

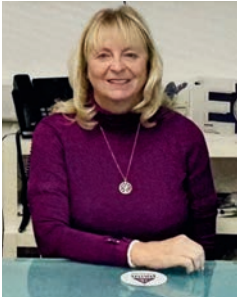
property focus

BUILDING ON SUCCESS SINCE 2007

SPRING 2023 ISSUE



penn[®]
commercial



In the Budget, it was made clear that the UK is not going to enter a recession in 2023; however, the commercial property market will still be challenging, with high interest rates and energy costs.

The return to the office has been gradual and

Grade A office space will be much more in demand to offset home-working.

The industrial and logistics sector should continue its robust performance, although e-commerce has slowed, affecting some developments.

The rating revaluation on 1st April 2023 has been based on rental value of properties as at 1st April 2021, and it's likely that the industrial and logistics sector will see increases, as there has been significant rental growth between 2015 and the valuation date of April 2021.

We anticipate that leasing activity will continue throughout this year, but some development sites may be mothballed until build costs flatten out and yields return.

Freehold property remains in high demand across all sectors amongst businesses looking for long-term security.

Our Property Management division goes from strength to strength, with more clients requiring advice for new EPC regulations and sustainability.

We have commenced 2023 with the sale of a prominent central Ipswich office investment, and we are celebrating being named one of Suffolk's most active agents in EG's 'On-Demand Rankings' for 2022.

Looking forward, Penn is pleased to have won new prestige office instructions in Colchester, a 46,000 sq ft residential institution just outside Diss, and East Anglia Logistics Hub in Snetterton.

We are committed to expanding our geographical reach into new areas and creating new partnerships in 2023, and we look forward to working on some exciting new instructions and projects as the year progresses.

Vanessa Penn
Managing Director

Kesgrave Karate champion Amelia Clow receives Penn sponsorship



Penn Commercial is pleased to be the new sponsor of Amelia Clow, 18, a Black Belt Karate champion from Kesgrave, Suffolk, who has been a member of the Under 21s England National Karate Team since August 2021.

Amelia has been practising Karate for 11 years and started her journey at Northgate & Associated Karate Clubs in Kesgrave and is now also a keen instructor and coach for local students.

Most recently, Amelia celebrated winning Bronze in the British 4 Nations in Scotland and Silver in the UK Open in Warwick. In Autumn 2022, she came fifth in the Karate Club Commonwealth and achieved bronze at the Irish International Open in Dublin. She was placed 13th overall in the U21 Cup in Venice in December 2022, and also took part in her first senior event in January this year, the Karate 1 Series A event in Athens, Greece.

Amelia is currently studying for her A Levels at St Albans Catholic High School, where she is Head Girl, and is interested in going on to University, possibly to pursue Business Studies.

Amelia, who has been entirely self-funded, approached Penn Commercial through a connection with her father, local businessman, Chris. Penn has signed a 12-month agreement to sponsor Amelia's kit – including her 'Kata gi', the formal Karate uniform worn to demonstrate the Kata style. Penn will also be assisting Amelia with UK and international travel costs.

Vanessa Penn, Managing Director of Penn Commercial, said:

"To become a leading commercial property agent, you have to show determination, persistence and the ability to think on your feet, which are all skills that Amelia manifests in the course of her Karate career, as well as in her various personal interests."

Amelia Clow commented:

"I am incredibly excited to work with Penn Commercial. With their sponsorship, I am hoping to take up more opportunities to compete in the new season, constantly developing my skills and abilities."

In her spare time, Amelia volunteers in a local dementia care home, and shares her Karate career with her growing number of followers on Instagram.

Penn transacts the most space of any Suffolk agent in 2022

Suffolk: Top contributors

2022

Agent	Space transacted (sq ft)	Number of deals
Penn Commercial	544,935	59
Bidwells	345,011	6
Fenn Wright	231,367	66
Eddisons	134,590	30
Knight Frank LLP	114,730	1
Cheffins	103,452	11

Penn Commercial is celebrating being confirmed as one of Suffolk's leading commercial property agents in EG's 'On-Demand Rankings' for 2022, covering industrial, retail and office sales and lettings throughout the year, having transacted 544,935 square feet across 59 deals – the most space of any agent in the county.

Penn was also named third most active agent in East Anglia for both retail and industrial.

The rankings, based on data supplied directly by the EG Radius community of agents, show which agents have been the most active across the UK.

Associate Robin Cousins has also been named seventh highest-achieving commercial property agent in the East of England in 2022, with a total of 34 deals covering 84,760 square feet.

Vanessa Penn, Managing Director of Penn Commercial, said:

"We are delighted with our achievements in 2022, with some interesting deals across East Anglia – a great way to celebrate our fifteenth year of trading."

