

L'ORÉAL

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Global Ambassador

Welcome to Q4 the final update for 2023, giving you an up-to-date view of the commercial property market in west London. Featured in this issue: Market Summary, Take-Up, Q4 Headlines and The Changing Face of West London

L'ORÉAL IS THE LATEST COMPANY TO
CRACKDOWN ON REMOTE WORKING

MARKET SUMMARY

OVERVIEW Q4

Q4 saw a flurry of deals being completed leading up to Christmas. This is not unusual but interestingly the increase in enquiries we reported in Q3 converted into deals and the individual deal size was up on previous quarters. In recent years the trend has been for smaller fitted offices, on shorter and more flexible terms.

One of the factors feeding into the market confidence, is that businesses are demanding more consistent office attendance. L'Oréal is the latest company cracking down on remote working, by tightening rules on staff attendance, mandating that staff attend the office on at least two Fridays in every month. In Q4 the French beauty giant relocated to a purpose built HQ at **White City Place**, from **255 Hammersmith Road**, Hammersmith.

There is hope that the markets are stabilising and we have reasons to be optimistic for 2024. The Bank of England is cautiously open to the possibility of interest rate cuts. Inflation has fallen back relatively sharply over the past few months but the Bank of England gave no timetable for cuts. Central bank has kept interest rates at 5.25%.

CHISWICK

Federated Hermes sold **Chiswick Tower**, a landmark building located at 389 Chiswick High Road. The **156,000 sq ft** office building was purchased by a private buyer for an undisclosed sum. *More details in Q4 Headlines...*

WHITE CITY & NOTTING HILL

In Notting Hill *The Ruddock Foundation for the Arts* purchased **99c Talbot Road** totalling **5,689 sq ft** for **£4.2 million**. *(pictured below)*



In White City *Vue Entertainment* completed on **One Ariel Way**, 3rd floor **13,638 sq ft** for **£55 per sq ft** for a term of **10 years** from *Unibail-Rodamco-Westfield*. The *Lloyd Williamsons Schools Foundation* completed on **5,540 sq ft** at **Park House**, **206-208 Latimer Road** for **£32.50 per sq ft** for **10 years**.

FULHAM

In Fulham *The London Oratory School* took **8,257 sq ft** at **2-6 Fulham Broadway** for **£46.50 per sq ft**. To the south near Parsons Green, *Tex International* a textile company signed a **3 year lease** at **10 Peterborough Mews** for **2,610 sq ft** at **£38.31 per sq ft**.

KENSINGTON & CHELSEA

In Kensington the *Arora Group* completed on the **142,353 sq ft** purchase of the former *Heythrop College*, *read more in Headlines...*

At the new **One Olympia**, Olympia London a deal completed in **December 2023** for the entire 5th floor of **73,152 sq ft**, with a stunning roof terrace overlooking west London to a serviced office provider. At **The Universal Building**, a brokerage firm *Addison Bradley & Co*, completed on **1,804 sq ft** for **5 years** at **£32 per sq ft**.

In Chelsea, we sold a small office building of **1,401 sq ft** at **91a Drayton Gardens** for **£2 million (£1,425 per sq ft)** to an owner occupier. At **Chelsea Wharf** we secured a steady stream of lettings for our client *Bedford Estates*, the latest being *Interior design company O & A London* agreed on **1,267 sq ft** at **£35 per sq ft** for **5 years**.

HAMMERSMITH

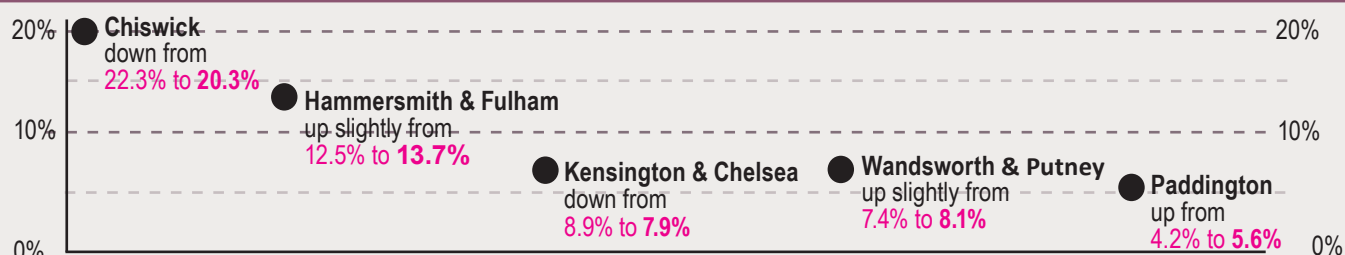
The biggest deal in Hammersmith was *Closer Still Exhibitions Ltd* taking **23,427 sq ft** 3rd floor at **The Foundry** signing up for **10 years** at **£49.50 per sq ft**. A private property company purchased **7, King St Cloisters** totalling **2,979 sq ft** for **£1.3 million (£436 per sq ft)** from an undisclosed seller. *Happy Kids Dental* completed at **Colet Court** at a rent of **£26 per sq ft** on **4,114 sq ft** for **15 years**. Up the road at *Lyrice House* model agency *Body London*, founded by ex-model *Gemma Howorth* signed **3,412 sq ft** for a rent of **£30 per sq ft**, on **3 year term**.

