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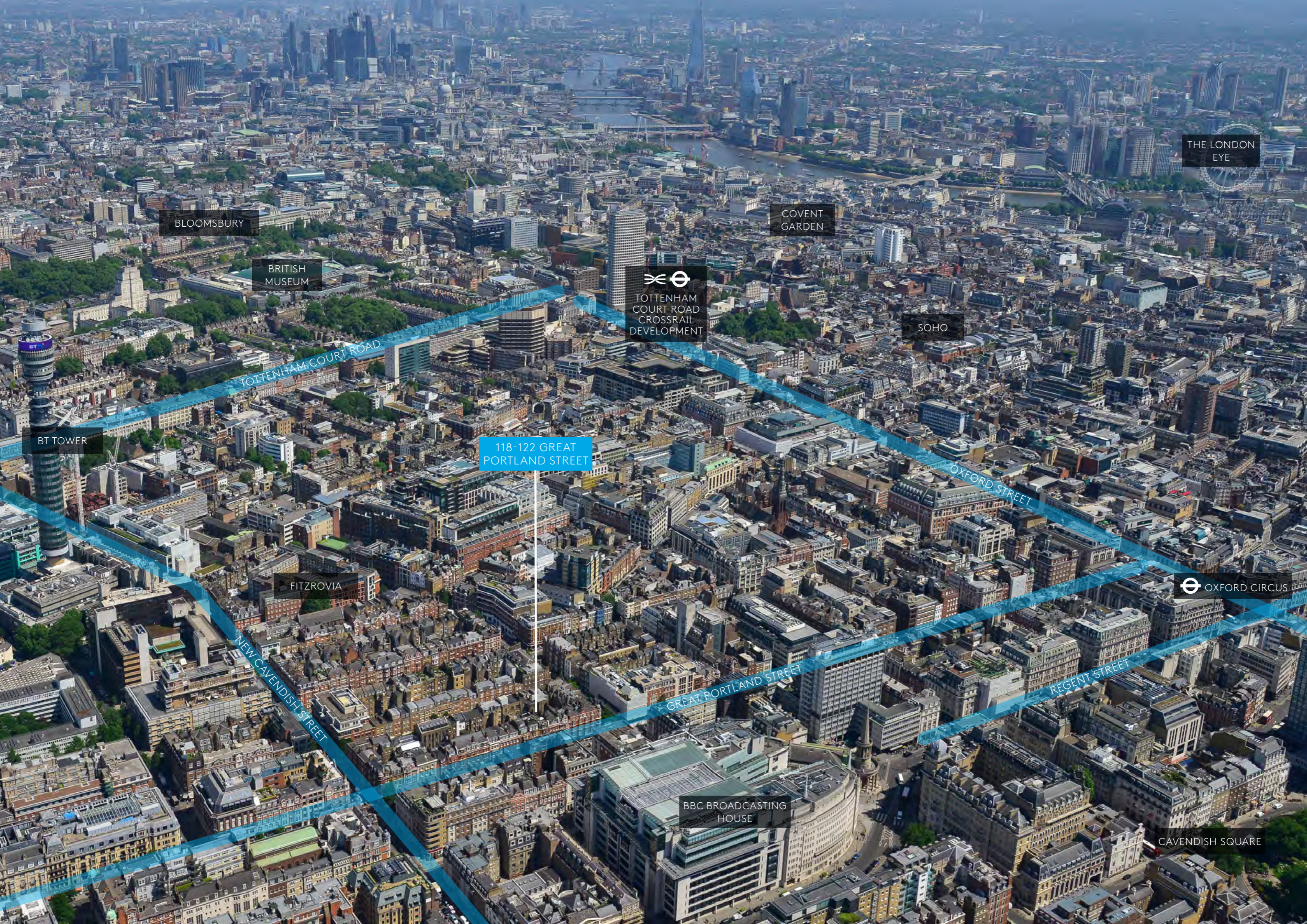
118 - 122 GREAT PORTLAND STREET  
FITZROVIA, LONDON W1

