

# WALTHAMSTOW ASSET TOUR

C&R

CAPITAL &  
REGIONAL

SUPPORTING COMMUNITY LIVING.

# TODAYS PRESENTERS

Lawrence Hutchings, Chief Executive

Stuart Wetherly, Group Finance Director

James Ryman, Investment Director

Liz Hardy, Head of Diversified Income

Ian Rae, Corporate Director - Regeneration, Planning and Delivery (LBWF)

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# C&R PORTFOLIO



**1.9 M**  
Total size (sq ft)



**1 M**  
Average weekly footfall



**5,261**  
Car parking spaces



**1.2 VISITS**  
Weekly average per person



**71 MINS**  
Average dwell time



**410**  
Number of retail units



**71%**  
Average retail conversion



**£42**  
Average retail spend



**£9**  
Average F&B spend

01. The Marlowes Hemel Hempstead
02. Exchange Ilford
03. The Mall Maidstone
04. The Mall Wood Green
05. 17&Central, Walthamstow



# ATTRIBUTES OF A COMMUNITY SHOPPING CENTRE



Needs based non-discretionary retail and services focused



Town centre locations with access to transport and other infrastructure



Embrace e-commerce transactions - collect and return



Dominant retail offer – attracting the best National and Independent local retailers



Create value: vibrant tailored places, continued innovation & mixed use

# COMMUNITY CENTRE MERCHANDISING PILLARS

Best in class national, local and independent retailers



# REPOSITIONING OUR RETAIL MIX

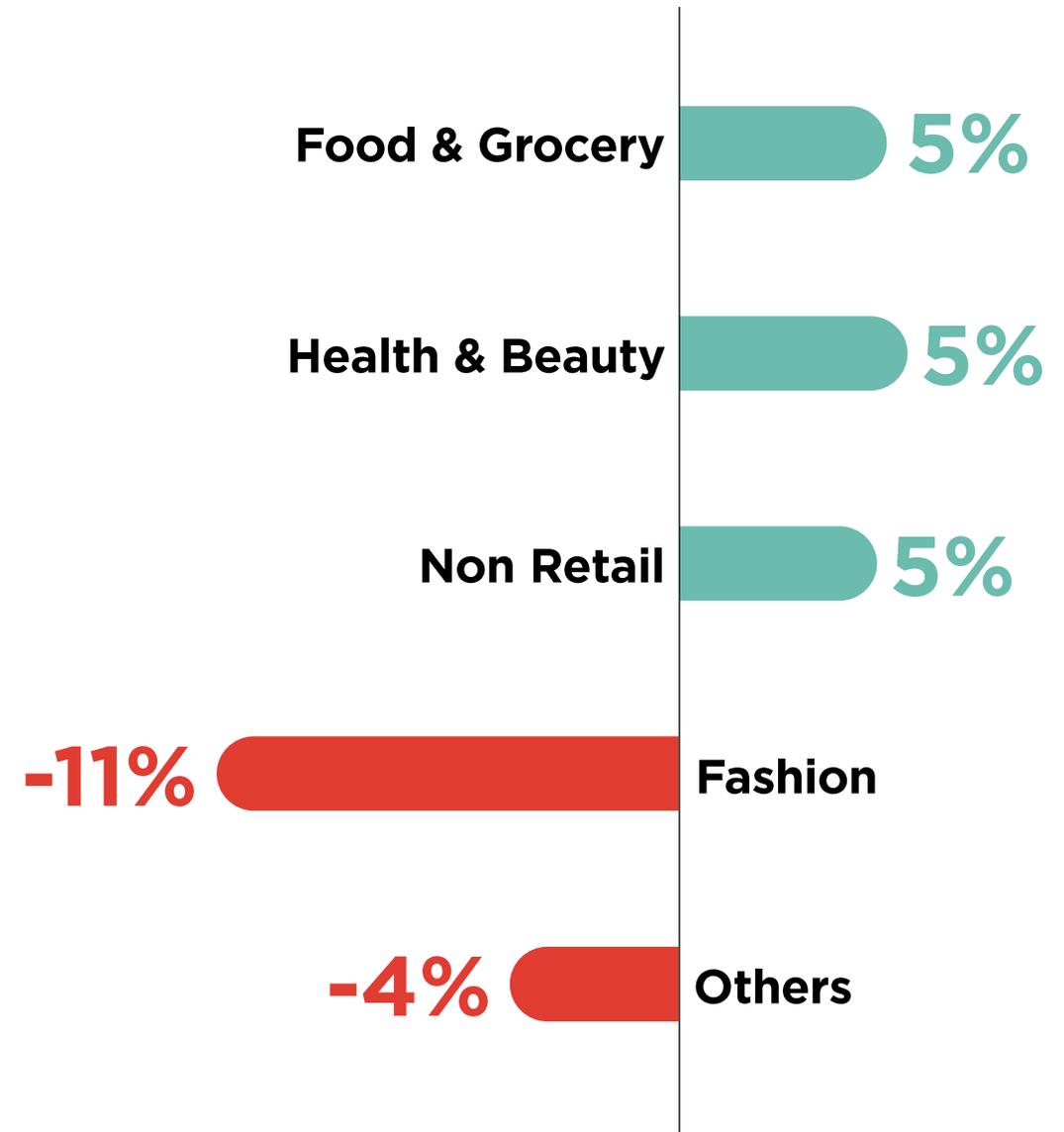
Significant progress since 2017

- Pipeline of further projects and transactions
- Continued retailer demand in core community categories

