

BOREHAMWOOD  
BUSINESS CENTRE  
5 ELSTREE WAY  
BOREHAMWOOD  
HERTFORDSHIRE  
WD6 1RN

FREEHOLD BUSINESS CENTRE IN A  
STRATEGIC LOCATION ADJACENT TO THE  
A1 WITH DEVELOPMENT POTENTIAL



## INVESTMENT SUMMARY

- **Strategic and Dynamic Location** in the north-west quadrant of the M25 receiving **strong inward investment**
- **Well established commercial area** situated between the **new Sky Studios Campus** and **Elstree Film and Television Studios**
- **Freehold Business Centre** comprising serviced office suites to the front and light industrial buildings to the rear, totalling **25,190 sqft GIA**
- Site area of **0.35 hectares (0.87 acres)**
- The property currently produces a gross income of **£220,179 per annum** with a gross ERV of c. **£470,000 per annum**
- Ongoing **investment and development** in the area including the **17-acre Panattoni Logistics Park**, a new **Lidl store**, the **27.5-acre Sky Studios Campus**, as well as a pipeline of proposed sites including a proposed **850-home residential development**


## PROPOSAL


- The vendor is seeking offers in excess of **£4,500,000 (Four Million Five Hundred Thousand Pounds)** subject to contract and exclusive of VAT. Based on this level of pricing, it reflects a capital rate of **£179psf**


# LOCATION


## STRATEGIC AND DYNAMIC LOCATION RECEIVING STRONG INWARD INVESTMENT


The property is located 15 miles to the northwest of Central London, in the northwest quadrant of the M25, between junctions 21A and 23, approximately 1km (approximately a 5-minute walk) east of the town centre of Borehamwood, in south Hertfordshire.

 The town is situated in the London commuter belt and is a popular and affordable commuter town with quick access into Central London as well as plenty of green spaces accessible within a short drive. Regular train services from Elstree & Borehamwood Rail Station provide access to central London (London St Pancras) in a journey time from 22 minutes. Other direct services are provided to Sutton, Rainham, Luton and St Albans City from this station.

 The area has excellent road connections on strategic road networks being located less than a mile from the A1 and two miles from junction 23 of the M25. The M1 (junctions 1 and 2) also lies directly to the south of Borehamwood.

 Borehamwood, as well as Hertfordshire in general, has the benefit of good access to Heathrow (approximately 30 miles to the south west) and Stansted Airports (approximately 35 miles to the north east).

 Major residential development is planned for Borehamwood with the Hertsmere Borough Draft Local Plan emphasising the need to deliver at least 760 homes a year, equating to 2,160 homes between 2022 and 2038. Plans for a brand new 850-home community in Borehamwood have already been proposed by the Council in the Borough's draft Local Plan on Cowley Hill, approximately 1 km to the north of the property.