INCLUDED IN THIS ISSUE:

Post-Budget insights and predictions at Penn's 'Board Room Lunch' ▶

Breaking new ground ▶

Making your property our priority ▶

Transactions & New Instructions ▶

STRONG DEMAND ACROSS ALL SECTORS – FREEHOLD & LEASEHOLD

We are finding that across all markets – retail, office and industrial – there is a surplus of high-quality tenants and purchasers and a lack of stock. So, if you have any new instructions, please let us know. Attractive yields available.

'Permitted Development Rights' – the dos and don'ts for commercial properties

Nikki O'Hagan, Head of Planning Appeals, Heritage & Policy at Planning Direct – a Penn Affiliate partner – explains some of the rights relating to 'Permitted Development' of commercial properties.

CAN I MAKE PHYSICAL CHANGES TO MY COMMERCIAL PROPERTY WITHOUT APPLYING FOR PLANNING PERMISSION?

The general rule is: if you want to undertake 'development' on any site in England, which includes most building works, you need to seek and secure planning permission first.

However, the Government has also adopted legislation that grants formal planning permission to certain, specified types of development. If you wish to undertake one of these 'Permitted Developments' (PDs), you won't need to apply for planning permission and, in most cases, you can just get on and build (Building Regulations notwithstanding).

Most commercial sites and buildings possess the rights to carry out at least some PD, including new hard surfaces, such as driveways and patios, new gates, walls and fences and new solar panel installations.

In all cases, there are specific rules and restrictions with which your PD must comply, as outlined in The Town and Country Planning (General Permitted Development) (England) Order 2015.

In this article, we have chosen to focus only on PD relating to 'Class E' commercial sites, which covers

premises such as shops, banks, estate agencies, restaurants, cafés, offices, medical centres, crèches, indoor gyms, sports centres and hairdressing salons.

WHAT SORTS OF CHANGES CAN I MAKE?

Gates, fences and walls

Most Class E commercial sites have the Permitted Development Right (PDR) to construct, alter, maintain or improve gates, fences and walls, as long as they do not exceed 1 metre in height, if located next to a road, or 2 metres in height, if located elsewhere.

If you are maintaining, improving or altering an existing gate, fence or wall that already exceeds these heights, you must not increase its height. This right does not apply to Listed buildings.

Moveable structures

This new PDR was introduced in 2022, and applies to most Class E commercial sites. There are some restrictions on the size and position of the structure; for example, it cannot be located within two metres of a residential site, it cannot exceed three metres in height, and its footprint must be no greater than 50 m² or 50% of the commercial building's own footprint (whichever is smaller). This right does not apply to Listed buildings.

Extensions

Smaller Class E commercial buildings have the PDR to construct new extensions at the side and/or rear, subject to certain regulations and restrictions. For example, the extension cannot extend the gross floor space of the building by more than 50% or 100 m² (whichever is smaller). It cannot be within two metres of the property boundary and it cannot involve the installation of a security grill/shutter, shopfront or balcony.

This right does not apply in Areas of Outstanding Natural Beauty (AONBs) or Conservation Areas, nor to Listed buildings, buildings exceeding 4m in height or buildings that neighbour residential properties.

ARE THERE ANY EXCEPTIONS?

Some exceptions are written into the rules themselves. For example, most of the PDRs held by Class E commercial sites exclude Listed buildings. In fact, if you wish to make changes to a Listed building, you will normally require Listed Building Consent, even if planning permission is not required.

It is important that you read carefully and interpret accurately the rules for your PD, including any exceptions.

There are two other ways that local Councils can remove, or restrict, PDRs from Class E commercial sites:

1) *Applying a condition to a grant of planning consent*

It is always very important that you check your site's modern planning history to confirm that its PDRs haven't been removed by condition.

2) *Making an Article 4 Direction*

Article 4 Directions generally remove PDRs from multiple streets or buildings, and should only be introduced where there is a good reason. They are common in Conservation Areas.

You should always confirm with your local Council that there are no Article 4 Directions in place before you carry out a PD.

DO I NEED TO SUBMIT ANY FORM OF APPLICATION OR NOTIFY MY LOCAL COUNCIL?

Most PDs can be carried out without any need to submit a planning application, nor to notify the Planning Department. However, it is always advisable to seek a Lawful Development Certificate (LDC) before you start building.

This is because the rules on PD change frequently and can be removed or restricted with little notice. Some rules are also open to interpretation, which means that there could be a risk that your local Council will not agree that your development complies.

An LDC will provide formal confirmation that your development is 'permitted' – therefore lawful – and is likely to be required, should you wish to sell the property in the future. An LDC is relatively inexpensive to secure, with a maximum fee of £231 to the local Planning Department.

