

Game change.

September 2021

GCW.



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Drive-thru

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Opinion: James Pearson

The UK's drive-thru market is booming off the back of unprecedented demand. As operators compete for the best sites, seeking specialist property advice is more important than ever.

Covid has served to supercharge the UK's drive-thru market. Changing consumer behaviour coupled with lockdown restrictions have fuelled a surge in demand for hands-free quick service solutions. Consumers have been eager to take the opportunity to grab a take-away coffee or a burger and fries without having to leave the safety of their car. The length of traffic queuing outside prime drive-thru units is testament to the fact that there is at least one facet of the hospitality market that has enjoyed a bumper year.

According to data from global market research firm NPD Group, £2.3bn was spent at Britain's 2,000 quick service restaurants during the 12 months to February 2021. Drive-thru spending represented 12% of total hospitality spend, a 50% increase in importance compared to the situation pre-covid. They have provided a lifeline for restaurant operators in recent times, especially those which double up as kitchens for Uber Eats and Deliveroo.

Hot coffee

Even prior pandemic, drive-thru was becoming a hotly contested space.

New entrants such as coffee operators have been quick to capitalise and compete for space with the more established quick-service restaurant brands. According to NPD Group, coffee chains with drive-thru saw a 14% increase in sales year on year compared to 2019 highlighting why a growing number of operators are looking to expand their portfolios.

At GCW we have seen competition for drive-thru sites intensify in recent months and there are no signs of that easing off. As well as the coffee brands, we now have a list of new restaurant operators including Tim Hortons, Greggs, and Wendy's all vying for suitable space. Rents have held up well compared to other sectors and there is growth for the right site in the right location.

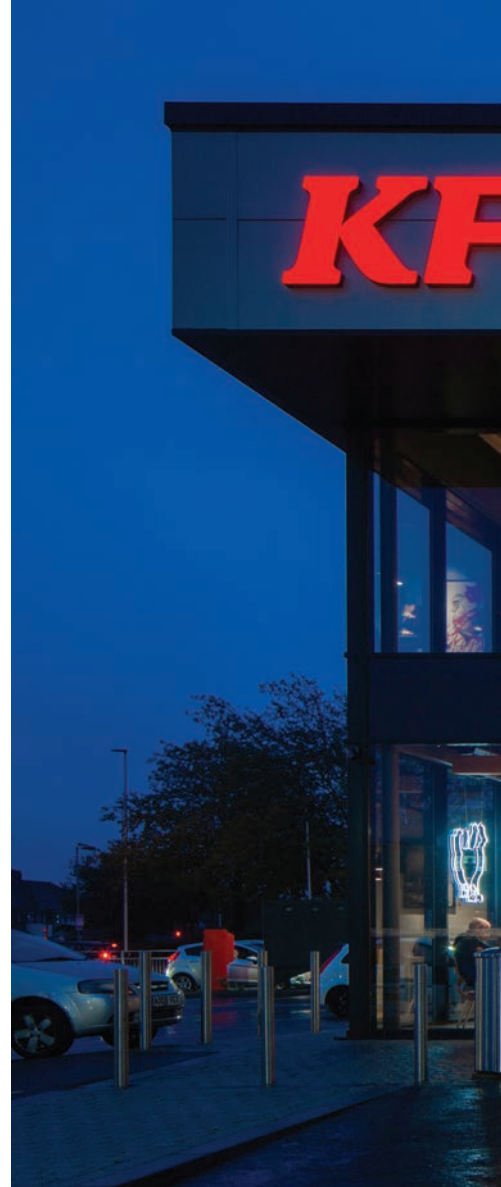
Unit sizes start from around 1,300 sq

ft and some operators are prepared to sign up for 15-year leases. Yet evaluating sites is complex, it is challenging to secure appropriate sites and there are a number of barriers to entry. We have been acquiring drive-thru sites for nearly two decades and as demand heats up, our team's market knowledge and experience is proving more valuable than ever.

We have advised KFC on drive-thru acquisitions since 2003 and are currently busy helping the brand acquire sites across the South of England. Examples of recent KFC acquisitions include the conversion of a former Carphone Warehouse unit in Romford and securing a new drive-thru in Ashford.

Quick service

GCW's market knowledge and boots on the ground approach has proved invaluable to our clients' expansion drives, particularly as other players start to enter the arena. It is critical to have an in-depth understanding of the quick-service restaurant market when acquiring sites, to take a forensic approach to evaluation and leave no stone unturned when researching





new opportunities.

