

Delivering superior development returns as one integrated team



“ Our teams have worked seamlessly to deliver a first class, fully pre-let development both under budget and generating significant surpluses for our shareholders. ”

Helen Hare Project Manager

Our integrated in-house teams work closely together across all aspects of our business. Our development projects, such as 33 Margaret Street, W1, often involve all of our four teams across their lifecycle.

Our 2009 rights issue enabled our investment management team to take advantage of opportunities in the market where prices were at historical lows and, together with our financial management team, they were able to negotiate and deliver a unique structure to unlock the off-market purchase of a prime development site at 33 Margaret Street, W1 from a distressed overseas investor. The development team improved the planning permission, demolished the existing building and delivered a new Grade A office building, under budget, in December 2012. During the construction phase, our asset management team held discussions with potential tenants and the 95,600 sq ft of office space was entirely let eight months prior to completion to Savills plc through two transactions. Together this integrated approach has delivered a prime office building in a first class location and outstanding returns, with a profit to date of £52.2 million, equating to a profit on cost of 79.8%.



33 Margaret Street, W1
Project statistics
79.8% Profit on cost
49.8% Project ungeared IRR
£73.25 Average office rent per sq ft
£7.0 million Pre-let office rent

33 Margaret Street

Key milestones	May 2009 Rights issue to take advantage of historically low asset prices	Nov 2009 Building acquired	Feb 2010 Strip out and demolition of building commenced	Jan 2011 Construction commenced	Dec 2011 First pre-let secured for 64,150 sq ft	March 2012 Second pre-let secured for remainder of building	Dec 2012 Building completed and the leases commenced
Our activity	2009 Rights issue	Building identified Interest restructured with vendor and incumbent bank	2010 Planning permission revised, project priced and contractors appointed	2011 Construction	Marketing strategy devised Selected marketing to potential tenants	2012	
Our teams	Financial management Investment management Development management Asset management						