

55-57 CHARLOTTE ST. W1

Prime Charlotte Street Restaurant Development Opportunity

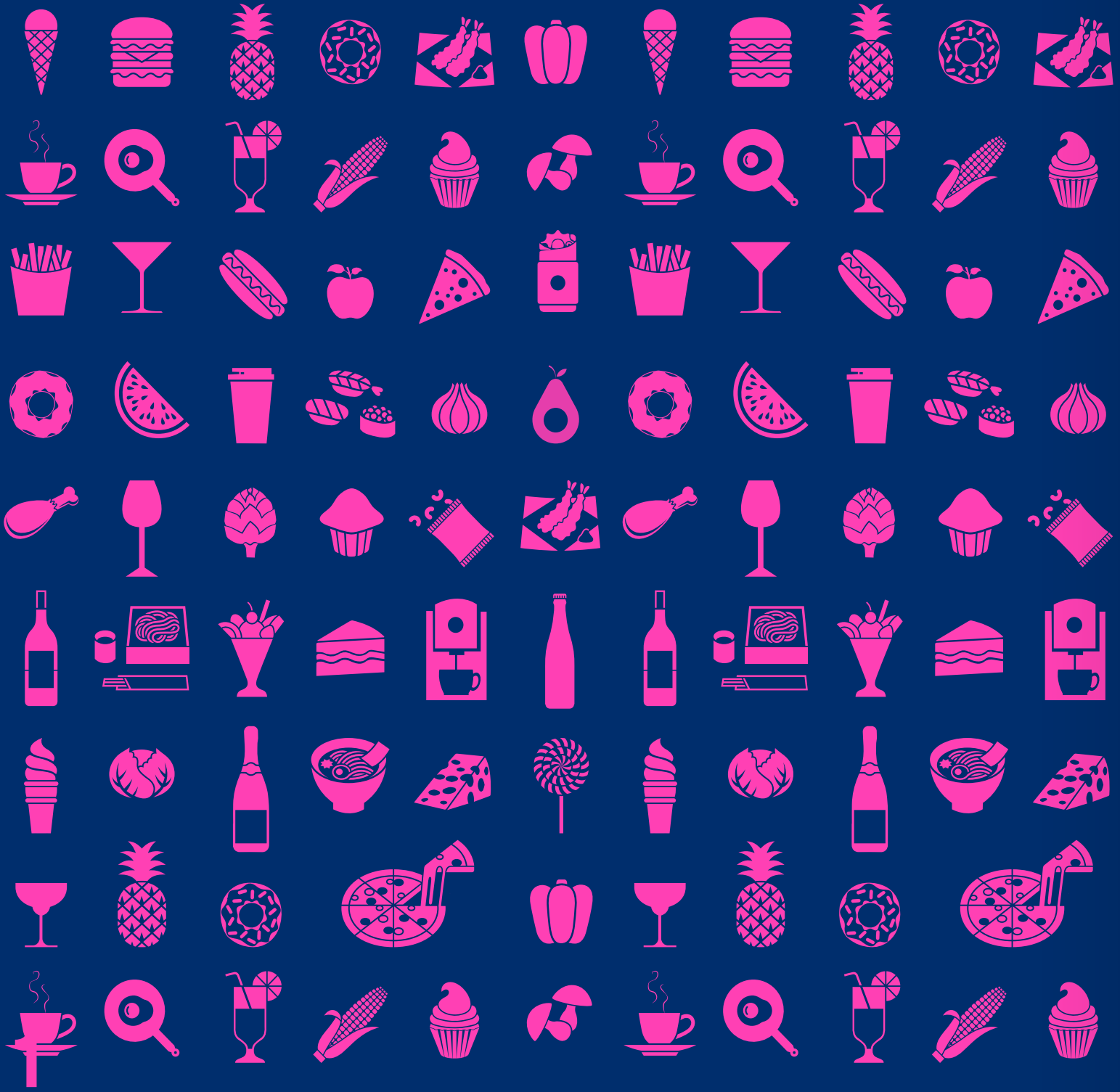


Photo depicts asset during previous occupation.





55-57 CHARLOTTE ST. W1

EXECUTIVE SUMMARY

- Freehold
- Prime restaurant development opportunity in the heart of Fitzrovia
- Highly desirable position on Charlotte Street – the primary restaurant and bar destination in Fitzrovia
- Located within close proximity to renowned restaurants and bars such as Roka, Gaucho, Bubble Dogs and the Charlotte Street Hotel
- The property comprises two interlinking buildings arranged over lower ground, ground and three upper floors totalling 7,544 sq ft (GIA)
- Well-configured restaurant unit measuring 5,791 sq ft (GIA) with prominent double frontage to Charlotte Street over ground and lower ground floors
- Situated within 500 metres of the Elizabeth Line at Tottenham Court Road
- Rare opportunity to acquire a freehold restaurant and uppers with immediate vacant possession
- Potential for change of use to bar, private members' club and residential accommodation, subject to planning
- Opportunity to increase massing by more than 3,000 sq ft (GIA) subject to necessary consent
- Suitable for owner occupiers, developers and investors

We are instructed to seek offers for the freehold interest in the property in excess of £8,000,000 (Eight Million Pounds) subject to contract and exclusive of VAT. Pricing at this level reflects a capital value of £1,060 per sq ft on the existing GIA and £720 per sq ft on the proposed GIA

Russell Square

BT Tower

The British Museum

Tower Bridge

The Shard

Central St Giles

TOTTENHAM
COURT ROAD

GOUDGE
STREET

55



National Theatre

Sanderson Hotel

London Eye

Big Ben

St James's Park

AM
AD

-57 CHARLOTTE ST. W1

55-57 CHARLOTTE ST. W1

PERFECTLY PLACED



CHARLOTTE ST

Charlotte Street is one of the West End's most desirable and diverse restaurant addresses. Running parallel with Tottenham Court Road and connecting Rathbone Place to Fitzroy Street, Charlotte Street lies at the epicentre of vibrant Fitzrovia.

With its unrivalled transport connectivity, Fitzrovia still retains its village atmosphere attracting a diverse mix of occupiers, residents and visitors alike. The rich amenity on offer allows those in Fitzrovia to sample the enviable mix of fashionable restaurants, such as Roka, Mere and Gaucho, bars and independent coffee shops.

