



The EPC

A powerful weapon affecting value and disposal?

The Government's consultation paper issued at the end of July now provides details about the practical implementation of the Energy Act 2011 and confirms the intent to uphold Minimum Energy Performance Standards (MEPS) for buildings.

So what does this mean and how does it effect you?

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The EPC

A powerful weapon affecting value and disposal?

So what does this mean and how will it affect you?

As of April 2018, under the Energy Act 2011, it will be illegal to carry out a letting of a property with an EPC rating of F or G. It will be possible to obtain an exemption from the legislation, the options are too detailed to go into here, however they all incur costs and only have a maximum life span of 5 years. A phased introduction looks likely applying the legislation to all existing and new lettings from April 2023. There continues to be questions with no definitive answer as this is still new to the market, with much of the fine detail yet to be set. However regulations are expected to be in place during 2015. These new details have focused attention on those questions that parties should be thinking about now, and not in March 2018.

Landlords

What is going to be the effect on value of not being able to re-let your building?

Do you know realistic costs of the works that can be done to achieve the required improvement?

Are you able to carry out works and get tenants to pay a proportion of these through existing leases and service charges?

Tenants

What will be the cost to your business if you are forced to relocate or are unable to sub-let or assign non-compliant accommodation?

Is your landlord able to utilise existing leases to demand you contribute to improvement works, even if you are not guaranteed to be in occupation after April 2018?



Bank Managers

Are you aware of those clients with properties that will be affected by this? If the market begins to show a reduction in value for properties rated F or G is this going to cause a problem with loan to value ratios?

What do I do now?

Find out if you have a problem by taking professional advice from us at an early stage. If you believe that you will be letting accommodation within your property we can advise you on your best course of action to protect your position, enable you to take stock of what you are holding and give you control of the situation. If you have a rating below an E then you can liaise with us to rectify the problem as appropriate and in accordance with the regulations in an organised and professional manner.

Contact your local office for assistance with:

- Obtaining an EPC certificate, if applicable.
- Undertaking a review of the improvements needed to enhance the rating.
Providing costs and assessing viability.
- Advising who is responsible for the costs
- Providing disposal and valuation advice.

So what is a "Green Lease"?

A Green Lease is a standard lease that includes Green Clauses.

The aim of Green Clauses is to assist parties in running their premises more sustainably. This is done by setting out specific obligations to improve the environmental performance and energy efficiency of the building.

The parties can agree as many obligations as they wish and can even set penalties should specific targets not be achieved.

Green Clauses are not limited to new leases as parties can enter into a supplementary non-legally binding Memorandum of Understanding (MoU) that sits alongside existing leases if they so wish.

The incorporation of Green Clauses into a lease in the UK is not compulsory and therefore uptake has been slow but there are signs that momentum is picking up aided by occupier/owner Corporate Social Responsibility policies, the continued rise of utility costs and the ever increasing amount of environmental policies.

In our opinion, the incorporation of Green Clauses will become standard market practice in the near future as used correctly they will drive tangible benefits to occupiers in the form of reduced energy bills, fulfilling corporate social responsibilities and assisting parties compliance with statutory legal obligations.

Please do not hesitate to contact Nick Corker if you would like to explore the use of Green Clauses.



By Nick Corker
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Head of Landlord and Tenant



Find us on Zoopla!



By Alan Treloar
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Director and Head of
Commercial Agency

As the world becomes increasingly paperless, Vickery Holman's Agency department continue to



spread their marketing campaigns far and wide through the form of Zoopla. "Zoopla is the latest web based property search engine that we have joined forces with after reaping the benefits of our already established relationship with Rightmove." Comments Alan Treloar Head of Commercial Agency. "We have found that enquiries are continuing to increase with a considerable amount of sourcing information from the internet."

The Zoopla launch went live at the beginning of August and as well as these major search engines, all of our properties can still be found on our website vickeryholman.com and are also tweeted @ Vickeryholman.

Alan comments further, "We aren't losing sight of the fact that property is a "people" business and there will always be the need for personal approach. We still find the best way to fully understand a client's requirements is to have a conversation so please feel free to pick up the phone and speak to one of our Commercial Agents for the benefit of our expert local knowledge."

Professional Services Team



Vickery Holman have boosted their Professional Services team with the appointment of Nick Corker as Head of Landlord & Tenant across the firm.

Nick – who joins from the Bristol offices of GVA, is based in the Truro office, working alongside Nicola Murrish.

