

ANGEL, ISLINGTON

391 & 393

**CITY
ROAD**

LONDON EC1V 1NG

Prime Freehold Office Refurbishment and Extension,
or Redevelopment Opportunity

For Sale

EXECUTIVE SUMMARY

- **Freehold**
- **Well connected** with **Angel** underground station within 200 metres, **Kings Cross** 3 km to the West and **Silicon Roundabout** 1.5 km to the East
- **Prominently located** with extensive frontage to City Road
- **Vibrant location** with shops, bars, restaurants, gyms, markets and cinemas
- **Two connected buildings** of 15,719 sq ft (1,401 sq m) net in total providing offices and ancillary accommodation over basement, ground and four upper floors. There is a **café** and a **kiosk** located within No. 391 City Road
- Owned and occupied by **National Autistic Society** who will vacate within a mutually agreed timescale
- **Rare opportunity** to potentially create an HQ building in a prominent position
- **Offers for the Freehold interest are invited**





LOCATION

The London Borough of Islington is a vibrant north London residential, business, retail and leisure area, situated approximately three km to the north of the City of London and 4km north-east of the West End.

City Road is a key arterial road linking the City of London with King's Cross and Euston to the west and Silicon Roundabout and Shoreditch to the east.

Local office occupiers include: Expedia Group, WeWork, Wayfair UK, and Ticketmaster International.

Upper Street, Islington High Street and Angel underground station are 200 metres to the west. Upper Street is one of Islington's and North London's best known streets and entertainment hubs with a vast array of bars, restaurants, pubs, cafés and nightclubs, as well as a high quality retail offer including the Angel Centre.



SITUATION

391 & 393 City Road is strategically located between Angel to the west, Old Street / ‘Tech City’ to the south east, and Clerkenwell and Farringdon to the south.

The property forms a prominent corner block fronting both City Road and Duncan Terrace to the east. Duncan Terrace forms an attractive terrace of townhouses. City Road is predominantly commercial in use with immediate occupiers including

Virgin Active, Fitness First and other users such as dentists, solicitors, charities, serviced offices and a children’s nursery.

In recent years, the area has undergone significant regeneration. Nearby high profile developments include Islington square N1, King’s Cross Quarter N1, 250 City Road EC1, White Collar Factory, 1 Old Street Yard EC1, The Bower, 211 Old Street EC1 and the Featherstone Building, 58-64 City Road EC1.



CONNECTIVITY

391 & 393 City Road benefits from exceptional transport connectivity to the West End, and the City.



RAIL & UNDERGROUND

Located in Zone 1, Angel station (Northern line) is situated 200 metres to the north west. Old Street (Northern line) is 1.4 kilometres to the south east. Kings Cross / St. Pancras International is 3 kilometres to the west.



BUS

Numerous bus routes run from outside the property and from nearby Upper Street/Angel providing direct access across Central London.



ROAD

Road links are also good with the property being situated on the north side of City Road (A501), a major arterial route running east from Kings Cross to Old Street, therefore providing direct access to The City. The A1 is situated 100 metres west of the property which provides easy access to the national road network.



CROSSRAIL

All potential Crossrail 2 routes include a station at Angel.

DESCRIPTION

The Property comprises two adjoined office buildings each arranged over lower ground, ground and four upper floors.

391 City Road was built in the 1980's and accommodates offices on the upper levels with a café and kiosk at ground floor level (A1 and A3 use). The building is of frame construction with brick elevations under a flat roof. The building has its own access and a single, passenger lift.

The café and kiosk have a separate dedicated street entrance and are segregated from the main building.

393 City Road was also built in the 1980's comprising solely office accommodation and is of brickwork construction under a tile covered mansard roof. The building has DDA access and internally there is a reception area and lift lobby with a single passenger lift.



The two buildings have their own entrances and are connected at ground floor level.

Both offices benefit from similar specifications with suspended ceilings incorporating recessed florescent lighting, central heating, comfort cooling and carpet covered floors. Windows are double glazed and steel framed and the offices benefit from excellent natural light.

