

DISPOSAL OF A FREEHOLD SITE
WITH DEVELOPMENT POTENTIAL

CHH

CHALK HILL HOUSE
8-12 CHALK HILL
WATFORD
HERTFORDSHIRE
WD19 4BH

KROLL

 Knight
Frank

EXECUTIVE SUMMARY

The site extends 1.67 acres (0.67 hectares) and comprises two vacant industrial (B8) units and a residential (C3) unit extending to 23,848 sq ft GIA.

• Located 150 metres from Bushey Station (London Overground and National Rail) offering access into Central London (15 mins) and Watford Town Centre (4 mins).

• Bushey is a vibrant commercial and residential location benefitting from unrivalled rail and road connectivity.

• Planning granted for a mixed-use development of 151 residential (C3) units, 90 sq m of retail (A1, A2 and/or A3) or community floor space (D1, D2) and 69 car parking spaces. The blocks range in height from 5 to 9 storeys. The Section 106 has not been signed. (Planning ref: 18/00163/FULM).

• A feasibility study was undertaken by Bogle Architects in 2021 for a 220 unit scheme over 5 to 11 storeys with retail and community floorspace and 75 car parking spaces.

• Opportunity to optimise the development or bring forward an alternative scheme.

• The freehold site will be sold with Vacant Possession.

• **Offers are invited on an unconditional and subject to planning basis.**



LOCATION

The site is located within Watford Borough Council in Hertfordshire, just south-east of Watford town and west of Bushey, in close proximity to Bushey Station.

Watford is located 1 mile (1.6km) northwest of the site. Watford is a thriving regional town with a vibrant town centre which has undergone an £180 million redevelopment of the Atria Watford Shopping centre which completed in 2022 with anchor tenant M&S.

Bushey is situated 0.6 miles (1 km) east of the site. This is primarily a residential area and separates itself from neighbouring built up areas with farmland, commons and golf courses.

The site is located within the Colne Valley Strategic Development Area, this is designed to facilitate transformative and co-ordinated change and is anticipated to include 4,361 new homes before 2036.

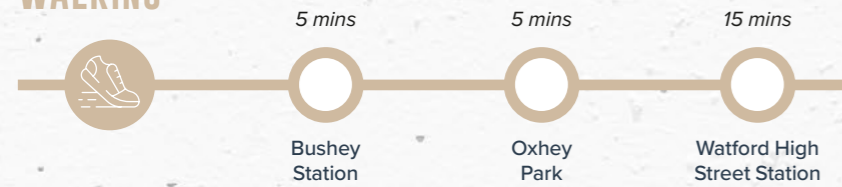
The site does not fall within a conservation area and does not have any locally listed or nationally listed buildings within it.



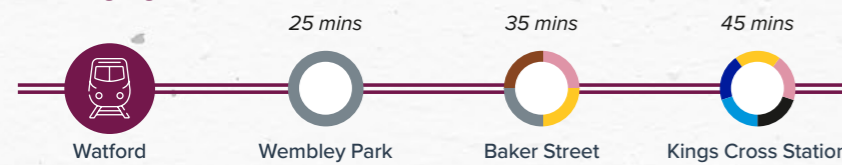
TRANSPORT & CONNECTIVITY

The site occupies a prominent position on Chalk Hill, conveniently close to the A411 offering access to London and Watford.