This amenity is further enlivened by attractions such as The British Museum, Dominion Theatre and retail hotspots such as Oxford Street all being on the doorstep. The hotel offering surrounding Charlotte Street is arguably one of the best in London with The Sanderson and Grafton Hotel both within 5 minutes' walk.

Fitzrovia continues to evolve into an even more dynamic submarket, with Charlotte Street being at the core of transformational developments such as 80 Charlotte Street, The Copyright Building, Rathbone Square and Fitzroy Place all within moments from 55-57 Charlotte Street. Institutionally recognised landlords such as Derwent and Shaftesbury PLC are continuing to drive the retail and restaurant mix, which will further be enhanced when the Elizabeth Line opens at Tottenham Court Road.



THE LONDON EDITION



CHARLOTTE STREET HOTEL



FITZROY SQUARE GARDENS

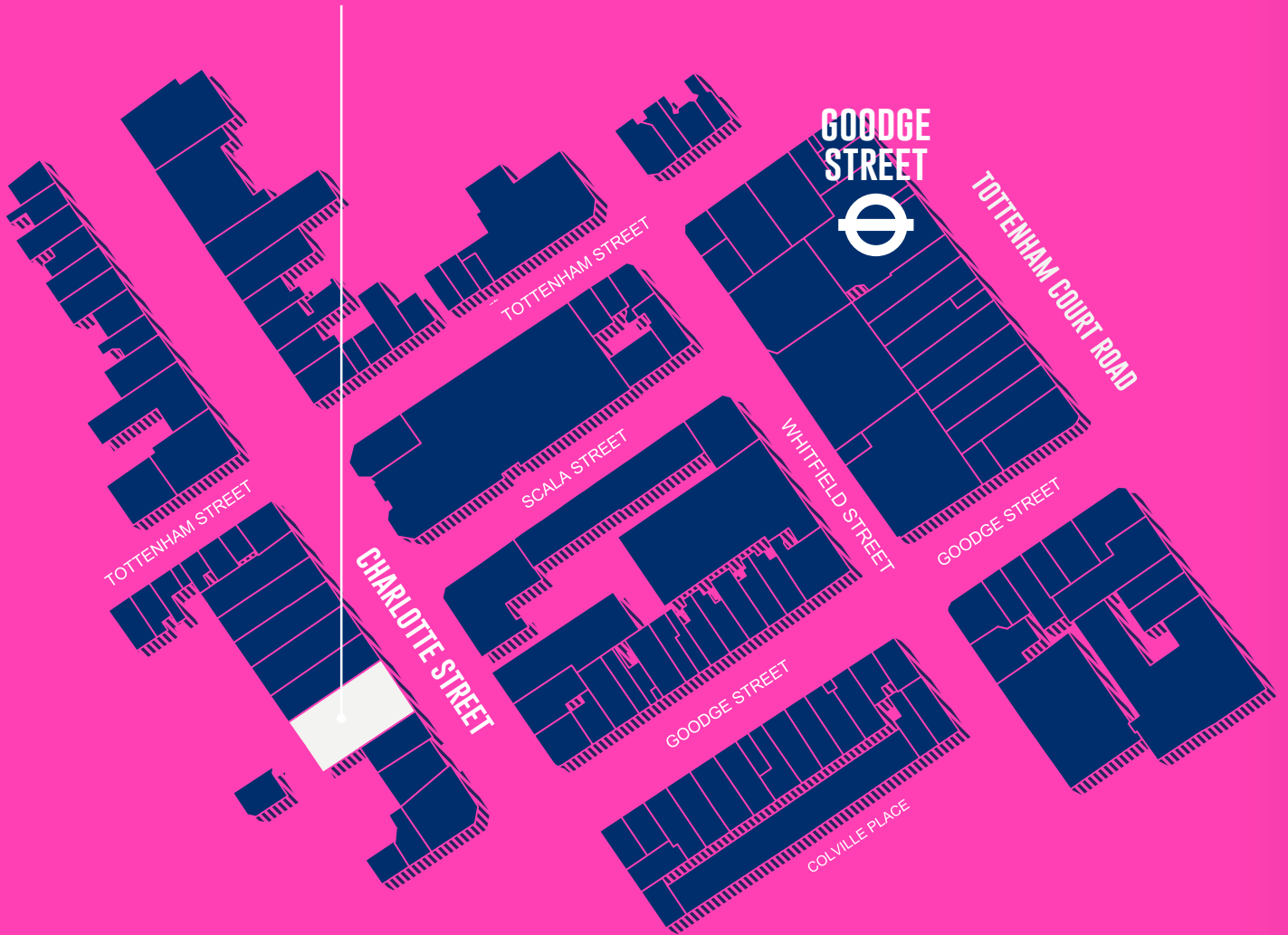


SALT YARD



THE BRITISH MUSEUM

55-57 CHARLOTTE ST. W1

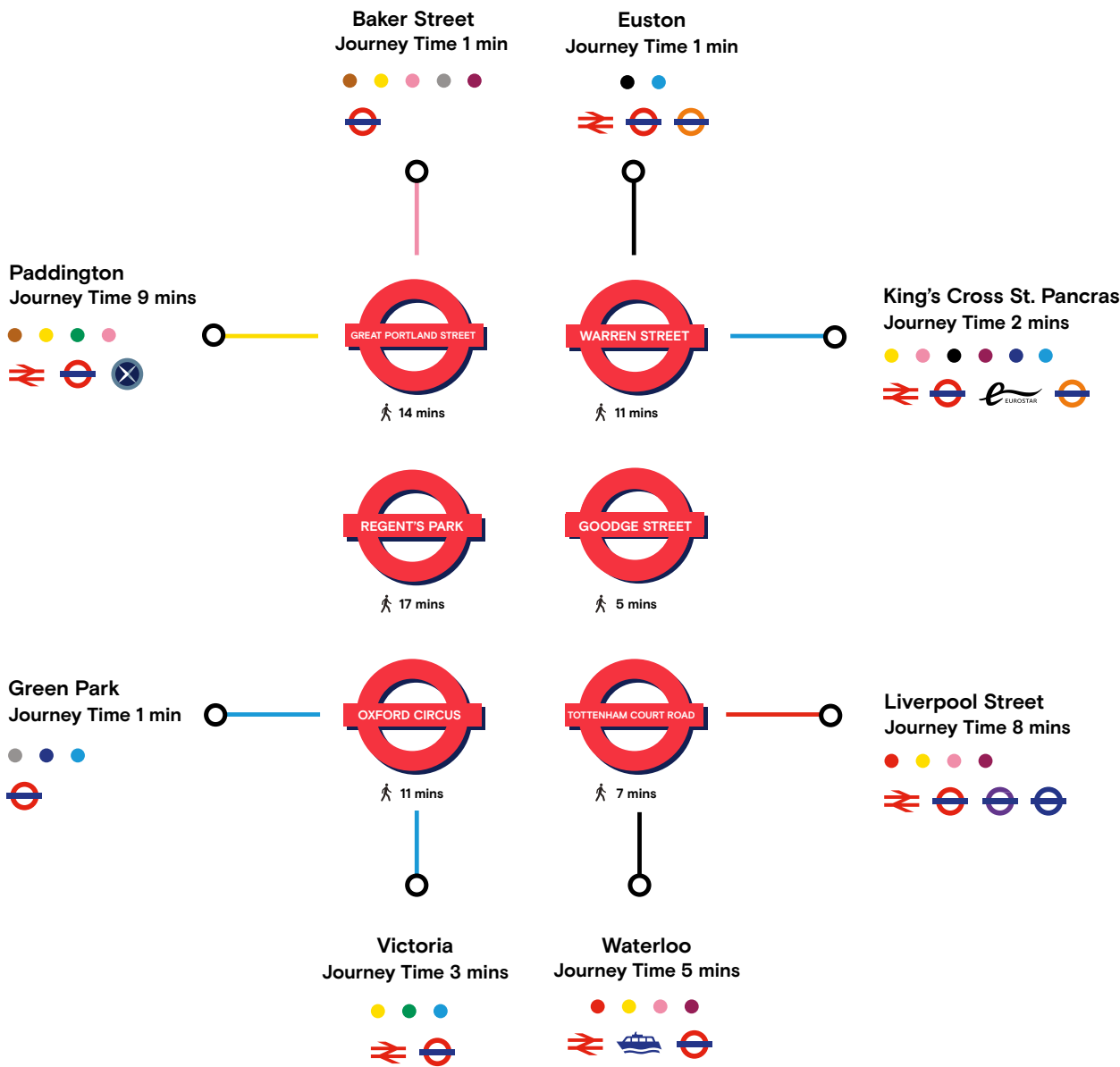


SITUATION

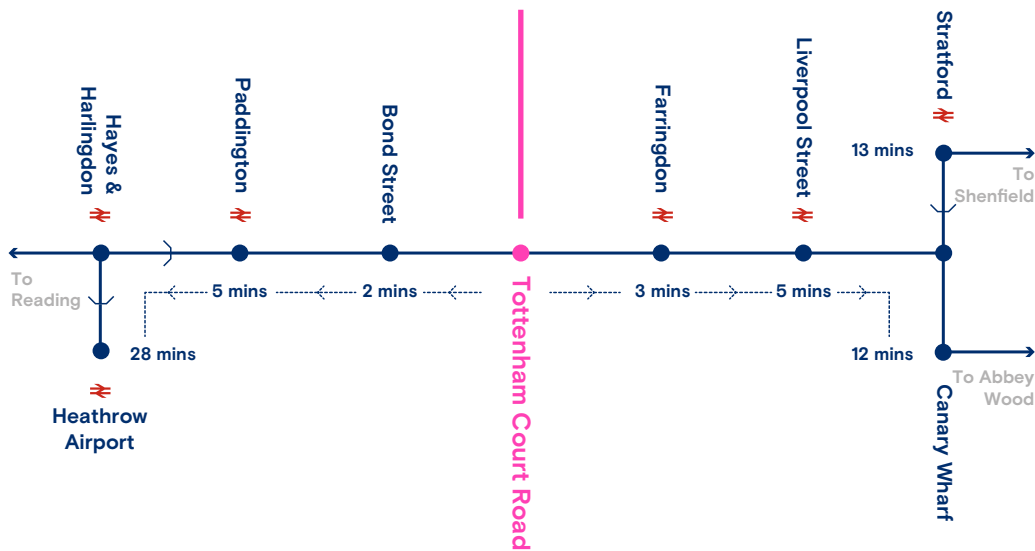
55-57 Charlotte Street is prominently situated on the west side of Charlotte Street, close to the junction with Goodge Street in the heart of Fitzrovia and within close proximity to the Elizabeth Line at Tottenham Court Road.

