

Spring 2006

DV04



1927





WELCOME TO DV04: AN ISSUE OF THE NEWSLETTER IN WHICH WE CELEBRATE THE COMPLETION OF THE EAGERLY ANTICIPATED JOHNSON BUILDING, HATTON GARDEN, AND TAKE AN EARLY LOOK AT TWO MAJOR PROJECTS ON SITE IN WEST LONDON. WITH THE SUCCESS OF OUR RECENT LETTING PROGRAMME, WE ARE CURRENTLY FOCUSING MUCH OF OUR ENERGY ON THE EARLY ASPECTS OF A NEW ROUND OF DEVELOPMENTS. FOR THE PIPELINE WE ARE APPOINTING ARCHITECTS TO PRODUCE INITIAL DESIGN IDEAS AND WORKING CLOSELY WITH AGENTS AND PLANNING AUTHORITIES ON THE DEVELOPMENT OF A NUMBER OF CREATIVE PLANNING SUBMISSIONS. AS EVER, THE SUCCESS OF OUR WORK OWES A GREAT DEAL TO THE SKILLS OF OUR COLLEAGUES IN PLANNING, DESIGN AND CONSTRUCTION. **ENJOY DV04**

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THE JOHNSON BUILDING

We celebrate the completion of our latest mixed-use redevelopment scheme. We create new commercial space and bring large floorplates to a characterful piece of Hatton Garden

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SWEEPS BUILDING

Our newly completed loft apartments in Clerkenwell's Leather Lane are a stylish redevelopment of former industrial buildings.

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WEST LONDON WATERSIDES

News of our four waterside projects in West London, two of which are already on site.

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JOHN BURNS'S INVESTMENT UPDATE

We highlight newly available space and lettings in recent refurbishments. News too, on planning applications, progress on site and sales.

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TANNED AND FIT

Leather can make a distinctive contribution to interior design. Bill Amberg's work is adding further dimensions to the elegance and comfort of Derwent Valley reception areas.

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SUPPORTING TCT

Fundraising details for the proposed Cardiff unit.

The Johnson Building

Complete

AN URBAN GEM IN HATTON GARDEN

Every visitor to Hatton Garden recognises the street's long association with workmanship, value and beauty. Its history as the centre of London's diamond trade is an important strand of Clerkenwell's commercial tradition.

All the best design narratives start with a strong idea. In 2001, Derwent Valley started to consider the potential of a large block bounded by Hatton Garden, Leather Lane and St Cross Street. At the heart of the block was a large courtyard – a wasted resource that could be developed to create critical mass for a mixed use redevelopment scheme. Allford Hall Monaghan Morris (AHMM) worked closely with Camden's planners to develop the site's potential, and the Johnson Building now makes optimum use of the newly unlocked space.

PRODUCING A BUILDING FOR TODAY

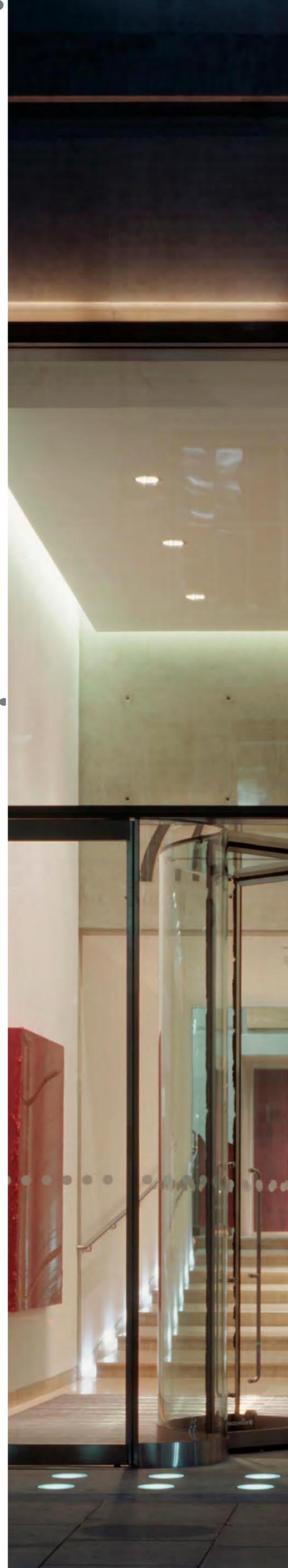
Construction started with the removal of the core of the original 1930s building on Hatton Garden. Floors were stripped out to create a clear plan, and behind this structural frame a new core, atrium and a further 67,000sq of office space were constructed. **The design has produced office floors of 15,000 – 22,000sq ft, each reading as a unified and consistent entity.**