As the market becomes increasingly competitive, securing sites will become ever more challenging and it is critical operators partner with a trusted and experienced property advisor. They need to navigate a number of obstacles, including securing planning and evaluating potential sites. Rents vary hugely and operators need to be savvy when identifying the most suitable drive-thru location with the right visibility, traffic, and ease of access.

Covid may have accelerated the rise of the drive-thru but even when restrictions

ease, the trend looks set to continue as operators expand the offer to incorporate new types of cuisine. Consumer habits are unlikely to change and if operators can kill two birds with one stone by integrating home delivery hubs, these will remain prized assets.

Alongside with increased competition is a growing investor appetite for drive-thru assets. As an asset class they are typically let on longer leases than you would find on the high street. A good example of that is Costa who will expect a break at year 6 in town but on a roadside pod will consider up to 15 years. Many of the operators

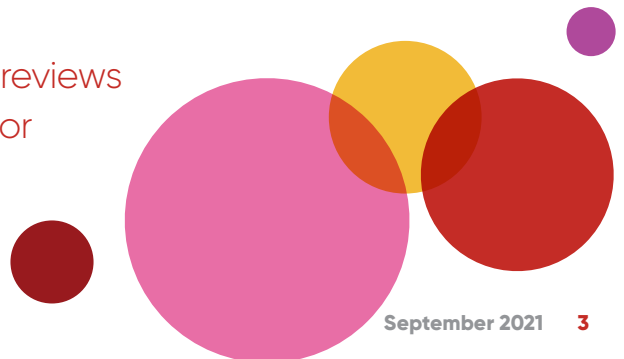
provide strong covenants and combined with indexed reviews to guarantee some growth, they make for secure investments. Some of the historic concerns such as residual value seem less of a concern as the sector feels more sustainable and investors react to changing consumer trends. We have a variety of clients interested in investing in the sector both for up and built and funding scenarios.

It is difficult to crystal ball gaze when faced with so much uncertainty, but it seems that based on strong fundamentals, the the drive-thru sector will continue to grow.

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Crosstree submits plans for Edmonton Green regeneration

Crosstree Real Estate has submitted a planning application to Enfield Council for a major mixed-use redevelopment of Edmonton Green shopping centre. Proposals include delivering up to 1,500 residential units, new market building, public spaces, and redesigned streets that reconnect the community with surrounding buildings.

Crosstree's masterplan is intended to help the centre respond to the changing needs of its catchment. It sets out ambitious plans to be delivered in 4 phases over the next 10 to 15 years, informed by comprehensive public consultation. Crosstree has submitted detailed plans for a first phase comprising 350 build-to-rent flats with ground floor commercial units, due for completion in 2023.

Covering 26 acres, Edmonton Green is already a vibrant mixed use destination, acting as a town centre for the surrounding North London community. It is home to more than 100 independent businesses, an established market, residential, offices, leisure centre, library, ASDA superstore, and bus station.

Since acquiring the centre in November 2018, Crosstree Partners has invested over £2m in the asset.



This included a new playground and community garden, new seating, updated centre branding and signage package, redecoration and lighting upgrades. Crosstree's latest plans have been designed to deliver much needed housing, create a night-time economy and ensure the centre continues to meet the needs of local residents. The masterplan also provides for significant greening of the town centre with the planting of 270

trees.

GCW Partner, Duncan Kite said: "These plans are transformative and demonstrate Crosstree's commitment to ensuring the centre remains fit-for-purpose. We look forward to helping deliver an improved visitor experience at this thriving north London suburb."

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JD Sports signs up for Colchester's Lion Walk Shopping Centre

GCW has helped client CBRE Global Investors secure a letting to JD Sports at Lion Walk Shopping Centre, Colchester. The retailer has committed to a 10-year lease on the 9,500 sq ft store at an annual rent of £160,000 pa.

JD Sports were persuaded to relocate from its sub-standard store in the town's

Culver Square Shopping Centre to occupy a prominent unit formerly occupied by Topshop. Lion Walk is Colchester's prime retail pitch with a tenant line up including Primark, Boots, New Look and Marks & Spencer. The 205,000 sq ft centre serves a strong catchment and the Lion Walk store offers JD Sports an opportunity to raise its

profile within the town.

Colchester has bounced back well after lockdown and Lion Walk occupiers have reported strong sales as shoppers are drawn to its strong tenant line up. The centre's owner is committed to an ongoing investment programme and has just completed the development of 9 residential units alongside 5,000 sq ft of reconfigured retail space.

The arrival of JD Sports will further boost the centre's appeal, following the opening of Muffin Break last year. The Lion Walk unit is the second store CBRE Global Investors has let to the retailer in the last 12 months after JD Sports agreed a deal to open in the Arc in Bury St Edmunds.

