

VICKERY HOLMAN

PROPERTY CONSULTANTS



NEW HQ MAJOR BOOST FOR CORNISH ECONOMY

Leading South West Chartered Accountants, Winter Rule LLP, have moved into their new headquarters building in the centre of Truro, involving a total investment of over £3 Million, underlining the partnerships' confidence in the southwest economy and commitment to provide a premier service for southwest businesses.

Winter Rule have been on Tregolls Road, Truro, since the 1970's, but three years ago undertook a major review of the business and their clients' requirements, which indicated the need to expand and provide a quality environment for staff and clients to cope with the demands on modern business.

Vickery Holman were brought in at an early stage with the brief to find and acquire 1,200 sq m office in the centre of Truro that had presence and prominence in keeping with Winter Rule's professional

standing and ambition for growth. VH put a team together, including agency, to carry out the initial search and acquisition, valuers for feasibility and finance, and their project team for planning, design and construction.

The recommendation was to rebuild on the existing site, a process handled by the VH project team from concept through to fit-out.

The new building provides 15,338 sq ft (1,425 sq m) gross external on three floors, with car parking for 36 vehicles.

VH's Project Manager, Dan Cape comments: - 'The site was a challenge since it fronts the main road, and there were also major constraints on the site, but we are very pleased with the results. It provides Truro with a state of the art office building, providing a modern open plan environment for business. We were fortunate to have Lacey Hickey Caley Architects as part of the design team, who created a relatively simple build solution including modern services and amenities with a high degree of passive



cooling, making for a sustainable solution.'

Alan Brownscombe, Senior Partner at Winter Rule, comments "We are happy to be back on Tregolls Road in the new Lowin House with all our staff under a single roof. As the business has grown we became fragmented across a variety of offices around Truro and Newquay, which was becoming an operational

From left to right: Alan Brownscombe, Dan Cape, Kevin Derry, Andrew Alan and Greg Oldrieve

nightmare. We are very pleased with the solution and indebted to VH for making it happen. It has not been easy but am confident that we will look back and see this as a key step in the development of our practice".

T R U R O • P L Y M O U T H • E X E T E R

www.vickeryholman.com

T H E S O U T H W E S T S P E C I A L I S T S

PLYMOUTH MARKET IS MOVING!



Woodland House

The Commercial Agency Team of Vickery Holman's Plymouth office are experiencing an upturn in demand in all sectors, particularly offices.

Historically the Plymouth office market has been driven by requirements of up to 3,000 sq ft. However recent lettings of three suites (totalling 12,350 sq ft) of prime Plymouth City Centre office accommodation to a large public sector organisation has certainly bucked the trend.

Princess Court comprises two recently refurbished office buildings providing quality accommodation and secure underground parking. This deal represents one of the largest office transactions this year.

Other office deals recently completed include multiple lettings at Forrester's Business Park, Estover, of circa 6,000 sq ft to Maritime Training and 4,000 sq ft to Apex Corp Training respectively. There are also two smaller lettings of circa 800 - 1,000 sq ft to Plymouth City Council Youth Service and Connaught Plc.

A proactive stance from the Landlord including flexible leases being available has

certainly been a factor in these successful lettings.

On the Freehold front, VH currently have Endurance House, Parkway Court, Marsh Mills, under offer at an asking price of £900,000. The building comprises three self-contained office units totalling 6,750 sq ft and 30 parking spaces.

Mark Potter of the Plymouth Agency Team comments, "The Princess Court deal was particularly pleasing in the current climate as rental levels were maintained therefore protecting the asset value for the Landlord. The transaction has highlighted there is still demand for quality accommodation in the right location".

With all the deals going through, VH are keen to take on more properties.

Please contact Mark Potter on 01752 234123 or mpotter@vickeryholman.com

RATES BILL TO RISE BY £50 MILLION

Draft Government figures suggest that the overall Business Rates bill for the South West will rise by £50 Million (excluding transitional relief adjustments), the largest projected increase in the UK outside of London.

Retail and Office sectors will bear the brunt of the increases which, on average, could see a 3% increase in Business Rates Bills. This is a far cry from the reductions that businesses were hoping for, although there could be some winners.

