

## **233 High Holborn – First Floor**

### **Evidence of Marketing**

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This Marketing Report has been prepared by CBRE on behalf of Icen Projects Ltd and The London Skin & Hair Clinic (Applicant) and relates to the existing office premises of the First Floor of 233 High Holborn located on Holborn, London.

This report provides a summary of the marketing activity for the First Floor conducted by commercial letting agents, CBRE who represent the Freeholder, Tribjun Corporation in disposing of their vacant office premises. It provides an overview of the marketing activity that has taken place since the previous occupier, Real Networks vacated the floor in November 2015.

### **233 High Holborn**

233 High Holborn was constructed by Frederick Etchells & Herbert A Welch in 1930 using steel frame construction and a brick panel infilling. It is classed as B1(a) within the Use Classes Order 1987 and is Grade II listed.

The building is situated approximately 1 minutes' walk from Holborn tube station on the south side of High Holborn. The accommodation on the First Floor comprises 4,450 square feet. It was refurbished in March 2016 to a Category A specification and benefits from 2 passenger lifts, raised floors, air cooling, 24 hour access and good natural light.

### **Marketing Activity**

The available accommodation was brought to the market in October 2015 while the outgoing occupier was still in situ. As shown by the enclosed marketing particulars, CBRE marketed the premises with the opportunity for an incoming occupier to take the premises with the fit out in place. Property and particulars were circulated to commercial agents in the West End, Midtown and City submarkets. The particulars were also circulated to CBRE's database of companies with known requirements that matches the First Floor.

A number of inspections with interested parties ensued but none of them were interested in offering on the premises.

CBRE marketed the fitted premises until March 2016. It was determined that there was a lack of interest from occupiers and they advised that their client carry out the comprehensive Category A refurbishment. The works were completed in April 2016. The refurbished floor was relaunched to the market. Updated marketing details reflective of the refurbishment were circulated to agents and companies again.

The open market rental value for office premises in the midtown sub-market has reached as high as £66.50 per square foot at 23 Kingsway in Second Quarter 2016. CBRE began marketing the First Floor of 233 High Holborn at £52.50.00psf which is comfortable below prime rents in the submarket.. In spite of the property marketed at competitive rental level there was little interest from the market and the First Floor remained vacant until August 2016 when The London Skin & Hair Clinic was shown over.

### **Reason**

The availability of new and refurbished office premises that has come to the midtown market reached approx. 850,000 square feet or an increase of 35% versus Quarter One 2016. CBRE believes this additional supply, and so competition, was a major reason for the First Floor failing to find an office occupier interested during the 9 month marketing period.