

An aerial photograph of a dense urban area, likely Paddington Basin in London. The image shows a mix of old and new buildings, a river (the Grand Union Canal) winding through the center, and a highway on the right. The foreground features a large, modern building with a curved facade and a prominent orange-brown facade. The background shows a mix of older brick buildings and newer glass-fronted structures. The overall scene is a vibrant, high-density urban environment.

green&partners

# WEST END QUAY

PADDINGTON, W2

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Reversionary Retail &  
Leisure Asset in the Heart  
of Paddington Basin

**INVESTMENT FOR SALE**





## INVESTMENT SUMMARY

- **Paddington** is a key Central London sub-market;
- The area has seen large scale redevelopment with high profile modern buildings, multinational headquarters and arrival of **Crossrail**;
- **Paddington Station** is serviced by Bakerloo, Circle, District and Hammersmith & City Underground lines;
- **Elizabeth Line** arrival has further boosted transport connectivity and the local economy;
- West End Quay is located approximately **300m** from the station entrance at the eastern most point of the Paddington Basin;
- **Paddington Basin** has undergone massive redevelopment in the **last 20 years**, including the subject property in 2002;
- A thriving **office** location, an increasingly popular **residential** address, a go to **leisure** destination and home to **St Mary's Hospital**;
- Large **Virtual Freehold** site;
- Prominent dual fronted **retail & leisure** investment;
- **Fully let** with strong **rental growth** prospects;
- Consistently **reversionary** income stream;
- **WAULT** of 5 years term certain;
- **89%** let to **National covenants**;
- **Passing Rent** of **£1,098,496** per annum;
- **Market Rent** of **£1,169,265** per annum.