COMMUNICATIONS

55-57 Charlotte Street is strategically located, serviced by a number of transport hubs with London Underground services available nearby at Goodge Street (Northern Line) to the east, Tottenham Court Road (Central, Elizabeth and Northern Lines) to the south east, Warren Street (Victoria and Northern Lines) to the north and Oxford Circus (Central, Victoria and Bakerloo lines) to the south west.



55-57 CHARLOTTE ST. W1



Note: Not all stations are shown

LOCAL DEVELOPMENT

Rathbone Square

- Great Portland Estates
- 408,800 sq ft
- Mixed-use scheme
- Completed in 2017
- Office accommodation is 100% let to Facebook
- Retail tenants include Crosstown Doughnuts, Caffè Terra, Joe and the Juice, Circolo Popolare and Omotesando Koffee



St Giles Circus

- Consolidated Developments
- 270,000 sq ft
- Mixed-use scheme combining retail, leisure, office and residential
- Practical Completion - 2020

80 Charlotte Street

- Derwent London
- 380,000 sq ft
- Mixed-use scheme
- Practical Completion - Q1 2020
- Office accommodation is pre-let to Arup and BCG



1 Fitzroy Place

- Aviva and Exemplar
- 220,000 sq ft
- Mixed-use scheme
- Completed in Q4 2014
- Office accommodation 100% let to Estée Lauder
- Retail tenants include The Detox Kitchen, The Larder and Percy & Founders

