



**Report on 31-33 High Holborn,  
London, WC1V 6AX**

**On behalf of  
Westcombe Group**

**29<sup>th</sup> July 2021**

## Introduction

I have been requested to provide a report on the viability of 31-33 High Holborn being used for office purposes (User Class E (g)(i)), as part of a proposed pre-application for a change of use of the building to residential use (C3(a)).

## Qualifications of Neil Warwick BSC MRICS

I am a partner of Kinney Green chartered surveyors. I qualified as a Chartered Surveyor in 1992 and have spent the majority of my professional life specialising in commercial property in the Midtown area of central London. I have significant experience in office lettings, in particular advising landlords on the specifications of works and equipment to be included in office accommodation to make them as attractive as possible to prospective tenants in the letting and sales market. I work closely with the Midtown Business Improvement District and I am an active member of the property group within that.

## Location

The property, 31-33 High Holborn, is situated immediately opposite the junction of Chancery Lane. Located in the heart of Midtown the nearest underground stations are Chancery Lane (Central Line), only 1 minute walk away, Farringdon and Blackfriars which provide excellent transportation links with Thameslink and District and Circle Line Underground Station. There are also a number of bus routes within the vicinity.

## Description

The 2<sup>nd</sup> floor at 31-33 High Holborn currently presents as an office (Class E (g)(i)). The floor has a previous tenant's fit out which has been lightly refurbished to attract interested parties. There are 3 meeting rooms, a kitchenette, comms room and open plan area with approximately 36 desks. The floor has the following approximate net internal floor area:-

Floor	Sq ft	(m <sup>2</sup> )
2 <sup>nd</sup>	2,683	(249.26)
Total	2,683	(249.26)

## Key Facts

- The building's façade presents with period features. The common parts are in need of modernisation and redecoration.
- The property is located in a prime position and its exterior is very attractive. Unfortunately, the common parts are not conducive to a modern office.
- The 2<sup>nd</sup> floor itself presents well with 3 meeting rooms in situ, a kitchenette and it is fitted with furniture throughout.
- Due to the amount of competition within the area, newly refurbished, newly developed and fully fitted to CAT A + are the only office units achieving lettings.
- We have been marketing the 2<sup>nd</sup> floor at 31-33 High Holborn since October 2019. It should be noted that COVID-19 has created disruption throughout the property market. Prior to COVID-19, Brexit has also caused an issue to the amount of occupiers committing to an office. Many Tenants are searching for flexibility within leases as well as convenience.
- The common parts would benefit from a passenger lift. Whilst there is a DDA compliant lift in situ this is mainly for wheelchair users. Whilst marketing we have received negative feedback on the specification and speed of the lift as otherwise it is a 2<sup>nd</sup> floor walk-up. A new lift would be difficult to install and costly.
- There is a shower and some lockers located on the 2<sup>nd</sup> floor. Many occupiers are also seeking for bike racks to accompany this amenity.
- The 2<sup>nd</sup> floor has good natural light to front rear and part side elevations.
- The Energy Efficiency of the building has recently been assessed at E-107 which is close to being unlettable. Tenants are increasingly becoming more conscious about the

sustainability of their premises and will ask a Landlord whether they have any plans to undertake works to improve the Energy Efficiency. Many occupiers will take this into consideration when choosing their next office.

## **Marketing since October 2019**

The 2<sup>nd</sup> floor was placed on the market to let as a fully fitted, plug and play office in October 2019.

The marketing initiatives put in place included the following:-

- Letting board at the front of the building
- Marketing particulars including colour photography internal and external.
- YouTube video highlighting the fit out of the floor.
- Mailing – to local occupiers including all Barristers Chambers.
- Email campaign – to the Office Agents Society on a regular basis.
- Website listings – property details listed on the Kinney Green website, Co-Star and other commercial property sites.