To the front of No. 393 there is parking for 5 cars in a private parking area which also provides bicycle storage.



ACCOMMODATION

Approximate existing Net Internal Floor Areas are as follows:

391 CITY ROAD

FLOOR	NIA SQ FT	NIA SQ M
Level 04	1,072	100
Level 03	1,081	100
Level 02	1,180	100
Level 01	1,071	100
Ground	850	79
Lower Ground	1,182	110
BUILDING TOTAL	6,336	589

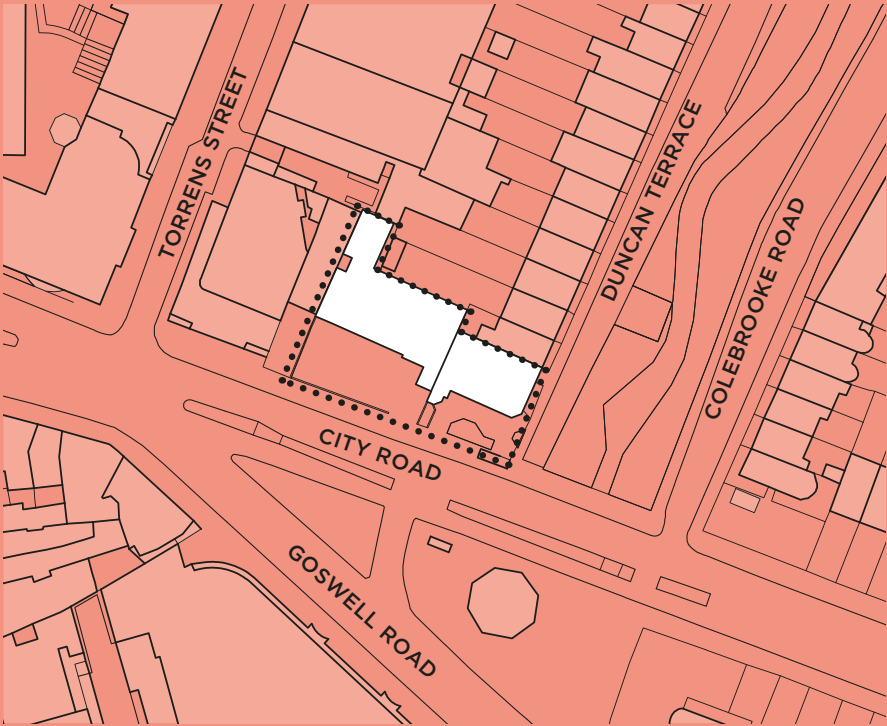
393 CITY ROAD

FLOOR	NIA SQ FT	NIA SQ M
Level 04	1,260	117
Level 03	1,505	140
Level 02	1,502	140
Level 01	1,507	140
Ground	1,420	132
Lower Ground	2,189	203
BUILDING TOTAL	9,383	872

