

property focus

BUILDING ON SUCCESS SINCE 2007

WINTER 2024 ISSUE



Christmas is fast approaching and so in this Winter newsletter we review 2024.

Penn Commercial was involved in the third largest logistics deal in the UK over the Summer, with the letting of Orwell Logistics Park to Sizewell C. The overall scheme will be one million square feet when fully completed in 2025.

Penn has also negotiated other property deals with Sizewell-related contractors, and this activity looks set to continue throughout 2025 and beyond, as the project progresses to the next stages.

In terms of investment yields, we anticipate these improving next year, and one deal has already been done at 3.3% in the North, so yields have come back in positive occupier sentiment.

Rental values in Suffolk continue to increase, with industrial rents standing at £11.25 per sq ft and freehold values at £220 sq ft.

For new build, town centre Grade A office accommodation, headline rents stand at £22 per sq ft, with prime retail in Ipswich decreasing to around £60 Zone A, from the heady days of £140 in the Tavern Street area.

Research also suggests that 3PL, retail and manufacturing sectors remain key demand-drivers, accounting for over 60% of total take-up in Q3 2024.

More generally, there is a lot of noise around Biodiversity Net Gain and its impacts on future developments (see page 4).

Outlined in this newsletter are some of the new instructions that we have won this year, including Waterfront House, Access @ Eastern Gateway, Sailmakers Shopping Centre, Trafalgar House, Carlton Park, Masterlord Leiston, VW Stowmarket, Lion Barn Needham Market and Rockford House.

Our Property Management Department continues to expand, and we have invested in the latest Re-Leased software to provide greater efficiencies for our Landlords and Tenants (read more on page 3). With new regulations and



The Penn team pictured at the Helmingham Hall Illuminated Garden Trail on 28th November.

compliance being top of the agenda, we are finding that more and more time-poor clients are turning to professionals to manage their portfolios, both large and small.

Looking forward to 2025, we envisage another busy year, and we are also considering that there may be some casualties of the new Budget, in terms of the minimum wage increase and National Insurance ramping up costs for employers, and hence them cutting back on expansion plans, recruitment and – worst case scenario – closing their doors.

We continue to build our team at Penn Commercial, and we welcome Elliot Miller to our Property Management team (find out more on page 3). We have launched our 'virtual' Norfolk office to give us greater presence in that part of the world, where we have a number of established clients.

All at Penn Commercial wish you a very merry Christmas and prosperous and healthy 2025. Thanks for your continued support.

Vanessa Penn
Managing Director, Penn Commercial

NEW 'VIRTUAL' NORFOLK OFFICE

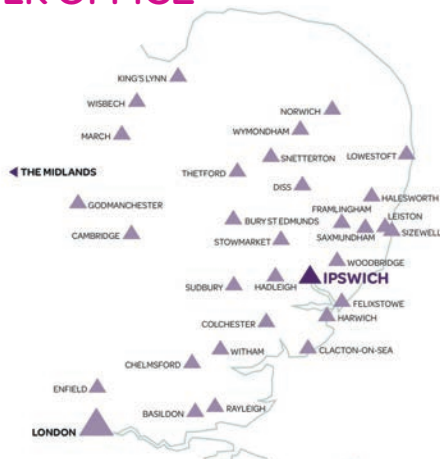
Penn Commercial has launched a new 'virtual' Norfolk office, to further enhance its services and offering across the county.

Penn has partnered with long-standing client, Reads Property Developments Limited – based in Diss – to provide a dedicated contact centre for enquiries within Norfolk, from lettings to full property management.

Penn has created a new dedicated section of its website to profile its available properties and services in Norfolk, at <https://www.penncommercial.co.uk/norfolk/our-involvement>.

Telephone Number: 01379 768003

Penn Commercial, Diss Business Hub, Hopper Way, Diss, Norfolk IP22 4GT



PENN COMMERCIAL APPOINTED AS JOINT AGENT FOR IPSWICH'S ACCESS @ EASTERN GATEWAY SCHEME



Penn Commercial is delighted to be appointed as the joint marketing agent – alongside Lambert Smith Hampton and Savills – by Trebor Developments LLP / Hillwood, to promote the 'Access @ Eastern Gateway' industrial / distribution scheme, along Ipswich's Sproughton Road.

The development offers 1,198 – 4,876 sq m (12,987 – 52,491 sq ft) of ready-to-occupy industrial and logistics space, with one unit already let.

The remaining four units are ready for immediate occupation, with unrestricted B2 and B8 employment uses:

- Unit 4: 52,491 sq ft / 4,876.57 sq m
- Unit 5: 44,022 sq ft / 4,089.78 sq m
- Unit 6a: 12,897 sq ft / 1,198.17 sq m
- Unit 6b: 18,233 sq ft / 1,693.90 sq m

The fully speculative multi-unit development has been built to the highest specification, including BREEAM 'Excellent' certification.

