



**LOCK KEEPERS**  
**GILLENDER STREET**  
**LONDON**  
**E3**

Virtual Freehold High Yielding Income Investment

## EXECUTIVE SUMMARY

- Virtual Freehold interest from the Peabody Trust for a term of **999 years** from 29<sup>th</sup> January 2016, providing approximately 992 years unexpired.
- Award-winning canal side development designed by Allies & Morrison and completed in 2016.
- Excellent connectivity being located within a five-minute walk of Bromley-by-Bow underground Station, in an area experiencing rapid transformation.
- Six high quality commercial units totaling **19,036 sq ft** (1,771 sq m) of office/educational accommodation arranged across three separate adjacent blocks, over ground and mezzanine levels.
- 77% let (by income) to outstanding covenant The Harris Federation, with the remainder let to Rivington Street Studio Ltd producing a low total passing rent of **£548,240 per annum (£28.80 per sq ft overall)**.
- Education use reverts to Class E offices at lease expiry.
- Secure WAULT of approximately 3.63 years unexpired.
- Offers in excess of **£6,500,000** are sought subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **7.90%**, assuming purchaser's costs of 6.80%, and a low capital value of **£341 per sq ft**.



## THE LOCATION

**Lock Keepers is located in a thriving East London location with Canary Wharf to the south, Stratford to the north and Whitechapel immediately to the west**

The property benefits from an attractive canal side setting on a peninsula between the River Lea and the Lime House Cut canal, providing uninterrupted views over the River Lea.

The property is located in close proximity to Bromley-by-Bow Underground Station, which offers both the District and Hammersmith & City tubes lines ensuring excellent connectivity to London Liverpool Street Station (14 minutes) and Victoria Station (27 minutes). It also lies close to the A12, an arterial road running in and out of London that directly links to London's ring road (A406).

The surrounding area offers amenities including sporting facilities, restaurants and pubs. Following completion of the neighbouring 23-24 Gillender Street, the immediate local amenity will dramatically improve to include a wide range of retail amenities. The wider area hosts a variety of parks, including the Queen Olympic Elizabeth Park, Hackney Marshes and Victoria Park. Stratford is within a 8-minute drive, home to Westfield Shopping Centre, hosting many fashion outlets, restaurants and cafes.



## LOCATION MAP



## The Stratford Regeneration

### The Olympic Stadium

There has been substantial development and regeneration in East London, with over £1 billion of investment in the last 10 years. The catalyst for this was the Olympic Park in Stratford, the main hub when London hosted the Olympics in 2012. The stadium cost over £700 million to build and is currently home to the East London football club West Ham United.

The regeneration included many local amenities, such as restaurants, bars and pubs; this, consequently, is projected to create over 20,000 jobs by 2030. In addition to the economic benefits, over 10,000 homes have been built in the local area.