Enhancing differentiation to Regional Malls

- Discretionary and fashion lead
- Communities use both in diverging ways

Community centres : Local, needs based, high frequency



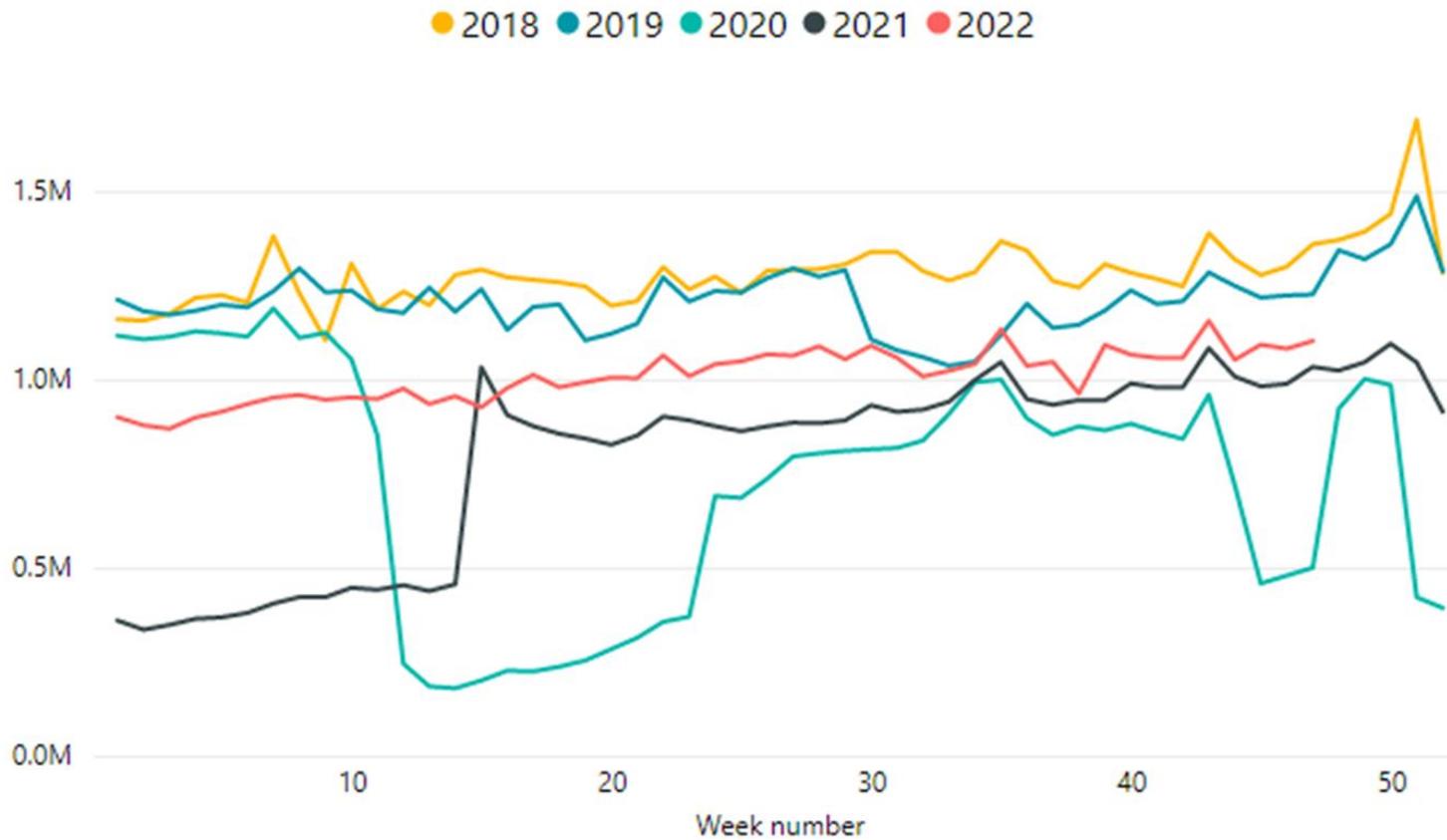
# TRADING UPDATE

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# FOOTFALL



YTD footfall vs 2019 has been on a trend of continuing improvement since January 2022



YTD footfall has now reached 84% of 2019 level

# RENT COLLECTION BACK TO PRE-PANDEMIC LEVELS

## Rent collected YTD to November 2022



Rent collection levels have been maintained at pre-Covid levels



Remaining balances aggregation of smaller balances with only 0.7% written off



Progress has enabled release of net c £1m+ of December 2021 provisions

# ROBUST LEASING PERFORMANCE REBUILDING OCCUPANCY

Occupier demand continues to recover in our key categories

New lettings & renewals – five months to 30 Nov  
2022

**42**

Signed

**£2.1m**

Headline rent

**37**

Lawyers instructed

**£1.4m**

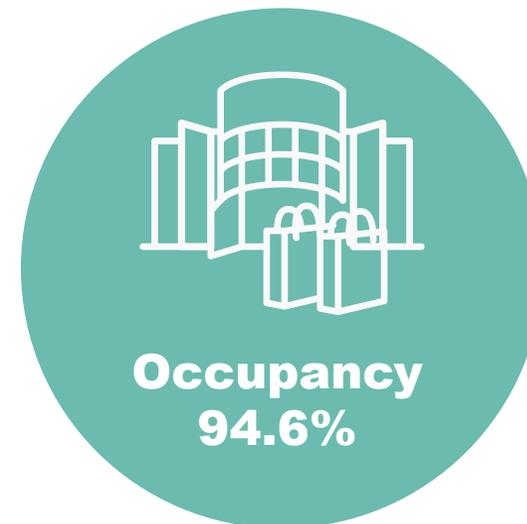
Headline rent

**11**

Heads of Terms Agreed

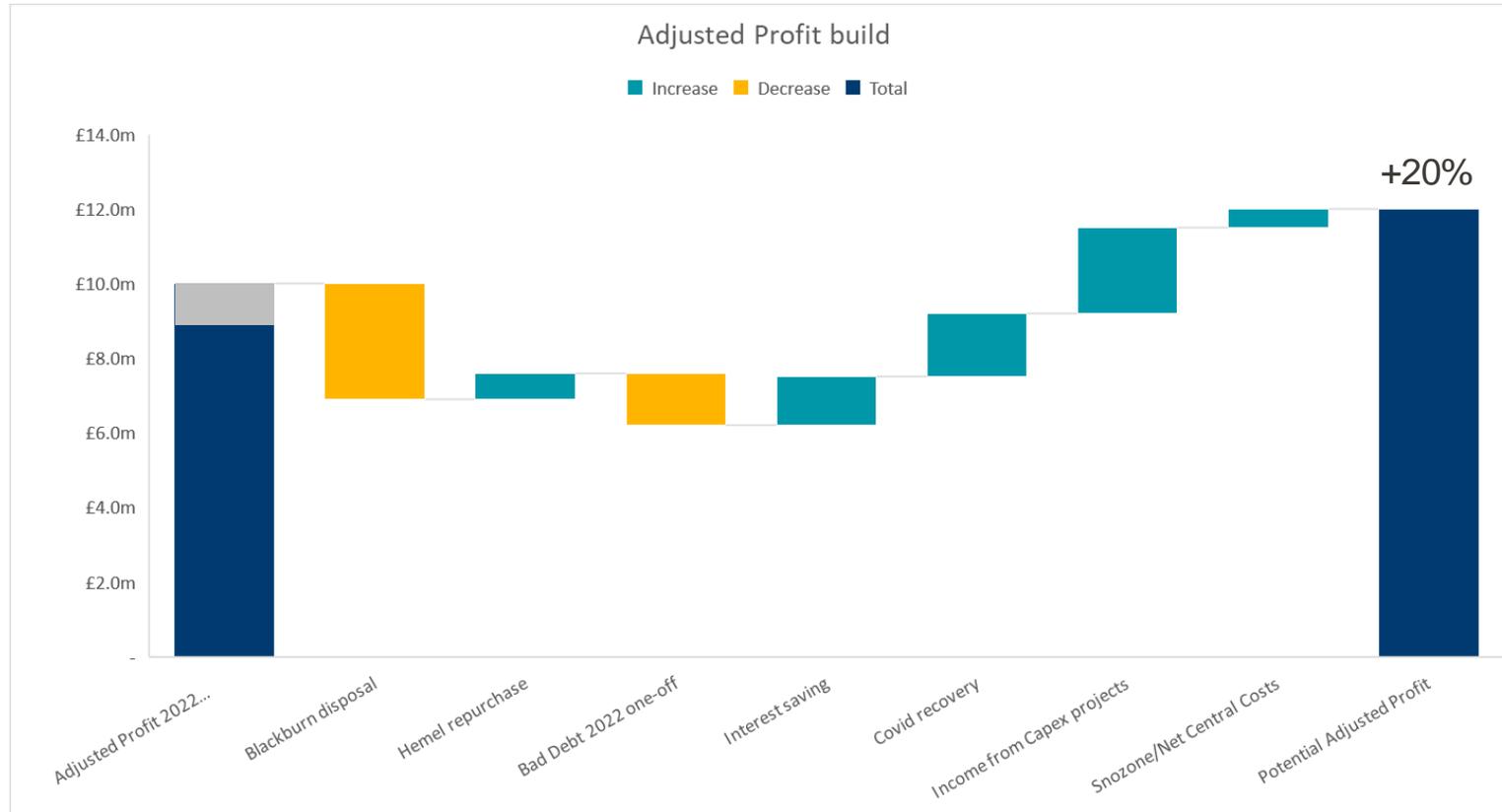
**£0.2m**

Headline rent



- ✓ Volumes and values enabling a rebuild of occupancy over last 18 months
- ✓ Continued momentum has grown Occupancy by 0.8% since 30 June 2022
- ✓ 2.4% gap to c. 97% pre-Covid occupancy levels. 1% in swing from vacant to ERV approximates to c £0.7m of NRI pa

# ADJUSTED PROFIT - EARNINGS RECOVERY



Consensus range for 2022 Adjusted Profit



The table details the potential for continued Adjusted Profit recovery in the coming years



This primarily reflects the full year impact of transactional activity and debt repayments in 2022, potential Covid recovery and the benefit of ongoing Capex investment



2023 will be partially a transitional year as Capex projects take some income off-line



Assuming we do not see a meaningful shift in the economic climate there is a clear roadmap for Adjusted Profit to increase by more than 20% in the medium term