To find out more about Access @ Eastern Gateway, go to <https://accesseasterngateway.co.uk/>

PRESTIGIOUS COSTAR AWARD FOR PENN



Penn Commercial was proud to receive the coveted trophy for CoStar's Office Award Most Active Single Branch Agency Acquisitions & Disposals 2024 in its prestigious annual awards earlier this year.

INCLUDED IN THIS ISSUE:

- Penn appointed agent for Access @ Eastern Gateway 1
- Autumn 'Board Room Lunch' 2
- Orwell Logistics Park: Nearly 2 decades in the making 3
- Transactions & New Instructions 4



Penn Commercial celebrated its second year as a major sponsor of The Suffolk Punch Trust, with a donation of £1,000 at its site at Hollesley, outside Woodbridge, on 25th September.

PENN COMMERCIAL RETURNS TO COLCHESTER'S GREYFRIARS HOTEL FOR SUCCESSFUL AUTUMN 'BOARD ROOM LUNCH'



At Penn, we firmly believe in the power of personal and professional connections, and we were pleased to welcome friends and colleagues from the various sectors with whom we work at our Autumn 'Board Room Lunch' on 15th October, held once again at the excellent GreyFriars Hotel in Colchester.

James Palmer of the Eastern Powerhouse talked us through the plans to lobby for enhanced funding for the East, with wider national recognition of our strategic importance and the need for a longer-term spatial strategy for our region, to align transport and housing plans over a 20-to-30-year period.

Ian Currie of Suffolk Chamber of Commerce Sizewell C Supply Chain also outlined the time frame for the ambitious nuclear scheme on our doorstep, with opportunities for local businesses to benefit at every stage of the project.

We were also grateful to long-standing client, OMC Investments, and their attentive staff for making us very welcome at their impressive Grade II*/ Grade II-Listed hotel on East Hill in Colchester.



UNIT 3 LAWN PARK BUSINESS CENTRE, WOOLPIT SOLD TO AIV EUROPE LIMITED

Penn Commercial has been involved in the Design & Build of Unit 3, Lawn Park Business Centre, Woolpit, near Bury St Edmunds, Suffolk on behalf of a long-standing client to AIV Europe Limited. The warehouse unit comprises approximately 3,839.83 sq m (41,333 sq ft) with offices of 527.95 sq m (5,683 sq ft).

Other notable occupiers on the site are Precon Products in Unit 1 and Bacton Transport in Unit 2.

Established in 1991, AIV is a global master distributor of high-quality valves and actuators, serving as a trusted resource for the oil and gas, refining, chemical, petrochemical, power, pulp and paper and water treatment industries.

Lawn Park Business Centre lies in a prominent location adjacent to the A14, equidistant from Bury St Edmunds and Stowmarket, with excellent road access to the Port of Felixstowe, Harwich International Port and the national motorway network.

This year saw the sad passing of one of Penn's longest-standing clients and good friend, Peter Colby.

Peter and Vanessa Penn worked together for many years, and the Penn team were proud to pay tribute to Peter and his impressive achievements at his Memorial Service at Wymondham Abbey in February. "To a great man, mentor and friend."

Whilst Peter is much missed, Penn continues to support Peter Colby Commercials and manages its property portfolio across Suffolk.



60,000 sq ft of warehouse/distribution space at Dooley Road, Felixstowe just let to Cargo Secure.



ORWELL LOGISTICS PARK: NEARLY TWO DECADES IN THE MAKING

In 2007, Vanessa Penn started out on an epic journey at Orwell Crossing, Nacton with her embryonic new agency, Penn Commercial.

17 years on, Penn Commercial was a joint agent in the successful letting of the whole site to Sizewell C Limited in Summer 2024, in what is the third largest logistics deal in the UK this year.

Here, we retrace the steps...

- 2007** First discussions took place regarding the lorry park and land.
- 2012** Penn Commercial received sole agency instructions from the vendor to offer four acres for sale as 'Orwell Crossing Lorry Park'.
- 2013** Subsequently, instructions were received for the 13.75-acre lorry park site. Various offers were received for the whole or part.
- 2014/2015** Negotiations were ongoing with Orwell Truck Stops Limited ('OTSL') to purchase the whole site, which included the lorry park, café and offices.
- 2016/2017** OTSL achieved planning permission for Class B8 storage and distribution. Penn Commercial commenced offering the café and offices to let, with OTSL operating the lorry park.
- 2018/2019** OTSL progressed to purchase the whole 72 acres. Penn Commercial commenced marketing, with a masterplan in place.