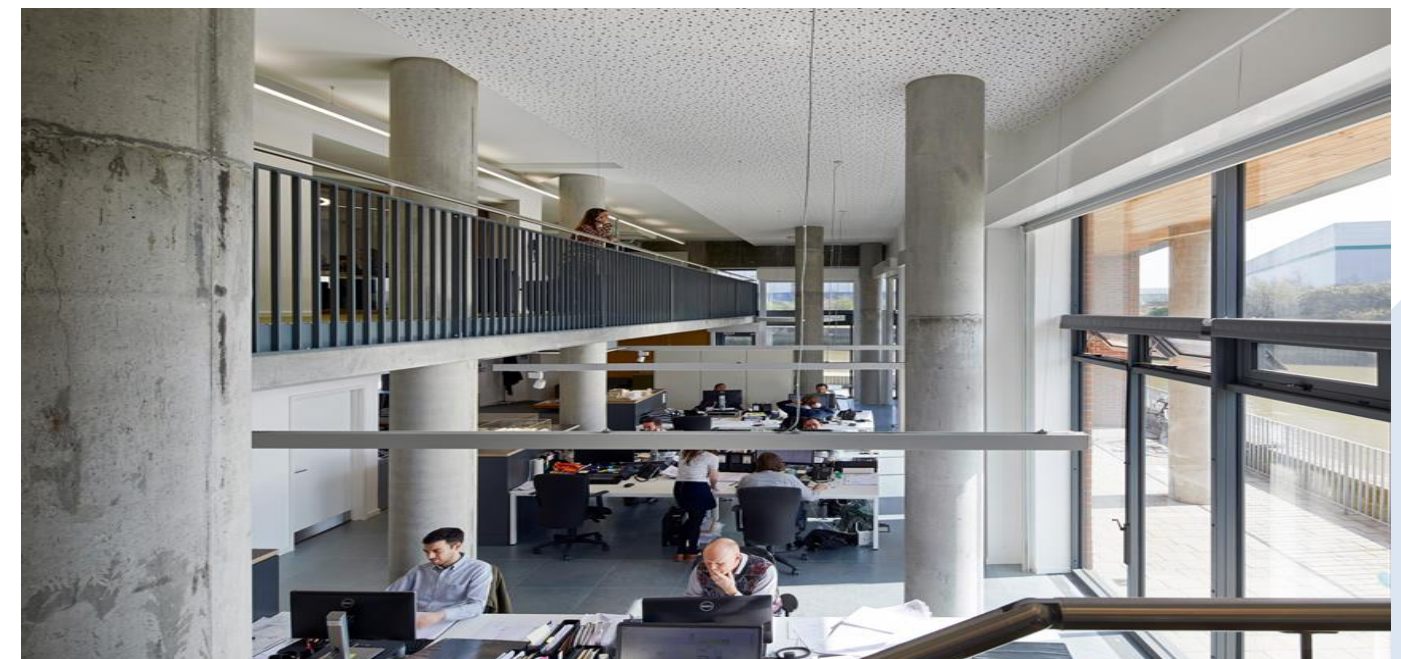
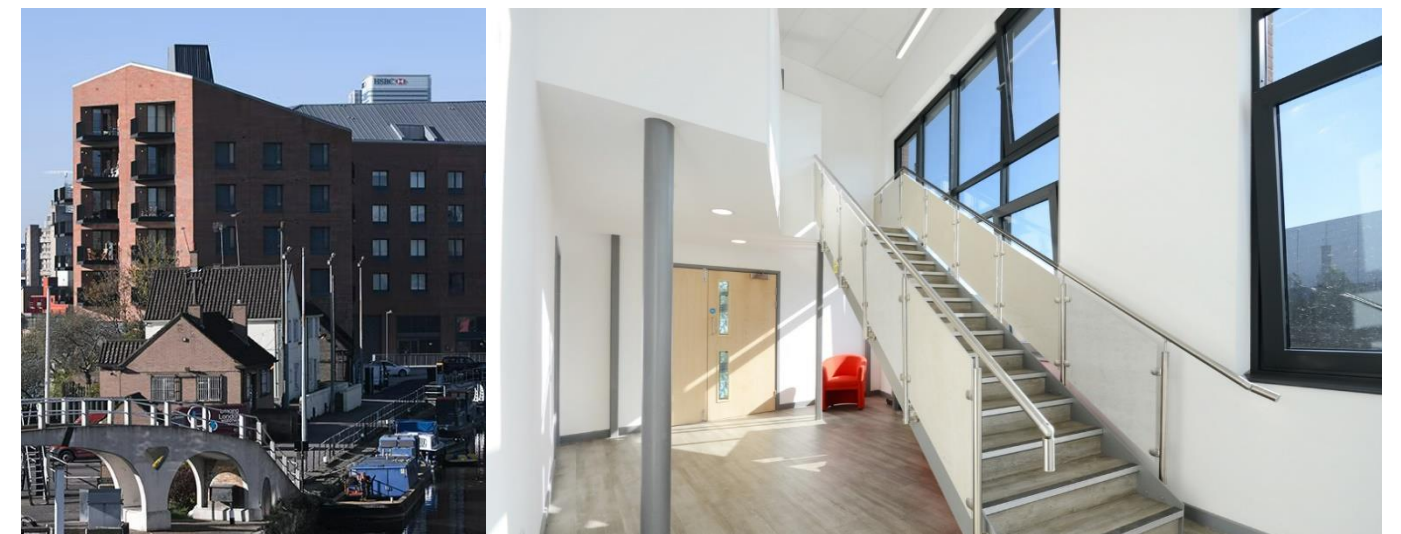
### Westfield Stratford

The Shopping Centre opened in 2011, it comprises a total retail floor area of 1.91 million square feet with 280 stores, 70 restaurants and a 5,000 space park. It is the fourth largest shopping centre in the UK by retail space and the largest in the UK by land area. Westfield Stratford's anchor tenants include:

- John Lewis Department Store (240,000 sq. ft)
- Waitrose Supermarket (32,000 sq. ft)
- M+S Department Store (135,000 sq. ft)
- Vue Cinema (20 screen)
- Premier Inn (267 Rooms)
- Holiday Inn (350 Rooms)



## Lock Keepers



## Local Developments

# A RAPIDLY EVOLVING LOCATION TO LIVE AND WORK

### Three Waters, Bow Creek, Bromley By Bow

The site adjacent to Lock Keepers has recently been completed by Peabody and they are currently under offer to sell the virtual freehold interest in the commercial accommodation of the three new buildings that extend to part 5/6 and part 12/13 storey. This comprises c 19,000 sq ft arranged over ground, first and second floors.



