

Thor to strike £50m Oxford St retail deal

■ US investor to buy site at east end of Oxford St as it continues push into Europe

BY HANNAH BRENTON

Thor Equities is close to buying a £50m chunk of London's Oxford Street, as it continues its multi-billion pound push into European retail.

Property Week understands the US investor is close to completing the purchase of 105-108 Oxford Street from Strathclyde Pension Fund at a yield of 2.9%.

The deal comes as the once-rundown eastern end of Oxford Street undergoes a facelift ahead of the opening of the Tottenham Court Road Crossrail station in 2018. A number of substantial redevelopments are reshaping the area, including Almacantar's Centre Point revamp and Great Portland Estates' Rathbone Place.

105-108 Oxford Street fits with Thor's strategy to invest in properties where it can increase rents, develop or asset manage - with rents in the area expected to reach more than £750 per zone-A by 2019.

The 11,500 sq ft retail unit sits opposite the new Dean Street entrance



Roaring trade: Tiger is one of the retailers leasing at the Oxford Street site

to the Tottenham Court Road Crossrail station and is let to Danish retailer Tiger and Foot Locker, which has a lease expiry in 2018.

Tiger signed for a flagship store in the building in June last year, taking a 10-year lease on a 6,000 sq ft ground-floor and basement shop.

Thor is also understood to be close to

completing deals on London's Bond Street and Paris' Champs-Élysées.

It already owns the Burlington Arcade in London's Mayfair. In France, it owns 65-67 Avenue des Champs-Élysées in Paris and 65 Boulevard de la Croisette in Cannes.

DTZ advised Strathclyde. Levy advised Thor. All parties declined to comment.

Headspace takes final floors of Farringdon office

Flexible workspace provider Headspace has taken the final floors in 19-21 Hatton Garden, Farringdon, meaning it now occupies the whole building.

The company, which houses the likes of media start-up BuzzFeed, has signed a deal to take an additional 4,000 sq ft in the Midtown building.

Headspace doubled its space in the building in February last year, before it opened its doors to tenants in November.

It aims to provide a modern, stylish working environment for young and ambitious businesses in the creative, media and tech industries. It counts the London School of Photography, employee relocation platform Move Guides, and mobile app designer and developer Fueled among its tenants.

"Our model is clearly resonating with the market and I'm delighted that we are continuing to expand in order to meet demand," said managing director Jonathan Rosenblatt, who launched the group in September 2013.

"Having only recently launched our new space in November - more than doubling our square footage in the process - we're excited to now be developing the top and final floor of the building."

Zara will be pillar of The Friary Centre

Fashion brand Zara has signed to anchor M&G Real Estate's The Friary Centre in Guildford.

The retailer will take a double-level unit of more than 20,000 sq ft and is expected to open this year.

Zara has almost 2,000 stores across 88 markets.

Scott Linard, director, asset management and leasing for M&G Real Estate, said: "The arrival of Zara is a game-changer for The Friary Centre."

Lunson Mitchenall and CBRE acted for M&G Real Estate and Hartnell Taylor Cook acted for Zara.



Hamptons man to develop Essential Living brand

A former estate agency chief has joined the board of private rented sector developer Essential Living to help develop its brand.

The developer and manager of rented homes has brought in former Hamptons managing director Nick Underhill, as it allocates significant investment to brand development this year.

Underhill will develop Essential Living's lettings and revenue strategies, using his experience in land acquisition, design and planning, through to delivery and rental.

The company's investors, M3 Capital Partners, believe there is significant potential to create a

brand premium across its targeted portfolio of 5,000 homes for long-term rent.

Underhill will be closely involved in the development of the brand and business structure in creating the company's lettings strategy.

He will have ultimate responsibility for driving income of more than £150m per year.

"The responsibility for managing such a sum is potentially stressful, but I have confidence in our strategy," he said.

"I have the opportunity to influence the designs of the homes we create rather than trying to adapt someone else's."