# COMMERCIAL ROAD & MET WORKS BUILDING LONDON E1

2

## INVESTMENT SUMMARY

- → Freehold
- → Highly prominent island site totalling approximately 0.98 acres (0.39 hectares)
- → Located on Commercial Road in one of London's major growth quarters
- → 8 minute walk to the Elizabeth Line (Crossrail) services at Whitechapel and a 5 minute walk to Aldgate East
- → 133,163 sq ft (12,371 sq m) of net internal area (NIA) across two buildings
- → Let on a short term basis
- → Opportunity for refurbishment or redevelopment
- → Potential for a range of uses in an area designated as suitable for high density mixed-use development
- → Offers are invited for the freehold interest, on an unconditional basis, subject to contract and exclusive of VAT.





## ALDGATE & WHITECHAPEL

# The properties lie within Aldgate & Whitechapel – London's most vibrant sub-market and a key component of London's evolving Tech Belt

Aldgate & Whitechapel has undergone a substantial transformation in recent years, which has seen the area become an established location for occupiers, developers and investors.

#### Live

The area is an increasingly sought after residential address as a result of the lifestyle and cultural attractions of the location. Whitechapel and Aldgate are becoming increasingly accessible and East London is expected to see strong growth, with a welleducated, working age population. The transformation of the area has been driven by recently completed mixed-use schemes increasing the residential, retail and restaurant offer. Residential developers that have committed to the area include Berkeley, Barratt, Telford and Mount Anvil.

#### Study

Aldgate is a popular area for student accommodation. Recent schemes have attracted major operators including Unite, Nido, iQ, Student Castle and Pure Student Living.

There is a joint plan by Barts NHS
Trust and Queen Mary University
to develop a world class science
research campus, next to The
Royal London Hospital. It will
further enhance the presence of
health tech employment and study
opportunities in the vicinity.

#### Work

Akin to the neighbouring submarkets of Shoreditch & Old Street, Aldgate is now an established component of London's tech economy, where significant numbers of tech and creative businesses have come together. BT Plc, Uber, AECOM, Groupon and Blockchain are tenants in the area.





## TRANSPORT

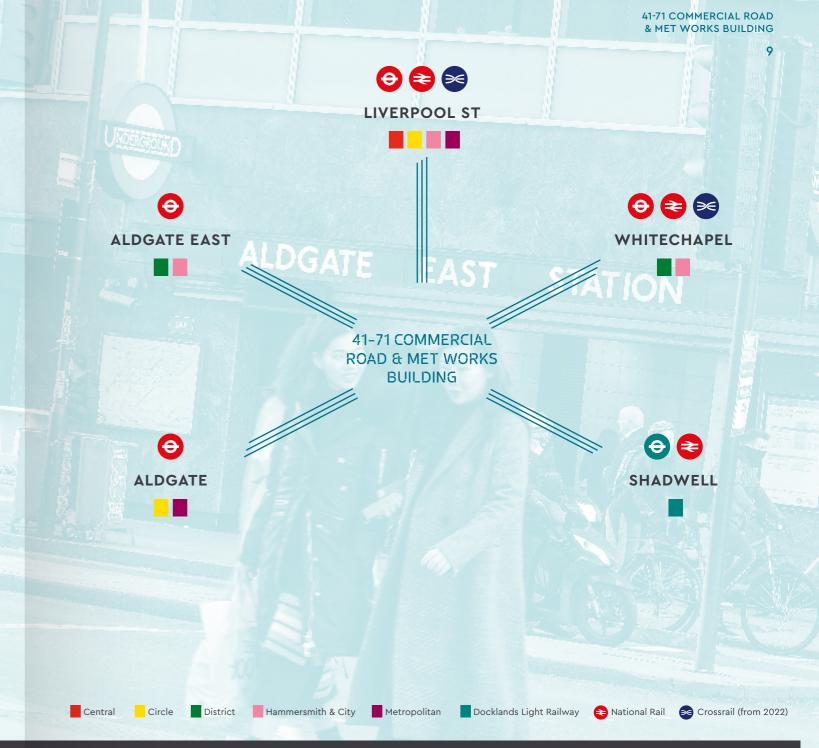
Aldgate East Station (District, Hammersmith and City) is a 5 minute walk away, and Aldgate Station (Metropolitan, Circle and Hammersmith and City) an 8 minute walk.