The subject of Business Rates should therefore be a focus for businesses over the next six months, the new 2010 Rating List coming into effect on **1st April 2010**.

So, how can Vickery Holman help?

Firstly some background information; the rateable value for each property in the 2010 Rating List will usually be on rental values as at April 2008. The rental market for virtually every property type has deteriorated since then, compounded by a low number of transactions. The Valuation Office has a database of evidence, but a lot of it could be flawed and too historic to be accurate for the 1 April 2008 valuation date. Properties in the Leisure sector often have their Rateable Values determined by reference to the trading potential of the business. A significant number of Leisure businesses have witnessed difficult trading conditions in the last 2/3 years so the inaccuracy problem will also occur for this sector. Therefore the tone of values, which the Valuation Office will adopt, could be open to challenge this time around.

The proposed timescale for the 2010 Rating Revaluation and how Vickery Holman will be seeking to assist their Clients in the coming months is as follows:

Date	Action
October 2009	Valuation Office due to publish Draft List detailing the rateable value of every commercial property. VOA website upgraded.
October 2009	Ratepayers have 6 months to agree with the Valuation Office any alteration to the initial Rateable Value before the List is published in April 2010. Ratepayers need to act quickly.
October/November 2009	Vickery Holman contact Clients and potential clients with an update on their Rateable Value and preliminary advice.
October/November 2009	Vickery Holman offer free open days at each office to discuss how Ratepayers can minimise their business rates payments.
January 2010	Transitional relief and Uniform Business Rates will be confirmed. (Likely to be a 5 year scheme and an initial UBR for 2010 of 41.3 p in the £)
March 2010	Billing Authorities will issue rates demands for 2010/2011.
March 2010	The last opportunity to appeal the 2005 List assessment or apply for reliefs for previous years.
April 2010	2010 Rating List published.

What is quite clear from the information available so far is now, more than ever businesses should take advice on their Business Rates liability. It is a complex area of valuation and law and Vickery Holman's rating team are experienced in finding numerous methods of reducing liability.

We had some great successes during the 2005 List with clients seeing savings of up to £100,000.

As well as appealing against the Rateable Value, opportunities for savings can arise from empty space (whether or not the whole building is vacant), when there are physical changes to or around the property, if the use changes, if development is proposed or if the Billing Authority has made an error. These are just a few examples.

Finally a word on fees. We work on a no win – no fee basis. When we save clients money, we share in the success. Please be wary of the salesman guaranteeing a reduction and charging handsomely up-front for it. Usually it is the last time you will see him!

We would be delighted to help and are always happy to discuss individual cases.

Please contact:
Ashleigh Phillips on direct dial 01752 234120 or aphillips@vickeryholman.com
Nicola Murrish on direct dial 01872 245602 or nmurrish@vickeryholman.com



Ashleigh Phillips



Nicola Murrish

CONVERGENCE FUND GRANTS

As part of the European Regional Development Fund the Convergence Programme for Cornwall and the Isles of Scilly seeks to invest 500 million Euros to assist projects that are able to continue the economic growth stimulated by the Objective One Programme. The Programme has four themes; Developing our People; Strengthening Business; Investing in our Future, and; Making Connections.

Of specific relevance to the property world is its ambition to create employment space for which grants are available through the Programmes Priority Axis's 2 & 4 - "Enterprise and Investment" and "Unlocking the Economic Potential of Place". Subject to qualification, private sector SME's can receive up to 50% of eligible costs or the gap between the value of the finished development and its cost whichever is

the lower. The grants are available to developers or occupiers.

To be eligible schemes must complement what is known as the Lisbon Agenda, which focuses European economic growth on knowledge based business sectors, and the Gothenburg Agenda which seeks to address environmental issues particularly global warming. In simple terms offices, studios or research & development buildings are regarded as suitable for knowledge businesses and the buildings have to achieve a BREEAM Excellent rating.

Like any other form of funding it will only be approved if the project can be proven viable through a detailed financial appraisal, which demands an intimate knowledge of the commercial property market and the costs and risks involved in development projects. Vickery Holman is clearly well placed to provide this assistance.