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Oxford sale paves the way for new four-star hotel

GCW has advised the owner of Boswell's & Co Department Store on the sale of one of Oxford's most prominent retail buildings. The deal will see the prime asset transformed into a 101-room hotel, maximising value for the client and the city.

GCW has built a reputation for helping its clients look beyond retail when repositioning and driving value from their assets. In June, the team completed the sale of the 50,000 sq ft Boswell's department store in the heart of Oxford city centre to secure its future as a boutique hotel.

Founded in 1738, Boswell's was the second oldest family-run department store in the world and enjoyed prime position on the corner of Cornmarket and Broad Street, yet the opening of the 800,000 sq ft Westgate shopping centre in 2017 transformed the city's retail landscape and when GCW was instructed to sell the store, the team quickly realised that the greatest value was unlikely to come from retail.

GCW started a dialogue with the



“ The priority was to identify a future use for the building that would achieve the highest sale price for the client

“ owner of the leasehold, Oxford City Council. The priority was to identify a future use for the building that would achieve the highest sale price for the client whilst meeting the needs of the city. All

parties saw the opportunity to attract a quality hotel operator and from the 15 bids received, Reef Group was selected on the back of its plans to transform the space into a 101-room hotel.

The strategy delivered far greater value than would have been achieved by targeting conventional retailers and unlocked a unique development opportunity. Reef Group has started on site and hopes to complete The Store Hotel in Summer 2023.

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GCW strategy secures UK-wide Arcadia sales

On the back of advising on the Arcadia insolvency, GCW is helping Deloitte dispose of the group's high street assets. The team's targeted marketing campaign is tapping into local demand to secure the sale of 20 retail properties.

In January GCW began marketing 20 of Arcadia's freehold assets on behalf of administrator Deloitte. The vacant properties mostly comprise old Dorothy Perkins, Evans, and Burtons units in high streets right across the country. By the end of July, GCW had already secured 14 sales, with the remaining 6 under offer.



With lot sizes ranging from £200,000 to £3m, the assets attracted attention from a range of potential purchasers.

GCW used its market knowledge to devise a bespoke marketing strategy for each location. Many of the units required significant investment yet given the lot

sizes, offered an opportunity for local retailers or property entrepreneurs to access prominent high street properties.

Be it an individual wanting their first coffee shop, or local developer looking to convert a unit into a block of flats, GCW has demonstrated its ability to exploit pent up demand.

GCW Surveyor, Caryl Howell, said: “The sales, particularly those involving outdated properties in challenging towns, highlight the level of investor appetite for repurposed assets within local markets. It is encouraging that there is still so much interest in acquiring high street assets. These sales are also testament to GCW's marketing approach and town centre expertise.”

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A breed apart

Animor founder, **Patrick Magrath** explains how their new membership-based approach to pet healthcare will make a real difference for pet owners across the UK. As Animor starts to build a portfolio of purpose-built healthcare centres, we look at the opportunities the expansion drive presents to property owners

Animor is opening its first veterinary centres with Sainsbury's in Ellesmere Port and Sudbury. The purpose-built pods will provide a one-stop-shop for pet owners through a simple membership model in easy to reach locations. As GCW helps the brand roll out its offer across the UK, it is giving landowners the opportunity to boost footfall and monetise underutilised space.

A fresh approach

The UK is, as we all know, a nation of pet lovers. We cherish our furry friends and people go above and beyond to keep their pets healthy. Yet that is easier said

than done. A trip to the vets often leaves you feeling short changed, both in terms of customer service and value for money. When you then factor in navigating the minefield of pet insurance, you can see why many pet owners are reticent to seek treatment.

As a frustrated pet owner, Patrick Magrath was adamant there must be a better way and set about developing an alternative approach to first opinion veterinary care in the UK. That heralded the arrival of Animor, a new breed of pet healthcare provider which puts animal welfare at the heart of its business strategy.

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“Advances in animal medicine have progressed rapidly in recent years, in parallel with the advances in human medicine and consumer technology that we've all experienced. But the everyday reality is that the ability of many pet owners to get the best treatment and care for their animals is often limited by unnecessary complexity and financial considerations. We aim to change that with Animor”, says Patrick.

Animor promotes itself as a one-stop-shop for pet healthcare. Its three-tier membership model is easy to understand and incorporates a 6-monthly Animor Vitality health assessment which shifts the focus from treatment to prevention. The pricing model changes the dynamic of the clinician and customer relationship and encourages everyone to work collaboratively in the interest of the animal.





