# Addison Lee HQ buyer plans student scheme

MBU Capital is planning to develop a 250-bed student scheme on the Euston site

**Helen Crane**

MBU Capital plans to transform taxi firm Addison Lee's former headquarters in Euston into student accommodation, after exchanging contracts to acquire the freehold for £22.75m.

It has appointed planning consultant DP9 and architect Boyes Rees to advise on redeveloping the two adjacent buildings at 17-37 William Road.

The 250-bed scheme would also include 35,000 sq ft of commercial space.

MBU Capital is in advanced talks with providers of student schemes and educational establishments in the Zone 1 area and is seeking a tenant to take all the space in the new scheme.

Paul Calderbank, head of real estate development at MBU Capital, said: "The vendor was aiming to sell the scheme for residential conversion, a commercial refurbishment project or a hotel/restaurant scheme.

"Our research shows that the site is ideal for a mixed-use accommodation scheme, with high demand evident for new student accommodation in the Zone 1 area from a high number of universities and higher-education establishments."

Liam Griffin and Daryl Foster, sons of Addison Lee founders John Griffin and Lenny Foster, who started the business in 1975, put the properties up for sale in January.

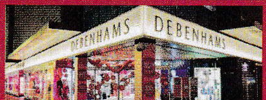
Their families retained ownership of the headquarters after a majority stake in Addison Lee was sold to US private equity firm The Carlyle Group six years ago.

As *Property Week* revealed in January, Griffin and Foster have set up a property company called Melrose Capital and are "gearing up to attack the market" using the Euston sale as seed funding.

The William Road transaction is due to be completed on 3 July.

James Andrew International acted on behalf of MBU Capital while Colliers and Harris Associates advised the vendors.

## Retailer Watch




### Debenhams

**The department store chain is facing a legal challenge to its company voluntary arrangements (CVAs) from Sports Direct and other parties.**

The CVAs, which proposed closing 50 stores and reducing the rents on a swathe of others, was voted through by creditors on 9 May.

Debenhams chairman Terry Duddy said he believed the challenges to the CVAs to be "without merit" and said the agreements would be "vigorously defended".

The legal challenge comes after Duddy announced plans to downsize at least 30 stores and convert some of the excess space to other uses such as cinemas.

He said its ideal store size varied depending on the size of the town but generally would be around 100,000 sq ft - half the size of the biggest Debenhams stores, which can exceed 200,000 sq ft.

Debenhams, which has 165 shops and 25,000 staff, has struggled for more than a decade under onerous leases and debts that have reached £1.1bn.

In April, lenders took control of the department store chain in a deal that wiped out its shareholders' equity.

## International News

**Starwood Sydney d**
Starwood Capital and its Australian partner Arrow Capital Partners have acquired suburban Sydney office compl for A$438m (£240m) from BlackRock and its Australian c investor Centuria Property Fu

**Paris Crystal sold**
Samsung Securities h bought the Crystal Park office building in Paris suburb Neuill sur-Seine for €691m (£615m) from French property develop and investor Icade.

**Twin City Tower de**
The Valesco Group has bought, on behalf of a South Korean investor, the Twin City Tower in Bratislava from HB Reavis for €120m. The acquisition, the first of a South Korean investor in Slovakia, reflected a 5.75% yield. Twin C Tower is mainly let to Amazon.

**Barings buys in Mil**
Barings has acquired the Corso di Porta Vigentina 9 office building in Milan, Italy. The property was purchased o behalf of the Barings Real Esta European Value Add Fund I and comprises around 43,000 sq f space across four floors.

**Cities fund strikes d**
KanAm Grund Group's Leading Cities Invest public fu has bought the 300 Prado offi building in Marseille, France. It is let mainly to EDF and its othe tenants include Mazars and Ap

**Dutch first for AEW**
AEW has acquired 54 Lijnbaan in Rotterdam, let to fashion retailer Pull & Bear, in the first Dutch deal for its Europe City Retail Fund.

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