The Clockwork Building is welcoming a new tenant *THIS*, the meat free, meat alternative company who produce products such as 'THIS isn't Chicken' taking **7,484 sq ft** for **3 years**.



AT A GLANCE Q4

VACANCY



RENTS

Chiswick
£35 to £55 per sq ft

Hammersmith & Fulham
£28 to £62.50 per sq ft

Kensington & Chelsea
£40 to £120 per sq ft

Wandsworth & Putney
£30 to £52.50 per sq ft

Paddington
£39 to £85 per sq ft

FREEHOLD SALE AT KENSINGTON SQUARE 2.7 ACRE SITE

The Arora Group completed on the acquisition of the former Heythrop College 2.7 acre site, Kensington Square. The site value is £750 million with approx. 142,353 sq ft of buildings.

Arora is one of the UK's largest private owner-operators of hotels, including Fairmont Windsor Park, InterContinental London and Sofitel London Heathrow.



Sanjay Arora, Chief Operating Officer at Arora said: "The acquisition of this extremely rare site in Kensington is in line with our ambition to acquire an asset with significant development potential in Prime Central London."

CHISWICK TOWER SOLD

1 OF THE 3 BUILDING PORTFOLIO SELLS, 2 HAVE BEEN WITHDRAWN

In Q1 Federated Hermes put a £195 million investment portfolio of 3 properties totalling 500,000 sq ft of office space on the market.

Chiswick Tower, located at 389 Chiswick High Road and totalling 156,000 sq ft office space, was purchased by a private buyer in Q4 (December) for an undisclosed sum.

Built in 1966 as the IBM UK headquarters, latterly occupied by the British Standards Institution and bought by Hermes in March 2013 for £56.5million.

We understand that the other 2 buildings in the portfolio, 26 – 28 Hammersmith Grove W6 and Wimbleton Bridge House SW20 have now been withdrawn from the market.



Frost Meadowcroft are delighted to announce our Rankings for 2023 in EGi Radius

Kensington & Chelsea	Hammersmith & Fulham
1st Place Office Lettings, number of deals	1st Place Office Lettings - number of deals
	1st Place Office Sales - sq ft

THE ARK

West London's most iconic office building has been reinvented and totally refurbished. Hammersmith's ARK totalling 135,000 sq ft of remarkable office space has breathed life back into a building that was truly ahead of its time. Showcasing cutting edge architecture, Frost Meadowcroft are now marketing the unique workspace on behalf of Alduwaliya, offering offices from 7,000 sq ft :

- 9,000 sq ft of roof terraces
- Amenity lounge
- 7,500 sq ft reception
- café & gym



THE CHANGING FACE OF WEST LONDON...

NOTTING HILL GATE TOWER APPROVED



neighbouring buildings on Kensington Church Street, replacing previous contentious plans to demolish the tower, which was approved four years ago. The site sits opposite Frogmore's Astley House where final plans are being made by Squire's for a new office scheme of 35,000 sq ft to be delivered in 2025. Frost Meadowcroft are instructed and seeking pre-let interest on the latter.

Recent Sales History: March 2022 Angelo Gordon & Beltane purchased 45 Notting Hill Gate site known as Newcombe House. In November 2023 TPG acquired Angelo Gordon as part of a large portfolio, including 45 Notting Hill Gate.



Squire & Partner's plans, reported in our Q2 Market Update, have just been approved to refurbish and extend the 1950's Newcombe House 12 storey building by 3 floors and introduce two new

EARLS COURT FUTURE PLANS REVEALED

The Earls Court Development Company (ECDC) has revised their master-plan, which shows a 20% increase in open space and a 10% reduction in development compared with February's plans.

Delancy & Transport of London who purchased the site from CapCo in 2019, are expected to submit a hybrid planning application in mid-2024. The first phase is due to start in 2026 which will include vital east west transport connections.



OLYMPIA LONDON LAUNCHES IN 2024

At One Olympia, the office element of Olympia London completed its first pre-let of 73,152 sq ft to an undisclosed serviced office provider.

The scheme is expected to complete later this year and boasts a host of cultural facilities including;

- A new theatre, a 4,000 capacity music venue
- Jazz club style Restaurant
- A school of performing arts
- 100,000 sq ft of bars, cafés and restaurants
- 2.5 acres of public space.

CIVIC CAMPUS HAMMERSMITH COMPLETES IN 2024



The new Civic Campus is due to open in 2024. It will truly change the look and feel of Hammersmith's King Street providing new arts, cultural, business, government, and community quarter. Opening up a public open space around Hammersmith's revitalised Grade II-listed art deco Town Hall.

THE SCHEME INCLUDES:

- Affordable homes – over 50% for local residents.
- Cinema & Arts – 5 Screen cinema, performance venue, gallery & public art program.
- Public Piazza – with gardens, stage area, café dining and public space.
- Panoramic Roof Gardens - for residents
- Start-ups Office Space - Over 6,000 sq m