Animor is willing to either rent ready built centres as it will with Sainsbury's, or lease land for their prefabricated building offer. Gareth believes the prospect will prove particularly appealing to owners of garden centres, shopping centres, industrial or retail parks who want to drive footfall and utilise excess space.

If Animor can carve itself a niche in the pet healthcare, it can tap into a fast-growing consumer market. According to the Pet Food Manufacturers' Association, there are 34 million pets in the UK. Ownership has increased dramatically during the pandemic, and it would seem there has never been a better time to be introducing a more transparent and affordable healthcare offer.

Patrick says: "We're keen to form long-term relationships with landlords. True collaboration can deliver real benefits to everyone involved, and we are open to conversations with anyone who can help us deliver our vision."

FOR MORE INFORMATION ON HOW ANIMOR COULD HELP DRIVE VALUE ON YOUR SITE PLEASE CONTACT gareth.storer@gcw.co.uk.

Point of delivery

Patrick insists "This disruptive model is designed to completely change the way the market works and how and where the service is delivered." All Animor's centres will be purpose-built and in easy-to-reach locations.

Animor has already agreed a deal with Sainsbury's to open its first two healthcare centres outside its stores in Ellesmere Port and Sudbury. The 1,600 sq ft prefabricated pods will be owned by Sainsbury's and provide pet healthcare to both members and pay-as-you-go customers. The centres will be fitted out with 3 consultation rooms, two operating theatres and clinical facilities.

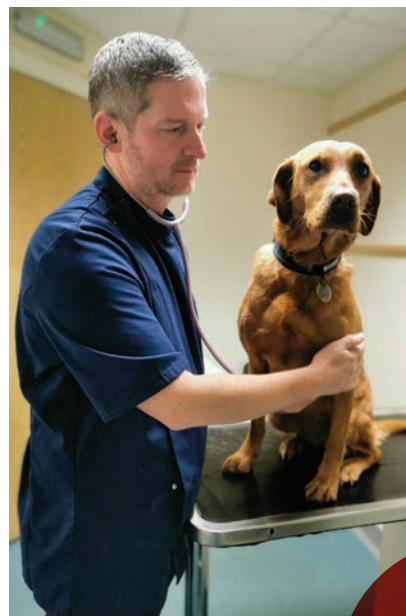
Animor is one of Sainsbury's new concession partners and the supermarket will be hoping that the partnership

proves as successful as the one with Specsavers. "Animor's centres should be even easier to roll out given that they are not inside the footprint of the store", says Patrick.

Long-term partnerships

Now that Animor has come to an agreement with Sainsbury's it is looking to woo other major property owners. GCW is advising Animor on its property strategy and is in discussion with a number of potential property partners.

GCW Director Gareth Storer explains: "Animor has the potential to create a comprehensive network of pet healthcare centres across the UK. It should be very scalable as we set about building in easy to access locations with plenty of parking."



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GCW appointed to help Wasabi drive future growth

Wasabi has retained GCW as property advisor as the Japanese restaurant chain seeks to maximise its UK outlets and explore opportunities for expansion.

Established in 2003, Wasabi has built an impressive portfolio of more than 45 UK outlets and concessions. GCW has been retained to provide advice on all property matters, including leasing, renewals, regears and potential acquisitions.

Wasabi is now looking to respond to changing consumer habits and extend its reach into new high footfall locations.

Wasabi CEO Henry Birts said: "We



We value GCW's experience and expertise and will work with them to bring our brand to new parts of the city



need to keep adapting to changing market conditions and ensure we stay ahead of the game. We value GCW's experience and expertise and will work with them to bring our brand to new parts of the city."

Callum Mortimer, Director at GCW, commented: "Wasabi have established a very strong brand and enjoy a loyal customer base that drives huge sales densities in each trading outlet. Like all F&B brands, they have had to adapt to a challenging environment as most people have been forced to

work from home, which has led to a change in store location strategy and a rationalisation of their property portfolio."

Transport hubs and major office destinations remain important to Wasabi's growth strategy, yet GCW is also helping the brand explore key high streets, London neighbourhoods, and shopping centres.

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Farmfoods opens second Southend store

Farmfoods has opened its second Southend on Sea store on Eastern Avenue. Client Remet Properties gave GCW a remit to let the 15,000 sq ft former Aldi supermarket and the deal has secured a long lease to a strong covenant.

The unit sits on a busy ring road less than a mile north of the town centre. Since Aldi decided to open a nearby superstore, Remet Properties began its search for a new occupier.