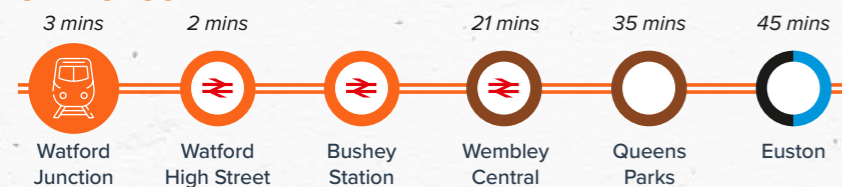
WALKING



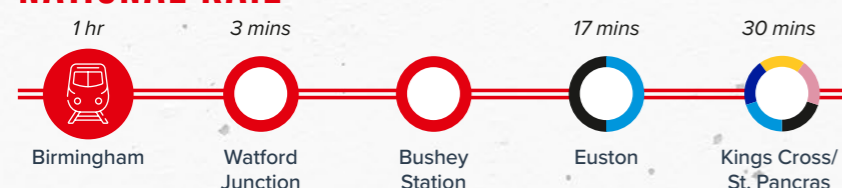
METROPOLITAN LINE



OVERGROUND

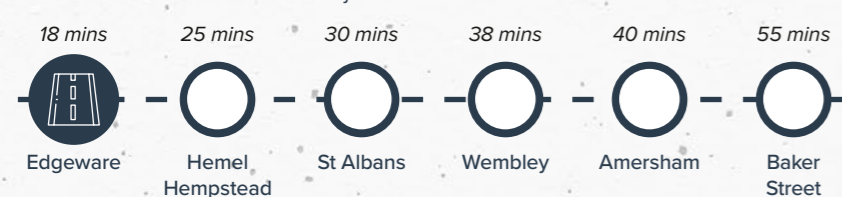


NATIONAL RAIL

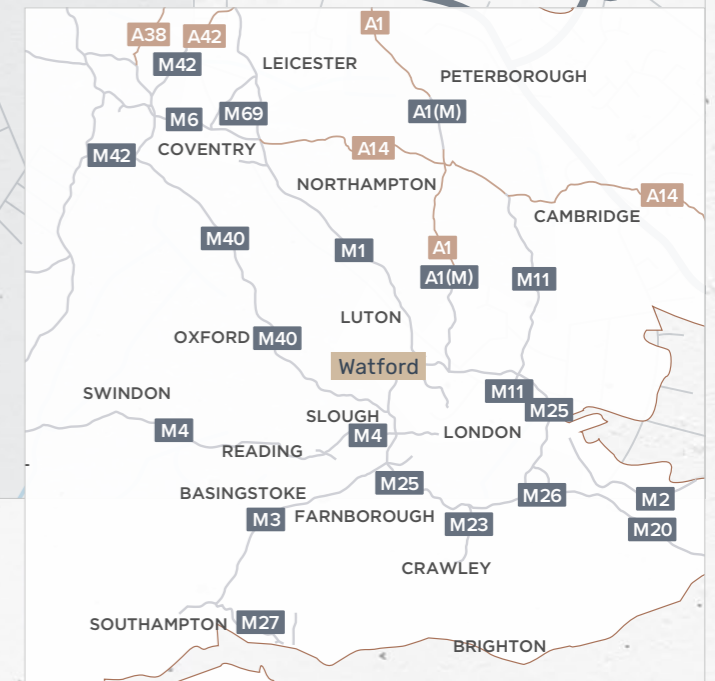
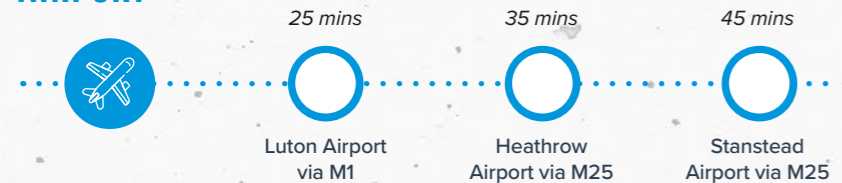


CAR

Via A411 and A4008 which joins the M1 and M25.



