



Princess Beatrice House

Old Brompton Road, London SW10 9BA

A rare opportunity to purchase a prominent and substantial freehold building, with potential for alternative uses

Situated within one of London's most fashionable and affluent areas.



Princess Beatrice House Old Brompton Road, London SW10 9BA

The Opportunity

- Close to Earls Court Exhibition Centre and within The Bolton's Conservation Area – one of the most sought after residential locations within London.
- An existing 32,857 sq ft (GIA) hostel with considerable scope for change of use by way of either conversion or redevelopment to a variety of alternative uses including; private residential, mixed-tenure housing, sheltered housing, student housing, educational or medical, subject to the usual consents.
- To be sold with vacant possession.
- Currently benefitting from a "personal" planning permission, therefore the building will revert to a "nil" planning use on vacant possession.
- The property is held freehold.
- Offers sought in excess of £10,000,000 (Ten Million Pounds) for our client's freehold interest, subject to contract and exclusive of VAT. This would reflect a capital value of only £304 psf.



Battersea Bridge

Location

Princess Beatrice House occupies a prominent position on the corner of Old Brompton Road and Finborough Road within the Royal Borough of Kensington & Chelsea. Old Brompton Road is a well-known main road linking South Kensington and Fulham, and the property lies approximately 4 miles from the West End.

Princess Beatrice House is a stone's throw away from Earls Court Exhibition Centre and is surrounded by some of the most affluent residential areas in London. With Fulham to the west, Kensington to the north, South Kensington and Knightsbridge to the east and Chelsea to the south, the site benefits from the wide range of amenities these areas have to offer, including high class retailing, excellent schools and good quality offices.

The area also boasts a wide selection of luxury hotels and restaurants including The Wyndham London Grand Harbour Chelsea, Conrad Chelsea Harbour, Blakes, Petrus, Bibendum, Bluebird, and The Blue Elephant.

Other famous nearby landmarks include the Empress State Building, Lots Road Power Station, Westfield Shopping Centre, the Kings Road, Stamford Bridge football stadium and Craven Cottage football stadium to name but a few. The Borough is also home to an array of world famous tourist attractions, including The Royal Albert Hall, the Natural History Museum and the Victoria & Albert Museum.

Princess Beatrice House lies adjacent to Brompton Cemetery, originally known as the West of London and Westminster Cemetery, and is one of the "Magnificent Seven" – seven cemeteries used by citizens of nineteenth century London. It opened in 1840 and is managed by The Royal Parks.

The Royal Borough of Kensington & Chelsea is the most densely populated borough in London. Its affluence is demonstrated by having the UK's largest percentage of household owner occupiers.

A rare opportunity to purchase a prominent and substantial building, designed by one of the country's greatest architects – Sir Aston Webb

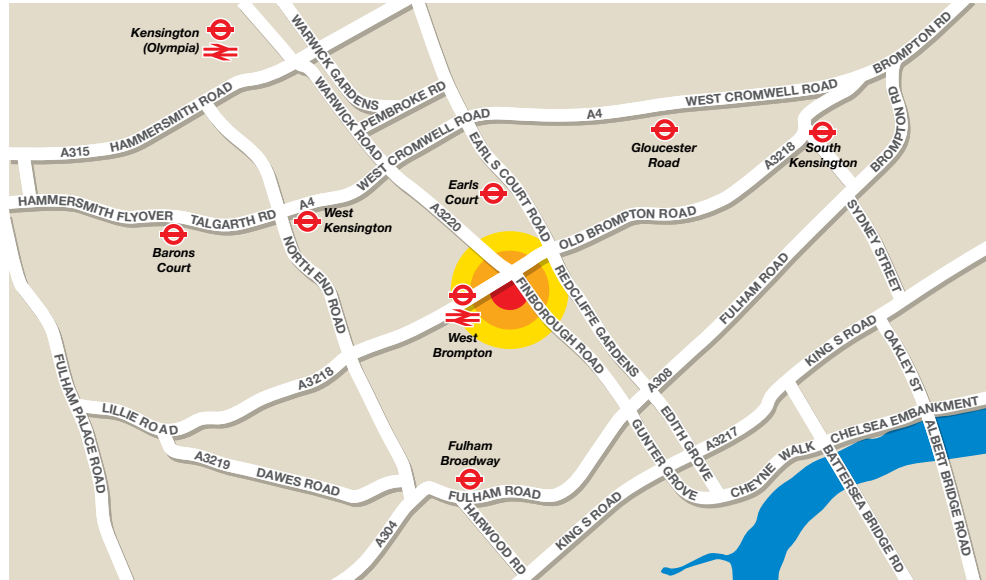


View from roof of property

Communications

The area is well served by numerous public transport links, with Earls Court, West Brompton, West Kensington, Gloucester Road and Fulham Broadway underground stations all within close proximity to the site, providing access to the Piccadilly, District and Circle lines and British Rail.