Public sector funding requires additional outputs including the calculation of the wider economic and social benefits including diversity and sustainability. Vickery Holman are able to handle most of this work in-house but when necessary external expertise is at hand with established cross professional links.

Any expenditure approved by the Programme needs to be committed by 2013 and consequently if there are any clients who believe they have an employment space development opportunity that needs funding to succeed Greg Oldrieve in our Truro Office would welcome an opportunity for an early conversation to explore the possibilities.

For further information contact:
Greg Oldrieve on 01872 245600 or goldrieve@vickeryholman.com



Greg Oldrieve

MANAGING FIRE PRECAUTIONS



The introduction of the Regulatory Reform (Fire Safety) Order 2005, which came into force in October 2006, had a significant impact on the owners and users of commercial buildings, as the responsibility for assessing and managing fire precautions within a building transferred over to them from the local fire service. As such, Fire Certificates ceased to apply and Fire Risk Assessments had to be produced by the 'responsible persons' for all areas of a property.

For a landlord managing his own property, these changes created further obligations that had to be addressed, including:

- **Ensuring that each tenant produced a suitable Fire Risk Assessment for their demised premises.**
- **Ensuring that a Fire Risk Assessment was produced for all Common Parts.**
- **Undertaking any works required to address any deficiencies identified within the FRA.**

These obligations were actually far more onerous than they might initially appear primarily due to the fact that, even though Building Regulations are not retrospective, by undertaking an FRA if a deficiency is identified then appropriate action should be taken as soon as possible based on the risk. This raised

problems such as structural elements of a building, which may have complied with regulations at the time of construction, suddenly becoming inadequate and therefore the cost of upgrade or remedial works could be quite significant compared to planned Service Charge costs.

The new system is designed to be a continually evolving process, and therefore it is also essential that the landlord or managing agent regularly obtains updated FRAs from the tenants to ensure that it reflects the current use of the demised area and that current risks are suitably addressed. It is also common for tenants to fall into bad practices, such as not testing fire alarms or keeping escape routes clear; therefore it is essential that overall control of the operations of all parties is maintained.

As well as the practical issues of maintaining good fire precautions, it is also essential to ensure that the building is fully protected in order to comply with the requirements of the insurance cover for the building.

Envoy have extensive experience in managing fire precautions within the buildings they manage and following the recent staff expansion can now organise and oversee the implementation of remedial works to ensure full compliance.

For further information contact Justin Armstrong on 01872 245605 or email jarmstrong@envoypropertymanagement.co.uk or Paul Irons on 01752 261811 or email pirons@envoypropertymanagement.co.uk

ARBITRATION: MORE USER FRIENDLY THAN YOU MIGHT THINK

A rising market brings claims that landlords have an unerring expectation that their property is worth more than the last deal. In a falling market tenants grip hard to the argument that they cannot afford any increase and in fact the rent should be reduced. In both scenarios the potential looms for failure to agree on a compromise. Dispute resolution has a role to play and going to an arbitrator or independent expert can overcome an extreme position being maintained by one or other party. Of these options arbitration enables the parties to retain greatest control over resolution of their dispute.

The arbitrator is appointed on terms of reference determined by the parties. Procedural issues will be clearly laid down and if not agreed between the parties the arbitrator will decide at the outset what they should be. Thus the parties proceed on a level playing field. The purpose of Arbitration after all, is to "obtain the fair resolution of disputes by an impartial tribunal without unnecessary delay or expense" (Section 1(a) of the Arbitration Act 1996).

Arbitration can be the option for a whole range of disputes. In the valuation sector it may be rent review, it could be a land value and little known or applied it can be used to resolve lease renewals rather than incurring the greater cost of going to court. In another context you might have a dispute under a building contract that needs to be resolved.

So does arbitration really help? Recent cases in which we have been involved show that a well reasoned argument can overcome entrenched expectations on one side or the other. In a rent review against a passing rent of £37,500 pa the landlord sought £74,000, while the tenant's argument was for a figure, which was less than the passing rent. The arbitrator awarded £51,750 pa.