AIRPORT

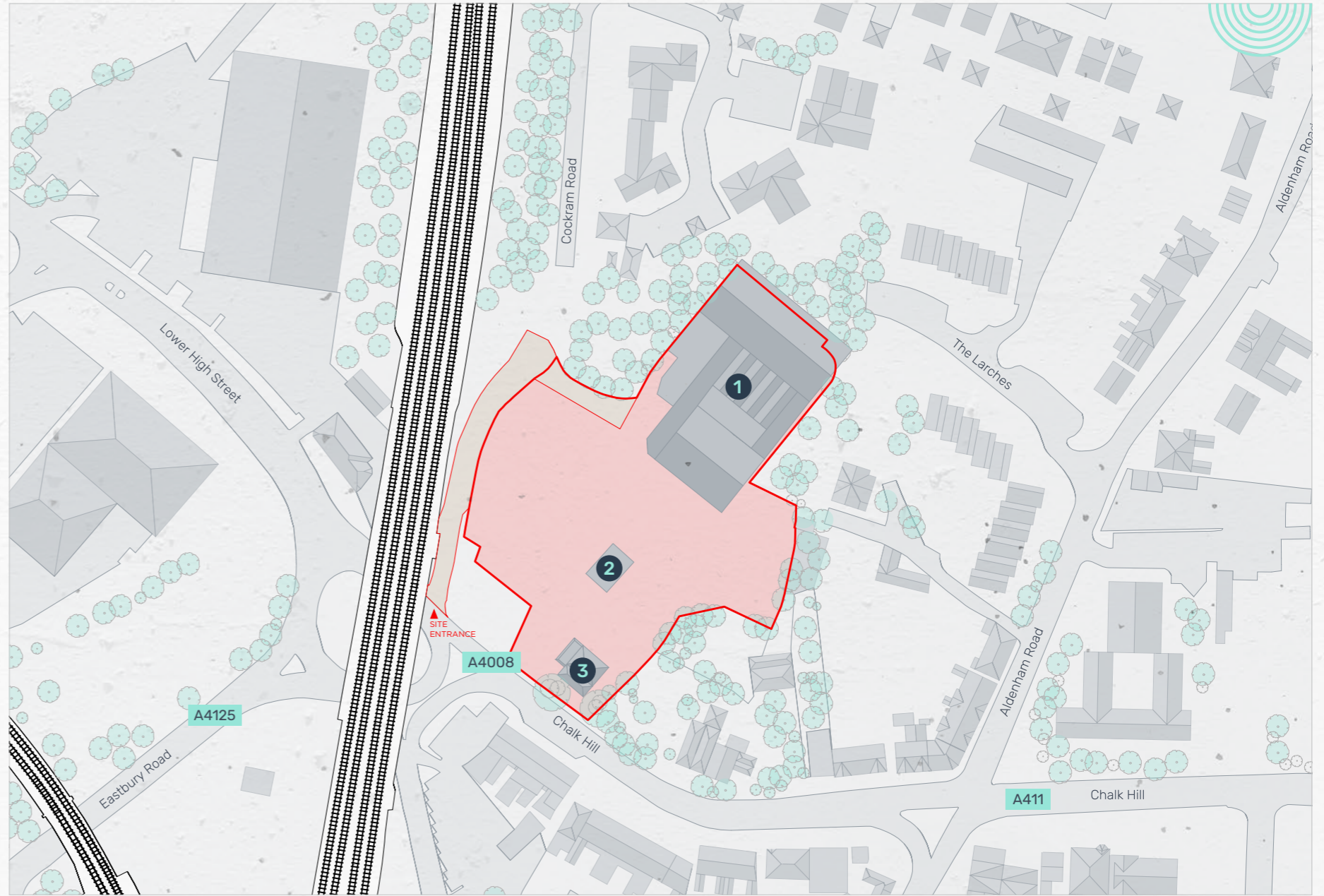




EXISTING SITE

The freehold site extends 1.67 acres (0.67 hectares) and was formerly operated as a waste transfer station and has two existing light industrial buildings (Use Class B8) and a residential unit (Use Class C3) on site. Existing buildings are to be provided with vacant possession.

Freehold Titles: HD90426, HD97544, HD222898, HD92968.



Existing Unit Measurement	Sq ft
Unit 1 (Use Class B8)	20,908
Unit 2 (Use Class B8)	1,551
Unit 3 (Use Class C3)	1,390
TOTAL	23,848

The site can be accessed along the southern boundary via London Road (A411). For both pedestrians and cars there is the same entrance and exit route situated east of Bushey Arches Bridge.



PLANNING SUMMARY

The site is under the jurisdiction of Watford Borough Council, and falls within the following planning designations: Colne Valley Strategic Development Area, Core Development Area, Transport Improvement Area, a Housing Site Allocation and an Opportunity Area.

PLANNING HISTORY TIMELINE

2014 SCHEME - 14/00194/OUTM

- February 2014: Outline Application Submitted (163 residential units)

2015 SCHEME - 15/00115/OUTM

- January 2015: Outline Application submitted (121 residential units)

2018 SCHEME - 18/00163/FULM

- June 2017: 1st Pre-Application Consultation (242 residential units)
- August 2017: 2nd Pre-Application Consultation (229 residential units)
- October 2017: 3rd Pre-Application Consultation (151 Residential units)
- February 2018: Planning Application Submitted (151 Residential units)

2020 SCHEME

- December 2020: Pre-Application submitted (224 residential units)
- April 2021: Feasibility Study response (220 units)



PLANNING APPLICATION OUTCOMES

2014 SCHEME - 14/00194/OUTM

- Outline application for change of use from Commercial (Use Class B1) to Residential (Use Class C3), including the demolition of existing buildings and the construction of 163 residential units with a public car park and residential car park, was submitted in February 2014. The application was withdrawn in August 2014.

2015 SCHEME - 15/00115/OUTM

- Outline planning granted for the demolition of existing buildings and redevelopment of up to 121 residential units (Use Class C3) over 4 storeys and basement car park for residents with access from a new junction on Chalk Hill. The application has lapsed.

2018 SCHEME 18/00163/FULM

- Planning granted in October 2018 for the demolition of existing buildings and redevelopment of 151 residential units (Use Class C3), 90 sq m (GIA) of retail units (Use Class A1, A2 and/or A3) and/or community floorspace (Use Class D1/D2), with associated car parking, cycle parking, landscaping and public realm improvements. Section 106 has not been signed.