In addition, numerous bus routes run along Old Brompton Road and Finborough Road, connecting to Central London and beyond.



Kings Road



Oakley Street



Sir Aston Webb (1849-1930)

Sir Aston Webb was an English architect of the late 19th and early 20th century, arguably the best known of that era. Webb is best remembered for his grandiose public buildings celebrating the glory of the British Empire, such as Admiralty Arch in Whitehall. His most recognisable works are the Queen Victoria Memorial, The Mall and Buckingham Palace – originally by Edward Blore, but re-designed by Webb in 1912.

He received various accolades during his lifetime; knighted in 1904, he was also president of the Royal Institute of British Architects from 1902 to 1904, and of the Royal Academy between 1919 and 1924.

The Building

Princess Beatrice House was originally designed by Sir Aston Webb in the early 1930s as a hospital, which was named The Princess Beatrice Hospital. The building closed in the mid 1970s and was purchased and comprehensively refurbished in 1979 by our client, Look Ahead Housing & Care.

Since then, the building has been in use as a hostel comprising 119 rooms, supporting single homeless people with support needs. Due to the significant changes in public sector funding, the hostel, which has been revenue funded by the Royal Borough of Kensington & Chelsea, will be closing on 31st March 2011.

The building's construction is in the form of brickwork and heavy stone treatment and is arranged over lower ground, ground and five upper floors.

The main entrance to the building is located on Finborough Road, although there are currently two other entrances – one directly off Old Brompton Road, and the other at the south facing elevation. There is also a loading bay situated on the Old Brompton Road elevation, which provides direct access in to what is now currently used as a bicycle shed.

A service area exists at the south end of the building which is demised under a separate title (NGL367333) for the adjacent site. This is also under our client's ownership, and a right of way will be put in place over the land for use of accessing and servicing for Princess Beatrice House.

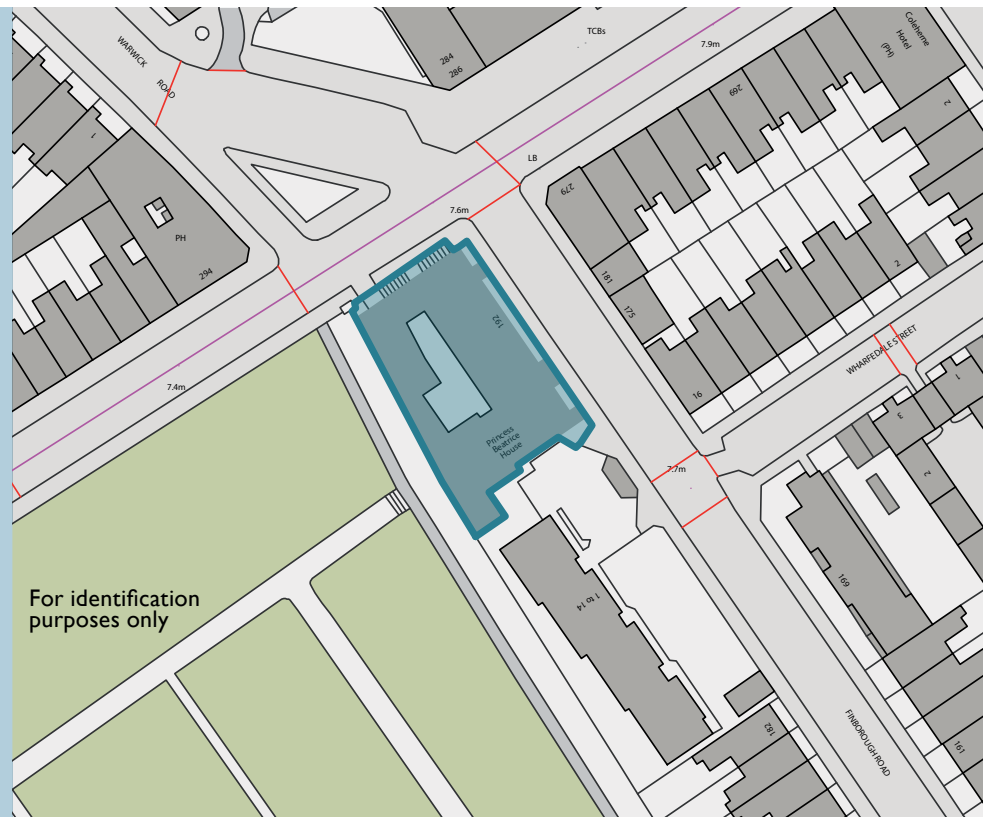
The ground floor currently comprises a main reception area, WC facilities, telephone room, offices, interview rooms, bedrooms, kitchen facilities, pool room, art gallery and TV rooms.