IN PRACTICE:

The owners of a popular town centre cafe/restaurant wish to re-landscape their grounds to provide a larger car park and a new garden shelter for patrons. The works also involve the construction of new fences around the site perimeter.

The owners make an LDC application to their local Council to confirm that the works are PD before they commence. The local Council responds that, although the new car park and garden shelter would be PD, the fences would not, as this PDR has been removed from the street by an Article 4 Direction.

The owners decide not to proceed with the new fences at this time, and begin works on the extended car park and garden shelter only. If they choose to install new fences in future, they'll need to seek and secure planning permission first.

If the owners had not applied for an LDC and had installed the fences in the absence of planning permission, it's very likely that they would have faced costly and time-consuming enforcement action.

To find out more about 'Permitted Development Rights' relating to your commercial property, please contact Planning Direct at www.planningdirect.co.uk enquiries@planningdirect.co.uk / 01473 407911 The Furnace, The Maltings, Princes Street, Ipswich, Suffolk IP1 1SB.

SUMMER OPEN GARDENS

Green-fingered gardener Vanessa Penn will once again be opening her garden to the public this June, with all proceeds going to St Peter's Church, Freston. Please do pop along for some Summer colour!

SUNDAY 18TH JUNE 2023, 12PM - 4PM

SUMMER OPEN GARDENS

Hillside and Owl Cottage, Freston

Teas and plant sales

Entry fee £5 adults, children under 12 free
ALL PROCEEDS TO ST PETER'S CHURCH, FRESTON



*We took the opportunity to meet the **Ellisons Solicitors** team for an informal business lunch at their impressive Bury St Edmunds offices in Kings Street on 27th March. Thanks for the insights and the kind hospitality.*

BREAKING NEW GROUND

As we look to grow our outreach across the region, we have been pleased to be appointed to represent two new clients in Norfolk and Essex.

NEEB HOLDINGS LTD, COLCHESTER



Penn Commercial is pleased to be partnering with Colchester-based property developer NEEB Holdings Ltd as joint agent to promote its high-quality office portfolio across North Essex.

Penn has been brought on board to add its 15-year experience to marketing NEEB Holdings' extensive office portfolio to let in Colchester, which includes: The Willows, Phase II Apex 12; The Oaks, Apex 12; 7 Phoenix Square; and The Tower, Phoenix Square.

The Willows is a brand-new, purpose-built development of seven Class A prestige office units to let, from 139 to 7292 sq m / 1,494 to 3,148 sq ft, which forms part of Phase II of the Apex 12 development in Old Ipswich Road.

Ideal for those looking for high-quality office space on the outskirts of Colchester, or just a short journey along the A12 from Ipswich, features include:

- ✓ Self-contained offices
- ✓ Flexible open plan space
- ✓ LED lighting and raised floors
- ✓ Air conditioning / heating
- ✓ Generous on-site car parking
- ✓ EV charging
- ✓ Adjacent to Junction 29 A12 / A120

To find out more about NEEB Holdings, go to <https://neeb.co.uk/>

EAST ANGLIA LOGISTICS HUB

Penn Commercial is excited to be working with the team at Boudica Developments to market East Anglia Logistics Hub at Snetterton, Norfolk NR16 2FB.

Offering Build-to-Suit options from 30,000 to 1,600,000 sq ft, with outline planning consent for up to 220,000 sq ft on 12.75 acres, in a variety of configurations. Freehold, leasehold and turnkey options available.

There is additional expansion land of 20 acres (Phase 2), capable of delivering units ranging from 30,000 to 380,000 sq ft. Freehold, leasehold and turnkey options are available.

- ✓ With immediate access off the A11
- ✓ Strategic gateway to Cambridge, Norwich and the wider UK highways network
- ✓ Located near to the A14, the UK's premier East/West highway
- ✓ Easy access to the 'Golden Triangle' of the M1, M6 and M42
- ✓ Convenient for the Port of Felixstowe, Britain's biggest and busiest container port

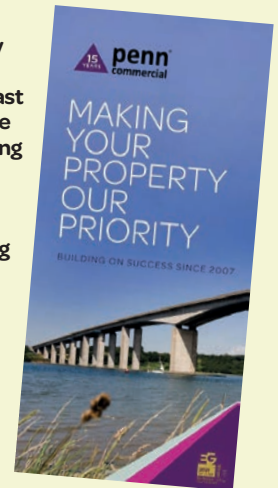
To find out more, visit www.ealogisticshub.co.uk



MAKING YOUR PROPERTY OUR PRIORITY

We manage assets owned by property companies and investors across East Anglia, and we pride ourselves on offering a personal service, getting to know both Landlord and Tenant and working as an intermediary to complement the relationship between them. Services can be tailored to the client's exact requirements.