The environmental design focuses on flexibility and ease of use. Conditioned air is supplied through circular floor outlets using displacement ventilation principles. There are no moving parts in the floor void and maintenance is carried out at the external plant zone.

The smart lighting system will meet every tenant's needs, being configured for use in both open plan and cellular offices. Microchip technology switches lights between full, dimmed and off mode in response to natural lighting conditions and to people movement. This produces consistent energy savings.

The Derwent Valley development strategy is immediately evident in the generous approach to space standards and a parallel commitment to sustainable design. As Derwent Valley Director Simon Silver says, **'Our overriding concern is with the quality of the space we deliver, rather than the maximum quantity we might produce. We want enjoyable and efficient spaces for our tenants – offices that are bright and comfortable, cost-effective in use, and that use energy responsibly.'**

These ideas are fundamental to the planning of the building. At the front and rear, double-height spaces and mezzanines bring daylight to the lower ground floor, while on the fourth floor the same approach creates a striking space under the new sloping roof. A landscaped private courtyard inserted into the site, gives office users a peaceful exterior space.





The
Johnson
Building



The
Johnson
Building

Left: The atrium displays beautiful materials and the highest standards of construction. The extensive use of glass visually connects all parts of the building and will bring movement and animation to the space.

Below: Environmental design focuses on flexibility, ease of use and energy efficiency. Conditioned air is supplied through floor outlets, while a smart lighting system supplements the high levels of natural light.

THE PLEASURE OF MATERIALS

The generously scaled atrium that introduces daylight into the heart of the building is a focal point for each floor. In visual terms, it is also a spatial interval introducing a vertical element to the expanse of each floor-plate. For those entering the building, its scale and materials introduce the building's clarity and elegant simplicity.

Glass, timber panels and immaculately cast concrete extend the length of the atrium, which is floored in travertine.

The use of glass throughout the atrium is particularly subtle. Glazed panels to the lift shafts allow movement to be seen, bringing animation to the space. Glass sided bridges span the lift lobbies and act as balconies overlooking the central space, while glass lenses set into the concrete bridge decks give transparency to the structures. Natural light floods every part of the atrium, the ETFE roofing pillows providing solar and thermal control.

At ground level, the experience of the atrium is one of light and colour. A large expanse of handworked leather adds richness and texture to one wall. The reception desk constructed in black Italian marble faces the glazed entrance lobby, which features artworks by Jason Martin (represented by the Lisson Gallery). Jason's work here is a response to the gems to be seen in the nearby windows of Hatton Garden – characterised by colour, light and transparency.

A piece of public art on the building's façade is also inspired by the neighbourhood: **each of the symbols cast into Tom Dixon's 'Ingot' is a reference to the rich history of this atmospheric part of London.** The deep colour of the bronze offsetting the triple height glazing of the building's façade, offers to the outside world an aspect of the building's confident use of materials.