# ASSET DEEP DIVE

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# THE MALL, WALTHAMSTOW



High Street

Walthamstow Library

Bus Interchange

Civic Square

The Mall, Walthamstow

Tube Station

Sainsbury's

Selborne Road

# 17&CENTRAL - COMMUNITY FUNDAMENTALS



**260,000**  
TOTAL SIZE (SQ FT)



**76%**  
AVERAGE RETAIL CONVERSION



**60**  
NUMBER OF RETAILS UNITS



**147,110**  
WEEKLY AVERAGE FOOTFALL



**£34**  
AVERAGE RETAIL SPEND



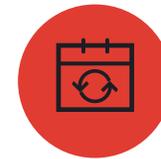
**44 MINUTES**  
AVERAGE DWELL TIME



**505**  
CAR PARKING SPACES



**£7**  
AVERAGE F&B SPEND

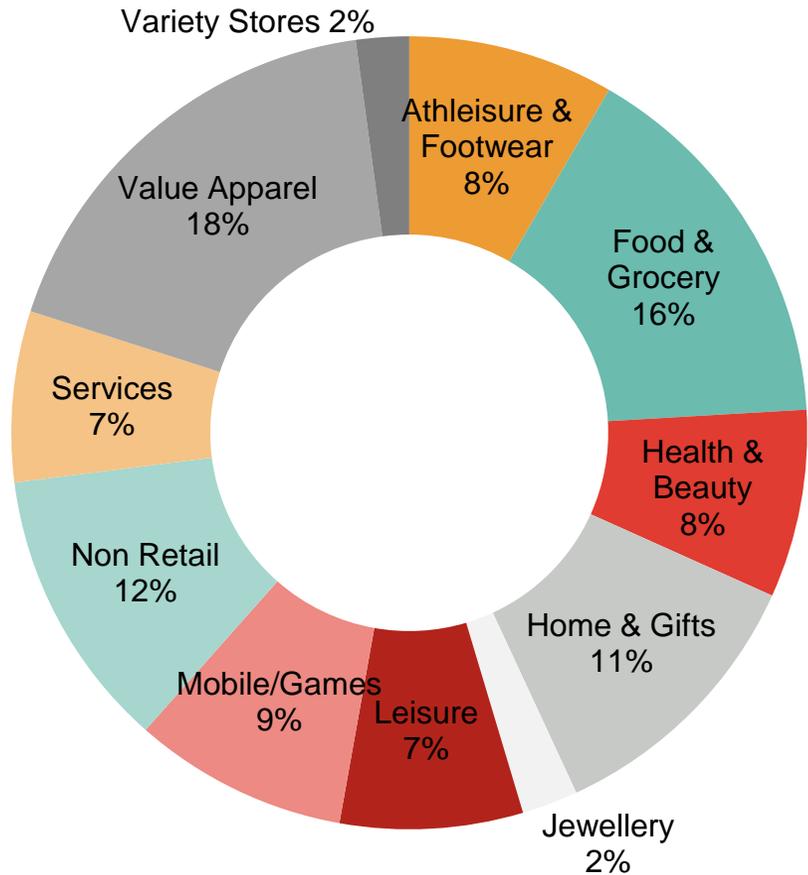


**1.1 VISITS**  
FREQUENCY (PER WEEK)

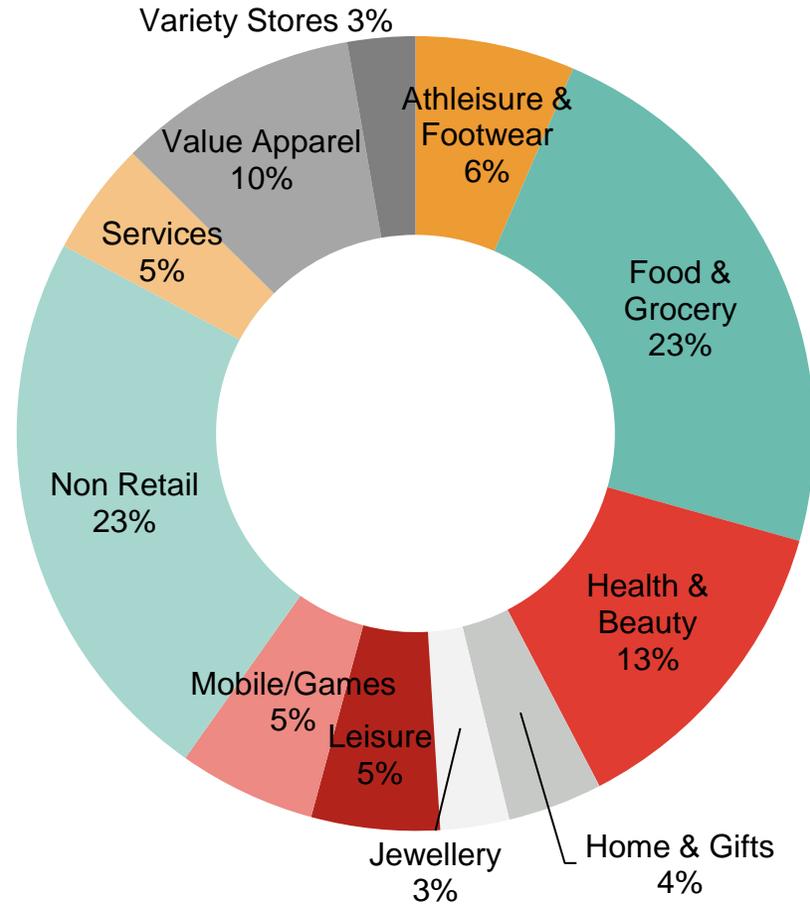
# OPTIMISING THE COMMUNITY PROPOSITION

Proactive remerchandising now approaching the optimal community mix

## 2017 Customer Proposition



## 2022 Customer Proposition



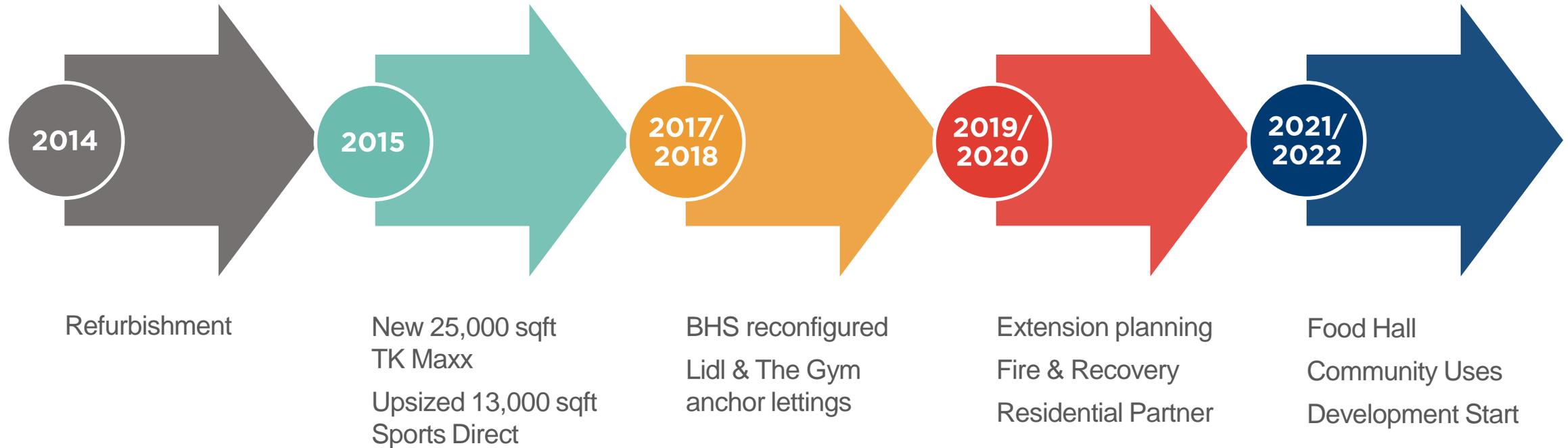
# 17&CENTRAL - LAYOUT

Supermarket anchored community mix connected to the heart of Walthamstow Town Centre



# REPOSITIONING & REMERCHANDISING

Consistent capex investment re-profiling tenant mix and unlocking value-add opportunities



# SCHEME REFURBISHMENT

Before

£4m capex investment

Creating vibrancy and a  
fresher modernized retailing  
environment

Flooring & Lighting

Shopfront and high-level  
treatments

Showcasing community  
connections



# SCHEME REFURBISHMENT

After

Cosmetic refurbishment  
to refresh dated  
commercial environment





# BHS Remerchandising

- Highly accretive replacement of weak anchor store
- Introduction of supermarket anchoring
- Wider merchandise mix enhancements
- £4m capex investment
- >10% income return



