



17 July 2013

## **GPE acquires Oxford House, 76 Oxford Street, W1**

Great Portland Estates plc ("GPE") announces that it has exchanged contracts to acquire Oxford House, 76 Oxford Street, W1, a prominent freehold property at the junction of Oxford Street and Newman Street, adjoining GPE's 2.3 acre Rathbone Place redevelopment site.

Simultaneously, GPE and Land Securities have entered into new rights of light and rights of way arrangements between GPE's development at 73/89 Oxford Street, W1 (directly opposite Oxford House on the south side of Oxford Street), and Land Securities' adjoining property at 7 Soho Square, W1. The combined price for these two transactions is £91.50 million.

Oxford House is a prominent, eleven storey, office and retail building totalling approximately 79,000 sq. ft.. It is fully let with three office tenants and five retail tenants, generating a total current rent of £3.22 million per annum and a net initial yield of 3.5% rising to c.6.0% post a light refurbishment and re-letting. The weighted average unexpired lease term is under a year and the rents are low for this location at £26.17 per sq ft on the office accommodation and £238 per sq. ft. Zone A on the retail. Earlier this year, Land Securities submitted a planning application to extend the existing property and convert the upper floors to 89 private residential apartments with a reconfiguration of the existing ground and basement accommodation to incorporate retail on the first floor. The proposed scheme totals 114,700 sq. ft.

The east end of Oxford Street will see significant redevelopment over the next decade, including the opening of the Tottenham Court Road Crossrail Station, the entrance for which is opposite Oxford House. GPE has a leading role to play in this regeneration through its ownership of three key sites with the potential for more than 600,000 sq. ft. of new, mixed-use space.

Toby Courtauld, GPE Chief Executive said, "Oxford House is an important West End asset to add to our medium term development pipeline and in the near term, this well located building gives us opportunities to work the income, off low rents, through refurbishment. Longer term, redevelopment will contribute towards the regeneration of the East End of Oxford Street, one of London's most exciting submarkets and one which is set to benefit from the opening of Crossrail. In addition, obtaining the necessary rights for our 73/89 Oxford Street development brings this project closer to fruition ahead of the planning committee meeting in August 2013."

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