GCW began marketing the property which has 76 parking spaces, using its extensive market knowledge to maximise value for the client.

As part of the process, GCW had helped draw up plans to split the unit and had offers from the likes of Greggs and British Heart Foundation. Yet Farmfoods had begun trialling larger format stores and on the back of their success saw an opportunity to secure a purpose built supermarket for its

second Southend store.

GCW has secured a rental of £130,000 with fixed increases. The deal is an example of GCW's ability to fulfil a landlord's brief and secure long-term occupancy by a well-known retailer. It also demonstrates there is still appetite from occupiers to take properties with the right fundamentals as seen on a 15-year lease with no breaks.

Victor Aptaker, on behalf of Remet Properties, said: "GCW has worked hard to fulfil the brief and the Farmfoods deal offers a strong covenant on a decent length lease. It demonstrates that there is still demand for purpose-built units that meet occupier requirements and attracting a new food store to the site is good news for the town."

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Opinion: Clive Gillingwater

Arbitration offers a fresh approach to lease renewals

Our antiquated court system is under enormous strain, a crisis only compounded by Covid. As lease renewals become more frequent, resolving disputes is costing the property industry an inordinate amount of time and money. It is time to turn away from judges to Arbitrators for a more effective and efficient approach to dispute resolution.

There was a time when a lease renewal was little more than an infrequent inconvenience. Yet as lease terms shorten and court delays compound an already arduous process, they are on everyone's radar. I have cases that have taken more than 2 years to be resolved, incurring considerable cost and frustration. Suddenly both landlords and tenants are waking up to just how complicated and costly these renewals have become.

I have always been a passionate supporter of Arbitration and it seems there has never been a better time to remove an unnecessary burden from our under-resourced courts and let property experts resolve our issues. The property industry is already accustomed to having rent reviews handled through Arbitration, so why not extend that to lease renewals?

There is a system ready to take the strain. PACT (Professional Arbitration on Court Terms) is a procedure whereby both parties agree that the determination of the terms of the new lease will be delegated to a specified independent third party or, failing this, refer the dispute to the RICS. That will involve using a specialist surveyor and potentially a legal assessor.

There will always be a minority of people desperate to have their day in court, no matter what the cost. Yet arbitration is the most appropriate route in most cases. Whether you are a landlord keen to sell your asset, or a tenant wanting to get on with a refit, delays to lease renewals impact directly on business planning. It is in nobody's

interest to clog up the courts with a dispute that can be resolved far more easily and cheaply by an independent surveyor.

The beauty of the PACT system is its flexibility. Parties agree on who they appoint to arbitrate and then set their own parameters. It is far easier to control costs and timeframes by providing a clear remit. Also, rather than having your case decided by an inexperienced judge, the surveyor involved has the expertise and market knowledge to make informed decisions. They focus on the specific issues outstanding and their decision is legally enforceable. Courts increasingly take a dim view of parties who have refused to consider Alternative Dispute Resolution (ADR) options such as PACT and this is sometimes reflected in costs awards.

At GCW we have built a reputation as experts in property Arbitration. We are comfortable with all aspects of the PACT process, whether acting for clients as expert witnesses or carrying out the role of PACT Arbitrator. We see first-hand the time and hassle clients save by avoiding the courts and have witnessed a growing appetite for better forms of dispute resolution. We're in the midst of the greatest period of change within the property sector and the onus is on everyone to find better ways of doing business.

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Berkeley appoints GCW on landmark London project

Berkeley Capital has appointed GCW as joint letting agent for the retail and leisure element of its mixed-use development, 250 City Road. The Foster + Partners-designed development will transform the city skyline with a 36-storey tower surrounded by 1.9 acres of Wi-fi enabled green space.

250 City Road is ideally located between Angel and Old Street and is within walking distance of the capital's financial district, Tech City and Shoreditch. Alongside 1,000 apartments, workspace and hotel, the development will incorporate 37,500 sq ft of retail space targeted at leisure and convenience.

This is the second project GCW has worked on for Berkeley Capital, having successfully secured lettings to a range of retail and leisure operators at its 7-acre Aldgate development, Goodman's Fields.

Following critical ground work, the team is now devising a marketing campaign, with delivery of retail units due to start in late 2022.

GCW Director Philippe Micheal said: "We are delighted to be working



with Berkeley Capital on this landmark development. The residential element, green space and proximity to the tech centre of Old Street will be hugely appealing to retail and leisure operators

and we are really looking forward to taking it to the market."