DEVELOPMENTS

Soho Place/ 1 Oxford Street

- Derwent London
- Mixed-use scheme
- 285,000 sq ft
- Practical Completion - 2022
- Office accommodation is pre-let to G-Research and Apollo Global Management
- Includes 36,000 sq ft of retail and a 40,000 sq ft theatre



1 Bedford Avenue

- Exemplar, Bedford Estates & Ashby
- 115,000 sq ft
- Mixed-use scheme
- Completed in 2017
- Retail tenants include Hema, Ole Steen, Cath Kidston and Samsonite Limited

The Copyright Building

- Derwent London (now owned by Union)
- 107,000 sq ft
- Mixed-use scheme
- Completed in 2017
- Office accommodation 100% let to Capita
- Retail tenants include Flesh and Buns



Oxford Street Estate

- The Cullen Family
- 95,853 sq ft mixed-use scheme comprising 52,506 sq ft of office accommodation and 43,346 sq ft of retail accommodation
- Practical Completion - c.2023

Restaurants

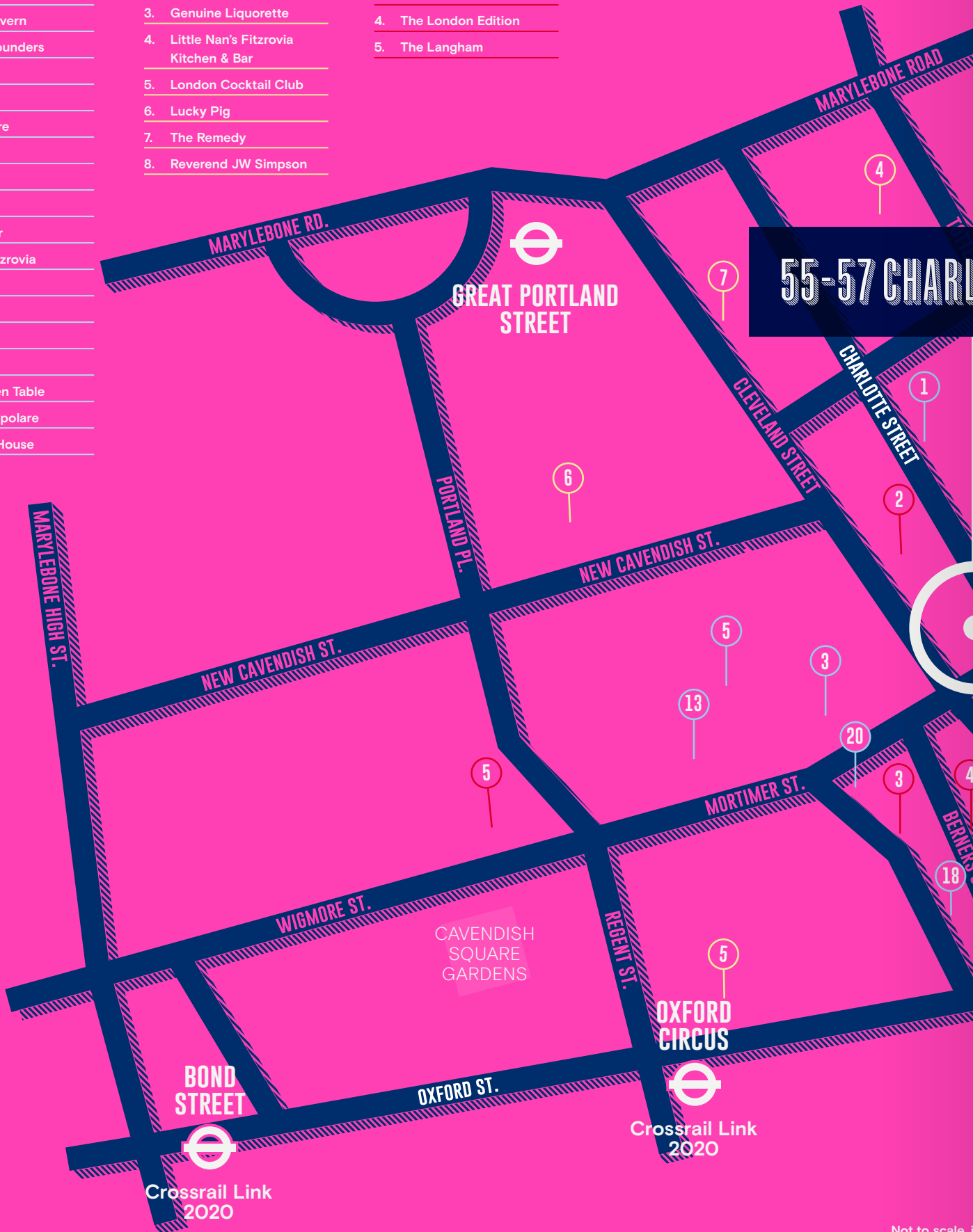
1. Gaucho
2. Hakkasan
3. The Riding House Café
4. Berners Tavern
5. Percy & Founders
6. Mere
7. ROKA
8. Pied a Terre
9. Salt Yard
10. Bao
11. The Ninth
12. Crazy Bear
13. Picture Fitzrovia
14. Foley'
15. Lima
16. Koba
17. Dabbons
18. The Kitchen Table
19. Circolo Popolare
20. Mortimer House

Bars

1. Mr Fogg's House of Botanicals
2. Bourne & Hollingsworth
3. Genuine Liqueur
4. Little Nan's Fitzrovia Kitchen & Bar
5. London Cocktail Club
6. Lucky Pig
7. The Remedy
8. Reverend JW Simpson

Hotels

1. The Mandrake Hotel
2. Charlotte Street Hotel
3. Sanderson London
4. The London Edition
5. The Langham



Fitzrovia is situated in the heart of the West End and as such benefits from strong transport connectivity whilst retaining its distinctive village atmosphere





PERCY & FOUNDERS



MR FOGG'S HOUSE OF BOTANICALS



BERNERS TAVERN



DETOX KITCHEN

EAT, DRINK

HAKKASAN HANWAY PLACE





CHARLOTTE STREET HOTEL



SALT YARD

K, SLEEP



RIDING HOUSE CAFE

55-57 CHARLOTTE ST. W1

THE BUILDING





HISTORIC FIT-OUT FROM WHEN FORMER TENANT PESCATORI WERE TRADING

55-57 Charlotte Street currently comprises two interlinking buildings providing a double-fronted restaurant on ground and lower ground floors and three upper sui generis floors above 57 Charlotte Street totalling 7,544 sq ft (723 sq m) (GIA).

