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CHARTERED SURVEYORS

Elstree Land Limited

Report & Valuation

45 Caversham Road
Reading
Berkshire
RG1 7BT



Market Report



Property Address

45 Caversham Road
Reading
Berkshire
RG1 7BT

Prepared For

Elstree Land Limited



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9 September 2020

Elstree Land Limited

Property: 45 Caversham Road Reading Berkshire RG1 7BT

1 Location

- 1.1 The subject property lies on the south side of Great Knollys Street and west side of Caversham Road, in a mixed use location towards the centre of the major Berkshire town of Reading.
- 1.2 The immediate vicinity provides a mix of four storey blocks of apartments, three storey town houses, four storey office blocks and one and two storey light industrial/warehouse units.
- 1.3 Reading town centre with its multiple facilities including The Oracle Shopping Centre and Reading Railway Station, which provides direct services to London Paddington, lies approximately 500 metres to the east.
- 1.4 Junction 11 of the M4 Motorway and the A4 (Bath Road) lie approximately 3.5 miles and 0.5 miles to the south respectively.

2 Description

- 2.1 The property provides for a car rental depot, which includes a part one/part two storey end of terrace office block, a single storey car workshop with ancillary office accommodation and open storage land used for car parking on a plot of approximately 0.15 hectares (0.38 acres).

3 Demand for Current and Alternative Commercial Uses

- 3.1 Car rental businesses are commonly situated in out of town locations such as industrial/trading estates together with airports. These locations are well suited to this use due to the wealth of open storage available for the rental cars.
- 3.2 Within Reading itself, the majority of car rental businesses are situated within the industrial south of the town on well known estates. Examples include; Thrifty Car Hire on Bennett Road, Hertz on Acre Road, Europcar on Commercial Road, Platinum and Enterprise Car Hire on Boulton Road, Arrow Self Drive on Cradock Road, Bluebox Rentals and Sixt Car Hire off the A33 and Practical Car and Van Rental off Brook Drive in Green Park, all of which enjoy excellent access onto the A33 and Junction 11 of the M4 Motorway.



- 3.3 In our opinion the current use of the subject property is non-conforming with its town centre location, due largely to its limited car parking capacity and poor access onto the M4 Motorway, making it a less desirable location for car hire use than its competitors listed above.
- 3.4 The current planning use of the property is Sui Generis, however we have considered other commercial uses including the introduction of small employment units.
- 3.5 Great Knollys Street, where the property is situated has always been a difficult secondary business location within Reading, with Bellman Court and Reading Small Business Centre nearby perennially with several vacant units.
- 3.6 For example, Unit A2 Reading Small Business Centre has been on the market available to let for over half a year, offering flexible B1/B2/B8 accommodation at a cheap rent with little interest.
- 3.7 These two business centres offer small units which would usually appeal to small businesses and start-ups. However, the poor footfall for passing trade, secondary location on the wrong side of the Inner Distribution Road (IDR) and surplus of better located/suited accommodation currently available to let/purchase in Reading deters occupiers to this location.
- 3.8 In recent times some small office based businesses have been drawn to serviced accommodation in modern buildings within the town centre which offer high-end and flexible “pay-as-you go” accommodation and facilities with reduced overheads and flexible lease terms.
- 3.9 Examples of serviced offices within the town centre include Regus within Davidson House, Spaces within 9 Greyfriars and Pure Offices within The Blade. The offices are in prime locations, within modern high-spec accommodation and within a couple minutes’ walk of the train station.
- 3.10 Co-working space is also now becoming popular, particularly for start ups looking for flexibility, short term agreement and low costs.
- 3.11 With regard to trade counter/light industrial/warehouse use, demand is far greater in out of town locations, particularly with brand new developments being brought to the market recently such as Trade City, Reading International and 135 Theale Logistics, to name a few, offering a huge supply of modern flexible space with quick access onto the M4 Motorway. In total there is currently approximately 1,080,000 sq. ft. of trade/industrial accommodation on the market available to let or buy in Reading, which demonstrates the ample supply presently in the town.
- 3.12 In summary, the property and Great Knollys Street area in general is now widely viewed as a secondary commercial location, with occupier demand gradually turning towards either flexible office space close to the train station or strategically located trade parks near the M4 Motorway.
- 3.13 The above applies to the subject property which we feel is gradually becoming out of place and non-conforming with the purely residential developments that have been constructed or are in the pipeline in the local vicinity. Indeed, if the property were to be redeveloped to provide a mixed use scheme, we are of the opinion that the commercial element of the development would struggle to let/sell due to it’s secondary location and surplus of better alternatives in Reading.



4 Potential Alternative Use

- 4.1 Due to local vicinity deteriorating as a commercial location in recent years, it has become an area in transition undergoing comprehensive residential led regeneration, which has seen the area improve aesthetically, whilst providing the town centre with much needed housing.
- 4.2 Considering the above, the property has been allocated within the Reading Borough Local Plan (2019) under Policy CR12(b) 'Great Knollys Street and Weldale Street,' which designates the area as being "developed primarily for residential".
- 4.3 There have been a number of residential schemes along the IDR in recent years, including Chatham Place which provided 395 no. new apartments and is located approximately 150 metres to the south of the subject property. More recently, The Foundry Quarter was granted planning permission to provide 427 no. new apartments and is approximately 80 metres to the south of the property.
- 4.4 21 Caversham Road and 6-14 Weldale Street included a derelict shop together with warehousing and open storage land at the rear on a site of approximately 0.22 acres and only 70 metres to the south of the subject property. The site was redeveloped recently to provide 25 no. new flats across four floors.

