

IBP Awards

Hannah Brenton – News reporter

I am currently deputy news editor at Property Week, where I cover the West End office market and residential property. I consistently pull in exclusive front-page news for the magazine which moves the market and is picked up by other outlets.

I have attached an exclusive about the Helly Nahmad family paying the highest office rent ever in the UK. I have been following deals at the top of the West End office market all year by working my contact book of agents and developers, first reporting Trafigura was in negotiations at 30 Berkeley Square to break the record at £150/ sq ft and then following the deal through to report it had fallen out of bed and Trafigura had taken space at 14 St George Street. I revealed SG Hambro was paying £150/ sq ft at 8 St James's Square, followed by the record-breaking deal for Picasso art dealer Helly Nahmad to take the top floor at £185/ sq ft, setting a new benchmark for the West End. The deal, since confirmed, has been reported widely including City AM, The Sunday Times and the Irish Times.

The front page scoop that Christian Candy was buying a 'mega mansion' from Marcus Cooper took months of work. I first found out through contacts in the market that the mansion was under offer at the beginning of the summer to a well-known celebrity and initially thought it was being bought by Candy brother Nick. I was able to confirm it has been bought by Christian Candy, famous for the One Hyde Park development, by using Land Registry documents in September. The story, involving two of properties biggest names Candy and Cooper, was picked up by The Times, Mail Online and reported in the Evening Standard. The story had two of property's biggest names Candy and Cooper striking a deal, while cementing the Candys position among the super-rich for whom they develop luxury homes.

The story about donations to mayoral candidates from property developers shows a different skill set in developing a story. I used data from both the Register of Members' Interests and the Electoral Register to compile a list of donations from well-known companies and individuals within the industry. The story prompted press releases from rival candidates Diane Abbott and Christian Wolmar and was picked up towards the front of the Evening Standard. With housing now at the top of most candidates' agenda, the revelation developers were backing their preferred candidates with donations had wide political implications and will likely be an issue on the campaign trail in the future.

Property Week

propertyweek.com

NEWS

Morrisons property boss exit
Office-to-resi battle

ANALYSIS

p5 How to sell a house
p9 Click & collect revolution

MARKETS

p28 Focus on West Midlands
p30 London's safe resi haven

PROFESSIONAL

p37 NHS property Q&A
p45 Legal's diversity lesson
p59
p62

Candy sweet on Cooper mansion

■ Property mogul Marcus Cooper poised to sell 'mega mansion' in Regent's Park to Christian Candy

BY HANNAH BRENTON

Marcus Cooper has agreed to sell one of the UK's most expensive single residences to millionaire property tycoon Christian Candy.

Property Week understands Candy, who along with his brother Nick created London's most expensive address, at One Hyde Park, will pay close to £100m for the Marcus Cooper Group's 'mega mansion' in Regent's Park.

In a major coup for Cooper, Christian Candy is listed on Land Registry documents as the purchaser of both the residential and commercial long leaseholds of the grade-I listed property.

After years of selling multi-million pound flats and homes to some of the wealthiest people in the world, Candy is nearing the purchase of one of London's most sought-after properties for himself.

The 50,000 sq ft Regency terrace was originally put up for sale by the Marcus Cooper Group in June and could be worth £200m once converted.

The group won planning permission in early 2010 to convert the row of seven office buildings into a vast 10-bedroom stuccoed mansion.

The buildings were constructed in 1826 but were damaged by bombs in WWII and a subsequent fire in 1947, before being restored with replica Nash facades in the 1980s.

Marcus Cooper has pursued a strategy of quietly buying up properties around Regent's Park. It has



paid dividends with the mega mansion, which has sold at quadruple the original price paid by Cooper.

The group bought the long leasehold of the former Cancer Research UK headquarters from the Crown Estate in 2007 for £23.7m. Last year, Cooper secured a 150-year residential long leasehold from the Crown to unlock a conversion.

The buildings will still need to be converted into a single dwelling to Candy's luxury standards, which are currently being exported around the globe – the

Candy brothers are seeking to add to their success in London's high-end market by undertaking a global expansion of the Candy & Candy brand.

The deal with Candy follows Cooper's sale in August last year of Marco Polo House in Battersea, the post-modernist former head office of shopping channel QVC, to the Berkeley Group for just over £100m.