RETAIL INVESTMENT OPPORTUNITY

# INVESTMENT SUMMARY

- Freehold.
- Prominently situated retail investment in Fitzrovia, a vibrant West End 'village' desirable to retailers, restaurateurs, occupiers, hoteliers and residents.
- Located in a bustling commercial hub, one minute from the BBC's TV & Radio broadcasting HQ and the intersection of the West End's retail destination of Oxford Street & Regent Street.
- Excellent transport links close to Oxford Street, Bond Street and Tottenham Court Road underground stations, which will improve further with Crossrail.
- The immediate area benefits from increasing footfall as a result of placemaking initiatives and major infrastructure improvements including the delivery of HS2 at nearby Euston mainline and underground station.
- Retail accommodation totalling 7,511 sq ft (697.8 sq m) arranged as two units over ground and basement floors.
- Fully let to excellent covenants – Co-op Food and Headmasters.
- WAULT of 11.0 years to lease expiries (3.4 years to breaks).
- Residential uppers ('sold off') comprise 10 flats.
- Total passing rent of £298,500 per annum.
- Offers are invited in excess of £6,215,000 subject to contract and exclusive of VAT. Pricing at this level reflects a Net Initial Yield of 4.50% (assuming full purchaser's costs of 6.63%).





THE LONDON EYE

BLOOMSBURY

COVENT GARDEN

BRITISH MUSEUM

  
TOTTENHAM COURT ROAD CROSSRAIL DEVELOPMENT

SOHO

BT TOWER

118-122 GREAT PORTLAND STREET

OXFORD STREET

FITZROVIA

 OXFORD CIRCUS

NEW CAVENDISH STREET

GREAT PORTLAND STREET

REGENT STREET

BBC BROADCASTING HOUSE

CAVENDISH SQUARE

# FITZROVIA

Fitzrovia's bohemian reputation is well established having long been the location of choice for craftsmen, artists and creatives. Today this history continues to define the area as one of London's most vibrant and unique West End 'villages'.

Occupiers, residents and visitors are attracted to Fitzrovia's enviable mix of fashionable restaurants, independent bars, coffee shops and stylish five-star hotels. Notable names includes Roka, Rovi, Berners Tavern, Hakkasan, Charlotte Street Hotel, The Langham and The Mandrake Hotel. The bustling hospitality scene is complemented by art galleries, museums and contemporary fashion and lifestyle brands, creating a dynamic West End district.

Great Portland Street forms one of the main thoroughfares linking Oxford Street to the south to Regent's Park to the North. The property is prominently situated on the eastern side of Great Portland Street, a street that benefits from a highly varied occupier base of office, retail, residential, bar and restaurant occupiers.



# OCCUPIERS

## BUSINESS

1. Allfunds Bank
2. Arcadia Group
3. ARUP
4. BBC
5. Brown Forman + Lionsgate
6. British Film Institute
7. Capita
8. Turner/CNN
9. The Engine Group
10. Roxor Gaming
11. Essence Digital + Schibsted
12. Estée Lauder
13. Facebook
14. FreemantleMedia + Freud Communications
15. Gibson Brands
16. Hakkasan (Head Office)
17. Heineken
18. King
19. Make Architects
20. MoneySuperMarket
21. Rebecca Hossack Gallery
22. Richemont
23. Skyscanner + William Hill
24. Sony DADC
25. Sony Interactive Entertainment
26. Web MD
27. Williams Lea Tag + Synova Capital

## RESTAURANTS

1. Berners Tavern
2. Bonnie Gull
3. Bourne and Hollingsworth
4. Burger and Lobster
5. Clipstone
6. Dishoom
7. Ember Yard
8. Ethos
9. Foley's
10. Franco Manca
11. Hakkasan
12. Koba
13. Caravan
14. Lima
15. No.5 Social
16. Mac & Wild
17. Mortimer House Kitchen
18. The Ninth
19. Percy & Founders
20. Picture Fitzrovia
21. Pollen Street Social
22. Portland
23. The Riding House Café
24. ROKA
25. Roux at the Landau
26. ROVI
27. Salt Yard
28. The Social
29. Sushi Atelier

## HOTELS

1. Charlotte Street Hotel
2. Langham Court Hotel
3. The Langham
4. Treehouse Hotel London
5. The London EDITION
6. The Mandrake
7. Sanderson Hotel
8. The Soho Hotel

## BARS

1. Aqua Spirit
2. Artesian Bar
3. The Social Eating House
4. BrewDog Soho
5. Crown and Sceptre
6. Dean Street Town House
7. The Fitzroy Tavern
8. London Cocktail Club
9. The London Gin Club
10. The Long Bar
11. The Lucky Pig Cocktail Bar
12. Soho House
13. The Toucan
14. The Wigmore