APPROVED 2018 SCHEME

2018 scheme - 18/00163/FULM. This scheme was granted on 3rd October 2018 subject to the signature of the Section 106. The Section 106 was never signed, and the Council have recently confirmed they would not agree to sign it in light of the updated 2021 Local Plan.

The proposed scheme provides a mixed-use scheme including 151 residential units (Use Class C3) and 90 sq m (GIA) of retail units (Use Class A1, A2 and/or A3) and/or community floorspace (Use Class D1/D2), and 69 car parking spaces.

The scheme includes six residential blocks stepping in height from 3 to 9 storeys with the tallest fronting the railway and shortest fronting Chalk Hill. The blocks interconnect to form two curved building lines enclosing a green amenity space and public realm.

**This scheme includes Council owned land which is for sale by separate negotiation.*



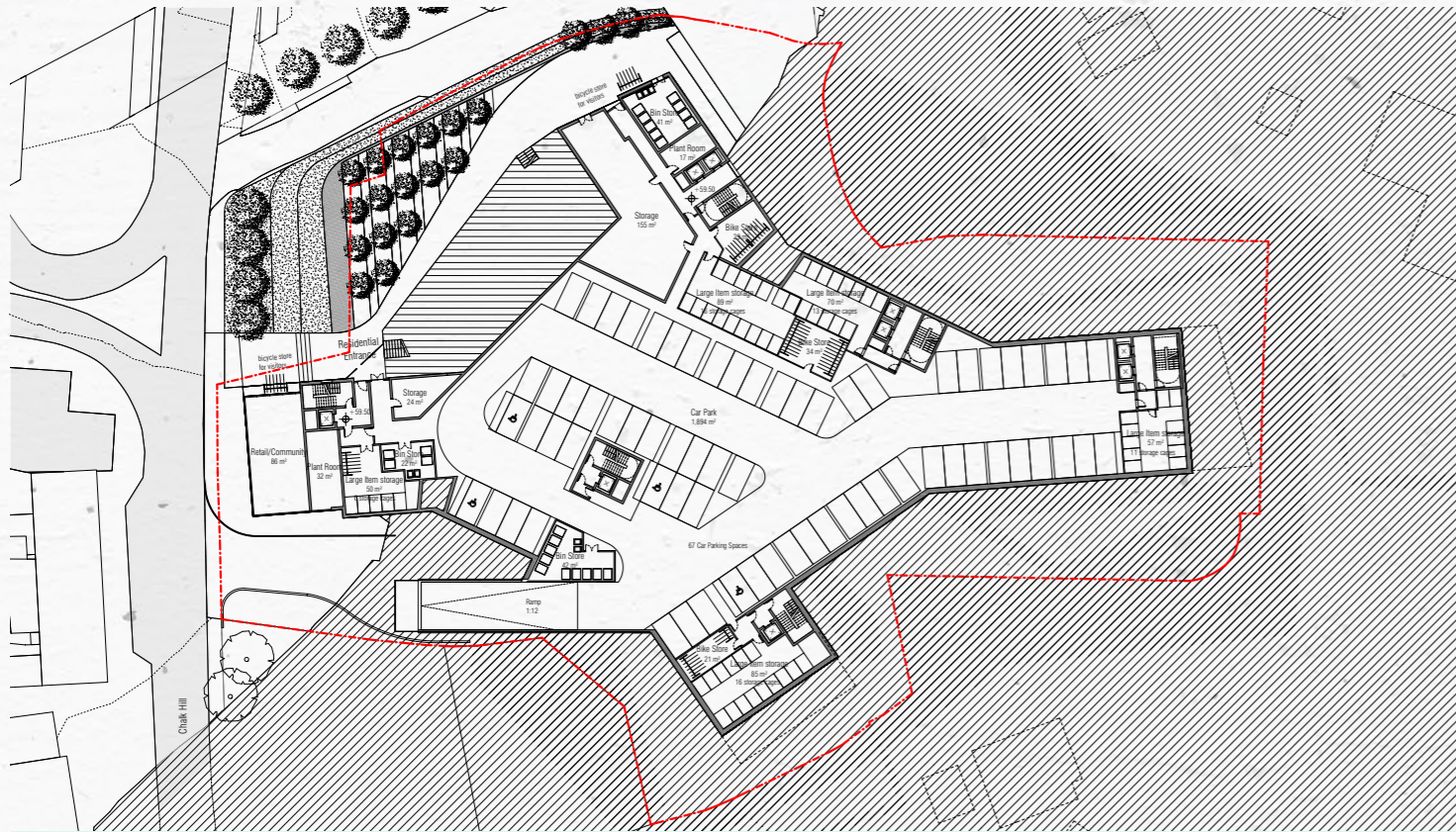
Unit Mix		Housing Mix	
1 Bed	88	Private	125
2 Bed	56	Affordable	26
3 Bed	7	Affordable Tenure Split	
	151	Affordable Rent	18
		Social Rent	5
		Intermediate Rent	3