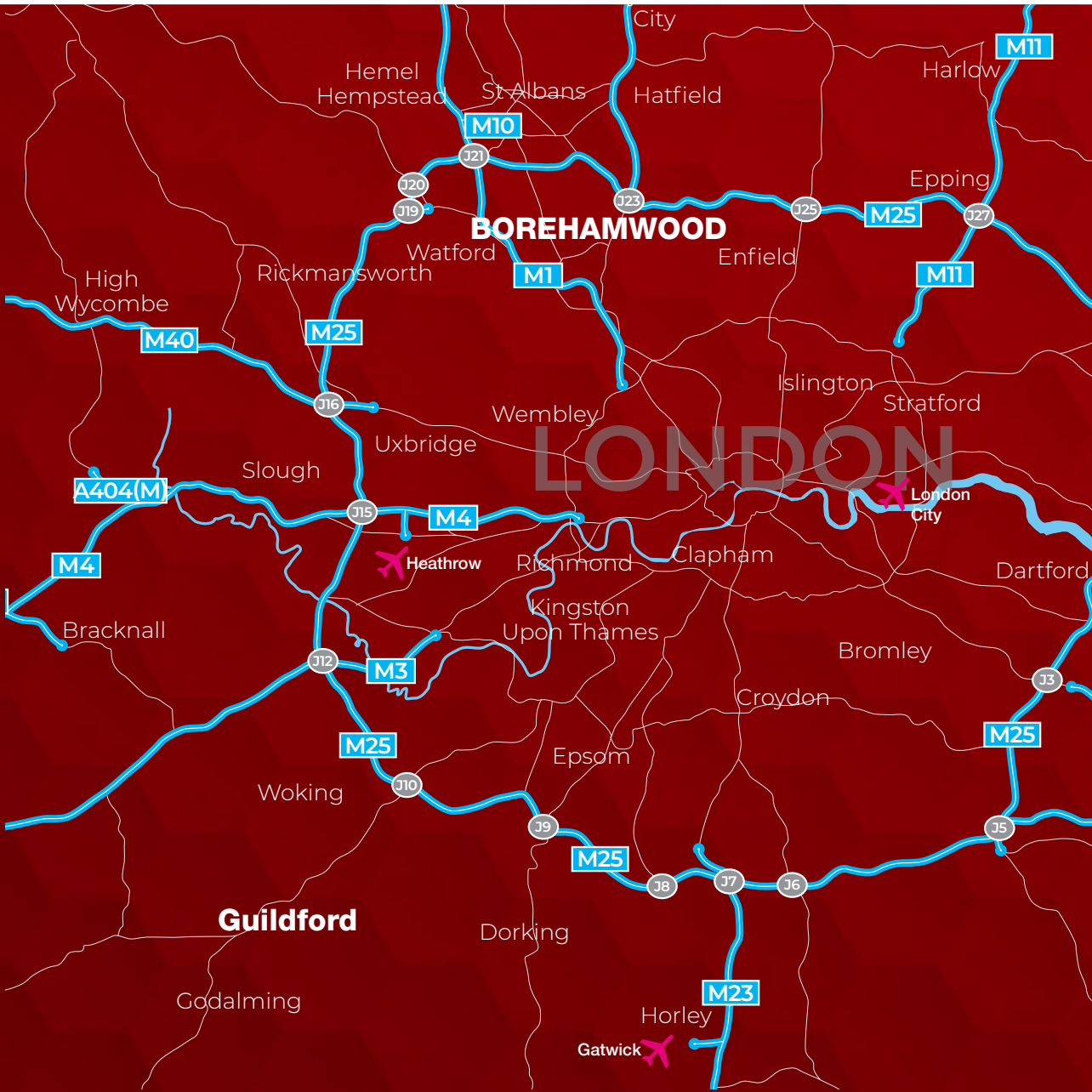
 The area benefits from a large labour pool with a relatively high percentage of economically active people living here and unemployment being generally lower than the rest of England.

The area is continually benefitting from inward investment, particularly from the film and television industry cluster that has grown in the area. The most recent example of this is the addition of the recently completed Sky Studios which will help to raise the overall levels of economic activity and employment generation in the local and wider area. The development is expected to provide more than 1,500 FTE jobs, not taking into consideration the construction jobs provided by the development itself. Furthermore, it is estimated that these new Studios will generate £720 million of gross value-added contribution to UK GDP per annum.

In addition to this, the area has the benefit of a growing number of film related educational facilities including Elstree Screen Arts Academy, Elstree Film School, and Brushstroke Makeup Academy. Sky has also recently announced its intention to build a new 'Sky Up Academy' for students aged 14 to 18 as part of their Sky Studios Elstree North development proposals. It is hoped this will support new, diverse talent in the local area as well as contribute to the growing synergy and success of the Borehamwood/Elstree film cluster.

Ideal location for small and growing film and television businesses close to industry leaders including Sky and BBC.

Compelling industrial and logistics location with an unrivalled location next to the A1.



### ELSTREE & BOREHAMWOOD

WEST HAMPSTEAD	11 mins
ST. PANCRAS INTERNATIONAL	22 mins
CITY THAMESLINK	28 mins
LONDON BLACKFRIARS	31 mins



# SITUATION

The subject property occupies a prominent position fronting the south side of Elstree Way (A5135), the main arterial route from the A1 to Borehamwood town centre. Elstree Way is a very well established industrial and office location, and is also known for being home to several major TV and film studios. There is a dynamic range of occupiers close by, including:



## OFFICES

- Regus
- Hertsmere Borough Council
- Limelight Building
- Borehamwood Job Centre



## INDUSTRIAL

- Panattoni Logistics Park Phase 1 and 2
- Elstree Trade Park with tenants including Wickes, Toolstation, Autoglass and Halfords
- Elstree Distribution Park with tenants including Yodel and CCF trade supplies
- Clipfine Construction Supplies
- Travis Perkins
- Arnold Lever Timber Merchants



## RETAIL

- Borehamwood Shopping Retail Park with tenants including B&M, Argos, Boots and Pets at Home
- Shenley Road (Borehamwood's main retail thoroughfare with a mixture of local and national occupiers)
- BP Garage with M&S concession
- Tesco Extra with Homebase concession
- Lidl
- McDonalds



## LEISURE

- Premier Inn
- Travelodge
- IBIS
- Doubletree By Hilton
- The Venue Leisure Centre
- Jump In Trampoline Centre







Outline for indicative purposes only.