The lower ground floor, which benefits from good natural light from all sides, currently consists of the main dining hall, computer suite and associated office, kitchen and cold stores, maintenance office, cleaner's office and store, launderette and bedrooms.

The first to fifth floors currently comprise the bedrooms, WCs and bathroom facilities.

The building also benefits from a lift which serves all floors, excellent natural light, good floor to ceiling heights, full length windows, and an external courtyard at the rear.

A deed of licence exists in respect of a sewer main (known as the Counters Creek Sewer) that lies approximately 8ft (2.44m) underneath the building.



Site Area

Site Area: 0.225 acres
(0.091 hectares)

Floor Areas

Princess Beatrice House is arranged over lower ground, ground and five upper floors, and provides the following approximate gross internal floor areas:

Lower Ground:	7,206 sq ft	669.46 sq m
Ground:	5,768 sq ft	535.87 sq m
First:	4,936 sq ft	458.57 sq m
Second:	4,974 sq ft	462.10 sq m
Third:	3,840 sq ft	356.75 sq m
Fourth:	3,508 sq ft	325.90 sq m
Fifth:	2,625 sq ft	243.87 sq m
Total:	32,857 sq ft	3,052.52 sq m

A full measured survey has recently been undertaken and a full set of floor plans are available upon request.

Floor Plans

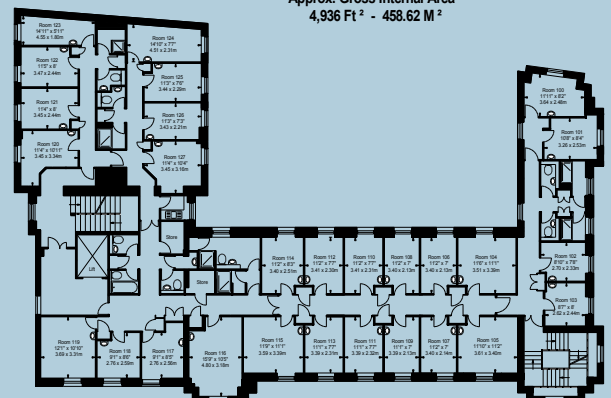
Basement Level

Approx. Gross Internal Area*
7,206 Ft² - 669.46 M²



First Floor

Approx. Gross Internal Area*
4,936 Ft² - 458.62 M²



Ground Floor

Approx. Gross Internal Area*
5,768 Ft² - 535.91 M²

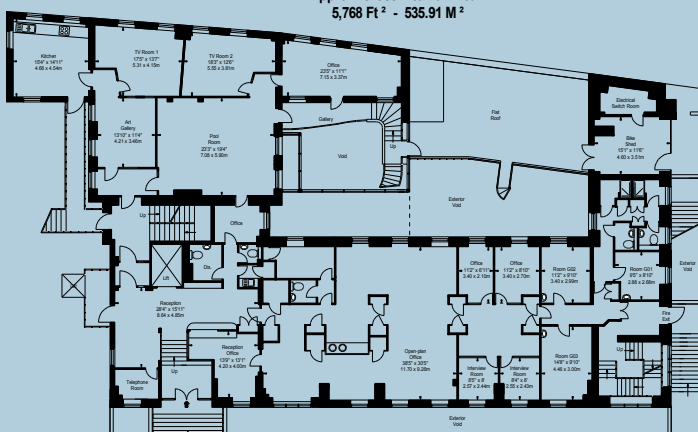


Illustration For Identification Purposes Only. Not to Scale
*As Defined by RICS - Code of Measuring Practice
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Tenancies

Although the building is to be sold with vacant possession, two mobile phone masts exist which are located on the roof.

O2:

Lease commencement date: TBC

Lease expiry date: TBC

Current rent passing: £11,642 pa

Rent Review date: 5 yearly linked to RPI

There is a landlord's option to determine for redevelopment purposes at any time after the fifth year upon not less than twelve months' prior written notice. Notice can only be served on the following conditions:

- (i) The grant of a valid planning permission.
- (ii) The redevelopment cannot reasonably be carried out with the Telecommunications Equipment or the electricity supply cables and telecommunications serving them in situ on the land.

A tenant's option to determine exists at any time during the first two years of the term and on or after the tenth anniversary upon not less than six months' prior written notice in the event that the operators should fail to renew its operating license under the Telecommunications Act 1984.

The lease is held outside the Landlord & Tenant Act 1954.

T-Mobile:

Lease commencement date: 25th June 1999

Lease expiry date: 24th June 2019

Current rent passing: £14,762 pa

Rent Review date: 5 yearly linked to RPI

There is a landlord's option to determine for redevelopment purposes at any time after the fifth year upon not less than twelve months' prior written notice. Notice can only be served on the grant of a valid planning permission.