## CAFÉS

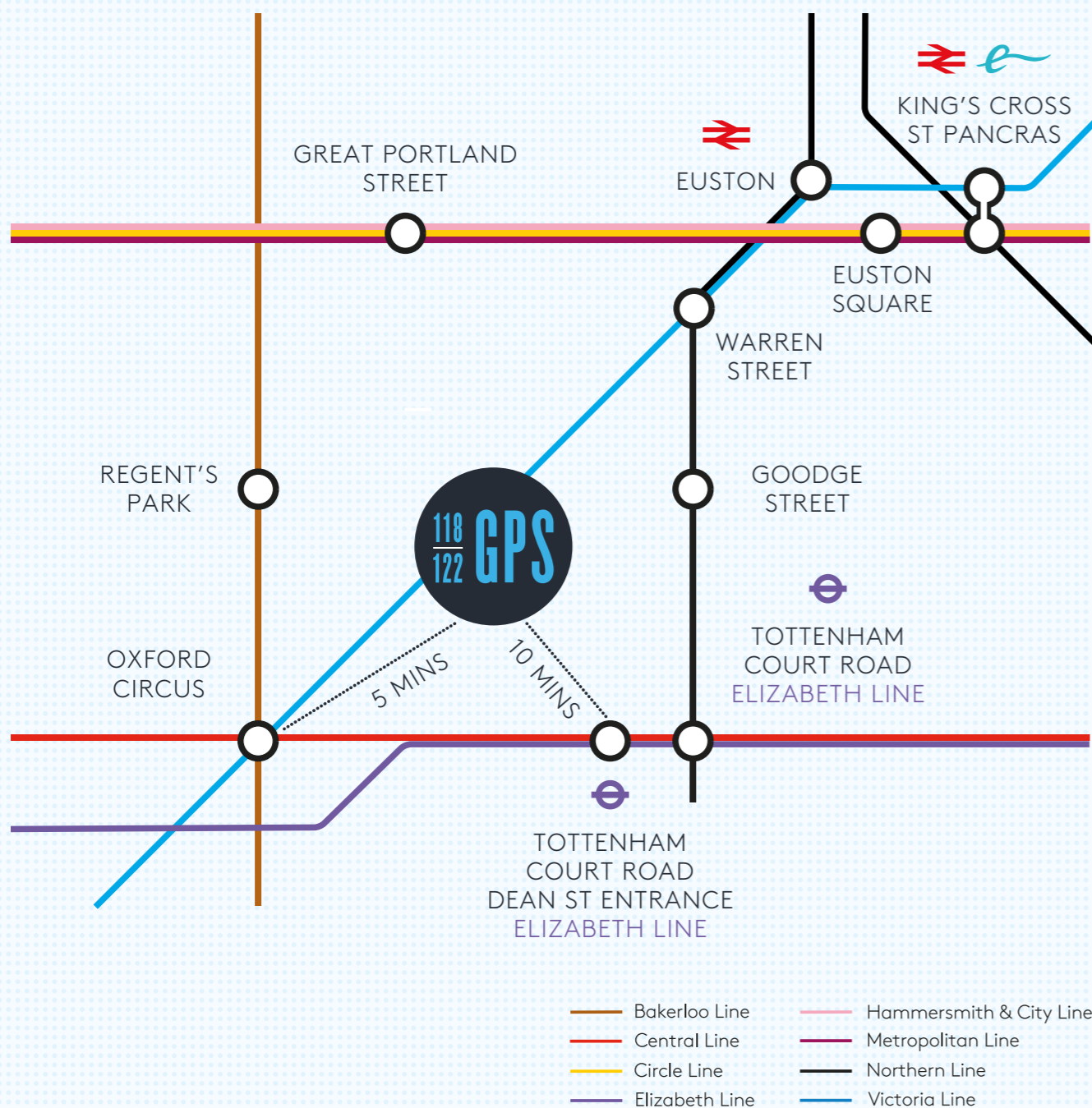
1. Attendant
2. The Breakfast Club
3. Curators Coffee Gallery
4. Department of Coffee & Social Affairs
5. The Detox Kitchen
6. Kaffeine
7. Lantana Café
8. Scandinavian Kitchen



# CONNECTIVITY

Fitzrovia's transport communications across the capital are excellent. Equidistance from the property, Oxford Circus (Central, Victoria and Bakerloo lines) and Great Portland Street (Circle, Metropolitan and Hammersmith & City) London Underground stations are both a five minute walk.