## SPACE REPURPOSING

- Creation of new MSU spaces in heart of centre
- Removal of challenging retail units
- Repurposing of surplus car parking spaces to create basement retail trading
- £4.1m capex investment.
- Income return >10%



Flexible space reprovision to accommodate TK Maxx value fashion anchoring





## **OPPORTUNITY OUT OF ADVERSITY**

Recovery from major fire in 2019 providing opportunity to upgrade and modernise

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# MERCHANDISING & ENVIRONMENT

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# COMMUNITY

# COMMUNICATION

# DIVERSITY



## 17&Central Rebrand



# NEW STORE FITOUTS

- Strong trading results
- Brands willing to relocate and invest (improved fit out design)





## NEW STORE OFFERS

- F+B key strategy
- Key ATV growth area
- CRATE Summer 2023
- Shakeaway opening soon



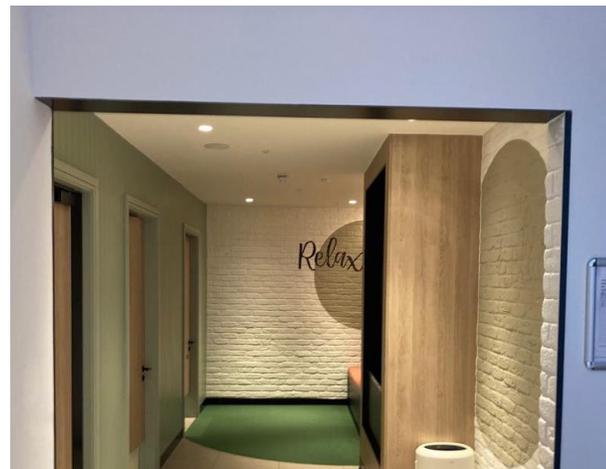
# HEALTH/PHARMACY & BEAUTY SERVICES

- Expansion of health and beauty offer from 8% to 13%
- Key categories in our community strategy
- Providing community with new services



# COMMUNITY SERVICES

- High % of guests are parents with young children
- Exceeding customer expectations
- Standards of excellence





# FOOD HALL

Transformational repositioning redefining community food and leisure anchoring.



7 Street eats operators  
alongside an in-house  
bar and coffee kiosk



Community  
event spaces



Leisure  
offering

CRATE

# FOOD HALL

Transformational repositioning redefining community food and leisure anchoring.

From: Food Court

To: Destination

CRATE is a leading local operator with an established existing facility nearby

Known for supporting innovation, start-ups and local businesses

Outdoor terrace

Supporting Council's investment in creating an evening economy



7 Street eats operators alongside an in-house bar and coffee kiosk



Community event spaces



Leisure offering

CRATE

# FOOD HALL



# FOOD HALL

Aim to be colourful, dynamic and fun

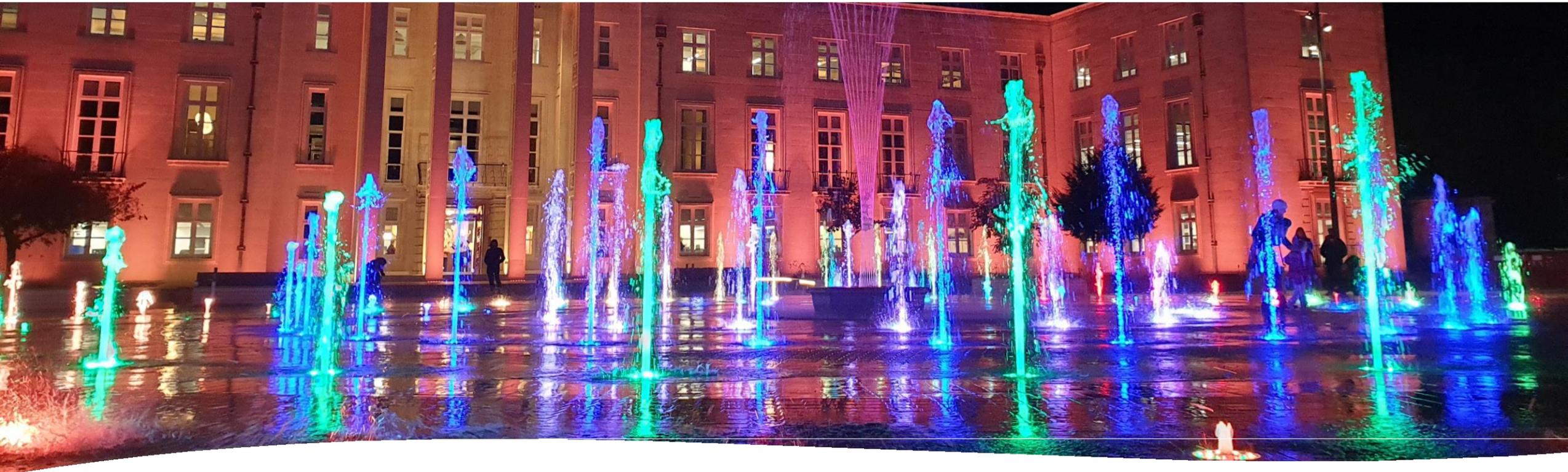
A new vibrant hub for the community to get together  
The go-to destination for existing and new residents



# LONDON BOROUGH OF WALTHAM FOREST

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# Walthamstow Capital Markets Day

Ian Rae, Corporate Director  
Regeneration, Planning & Delivery

Welcome to

**WALTHAM** **FOR** **EST**

# An overview

- The Council is building its priorities around 15 mins neighbourhoods
- High quality Fairer Growth remains welcome in Waltham Forest
- New Jobs, Homes and economic growth required
- Local Plan aims to deliver (by 2038):
- 52,000sqm employment floorspace
- 27,000 additional new homes

➔ 15 minute neighbourhoods

➔ Jobs

➔ Community safety

➔ Climate emergency



Welcome to  
**WALTHAM FOR EST**

# Investing in Walthamstow Town Centre

- Walthamstow is the **borough's major town centre and focus for communities** to meet, live, shop, eat and drink, enjoy culture, learn and work
- **Significant public, private investment and partnerships** are delivering new and affordable homes at St James, Juniper House, Central Parade; the transformation of Fellowship Square; the library refurbishment.
- The next year will continue this programme of investment with the:
  - Opening of cultural destination space **Soho Theatre: Walthamstow**
  - Continued investment in the town centre's public realm
  - Launch of **University of Portsmouth's London Campus**
  - First phase of works of **17& Central / The Mall regeneration**
- This investment is helping **create opportunities for local people including work, training and skills development**



# Regeneration of 17&Central / The Mall

The regeneration is key to sustaining **Walthamstow's economic vitality and growth:**