As a Chartered Surveyor who has operated throughout the West Country for a number of years Nick is familiar with market conditions throughout Devon and Cornwall. He brings with him a wealth of experience in identifying asset enhancement opportunities, asset management, rent reviews, lease renewals, dispute resolution, lease restructuring, lease surrenders, break options and providing general lease advice.

Mark Pellow comments, "Our position as the largest firm of independent property consultants based in Devon & Cornwall has been built on providing expertise locally, a strategy which has served us well since 1846 and Nick's appointment is a perfect fit.

The company has seen an increase in its staffing levels during the recession as a result of providing high quality professional advice to our clients which has enabled us to emerge with a larger market share. The challenge now is to build on this success."

BREEAM ... Excellent!



By Neil Stubbs
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Commercial Agent

The South West's largest distributor of medical devices has become the first company to buy into the "3 Truro" work zone at Threemilestone – with other firms in the wings to claim their part of a £5.5 million concept set to revolutionise 'out of town'.

'3 Truro' is the first speculative employment-space development in the Truro area in almost two decades – and CJ Medical will be expanding into over 2,000 sq ft of it by the end of the year.

The high quality of 3 Truro with its flexible space, cool community feel, wi-fied café, landscaped grounds and improved access has been made possible by backing of more than £3 million from the European Regional Development Fund Convergence Programme.

When completed the new landmark buildings of office and hybrid industrial space, combining great design with the highest BREEAM eco-credentials, are forecast to provide for more than 130 jobs across 36,788 sq ft of work space.

"The space we've chosen exactly fits our needs," says CJ Medical's Charles Reynolds. "We'll have all the benefits of being just a couple of minutes from the A30 and 10 minutes from Truro which is perfect for our transport requirements, but it'll also be a very appealing place to work too."



"It's a rarity to be able to buy space like this, we've been looking for the right place for a number of years and there has been plenty to rent, but for sound investment reasons it makes much more sense for us to buy."

The 3 Truro concept has been devised by Walker Threemilestone and Vickery Holman's Development Services team in Truro, following in-depth research and consultation on what growing businesses need and want.

Landscaped grounds and street art will create the "oasis" which will embellish the surrounding countryside rather than creating a blot. Improved road access and parking will make lives easier for travellers – although 3 Truro's community of workers will benefit from proximity to the Truro Park and Ride and a bank of secure bike stores. "We are so pleased that ambitious, international businesses like CJ Medical really "get" what we are doing here at 3 Truro and none of it would have been possible without the support of the ERDF Convergence team,"

says Maureen Walker, owner and co-developer of the site.

"Building the real quality required for Cornwall's future knowledge economy in today's market would simply not be viable without that support – that's why developments like ours are so rare."

Vickery Holman's Greg Oldrieve adds, "We're speculating that the quality and style of our "3 Truro" build is going to prove very popular in the future. But the costs of building that quality is not currently reflected in the market values of the finished buildings, hence the need for the ERDF grant that bridges the gap between cost and value making it viable."

We believe that these buildings will fetch premium values in the future which is why they represent such a great investment now."

For more on the 3 Truro concept please contact Neil Stubbs.

Right approach = Right value

With 13 Registered Valuers working across the entire South West it should not be a surprise that we are already seeing the effect of the Energy Act 2011, which as you know will prohibit new lettings in residential and commercial property from April 2018 where the EPC rating is F or G.

There is, as yet, no formal approved guidance on methodology and certainly we have seen a large difference in approach taken by other valuers. In some cases other valuers have taken a strict view of ruling out any rental income after April 2018 which has an understandably significant effect on the value reported. In many cases property owners are not aware of the implication of the Act so even with early warning through the valuation

process they are left with a sudden, large reduction in value. At Vickery Holman we use the benefit of our multi disciplinary practice to ensure we produce a more realistic value for an affected property, which we believe the market would reflect too.

In the case of a property which would be subject to the legislation we will liaise with our building surveying colleagues who have practical, up-to-date knowledge of



By Robert Beale
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Head of Valuation

building construction technology to devise a brief list of works that could be carried out to produce the E rating required to unlock the full market value. These works can then be approximately costed using not only standardised cost bases but also through the day to day tendering carried out by Vickery Holman to ensure a realistic cost estimate is produced. The valuation of the property can then be altered reflecting these required works so still showing a lower value than if it were Band E already but certainly a lot higher than adopting the stricter approach of no income from April 2018.

With a suggested 20% of the UK commercial market likely to be rated below E there is scope for a large amount of problems in the next four years. Our advice is to be aware of what you own so that you can pro-actively put the property in order before the valuer next comes calling.

Contact your local office for further information.



