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# Top-rated Fosse Park heads to market at £360m

**ANNABEL DIXON**

Fosse Park, the highest-rented shopping park in the UK, has been put up for sale by its Irish owners.

The consortium is seeking £360m – a 5.3% yield – for the 500,000 sq ft Leicester park.

The park is anchored by Marks & Spencer, Next, H&M and Bhs, and has topped Trevor Wood Associates' Definitive Guide to Retail and Leisure Parks since 2003 for the top rent in the country.

Average rents at the park are £78 per sq ft for open A1.

Franco Sidoli, founder of selling agent Franc Warwick, said: "The owners are selling to

recoup capital to deploy in other businesses. The sale comes at a time when there is significant capital available for quality UK assets, and Fosse is best in class. In addition, there is demand from the debt markets to finance the deal, as well as large equity players."

Another agent added: "It's a great park that trades exceptionally well. No rent reviews have gone to arbitration, and any vacancies have been filled immediately. However, the question is whether the park has been affected by retail development in Leicester city centre, such as Highcross, which wasn't around when the consortium bought it.



↑ Fosse Park is "best in class"

Rents are also high, so the potential for increases is questionable."

Fosse was bought from REIT Asset Management and Apollo Real Estate in 2006 for £360m. REIT/Apollo bought the

property from Pillar Property, now part of British Land, in February 2005 for £308m – a 5.8% yield.

The park is expected to attract interest from cash-rich overseas investors.

Two other parks totalling more than £150m were also put up for sale this week – Land Securities' 300,000 sq ft Kingsway West in Dundee and 320,000 sq ft The Junction's St Andrews Quay in Hull, Yorkshire. Both are being offered at 7% yields.

LandSec is being advised by Cushman & Wakefield, The Junction by C&W and Wilkinson Williams.