The site is also within an 8 minute walk of Whitechapel Station, which will be serviced by the Elizabeth Line (Crossrail) from 2022. This new line will dramatically improve connectivity and travel times to Heathrow Airport, the West End, City of London and Canary Wharf.

The site benefits from a prominent position on Commercial Road and is served by a number of bus routes, which run along Commercial Road, Whitechapel Road and Commercial Street.



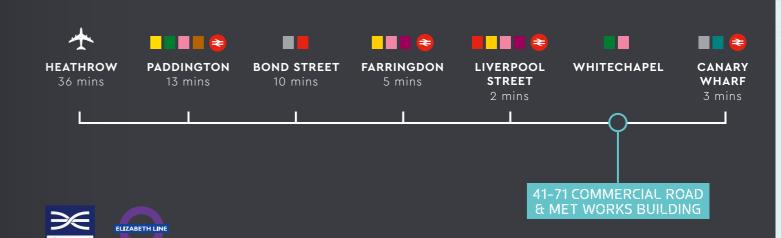
The properties benefit from excellent transport links that provide access to other major sub-markets in Central London and the commuter suburbs beyond



## ELIZABETH LINE

Whitechapel Station will provide access to the Elizabeth Line (Crossrail) services, the new flagship east-west rail line across Central London. This will improve travel times and increase the travel network capacity with 24 Elizabeth Line trains per hour in each direction.





1 - SILK DISTRICT, E1 ightarrow

## ONGOING / RECENTLY COMPLETED SCHEMES



Developer: Mount Anvil / L&Q Details: Demolition of existing buildings and erection of three blocks ranging from four to 26 storeys in height and comprising 687 residential units. Status: Phase I completed in Q2 2021 with full completion expected in 2022.



#### 2 WHITECHAPEL ESTATE

Developer: Londonewcastle Details: Demolition of existing buildings and redevelopment of 12 buildings, comprising 343 residential units. 168 specialist accommodation units, office, flexible and retail space. Status: Planning consent granted.



#### **3** GOODMAN'S FIELDS

Developer: Berkeley Group Details: A mixed-use urban quarter comprising six buildings and providing 864 residential units, over 600 student rooms, a 250 bedroom hotel and over 100,000 sq ft of retail and office space. Status: Completed in 2020.



#### 4 ALDGATE PLACE (PHASE II)

Developer: British Land Details: Phase 2 Aldgate Place -Build-to-Rent residential development delivering 160 homes with 20,000 sq ft of office space.

Status: Completion expected in 2024.



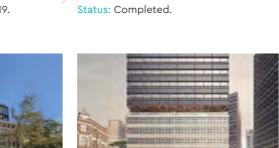
#### 5 27 COMMERCIAL ROAD

Developer: Reef Estates Details: 21 storey Aparthotel, consisting of 189 serviced apartments to be operated by Portland Brown. Status: Completed in Q4 2019.



#### 6 29-31 COMMERCIAL ROAD

**Developer:** Concept Business Group Details: 18 storey building to provide commercial space at ground floor and 39 residential units above.



#### 7 73-77 COMMERCIAL ROAD

Developer: Regal London Details: A 156 unit Aparthotel arranged over basement, ground and 13 upper floors totaling approximately 61,650 sq ft GIA.

Status: Completion expected in Q4 2021.



#### **8 THE HICKMAN**

**Developer:** Great Portland Estates Details: Refurbishment and extension comprising of 78,000 sq ft of office accommodation and a hotel. Status: Completed in Q1 2020.



#### 9 CENTRAL HOUSE -**ALDGATE EAST**

**Developer:** Frasers Property Details: Refurbishment and extension of existing building to provide 154.700 sq ft of office space. Status: Completion expected in H1 2022.



← 13 - ROYAL MINT COURT, EC3

#### **10** BLACK LION HOUSE. 45 WHITECHAPEL ROAD

Developer: Resolution Property / Berkeley Capital Group Details: Redevelopment to provide a 280 bedroom Hyatt Place hotel managed by Cycas Hospitality. Status: Completed.



