

Four bidders make it to the shortlist for Wellcome's £70m Knightsbridge residential portfolio

Who's who vies for slice of SW7

Adam Coffey

The Barclay brothers and Asif Aziz's Golfracare in the frame for a £70m slice of prime Knightsbridge.

A who's who list of bidders is waiting to hear if they have landed the four adjoining residential blocks being sold from the Wellcome Trust's Knightsbridge Estate, SW7.

The Barclay brothers and Aziz are both thought to have made it to the shortlist, along with Middle Eastern investors, believed to be Saudi royalty

linked to Brompton Road-based Cheval. A private residential investment/management specialist is also on the shortlist.

Other interested parties included Great Portland Estates, Simon and David Reuben, Moorfield, Joey Esfandi's Dwyer, Benchmark and London & Paris.

The Knightsbridge Estate sits on the boundary of Wellcome's famous South Kensington Estate, which makes up a large part of its Dbn property holdings.

The 1.2-acre portfolio forms around a quarter of

its Knightsbridge holdings. The portfolio includes 144 apartments, totalling 121,000 sq ft; 32 shops and restaurants, totalling around 60,000 sq ft; and seven offices, comprising 10,700 sq ft.

However, notice was only served on residential tenants last month and some bidders suggested that a deal might take some time to complete.

"The right of enfranchisement means that once the successful bidder has been selected, they have to wait until the leaseholders have decided what

they want to do," said a source close to the bidding.

Last year, Aziz completed his year-long negotiations with residential tenants to buy the nearby Knightsbridge Green Estate – which includes the former Scotch House – from BP Pension Fund.

Best bids for the Knightsbridge Estate were held two weeks ago, but by Thursday this week, bidders were still awaiting Wellcome's decision.

Cushman & Wakefield Healey & Baker and Cluttons are advising Wellcome.

Sales fall threat to agent profit margins

Estate agents are bracing themselves for a dip in profits as property sales for July fell to their lowest level in three years.

According to new research by the RICS, house sales for last month fell by nearly a third (28%) compared with the same period a year ago. Sales for the second quarter were also down 8% compared with the previous quarter, and the

number of homes coming onto the market is showing little sign of improving.

Unsold stocks of property on surveyors' books fell for the first time since November 2002, from 78 per chartered surveyor estate agent to 71 in July. For the three months to July, there was an average of 26 sales per chartered surveyor estate agent, compared with 29 in April.

Residential sales

Average sales per surveyor



Source: RICS

Twin tower plan at Liverpool docks

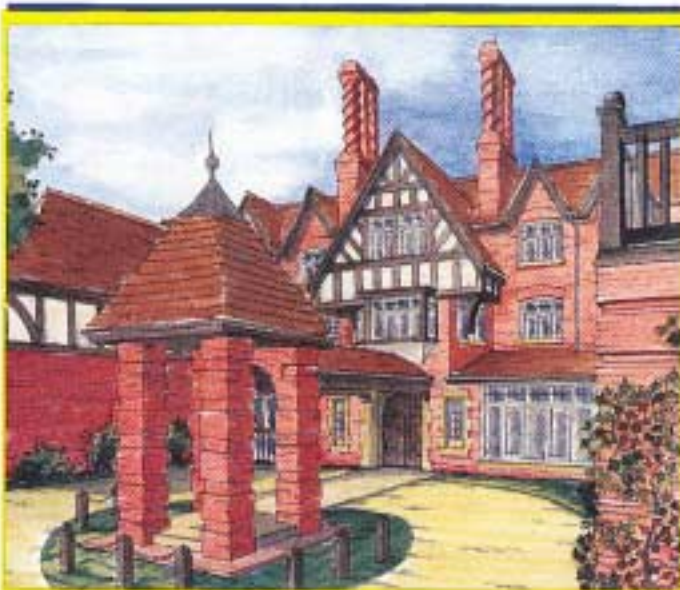
Princes Dock Development Company is in talks with City Lofts over a twin-tower residential scheme on the Liverpool waterfront.

City Lofts intends to build two 15-storey towers with a total of 135 flats if its plans are approved.

Talks with landowner Princes Dock Development Company, part of the Mersey Docks and Harbour Company, are at an advanced stage although no agreement has been signed yet.

A detailed planning application is said to be only weeks away. The announcement comes as talks collapsed on a separate tower scheme next to Princes Half Tide Dock.

Ian Pollitt, chief executive of PDDC, explained that a deal with an unnamed housebuilder to develop a 25-storey tower had fallen through. He said: "We had spent six months doing a deal with someone but their circumstances have changed and we had to go back to market to start the ball rolling again."



Two new care homes in Banstead and Purley (pictured) are to be built as the UK development programme by the largest care home operator in the US continues. Sunrise Senior Living, which this week won planning consent for the homes, plans to build at least five new blocks in England every year for the next five years. The Surrey homes together comprise 137,000 sq ft and will provide 207 places for the frail elderly. The programme represents a total land purchase of £8.7m and a development cost of £44m. In May 2002, Sunrise entered a £150m JV with PRICOA to develop care homes in the UK.