To find out more about how we can help you to make the most of your property, please contact **Paul Keen on 01473 211933 / paul@penncommercial.co.uk**



We welcomed **Elliott Drewell** at the end of last year, as Property and Maintenance Assistant. His day-to-day responsibilities include facilities, Health & Safety, risk assessments and ongoing repairs, as well as the coordination and general supervision of contractors.



Many thanks to client **OMC Investments** for their kind generosity in inviting the Penn team on a tour of their historic Grade II* Listed Grey Friars Hotel in Colchester on 19th April, followed by a delicious afternoon tea in The Salon. We were all thoroughly spoilt!

Transactions & New Instructions

Penn Commercial has been proactive in a number of transactions and new instructions:

TRANSACTIONS

INVESTMENT SALE:



The Maltings, Ipswich, Suffolk
Penn Commercial has completed the successful investment sale of The Maltings, in Ipswich's Princes Street. Penn has also managed the letting of the well-appointed Grade A offices, and the building is now home to a number of insurance companies, a planning consultant, Network Rail and a financial services company.

LET:



Units 5 & 6, Suffolk Central Business Park, Stowmarket, Suffolk
Penn Commercial arranged the letting of two spacious office buildings – Units 5 and 6 – at Suffolk Central Business Park to Aaron Services, acting on behalf of client RLMH Commercial. The two Ground and First Floor office units cover a total area of 464.5 sq m (5,000 sq ft).

LET:



34 Orwell Road, Felixstowe, Suffolk
Fox + Bramble has opened its new baby boutique in Felixstowe and is enjoying brisk business. Acting for client Gerry Dunlavy, Penn was able to find owner Sarah Blanchard her dream premises in this thriving seaside town, mirroring the high-quality fit-out of their Ipswich store in St Peter's Street.

SOLD:



Knapton House, Lower Brook Street, Ipswich, Suffolk
Penn Commercial has negotiated the sale of this stunning four-storey Grade II Listed town centre office building, covering a total area of ca. 445.92 sq m (4,800 sq ft), for medical use.

NEW INSTRUCTIONS

INVESTMENT SALE:



York House, Hamilton Road, Felixstowe, Suffolk
Mixed-use property, with future redevelopment potential. Total area ca. 18,909 sq ft / 1,757 sq m NIA. Fronting onto the High Street, the office accommodation is arranged in cellular units across the First and Second Floors, and the ground floor holds two large retail spaces, with a total of 32 parking spaces at the rear in a private car park.


FOR SALE / TO LET:



2 Sorrel Horse Mews, Grimwade Street, Ipswich, Suffolk

- Approx 212 sq m (2,360 sq ft) over three floors, available immediately
- Self-contained Ground, First, and Second floor offices
- Grade II Listed timber-framed property
- For Sale, with vacant possession, at a price of £275,000
- To Let on new lease terms, at a rent of £25,000 per annum exclusive

TO LET:



St John's House, Lion Road, Palgrave, Diss, Norfolk

- Approx 4,319.85 sq m (46,500 sq ft)
- Former mental health care facility, with period buildings, enclosed by purpose-built unit
- Situated just off the Bury Road (A143), on the corner of Lion Road
- Three miles from Diss
- Would suit various uses STPP
- To let on new lease terms, at a rent of £325,000 per annum exclusive

TO LET:



26-32 Carr Street, Ipswich, Suffolk
This large retail unit (formerly Poundland) of ca. 2,419.55 sq m (26,044 sq ft) offers versatile open plan floor space, with a prominent entrance in a high-footfall town centre location. Would suit various uses, STPP.

POST-BUDGET PREDICTIONS AT PENN'S 'BOARD ROOM LUNCH'

Penn Commercial was pleased to host its first 'Board Room Lunch' of 2023 at Milsoms Dedham on 22nd March, attended by representatives from a number of key sectors, including solicitors, architects, developers and planning consultants.

The event carried a post-Budget theme, with expert financial insights from guest speakers David King, of Penn Affiliate partner Guymer King, and Martin Williams of OakNorth Bank, who gave the group a topical analysis of recent dramatic developments in the banking sector, and his personal predictions for the economic climate moving forward.

Following the success of this Lunch, Penn is aiming to host a further such event later in the year.



PENN AFFILIATES

We recommend using our business affiliate partners, who offer a variety of services to our clients...

- | | |
|--|----------------------------|
| Ellisons Solicitors | Lucid Systems |
| Eric Dines Carpets & Flooring | Office IS Solutions |
| Fusion Sign Systems | Planning Direct |
| Guymer King | Trebuchet Creative |
| Heronbuild | WM Brokers |