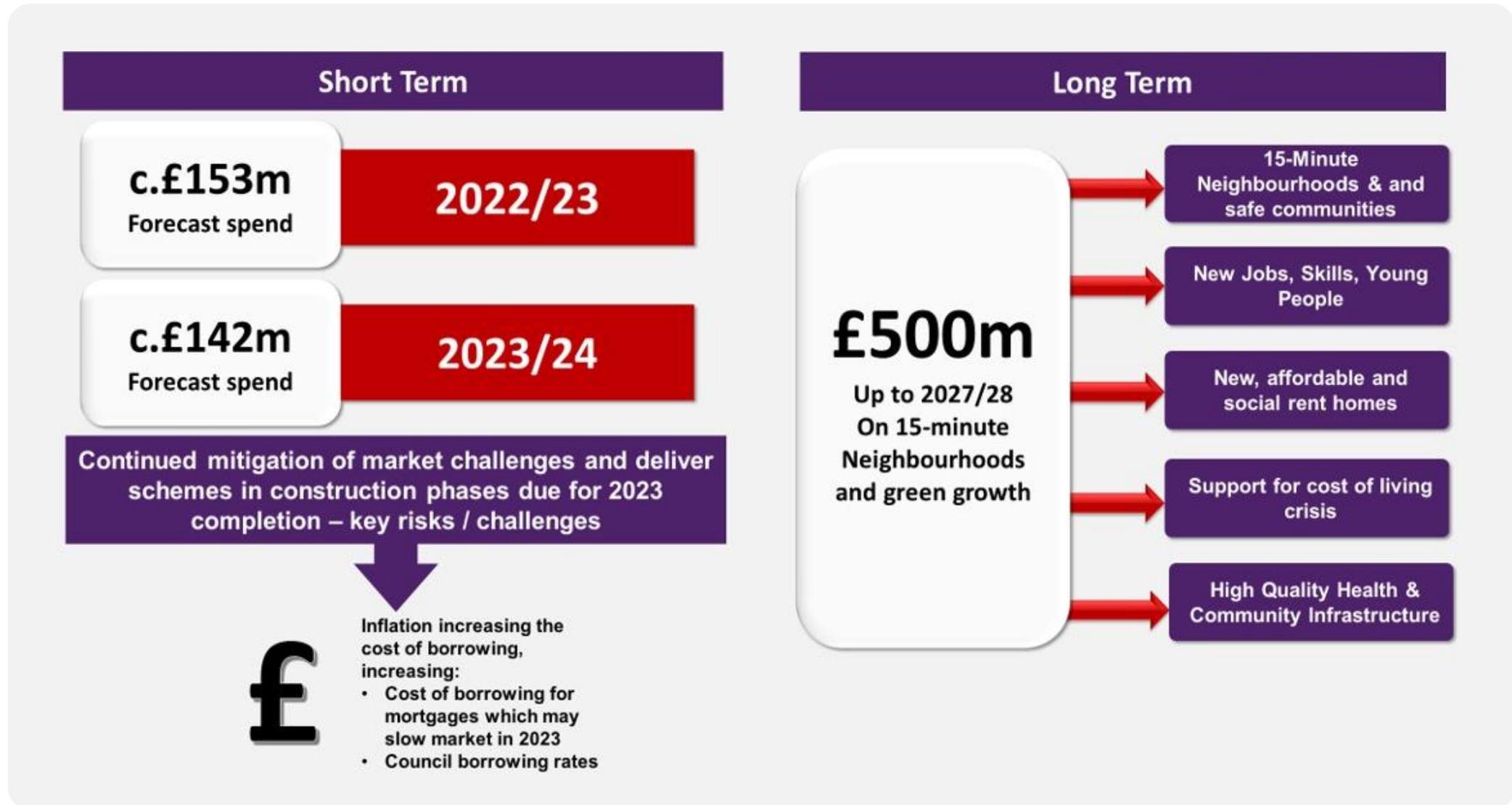
- Boosting the town centre's offer and supporting local business
- Delivering 500 new rental homes for local people at the heart of the town centre
- Contributing £7.3m to the Council's affordable housing programme
- Delivering a 5,000 sq. m extension to the shopping centre's offer
- Creating 220 construction and 345 permanent job opportunities
- Priority placement for local jobs, training and apprenticeships
- Revitalising the Town Square and play spaces, retaining lime tree avenue and planting additional 84 trees
- Enabling a new step-free entrance to Walthamstow Central Station



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# Scale of Council's capital investment



# Delivering award winning buildings



SPACES AWARDS 2022

**Civic Building of the Year  
Winner**

**Heritage Category  
Winner**

Fellowship Square (Phase 1),  
Walthamstow

Client

London Borough of Waltham Forest



Photographs credited to Jim Stephenson

Fellowship Square  
(Phase 1), Walthamstow

Welcome to

# Fellowship Square Development Partnership Countryside Properties

- 433 new homes (50% affordable)
- New Civic building, restaurant & cafe
- Nursery
- Commercial space
- Sensory garden
- Memorial garden
- Wetlands



# Planning

Growth and prosperity

**FOR** INVESTMENT



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# Local plan

## Examination in public stage 2



Our current pipeline includes over 8,000 new homes with planning consent. Over 4,000 of these homes are already under construction thanks to partnership working between the Council and developers.

Come and talk to us about the rest of the sites that make up the 30,000!

**May 2022:** The Planning Inspectors set out their remaining matters

**September 2022:** We submitted a robust response, including deliverable capacity for 30,000 new homes in the borough over the next 15 years

**What happens now?** There will be a further informal consultation as stage 2 of examination, but we aim to adopt the plan by summer 2023

# Overview of property and delivery



# Achievements over the last 12 months

Continued delivery and robust assurance to mitigate the impact economic market conditions

An ambitious capital investment portfolio focused on local priorities and outcomes



Fellowship Sq. P2, demolition complete and rephased to mitigate cost risks



Soho Theatre: Completing summer 23, heart of new cultural quarter



Coronation Sq. New 15-minute Neighbourhood in Leyton – first homes due end of year



Lido feasibility ramping up at pace



Sixty Bricks phase 1 schemes completing in 22: 73% affordable



331 homes delivered at Marlowe inc. 98 social rent – increased density approved for next phase



Green transport delivery via creative use of CIL/ S106 mitigating loss of TfL funding



£71m Investment in schools: SEND, expansions maintenance

- Cross-cutting, cross Council programme, aligned to priorities and ramping up social value
- Our major projects continue to deliver with robust assurance to manage inflationary pressure
- Projected to deliver c.£153m spend in-year, with major schemes in construction phases

An architectural rendering of a modern residential complex at dusk. The scene features several multi-story brick buildings with numerous windows, some of which are illuminated from within. In the foreground, there is a large, paved courtyard area with a playground, benches, and a small garden. People are depicted walking and sitting on the benches, adding a sense of life and activity to the scene. The overall atmosphere is warm and inviting, with the soft glow of the setting sun and the lights from the buildings.

# Housing pipeline

New high quality affordable and private homes

# Housing delivery

## Estates Capacity Review

- Feasibility underway on 10 Council housing estates
- Potential for delivery of c.2000 additional new homes

## Community Led Housing Delivery Small / Medium Sites Programme



## Sixty Bricks (LBWF wholly owned Dev Co)

- Phase 1 pipeline complete / 300 homes delivered
- Over 50% of Phase 1 homes social rent
- Potential for Sixty Bricks to become:
  - A registered provider
  - A private rented sector provider

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# Estate regeneration

## Marlowe Road Regeneration

- 589 new homes / Phases 1 & 2A complete / Phase 2B/3 on site
- First LBWF direct sales of Private and Shared Ownership
- Delivered new plaza / park / commercial units / energy centre

## Avenue Road Regeneration

- 617 new homes / 50% social rent by habitable room
- Resident Ballot in Feb 21 – Over 90% supported regeneration
- Development Agreement complete / Start on Site Jan 2023

## Key Outputs

- 1,800 new homes, 50% affordable (rising to 4,800 over ten years)
- 4,700 people housed (forecast, rising to 10,700 people over 10 years)
- 2 energy networks / 2 libraries / 1 health Centre
- Council homes worth £200m to complete in the next 5 years

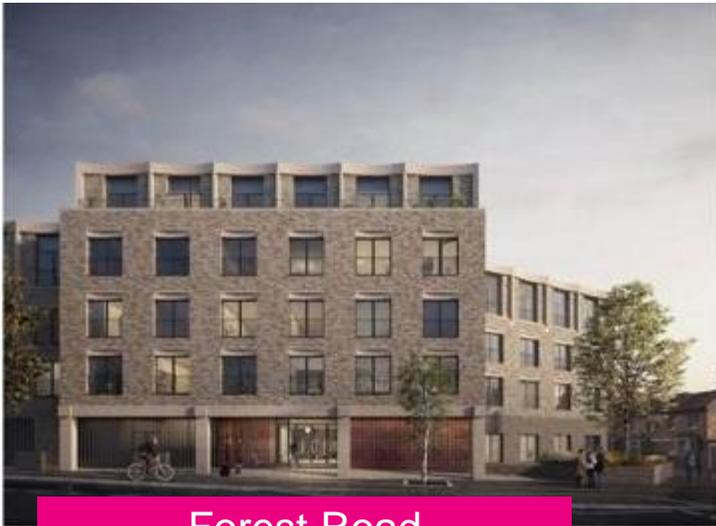




Lea Bridge Station Sites



Lea Bridge Gas Works



Forest Road



Blackhorse Lane SIL

EXEMPLAR  
DESIGN



<b>HUMAN VALUE</b> comfort / health / privacy / safety	<b>SOCIAL VALUE</b> neighbourliness / local character / connectivity / inclusivity	<b>ENVIRONMENTAL VALUE</b> net zero carbon / trees & biodiversity	<b>FINANCIAL VALUE</b> whole life cost / resource efficient / value creation
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EXEMPLAR  
DESIGN