5 Summary

- 5.1 We are of the opinion that taking into consideration the location of the property and supply of modern commercial accommodation in prime positions within Reading, it is no longer best utilised in its commercial use. With much of the locality undergoing comprehensive residential redevelopment in recent years, we are of the opinion that the site now lends itself well to this use.
- 5.2 If the property were to be developed to residential use, we would strongly advise against including any commercial use within the scheme as we envisage little demand from this sector due to the points made in 3.5 to 3.13 within the report. Certainly, even in new residential led schemes which we would consider to be within strong commercial locations, we have seen the commercial element struggle to let, with high vacancy rates.
- 5.3 We trust this report is satisfactory for your purposes, but if you require any further information, please do not hesitate to contact me.

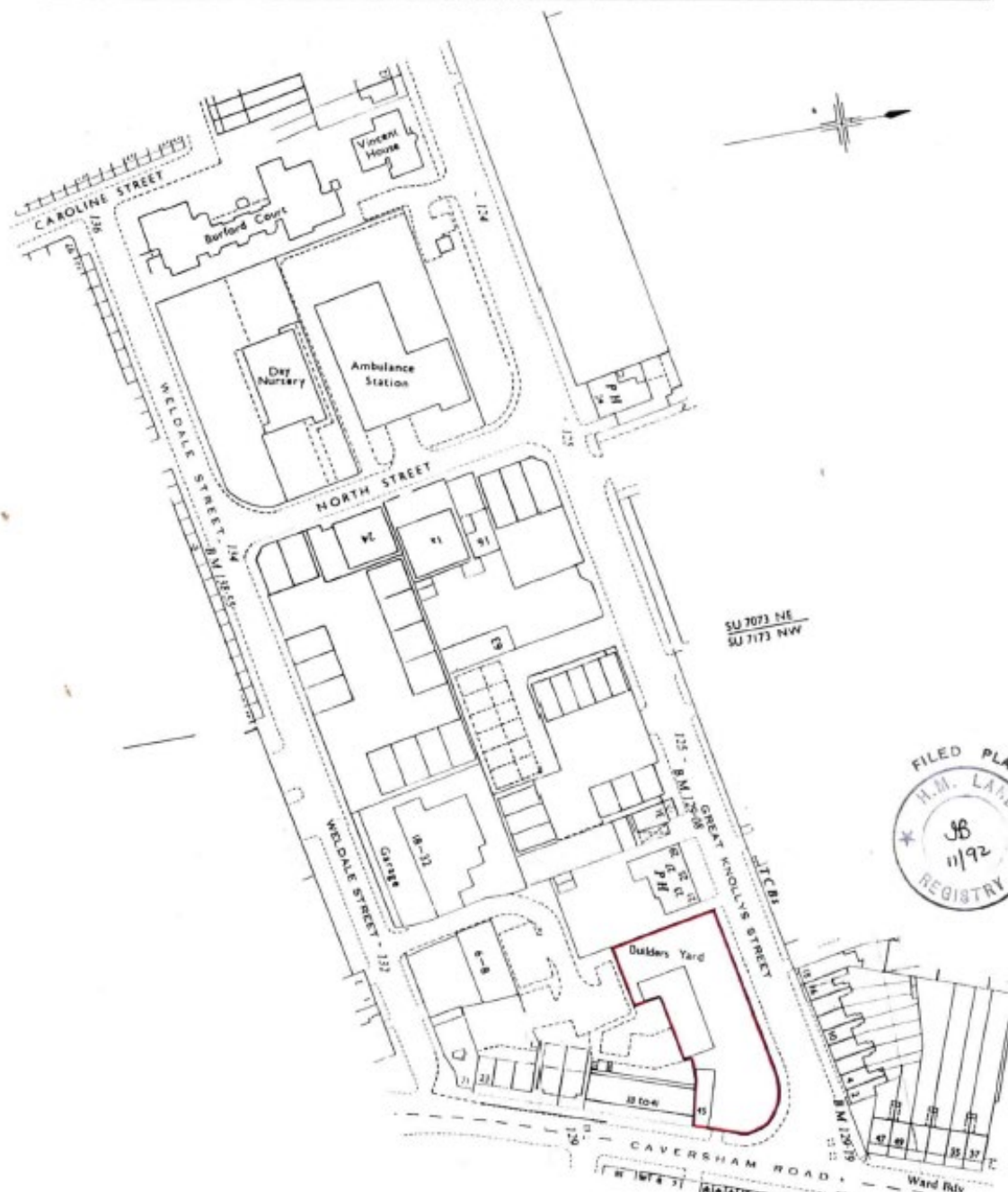
Will Morris, BSc (Hons) MSc MRICS
Partner

For and on behalf of
Haslams Surveyors LLP

9 September 2020

APPENDIX 1

H.M. LAND REGISTRY		TITLE NUMBER	
		BK 306559	
ORDNANCE SURVEY PLAN REFERENCE	COUNTY	SHEET	NATIONAL GRID
	BERKSHIRE		SU 7073
	READING DISTRICT		SECTION H
Scale: 1/1250		© Crown copyright 1986	





APPENDIX 2



45 Caversham Road Reading Berkshire
View of the Property Looking South from Great Knollys Street



45 Caversham Road Reading Berkshire
View of the Property Looking South from Great Knollys Street



45 Caversham Road Reading Berkshire
View of the Property Looking South West



45 Caversham Road Reading Berkshire
View of the Property Looking East