# DESCRIPTION

The property is currently trading as a Business Centre comprising several interconnecting buildings totalling 25,190 sqft GIA.

The building to the front is of brick construction and provides a reception area and offices on ground floor and first floor. The offices provide a mixture of serviced office rooms with suspended ceilings and carpeted flooring. Behind the offices, there are three light industrial buildings which provide a café and a variety of workshops, studio and office spaces.

To the rear of the property there is an industrial building which has in part been converted to provide a film studio. Previously referred to as 'Millennium Studios' and 'Studio 2000', the film studio has been host to productions including Trisha and Friday Night Dinner.

There are 35 car parking spaces on site of which 29 spaces are located to the rear of the property.

**SITE AREA**

The total site area is approximately 0.35 hectares (0.87 acres).

**TENURE**

The property is held Freehold.





# TENANCY SCHEDULE

Unit Number	Unit Type	Tenant	Original Licence Start	Licence Expiry	Contracted Rent (£pa)
Unit 110	Office	Channel Timber Limited	14/12/20	31/12/22	£9,439.32
Unit 111	Office	Moortown Group Ltd	1/9/16	31/3/23	£25,188.00
Unit 201	Office	VKL Healthcare Limited	1/5/13	30/4/23	£7,524.00
Unit 202	Office	VKL Healthcare Limited	1/5/22	30/4/23	£12,684.00
Unit 210	Office	Lonut Ltd	1/9/22	31/8/23	£14,652.00
Unit 211	Office	Burchell Dorman (t/a Sound Financial Solutions)	15/3/21	28/2/23	£5,760.00
Unit 212	Office	Jet Scaffolding Limited	1/8/17	31/10/22	£7,212.00
Unit 303	Office	EFlooring Supplies Limited (t/a Vanilla Wood Floors)	1/7/22	30/6/23	£5,629.00
Unit 310 / 311 / 320 / 321	Office	International Timed Services Ltd	1/2/11	31/7/23	£31,260.00
Unit 331 / 332	Office	EFlooring Supplies Limited (t/a Vanilla Wood Floors)	1/10/11	30/6/23	£16,524.00
Unit 333	Office	EFlooring Supplies Limited (t/a Vanilla Wood Floors)	1/5/21	30/6/23	£7,915.00
Unit 401	Office	Lawrence Judaica Limited	1/11/20	31/1/23	£4,260.00
Unit 402	Office	Cincera Productions Ltd	1/4/21	30/4/23	£7,824.00
Unit 403	Office	Colin Stewart (t/a Alive Lighting)	1/3/19	31/8/23	£2,316.00
Unit 404	Office	Charlie Maguire Drums (t/a Charlie Maguire Drums)	1/12/18	31/1/23	£2,844.00
Unit 406	Office	Worldtech Software Solutions Ltd	1/1/15	31/1/23	£5,886.00
Unit 406	Office	Worldtech Software Solutions Ltd	1/1/15	31/1/23	£5,886.00
Unit 507	Office	Edifice Limited	1/6/22	31/5/23	£5,904.00
Unit 508	Office	EFlooring Supplies Limited (t/a Vanilla Wood Floors)	1/7/21	30/6/23	£4,536.00
Unit 710	Office	Richard Duvigneau (t/a UKProsec Fire and Security)	15/12/17	30/11/22	£18,792.00
Unit 715	Office	Bulksudden Trading Limited	7/6/19	holding over	£8,964.00
Unit 717	Office	Electronic Card Acceptance Company Ltd	1/1/19	31/8/23	£9,180.00
14 x Units	Office	Vacant			
Millenium 2000	Film Studio	Vacant			
Café	Studio (S/C)	Vacant			
Common Area (1st Floor)	Common Area	Vacant			
Common Area (Ground Floor)	Common Area	Vacant			
Total					£220,179.32

**ERV**

We are of the opinion that the property offers a gross estimated rental value of approximately £470,000pa - this is based on the office suites achieving £25psf and the studio/cafe space letting for £15,000pcm. Pre-Covid the accommodation was regularly achieving rents of £15,000 - £20,000 pcm on short term lettings.

**LANDLORD'S SHORTFALLS**

The property is currently let on an all-inclusive basis. The core running costs for the period ending April 2022 amounted to approximately £102,000pa predominantly made up of Business Rates (£55,000). Full details are available upon request.