THE VENDOR IS SEEKING  
OFFERS IN EXCESS OF  
**£16,000,000**

Net initial yield: **6.43%**

Reversionary yield: **6.84%**

Low capital value: **£539 per sq ft**

Assuming graduated purchaser's costs of 6.80%







A40  
WESTWAY

PADDINGTON  
STATION

PADDINGTON  
CENTRAL

OXFORD  
STREET

HYDE  
PARK

REGENT'S  
PARK

PADDINGTON  
BASIN

# WEST END QUAY

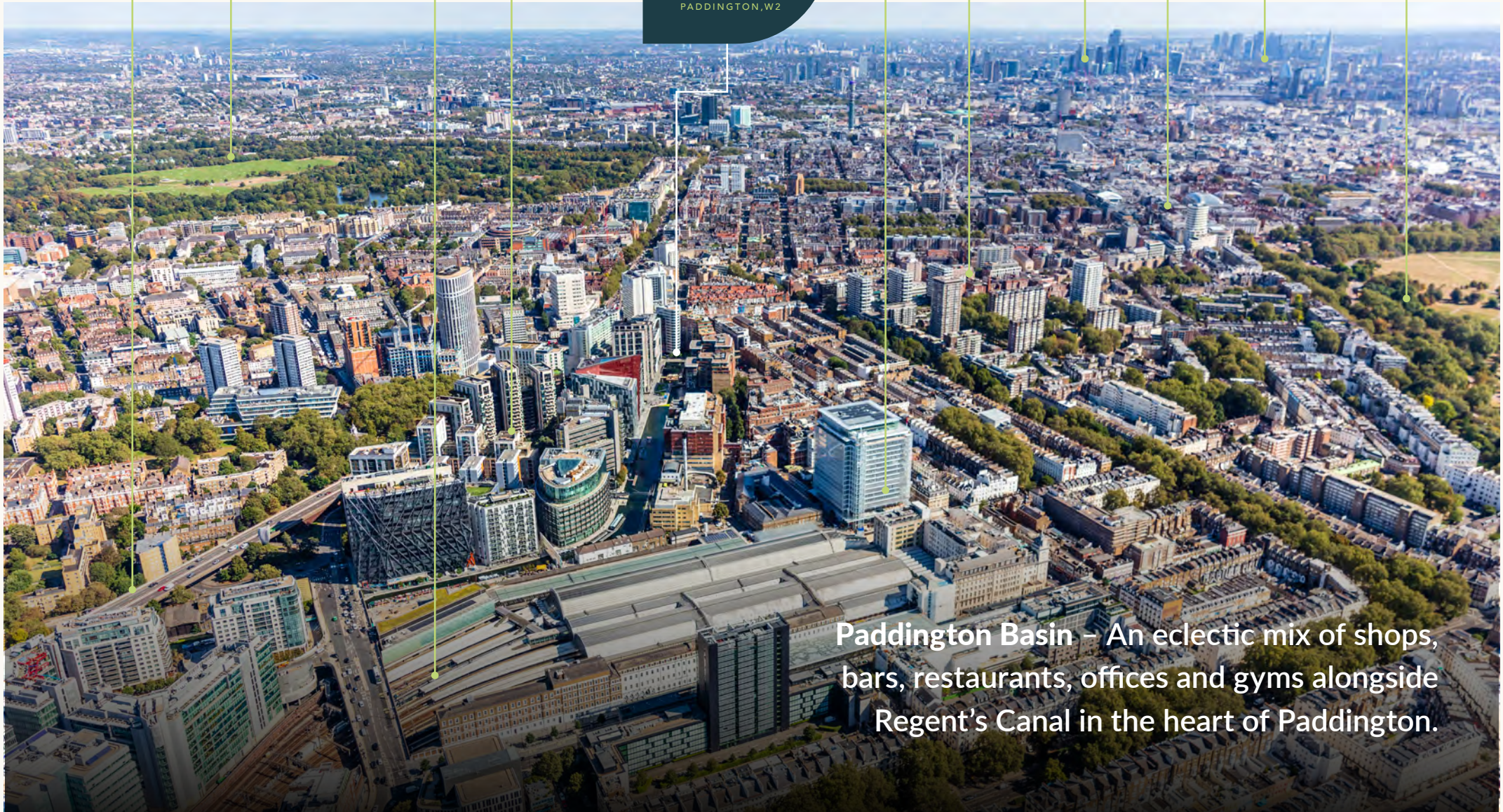
PADDINGTON, W2

EDGWARE  
ROAD

THE  
CITY

CANARY  
WHARF

Paddington Basin – An eclectic mix of shops, bars, restaurants, offices and gyms alongside Regent's Canal in the heart of Paddington.





# LOCATION

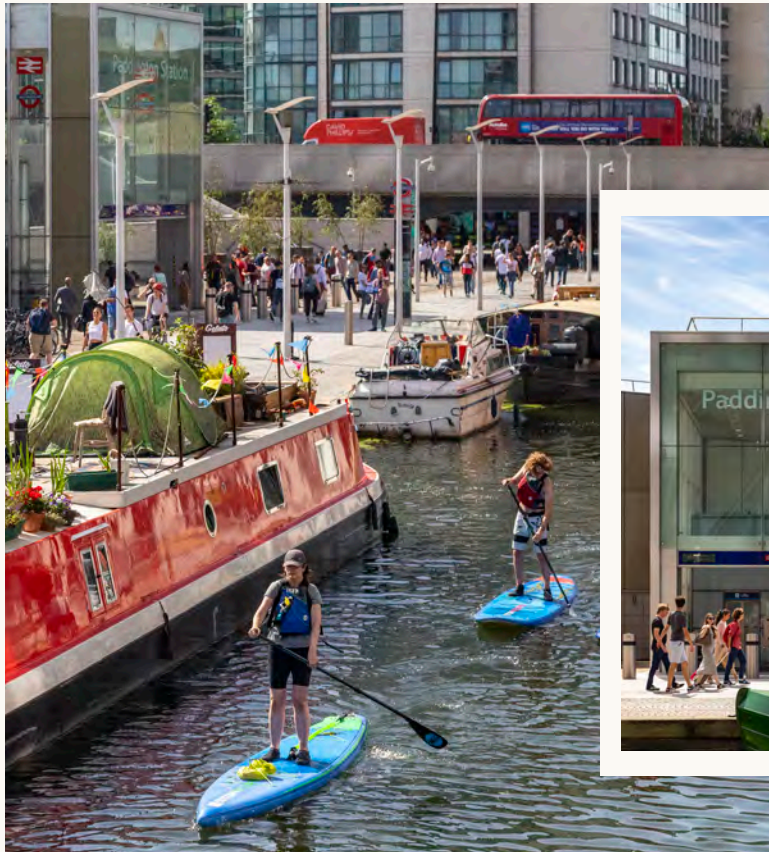
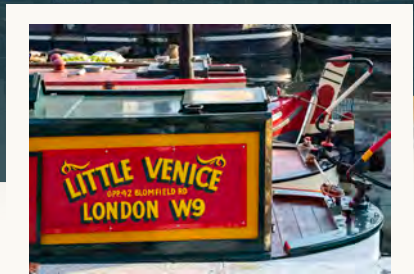
Paddington is a vibrant sub-market in Central London, located within the London Borough of Westminster. It offers convenient access to several key areas: Marylebone is approximately a 10-minute walk away, the West End can be reached in 20 minutes, and Hyde Park is just a 6-minute walk.