Knight Frank is believed to be advising Marcus Cooper Group. All parties declined to comment.

Picasso dealer smashes UK rent record at St James's Sq

■ The Nahmad family to steal record rent crown at Green Property's Mayfair office as top-end market booms

BY HANNAH BRENTON

A family of billionaire art dealers is set to smash the UK record for the highest office rent ever paid, by taking a floor at Green Property's 8 St James's Square at more than £185/sq ft.

Property Week understands the private family office of Helly Nahmad is expected to imminently sign a deal for the 3,000 sq ft top floor in the prime West End office building (pictured).

A rent at that level would eclipse the previous UK record set in 2007 by Permal Investment Management at £140/sq ft for the top floor of 12 St James's Square. The deal would also cement St James's Square's reputation as the favoured destination for high-end office space in the West End -



as well as the wider area's status as one of the most expensive office locations in the world.

The Nahmad family controls one of the largest collections of modern and impressionist art works, including works

by Picasso, which is worth \$3bn (£1.99bn), according to *Forbes*.

Helly Nahmad owns an eponymous gallery on Cork Street, where his offices are believed to be currently located.

The 65,600 sq ft 8 St James's Square

building has been vying with Russian luxury goods group Mercury's 30 Berkeley Square to set the UK rent record. *Property Week* revealed last week that SG Hambros Bank - part of Société Générale - is under offer on the fifth floor of 8 St James's Square for more than £150/sq ft. Oil giant Trafigura is believed to be in advanced talks to take two floors at 30 Berkeley Square for a similar record-breaking rent.

The highest rent paid in the current cycle, prior to these deals, was £130/sq ft, paid by Singaporean investor Temasek in September 2013 for the top two floors of Standard Life Investments' 23 King Street.

Pilcher Hershman advised Nahmad. Knight Frank and CBRE are letting agents. All parties declined to comment.

Orchard Street aces in Wimbledon

Orchard Street is close to buying a prime south-west London office building for just over £60m.

The investment manager has beaten a host of bidders to land St George's House West in the centre of Wimbledon, at a yield of 4.6%.

Threadneedle Investments had put the 85,000 sq ft building on the market for £51.4m, at a quoting yield of



5.25%. The office block received a high number of bids from institutions, including M&G Real Estate and Standard Life.

Wimbledon is the most restricted occupational sub-market in west London, with a vacancy rate of 1.39%, and only five offices have changed hands in the area in the past five years.

Threadneedle put the building (pictured) through a grade-A refurbishment two years ago. Current occupiers include Coty, Offshore Design Engineering and URS, while 13,722 sq ft of space remains vacant.

The average rent is £32.28/sq ft, with prime rents for Wimbledon offices close to £45/sq ft.

CBRE advised Threadneedle and Michael Elliot is understood to have represented Orchard Street. All parties declined to comment.

Blackstone-backed tenant for 1 Curzon St



A financial advisory firm majority-owned by Blackstone is under offer to take 28,000 sq ft of space at 1 Curzon Street in London's Mayfair.

Property Week understands new company PJT - which combines private equity giant Blackstone's financial and restructuring services with independent financial firm PJT Partners - is close to agreeing a deal close to the asking rent of £110/sq ft.

It will be the first London office for the new business.

The deal for the fifth floor of the building, which is also home to DTZ, follows a refurbishment of the floor by Lancer Property Asset Management.

Knight Frank advised PJT. GVA and Cushman & Wakefield advised Lancer. All parties declined to comment.

Boris looks for Newham JV

London mayor Boris Johnson is seeking a development partner to build 2,000 homes on the site of a former Parcelforce depot in the London Borough of Newham.

Brum launches £500m scheme

Birmingham City Council is embarking on a £500m plan to redevelop a 35-acre site called Birmingham Smithfield in the city centre over a 10-year period.

124-125 Princes St up for grabs

Clients of F&C REIT have brought to market 124-125 Princes Street in Edinburgh, a seven-storey office building with ground-floor retail, for offers in excess of £16.42m.

Nottingham buys into Blueprint

Nottingham City Council is buying the Homes and Communities Agency's 50% stake in housing and workspace developer Blueprint. Projects include the Trent Basin scheme.

