

Press Release

July 2018

Maples Teesdale advises Ellandi on the sale of Grays Shopping Centre in Thurrock for £20.2 million

Maples Teesdale advised Ellandi on the sale of Grays Shopping Centre in Thurrock to NewRiver, for a price of £20.2 million, representing a net initial yield of 8.2%.

The 209,000 sq. ft. (NIA) asset sits on a 4.7 acre site, and includes a part-vacant office building of 32,000 sq. ft., which has been attributed additional development value. Ellandi has sought to maximise the asset's strategic location by drawing up a master plan for redevelopment on part of the site, as well as engaging with Thurrock Council who have shown significant commitment to enhancing the town centre. The potential development opportunities include a hotel, budget gym, food and beverage units, a discount food retailer and over 200 built-to-rent residential units.

Over the course of the current ownership, Ellandi has completed 33 lettings and renewals with retailers, as well as improving tenant mix by attracting new national fascias such as Costa, Burger King and Warren James. This has helped to consolidate the centre's position at the heart of the community, as the dominant value and convenience shopping offer in Grays.

Jonathan Cole, Head of Investment at Ellandi, commented,

"We have been able to sell Grays shopping centre to a listed REIT in a challenging market. This illustrates that investors recognised our work in positioning Grays as a strong Community shopping centre, with a robust income yield offering an attractive cash on cash return. The sale captures additional value from an effective master planning exercise, where we have looked creatively at the redevelopment potential of the site, including repurposing redundant office space and upper parts to alternative uses. We look forward to seeing the development progressed by NewRiver."

The Maples Teesdale team was led by Paul Burke, Corporate Partner with property support from partner Katherine Watts and associate Ed Bird.

Contact

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