55 Charlotte Street provides a restaurant unit arranged over lower ground and ground floors with respective floor to ceiling heights of up to 3.9 metres on the ground floor and c. 2.6 metres on the lower ground floor. The upper floors comprise five residential apartments that have been sold off on long leases.

57 Charlotte Street comprises a restaurant unit arranged over ground and lower ground floors with three upper floors of flexible sui generis accommodation. The restaurant unit benefits from floor to ceiling heights of up to 3.9 metres on the ground floor and c. 2.5 metres on the lower ground floor.

Whilst the two restaurant units currently interlink, the units could be split either laterally or vertically in order to facilitate a variety of uses, including bar, private members' club and residential accommodation.



HISTORIC FIT-OUT FROM WHEN FORMER TENANT PESCATORI WERE TRADING

EXISTING ACCOMMODATION

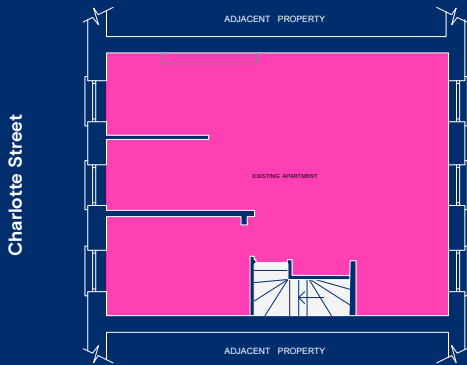
Gross Internal Areas are as follows:

Floor	Use	No. 55		No. 57		Combined	
		sq ft (GIA)	sq m (GIA)	sq ft (GIA)	sq m (GIA)	sq ft (GIA)	sq m (GIA)
3	Sui Generis	-	-	602.78	56.00	602.78	56.00
2	Sui Generis	-	-	581.25	54.00	581.25	54.00
1	Sui Generis	-	-	569.03	53.00	569.03	53.00
Sub Total		-	-	1,753.06	163.00	1,753.06	163.00
G	Restaurant	1,442.36	134.00	1,248.61	116.00	2,454.17	250.00
LG	Restaurant	1,711.46	159.00	1,625.35	151.00	3,336.81	310.00
Sub Total		3,153.82	293.00	2,873.96	267.00	5,790.98	560.00
Overall Total		3,153.82	293.00	4,627.02	430.00	7,544.04	723.00

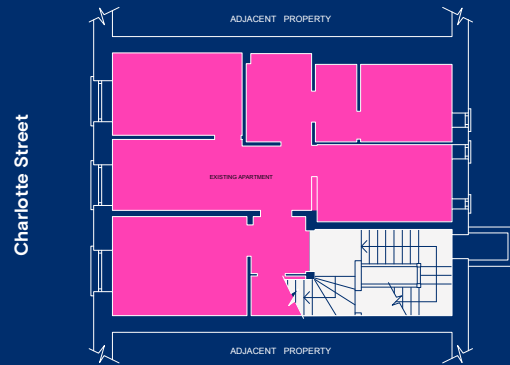
EXISTING FLOOR PLANS



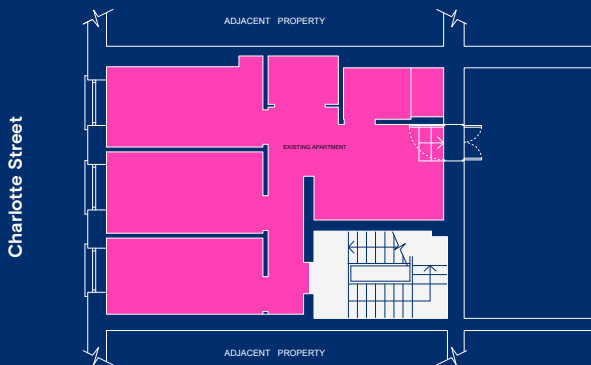
3rd



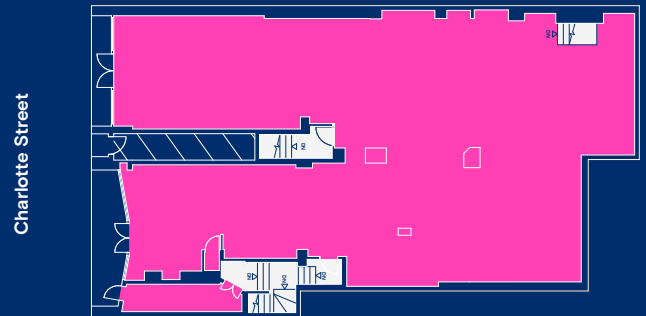
2nd



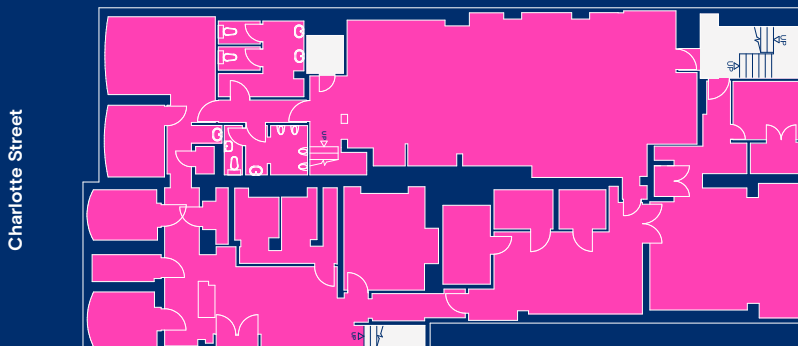
1st



Ground



Lower Ground



Not to scale, indicative only

55-57 CHARLOTTE ST. W1

ASSET REPOSITIONING

DESIGN STRATEGY

The property provides an opportunity to increase massing, through infilling and additional floors (subject to planning).

Alexander Martin Architects have carried out initial feasibility studies for the property that proposes additional massing across the third, fourth and fifth floors and an additional structure to the rear of the building to increase the gross internal area by more than 3,000 sq ft.

