

Bristol city centre office building sold off in £20m deal

A major office building in Bristol city centre is to be sold off in a multimillion-pound deal, its owner has announced.

Posting its interim results for the six months to September 30, regional office investment firm Circle Property confirmed plans to “dispose” of One Castlepark by the end of 2021.

The Jersey-headquartered company is selling the building to Hereford real estate business Boulton Brooks (Castle Park), for £20m representing a 3.9% increase on a March valuation of £19.25m.

The majority of the proceeds from the sale will be used for debt repayment, Circle Property said.

The announcement came as the board increased the company’s Interim dividend ahead of pre-pandemic levels and the group swung back into the black, posting profits before tax of £1.3m, compared to a £700,000 loss over the same period in 2020.

John Arnold, chief executive of Circle Property, said: “Our regional office portfolio has performed resiliently in the period.

“As increasing numbers of workers have returned to their offices, the importance of having an environment to meet, collaborate, mentor and train employees is clear. Whilst working patterns have changed, the office continues to play an integral role for many businesses.”

The firm announced a proposed interim dividend of 3.5p per share, compared to 2.5p in 2020 and 3.3p over the same period

in 2019.

On a like-for-like basis (excluding completed disposals) Circle Property said its gross portfolio valuation was marginally down by 0.5% to £130m in the period.

Rental income was also down from £3.9m to £3.2m, largely due to disposals and the corresponding loss of income, the company said.

Earlier this year, Circle Property [sold off 135 Aztec West](#) in Bristol to Assura Aspire. The sale price of £3.96m represented a 156% increase (pre-refurbishment cost) and a 62% increase (post-refurbishment cost) on a March valuation of £1.55m.

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