## COMPARABLES

Address	Tenant	Area (sqft)	Sale Price	£ psf	Date	Cap Val Per Acre
10 Warwick Road, Borehamwood	Vacant	11,629 sqft (0.28 acres)	£2,100,000	£180 psf	August 2022	£7,500,000 per acre
1 Fourth Way, Wembley	Vacant	23,000 sqft (0.5 acres)	£4,000,000	£173 psf	January 2022	£8,000,000 per acre
10 Aintree Road, Perivale	Vacant	18,739 sqft (0.55 acres)	£3,600,000	£192 psf	January 2022	£6,545,450 per acre
Hope House, 1 Warwick Road, Borehamwood	Vacant	24,370 sqft (0.5 acres)	£3,729,600	£153 psf	October 2021	£6,545,450 per acre

## DEVELOPMENT POTENTIAL

Demand for studio space in the UK is high from production companies trying to create fresh content for the ongoing boom in film and TV production.

Currently, the supply on offer is insufficient to keep up, particularly in London and the Southeast, meaning that production companies are now looking at alternative properties including industrial warehouses offering the potential for conversion. For example Netflix recently signed a deal for The Segro Park in Enfield and Sky signing leases at the Panattoni Logistics Park opposite the subject property.

Available industrial floorspace in Hertsmere is estimated to be 662,300 sqft with demand being calculated at 881,560 sqft – indicating a shortfall of over 215,000 sqft. The area also had a very low vacancy rate in 2018 of 2.9% with such a low vacancy rate meaning there is less flexibility in the market and businesses potentially have less opportunity to expand or downsize as their requirements change.

Whilst areas of Hertsmere are designated as Green Belt Land, the subject property is not, and is instead designated within the 'Key Employment Area' of the draft Local Plan amongst the surrounding film studios.

Local Authority: Hertsmere Borough Council ([www.hertsmere.gov.uk](http://www.hertsmere.gov.uk))

For further information: <https://www.hertsmere.localplan.com/>





# FILM & TELEVISION

The UK has for many years proved a popular base for film and television given generous tax relief, a highly skilled workforce, and a good talent base. A record £5.6billion was spent making blockbusters in the UK in 2021, a rapid growth from £3.6billion spent in 2019. High-end television (productions costing more than £1 million per episode) production spend is also rapidly growing with a total spend of £4.09billion in 2021 increasing from £2.21billion in 2019.

**amazon** This confidence in the UK film industry is reflected by the decision of Amazon Studios to move the production of the second season of the Lord of the Rings television series from New Zealand to the UK. This forms part of a plan to expand Amazon Studios production space and consolidate its footprint in the UK. The production has become the most expensive television series ever with production of the first season estimated to have cost approximately \$465 million, with a guaranteed total of five seasons as part of the arranged rights deal.

**Other studios in the wider area include:**

## LOCAL FILM INDUSTRY

Borehamwood is the UK's first film and television cluster having been a major centre for film production from the early days of cinema. Other than Los Angeles, there are few other places in the world that have been home to so many studios within such close proximity, helping the area gain its name as the 'British Hollywood'. The area is home to several well-established film studios:



### BBC ELSTREE CENTRE

The first and longest surviving studio in the area is most well known for being home to the 'Albert Square' set for Eastenders amongst other BBC productions.



### SKY STUDIOS ELSTREE

A new state-of-the-art 27.5 acre complex housing 13 stages ranging from 10,000 sqft to 30,000 sqft. Estimating to generate up to an additional £3billion of production in investment to the UK's creative economy over the first five years of operation. There are already plans underway to extend the number of stages on-site to 23 over 65 acres with 470,000 sqft of stage space for filming. In addition, Sky has signed lease agreements for the last three units totalling 300,000 sqft at the Panattoni Logistics Park Borehamwood, opposite the subject property. Reflecting the quality of the location given competition for this space from a variety of occupiers.

### ELSTREE FILM & TELEVISION STUDIOS

Covering a site of approximately 16 acres and offering over 95,000 sqft of stage space in addition to supporting facilities and backlot. These studios are known as the birthplace of blockbusters such as Star Wars, Indiana Jones and The Crown. Owned by Hertsmere Borough Council the studios have recently undergone the construction of two new stages estimated to be costing £15.6 million.

### HERTSWOOD STUDIOS

With backing from the Department of International Trade and the British Film Commission, if granted planning permission, Hertswood Studios will be the single largest film studio in the UK. Plans would see the delivery of 1million sqft of film studio space including 21 film stages, supporting workshops and offices, and a hotel for film stars and crew. This studio would be positioned alongside the Sky Studios development that is currently under construction.