Massing Strategy

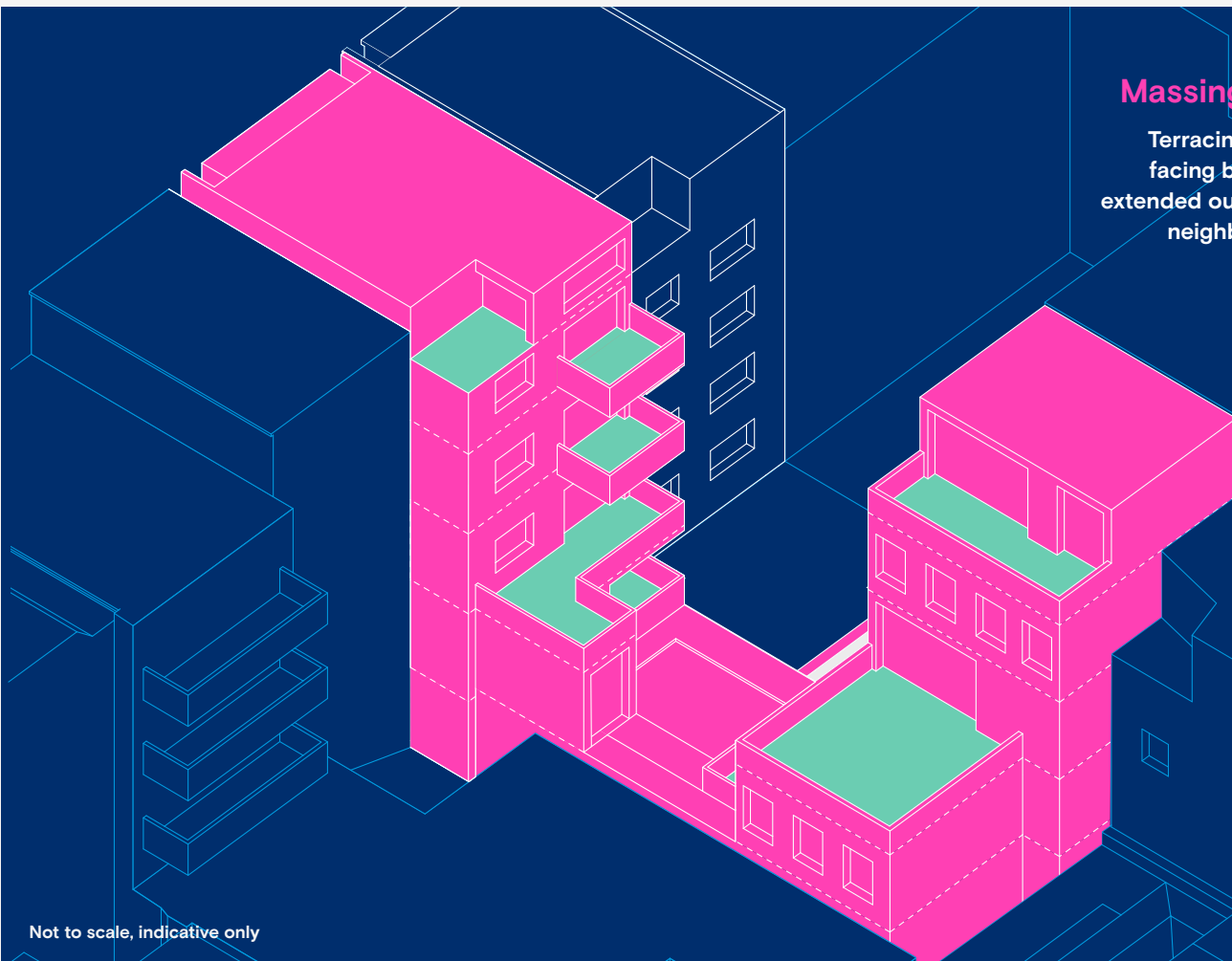
The potential stepped rear set of flats can provide terrace spacing where necessary, and will reduce overlooking potential



Not to scale, indicative only

Massing Strategy

Terracing to the street facing building can be extended out to match the neighbour's terraces



Not to scale, indicative only

FEASIBILITY SCHEME

Demolition of the existing first to third floors within 57 Charlotte Street in order to develop a new 5-storey building which will house four high-end residential apartments

Extension of the rear of the first floor within 57 Charlotte Street and additional massing to the rear of 55-57 Charlotte Street to accommodate two additional high-end residential units with terrace/balcony accommodation

Gross Internal Areas are as follows:

Floor	Use	No. 55		No. 57		Combined	
		sq ft (GIA)	sq m (GIA)	sq ft (GIA)	sq m (GIA)	sq ft (GIA)	sq m (GIA)
5	-	-	-	505.90	47.00	505.90	47.00
4	-	-	-	914.93	85.00	914.93	85.00
3	Residential	-	-	1,044.10	97.00	1,044.10	97.00
2	Residential	-	-	1,076.39	100.00	1,076.39	100.00
1	Residential	-	-	1,550.00	144.00	1,550.00	144.00
Sub Total		-	-	5,091.32	473.00	5,091.32	473.00
G	Residential	-	-	172.22	16.00	172.22	16.00
	Restaurant	1,442.36	134.00	1,076.39	100.00	2,518.75	234.00
LG	Residential	-	-	667.36	62.00	667.36	62.00
	Restaurant	1,711.46	159.00	947.22	88.00	2,658.68	247.00
Sub Total		3,153.82	293.00	2,863.20	266.00	6,017.02	559.00
Overall Total		3,153.82	296.00	7,954.52	739.00	11,108.34	1,032.00

* All areas are based on preliminary drawings provided by the vendor and should be used as a guide only. Complete, up to date survey drawings are required for more accurate area calculations.