A mark of recognition from Local Authority Building Control



Vickery Holman were recently nominated for three educational buildings they have undertaken the project management for. The buildings include:-

- Monterey House a purpose built facility for supported education of Autistic children.
- St Mary's School reconfiguration to the front of the building including playground and reception areas.
- Coombe Dean Sports Centre, providing a facility for both local community and students attending the college.

Although we did not win any of the awards the prestigious nominations were a great recognition for our Project Managers.

Vickery Holman achieves environmental accreditation for the third year running



By Dennis Venn
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Director & Head of Building Surveying



International standards ISO 14001 (Environmental Management Systems) and 19001 (Quality Management Systems) have been achieved by Vickery Holman for the third year running.

Vickery Holman has invested in their company ICT infrastructure and have put in place procedures which achieve high standard processes adopted across the firm and also means that internal policies are adopted by all employees to ensure the best quality product is delivered by all.

We intend to continue to work to these high standards and where possible reduce our carbon footprint to maximise sustainability.

Green Services provided

- BREEAM Assessment
- Advice on Green Leases
- Obtaining EPC Certificates
- Advice on how EPC changes may affect you
- Project Management to ensure Green Standards
- Valuation advice



And on the theme of re-Cycling

Vickery Holman recently hosted their third annual Trailquest cycling event at Bissoe Bike Hire and Café. With a series of checkpoints scattered from Portreath to Feock participants could choose to try to find as many (or as few!) as they wished, before returning for a pasty and refreshments prior to the charity raffle in aid of Cornwall Wildlife Trust.

Neil Stubbs of Vickery Holman commented "The event went very well – we were spoilt by the good weather for the third year running and I think all of our staff and guests enjoyed the event. We look forward to seeing everybody again next year!"

Continuing on the sporting theme, some of the Vickery Holman employees used the event for some extra training. On 4th July they took part in the JLL Property Triathlon, one of the biggest in the country, and in doing so raised money for The Samaritans. The event was held in and around the lake at Eton Dorney – made famous as being the location of the rowing events at the 2012 London Olympics.

Well done to all those who took part!



Service Awards

Greg Oldrieve
25 years

As one of the founding members of Vickery Holman, Greg served as Managing Director until recent years when he passed the role to Mark Pellow.



Rob Gibson
25 years

Rob joined VH as part of the ETS scheme 25 years ago and now resides in our accounts department as Finance Manager and Company Secretary.



Mark Pellow



Dennis Venn

15 years

Both current Directors of VH, Mark with responsibilities of Managing Director and Dennis heading up Building Surveying as well as Service Delivery for the company.



Nicola Murrish
Professional Services



Laura Hathaway
Envoy Property Management



Richard Rhodes
Construction Management



Katie Gordon
HR Manager

New Starters



Stefan Parkins
Envoy Property Management
Truro

VH Baby Congratulations!

Laura and Anthony Eke
on the birth of Darcey Eke

Laura Hathaway and Husband
on the birth of Esme Hathaway

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FOR SALE

RARE OPPORTUNITY

Newport Ind Est, Launceston
Breakers yard and premises
Large warehouse plus stone barn
Site area approx. 0.71 HA (1.76 ACRES)

£575,000



TO LET

PART STRALFORS PREMISES

Cardrew Ind Est, Redruth
Surplus industrial and office space
Modern warehouse building
From circa 920 sq m (9,903 sq ft)

£5 per sq ft pax



FOR SALE

PLOT WITH PP FOR 6 BUNGALOWS

St Merryn Park, Padstow
Popular residential and holiday location
Access to park facilities
0.14 HA (0.34 ACRES)

£250,000



TO LET

RETAIL PREMISES AND FLAT

Killigrew Street, Falmouth
Prominent location with stores
2 bed maisonette
Retail area 59 sq m (633 sq ft)

£12,500 pax



TO LET/MAY SELL

ATTRACTIVE LOCATION

Quayside, Mevagissey
Extensive ground floor shop
Plus 5 long leasehold flats above

227.5 sq m (2,449 sq ft)

£25,000 pax



TO LET

REFURBISHED OFFICES

Threemilestone, Truro
Popular location
Good levels of car parking

208 sq m (2,236 sq ft)

£24,500 pax



TO LET

PRIME RETAIL PREMISES

Market Jew Street, Penzance
Open plan shop
Store room, kitchen and WCs to first floor

140 sq m (1,504 sq ft)

£20,000 pax



TO LET

TWO STOREY OFFICE BUILDING

Newham Road, Truro
Up to 9 parking spaces
Popular office location

154 sq m (1,662 sq ft)

