

# Press Release



12 January 2023

## Quarterly leasing update

Great Portland Estates plc (GPE) publishes a leasing update for the quarter to 31 December 2022.

Toby Courtauld, Chief Executive, said:

*“We are pleased to announce that the leasing momentum we reported with our Interim Results continued through to the end of the 2022. In a strong quarter, we signed our largest ever pre-let at 2 Aldermanbury Square, with Clifford Chance, and made substantial progress leasing the remainder of our retail space at our Hanover Square and 70/88 Oxford Street developments.*

*With robust demand for the best spaces in central London, we remain confident in the attractions of our highly sustainable, flexible, tech-enabled spaces in a market where high quality product is increasingly scarce. Plus, given the combination of our low levels of leverage and the talents of our experienced team, we are well placed to benefit from opportunities as they arise.”*

New leasing record including largest ever letting at 2 Aldermanbury Square, EC2

- 29 new leases and renewals signed in the quarter generating annual rent of £34.3 million (our share: £33.1 million), with market lettings on average 2.1% ahead of March 2022 ERV, including:
  - our largest ever pre-let at 2 Aldermanbury Square, EC2; £24.7 million, 20-year term;
  - six Fitted and two Fully Managed leases, achieving on average £196 per sq ft on the fully managed space, 7.1% ahead of March 2022 ERV; and
  - eleven new retail leases securing £4.6 million of rent with market lettings 12.6% below March 2022 ERV, including significant letting to Reserved at 70/88 Oxford Street, W1;
- one rent review was settled securing £0.8 million of annual rent (our share: £0.4 million), 9.4% ahead of the previous passing rent;
- total space covered by new lettings, reviews and renewals was 438,000 sq ft;
- a further £2.0 million of rent under offer, market lettings 20.1% ahead of March 2022 ERV; and
- 99% of rent charged collected within seven working days (quarter to March and month of January).

The largest transaction in the period was the pre-let of all 321,100 sq ft of office space at our 2 Aldermanbury Square, EC2 net zero carbon development to leading international law firm Clifford Chance LLP (Clifford Chance). Clifford Chance will pay an initial rent of £77.00 per sq ft on a twenty year term and benefit from an initial **38 months’ rent free**<sup>1</sup>. Demolition of the existing building has commenced with completion anticipated in December 2025.

We also anticipate that we will achieve practical completion at 50 Finsbury Square, EC2 in the coming week, with the lease to Inmarsat, and sale of the building, completing shortly thereafter.

### Strong retail progress

There has been strong leasing momentum in our retail space. At 70/88 Oxford Street, W1, we leased a new London flagship store to Reserved (19,645 sq ft) on the ground and first floors. In December, we also leased a further unit to the jewellery brand Pandora (3,675 sq ft). The retail space at the building is now 96% let or under offer.

At Hanover Square, W1, we achieved three further retail lettings to premium brands on New Bond Street with Bang & Olufsen (4,000 sq ft), Dsquared2 (4,700 sq ft) and Hackett (2,350 sq ft). Bang & Olufsen will occupy 72 New Bond Street **showcasing the iconic brand's high**-end quality speakers, headphones and sound accessories, Dsquared2 will launch its new London flagship at 67 New Bond Street and Hackett at unit 69 for its first ever **standalone concept store, '14 Savile Row, by Hackett'**. All of the retail space is now let, with the exception of a small unit which is under offer.

In total, GPE has now signed 629,100 sq ft of new lettings since the start of the financial year (1 April 2022), generating a combined annual rent of £50.9 million (GPE share: £48.2 million), with market lettings 2.8% ahead of March 2022 ERV. This surpasses our previous record of £38.5 million for the year ended 31 March 2022, with three months of the 2023 financial year still remaining.

1. See Announcement dated 15 November 2022.

Great Portland Estates plc  
Toby Courtauld, Chief Executive  
Nick Sanderson, Chief Financial & Operating Officer  
Stephen Burrows, Director of Financial Reporting & IR

+44 (0) 20 7647 3000

FGS Global  
James Murgatroyd  
Gordon Simpson

+44 (0) 20 7251 3801

For further information see [www.gpe.co.uk](http://www.gpe.co.uk) or follow us on Twitter at @GPE\_plc