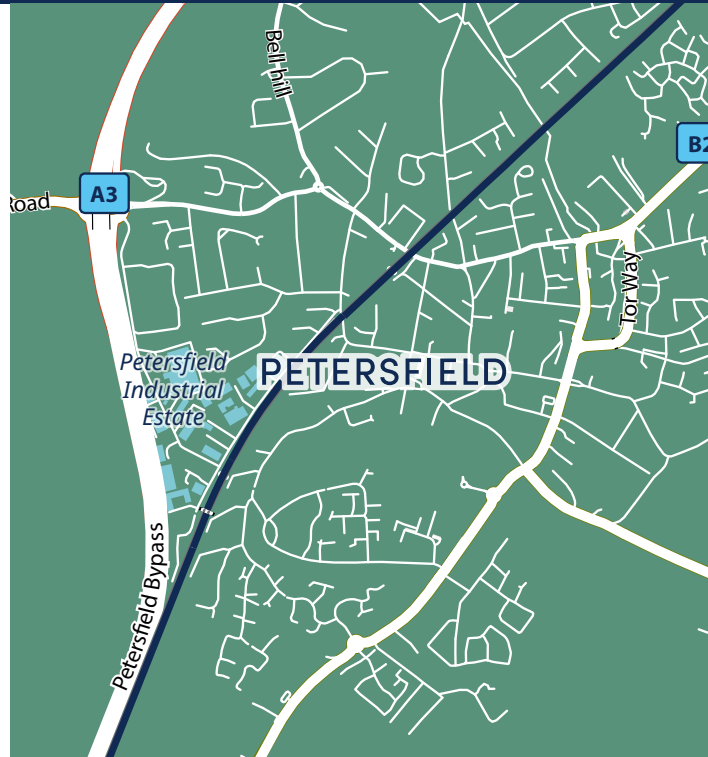
Petersfield is an attractive market town strategically located on the A3 London to Portsmouth trunk road, approximately 18 miles to the north of Portsmouth and 25 miles to the south of Guildford. Road communications are excellent and in addition Petersfield benefits from a fast frequent train service to London Waterloo (1 hour 10 minutes), Portsmouth (26 minutes) and the South Coast.

Petersfield has a catchment population of 163,000 (2017) which is projected to increase. The social class breakdown of the area calculates that over 70% of the working population are with classes 1 through 5 being the senior and skilled trades (Experion).

A3 - 0.5 mile

A27(M27) - Junction 5 - 12 miles

Rail - London Waterloo 1 hour 10 minutes



## SITUATION

The property is located within the popular and established Petersfield Business Park which is situated on the western side of the town on Bedford Road, providing quick access onto the A3 and a short walking distance to the town centre and railway station.

Other occupiers in the area include L'Oreal (Whitman Laboratories), Colt International, Bellsure Group amongst others.



## DESCRIPTION

The property comprises a single let office building of approximately 26,400 sqft (2,452.63 sqm) net internal area over two floors. The building has been comprehensively refurbished in the last 3 years at a cost of approximately £3.0m.

The property is constructed by way of a steel portal frame with concrete floors under a new pitched roof with external elevations in a mixture of brick and glass. The ground floor has an impressive full height glazed entrance lobby giving access to open plan offices beyond. There is a large breakout/kitchen area with exposed services, gym studio and various meeting rooms.

At the first floor there is a further large open plan area and also at this level is a boardroom, training rooms and further meeting rooms.

Internally the building benefits from full access raised flooring, suspended ceilings in main office areas with LED lighting and PIR movement sensors, and Cat 6 cabling. The building is fully air-conditioned with a new ducted Mitsubishi electric heat recovery VRF system together with a Building Management System.

Secure car parking is laid out for 100 cars providing a parking ratio of 1:264 sqft.

## EPC

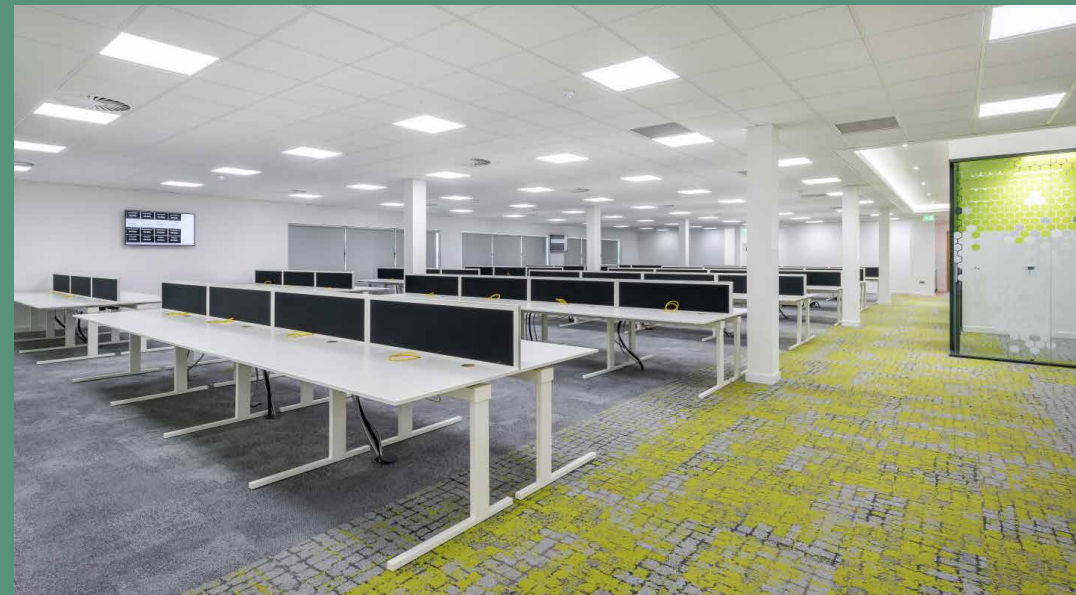
We understand the property to have an EPC rating of B (43). This meets government guidelines due to come into play in 2030.