The atrium introduces the building's elegant simplicity



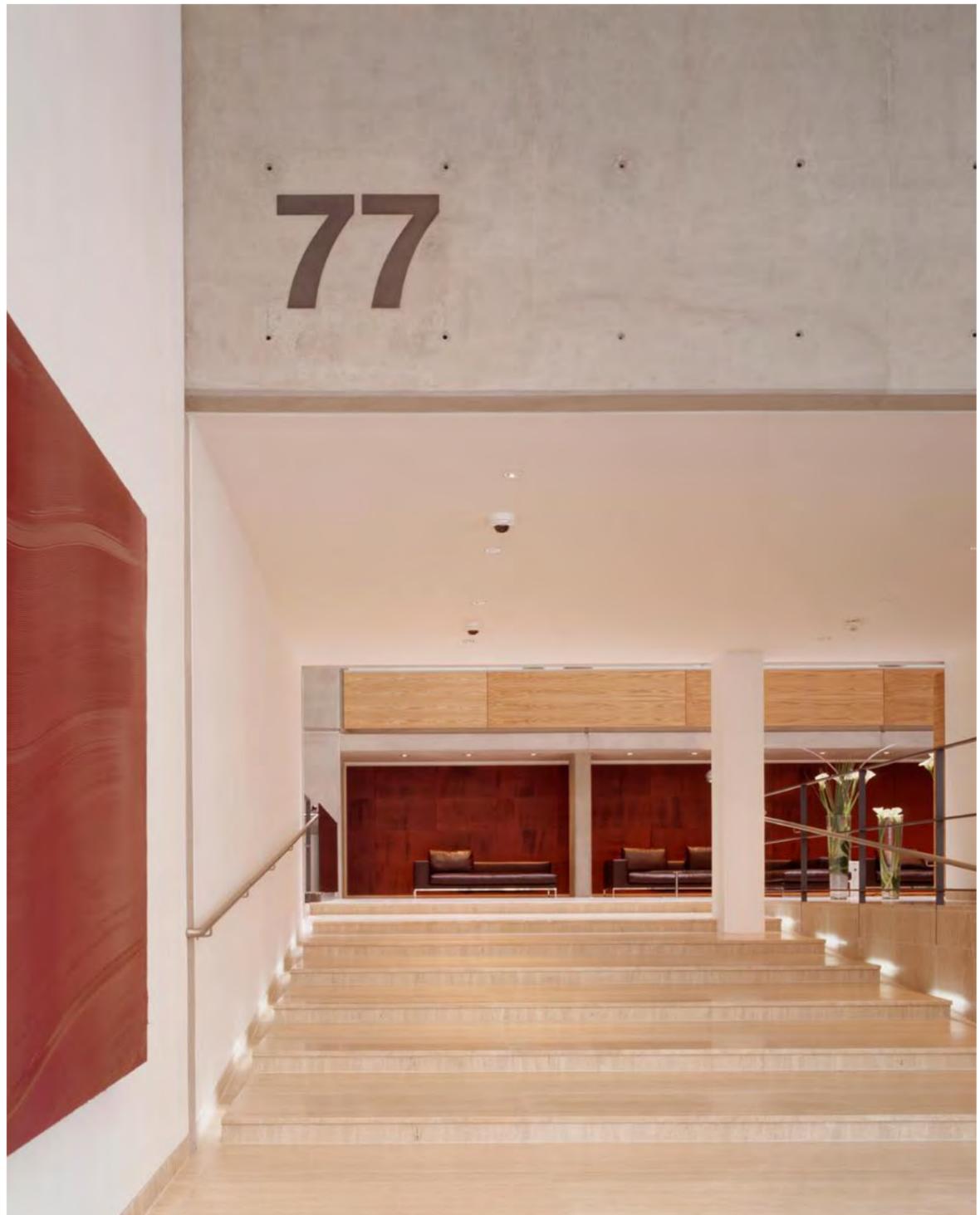
MANAGEMENT

The management of the Johnson Building will ensure that the quality of tenant services matches the environment. Derwent Valley has appointed specialist company Office Concierge to provide hotel-style front of house services, which will add an extra dimension to reception and security procedures. Responsive, efficient and staffed by people recruited from customer care backgrounds, it will develop its service offering around the needs of tenants, supplying authoritative information on local services and amenities.

The Johnson Building embodies the new commercial energy of Midtown. Stylish, efficient and a major neighbourhood presence, it is the latest Derwent Valley success story.

Below: Hatton Garden is the focus of an area rich in history. All the local streets have stories to tell, and Tom Dixon's 'Ingot' helps to narrate some of these. Each of the symbols derives from local history.

Right: The double height entrance lobby displays Jason Martin's artworks. Shallow travertine steps lead into the atrium, where Bill Amberg's richly textured leather panels line one wall.