Responding to the  
Climate Emergency



15 Minute  
Neighbourhoods



Community Safety



**EXEMPLAR DESIGN**

**strategic planning**  
establishing a quality agenda

**brief**  
clearly defined project scope and quality requirements

**masterplanning**  
taking a comprehensive approach to key sites

**planning**  
iterative review of proposals to approval

*traditional PPA*

**construction tender**  
preserving design intent

**on site**  
quality monitoring

**post contract**  
stewardship and post occupancy learning

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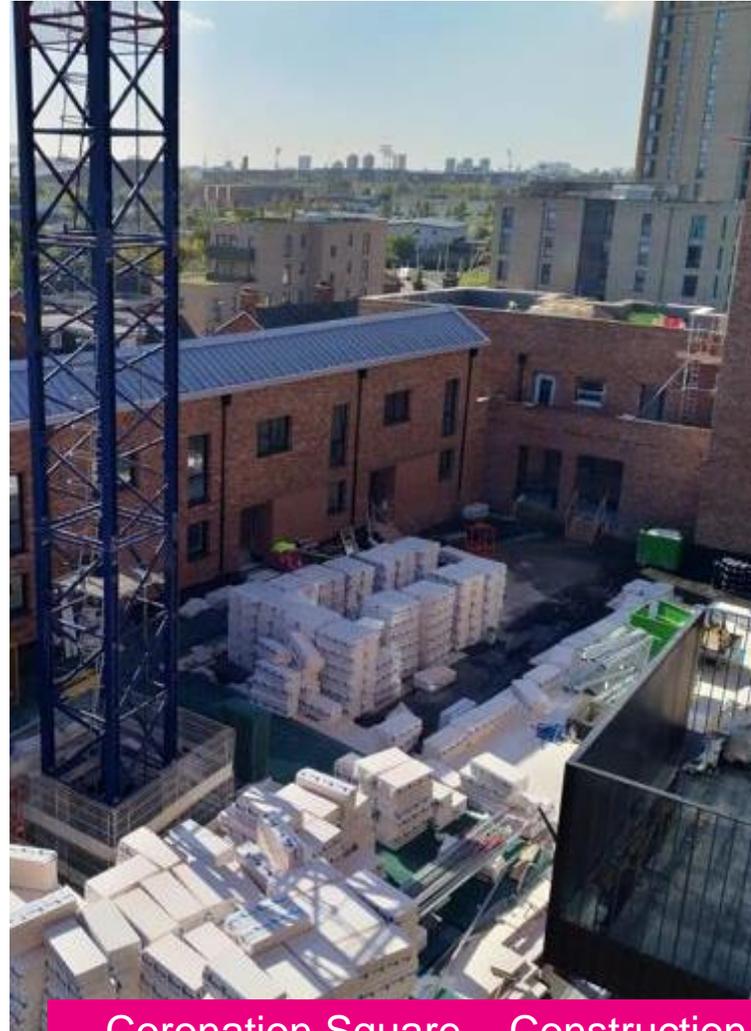
Blackhorse Lane SIL



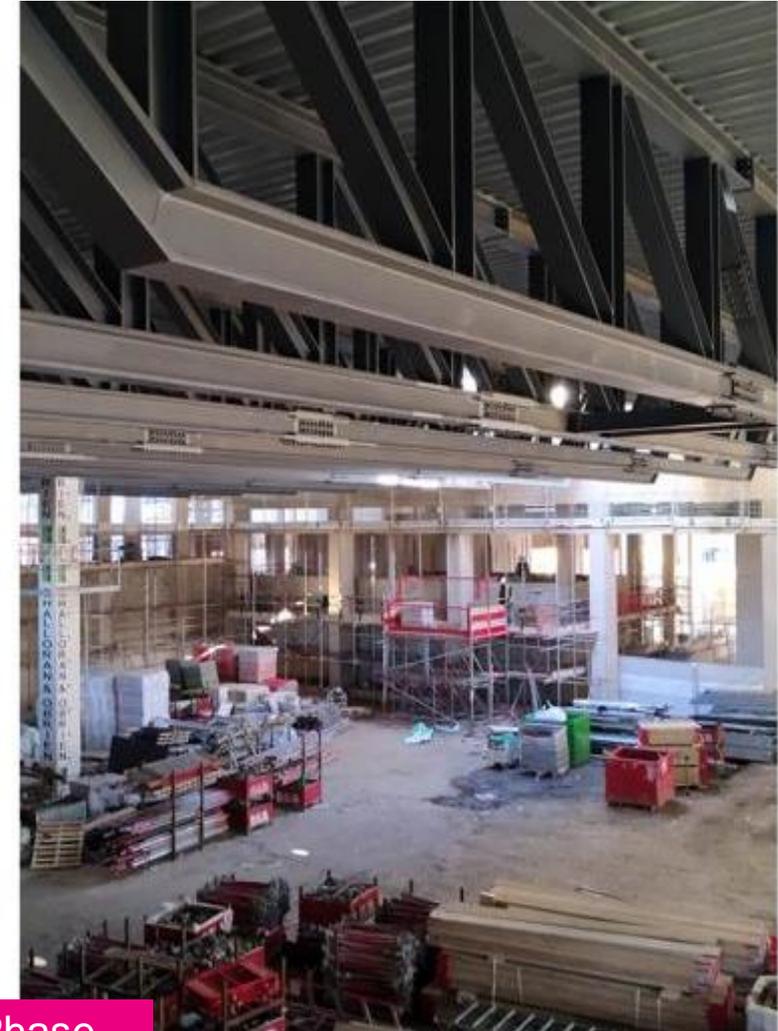
Blackhorse Lane SIL



Lea bridge station sites



Coronation Square – Construction Phase





Blackhorse Mills



Central Parade



Central Parade

placeanddesignteam@walthamforest.gov.uk

# OVER TO YOU:



Waltham Forest

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# DELIVERING DEVELOPMENT POTENTIAL



# Development Overview

Collaborative partnership with local authority and residential partner, securing and implementing substantial residential-led mixed use planning consent