A tenant's option to determine exists at any time during the first two years of the term and at the tenth anniversary upon not less than six months' prior written notice in the event that the operators should fail to renew its operating license under the Telecommunications Act 1984.

The lease is outside the Landlord & Tenant Act 1954.

Planning & Development

Princess Beatrice House is situated within the Royal Borough of Kensington & Chelsea. The property is not listed but lies within The Bolton's Conservation Area.

A comprehensive planning report has been carried out by Roger Tym & Partners, which provides a detailed indication and analysis as to the future prospects of a change of use following suspension of its current use as a hostel.

The report is available to interested parties, and can be summarised as follows:

- The present hostel is subject to a "personal" permission to our clients; that means it reverts, on vacation by our clients, to a "nil" use. This means that any use, including another type of hostel, would require planning permission.
- It seems likely, but not certain, that the building should be treated as a conversion prospect, rather than a redevelopment. This is due to the presumption that the building makes a positive contribution to the Conservation Area and therefore should be retained.
- It is believed the best prospects of success in terms of alternative uses, in principle are: private housing, general needs affordable housing, mixed tenure housing (private and affordable), and very sheltered housing.
- Other potential uses include: special needs housing, student housing, medical, and educational uses.
- It is also considered that the site could be suitable for "porting" affordable housing from another development site in the Borough, if the benefits could be demonstrated.

Whilst it is believed that the building should be considered as a conversion prospect for the reasons as suggested above, we understand that the Planning Department within the Royal Borough of Kensington & Chelsea have stated that they would not be averse to demolition and redevelopment, however, would want any new replacement building to be of a high quality design due to its prominence and the sensitivity of its location.

We would strongly advise that all interested parties to make their own enquiries in this respect.

We, and our client's planning consultants, are of the opinion that there are a number of opportunities that could be exploited in terms of additional accommodation, depending on the nature of the use being promoted. These include:

- In-fill Extension: This we feel to be the most obvious opportunity with considerable scope for further in-filling at ground and first floor levels.
- Side Extension: There is scope on the southern rear wing of the building for a contemporary full height extension to what is currently arranged over lower ground and ground floors.
- Roof Extensions: There may be the potential to remodel the existing mansard top floor and substantial plant areas above.

The site has a high PTAL level of 6a, meaning it is very accessible by public transport.

UDP policy is strongly against any increase in traffic or on-street parking from new developments (Policy TR36). However it does recognise that sometimes it will be necessary,

and in such cases states a preference for off-street provision (Policy TR42). It is believed that the case for any new use or development on the site, especially residential, would be strengthened by lower ground floor parking.

Recent and Pipeline Developments

1. Earls Court Regeneration:

A joint venture between Capital & Counties (Capco), Transport for London (TfL) and the London Borough of Hammersmith and Fulham, who have submitted initial proposals for the 77-acre site to include 10,000 homes, a hotel, office space, and shopping and leisure facilities.

A full planning application is due to be submitted by the first half of 2011.

Earls Court was built in 1935 and since then has hosted a wide range of events, exhibitions and conferences. With its instantly recognisable Art Deco design, it has become a centre pin of the West Kensington community. The landmark will remain intact at least until the end of the 2012 Olympics.

The aim is to deliver a comprehensive redevelopment of the area and create a 'thriving urban quarter within London, containing a vibrant mix of uses'. The scheme aims to bring significant additional economic activity to the area with new jobs and employment opportunities and quality homes.

For further information, please see: <http://www.myearlscourt.com/>

2. Chelsea Apartments, Hortensia Road, London SW10:

A joint venture between Manhattan Loft Corporation and The Trevor Osborne Group comprising a new modern college building and 36 luxury apartments. There are 23 x1, x2 and x3 bed private apartments, a x4 bed penthouse and 12 x1 bed shared ownership apartments, with two floors of underground parking.

Construction commenced in the summer of 2009 with the first phase apartments becoming available for occupation in 2011.

The scheme is located close to the junction with Fulham Road towards the southern end of Finborough Road and therefore in close proximity to Princess Beatrice House.

3. Fulham Road, Chelsea, London SW10:

Owned by Thornsett Group, planning permission has been granted for 56 luxury apartments and 14 retail units in this terrace of period buildings. Construction has recently commenced with practical completion expected towards the end of 2011.



Tenure

The property is held freehold, under title number NGL354581.

The adjacent site on Finborough Road, under title number NGL367333, comprising a 1990s flatted development, which is also owned by our client, is not included within the sale.

VAT

We have been advised that the property has not been elected

for VAT, however, this is to be confirmed.

Proposal

We are seeking offers in excess of £10,000,000 (Ten Million Pounds) for our client's freehold interest, subject to contract and exclusive of VAT. This would reflect a capital value of only £304 psf.



Further Information

For further information or to arrange an accompanied inspection, please contact the sole agents Ashwell Rogers

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November 2010. Subject to Contract.

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