Additional nearby stations include Tottenham Court Road (Central and Northern lines), Euston (Victoria, Northern and London Overground lines and national rail services) and Bond Street (Central and Jubilee lines), which are all within a convenient walking distance.



## ELIZABETH LINE

Fitzrovia's communications will improve substantially when the Elizabeth line (Crossrail) opens at Bond Street and Tottenham Court Road stations. The stations are undergoing major transformations to become dominant hubs to facilitate Crossrail's 225,000 daily passengers, with new entrances being opened at Dean Street (Tottenham Court Road) and Hanover Square (Bond Street).



## EUSTON STATION

Euston station also provides access to the UK's wider national rail services, and the anticipated delivery of HS2 in 2026 will be key to the area's capital-to-national reach. Crossrail 2 is the next phase of Europe's largest infrastructure investment programme, with Euston (and Tottenham Court Road) being identified as a key interchange. Once operational the line will run north to south through London and will increase the capacity to London's rail network by 10%.



# THE BUILDING & ACCOMMODATION

118-122 Great Portland Street, is an attractive red brick building, originally constructed in the 18th century as residential dwellings.

Today, the property comprises 7,511 sq ft (697.8 sq m) of retail accommodation over ground and basement floors, arranged as two retail units with prominent Great Portland Street frontage.

The units form part of a wider building, the remainder comprises 'sold off' residential accommodation totalling 10 flats.

The property provides the following internal areas as measured by Ross Laird:

UNIT	FLOOR	NIA SQ FT	NIA SQ M	ITZA SQ FT
118 Great Portland Street	Ground	759	70.5	514
	Basement	798	74.1	53
120-122 Great Portland Street & 26 Gosfield Street	Ground	2,805	260.6	-
	Basement	3,149	292.6	-
<b>TOTALS</b>		<b>7,511</b>	<b>697.8</b>	

## TENURE

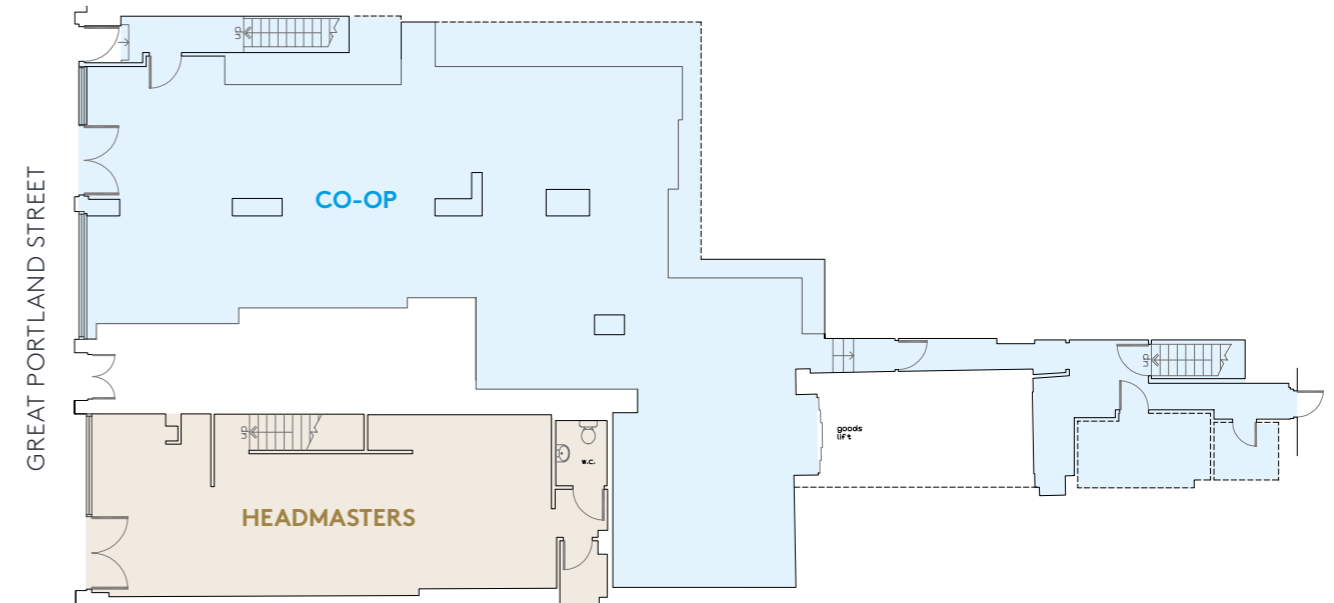
Freehold.