### Warner Brothers Studios in Leavesden, Hertfordshire

Approximately 10 miles north-west of the subject property and home to the filming of Harry Potter, Fast & Furious, and the new Game of Thrones TV series.



### Pinewood Studios, Buckinghamshire

21 stages ranging from 1,700 to 59,000 sqft as well as 3 television studios, these studios are most synonymous with 007 and have recently been taken over in part by Disney



### Shepperton Studios in Shepperton, Surrey

Built around a manor house, these studios have 14 stages ranging from 3,000 to 30,000 sqft with Netflix recently agreeing to double the size of their base here.



### Longcross Studios in Longcross, Surrey

Offering four stages ranging from 4,225 sqft to 42,000 sqft, Netflix has also taken a lease at this site being close to their facilities at Shepperton.



### MBS Film Studios in Aylesbury, Buckinghamshire

Apple TV have taken leases on approximately 168,000 sqft of space here.



### Sunset Waltham Cross Studios in Broxbourne, Hertfordshire

A proposed 91-acre film studio site was granted outline planning permission in July 2022. The proposed new development is believed to be creating 4,800 jobs.



# INDUSTRIAL AND LOGISTICS

The Greater London industrial sector has performed very well over the last 6-12 months. Take up in the North London & Hertfordshire industrial market recorded its highest level of activity since 2007. Covid-19 acted as a catalyst for the change in online retailing and consequently, logistics. Other subsectors were also impacted, including film and TV production, onshoring low and medium-tech manufacturing, life sciences and industrial design. This boost in demand has risen at a time when supply levels have fallen to their lowest levels since mid-2019 due to build costs.



## LOCAL INDUSTRIAL MARKET

Located approximately 2.5 miles inside the M25, Borehamwood is only 12 miles north of Central London and less than a mile from the A1. This makes it both the perfect location for an urban logistics occupier serving London and an excellent base for a national logistics requiring access to the South-East and to the North.

The area is home to several well-established industrial operators:

### Panattoni Park

Panttoni, Europe's largest developer of logistics facilities, is imminently completing the development of a super prime 335,430 sqft industrial and logistics park opposite the property on the brownfield 17-acre site. The site is now fully let, with 300,000 sqft having been let to Sky. The site is Panattoni's first occupier from the film sector, who already dominate in delivery in the e-commerce, 3PL and manufacturing sectors for many global clients. Letting the space to a film production company reflects the breadth of occupier demand. There was strong competition for the space from other occupiers, which justifies the quality of the location and the fact the Park is now fully let before practical completion. Panattoni Park is a best in class urban logistics development providing Grade A industrial accommodation.

### Elstree Trade Park

Elstree Trade Park is situated to the East of Borehamwood Town Centre close to the subject property and comprises nine trade counter/warehouse units and a larger unit which is home to Wickes, other tenants include Halfords, Belron, and Toolstation.

### Elstree Distribution Park

Adjacent to Elstree Trade Park, Elstree Distribution Park is a multi-let estate located at the entrance to Borehamwood's main commercial area just off the A1 and is home to tenants including Yodel, CCF, and Parcelpoint.

### Borehamwood Industrial Park

Borehamwood is a two unit estate comprising industrial and warehouse accommodation just north of Panattoni Park and is currently home to Instalcom.

## COMPARABLES

Address	Area (sqft)	Price	NIY %	Date
Hounslow Trade Park, Hounslow, TW3 3JL	37,760	£14,600,000	3.50%	May 2022
Kingston Business Centre, Chessington, KT9 1DQ	20,678	£12,025,000	2.65%	March 2022
Mosquito Way, Hatfield, AL10 9WN	68,877	£22,000,000	3.04%	December 2021
Saracen Industrial Estate, Hemel Hempstead, HP2 7BJ	44,358	£12,450,000	3.79%	April 2021
Unit 3, Curo Park, St Albans, AL2 2DD	32,767	£3,750,000	4.46%	November 2020



## EPC

Available to download from the data room.

## VAT

The property is elected for VAT and therefore will be payable on the purchase price. It is anticipated that subject to qualification the sale will be treated as a TOGC.

## ANTI-MONEY-LAUNDERING

A successful bidder will be required to provide information to satisfy the AML requirements when Heads of Terms are agreed.

## DATA ROOM

For access to the Allsop data room please use the following link:  
<https://datarooms.allsop.co.uk/register/borehamwood>

## PROPOSAL

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**£4,500,000 (Four Million Five Hundred Thousand Pounds)**  
subject to contract and exclusive of VAT. Based on this  
level of pricing, it reflects a capital rate of **£179psf**



For further information or to make arrangements for viewing please contact:

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