- 2020** Penn Commercial submitted marketing advice to Equation Properties/BGO. The site was sold to BGO and subsequently developed out by Equation.
- 2022** Penn was instructed jointly with JLL and M1 Agency to market the site. Two speculative buildings were completed, of 256,255 sq ft and 301,214 sq ft in Phase 1, with Phase 2 of 500,000 sq ft and 25,335 sq ft to be built out in 2025, along with 2.16 hectares (5.34 acres) of open storage.
- July 2024** The whole site was let to Sizewell C.



RE-LEASED TO REVOLUTIONISE PENN'S PROPERTY MANAGEMENT SERVICES

Penn Commercial's Danny Kelly and Rachael Jackson joined Re-Leased's 'Together People' London Customer and Community Event 2024 at WeWork Waterloo on 12th November. This excellent event provided valuable insights into AI's impact on the future of real estate and how the evolution of generative AI will give agents more time to develop and nurture relationships with clients. Penn has made a significant investment in the latest new Re-Leased software to improve its Property Management services and offer to Landlords and Tenants.



Vanessa Penn, Managing Director of Penn Commercial, said:

"After careful consideration, we chose Re-Leased for their innovative approach and outstanding reputation in the industry.

"The implementation of Re-Leased as our property management software will significantly streamline our processes, allowing us to focus more on what truly matters – our tenants and customers. By automating routine tasks, such as rent collection, maintenance requests and financial reporting, we can minimise administrative burdens and reduce the time spent on manual data entry."



Penn Commercial's Danny Kelly (right) discusses how the new software will enhance its property management services with Re-Leased's Chief Technology Officer, Tony Schollum.

WELCOMING ELLIOT MILLER

We are pleased to welcome Elliot Miller, joining Penn Commercial as Property Management Associate.

Elliot has experience in both property management and construction, having worked in London for a property developer and a national agency practice.

Elliot will be responsible for Penn's managed portfolio, using the latest Re-Leased management software.

Elliot says:

"I'm thrilled to be starting an exciting new chapter with Penn Commercial and I'm looking forward to getting stuck in and helping to take the business into the future using the latest, cutting-edge software.

"The team have been incredibly accommodating and have welcomed me with open arms, and it sincerely feels great to be working in a company where everybody shares the same values and pulls together in the same direction to help provide the best service possible.

"I can't wait to see what this next chapter holds."

AND FAREWELL TO DANNY KELLY...

A big thank-you also to our Property Management colleague Danny Kelly, who – having worked hard to introduce our new Re-Leased management software and ensure that it is fully-integrated with our systems – will be leaving us this month for the sunshine shores of Melbourne, Australia. Wishing you all the very best for the future, Danny, stay in touch!



Transactions & New Instructions

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

TRANSACTIONS

LET:



Trafalgar House, Tower Street, Ipswich

Penn Commercial's Paul Keen (left) presents new tenant Sandeep Singh with the keys to Trafalgar House.

Penn Commercial has let 1,038 sq m (11,172 sq ft) Trafalgar House – the former Yates's, opposite Tower Ramparts Bus Station – to Sandeep Singh, for a new international food hall, on a 20-year lease. The new 'Tower Street Food Hall' is expected to open before Christmas. The three-storey building is currently undergoing a £2 million refurbishment, and will sell a range of international cuisines, including Italian, Indian, Japanese and American. It will also offer two bars and a children's play area, plus a banqueting hall, which will be available to hire.

LET:



17 Tavern Street, Ipswich

Photo credit: Oliver Rouane-Williams / Ipswich.co.uk

Returning to Ipswich for another festive season, Calendar Club opened its doors at 17 Tavern Street on 19th October and will remain until 5th January 2025. Products on sale include calendars, diaries, and gifts, with most items priced under £10; Ipswich Town FC branded merchandise is also available. The prominent 305.6 sq m (3,289 sq ft) Class E property will be available to let from early January 2025.

LET:



Suffolk House, Unit 2, Whitehouse Business Centre, Ipswich

Penn Commercial has let Suffolk House to Azpects Limited, on behalf Newell Properties Developments Limited, for a 12-year term. The Whitehouse premises comprise a warehouse unit of approx. 3,165 sq m (34,067 sq ft) GIA, with offices of approx. 419.90 sq m (4,520 sq ft), and extensive on-site parking. From placing the unit onto the market, Penn sourced the tenant within just three weeks, and negotiated terms for a swift completion.