Paddington has served as a major transportation hub for over 180 years, centred around the historic Paddington Station. This Grade I listed station was designed by the illustrious engineer Isambard Kingdom Brunel and opened in 1854. Many of its original features remain intact, reflecting its rich industrial heritage.



## PADDINGTON BASIN

Another notable feature of the area is Paddington Basin, which opened in 1801. The basin extends from the junction of the Regent's Canal and the Grand Union Canal at Little Venice to its southeast terminus.



The area has become known for its modern developments and is home to numerous global corporate offices and headquarters, including Microsoft and Vodafone. Over the past 20 years, Paddington Basin has undergone significant redevelopment as part of the broader Paddington Waterside scheme. This includes the addition of a new station entrance to accommodate Crossrail, which has spurred growth in both office and residential accommodation. As a result, the micro location has become increasingly popular with retail and leisure operators. Paddington Square has recently completed including a new 14- storey office building

with retail, leisure and a rooftop terrace, the development enhances the connectivity of the area with its proximity to Paddington Station.

In keeping with Brunel's spirit of innovation, Paddington boasts several acclaimed buildings and infrastructure projects. Notable examples include the Marks & Spencer headquarters, designed by the architect Lord Richard Rogers, and the aptly named Brunel Building. The area also features innovative structures such as The Rolling Bridge and The Fan Bridge, which have garnered attention for their unique designs.

# CONNECTIVITY

Paddington Station is a major intermodal public transport hub and one of the busiest in the UK. It serves as an interchange for four London Underground lines and a National Rail station, which includes the Heathrow Express. The station is also served by several bus routes, enhancing its connectivity.

According to figures published by Transport for London in 2023, Paddington's annual footfall was 49 million across both the Underground and National Rail Stations, making it the ninth busiest among the 166 Underground, Overground, and Network Rail stations in Zone 1 of London's public transport network.

## CROSSRAIL

Since becoming operational in May 2022, the Elizabeth Line (Crossrail) has significantly improved connectivity to and from Paddington Station. This new line provides fast and efficient links to key London destinations, including Bond Street, the City, and Canary Wharf, further cementing Paddington's position as a vital transportation hub in the capital.



The Westway is a section of the A40 that runs from Paddington to North Kensington. This arterial road allows easy access to the west and north of London.



**49 million**  
ANNUAL FOOTFALL



# SITUATION

The property is located at the eastern end of Paddington Basin, where the area connects with Praed Street.

Praed Street serves as a busy thoroughfare linking Paddington Station with Edgware Road and is a popular service retail and leisure destination, as well as the headquarters of JCDecaux.

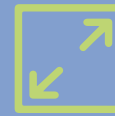
The property is equidistant from Edgware Road and Paddington Station, both of which are approximately a five-minute walk away. Other notable retailers in the vicinity include Pret a Manger, M&S, KuPP, Lockhouse, Pizza Express, and The Boathouse.



**WEST  
END  
QUAY**  
PADDINGTON, W2







**29,675 sq ft**  
OF SPACE



**PLAY VIDEO**

## DESCRIPTION

Prominent dual fronted parade facing onto Praed Street and 'inward' to Paddington Basin.

Comprising 29,675 sq ft of well configured retail and leisure accommodation below a high end residential development.







