

EG

West End office changes hands in £20m deal



Evelina Grecenko 10/01/2024 | Offices | England



Zero Carbon Space has bought [105 Jermyn Street](#), SW1, with plans to transform it into a modern workspace.

The firm is a development platform from NorthStar Capital and LandCap which aims to deliver best-in-class sustainable office space.

It bought the 16,000 sq ft building from insurance and pensions fund Spinnaker Nominees for £19.5m.

The deal was financed with a three-year fixed-rate facility provided by Delancey Real Estate. The debt package represents a loan-to-value of 70% and the ability for Zero Carbon Space to request capital for the refurbishment.

Martin Farinola, head of debt strategies at Delancey, said: “Last year was a volatile time in the market. It was still extremely busy sourcing deals. However, there was a certain fragility in closing loans due to lower valuations, sponsors deciding not to execute deals because they weren’t accretive to business plans, or other property-related reasons. The majority of deal flow over the course of the year was certainly refinancing deals rather than acquisitions.

“However, in the last few months of 2023 we saw an uptick in acquisitions and attractive deals, signifying a positive market trajectory. Sponsors, as always, are seeking clever and reliable solutions to their financing needs and Delancey’s lending platform has remaining capital to deploy and is looking to support quality borrowers and properties. December was an extremely busy time for us. We funded two loans and agreed terms on circa £75m of loans. Our pipeline going into 2024 also looks strong as besides new enquiries, there are a number of potential transactions that were put on hold at the end of last year expected to kick off again.”

Arc & Co advised Delancey on the deal.

To send feedback, e-mail evelina.grecenko@eq.co.uk or tweet [@Gre_Eve](https://twitter.com/Gre_Eve) or [@EGPropertyNews](https://twitter.com/EGPropertyNews)

Photo © Delancey Real Estate