COMBINED TOTAL*	15,719	1,460
------------------------	---------------	--------------

*Incl. reception of 348 sq ft in No. 393

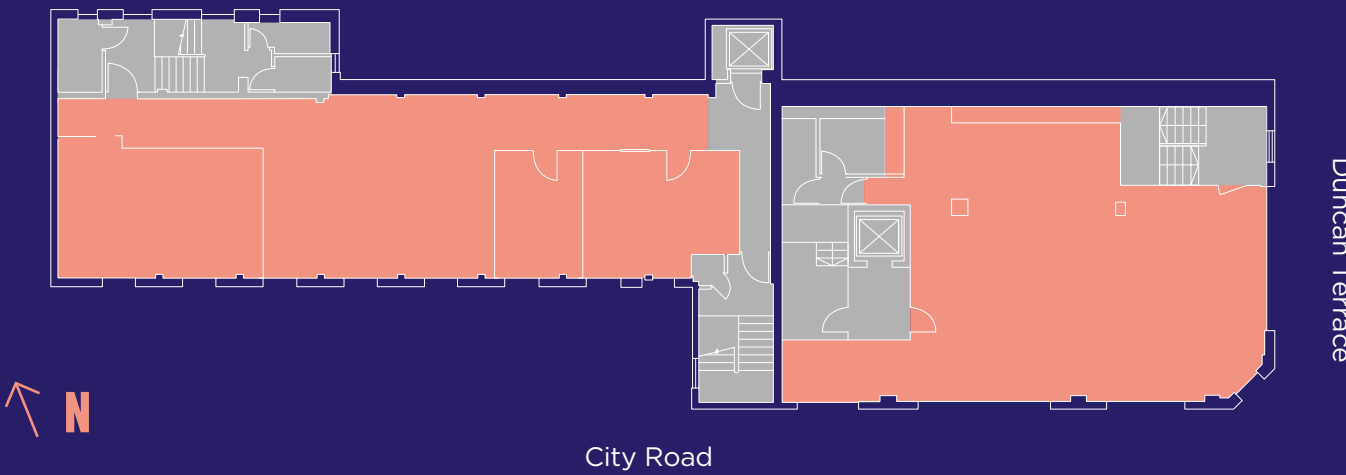
OS SITE PLAN



