



**fm** frost meadowcroft  
020 8748 1200

## The Frost Meadowcroft MARKET UPDATE **2<sup>nd</sup>** QUARTER 2012

Welcome to the second update of 2012, giving you an up-to-date view of the office market west of the West End and providing an insight into prevailing trends in this sector.

### Market Summary

The west of West End market has begun the 2<sup>nd</sup> quarter of 2012 with large pre-lets in Chiswick and Hammersmith and several more substantial planning applications granted for development. Despite the recession (the ONS reported a decrease in GDP of 3% in Q1) and the uncertainty caused by wider economic factors such as the Eurozone Crisis, values in this office market have grown. This may be because the west of West End is popular with the sector known as 'TMT' (technology, media and telecoms) despite the pre-let this quarter of 62,500 sq ft in Hammersmith being to a finance company and the 215,000 sq ft pre-let at Building 6, Chiswick

Park to Aker, an oil services company, neither of which are in 'TMT' sector.

Best rents in Hammersmith are £36 per sq ft as evidenced by Marsh & Parsons' head office relocation to 9,000 sq ft at the newly refurbished 80 Hammersmith Road. The Chiswick Park letting was to Aker at £45 per sq ft, Equinox Gym took 35,000 sq ft at 99 Kensington High Street W8 at £41.30 per sq ft and Universal took more space in Kensington Village, W14 at £35 per sq ft overall. At Fulham Green, further space has let for £30 per sq ft and at Phoenix Brewery in Notting Dale, W10 the latest letting was at £27.50 per sq ft.

### Q2 Headlines

#### 27 & 10 HAMMERSMITH GROVE

The central concrete core and first steel beams of Development Security's 100,000 sq ft 10 Hammersmith Grove development (pictured in the header above) were constructed this quarter. The property will be completed in early 2013 and will be Hammersmith's first new build office scheme in 10 years. Nearby at 27 Hammersmith Grove, the George Wimpey former headquarters, new owners Threadneedle have successfully pre-let this 65,000 sq ft office building to Winton Capital, a finance company, for £34.50. Refurbishment is now under way by Threadneedle's venture partner, Stanhope as part of their Low Carbon Workplace Trust Fund.



CGI illustration of Hammersmith Flyunder

#### HAMMERSMITH FLYUNDER

Local architects, Halcrow, CPA, Lifschutz Davidson Sandilands and Paul Murphy recently held a 'flyover makeover' session to discuss how a tunnel could be created which would bring environmental, economic and social benefits to Hammersmith and have a regenerative effect by reconnecting the town centre with the river.

With the temporary closure of the flyover raising long-term questions about its future, the concept of creating a tunnel is being considered again by politicians and local groups.

New Hammersmith and Fulham Council leader Nick Botterill recently described

the flyover as 'ugly and outdated' and said, "the world has moved on and it would be unthinkable to put an elevated monster like the flyover up in this day and age."

The 50-year-old flyover, which carries the A4 over the centre of Hammersmith, was shut on 23 December 2011 when steel cables that hold the 900 metre-long concrete structure together were found to have corroded.

Investigations over Christmas revealed some cables had snapped, raising concerns about the four-lane structure's ability to carry traffic volumes of about 90,000 vehicles a day.

Repair work focused on strengthening six of the 16 spans of the structure to ensure that they can carry full traffic loading in time for the Olympics. After the Games, engineers will strengthen the remaining 10 spans of the flyover.





## KING STREET & ST PETERS SQUARE SITE SALE

House builders, Crest Nicholson, have bought the 0.6 acre former VW car showroom situated on the corner of 405-409 King Street and St Peter's Square for £14m. The site, just a stone's throw from Frost Meadowcroft's offices at Island Studios, St Peter's Square, was previously owned by Notting Hill Housing Trust. The planning consent is for 41 homes and 2,300 sq ft of commercial space fronting King Street.

## PLANNING – New Schemes & Consents

### 205 HOLLAND PARK AVENUE

Chelsfield Partners have been granted planning consent to demolish the defunct 1981 office building at the Shepherd's Bush Roundabout opposite Westfield London to create a new gateway building to Kensington & Chelsea. The scheme will have 8 artists studios on the ground floor and 40 residential flats within the upper parts. Frost Meadowcroft provided planning advice to Chelsfield Partners.