PROPOSED FLOOR PLANS



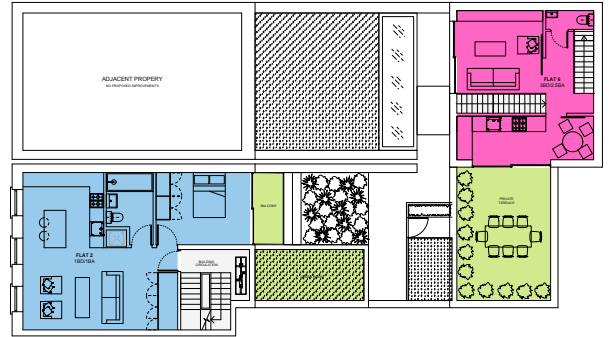
3rd

Charlotte Street



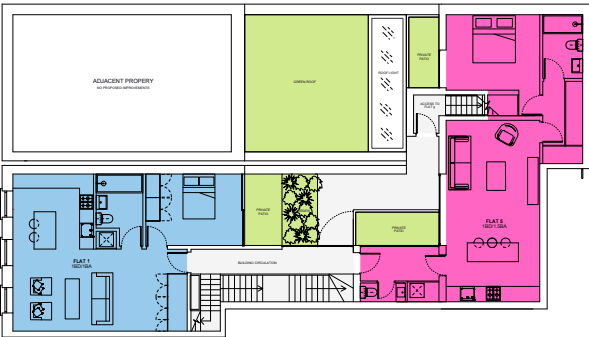
2nd

Charlotte Street



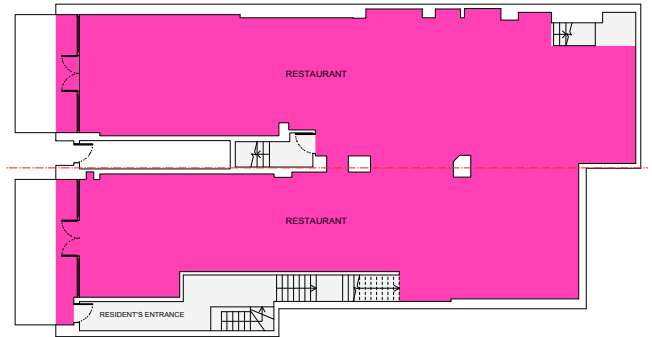
1st

Charlotte Street



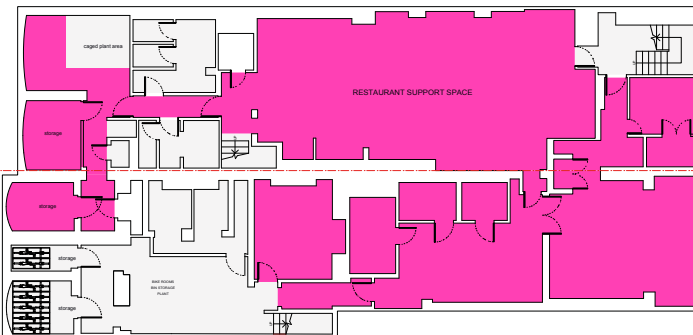
Ground

Charlotte Street



Lower Ground

Charlotte Street



55-57 CHARLOTTE ST. W1

MARKET COMMENTARY

Boasting an unrivalled line-up, London is arguably the restaurant capital of the world and home to over 70 Michelin-starred restaurants. The combination of a strong domestic and tourist market coupled with a world-class retail offer remains very appealing for operators. The Fitzrovia submarket has been a leading growth area within the London dining scene in recent years.

A distinct lack of A3 supply in Soho and Mayfair combined with both independent and established brands seeking alternative, more dynamic locations has led to restaurant occupiers such as Emilia's Pasta, Flower Burger and Momentum Hospitality Group focusing their search north of Oxford Street.

Landlords and developers continue to respond to these demand dynamics by converting ground and lower ground office space into dynamic restaurant and leisure accommodation. Fitzrovia now has all the crucial components to match areas such as Soho and is forecast to attract more leading restaurant operators over the next few years which in turn will continue to drive rental growth.

Developments such as Rathbone Place and Michelle House have attracted some of London's strongest independent brands, including Big Mamma Group and Open House Group. Within the last year, Fitzrovia has seen the highest number of new F&B openings in the West End, including the likes of Norma by Ben Tish, Arros QD, YOPO and Cutting Room, with restaurant rents increasing from £65 per sq ft in 2016 up to £100 per sq ft on the most sought-after streets.

RESTAURANT COMPARABLES

Date of Exchange	Address	Occupier	Overall Rent (per annum)	Weighted Rent (per sq ft)
Jul 2018	29-32 Berners Street, W1	Bone Daddies (t/a Flesh & Buns)	£395,000	£86.00
Jan 2018	55 Wells Street, W1	Ottolenghi (t/a Rovi)	£305,000	£84.00
Jan 2018	90-92 Great Portland Street, W1	Whisky Exchange	£125,000	£75.00

INVESTMENT COMPARABLES

Date of Exchange	Address	Area sq ft	Price £ million	Yield	Cap Val £ psf
Sep 2019	27-28 Windmill Street, W1	6,670	£7.75	4.03%	£1,184
Aug 2019	94-96 Wigmore Street, W1	11,796	£17.40	VP	£1,475
Jul 2019	21 Poland Street, W1	8,651	£14.38	4.17%	£1,662
Mar 2019	2 Windmill Street, W1	3,022	£3.50	2.50%	£1,158
Feb 2019	13-15 Rathbone Street, W1	9,441	£15.00	VP	£1,589
May 2018	24-26 Hanway Street, W1	6,066	£8.28	VP	£1,365
Apr 2018	68-71 Newman Street, W1	18,280	£26.90	VP	£1,472
Oct 2017	73 Charlotte Street, W1	1,695	£2.30	4.42%	£1,356

RESIDENTIAL COMPARABLES

Date of Exchange	Address	Area sq ft	Price £ million	Beds	Cap Val £ psf
Oct 2019	Flat 4, 19 Bolsover Street, W1	1,427	£2.30	2	£1,612
Oct 2019	2nd Floor, 201 The Corner House, 36 Tottenham Street, W1	942	£1.50	2	£1,592
Jul 2019	4th floor, 22 Montagu House, 109 -113 Whitfield Street, W1	730	£1.10	2	£1,507
Mar 2019	Flat 205, 2nd floor, 7 Pearson Square, W1	659	£1.10	1	£1,669
Mar 2019	Flat 2, 2nd floor, 18 Cleveland Street, W1	519	£0.75	2	£1,445

FURTHER INFORMATION

Tenure

The property is held under two separate freehold titles; LN183007 and LN202664. The upper floors within 55 Charlotte Street are sold off on long leaseholds.