**New 250-year headleases**



**538 residential units**



**50,000 sqft new commercial floorspace**



**560 jobs**

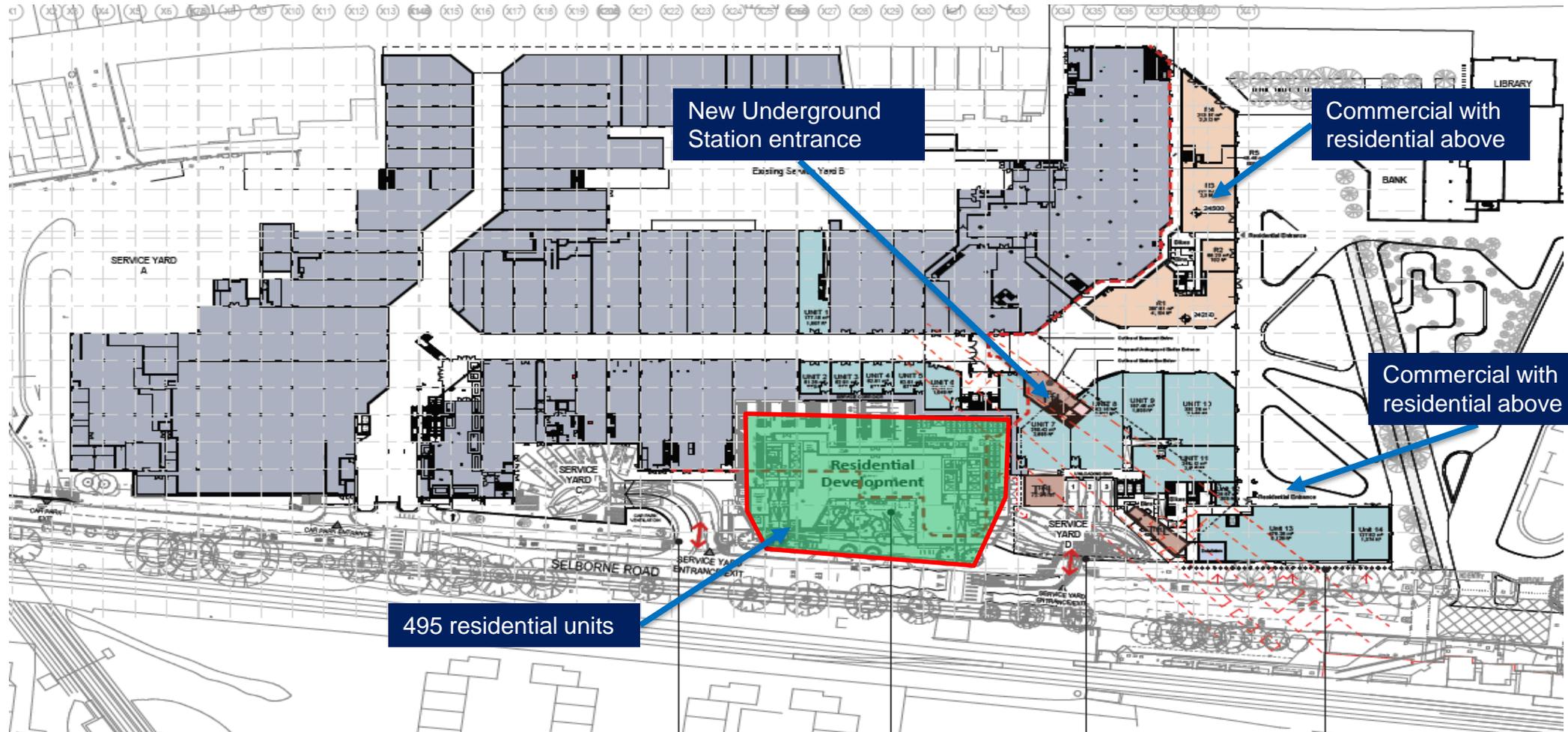


**New Town Square**



**Victoria Line station entrance**

# THE APPROVED SCHEME



# PHASE 1 - HIGH RISE RESIDENTIAL DELIVERY

- 495 Build To Rent Units
- Fully consented scheme
- 30% affordable housing provision – 20% on site
- Partnership with Long Harbour Multifamily
- Land receipt to C&R of £21.65m
- On site with completion scheduled for 2025

# PHASE 1 - HIGH RISE RESIDENTIAL DELIVERY



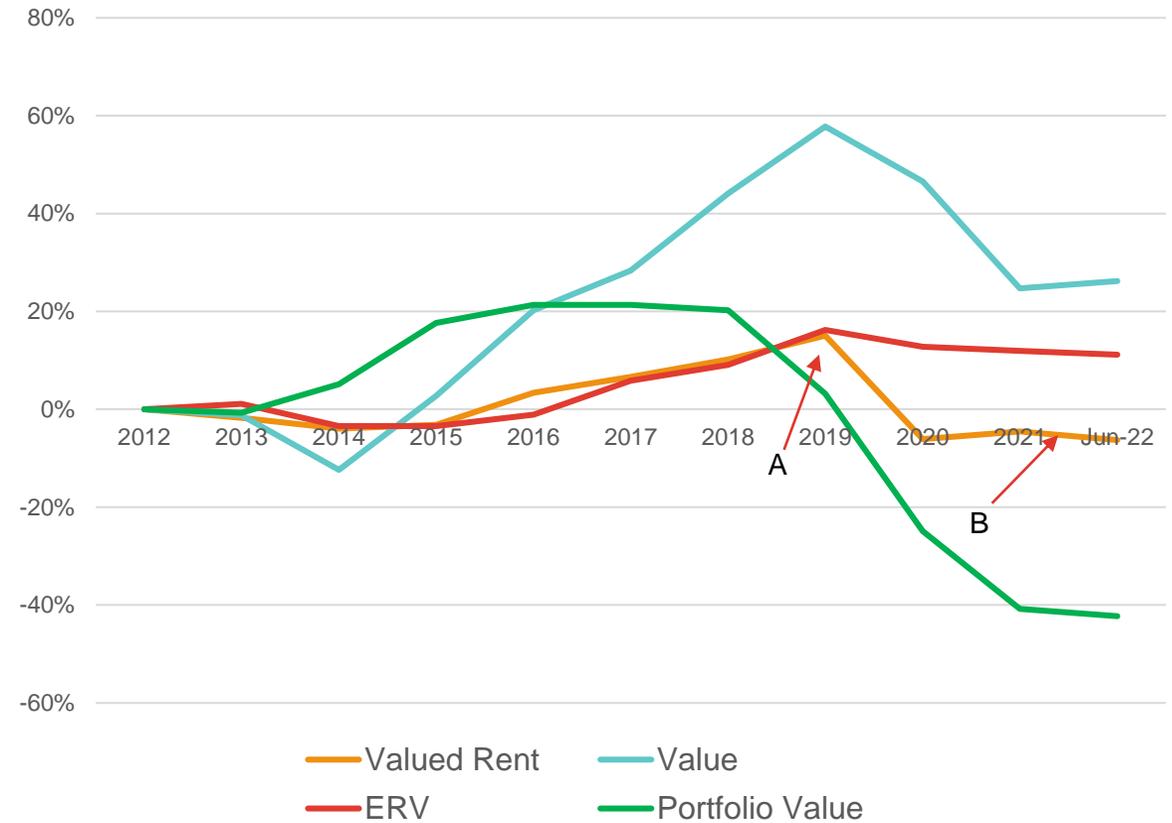
# ASSET PERFORMANCE INDICATORS – 10YR TRENDS

Community fundamentals and asset management execution delivering resilient asset performance

### Asset Value, Valued Rent & ERV trends over 10 yrs



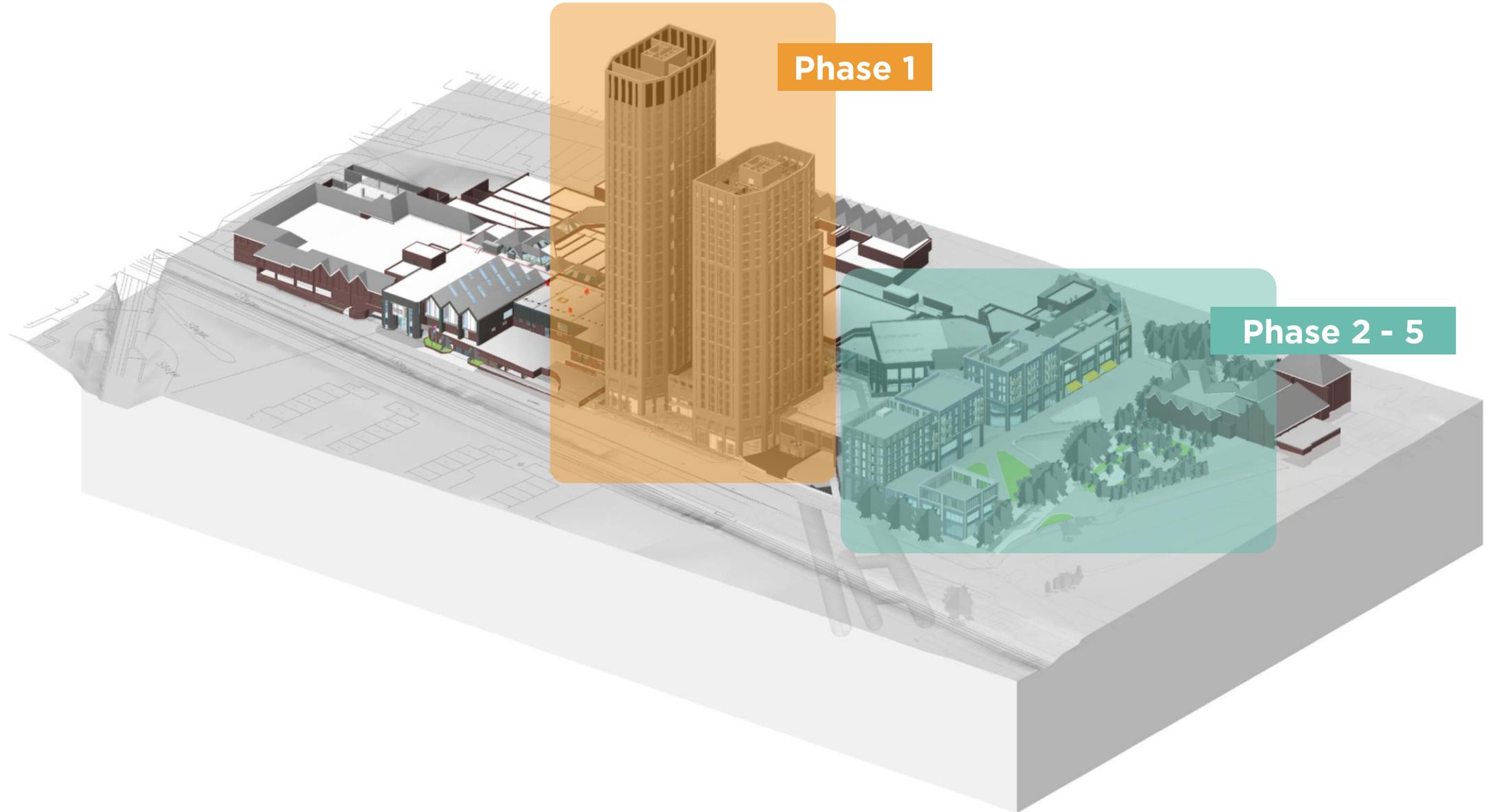
### Key Value metrics trends indexed to 2012 baseline position



A – Reduction of income driven by car park income reduction during Covid.

