

Top stories from EGi

BPF appoints Hermes man

Chris Taylor, chief executive of Hermes Real Estate Investment Management, has been appointed as junior vice-president of the British Property Federation. The move will see him become president of the industry trade body in two years' time. He will succeed Brockton Capital's David Marks and Legal & General's Bill Hughes.

Non-UK cash floods in

Overseas investors accounted for 78% of the £3bn spent on central London commercial property in the second quarter. Cushman & Wakefield said foreign parties represented 80% of City sales and 77% of West End sales in the second quarter.

KCB Bank picks EC2 agents

Knight Frank and Savills have been appointed by KCB Bank to let its 76,060 sq ft office building 111 Old Broad Street, EC2. The appointment comes after the bank gave the Foggo Associates-designed property a makeover. It is occupying part of the space. Quoting rents are £55 per sq ft.

West End agency launched

The former chairman of the West End Office Agents Society, Alex Brown, has set up a new central London agency, ABRE. Most recently he was head of West End office agency at Capita Symonds, and has previously worked at Doherty Baines and CBRE. ABRE will be based at 11-14 Grafton Street, W1.

West Brom banks HQ

The West Bromwich Building Society has been given the green light to build a 70,000 sq ft headquarters in the West Midlands city's centre. Sandwell council planners have approved the Associated Architect's-designed scheme to be located on the All Saints development in West Bromwich. It will house 700 staff.

Shoe shop steps up to yield record

JOANNA BOURKE

A new yield record of less than 1.5% has been set in West End hotspot Bond Street.

A private Far Eastern investor has agreed to buy the home of Gina shoes at 9 Old Bond Street, W1, for a record yield of 1.42%.

It has paid Guy's & St Thomas' Charity £19.2m for the 3,000 sq ft property, reflecting a capital value of £6,516 per sq ft.

It is the first time the building has been traded in 50 years.

Selling agent CBRE approached a handful of overseas buyers with the opportunity. Central London retail investment director Richard Alsoop said: "The sale reflects



↑ Cash splashed for posh shoe store

both one of the lowest yields and one of the highest per-square-foot prices ever achieved on the street, and demonstrates the continued demand from overseas high-net-worth individuals.

"The strength of bidding from the shortlisted parties led to an

exceptional price being achieved and an exchange of contracts in less than 24 hours."

The most recent record yield on Old Bond Street was 2.75%, set in February via Prada's purchase of 17-18 Old Bond Street.

Gina shoes has a lease on 9 Old Bond Street until 2023, paying a passing rent of £287,500.

It has a rent review in December, however, and based on current West End rates, agents said the current zone-A of £535 per sq ft could soar by 59% to £850 per sq ft.

On rent review, the yield could rise to 2.7%. Cushman & Wakefield represented the purchaser.

BAPE TO SPLASH OUT IN LONDON

Japanese clothing company A Bathing Ape is looking to treble its London space and secure a new West End flagship shop. The firm, which has collaborated with stars including Beastie Boys and Pharrell Williams (pictured), has appointed James Andrew International to find it a 3,000 sq ft store in Mayfair, Soho or Covent Garden. It wants to relocate from its circa 800 sq ft at 4 Upper James Street, W1, when its lease expires at the end of the year. The expansion plan comes as BAPE celebrates its 20th anniversary. The fashion line was started in 1993 by Japanese DJ Nigo, who is also partner in the boutique Billionaire Boys Club clothing line with Pharrell Williams.



REX FEATURES

Retailers call for more flexible high street

The government needs to be more flexible with property uses if it wants to re-invigorate the high street.

That was the overriding message from a host of top-name retailers that appeared before a Department for Business, Innovation and Skills select committee this week as part of its investigation into the retail sector.

The meeting was attended by retailers including Tesco, Marks & Spencer and Boots. The British Property Federation was also in attendance.

BPF chief executive Liz Peace

said: "The 20th century saw a rapid expansion of the high street that simply cannot be supported today.

"Even putting aside the current economic troubles, there is less demand for high street retail and we are likely to witness further contractions, particularly outside the retail core."

She added: "Facilitating this shrinkage while finding alternative uses for properties that clearly have no retail future is where the focus should be. And the solution is not necessarily retail; there are other uses, like doctors' and dentists' surgeries

as well as residential, that could occupy these buildings and drive footfall."

Directors from Tesco and Boots both agreed, saying that town centres needed to become destinations and that many had too much retail and too few services.

The BIS retail select committee was set up in March to examine the government's response to the Portas Review, which the coalition commissioned in an attempt to revitalise Britain's high streets, the impact of online retailing and regulation.