### FARM LANE, FULHAM

Assael Architecture has obtained planning permission for this project to create a new 'Georgian' style residential square just north of Fulham Broadway. The 0.8 hectare scheme creates 40 houses on the site of former garages, retaining the Edwardian arched entrance which is locally listed. A communal garden will be located at the centre of the development which is named Farm Lane. The project is planned to start on site this summer and complete in 2015.

### LOTS ROAD, CHELSEA

Hutchison Whampoa, the Hong Kong based investor and developer, has secured final consent to redevelop the Lots Road Power Station SW10 (next to Chelsea Harbour). This has been downsized from the original (382 flats including 213 affordable homes) plans by Terry Farrell to now include 297 homes of which 110 will be affordable housing.



CGI illustration  
205 Holland Park Avenue (above)



CGI illustrations-  
Farm Lane (above)



CGI illustration-  
Lots Road (above)



## BBC TELEVISION CENTRE SALE

A shortlist of 3 bidders have been named; Stanhope, Chelsfield Partners and Resolution. It is expected that the preferred bidder will be named at the end of June. The site was put up for sale in June 2011 and last valued in 2007 at £200m. With the drop in market prices and recent Grade II listing it is now expected to achieve closer to £100m.

## HELICAL & BROADWAY ONE

The building at the junction of King Street and Hammersmith Broadway is undergoing a substantial makeover. The new owners, Helical Bar, acquired Broadway One in February 2012 and are just finishing the refurbishment including a new reception, common parts, and the upgrading of the two vacant office floors (totalling 11,500 sq ft approx). Frost Meadowcroft are marketing the available space at £32.50 per sq ft.

## Deals

Below is a small selection of Q2 deals for Frost Meadowcroft in Kensington & Notting Hill, Hammersmith & Chiswick:

### 84 Pembroke Road, Kensington W8:

4,510 sq ft **SOLD** to Owner Occupier

### Melbray Mews, Hurlingham Road SW6:

4,004 sq ft **LET** to Blue Marlin

### Lyric House, 149 Hammersmith Road W6:

3,767 sq ft **LET** to Diligent Boardbooks

### Chiswick Tower, Chiswick High Road:

2,771 sq ft **LET** to Open World Ltd

### Beaumont House, Kensington Village

7,058 sq ft **LEASE ASSIGNED** to Universal Music

### 5 Castle Row Chiswick W4:

2,575 sq ft **SOLD** to Owner Occupier

### Building 5, Brook Green W6:

2,011 sq ft **LET** to Financial Times

### Phoenix Brewery, 13 Bramley Road, Notting Dale W10:

1,270 & 1,242 sq ft (totalling 2,512 sq ft)

**LET** to Distiller Records & Donna Ida (Jeans)

## New Instructions

Frost Meadowcroft have continued their market presence with new instructions:



### 50 BROOK GREEN Hammersmith W6 7BJ

2,841 to 18,191 sq ft available to let. Located on the east side of Brook Green. Hammersmith Broadway is a 5 minute walk. The quoting rent is £36.50 per sq ft.



### 92 GOLBORNE ROAD Notting Hill W10 5PS

4,300 sq ft stylish, former church available to let located in the northern section of Portobello Road, a 7 minute walk to Ladbroke Road Underground. The quoting rent is £40 per sq ft



### BROADWAY ONE King Street, Hammersmith W6 9HR

5,764 to 11,527 sq ft available to let. Located on the corner of Hammersmith Broadway opposite Hammersmith Broadway Underground. The quoting rent is £32.50 per sq ft.



### THAMES WHARF Hammersmith W6 9HA

1,600 to 2,100 sq ft available to let. Located on 1<sup>st</sup> floor overlooking the river. Hammersmith Broadway is a 10 minute walk to the north. The quoting rent is £38 per sq ft.

### THE TRIANGLE 5-17 Hammersmith Grove, Hammersmith W6 0LG

2,210 sq ft available to let. Located close to the centre of Hammersmith a 2 minute walk to Hammersmith Broadway Underground. The quoting rent is £33.50 per sq ft

### CHISWICK GATE Chiswick W4

3,531 sq ft available to let. Located opposite Gunnersbury Underground and close to Chiswick town centre. The quoting rent is £29.50 per sq ft

Frost Meadowcroft, Tel: 020 8748 1200 Further information: [sbunn@frostmeadowcroft.com](mailto:sbunn@frostmeadowcroft.com) Web: [www.frostmeadowcroft.com](http://www.frostmeadowcroft.com)

To **unsubscribe** reply to sender or email address above