On a clawback payment on a development site a national developer sought an award at a figure of £2M against the former landowners' case for £4.5M. The developer was unable to prove that its figure was right and the arbitrator awarded a figure in excess of £4M.

While not in the textbooks, the initiation of the arbitration procedure can be a negotiating tool to achieve a negotiated settlement. This comes about because the parties have to put detailed arguments to the arbitrator. In some cases this can be the first opportunity the parties have to see the real basis of the other side's argument. That is a sad reflection of an all too common situation where one party feels that by being belligerent, and not making any attempt to justify their figure, they will ultimately be successful – how quickly they learn that will not be the case!

Arbitration is all about being able to prove your case. The arbitrator will make his or her decision based on the arguments and evidence put forward by the parties. Furthermore, the arbitrator's award must be at a figure within the range of values sought by the parties.

A major benefit to the parties is that, unless agreed to the contrary, the arbitrator must give reasons for reaching his decision.

Thus the parties can set down the procedure on how their dispute is to be resolved.

They then submit arguments to the arbitrator which will provide the basis for the decision and then at the end they get a document which tells them how the arbitrator has arrived at the figure. Oh yes and in cases where you are deemed to have "won" the arbitration, the other side might have to pay your valuer's costs for the privilege of "losing"!

What could make it even more user friendly? Well, making sure your valuer knows what arbitration is all about is a good starting point.

Nick Holman is an Associate of the Chartered Institute of Arbitrators and can be contacted on 01752 273833 or nholman@vickeryholman.com



Nick Holman



RAIN RAIN GO AWAY

Weather, Britain's favourite topic of discussion and one, which taxes the South West tourist market more than most.

"The barbecue summer promised earlier in the year was evident in May and June but since then the weather has put paid to many tourism-related businesses' hopes of making up for recent poor seasons.

The South West's tourism predictions in May suggested that 2009 was going to be a patchy season with the likelihood of visitor numbers being on a par or slightly lower than last year and that the secondary spend was going to be hit considerably. From our conversations with those in the tourism business, numbers are on a par with last year but extracting more than the basic spend is hard.

Visitors from mainland Europe are noticeably higher, no doubt due to the strength of the Euro but the general economic situation means that visitors from all parts are watching every penny.

So far, those holding out on selling business are probably going to have to hold out for longer to achieve the desired results, but life does move on and it is not too early to be planning an exit strategy.

Our message to those thinking of selling, either now or within the next few years, is to engage with us early – get the business prepared for sale and have a plan in place – we can advise on what aspects of the property and business needs attention to ensure that they present themselves in the best possible way.

Because of the many different skills that Vickery Holman can offer, we might advise not only considering the value of your present business but whether there is anything to be gained by looking at redevelopment and possibly obtaining planning consent for an alternative use. We might find that your rates bill is too high and profitability could be improved with a rating appeal. If your business is in leasehold premises our professionals can deal with rent reviews and lease renewals so that these do not cause an unnecessary inconvenience or obstruction to the sale proceeding.

2009 does not look like being the bumper year that some had hoped for at its outset (just like it has not been a barbecue summer), so once the peak season is over and you have time to reflect, we are very willing to meet and discuss future plans and how we can help you work through to achieve your ultimate goals."

For further information contact Alan Treloar on 01872 245604 or by email: atreloar@vickeryholman.com



Alan Treloar

THREE PEAKS CONQUERED

Not satisfied with tackling the challenge of re-igniting the property market, a team of 10 from Vickery Holman set out to take on the highest peaks in Scotland, England and Wales for charity.

Starting on the 6th August at the foot of Ben Nevis, they were presented with the daunting task of climbing the 4,300 ft to the cloud topped summit. Walking through the hot and humid lower hills, up the moonscaped rocky face to the peak, where only 50 metres ahead were visible, the team made the top.

Following a descent that seemed to last an age, they travelled overnight to the Lake District to face Scafell Pike. Although the smallest peak at 3,200 ft, the steepness of the trail was something to behold. With little energy after little sleep in the minibus, the team bravely pressed on in the early morning sunshine to reach the top in 2 hours.

