

## **Kajima buys 5 Savile Row for £40m**

Wednesday, 20<sup>th</sup> August 2008

Kajima Europe Ltd, a European subsidiary of Kajima Corporation, has purchased 5 Savile Row, London, W1 from ING Real Estate Investment Management for £40m.

The newly developed property comprises 31,691 sq ft (2,946 sq m) of high quality office and retail accommodation. It was redeveloped two years ago by Benchmark and designed by Squire and Partners. The property is multi-let to three office tenants including Fortress, with the majority of leases subject to fixed rental uplifts, and the retail element is leased to luxury menswear designer Kilgour. The average unexpired lease term is nine years.

The deal reflected a net initial yield of 5.67%, which is above prime West End yields and represents good value when compared to long term returns for West End offices.

Michiya Uchida, President of Kajima Europe commented: "The purchase of 5 Savile Row represents the first acquisition for Kajima's new UK investment strategy. It is a flagship purchase in terms of location and asset quality and we are delighted to be able to secure the property for our portfolio at a price we believe represents excellent long term value. Our aim is to create a diversified Central London office portfolio and this is an important step in achieving that strategy."

DTZ advised Kajima, King Sturge advised the vendor.