#### II LONDON DOCKS -ST GEORGE

2024.

**Developer:** Berkeley Group Details: A mixed-use urban quarter comprising c.1,800 homes, 180,000 sq ft of office and retail space and 7 acres of landscaped gardens. Status: Full completion expected in



41-71 COMMERCIAL ROAD & MET WORKS BUILDING

Details: New 328,000 sq ft office building that was pre-let to BT Plc and arranged over 18 floors. Status: Completed.





**Developer:** Aldgate Developments

#### **I** ROYAL MINT COURT

Owner: Embassy of the People's

14 Aldgate Tower

15 Whitechapel Building

Republic of China Details: 5.4 acre site, with planning consent for a comprehensive redevelopment to include 600,000 sq ft of office space, along with new retail and leisure provision and 1.8 acres of landscaped public realm. Status: Acquired by the Embassy of

China in 2018 for their own occupation.

## 41-71 COMMERCIAL ROAD



41-71 Commercial Road was constructed in the mid 1960s and comprises 124,324 sq ft (11,549.9 sq m) net internal area (NIA) / 158,164 sq ft (14,694.0 sq m) gross internal area (GIA) of F1 (formerly use class D1) accommodation arranged over ground and six upper floors. There is a large service yard to the rear which is accessed from Coke Street and Greenfield Road.

The building is of concrete framed construction with single glazed metal framed fenestration.





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### FLOOR AREAS

The property has been measured by Plowman Craven in accordance with the RICS Code of Measuring Practice (6th Edition) and comprises the following areas:

FLOOR	USE	NET INTERNAL AREA SQ M SQ FT		GROSS INTERNAL AREA SQ M SQ FT	
Roof	Plant	-	-	480.2	5,169.0
Sixth	Office	1,656.3	17,829.0	1,999.2	21,519.0
Fifth	Office	1,657.7	17,844.0	1,999.1	21,518.0
Fourth	Office	1,661.0	17,879.0	1,999.4	21,521.0
Third	Office	1,655.7	17,822.0	1,999.3	21,520.0
Second	Office	1,657.7	17,843.0	1,999.7	21,525.0
First	Office	1,633.6	17,584.0	1,973.1	21,238.0
Ground	Office	1,463.0	15,748.0	1,919.3	20,659.0
	Storage	23.9	257.0	-	-
	Reception	141.0	1,518.0	-	-
Basement	Plant	-	-	324.7	3,495.0
TOTAL		11,549.9	124,324	14,694.0	158,164

IPMS 3 Measured Survey is available in the data room.



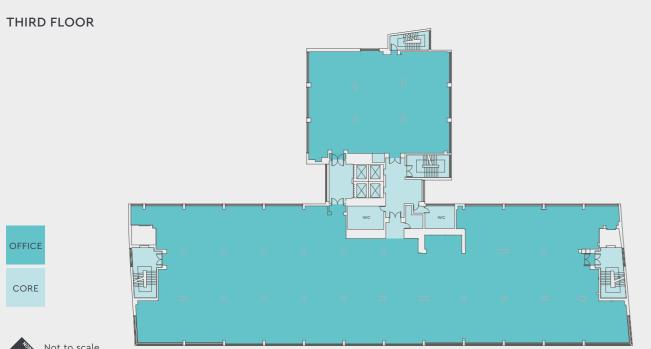
## 41-71 COMMERCIAL ROAD

## FLOOR PLANS

#### **GROUND FLOOR**



C O M M E R C I A L R O A D







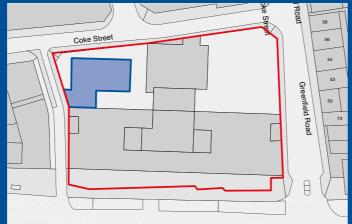


## MET WORKS BUILDING



The Met Works Building was constructed in 2006 and comprises 8,839 sq ft (821.1 sq m) net internal area (NIA) / 11,355 sq ft (1,054.9 sq m) gross internal area (GIA) of F1 (formerly use class D1) accommodation arranged over ground and three upper floors, with access / servicing from Coke Street.