After a quick breakfast we were off again to Snowdonia, to tackle the Miners Track route up Snowdon. At 3,560 ft, the vertical face of the Eastern face still presented a significant challenge. With every weary footstep giving rise to a new sense of discomfort, we all pressed on until we reached the top. Not even the fresh faced tourists who reached the top via the mountain train could dampen our celebrations, and after a glass of champagne it was back down again.

The feat was achieved in 25 hours and 10 minutes. The target of 24 hours would have been made but for heavy traffic encountered outside of Liverpool. Still the more important statistic is that over £2,500 has been raised for



our adopted charities of Clic Sargent, Shelterbox and Lionheart.

We would like to thank every one who has supported and sponsored us in this event, in particular **Vospers Motor House** for the minibus hire and **Purple Promotional Merchandise** for our t-shirts. All your support was a great motivator.

If you have not donated and would like to support details can be found on our website www.vickeryholman.com/three_peak_challenge.

INVESTMENT IN AGENCY DEPARTMENT

"The success of Vickery Holman's agency department in recent years has required investment in a new software to ensure further improvement on the quality of service provided.



The level of instructions has been rising across the three offices, and in the current climate, keeping clients up to date is increasingly important". reports Neil Stubbs from Vickery Holman's Truro Office.

"Despite difficult market conditions, deals are still taking place and clients need their premises let or sold as quickly and efficiently as possible. The new system will mean we are able to get instructions activated more quickly than previously and, as a result, deals concluded for clients in as short a time as possible.

The market is not as bad as some people would have you believe and we are optimistic about the future – a new software package is just what we need to ensure the best possible position for the future".

For further information contact Neil Stubbs on 01872 245601 or by email nstubbs@vickeryholman.com

RICS VH TRAINING SUCCESS

Despite difficult times in the marketplace, Vickery Holman have continued to progress thanks to their commitment to supporting a high-quality Structured Training Programme for all of their staff. From new graduate surveyors all the way up to the Directors of the company, each member of staff is given the necessary time and resources in order to achieve their current and long-term goals. This provides significant benefits for the individual, our clients and the company.

Vickery Holman are fully committed to the RICS Assessment of Professional Competence (APC) which ensures that graduates meet the necessary requirements in order to practice as a Chartered Surveyor, and in the past year two Building Surveyors, Alex Rampe and Jake Thornton, have gained membership of the RICS.

In order to ensure that the training we provide meets the high standards of the RICS, a number of our senior surveyors have undertaken additional training with the RICS in order to become Licensed Assessors so that they can sit on Final Assessment panels. These include; Paul Irons, bringing the number of Assessors within the company to five and with Nick Holman & Dennis Venn being Chairmen for Assessment Boards and Nicola Murrish, an APC Doctor, it has never been a better time for aspiring Chartered Surveyors to join Vickery Holman.

Ashleigh Phillips, Associate Director in the Plymouth office has been elected as the Chairman of Plymouth Round Table for 2009 / 2010

Plymouth Round Table is largely known to the local business community for its efforts assisting within the City; providing direct help and funding to the community's less fortunate members. Plymouth Round Table raises and distributes an average of £6,000 per annum to local charities and worthy causes.

Further details from Ashleigh on 01752 234120



EXETER



TO LET
Milford House, Pynes Hill, Exeter
Up to 42,182 Sq Ft
Landmark building
High quality office accommodation with 174 car parking spaces
Easily accessible
Popular business location



TO LET
Merriott House, Marsh Barton, Exeter
176.51 Sq M (1,900 Sq Ft)
Office accommodation with on site car parking in prominent location.
Flexible terms available



TO LET
10 Bittern Units, Sowton, Exeter
268.3 Sq M (2,888 Sq Ft)
Modern Mid-Terrace Industrial Unit with Parking



TO LET
Units at Station Hill, Lower Hehtley Farm, Chudleigh
From 48.5 Sq M (522 Sq Ft)
11 New Business Units with B1, B2 & B8 Use.
Prominent Location directly off the A38
Development commencing shortly



TO LET
Cofton Road, Marsh Barton, Exeter
117.99 Sq M (1,270 Sq Ft)
Reduced Rent
Flexible Lease Available
Popular Estate



TO LET
Swan Units, Sowton, Exeter
83.80 Sq M (902 Sq Ft)
Perfect Start-Up Unit or Expansion Space / Store



TO LET
21-22 Fleet Street, Torquay
170.04 Sq M (1,830 Sq Ft)
Retail unit with extensive frontage to Fleet Street and a range of ancillary accommodation on first and second floors.