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GCW secures deals in prime cathedral retail centres

GCW has advised CBRE GI on the letting and sale of a prime retail asset in Bath. Kingdom of Sweets has agreed a 10-year lease on 12 Stall Street, Bath, fuelling interest from a range of bidders. The asset was disposed of for £1.75m

reflecting a yield of 7%.

12 Stall Street sits in a high footfall location in the heart of Bath, close to tourist attractions and surrounded by one of the UK's most affluent catchments.

GCW advised CBRE GI to progress with the Kingdom of Streets letting due to favourable terms for potential investors. There are landlord break options in 2024 and 2026 to unlock the opportunity to extend and convert upper parts of the building into residential. The client was delighted with how GCW looked beyond retail to drive value and achieve a sale price exceeding valuation.

The deal demonstrates the strength of demand for prime assets in affluent cathedral centres. GCW has a track record disposing of these types of properties having recently acted for fund BMO on the sale of two high street properties in Winchester.

GCW Director Oli Horton said: "These deals highlight the enduring appeal of cathedral centres and show that liquidity is returning for these types of assets. GCW demonstrated great teamwork, market knowledge and strategic thinking to secure the best result for our client."

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Remodelled entrance helps Hempstead Valley centre improve tenant line-up

A new-look East Mall entrance will create space for an exciting mix of new occupiers at Kent's Hempstead Valley Shopping Centre. GCW is helping owner British Airways Pension Fund use the investment to secure lettings to a range of retail, leisure, and community tenants in the heart of Hempstead Valley.

The remodelled entrance is designed to improve the visibility and appearance of the centre's East Mall, creating a range of new units to better meet occupier requirements. The investment was made possible by anchor tenant Sainsbury's decision to sign a 30-year lease on their circa 70,000 sq ft superstore. Sainsbury's undertook a complete refurbishment,



incorporating the new store format, featuring a Sainsbury's Fresh Food Market and in-store Argos.

The existing Argos unit in the East Mall will now be divided into new retail units. Existing East Mall occupiers Hempstead Therapy Centre and Bakers & Baristas have agreed terms for two of the

new units, whilst The Works have recently upsized.

GCW is also in discussions with the NHS to locate a GP clinic in a new first-floor unit. The team is also under offer to a national gym operator to take around 20,000 sq ft of space which Sainsbury's handed back as part of its redevelopment programme.

In addition, planning permission has been granted for a drive-thru pre-let to Burger King.

The deals not only demonstrate the ongoing appeal of Hempstead Valley, but GCW's ability to find uses beyond retail.

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Paddle Challenge raises funds for children's charity

The GCW team has raised more than £13,000 for children's charity The Elifor Foundation through its annual charity challenge. A crack team of 15 paddlers ventured 23 miles down the Thames in Canadian canoes. With the help of a dedicated support crew, the hardy group ended the day triumphant and exceeded its target by completing the endeavour in an impressive 8 and a half hours.

GCW organises regular fundraising events and this summer decided it was time to take to the water. On Wednesday 4th August 15 volunteers paddled two-man Canadian canoes on a daunting 23-mile journey along the Thames. Starting out at Pangbourne, the group negotiated 8 locks, navigated swans and pleasure cruises, and worked as a team to complete what proved to be their most

gruelling challenge yet.

The paddlers had help from a morale-boosting support crew of Iain Coxon, Lisa Manley and Ellie Roberts who transported the team's bags and met the paddlers at key checkpoints along the route to hand out essential supplies of drinks and snacks. Staff at the boat hire centre were sceptical the team would meet their 10-hour goal but after just 8 and a half hours of arm-aching paddling, the last of the canoes crossed the finish line at Marlow and the celebrations could begin.

GCW hoped to raise £10,000 and has already smashed its target with more than £13,000 raised so far. All money will go to The Elifor Foundation, a small charity which aims to help improve the lives of children and young adults with severe learning difficulty and associated

physical disability. It relies on fundraising efforts to provide grants for a variety of items including electronic wheelchairs, specialised seating, special beds and trikes, hoists, communication devices, sensory equipment, and specialist holidays.

GCW Director James Pearson said: "This was our toughest challenge yet and we want to say a huge thank you to everyone involved. It was an impressive team effort. It is great to have exceeded our fundraising goal and to be supporting such a fantastic charity. I can't wait to take on something even crazier next year."

You can still donate to the cause via the Virgin Money Giving website. Just search for 'GCW Paddle Challenge.'

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Opinion: Archie Morriss

Suburban surge – Remote working boosts retail and leisure demand across London suburbs and commuter towns.