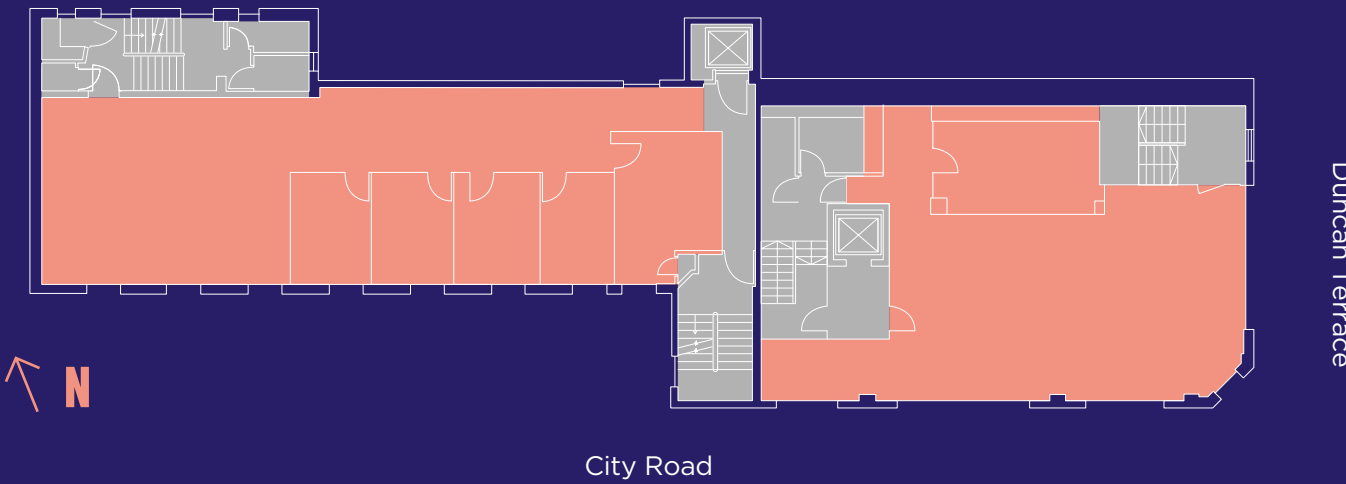
EXISTING FLOOR PLANS

391 & 393 City Road

LEVEL 04

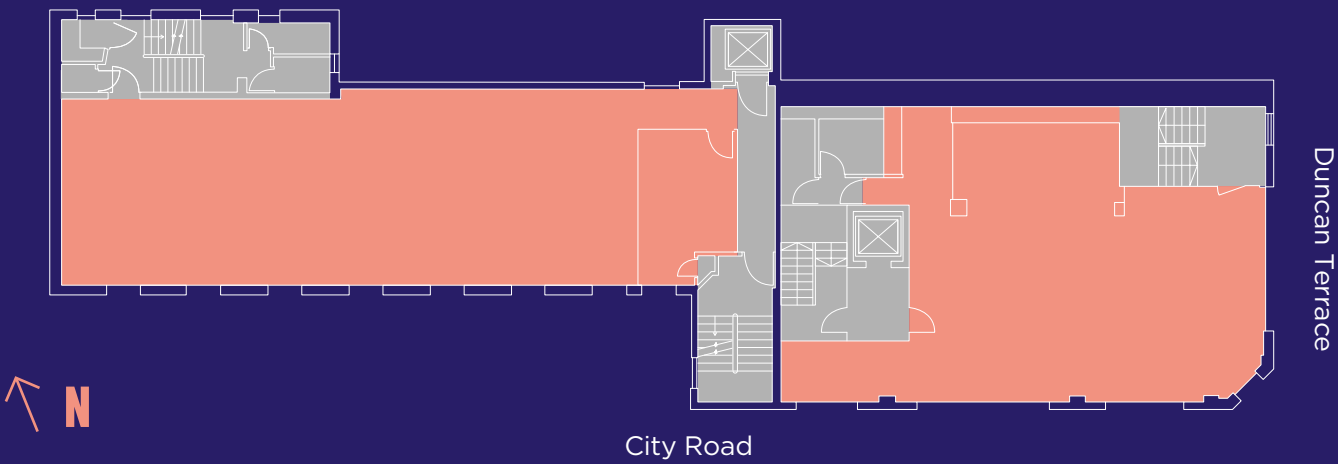


LEVEL 03

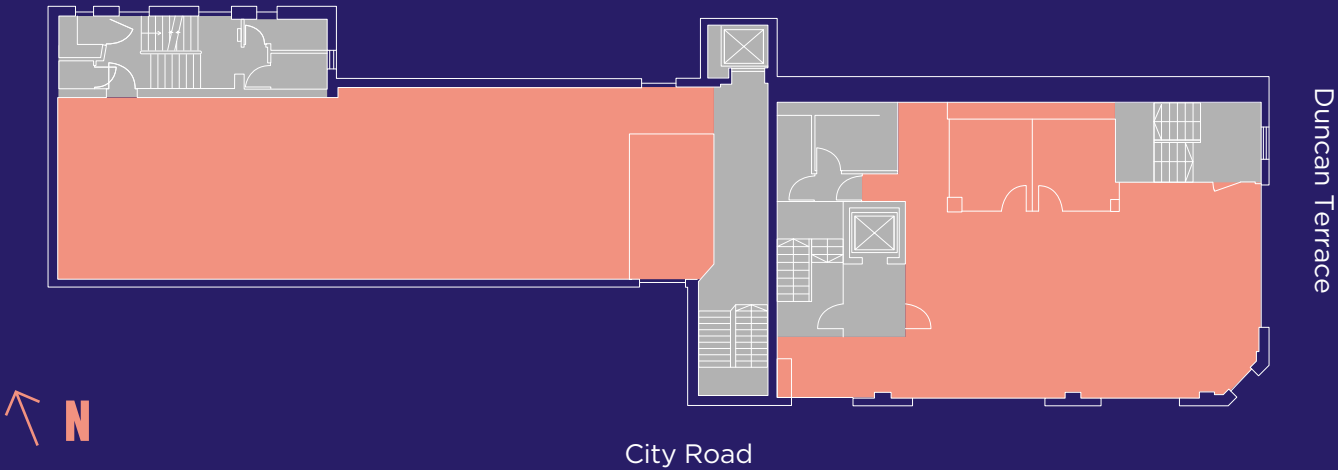


