

# Unlocking potential by regenerating the East End of Oxford Street

## Our development activities are driving regeneration and returns for our shareholders.

With more than 600,000 sq ft of development schemes at the East End of Oxford Street, we are at the forefront of regenerating the building stock and upgrading the local environment ahead of the opening of the new Tottenham Court Road tube station in 2016 and Crossrail in 2018. Together they will create one of Europe's busiest public transport hubs.

Our schemes include our 90,700 sq ft new-build development at 73/89 Oxford Street, W1, directly opposite the Dean Street entrance to the Tottenham Court Road Crossrail station. We committed to the development in January 2015 having secured planning consent and vacant possession in the preceding 12 months.

We subsequently pre-let a new 31,800 sq ft flagship retail store at the scheme to fast-fashion brand New Look on a 20 year lease at an annual rent of £3.65 million, reflecting a record zone A rent in the area of around £600 per sq ft. Our pre-letting helped to delivered valuation growth of 53% in the financial year.

With completion of the scheme anticipated in spring 2017, we are also progressing our letting initiatives for the second flagship retail store of 15,300 sq ft and 43,600 sq ft of Grade A offices.

Following the strong valuation uplift prior to commitment the scheme is expected to deliver GPE a profit on cost of 14.1%.

## Zone A retail rents per sq ft



## Record retail rent

Our New Look letting was at a record Zone A rent in the area, a significant increase on the passing retail rent of £238 per sq ft at the property on purchase in 2011 and well ahead of the previous record in the area of approximately £450 at the adjoining recently redeveloped property.

“The terms of our pre-letting with New Look reflect the strong retail prospects in this part of Oxford Street and are positive for our ongoing and future developments.”

Marc Wilder, Head of Leasing, GPE

“We’re very excited to be working with GPE to deliver a world class New Look flagship store. This store, in what is going to be a prime retail location, strengthens our position as we continue to grow the New Look brand both in the UK and internationally.”

Danny Barrasso, UK Managing Director, New Look