The pandemic may have taken its toll on the sections of the retail market, but the capital's boroughs and commuter towns are enjoying a new lease of life. As one of the top performing sub-sectors, these locations are enjoying a perfect storm of increased mid-week footfall, exciting independent and regional occupiers looking to expand, and landlords keen to attract occupiers aligned to the needs of the local catchment.

Remote working

The pandemic has caused seismic shifts in Britain's work patterns. London suburbs have seen a surge in



London suburbs have seen a surge in activity with residents wanting to shop, eat, drink and be entertained nearer home, where they are spending more time than ever.



activity with residents wanting to shop, eat, drink and be entertained nearer home, where they are spending more time than ever. As operators jostle to meet demand, these markets are reaping the benefits of our “new normal” way of life.

According to Springboard, in 2020 Central London footfall dropped by 58.7% as the nation locked down and retreated to its living rooms. The “stay local” message breathed new life into suburban high streets. These markets have demonstrated real resilience. The working population still craves the same retail and leisure experience it had in when working from their offices, but are now seeking out new places to grab a bite to eat on their lunch hour or meet friends for a drink after work closer to home. Across London's suburbs, existing operators are enjoying the boost to trade whilst at GCW we are seeing a growing appetite from both national brands and independents looking to benefit from this increased footfall and consumer spend. Those offering a point of difference which meets the needs of the local demographic are likely to prosper as the final Covid restrictions are eased. We have noted a particular increase in activity across London villages with exciting independent and regional operators looking to maximise the increased mid-week footfall.



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Increased demand for space is putting pressure on supply and supporting rental growth. This new dynamic is reflected right across London's boroughs, from high streets to shopping centres.

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Following demand

Occupiers are also following their customers who are spending more time out of central London and nearer their homes and are subsequently repositioning their requirements to the suburbs, with Pret's new store opening on Clapham High Street being an example of this. Bloomberg's "The Pret Index" has also highlighted how the stores in London's suburbs have been trading ahead of pre-Covid levels, compared to the West End stores trading at 73% of pre-Covid levels and the City only at 52%.

In Clapham GCW has just completed two lettings to operators keen to exploit the upturn in mid-week footfall. In May,

Clapham Cycles opened its first shop at 255 Lavender Hill on the back of its success as a local cycle club. Meanwhile, Southwest London based Brickwood Coffee have committed to opening its 6th London Australian themed café at 21 Battersea Rise. We managed to retain the rent passing with minimal incentive, whilst securing a long-term lease with an exciting operator more in tune with the needs of the local catchment.

Buoyant market

Increased demand for space is putting pressure on supply and supporting rental growth. This new dynamic is reflected right across London's boroughs, from high streets to shopping centres. We're seeing a range of start-ups and local independents, particularly in F&B, vie for space. As well as town centre streets, large scale projects such as Edmonton Green and Stratford Centre have proved hugely resilient in recent months, with very few tenant failures and low voids. As Londoners come out of lockdown and home workers seek out new experiences, there has been a real buzz in these busy boroughs. That momentum will continue as more exciting brands and new independents spot the opportunities to set up shop and further enhance the offer.

According to Office for National Statistics, 36% of working adults are working at home exclusively, while 47% are travelling to work, either exclusively or in conjunction with home working. Time will tell just how many people in the post-Covid climate return to the office, but it is doubtful things will return to what we previously regarded as "normal" when the majority of people commuted into central London 5 days a week. The rise of London's suburbs as retail and leisure hubs is one trend that is surely set to continue, resulting in more resilient and potentially rising rents in these markets.

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StoreAway exploits growth in self-storage market

GCW has been appointed by self-storage operator StoreAway to expand its UK portfolio. The brand intends to have 10 sites committed or open by the end of 2022, making use of redundant retail and office space in key regional centres.

GCW is assisting new market entrant StoreAway meet ambitious expansion goals after acting for the vendor on its latest acquisition in Redditch. The 34,000 sq ft Redditch unit opened in May and reflects the brand's strategy to convert redundant commercial space. StoreAway has converted a former Poundstretcher and bingo hall into a self-storage facility designed to tap into local pent-up demand.

StoreAway has also capitalised on more affordable city centre retail space



The UK-self storage market has proved one of the most resilient sub-sectors during the pandemic



by opening a facility on the site of the former Next unit at the entrance of Liverpool ONE, in addition to converting former department store space on Birmingham's Corporation Street.

GCW is working to secure the acquisition of a 35,000 sq ft prime site in Cheltenham and is exploring further town and city centre opportunities

across the UK. StoreAway is seeking a minimum of 30,000 sq ft, particularly targeting old supermarkets and department stores with service yards and goods lifts.