TO LET
Fleet Walk Shopping Centre, Torquay
Stores From 13.47 Sq M (145 Sq Ft) To 930 Sq M (10,009 Sq Ft)
Range of units available
National, regional & local occupiers
Integrated multi-story car park
Competitive rates offered
Flexible terms available

PLYMOUTH



TO LET
Derriford Gate, Brest Road, Plymouth
4670 - 20000 Sq Ft
A new 'Grade A' 4 storey office building in a premier profile location in Plymouth. Available as a whole, or by way of separate floors offering 4670 to 20,000 sq ft and on site car parking.



FOR SALE
Tamar House, St Andrew's Cross, Plymouth
Total 2,947 Sq M (31,726 Sq Ft)
Freehold mixed-use investment for sale



TO LET
Ground & First Floor, Centre Court, Exeter Street, Plymouth
Totalling 12,792 Sq Ft
Modern quality open plan office space on ground and first floors with undercover secure parking.



FOR SALE / TO LET
Langage Energy Park
113 acres
A new 113 acre business park on the outskirts of Plymouth, offering the opportunity for bespoke commercial accommodation to be constructed to a specification suiting your business needs. Alternatively, consideration may be given to selling individual commercial plots.



FOR SALE/TO LET
Langsford House, Darklake View, Estover, Plymouth
5306 Sq Ft on 1.15 acre site
A detached modern industrial building with attractive double glazing panels to the front elevation. Site area totals 1.15 acres.



FOR SALE/TO LET
Belstone House, Eastern Wood Way, Langage
12,495 Sq Ft on 1.57 acre site
High quality building of steel frame construction, comprising clear open span industrial space with 2 roller shutters and 2-storey offices.



TO LET
34 Mayflower Street, Plymouth City Centre Plymouth
2726 Sq Ft
Retail unit comprising ground and first floors in prominent City Centre location. Previously used as café/restaurant premises, benefits from full height glazed frontage.



TO LET
Brooklands Office, Budshead Road Crownhill, Plymouth
Building 1 From 1,231 - 2,561 Sq Ft
Building 6 - 810 Sq Ft
Modern courtyard out of town office complex. Refurbished open plan accommodation. Excellent on site parking.

TRURO



FOR SALE
Lower Lemon Street Surgery, Truro
Available Due To Relocation
Extensive Property
Car Parking
Guide Price £800,000



TO LET OR MAY SELL
Detached Offices, Threemilestone
Allocated Parking
206.52 Sq M (2,223 Sq Ft)
£25,000 Per Annum Leasehold



FOR SALE
Double-Fronted Retail Premises, Penzance
Prominent Location
72.5 Sq M (780 Sq Ft)
£179,950 Freehold



FOR SALE
Residential Care Home With Development Potential, St Austell
Registered For 28
Site Approx 1 Acre
Guide Price £525,000



FOR SALE
Former School - Carnkie Residential Development Opportunity
Planning Permission For Conversion To 7 Houses
Site Area In Excess Of 1 Acre
Guide £300,000 Freehold



FOR SALE
Land With Planning For Industrial Development, United Downs
Total Site Area Of 2.26 Acres
£300,000



FOR SALE
Retail Investment With Land & Workshops To Rear, Helston
Current Income Of £6,600 Per Annum (Shop Only)
Guide Price £125,000



FOR SALE
Lucrative Café With Owners Accommodation, Popular Coastal Town In West Cornwall
Prominent Trading Location
3-Bedroom Owners Accommodation
£345,000 Freehold Equipped