**Section 106 was never signed. Affordable unit mix was taken from the Draft Committee Report 2018.*

	Total Residential Floor Space				Commerical/Community	
	GIA (incl. car park and plant)		NSA		GIA	
	Sq m	Sq ft	Sq m	Sq ft	Sq m	Sq ft
TOTALS	14,368	154,657	8,956	96,403	87	936

Illustrative CGIs

APPROVED 2018 SCHEME FLOOR PLANS



Lower Ground Floor



Ground Floor



Second Floor



Seventh Floor

DEVELOPMENT POTENTIAL/ SCHEME OPTIMISATION

There has been positive engagement with Watford Borough Council to increase the massing, they believe the 2018 scheme is underutilised and would support (STPP) an optimised scheme. This is taking into consideration the current market, the need for housing and future growth within the area.

In December 2020 a pre-application was submitted for a 224-unit scheme. The scheme consists of a part 4 to 14 storey residential-led mixed-use scheme with retail and community use and 70 car parking spaces.

220 UNIT SCHEME

In 2021, a feasibility study was undertaken in response to the December 2020 224-unit pre-application scheme.

The scheme comprises 220 units across 7 residential blocks stepping in height from 5 to 11 storeys. The buildings are interconnecting enclosing green amenity space and public realm. The scheme includes retail/community floor space and 75 car parking spaces.

It is understood that a positive response would be received for a similar density mid-rise development of part 5 to 11 storeys, with retail/community floorspace and associated car parking spaces.



CGI's for 220 unit 2021 feasibility study.

Schedule of Accommodation for Proposed 220-Unit Scheme

	GIA		NIA	
	Sq m	Sq ft	Sq m	Sq ft
Residential	16,673	179,468	13,285	143,000
Commercial	182	1,959	0	0
Plant/Refuse/Storage/ Carpark	3,691	39,730	0	0

*All schemes includes Council owned land which is for sale by separate negotiation.

Housing Mix

Private	183
Affordable	37
Affordable Tenure Split	
Affordable Rent	26
Social Rent	7
Intermediate Rent	4



220 UNIT FEASIBILITY STUDY FLOOR PLANS



Lower Ground Floor



Second Floor



Seventh Floor



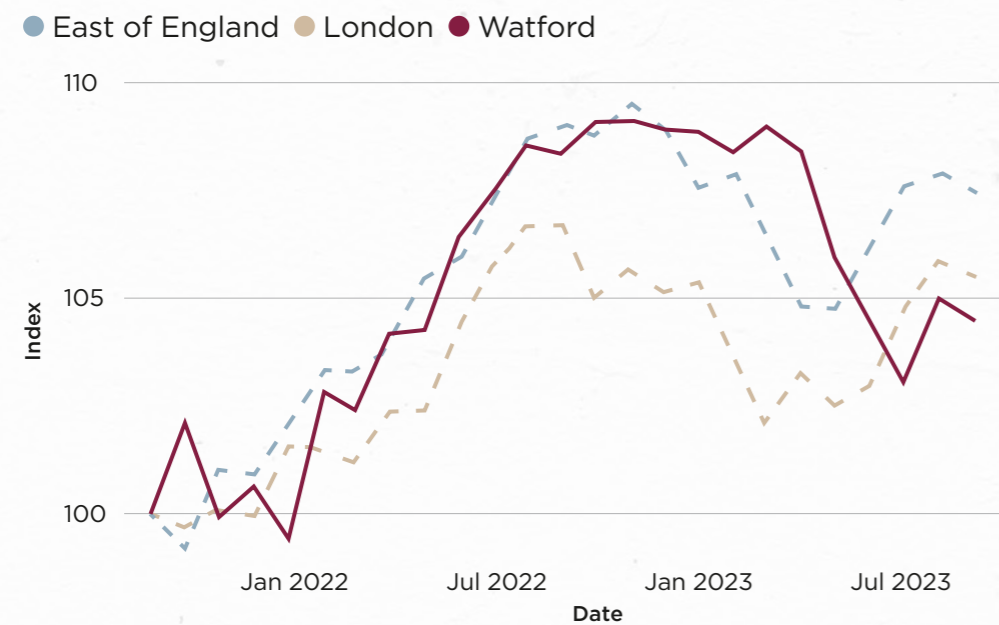
Proposed building heights

BTS COMMENTARY

The Land Registry House Price Index for Watford experienced a growth of 4.5% in the two years to September 2023. This compares to growth of 7.5% across the East of England over the same period.

