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Great Ropemaker Partnership sells 240 Blackfriars Road, SE1

The Great Ropemaker Partnership (“GRP”), the 50/50 Joint Venture between Great Portland Estates plc (“GPE”) and Ropemaker Properties Ltd (the property nominee of the BP Pension Fund) announces that it has exchanged contracts to sell 240 Blackfriars Road to clients of Wolfe Asset Management Limited (“WAML”), a wholly owned subsidiary of the Al Gurg Family which owns the multifaceted business conglomerate Easa Saleh Al Gurg Group in Dubai. The headline price of £266.5 million, marginally ahead of the September 2017 book value, reflects a net initial yield of 3.94% and a capital value of £1,176 per sq ft. Completion is scheduled for January 2018.

240 Blackfriars Road is a 20 storey landmark building constructed in 2014 and provides a total of 226,271 sq ft of grade A offices and retail accommodation. The offices are fully let to seven office tenants including UBM Plc, Boodle Hatfield LLP, Ramboll UK Ltd and Lonely Planet Publications Ltd on rents ranging from £47.00 to £65.00 per sq ft. The retail tenants include Pret a Manger (Europe) Ltd and Elvetham Ltd (t/a Abokado). The sale incorporates Cubitt House, the 10,690 sq ft adjoining retail and residential building, where all ten apartments have been sold off on long leases and the retail unit is let to The Coffeworks Project Ltd. The total contracted rental income is £11.2 million per annum and current weighted unexpired lease term is approximately 8.4 years to the earlier of expiries or breaks.

Commenting on the sale, Toby Courtauld, Chief Executive of GPE said, “The sale of 240 Blackfriars Road is the culmination of an exceptional development project for GRP. Having secured an attractive planning permission in March 2011, GRP commenced development in January 2012 following the pre-letting of 105,825 sq ft to UBM Plc. The sale continues our strategy of recycling capital out of assets where we have created value”.

Abdulla Al Gurg, Group General Manager of WAML said, “The 240 Blackfriars Road building is iconic in its design and an instantly recognisable feature of the London skyline. It perfectly fits within our strategy of owning best in class commercial buildings in prominent London locations. Southbank is regarded as one of London’s most vibrant districts and thriving sub-markets, with a unique combination of world renowned arts and theatre institutions, hotels, luxury residential developments, excellent connectivity and prime real estate”.

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