High-profile developers back London mayoral candidates

■ Labour and Conservative hopefuls alike have received financial backing from some of property's big names

BY HANNAH BRENTON

Big-name property developers and investors have emerged as some of the biggest donors to London mayoral candidates in the early stages of the campaign to replace Boris Johnson, *Property Week* can reveal.

High-profile individuals including Mount Anvil chief executive Killian Hurley, former Land Securities chairman Lord Myners and Minerva founder Sir David Garrard have all backed candidates with a substantial sum.

Similarly, property companies including London developer Galliard Holdings, high-end estate agency Beauchamp Estates and London estate Canary Wharf have also made sizeable donations.

The starting gun for the mayoral election was fired after the general election and both Labour and the Conservatives have now unveiled a shortlist of candidates.

Former Olympics minister Dame Tessa Jowell, Tooting MP Sadiq Khan, Tottenham MP David Lammy, Hackney North MP Diane Abbott, journalist Christian Wolmar and Harrow West MP Gareth Thomas are vying to be the Labour candidate, with Jowell and Khan the early favourites.

Richmond Park MP Zac Goldsmith, London deputy mayor for policing and crime Stephen Greenhalgh, Conservative London Assembly member Andrew Boff and MEP Syed Kamall are competing to be the Tory candidate.

Property Week analysed the most up-to-date information from both the Register of Members' Financial Interests and the Electoral Commission, where donations of more than £1,500 must be declared.

Lammy, in particular, has attracted

the support of a number of high-profile London developers.

Killian Hurley, chief executive of London residential developer Mount Anvil, has donated £5,000 in a personal capacity to Lammy's campaign.

Hurley told *Property Week*: "We need a robust debate to ensure the rising tide helps to lift all the boats - how to use the city's booming property market to benefit all Londoners through new homes, new jobs and new communities.

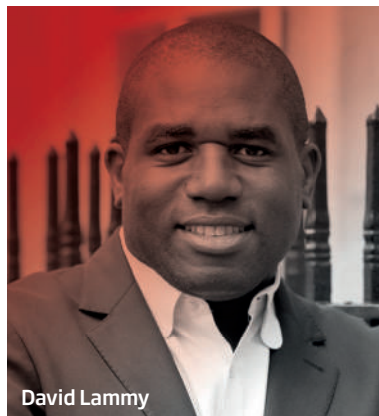
"David Lammy engaged early, consulting on his vision for how to ensure that everyone shares in London's success. He proactively asked me for my support for his campaign and I was delighted to be able to offer it."

London developer Galliard Holdings has also donated £15,000 to Lammy, along with high-end estate agency Beauchamp Estates, which has donated £2,000 and Minerva founder Sir David Garrard, who has donated £7,500.

Galliard chief executive Stephen Conway said the developer was not making any other donations to mayoral candidates. "From a poor immigrant background, we found the David Lammy story compelling," he said.

An individual listed as Mike Hussey, thought to be the chief executive of Almacantar, whose company is converting iconic tower Centre Point into luxury flats, has also donated £10,000 to Lammy. Hussey could not be reached this week.

Labour frontrunners Tessa Jowell and Sadiq Khan have also been backed by property developers. Jowell received an £11,500 donation from Canary Wharf Ltd and has also been backed by Paul Myners, the former chairman of Land Securities, with £5,000.



David Lammy



Dame Tessa Jowell



Zac Goldsmith



Sadiq Khan

From a poor immigrant background, we found the David Lammy story compelling
Stephen Conway, Galliard

Khan has received £20,000 in total from DCD Properties over the last year, £9,900 from AA Homes & Housing and £10,000 from Henley Homes.

A recently registered donation to Tory frontrunner Zac Goldsmith is also linked to the property industry, with Hani Madanat, founder and director of local agency Coombe Residential, donating £4,000 to the Richmond MP.

Ballots for the London mayoral race were sent out last week, along with those for Labour's leadership election, with the winning candidate to be announced on the weekend of the 12-13 September. The winning Tory candidate is expected to be unveiled before the end of September.

» For more on the London mayoral election see Leader, p19

£15k

Galliard Holdings' donation to David Lammy

£20k

Donation by DCD Properties to Sadiq Khan

£11.5k

Canary Wharf Ltd's donation to Tessa Jowell

CAN NGUYEN/REX; LUCY YOUNG/REX