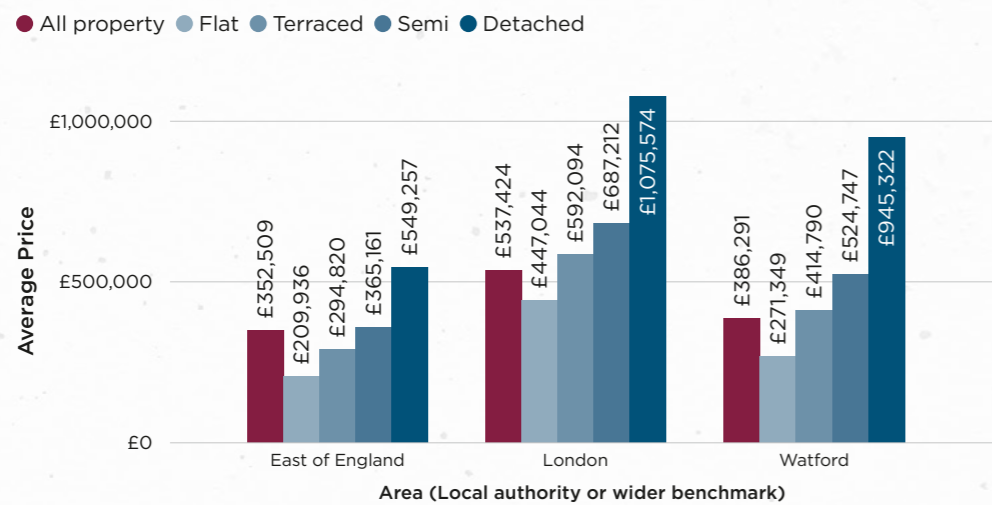
In the 2 years to September 2023 the Land Registry House Price Index for the wider London region experienced growth of 5.5%.

HOUSE PRICE INDEX - LAST TWO YEARS



The average flat in Watford was £271,329 as of September 2023. This represents a discount of -39.3% to the £447,044 London average.

AVERAGE PRICE BY PROPERTY TYPE

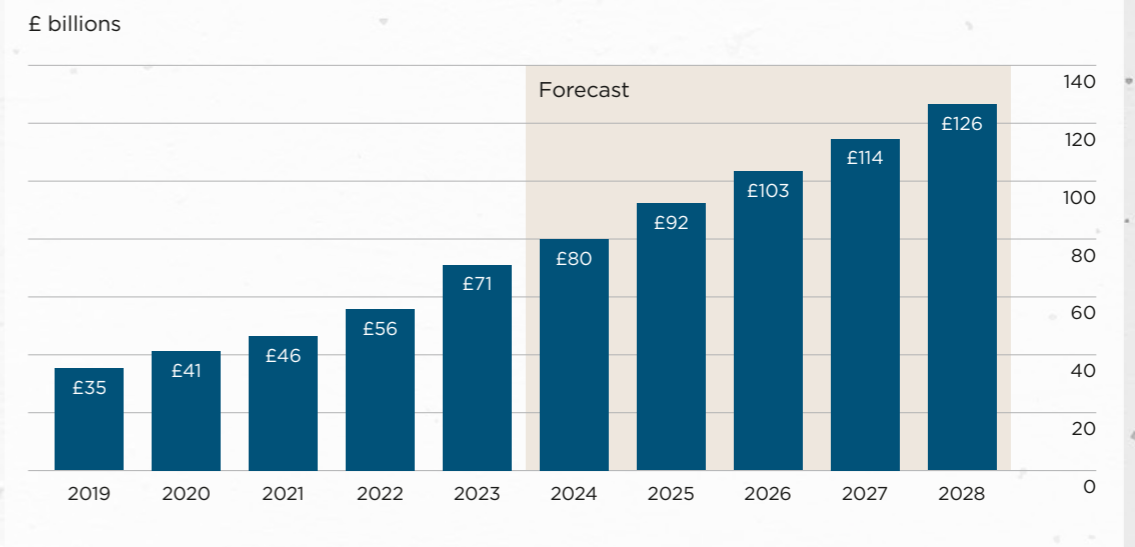


BTR COMMENTARY



Investment volumes of Build to Rent have slowed after a strong start to the year, however, deal structures are shifting to account for challenges in the debt market. The third quarter of 2023 saw £698 million transacted in Build to Rent. There has been a strong performance of Single Family Housing which has made up 29% of total investment in 2023 so far. There is a continued supply-demand imbalance with an urgent need to boost new supply and the expansion of the Build to Rent sector represents a key opportunity. Based on the analysis of operational Build to Rent stock and stock under construction, it is estimated that the market has the potential to double from £71 billion in 2023 to £126 billion by 2028.