EXISTING FLOOR PLANS

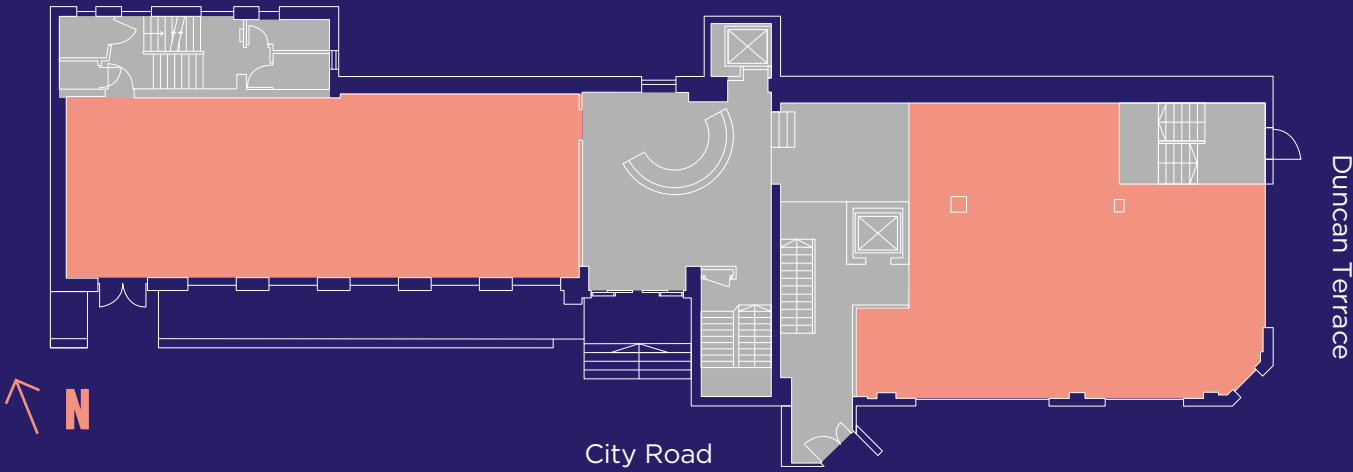
LEVEL 02



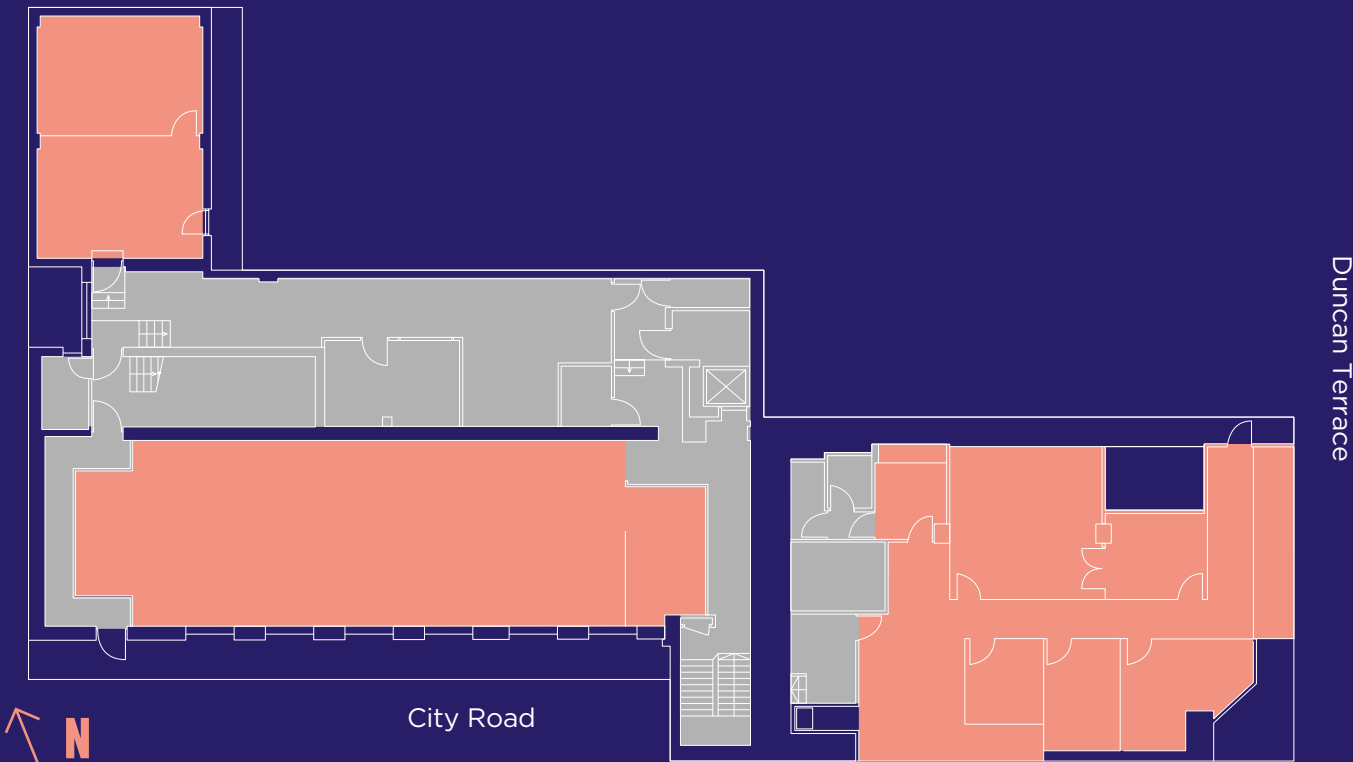
LEVEL 01



GROUND FLOOR



LOWER GROUND