VAT

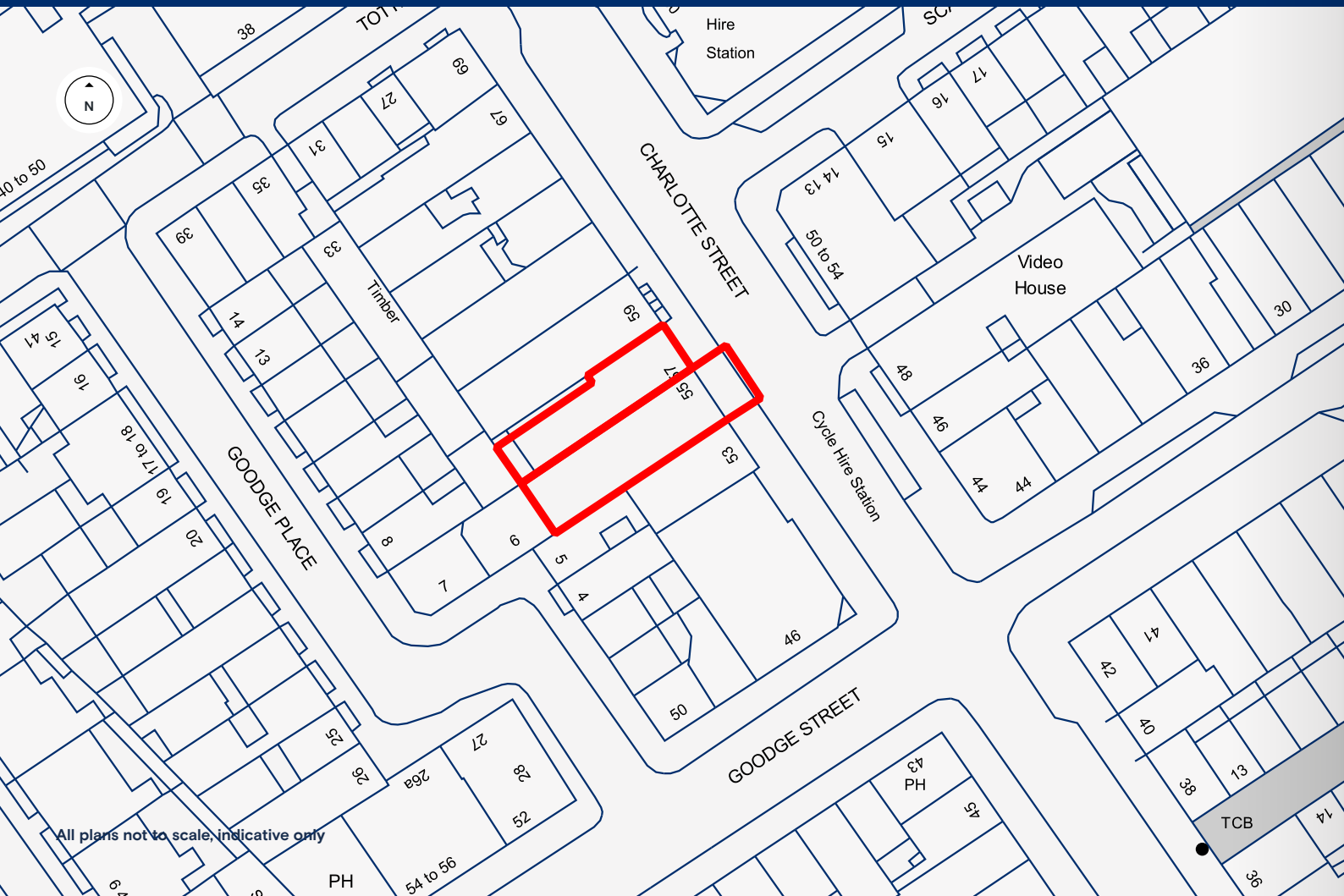
55 Charlotte is not elected for VAT.
57 Charlotte street is elected for VAT.

Planning

55-57 Charlotte Street is in the London Borough of Camden. It is not listed however lies within the Charlotte Street Conservation Area.

EPC

55 Charlotte Street has an EPC rating of E(104).
57 Charlotte Street has an EPC rating of D(99).





PROPOSAL

WE ARE INSTRUCTED TO SEEK OFFERS FOR THE FREEHOLD INTEREST IN THE REGION OF OF £8,000,000 (EIGHT MILLION POUNDS) SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT. PRICING AT THIS LEVEL REFLECTS A CAPITAL VALUE OF £1,060 PER SQ FT ON THE EXISTING GIA AND £720 PER SQ FT ON THE PROPOSED GIA

CONTACT

CYRIL LEONARD

MARK HARRISON

Investment

mark.harrison@cyrilleonard.co.uk
020 7408 4639

CHARLIE DAVIES

Investment

charlie.davies@cyrilleonard.co.uk
020 7408 4648

TOM FITZGERALD

Investment

tom.fitzgerald@cyrilleonard.co.uk
020 7408 4646

JLL

FRANCESCA SPILLER

Investment

francesca.spiller@eu.jll.com
020 7087 5569

OSCAR MATTHEWS

Investment

oscar.matthews@eu.jll.com
020 7087 5907

Misrepresentation Act

Important Notice: These particulars are not an offer or contract, nor part of one. You should not rely on statements by Jones Lang LaSalle and Cyril Leonard in the particulars or by word of mouth or in writing ("information") as being factually accurate about the property, its condition or its value.

1. Jones Lang LaSalle and Cyril Leonard have no authority to make any representations about the property, and accordingly any information given is entirely without responsibility on the part of the agents, seller(s) or lessor(s).
2. The photographs show only certain parts of the property as they appeared at the time they were taken. Areas, measurements and distances given are approximate only.
3. Any reference to alterations to, or use of, any part of the property does not mean that any necessary planning, building regulations or other consent has been obtained. A buyer or lessee must find out by inspection or in other ways that these matters have been properly dealt with and that all information is correct.
4. The VAT position relating to the property may change without notice. The Vendor is not bound to accept the highest, or any, offer and cannot provide representations or warranties in any respect, including VAT, of the Property, November 2019. Design by Tayler Reid. 020 7355 2500