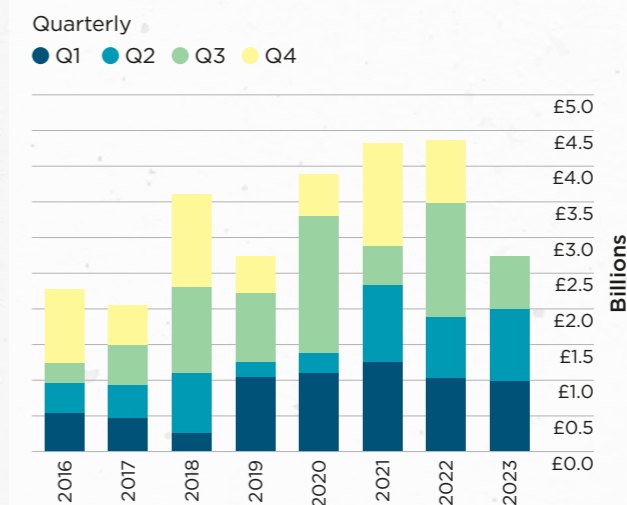
VALUE OF THE UK BTR SECTOR



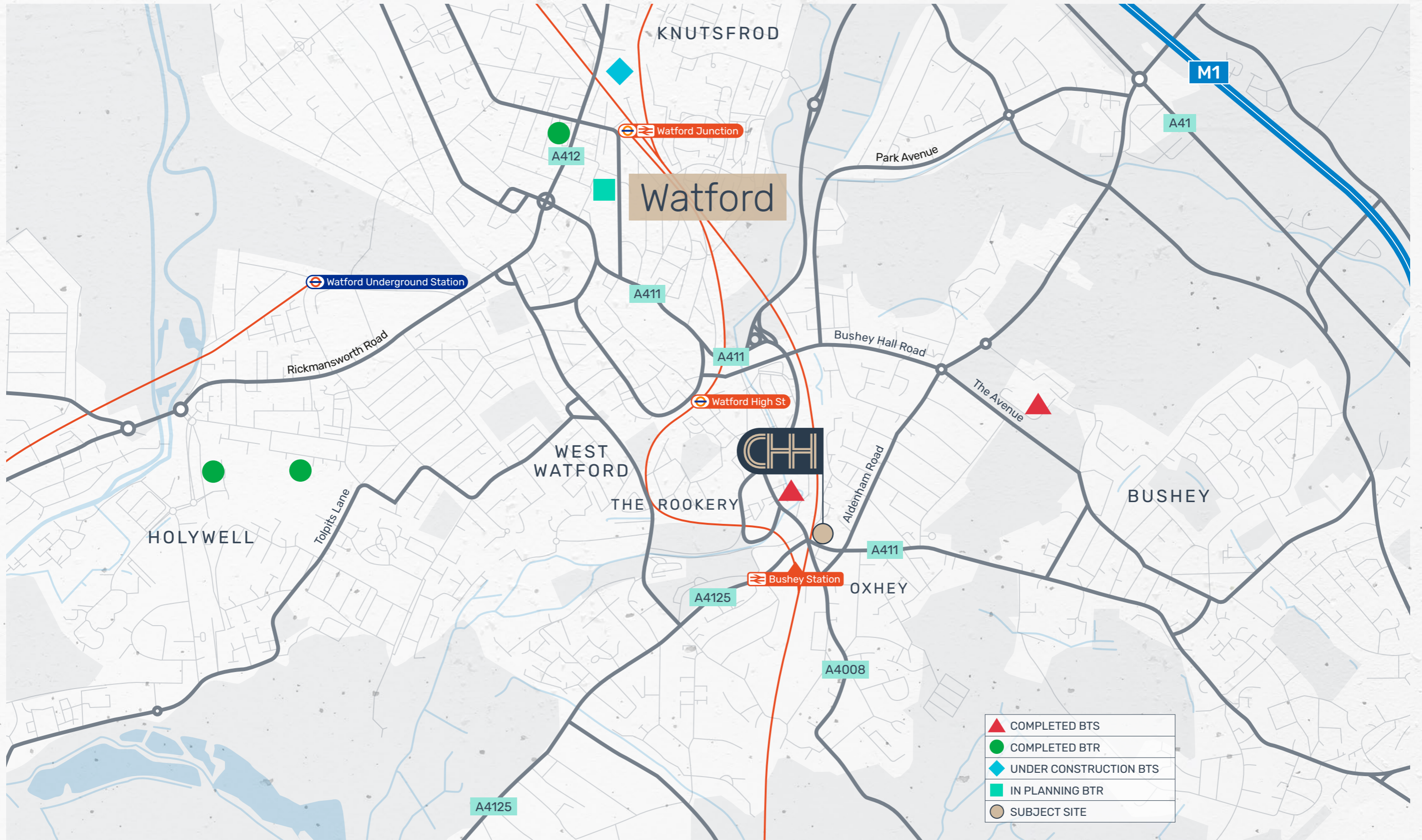
Source: Knight Frank Research

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BTR INVESTMENT VOLUMES



DEVELOPMENT PIPELINE/REGENERATION



COMPLETED BTS ▲

1. The Arches - Berkeley Group (2022)

- Completed and sold development
- Located an 8-minute walk north west of Bushey Station
- 92 private Build to Sell units
- Exclusive landscaped gardens
- Blended average psf: £612



2. The Royal Connaught Park - Comer Homes (2021/2022)

- Admiral House, Lancaster House, Eton House and Yale House are as part of the Royal Connaught Park development
- Located a 20 minute walk north east of Bushey Station
- 400 Build to Sell units
- Benefits from underground residential parking with ramp access and large amounts of green space
- Blended average psf: £585



COMPLETED BTR ●

3. Cortland Cassiobury (Phase 1) - Harrison Street and Cortland (2021)

- Fitness centre, dining space, club lounge and cinema room
- 367 Build to Rent units
- Blended average rent psf: £34
- Blended average rent pcm: £2,000



4. Watford Cross - Western Homes (2021)

- Private balconies and open living
- 115 Build to Rent units
- Blended average rent psf: £28
- Blended average rent pcm: £1,500



5. Orchid Court - Signia Living Development (2020)

- Open living, private balconies and public realm
- 79 Build to Rent units
- Blended average rent psf: £23
- Blended average rent pcm: £1,560



UNDER CONSTRUCTION BTS ◆

7. The Eight Gardens - Berkeley Group (2024)

- 4 minute walk from Watford Junction Station
- Landscaped gardens, water features, gym, business lounge, and screening room
- 141 units
- Union Court is the first phase of the regeneration project
- Blended estimated average psf: £750



IN PLANNING BTR ■

8. Watford Police Station and Magistrates Court (December 2023) - McLaren Living

- McLaren Living acquired the site from the Police & Crime Commissioner for Hertfordshire in early December 2023
- Plans to submit a proposal for a new mixed-use development of approximately 300 Build to Rent homes (potential for Co-Living) and 300,000 sq ft commercial space
- McLaren intend to submit a planning application to Watford Borough Council in early 2024



PROPOSED REGENERATION



WATFORD RIVERWELL REGENERATION (2023)