# TENANCY SCHEDULE

UNIT	TENANT	TRADING AS	NIA (SQ FT)	LEASE START	TERM (YEARS)	BREAK	LEASE EXPIRY	RENT REVIEW DATE	TERM CERTAIN (YEARS)	WAULT (YEARS)	PASSING RENT (EPA)	WEIGHTED / ITZA	PASSING RENT (PSF / ITZA)	% OF INCOME	MARKET RENT (PSF / ITZA)	MARKET RENT (EPA)
1	Draft House Holding Ltd	Brewdog Bar	6,668	05/04/2011	25		04/04/2036	05/04/2026	11.64	1.45	£136,497	Weighted	£24.81	12.4%	£25.00	£137,528
2	The Headmasters Partnership Limited	Headmasters	1,716	18/02/2018	13		17/02/2031	18/02/2025	6.51	0.34	£58,000	Zone A	£67.70	5.3%	£100.00	£85,678
3	Vodafone Limited	Vodafone	942	02/10/2020	10		01/10/2030	02/10/2025	6.13	0.42	£75,000	Zone A	£101.27	6.8%	£100.00	£74,056
4 & 5	Superdrug Stores Plc	Superdrug	3,631	25/12/2004	21		24/03/2026		1.60	0.22	£153,850	Zone A	£74.54	14.0%	£85.00	£175,449
6	Post Office Ltd	Post Office	2,051	30/07/2007	20		29/07/2027	30/07/2017	2.95	0.30	£113,250	Zone A	£82.53	10.3%	£85.00	£116,639
7	Albero One Ltd	T4 Bubble Tea	409	03/02/2004	20		04/07/2024		0.12	0.00	£29,500	Zone A	£81.05	2.7%	£85.00	£30,939
8	Hamptons Estate Ltd	Hamptons Estate Agents	773	24/06/2003	27	14/01/2025	14/01/2030	15/01/2025	0.41	0.02	£46,800	Zone A	£79.87	4.3%	£85.00	£49,809
9	Tescos Stores Ltd	Tesco Express	4,342	28/11/2003	31	23/10/2029	22/10/2034	23/10/2024	5.19	0.76	£162,000	Zone A	£79.81	14.7%	£85.00	£172,529
10	Greggs PLC	Greggs	1,990	08/04/2022	10	08/04/2027	07/04/2032	08/04/2027	2.64	0.20	£82,500	Zone A	£72.21	7.5%	£72.50	£82,832
11	Hope Montessori Nursery School Ltd	Hope Montessori Nursery	1,737	27/02/2017	15		26/02/2032	27/02/2027	7.53	0.59	£85,654	Zone A	£94.16	7.8%	£95.00	£86,418
12	Quest Estates Ltd	Fraser & Co Estate Agents	2,773	28/10/2016	10		27/10/2026	28/10/2021	2.19	0.15	£77,500	Weighted	£33.88	7.1%	£35.00	£80,070
13	Dreamcorp Fitness Ltd	F45 Gym	2,643	22/06/2017	19	01/09/2031	30/09/2036	22/06/2022	7.04	0.49	£76,943	Weighted	£35.29	7.0%	£35.00	£76,317
14	Anita Romer	Anita Romer	0	01/01/2016					0.00	0.00	£1,002			0.1%		£1,002
<b>TOTALS</b>			<b>29,675</b>						<b>4.1</b>	<b>5.0</b>	<b>£1,098,496</b>			<b>100%</b>		<b>£1,169,265</b>



# COVENANTS

63% of the total income is secured against a Very Low Risk (100) Experian covenant rating.



**TESCO**

**Tescos Stores Ltd**

Trading as Tesco Express  
Very Low Risk (100)

**TESCO.COM** ▶



**vodafone**

**Vodafone Ltd**

Trading as Vodafone  
Very Low Risk (100)

**VODAFONE.COM** ▶



**Superdrug** ☆

**Superdrug Stores Plc**

Trading as Superdrug  
Very Low Risk (100)