REFURBISHMENT, EXTENSION AND REDEVELOPMENT OPPORTUNITY

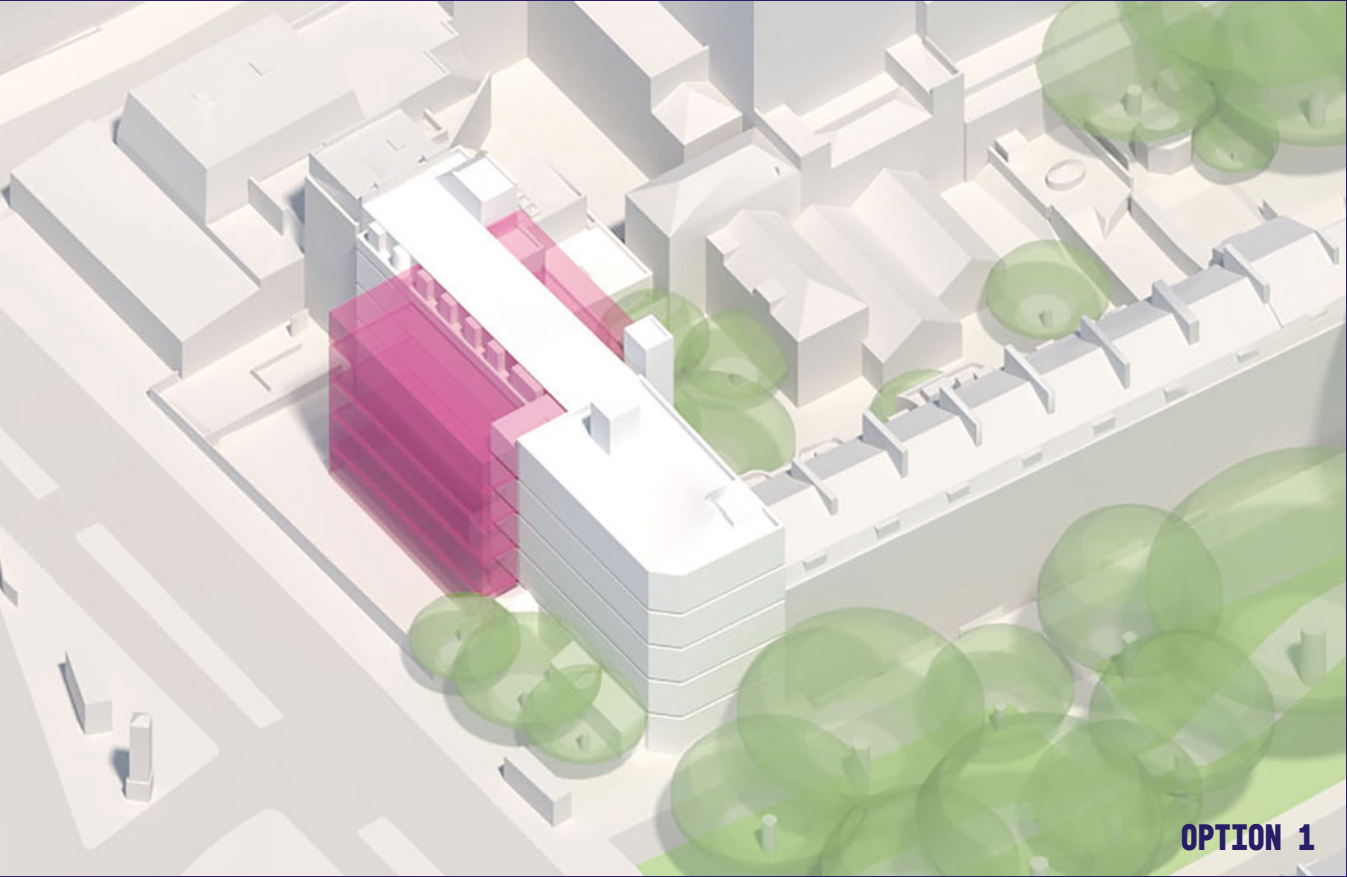
391 & 393 City Road offers a rare repositioning and increased massing opportunity.

