

Monetising your land may be your biggest ever payday – here's how

One of my favourite memories from working in the City fringes was the time I called the owner of a 50,000 sq ft building in Shoreditch.

It was around seven years ago and, during the course of a conversation about their intentions for the building which they had owned since the early 1970s, we got on to what they thought it would be worth if traded in today's market (for reference, I took great pleasure in hearing that one of our 'competitors' recently valued this building at £16,000,000).

"I can get you over £32,000,000," I said. And then, followed by a long pause, their response: "This is one of the best calls I've ever had and ...I'll call you back."

This is not uncommon. We have seen such growth in certain parts of London that, unless you are plugged into it on a day-to-day basis, you can be blissfully unaware of and not know how to access this rapid improvement in value.

The market is full of opportunities, but they aren't always obvious to those who don't live and breathe property.

The difference in an area like Shoreditch over the past seven years is remarkable and we've seen this in a number of sub-markets in London. And particularly in cases in which a business which may own its premises but where this is not its primary line of income, it often won't even think about how much it may be worth. And that's where we can come in to advise. Often, the underlying real estate is more valuable than many years' worth of returns that the business will get from its main line of work.

We property types spend countless hours looking at plans and dealing with architects and planners for schemes that can take 10 years to come to fruition. In the meantime, we see CGIs and have discussions with potential tenants that set new pre-lease rents – all of which can create vast value even before a brick is laid. A massing study or a positive pre application is quite often all that is needed!

Unlocking potential starts with a conversation. We spend a huge amount of time learning the intricacies of how to create or extract value from real estate, and generally we love to talk and pull together expertise from best-in-class advisers who would form part of the team.



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before...

Meanwhile, different local authorities have different expectations and priorities which change all the time. Navigating this, as well as matching it up with what is happening in the leasing and investment world can be a minefield and have expensive consequences if mishandled. You have to be able to play a medium to long game but when the stars align, it can be very profitable.

There is a myriad of architects, planning and cost consultants that need to be managed, which is ultimately what the surveyor should handle given we've done it so many times before.

On an everyday basis, we've had a number of successes where we have advised on adding value. Recently, for example, we have acted on behalf of

**From four-storey
Dial-a-Cab House
to 22-storey
Motel One hotel**



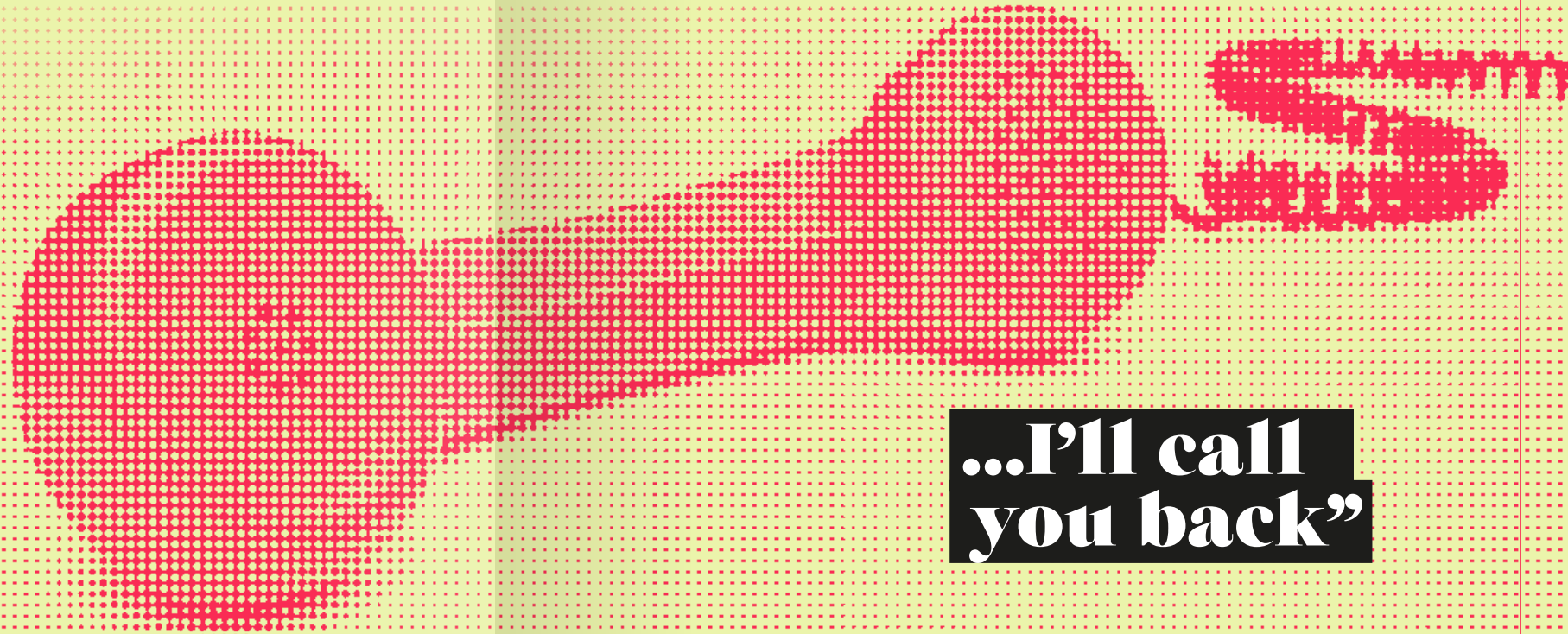
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the owner of a Dial-a-cab House site just off the Old Street roundabout, which was a four-storey building with car parking and has in the past month been funded by UBS to deliver a 22-storey hotel, pre-let to Motel One. We achieved a price in excess of £30,000,000 for the site.

The greatest example of this is currently being set with the development of 22 Bishopsgate in the City of London. This is going to be an amazing product that started off with a purchase price of the site at circa £220 million and will result in a market capitalisation in excess of £2 billion.

Unlocking value can be done at many stages during the process but understanding timings, use classes and costs to get to each stage is equally important. The ultimate achievement is to get planning, pre let and sell, which thankfully we at Allsop have a great track record in from working with a large number of private landowners through to the likes of British Land and Brookfield.

The value of your land may be – and probably is – a lot more than you think. And if you're keen to discover just how to unlock it, pick up the phone and see if we can give you the best call you've ever had.



**...I'll call
you back"**