**SUPERDRUG.COM** ▶







# COVENANTS CONT.

TENANT	TRADING AS	EXPERIAN RATING	% OF INCOME
Draft House Holding Ltd	Brewdog Bar	Above Average	12%
Post Office Ltd	Post Office	Very Low (100)	10%
Greggs PLC	Greggs	Very Low (100)	8%
Hope Montessori Nursery School Ltd	Hope Montessori Nursery	Low (82)	8%
Quest Estates Ltd	Fraser & Co Estate Agents	Maximum (2)	7%
Dreamcorp Fitness Ltd	F45 Gym	Low (89)	7%
The Headmasters Partnership Ltd	Headmasters	Very Low (100)	5%
Hamptons Estate Ltd	Hamptons Estate Agents	Very Low (100)	4%
Albero One Ltd	T4 Bubble Tea	Below Average (58)	3%



VIEW  
GALLERY



PLAY  
VIDEO



# LOCAL DEVELOPMENT

As one of London's key Opportunity Areas, Paddington represents the largest and most significant regeneration initiative within the City of Westminster, encompassing approximately 80 acres.

This area has already seen the development of over 2 million square feet of premium commercial space, bolstered by substantial investments from major stakeholders such as British Land. Looking ahead, an additional 1.3 million square feet of development is planned, further solidifying Paddington's role in the city's ongoing transformation.



**BRUNEL BUILDING**  
 240,000 sq ft offices & 5,500 sq ft retail space  
 Status: Completed  
 Completion Date: 2019  
 Developer: Derwent London



**PADDINGTON GARDENS**  
 335 apartments / 200,000 sq ft office, retail & leisure  
 Status: Completed  
 Completion Date: 2021  
 Developer: Meritas Real Estate / Great Marlborough Estates



**1 MERCHANT SQUARE**  
 222 apartments / 90 room hotel / retail & leisure  
 Status: Construction commenced  
 Completion Date: 2026  
 Developer: European Land & Property



**FIVE KINGDOM STREET**  
 210,000 sq ft office space  
 Status: Construction commenced  
 Completion Date: 2026  
 Developer: British Land

**WEST END QUAY**  
 PADDINGTON, W2



**PADDINGTON TRIANGLE**  
 235,000 sq ft office & retail space  
 Status: Consented, construction start in 2026  
 Completion Date: 2028  
 Developer: Crossrail



**PADDINGTON SQUARE**  
 360,000 sq ft offices & 75,220 sq ft retail/restaurant space  
 Status: Completed (phased opening)  
 Completion Date: 2022  
 Developer: Sellar



**6 MERCHANT SQUARE**  
 15-storey / 140,000 sq ft of 79 apartments, offices and retail  
 Status: Construction commenced  
 Completion Date: 2024  
 Developer: European Land & Property



**2 MERCHANT SQUARE**  
 229,000 sq ft of 196 apartments, offices and retail and leisure  
 Status: Construction commenced  
 Completion Date: 2025  
 Developer: European Land & Property





## TENURE

The property is held in a 990 year long leasehold interest from 1st January 2001 (circa 967 years unexpired) at a peppercorn rent.

## VAT

The property has been elected for VAT and is assumed the sale will be conducted via a Transfer of a Going Concern (TOGC).

## EPCs

Available upon request.

## AML

The successful purchaser will be required to fulfil anti-money laundering requirements in accordance with the Money Laundering Regulations.

# PROPOSAL

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# CONTACT

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## green&partners

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The agents for themselves and for the vendors or lessors of the property whose agents they are give notice that: (i) these particulars are given without responsibility of The agents or the vendors or lessors as a general outline only for the guidance of prospective purchasers or tenants, and do not constitute the whole or any part of an offer or contract; (ii) The agents cannot guarantee the accuracy of any descriptions, dimensions, references to condition, necessary permissions for use and occupation and other details contained herein and any prospective purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy of each of them; (iii) no employee of The agents (and their joint agents where applicable) has any authority to make or give any representation or warranty or enter into any contract whatsoever in relation to the property; (iv) VAT may be payable on purchase price and/or rent, all figures are quoted exclusive of VAT, intending purchasers or lessees must satisfy themselves as to the applicable VAT position, if necessary by taking appropriate professional advice; (v) except in respect of death or personal injury caused by the negligence of The agents, its employees or servants, The agents will not be liable, whether in negligence or otherwise howsoever, for any loss arising from the use of these particulars save to the extent that any statement made in these particulars has been made fraudulently. SEPTEMBER 2024

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DATA ROOM