£17,500 pax

PLYMOUTH OFFICE / t: 01752 261811 / e: plymouth@vickeryholman.com



FOR SALE

OFFICE WITH DEVELOPMENT POTENTIAL

Royal Building, St Andrews Cross, Plymouth
City Centre. Previous conditional planning consent to convert to residential
2833 sq m (30,495 sq ft)

£2 million

Joint agents with Stratton Creber Commercial



TO LET

INDUSTRIAL UNIT

Unit B, Armada Point, Estover Road, Plymouth
Parking to front and side. Modern unit
Ground and first floor offices

663.7 sq m (7,141 sq ft)

£33,000 pax



TO LET

GROUND FLOOR OFFICE

Suite 1, Ground Floor Block A, Ashleigh Way, Langage
Open plan. Recently redecorated throughout. 6 onsite car parking spaces

139.7 sq m (1,503 sq ft)

£17,000 pax



FOR SALE / TO LET

CITY CENTRE SHOPS

95 & 97A Cornwall Street, Plymouth
Two separate self-contained shops with first floor stores/offices
95: 127.7 sq m (1,374 sq ft)
97A: 142 sq m (1,532 sq ft)

From £14,250 pax
£125,000 each for the long leasehold



FOR SALE / TO LET

INDUSTRIAL UNIT IN TAVISTOCK

Unit C, Crelake Industrial Estate, Pixon Lane, Tavistock
Ample on site car parking
Close to town centre
324 sq m (3,487 sq ft)

£20,000 pax

£250,000 for the long leasehold

Joint agents with Simon Powell Commercial



TO LET

CITY CENTRE OFFICES

Cobourg House, Mayflower Street, Plymouth
Ground and third floor suites available
Flexible space to suit tenants requirements
On site car parking available
From 54.7 sq m (589 sq ft)
to 629.4 sq m (6,775 sq ft)

From £6,000 pax
to £74,650 pax



FOR SALE

CITY CENTRE REDEVELOPMENT OPPORTUNITY

St Andrews Court, St Andrews Street, Plymouth
Potential to refurbish for a range of uses
Approval for conversion to residential
Current income of £105,583 per annum
2,718 sq m (29,249 sq ft)

£1.8 million for the long leasehold



FOR SALE / TO LET

ICONIC AWARD WINNING BUILDING

The Ship, Brest Road, Derriford, Plymouth
Office and industrial space. Can be split
Suitable for a variety of uses

10,703 sq m (115,210 sq ft)

£5 million

Joint agents with Colliers International

EXETER OFFICE / t: 01392 203010 / e: exeter@vickeryholman.com



TO LET

2 RETAIL UNITS IN PRIME POSITION

33 & 33a Courtenay Street, Newton Abbot
In close vicinity to Halifax, Boots, Poundland, HSBC and Iceland

279-175 sq m (300- 1,884 sq ft)

£17,500- £37,000 pax



TO LET

SUPERBLY LOCATED INDUSTRIAL UNIT

26a Marsh Green Road West, Marsh Barton
Well presented flexible space
2 car parking spaces

196 sq m (2,110 sq ft)

£10,950 pax



TO LET

GREAT STARTER UNIT ON EXETER'S MARSH BARTON ESTATE

4 Cofton Road, Marsh Barton
Easily accessible location, good parking, flexible new lease available

118 sq m (1,270 sq ft)

£8,500 pax



TO LET

SUPERB INVESTMENT IN BRIXHAM HIGH STREET

44 Fore Street, Brixham
Ground floor retail unit to let
Car park at rear yielding additional income

48.3 sq m (520 sq ft)

£249,950



TO LET

PRIME PITCH IN TORQUAY

Ground Floor & Gallery Units, Fleet Walk Shopping Centre
Range of national and regional occupiers include TK Maxx, Animal, Salt Rock
Range of sizes available

Rent on Application



FOR SALE / TO LET

REFURBISHED QUALITY BUSINESS UNITS

Dartmouth Business Park
Amalgamated for larger users /onsite parking
From 112.9 sq m (1,215 sq ft)
To 560.7 sq m (6,036 sq ft)

From £7,600 pax
From £109,000



TO LET

LANDMARK HIGH QUALITY OFFICES IN PRIME LOCATION

Milford House, Pynes Hill, Exeter
Occupiers include Aviva, BPA Quality and Babcock
Only 260 sq m (2,800 sq ft) considered

Rent on Application



TO LET

PRESTIGIOUS OFFICE SPACE

23 Southernhay West, Exeter
Available on a new flexible lease
Central Exeter, close to Princesshay
32.5 - 67.5 sq m (350 - 727 sq ft)

£3,000- £9,800 pax

Follow us on twitter @vickeryholman

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