



Commercial property intelligence

Stratford shopping centre sold to Catalyst

Annabel Dixon, 31 August 2010

Land Securities has confirmed the sale of its Stratford shopping centre, 44 Broadway and Morgan House, E14, to Catalyst European Property Fund for £91.55m – a 7.25% net initial yield.

The 320,000 sq ft shopping centre is fully let to 60 retailers including Boots, Sainsbury's and New Look.

The disposal also includes Morgan House, an adjoining 113,000 sq ft vacant office building and future development site, for £5m.

Finance will be provided by pbb Deutsche Pfandbriefbank.

Gary Sherwin, head of retail investment for Land Securities, said: "We are pleased with the sale which has benefited from the limited amount of stock currently available in the investment market.

"The funds from the sale will be channelled into other activities including more immediate development opportunities previously outlined by the group."

Peter Kasch of Catalyst Capital, which manages the Catalyst European Property Fund, added: "The Stratford Centre fits within our fund requirements and is one of the best value retail investment opportunities we have seen this year.

"As well as a strong tenant line up, the centre also has excellent development opportunities which will allow us to utilise our asset management and development expertise."

Jones Lang LaSalle acted for Land Securities; Lunson Mitchenall advised Catalyst.