SOLD / TO LET:



34 Bluestem Road, Ransomes Europark, Ipswich

Penn Commercial arranged the sale of this prestigious headquarters building – comprising ca. 923.77 sq m (9,944 sq ft) of office/workshop space, with a 0.239 hectare (0.59 acre) secure yard – to Brightwell Property Limited. The two-storey Class E property is now being offered to let, or may be considered for sale. Occupying a prominent position on Ransomes Europark, this premises offers a good-sized, secure yard, workshop and open-plan offices, and is strategically located next to the A14, close to the Ports of Ipswich and Felixstowe, and a short distance from Sizewell C.

NEW INSTRUCTIONS

TO LET:

(as a whole or in part)



Orwell Landing, Fox's Marina, Wherstead, Ipswich

Total Area 900.94 sq m (9,698 sq ft)
• Detached, two-storey office building, with very well-presented modern offices, partly open plan, kitchen and WCs on both floors

- 34 on-site car parking spaces
- Superb location at Fox's Marina, with direct views over the River Orwell
- Easy access to main A14
- Rent for the whole building £138,900 per annum exclusive.

TO LET:

Sailmakers Shopping Centre, Tavern Street, Ipswich

A modern and well-maintained shopping centre, with an eclectic mix of national, regional and independent tenants close by, including Poundland, Bodycare, River Island, Iceland, HMV and Boots. The Centre provides a busy link between Tavern Street and Tower Ramparts Bus Station.



Unit 5

- Prime position unit, with return frontage
- Approx. 157.29 sq m (1,693 sq ft)
- Full business rates relief for qualifying small businesses
- Quoting Rent £25,000 per annum.



Unit 12

- Prime position unit
- Approx. 157.80 sq m (1,699 sq ft)
- Full business rates relief for qualifying small businesses
- Quoting Rent £27,500 per annum.

FOR SALE/TO LET:



1 Bailey Close, Hadleigh Road Industrial Estate, Ipswich

- Approx. 1,240 sq m (13,347 sq ft):
- Extensively refurbished, internally and externally
- Substantial brick-built factory/warehouse unit, with offices and all staff amenities
- 5 parking spaces at the front of the property
- Easy access to town centre and main A14/A12
- Three-phase electricity, concrete floor, lighting
- Full-height roller shutter door
- For sale freehold O.I.R.O. £850,000 / To let – rent of £95,000 per annum exclusive.

FOR SALE:



11 Holywells Close, Ipswich

- Approx. 1,333.18 sq m (14,351 sq ft)
- Modern ground and first floor offices
- Large secure yard area, with 25 car parking spaces and new palisade fencing, 0.15 hectares (0.38 acres)
- Close to Cliff Quay and Neptune Quay, easy access to A12/A14 and town centre
- Quality break-out and kitchen areas, first floor storage and mezzanine floor
- Warehouse with roller shutter door and eaves height 6.5m to apex, existing racking available if required
- For sale offers in the region of £1,100,000, with full vacant possession
- Occupation available circa April/May 2025.



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

- Ascender Creative
- Beckett Financial Services
- Ellisons Solicitors
- Fusion Sign Systems
- Guymer King
- Heronbuild
- Office IS Solutions
- Planning Direct
- Wincer Kievenaar
- WM Brokers



BIODIVERSITY NET GAIN BRIEFING WITH SWECO

Penn Commercial visited Sweco UK's Ipswich office in October to learn more about Biodiversity Net Gain ('BNG') and the implications for future developments, hosted by Richard Webber-Salmon, Technical Manager – Ecology South.

Sweco is Europe's leading design, engineering, environment and regulatory consultancy, employing 22,000 designers, engineers and consultancy experts across the UK and Europe.

Penn Commercial's Rachael Jackson said: "This insightful and comprehensive session will come in especially useful when we receive potential land enquiries from developers, and we can now discuss BNG with them in a more informed way, and point them in the right direction, if needs be."



Penn Commercial's Affiliate Partners – Ascender Creative, Becketts, Ellisons Solicitors, Fusion Signs, Planning Direct and Wincer Kievenaar – joined the Penn team for a delicious breakfast on 8th October. The Autumn Affiliates Networking Breakfast was hosted at CafeFlex, Three Rivers Business Centre in Ipswich by long-standing Penn Affiliate, Emma Dinmore.

To find out more about Penn's Affiliate Partners Networking Club, and becoming a member, visit www.penncommercial.co.uk/affiliates



Penn Commercial's Managing Director, Vanessa Penn, was pleased to join fellow Company Directors and leading business figures from Ipswich and Suffolk at the Eastern Powerhouse Business Dinner at Milsoms Kesgrave Hall on 21st November.

This was the first Dinner that the Eastern Powerhouse has hosted post-election and under a new Government, and guests were invited to share their views on the needs of the region – ranging from transport and energy, to town growth, regeneration and local industries – and how the Powerhouse can offer support through its work.

To find out more about the Eastern Powerhouse, visit www.easternpowerhouse.uk