Architects VOP Group have carried out an initial assessment based on Cluttons' planning report to highlight the potential for extension or redevelopment.

The assessment considers three options, outlined below.

OPTION 1: RETAIN & EXTEND

- Existing cores are retained and reused, No. 393 is extended to both front and back.
- By these additions the office area can be increased by 6,346 sq ft (589.5 sq m) NIA.
- The option would deliver a 21,426 sq ft (1,991 sq m) NIA office building.



OPTION 2: COMPREHENSIVE REDEVELOPMENT

- Redeveloping as a single building offers several advantages including greater efficiency and larger more flexible floorplates.
- The redevelopment option would deliver a 30,145 sq ft (2,801 sq m) NIA office building.

OPTION 3: CONVERSION TO RESIDENTIAL

- Existing cores are retained and reused in No. 393 and the building is extended to the front and rear.
- The building will provide a total of 12,508 sq ft (1,162 sq m) NIA.
- The option will deliver 15 one bed flats and 6 two bed flats.

PLANNING

The property is located within the jurisdiction of London Borough of Islington and is the subject of several designations including Angel / Upper Street town centre, London’s Central Activities Zone (CAZ) and the Duncan Terrace / Colebrooke Row Conservation Area. The building is not listed.

The retention, refurbishment or redevelopment of the site for offices or an office led development would be in accordance with planning policy. The retention of the existing retail uses would be encouraged. If there is

an uplift in floor area, through extension or redevelopment, there is potential to introduce alternative uses such as residential and this could take the form of specialist housing. An uplift in floor area is subject to design and heritage constraints, namely adjoining listed buildings and the conservation area.

A summary note prepared by Cluttons Planning Department covering the property’s planning history and policy context is available in the data room.



ALTERNATIVE USES

The existing use of the property is for offices, which comes under Class E: Commercial, Business and Services (adopted September 2020). The new Class E now incorporates uses such as gyms, nurseries and health centres and other uses which are suitable for the location are also included in the use class. Emerging planning policy seeks to protect offices within the use class.

There is scope to extend and or redevelop the property to provide additional alternative uses, including residential, subject to planning and securing the necessary planning consents.

Any extension to or redevelopment of the building will need to respect the setting within the conservation area and nearby listed buildings.

OCCUPATIONAL MARKET

The occupier market across Central London is dominated by demand for high grade offices which this opportunity can deliver through modernisation and extension, or complete redevelopment.

The latest take-up figures for the City are marginally above the long term average led by the professional services sector, but offices in this location will also have strong appeal to the technology and media sector from across Central London given the attraction Angel offers to the younger workforce in terms of amenity and connectivity.

The prominent frontage to City Road, so close to Angel underground, will have special appeal to occupiers looking for a high profile and branding opportunities.