The UK-self storage market has proved one of the most resilient sub-sectors during the pandemic and according to the Self Service Association's UK Annual Industry Report 2021, occupancy on lettable space is 82.3% up from 76.2% last year. For landlords, storage units offer an opportunity to generate income from redundant town and city centre assets. They can secure a 15-year lease and robust income stream without incurring significant conversion costs.

MORE INFORMATION FROM simon.horner@gcw.co.uk

GCW makes key promotions

GCW has announced the promotions of two of its team to associate directors. As the agency builds on its town centre expertise, it is taking the opportunity to reward hard work and invest in the talent needed to help clients meet the challenges ahead.

Archie Morriss works within GCW's Owner team where he advise landlords and investors on their town centre and shopping centre assets. As associate director, he will continue forming close relationships with clients

and helping them drive value from their assets.

Holly Kiely has also been promoted to associate director within GCW's Lease Advisory team. She has worked for the agency since 2019, providing support to occupiers and investors on retail and restaurant properties across UK high streets and shopping centres. Her role includes lease renewals, rent reviews, regears and expert witness work.

Duncan Kite, GCW managing partner, said: "These promotions are well-deserved and reflect our strength-in-depth as a property advisor. Holly and Archie have been instrumental in helping clients navigate a shifting landscape and maximise their assets. We continue to invest in our team and our capabilities as we look to exploit the opportunities ahead."



These promotions are well-deserved and reflect our strength-in-depth as a property advisor



The Cornish Bakery extends its reach

After another record year of sales, The Cornish Bakery is investing in a major expansion programme. This summer saw the opening of stores in Dorchester, Lymington and Chichester. A store in Rye is also due to open soon as GCW helps the high-end bakery and coffee shop enter new territory by introducing its offer to Britain's market towns.

The Cornish Bakery was founded in 1994 with the opening of its first shop in Mevagissey. For almost a decade, GCW has helped the brand build its portfolio of more than 40 shops which have become renowned for their authentic Cornish range of fresh pasties, pastries, bread and gourmet coffee.

The brand has traditionally focussed on serving coastal tourist hotspots stretching from Falmouth to Whitby, yet its success outside of these core markets has opened up new avenues for growth. The brand currently trades in 5 outlet centres where it is the top performer in terms of sales. Off the back of that success the business is branching out to market towns.

July saw the opening of new bakeries in Dorchester and Colchester and has an ambition to secure another 10 by the end of the year. The brand



has been buoyed by records profits during the pandemic on the back of a successful home delivery service and rising demand for quality bakeries. The business is responding by continuing to extend both its range of food and geographical reach.

Cornish Bakery founder, Steve Grocutt, said: "We are excited to be opening new bakeries and giving our

customers a high-quality range of fresh food and ethically sourced coffee with the added bonus of Cornish Moments. Our sales are now significantly more than pre-pandemic and we look forward to working with GCW as the business enters its next stage of growth."

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New food hall opens its doors at Sheffield's Orchard Square

GCW has helped client London & Associated Properties secure a 5,500 sq ft food hall at Sheffield shopping centre Orchard Square. The move marks the latest stage in an ambitious asset management programme to broaden the centre's appeal and drive value through a greater mix of uses.

The city centre's newest food hall, Sheffield Plate opened for business this summer, transforming former retail space in the 140,000 sq ft shopping centre into a vibrant F&B destination. The new venue incorporates five independent street food traders, two bars, live music, foodie events and entertainment across two floors.

GCW has worked with London & Associated Properties for more than 20 years and has been instrumental in maximising the value of its key Sheffield asset. Orchard Square acts as a thoroughfare between

the prime pitch of Fargate and Church Street and is home to retailers including TK Maxx, Fat Face, and Waterstones. GCW identified a need for the centre to evolve by becoming less reliant on

fashion and diversifying its tenant mix.

GCW set about improving Orchard Square's F&B offer by agreeing lettings to local independent restaurant brands Mac Pot and Terrace Goods. The team then helped facilitate a management agreement with Market Asset Management to deliver the Sheffield Plate food hall.

GCW associate director, Phil Fishwick, said: "The opening of the new food hall demonstrates just what we can achieve when we help clients look beyond retail leasing to identify new avenues for growth. The destination will help the shopping centre respond to the changing demands of its catchment, whilst driving footfall into the evening."

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Introducing the GCW teams

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Town centres are changing. GCW help you change with them.

GCW partners with investors, landlords and occupiers to deliver long-term sustainable property solutions within an ever-changing town centre landscape. Talk to our team and learn more about what GCW can do for you.

GCW.

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