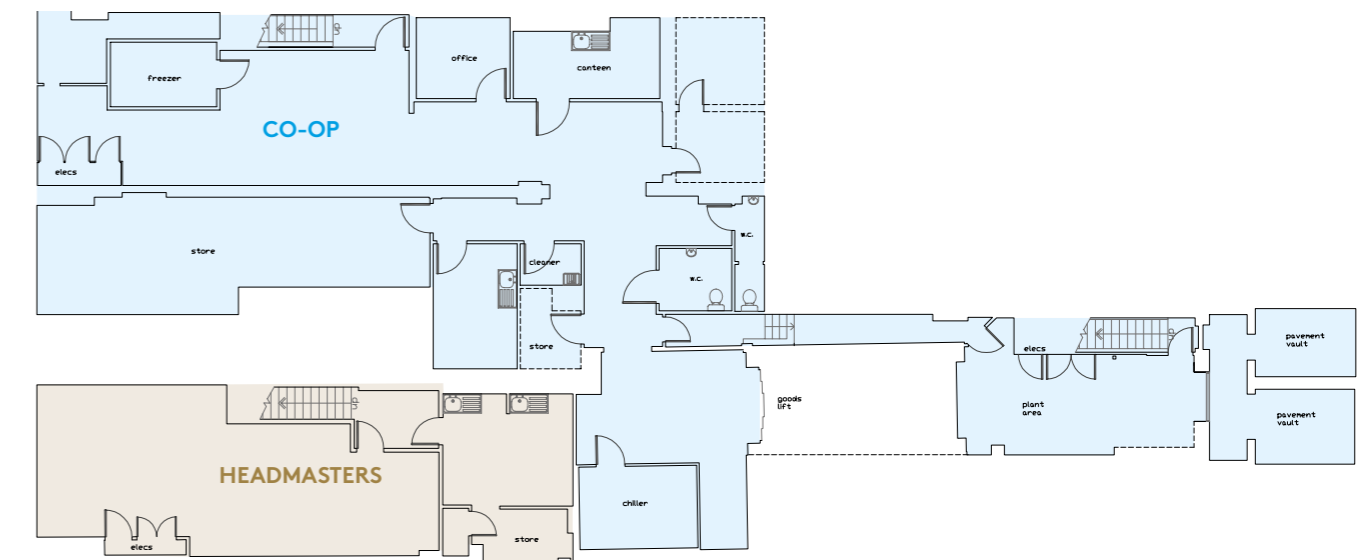
Not to scale. For identification purposes only. This plan is based upon the Ordnance Survey Map with the sanction of the controller of H.M. Stationery Office. Crown Copyright reserved.

# FLOORPLANS

## GROUND FLOOR



## BASEMENT



Not to scale. Indicative only.

# TENANCY SCHEDULE

UNIT	TENANT	FLOORS	AREA SQ FT (ITZA)	LEASE START	LEASE EXPIRY (BREAK)	NEXT RENT REVIEW	RENT £PA	RENT £PSF / £ZA	COMMENT
118 Great Portland Street	The Headmasters Partnership Limited	Ground & Basement	1,557 (567)	30 May 2014	29 May 2024	-	£73,000	£129 ZA	Outside 1954 Act.
120-122 Great Portland Street & 26 Gosfield Street	Co-Operative Food Group Limited	Ground & Basement	5,954	7 Jan 2014	6 Jan 2034 (7 Jan 2024)	7 Jan 2024	£225,000	£38 PSF	Outside 1954 Act.
James Boswell House, 118-122 Great Portland Street	James Boswell House Tenants Association Limited	First to Fourth	-	24 Jun 1985	23 Jun 2095	24 Jun 2051	£500	-	Fixed rental uplift to £1,000 pa. Refer to the full tenancy schedule in the data room for details of the individual leases. Seven of the eight flats leases have been extended pursuant to the Leasehold Reform, Housing and Urban Development Act 1993.
26 Gosfield Street	JP Morgan Trust Investment Company Limited	First to Third	-	29 Sep 1995	28 Sep 2994	-	-	-	There are two underleases. Refer to the full tenancy schedule in the data room for details.
<b>TOTALS</b>			<b>7,511</b>				<b>£298,500</b>		