### Kettle Yard, Fish Island

The mixed-use development in Hackney Wick, Vodion, is currently in progress and offers a collection of 1,2 and 3 bedroom apartments in addition to an office building on the corner of Dace Road and Monier Road. The whole development is over 690,000 sq. ft and offers efficient transport links in a growing and prominent area.



### 3 Mills Studios, Bromley by Bow

3 Mills Studios is located within 0.5 miles of Lock Keepers and is one of the most accessible studios in the UK. The estate comprises 9 filming stages, 11 theatre rehearsal spaces and over 75,000 sq ft of filming space.



### 23-24 Gillender Street, London, E3

Immediately adjacent to Lock keepers, 23-24 Gillender Street comprises a substantial part Victorian and part 1930s modernist warehouse providing 170,000 sq ft of attractive, flexible commercial space. Fabrix acquired the property in Q2 2021 and are working alongside the world-class Dutch architects MVRDV to give the building an extensive refurbishment to revitalise the riverside site. Proposals are now in place to convert the Safestore element to provide a modern self-storage facility, with the remainder of the building being transformed to create an exciting mixed use scheme. With work due to commence in 2023, it is set to transform the immediate location as a place to live and work with a scheme rooted in sustainability and community.

## CONNECTIVITY

- Bromley-by-Bow Station offers both the District and Hammersmith & City Underground lines and is within a 5-minute walk of Lock Keepers.
- The District line has direct access to Paddington and the Hammersmith & City Line has direct access to Baker Street Station.
- West Ham Station is 30 minutes away by foot or one stop on both the District and Hammersmith & City Lines, which further offers the Jubilee line enabling direct access to Canary Wharf providing access to the Elizabeth line.



Airport	Time from property via tube
Heathrow	1 hour
Gatwick	1 hour 20 mins
London Stansted	1 hour 20 mins
London City	28 mins



## DESCRIPTION

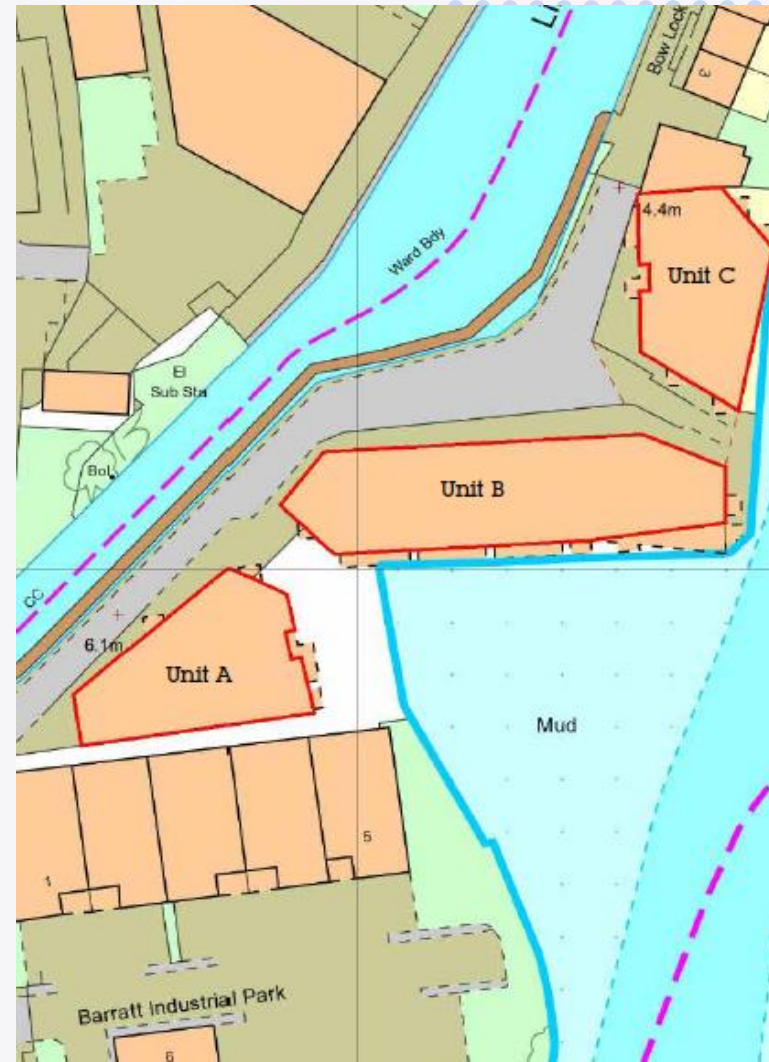
The Lock Keepers is an award-winning mixed-use canal side scheme, which was designed by Allies & Morrison and developed in 2016.

