

Benson Elliot doubles up in Ealing with off-market buy

■ Private equity firm back in west London following shopping centre site purchase in October

BY ALEX THERRIEN

Benson Elliot is close to buying a 135,000 sq ft office building in Ealing, west London, as it doubles the amount of money it has spent in the area during the past 12 months on the back of Crossrail-related growth prospects.

Standard Life Investments and Neptune Developments' Ealing Cross is under offer to the private equity firm, which bought the nearby Arcadia shopping centre site last year.

Market sources said contracts for the eight-floor property were likely to be exchanged in the next couple of weeks.

Some of the offices at the property

are vacant or let on five-year lease terms, but the block's fully let value has been estimated at £65m.

Benson Elliot is thought to be paying closer to £38m for the building, where as of April more than 40,000 sq ft of space was available. The quoting rent is £27.50/sq ft.

In April, retail marketing group Dunnhumby took 36,500 sq ft at £25/sq ft for five years. It joined Red Bee Media and housing group A2Dominion.

Ealing has historically lost office occupiers to other west London locations such as Hammersmith and Chiswick Park. However, Crossrail and neighbouring schemes

are expected to improve the area as an office destination.

Benson Elliot bought the £38m, 2.5 acre Arcadia site, which includes the 61,300 sq ft Arcadia Centre, in October. The scheme will benefit from the Crossrail station that will open there in 2018.

Land Securities also aims to submit a planning application this summer for its £100m Ealing Film Quarter.

Research from GVA shows that commercial property values are expected to increase by around 10% near Crossrail stations, and residential values will rise by as much as 20% across affected London suburbs.

CBRE advises Standard Life; Bray Fox Smith and Montagu Evans are the joint letting agents at Ealing Cross.

All parties declined to comment.

■ Read about the developers that have leapt to capitalise on Crossrail in Ealing in *Property Week London*.

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Far East's Ho Bee makes London south bank debut

A Far Eastern investor has agreed to buy Rose Court on London's south bank in its debut deal in the capital.

Ho Bee Investment is to pay £67.2m for the office property, which is owned by Scottish Widows Investment Partnership (SWIP), on behalf of Clerical Medical Investment Group.

The block was at the centre of controversy in 1989, when Martin Myers and Manish Chande's Imry Merchant Developers proposed the construction of offices on top of the archaeological site of the Elizabethan Rose Theatre.

Imry planned a 200,000 sq ft office block, but a campaign group that included Lord Olivier and Dame Peggy Ashcroft resisted. The developers agreed to suspend the property above the ground and cut the number of floors. The public outcry prompted Margaret Thatcher's adoption of Planning Policy Guidance 16: Archaeology and Planning, in 1990.

SWIP instructed Knight Frank in February to market the property with potential for a £250m residential development opportunity; Savills advised Ho Bee.



Manchester City swoops on London target

Manchester City Football Club is opening a London office on the top floor of British Land's 10 Brock Street scheme (inset), which is part of the REIT's Regent's Place development, to the north of Euston Road. The club has taken 7,201 sq ft on a 10-year lease at nearly £70/sq ft.

The decision is a riposte to Manchester United's opening of an office in the capital two years ago, when it took space at Stratton House above Langan's Brasserie in Mayfair. It is thought Brock Street was chosen because of the scheme's proximity to Euston station, from which trains run directly to Manchester Piccadilly.



Legal eagles land Thames-side headquarters

Law firm Field Fisher Waterhouse is to occupy several floors of a Thames-side property in the City of London – the latest large letting in the recovering Square Mile market.

PropertyWeek.com revealed on Monday that the firm has placed under offer more than 80,000 sq ft at Riverbank House at a rent thought to be around £50/sq ft.

It is understood to be taking a sublease from US hedge fund Man Group for more than 10 years on up to three floors.

Field Fisher Waterhouse instructed Knight Frank to search for a 70,000 sq ft headquarters building in January.

Research published on Wednesday by Jones Lang LaSalle revealed that take-up in the City office market has grown dramatically in 2013, as large-scale occupiers finally commit to taking new office space.

Tenants leased 793,400 sq ft in May – a 117% month-on-month increase and 135% up on the same period last year.

James Andrew International and BNP Paribas Real Estate advise Man Group.