## VAT

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

## DATAROOM

For dataroom access please use the following link:  
<https://www.flude.com/athena-house/home>





## ACCOMMODATION

Level	Desc.	sq m	sq ft
Ground	Office	1,265.50	13,623
First	Offices	1,187.13	12,777
<b>Total NIA:</b>		<b>2,452.63</b>	<b>26,400</b>

IPMS 3 Calculation:

Total 2,635 sqm (28,370 sqft)

The building sits on a site of 1.6 acres.

## TENURE

Freehold.

## TENANCY

The property is fully let to Moneybarn Limited on a 15 year full repairing and insuring lease expiring 23.04.2034 with tenant only breaks at 8 years 9 months (24.01.2028) and 12th (24.04.2031) anniversaries of the lease.

The lease is subject to upward only rent reviews on the 6th (24.04.2025) and 12th (24.04.2031) anniversaries of the lease.

The headline rent is £382,000 pax.

The first four years of the term until 23.04.2023 have a rent of £286,500 pax which then reverts to the headline rent of £382,000 for years 5 & 6 until review. This discount is the equivalent of 12 months rent free. The vendor will top up the rent from the purchase date.

## COVENANT PROFILE

Moneybarn are a major lender in the UK of specialist car, caravan and motorbike finance. They have been awarded Sub-Prime Lender of the Year in 2020 and Platinum Trusted Service Award 2020. They believe in responsible lending supported by their four corporate values: fair, approachable, responsible and progressive. Moneybarn were acquired by Provident Financial Plc in August 2014.

For further information visit their website:  
[www.moneybarn.com](http://www.moneybarn.com)

Currently Moneybarn employ 260 personnel at their Petersfield HQ and they expect this to increase to upwards of 300 in the near future.

Financial information related to the business for the preceding 3 years is as follows:

Year Ending	31.12.2020	31.12.2019	31.12.2018
Net Worth	£19,800,00	£19,000,000	£18,300,000
Turnover	£25,100,000	£19,900,000	£17,800,000

Moneybarn Limited have a Dunn & Bradstreet rating of 4A 1 (minimum risk).



## INVESTMENT MARKET SUMMARY

Location	Sold Date	Size	Term Years (break)	Sale price	Yield
Portsmouth	Dec-21	11,023	11 (3)	£2,575,000	7.51%
Hove	Sep-21	15,421	2	£5,000,000	6.97%
Leatherhead	Nov-20	34,939	11 (7)	£13,670,000	6.28%
Haywards Heath	Nov-20	10,870	8	£4,025,000	6.04%
Epsom	Nov-20	22,000	10	£7,970,000	5.21%

There are clear signs that there is momentum growing in the South East (SE) office investment market with improving levels of take up resulting in investor confidence returning to the sector. The refurbishment of the subject building underpins its ESG credentials and this together with its term to expiry of approx. 11.5 years (5.5 years TOB) underpins this opportunity.

## LETTING MARKET SUMMARY

Location	Date	Property	Tenant	Size	Headline Rent psf	Term (years)
Chichester	Apr-21	Southern Gate	DWP	10,000	£17.50	5
Bournemouth	Feb-21	Tringham House	DWP	24,392	£23.00	5
Portsmouth	Oct-20	Lakeside	KINTO UK	22,000	£23.00	5
Guildford	Sep-20	Guildford Business Park	Wargaming Groupo Ltd	23,178	£36.00	9

Take up for SE offices in 2021 demonstrates the slow but steady road back to 'normal' with preference for Grade A office space such as that offered by the subject property. SE office rents have grown by 2.4% over the last year and are expected to increase for those in higher Grade offices. The rent passing equates to £14.47 per sqft reflecting favourably on other SE towns and offering potential for future rental growth.



GROUND FLOOR



FIRST FLOOR



## PRICE

We have been instructed to seek offers in excess of **£4,900,000** which equates to a net initial yield of 7.31% (after graduated purchasers costs of 6.59%).

## VIEWINGS & FURTHER INFORMATION

For further information or to arrange a viewing or inspection, please contact the sole agents, Flude Property Consultants:

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