## **Possible interest in the property since October 2019**

Despite the floor being marketed for 1 year and 9 months, there has been little or no interest from potential office tenants to take a lease of the floor.

We have been quoting £55.00 per sq ft per annum exclusive. The previous transaction within the building achieved £52.50 per sq ft which was our guide for the 2<sup>nd</sup> floor. Due to the current market we have made it clear that the rent is negotiable.

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## Comparable Properties on the Market

The market has been unpredictable since October 2019, and there are currently 129 available properties of 2,000 – 3,000 sq ft within Midtown alone.

Here is a list of some of the properties which we believe to be the most comparable to the 2<sup>nd</sup> floor at 31-33 High Holborn that are currently on the market with an indication of how long they have been available to let:-

- 35 High Holborn, whole building with floors from 1,237 – 3,542 sq ft. Fully fitted and newly refurbished by the Landlord for a term until October 2024. Quoting from £49.50 per sq ft. Available since 9<sup>th</sup> March 2021.
- Harmsworth House, 13-15 Bouverie Street, 6<sup>th</sup> floor measuring 2,345 sq ft. Available directly from the Landlord for a term until October 2025. Fully fitted floor with furniture. Quoting £45 per sq ft inclusive of service charge. Available since 11<sup>th</sup> October 2019.
- 167 Fleet Street, 5<sup>th</sup> floor – 2,800 and 3<sup>rd</sup> floor – 2,800 sq ft, newly refurbished open plan floors. New lease directly from the Landlord. Quoting £55.00 per sq ft however it is openly marketed as being able to agree highly competitive terms. Available since 8<sup>th</sup> January 2019.
- 24 High Holborn, 6<sup>th</sup> floor – 2,400 sq ft, 5<sup>th</sup> floor – 2,637 sq ft. A new lease directly from the Landlord. Quoting £65.00 per sq ft. They are able to provide a new flexible fully fitted office. It should be noted that the building has undergone a refurbishment. Available since February 2019.
- 210 High Holborn, 5<sup>th</sup> floor - 2,400 sq ft. Available by way of an assignment or sublease for a term expiring in May 2024. Quoting £47.50 per sq ft. Currently presents as plug and play space from the previous tenants fit out. Actively marketing that they will agree competitive terms. Available since January 2021.

The majority of properties available in the market are offering fitted out, plug and play space. Some properties mentioned have been newly refurbished with manned receptions however these are still comparable given their location. Whilst considering the above many refurbishments can include a new reception area, new comfort cooling or air conditioning, modern cabling, bike racks, showers and lockers which will all be a priority to a relocating tenant. To attract all occupiers, many Landlords are now providing their own fully fitted floors on top of building refurbishments to try and compete with serviced offices to warrant that they are able to get a tenant in occupation as swiftly as possible and eliminating the Licence to Alter.

There are many more examples of what is available in the market however there is also an abundance of residential in the vicinity which are proven to be sought after.

## Conclusion

Kinney Green has been marketing this building since October 2019 and we have received hardly any interest. If we are able to provide a refurbishment to the common parts, we hope this will aid first impressions to an incoming tenant making it beneficial to marketing. Unfortunately, this is costly and may not be possible to provide the type of accommodation that the market demands.

The current property market is unpredictable due to the global pandemic, which we cannot ignore. Whilst some people are starting to return back to the office I cannot see serious interest in this type of office accommodation for the foreseeable future.

Due to the amount of residential in the immediate area, there will always be demand for flats and the loss of office accommodation at 31-33 High Holborn would not be detrimental businesses in the vicinity.

## Caveat

This report is exclusively for the addressee in relation to their planning proposals at 31-33 High Holborn and is not to be used for any other purpose. At the time of writing the country has just lifted national restrictions due to the COVID-19 pandemic.

If you require any further information or would like to discuss any of the points raised above, please do not hesitate to contact me.

**Report prepared by Neil Warwick BSc MRICS**

**Kinney Green**

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