# COVENANTS

## CO-OP FOOD

The Co-op Food brand is used by over 15 different co-operative societies that operate over 4,000 shops across the UK (more outlets than any other grocer) and the sixth largest food retailer in the UK. Co-op Food is widely recognised for its commitment to responsible and ethical trading, particularly for championing fairtrade in the UK being the first UK retailer to stock such products.

Co-operative Group Food Limited is rated O2 by D&B, representing a lower than average risk of business failure, based on a tangible net worth of £1.4Bn. The tenant is also rated 100 out of 100 by Experian Delphi, which reflects a very low risk. Co-op Food is also a wholly owned subsidiary of The Co-operative Group Limited, who are rated 5A2 by D&B, representing a minimum risk of business failure based on a tangible net worth of £1.9Bn.



## HEADMASTERS

Established in 1982, in Wimbledon Village, today Headmasters is one of the UK's most established and biggest salon groups, consisting of 56 salons and two academies, employing over 700 Stylists, 200 Apprentices and 100 Front of House Team across London and Surrey.

The Headmasters Partnership Limited is rated 2A1 by D&B, representing a minimum risk of business failure based on a tangible net worth of £6.8M, turnover of £6.5M and net profits of £1.3M.





# INVESTMENT MARKET

London's West End commercial real estate market, despite the existing geopolitical uncertainty and ongoing effects of the Covid-19 pandemic, remains robust in an economic environment of low interest rates, weakened sterling and, fundamentally, a shortage of available product. Combined these characteristics have ensured, whilst investment volumes have contracted, that pricing has remained stable.

A buoyant Q1 2020 (transaction volumes by the end of Q1 were in excess of double that of the same point in 2019), coupled with a record low Q2 means the 2020 half year total is 38% below average. However, subdued volumes were inevitable as part of the worldwide reaction to such an unexpected event and UK-wide lockdown. Further, the start of Q3 has already recorded double the entirety of Q2.

Strong demand from investors (both domestic and overseas) combined with a limited number of sellers, means long, secure, income in prime West End locations continue to be a particularly attractive investment opportunities in the market.

DATE	ADDRESS	TENANT(S)	PRICE	NIY
Aug-20	42-46 Westbourne Grove, W2	Planet Organic (92% of Income)	£11,500,000	4.65%
Feb-20	93-99 Queensway & 1-9 Duke's Court, W2	Barclays Bank Spirit Pub Company	£11,755,000	4.43%
Jan-20	80 Great Titchfield Street, W1	t/a Meraki	£3,600,000	3.85%
Nov-19	40 New Oxford Street & 25 Coptic Street, WC1	t/a Cocoro t/a Joy's Chinese Restaurant	£3,530,000	4.20%
Sep-19	56-70 Kenway Road, SW5	Multi-let	£13,500,000	4.12%
Jun-19	118-120 Wigmore Street, W1	Wigmore Street Kitchens Halcyon Interiors	£8,300,000	4.24%
Oct-18	23-25 Mortimer Street, W1	t/a Ligne Roset	£2,600,000	4.25%
Oct-18	42-46 Westbourne Grove, W12	Planet Organic Alounak Faber	£7,000,000	3.49%
May-18	145 Kensington Church Street, W8	Savills UK	£7,500,000	3.93%



## FURTHER INFORMATION

### PLANNING

The property is situated in the London Borough of Westminster, and is located in the Harley Street Conservation Area. The building is not listed.

### VAT

The property is VAT elected. It is anticipated that the transaction is to be treated as a transfer of going concern (TOGC).

### EPC

EPCs are available in the data room.

### DATA ROOM

For access to the Allsop data room please use the following link:

<https://datarooms.allsop.co.uk/register/GPS>

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# PROPOSAL

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Offers are invited in excess of £6,215,000 subject to contract and exclusive of VAT.

A purchase at this level reflects a Net Initial Yield of 4.50% (after allowing for full purchaser's costs of 6.63%).

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# CONTACT

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