B – Income stabilised at lower level due to permanent removal of parking spaces for residential and disruption during development enabling works.

# COMPLETED CONSENT



# CONSENTED DEVELOPMENT - FUTURE PHASES

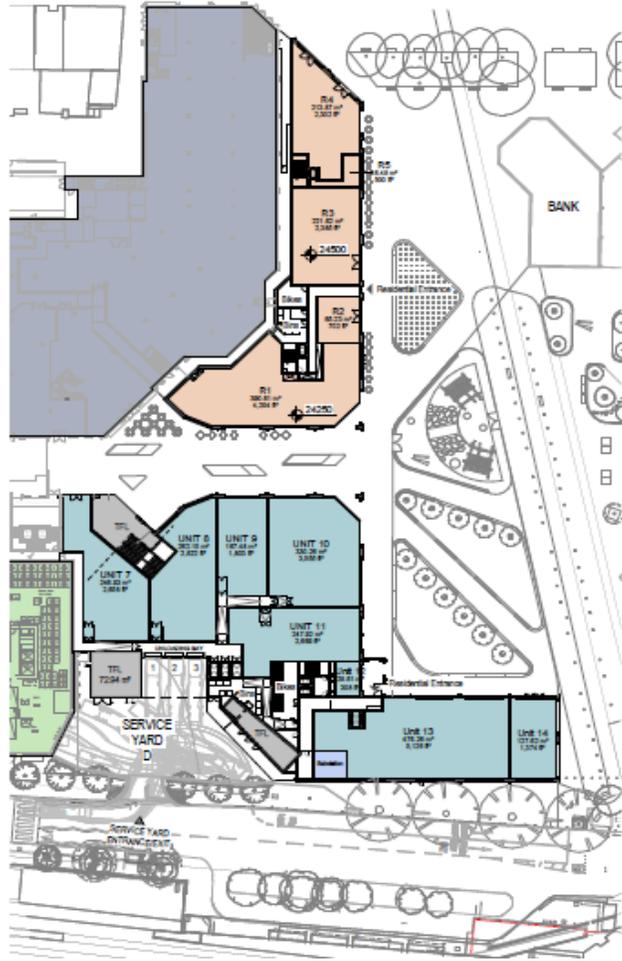
A mix of commercial uses to complement and enhance the current community proposition



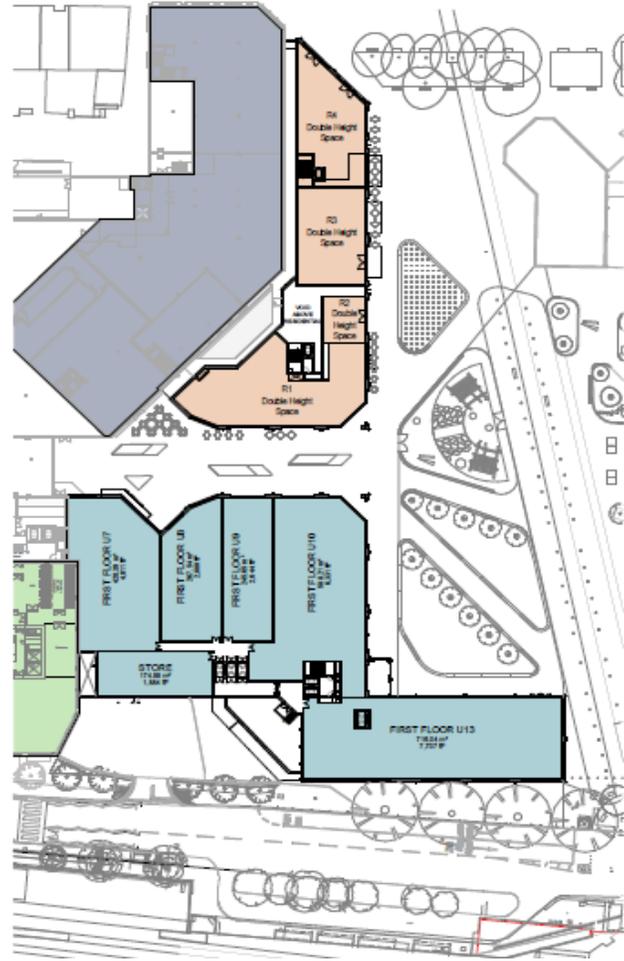
- PHASE 1A**  
High Rise Residential
- PHASE 1B**  
Retail & Service Yard
- PHASE 2**  
Underground Station
- PHASE 3**  
Retail & Low Rise Residential
- PHASE 4**  
Catering & Low Rise Residential
- PHASE 5**  
Retail

# INDICATIVE LEVEL LAYOUTS

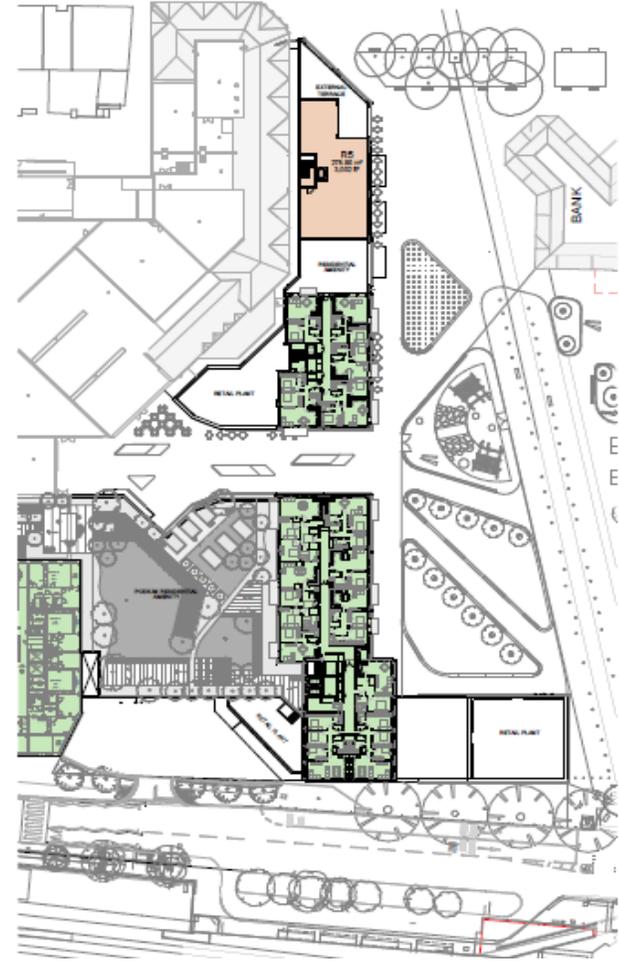
Multi-level space, providing flexibility in configuration, uses and investment outcomes



Ground Floor



First Floor



Podium Level

# RETAIL & LOW RISE RESIDENTIAL



# FUTURE GROWTH POTENTIAL



# SUMMARY

- *17&Central embodies our Community Strategy*
- *Needs based retail and services driving income*
- *Our leading platform delivering major repositioning*
- *Innovation / curation / creativity*
- *Power of Partnerships*
- *Pipeline of Repositioning projects*

# Q&A

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