In terms of supply, while availability is increasing the majority of supply forms older grade or tenant space where demand is poor.

Conversely completion of schemes under construction in the City post 2022 are 25% down on the long term average suggesting a major imbalance between burgeoning demand for quality space and supply, giving rise to strong prospects for rental growth within the delivery timescale for a scheme on this site.

INVESTMENT MARKET

The Central London commercial property market has remained resilient in spite of the pandemic with considerable inbound investment during the course of 2021 and early 2022. With a lack of supply, this is maintaining a downward pressure on

yields in this continuing environment of low interest rates. London is firmly established as a safe haven for global investors.

Recent investment transaction in the area are shown below:

DATE	PROPERTY	PRICE CAP VALUE	PRICE PER SQ FT	NET INITIAL YIELD
Jan 22	70 White Lion St	£38.4m	£1,031 psf	5%
Dec 21	1-2 Hardwick Street	£20.35m	£1,046 psf	5.16%
Dec 21	22-24 Cowper Street	£9.0m	£1,162 psf	4.40%
Sep 21	Angel SQ Islington High St	£86.5m	£685 psf	N/A
April 21	Old Sorting House, 46 Essex Rd	£16.4m	£805 psf	N/A
March 21	The Lever Building, 85 Clerkenwell Road	£38.13	£1,249 psf	4.29%

TENURE

Freehold.

The National Autistic Society will vacate the property on a mutually agreed timescale. They will occupy either on the basis of a delayed completion or by way of a short term licence/leaseback.

The National Autistic Society are the UK's leading charity for people on the autism spectrum and their families. Since 1962, they have been providing support, guidance and advice, as well as campaigning for improved rights, services and opportunities to help create a society that works for autistic people.

TENANCIES

- Duncan Terrace Café: The Café is let on a lease expiring 3 September 2023 at a passing rent of £30,000 per annum. The lease outside the security of tenure provisions of the 1954 Act.
- The Kiosk Newsagents: The existing occupier is currently holding over at a passing rent of £9,875 per annum.

VAT

The property is not elected for VAT and therefore VAT will not be charged on the purchase price.

EPC

No. 391 has an EPC rating of 85 D.

No. 393 has an EPC rating of 78 D.

DATA ROOM

Data room access is available on request.

PROPOSAL

Offers are invited for the Freehold.

Our client will consider an outright sale and also a potential joint venture agreement.

CLUTTONS

ANDREW MITCHELL

Partner Investment

07901 518 749

andrew.mitchell@cluttons.com

RALPH PEARSON

Partner Commercial Agency

07894 608 020

ralph.pearson@cluttons.com

ELLIOT JACKMAN

Commercial Agency

07512 692 605

elliott.jackman@cluttons.com

Subject to Contract: Cluttons LLP for themselves and as agents for the vendor or lessor (as appropriate) gives notice that: 1. These particulars are only a general outline for the guidance of intending purchasers or lessees and do not constitute in whole or in part an offer or a Contract. 2. Reasonable endeavours have been made to ensure that the information given in these particulars is materially correct but any intending purchaser or lessee should satisfy themselves by inspection, searches, enquiries and survey as to the correctness of each statement. 3. All statements in these particulars are made without responsibility on the part of Cluttons LLP or the vendor or lessor. 4. No statement in these particulars is to be relied upon as a statement or representation of fact. 5. Neither Cluttons LLP nor anyone in their employment or acting on their behalf has authority to make any representation or warranty in relation to this property. 6. Nothing in these particulars shall be deemed to be a statement that the property is in good repair or condition or otherwise nor that any services or facilities are in good working order. 7. Photographs may show only certain parts and aspects of the property at the time when the photographs were taken and you should rely upon actual inspection. 8. No assumption should be made in respect of parts of the property not shown in photographs. 9. Any areas, measurements or distances are only approximate. 10. Any reference to alterations or use is not intended to be a statement that any necessary planning, building regulation, listed building or any other consent has been obtained. 11. Amounts quoted are exclusive of VAT if applicable. © Cluttons LLP June 2022.