The subject property comprises the commercial element of the scheme, providing approximately 19,036 sq ft (1,771 sq m) of office/educational accommodation arranged across three separate adjacent blocks, over ground and mezzanine levels.

The three blocks provide 109 residential units above the commercial accommodation and range from 6 to 13 stories which are not included in the sale. The development also benefits from attractive landscaping and ground floor community space.

## TENURE

The commercial accommodation is held on a virtual freehold interest from the Peabody Trust for a term of 999 years from 29<sup>th</sup> January 2016, providing approximately 992 years unexpired.



## ACCOMMODATION

The office accommodation was measured on a gross internal area basis:

**19,036**  
TOTAL SQ FT

FLOOR	DEMISE	AREA (SQ M)	AREA (SQ FT)
Block A, Unit 6	Office / Education	77.95	839
Block A, Unit 10	Office / Education	86.58	932
Block B, Units 1 & 2	Office / Education	358.14	3,855
Block B, Unit 3,	Office / Education	251.95	2,712
Block B, Unit 4,	Office	457.82	4,928
Block C	Office / Education	536.05	5,770
<b>TOTAL</b>		<b>1,771</b>	<b>19,036</b>



Block A



Block B



Block C

## TENANCY SCHEDULE

TENANT	DEMISE	SQ FT	LEASE START (Rent Review)	BREAK	LEASE EXPIRY	PASSING RENT (£ PER ANNUM)	PASSING RENT (£ PER SQ FT)
The Harris Federation	Navigation Road, 6	839	31-Jan-2023	-	31-Aug-2026	£25,170	£30.00
The Harris Federation	Navigation Road, 10	932	31-Jan-2023	-	31-Aug-2026	£27,900	£29.94
The Harris Federation	Navigation Road, 18, Units 1 & 2	3,855	31-Jan-2023	-	31-Aug-2026	£115,600	£29.83
The Harris Federation	Navigation Road, 18, Unit 3	2,712	31-Jan-2023	-	31-Aug-2026	£81,360	£30.00
The Harris Federation	Navigation Road, 30	5,770	31-Jan-2023	-	31-Aug-2026	£173,100	£30.00
Rivington Street Studio Limited	Navigation Road, 28	4,928	18-Nov-2016 (18-Nov-2024)	-	17-Nov-2026	£125,000	£25.36
Total		19,036				£548,240	£28.80

## TENANT COVENANT INFORMATION

### The Harris Federation

Company number: 06228587 (77% of total income)

The Harris Federation is a multi-academy trust which is an education charity led and run by teachers, sponsored by Phillip Harris (Lord Harris of Peckham). The first school was opened in 1991 and they now run 51 primary and secondary academies in and around London.



### Rivington Street Studio

Company number: 05379467 (23% of total income)

Block B, Unit 4 is let to Rivington Street Studio Ltd, an award-winning architecture practice established in 1989. They have been involved in a variety of projects in all aspects of property, including the University of Roehampton Redevelopment. They are involved in both commercial and residential projects, for example Whitechapel Road, delivering Master planning and Landscaping, as well as the New City Road Housing Project.



	31-Aug-19	31-Aug-20	31-Aug-21
Turnover	-	-	-
Pre Tax Profit	£ 16,456,000	£ 10,047,000	£ 78,621,000
Net Worth	£ 463,974,000	£ 474,021,000	£ 552,642,000

The company has a score of 100 on Experian which reflects 'Very Low Risk'.

	31-Mar-19	31-Mar-20	31-Mar-21
Turnover	-	-	-
Pre Tax Profit	-	-	-
Net Worth	£ 789,233	£ 846,595	£ 1,022,267

The company has a score of 100 on Experian which reflects 'Very Low Risk'.

## Further Information

**EPC:** EPC's are available on request

**Planning:** The Property benefits from dual education and office use and is located within the jurisdiction of the London Borough of Tower Hamlets. The property is situated within the Lime House Cut Conservation Area. The property benefits from having dual education and office use.

**Value Added Tax (VAT):** The properties have been elected for VAT. A sale of the assets will be treated of a going concern (TOGC).

**Proposal:** Offers in excess of **£6,500,000** are sought subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **7.90%**, assuming purchaser's costs of 6.80%, and a low capital value of **£341** per sq ft.

## Contacts

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