

IN BRIEF

JLL's Farrell joins Wren

Jones Lang LaSalle's out-of-town retail expert Aidan Farrell (right) is to join Wren Kitchens & Bedrooms as director of property. www.propertyweek.com



Old Bond Street's 3.4% yield

A Singaporean investor has bought 11-12 Old Bond Street in London from Irish investor Paddy McKillen for around £18m, as revealed by *Property Week* (25.06.10). The price reflects a yield of 3.4%. The 6,000 sq ft block has an outstanding rent review from May, which is likely to increase the rent. Watchmaker Omega and jeweller Damiani are the occupiers. Aurum Real Estate and David Menzies advised McKillen; Ereira Mendoza and ulmarc Associates advised the purchaser.

Burger King's MetroCentre diet

Burger King has surrendered the lease on its two-storey, 4,500 sq ft unit in the MetroCentre, Gateshead. It has agreed a new 10-year lease on a 2,250 sq ft single-storey unit at the centre at an undisclosed rent. Lunson Mitchenall advised landlord Capital Shopping Centres; King Sturge advised Burger King.

Zizzi banks on Riverside House

Italian chain Zizzi has taken a 2,978 sq ft first-floor restaurant above the Real Greek and Eat units at IVG Development's Riverside House, Bankside, London, on a 12-year lease at £95,000 a year. Restaurant Property advised Zizzi; Knight Frank advised IVG.

Liam's mad fer it on Carnaby Street

Pretty Green, the clothing brand founded and designed by former Oasis lead singer Liam Gallagher (pictured), will open a temporary store at 57 Carnaby Street in central London this month.



£700m regeneration pot for north-west

■ Evergreen and Aviva backed Igloo to manage funds for regional revival

BY NICK JOHNSTONE

Two regeneration teams have been picked to manage European Union-backed regeneration funds to lend up to £700m to developers across the north-west.

The Evergreen Consortium, which includes the Greater Manchester Pension Fund and CB Richard Ellis, aims to create a £350m fund to invest in the Manchester region.

Aviva-backed regeneration fund Igloo has also been selected to manage an identical fund to kickstart regeneration in Merseyside.

Both funds are receiving £60m of public sector money and want to raise further equity from the private sector. The EU's European Regional Development Fund is providing £20m and the Northwest Regional Development Agency (NWRDA) is providing £10m. Other public sector bodies are to match this with a further £30m.

From the private sector, the Evergreen Consortium has secured £50m from the Greater Manchester Pension Fund and an undisclosed amount from the Lancashire Pension Fund. It is in talks with Barclays bank about arranging a facility to top up the Manchester fund to £350m.

Chelsea Barracks saga concludes

The Chelsea Barracks dispute has been brought to an end after Christian Candy's LPL Group and Qatari Diar reached a last-minute out-of-court settlement.

Terms of the agreement have not been revealed, but Eversheds head of real estate litigation, Paul Moorcroft, said it was likely that LPL had accepted a percentage of the sum it was due to receive when the project gained planning permission, in return for early payment.

"If you are entitled to £81m, you obviously aren't going to walk away without being compensated for it,"



Invest in north-west: consortia control funds to regenerate areas such as Manchester city centre

Evergreen wants to use the cash to offer loans to developers, and recycle the profits back into the fund.

Its fund is split into two pools: one for developers in Greater Manchester and another for Cheshire, Cumbria, and Lancashire. Under EU rules, most of the seed money must be fully invested by the end of 2015, which means the consortia are under pressure to spend. Manchester's first round of financing will close by March 2011.

Such news will be welcome among developers in the north-west, after the NWRDA pulled the plug on £52m of regeneration spending earlier this week.

Against the backdrop of spending cuts, developers and investors are having to innovate to make the

most of small tranches of public m

Sir Richard Leese, leader of Manchester City Council, said: "When public resources are extremely limited it is important that we continue to deliver as many regeneration projects as possible by unlocking new ways of finding investment."

Sarah Whitney, head of government and infrastructure at CB Richard Ellis said: "This is a stepping stone to creating a very significant investment fund, which plays on the government's 'localist' agenda."

"The plan is to expand the fund to grow it in such a way that makes investment in the north-west more attractive to the private sector. In any case, we are really sweating the private sector euro."

Morrisons nears checkout for Bridgwater site

Morrisons is close to completing a purchase with Hallam Land to buy a 59-acre site in Bridgwater in Somerset to develop a distribution warehouse.

The 767,500 sq ft shed will serve the south-west of England and Wales. Sedgemoor District Council granted detailed planning permission early last month and work is expected to start on site within weeks. Morrisons is thought to be paying more than £13m-£15m. Rapleys advised on the land sale but declined to comment.