The Watford Riverwell Regeneration Project is situated within the Colne Valley Strategic Development Area, to the south of Watford General Hospital and Vicarage Road Stadium. The proposed plans are to create two new primary schools, open up opportunities for Watford Hospital, create up to 1,300 new jobs, better infrastructure and open spaces. Notable developments within Watford Riverwell are the Woodlands: 95 new build residential units, Waterside: 408 new build residential units and Mayfield Villages comprising of 252 purpose built retirement units with associated bar, swimming pool, spa, and fitness rooms.



Two new primary schools



Up to 1,300 new jobs



Improved infrastructure and open spaces



New retirement village





LEGAL TITLE AND TENURE

The property is held freehold under four separate title numbers. HD90426, HD97544, HD222898, HD92968.

SERVICES

It is our responsibility that mains, water, electricity, gas and drainage are provided. However, it is the responsibility of the purchaser to ensure that services are available and adequate for the proposed development.

VIEWINGS

The property may be inspected by prior appointment through the vendor's sole selling agents, Knight Frank LLP. Prospective purchasers should be aware that inspections are made entirely at their own risk and no liability accepted by the vendor or their agent.

VAT

TBC.

VACANT POSSESSION

Freehold Sold with Vacant Possession.

METHOD OF SALE

The property is for sale by private treaty via informal tender.

DATA ROOM

Provide on request.

CONTACTS

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DISCLAIMER PROPERTY DETAILS: These particulars, whilst believed to be accurate are set out as a general outline only for guidance and do not constitute any part of an offer or contract. Intending purchasers should not rely on them as statements or representation of fact, but must satisfy themselves by inspection or otherwise as to their accuracy. We have not carried out a detailed survey nor tested the services; appliances and specific fittings. Room sizes should not be relied upon for carpets and furnishings. The measurements given are approximate. No person in this firm's employment has the authority to make or give any representation or warranty in respect of the property. January 2024.

KROLL