The building is of steel frame construction with metal clad elevations and concrete floors.





hot to scale. For identification purposes only. This plan is based upon the Ordnance Survey Map with the sanction of the controller of H.M. Stationery Office. Crown Copyright reserved

## FLOOR AREAS

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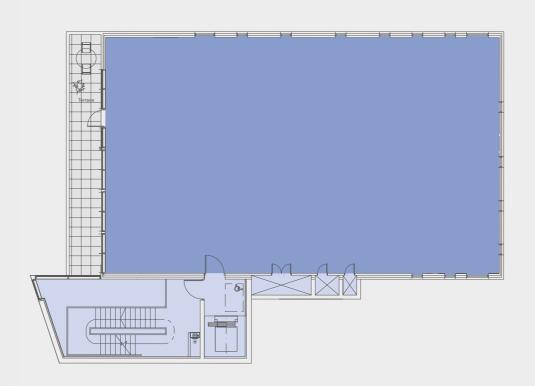
		NET INTERNAL AREA		GROSS INTERNAL AREA	
FLOOR	USE	sq m	SQ.FT	SQ M	SQ_FT
Third	Office	107.5	1,157.0	157.7	1,697.0
Second	Office	188.0	2,024.0	266.7	2,871.0
First	Office	234.1	2,520.0	277.4	2,986.0
Ground	Office	250.1	2,692.0	353.1	3,801.0
	Reception	41.4	446.0	-	-
TOTAL		821.1	8,839.0	1,054.9	11,355.0

IPMS 3 Measured Survey is available in the data room.

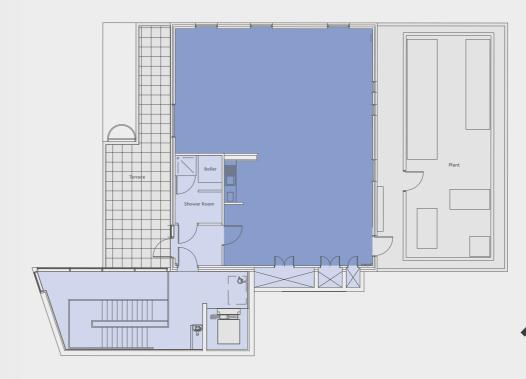


## MET WORKS BUILDING FLOOR PLANS

FIRST FLOOR

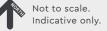


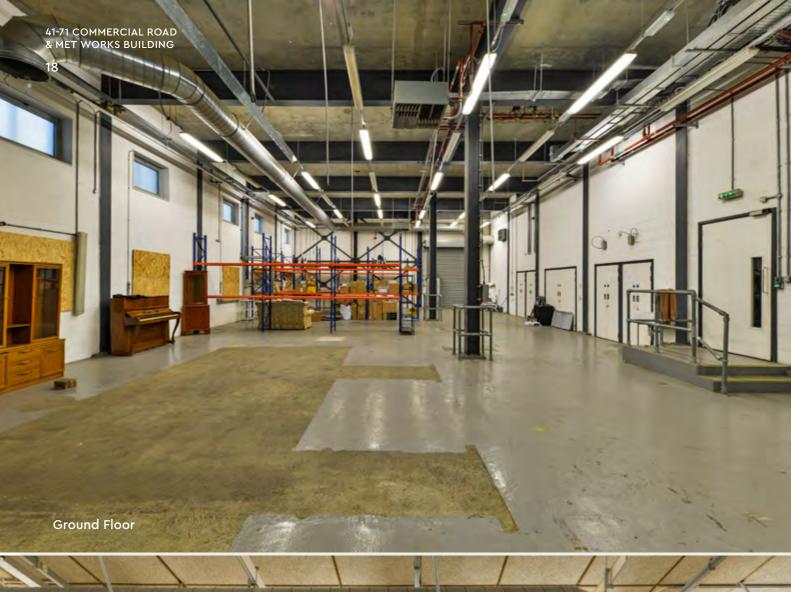
THIRD FLOOR













## PLANNING CONTEXT

The site is located within the London Borough of Tower Hamlets and is F1 use (formerly use class D1).

The surrounding area has been redeveloped for a range of building heights and uses.

A planning context note is provided on the data room. However, we summarise the planning position as follows:

- → The buildings on the site are not listed nor situated within a Conservation Area.
- → The site falls within the Central Activities Zone (CAZ) defined within The New London Plan, which aims to promote and enhance a rich mix of strategic functions and local uses.
- → The site also falls within the Tower Hamlets
  Local Plan 2031. This includes the City Fringe
  Opportunity Area, which is an identified location
  for new development. Biotech, life sciences and
  digital industries will also be concentrated in
  the City Fringe Opportunity Area to support the
  development of the Tech City and Med City.
- → In Cushman & Wakefield's view the potential exists for one or more of the following uses:
  - Office:
  - Hotel / serviced apartments;
  - Residential / co-living;
  - Life sciences;
  - Education / research;
  - 'Last mile' logistics.
- → It is considered that a building height of 14 storeys could be acceptable along the Commercial Road frontage with a slightly higher built form at the western end of the site, stepping up to the 17 storey height approved at 29–31 Commercial Road. To the rear of the site, a lower building height of 6–7 storeys could be appropriate.

- → Key factors that will guide the redevelopment of the site include:
  - Designation within the Central Activities Zone
     (CAZ) and the City Fringe Activity Area;
  - Development must ensure no net loss of education facilities unless it can be demonstrated that there is no ongoing future need;
  - Residential uses are supported as part of mixed-use schemes;
  - Heights achieved on surrounding schemes:
    - 27 Commercial Road: 21 storey hotel
    - 33–35 Commercial Road: 17 storey mixed-use development of office and student housing
    - 60 Commercial Road: 19 storey mixed-use development including 383 student bedrooms
  - 73-77 Commercial Road: 14 storey mixed-use building including a 156 bedroom hotel
  - 29-31 Commercial Road: 18 storey building to provide commercial at ground and residential
  - There have been three pre-application meetings and the relevant documents are available on the data room.

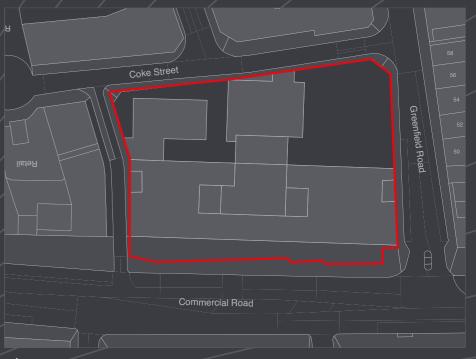






## TENURE

Substantial freehold site of 0.98 acres (0.39 hectares) held under title number EGL248588, bounded by Commercial Road, Weyhill Street, Coke Street and Greenfield Road.



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## TENANCY

41–71 Commercial Road and Met Works Building are subject to a series of short term tenancies.

Location Works has a lease over both buildings on a 3 year term, at a profit linked rent. The landlord benefits from a rolling break after 9 months (7 September 2021), on 3 months' notice.

Regal Three London Construction Limited occupies the ground floor garage and forecourt until September 2021 at a rent of £52,980 per annum. The landlord has agreed to a two month lease extension until November 2021.

Both leases are outside of the provisions of the 1954 Landlord & Tenant Act

There are two transformer chambers held under a single lease at a peppercorn rent, expiring in September 2026.

Further information is available on the online data room.

## VAT

## AML REGULATIONS

We understand the VAT position to be as follows:

- → 41-71 Commercial Road: unelected
- → Met Works Building: elected

In order to discharge its legal obligations, including under applicable anti-money laundering regulations, C&W will require certain information of the successful bidder. In submitting a bid, you agree to provide such information when Heads of Terms are agreed.

### **EPC**

Both properties are assessed to have Energy Performance ratings of C. The full Energy Performance Certificates are available on the data room.

## DATA ROOM

Further information can be found in the online data room. Please contact Cushman & Wakefield for access.



## PROPOSAL

Offers are invited for the freehold interest, on an unconditional basis, subject to contract and exclusive of VAT.

## CONTACT

If you would like the opportunity to inspect the properties, or if you require any further information, please contact:

#### COMMERCIAL

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