Sweeps

loft living in Leather Lane



Sweeps' takes its name from the building's former incarnation as a bullion refinery. Newly converted into part of the apartment complex, it overlooks the vitality of Leather Lane.

The architects have produced apartments that combine the simplicity of the original structure with the comfort required today.

Interiors are finished to a very high standard, in tune with today's lifestyles. There is solid oak parquet flooring, low level radiators, Arne Jacobsen door handles and solid staron kitchen surfaces.

All the flats are light and airy and all have access to outside space, either from balconies or the private courtyard.

Creating 14 new luxury apartments in Clerkenwell's Leather Lane has proved highly successful.

Architects AHMM developed a mix of one-bedroom studios to three-bedroom apartments, using the scale and structure of the existing industrial buildings to create bold, high-ceilinged spaces with immaculate finishes. Letting has been fast: 11 apartments were taken as soon as marketing began.

In one sense, this was bound to be a successful venture. Design and construction are first class – as is the location. The apartments are close to the City and to London's legal heartland. The area also has an innate appeal, which is partly born of its history and partly from the recent energetic influx of new businesses and services.

Derwent Valley, however, sees the project's significance in wider terms as well. **'Sweeps is an integral part of the Johnson Building project.'** says Director Paul Williams. **'We wanted to develop an urban quarter in miniature, with a mix of uses and a coherent approach to design and use of space.** The process of working with our architects and with Camden's planners has produced a great result.'

DERWENT WATER



CANAL-SIDE WALKWAYS AND OPEN SPACES...

A theme of water links four of Derwent Valley's west London projects. Kensal House and Portobello Dock occupy sites next to the Grand Union Canal at Ladbrooke Grove, while Telstar and North Wharf Road are part of the Paddington Waterside initiative.

PORTOBELLO DOCK

At the end of 2003, we acquired a 50,000 sq ft freehold office campus on the Grand Union Canal at the junction of Ladbrooke Grove. The canal bisects the site and also marks the border between two planning authorities – Westminster and Kensington and Chelsea. We consulted with both in order to evaluate the possibilities of each site, and have recently received planning consents to create a 69,000 sq ft luxury mixed use scheme. Construction starts in August and is scheduled for completion for the end of 2007.

The site north of the canal is dominated by Kensal House, a stretch of three white stuccoed buildings, the central one dating from 1860. Working with local architects Stiff + Trevillion, we are creating seven luxury apartments in the east wing and converting the west wing into nine self-contained commercial units. The central building will also be self-contained and provide approximately 4,000 sq ft of office space. With on-site parking, **the whole site will be re-landscaped and many of the commercial and residential units will benefit from terraces and views over the canal and beyond.**

The site to the south of the canal was originally constructed as a refuse transfer station in 1890 and contains an interesting variety of buildings around the cobbled dockside spaces. We are converting an 11,000 sq ft building to create **Portobello Lofts as 12 luxury canalside apartments and refurbishing 8,000 sq ft of studio space** at the Wharf Building for the growing local creative market. On the site of the old stable block we are constructing the Canal Building, a new 25,000 sq ft office building, which **will be a landmark for the complex, signalling the new identity for Portobello Dock.**

The Canal Building (foreground right) sits on an important corner location on the canal bridge at Ladbrooke Grove. Its scale, massing and materials – white rendered walls with timber window frames – have been developed as a response to key elements of the site and its history. The Wharf Building is behind with Portobello Lofts beyond. Kensal House is to the left, on the north side of the canal.

telstar*

PADDINGTON WATERSIDE IS CENTRAL LONDON'S NEW URBAN QUARTER.

Paddington Waterside is central London's new urban quarter. An area the size of Soho is being transformed by the Paddington Waterside Partnership, of which Derwent Valley is a member. We are working to replace two early 1960s buildings close to Paddington Station.

TELSTAR

Until recently this site was occupied by Telstar House, one of a series of buildings designed for London Transport and Oldham Estates by Richard Seifert. Derwent Valley bought it in 1999, acknowledging that it was outdated architecturally but recognising its excellent location and potential for improvement.

Long term plans, however, were interrupted in July 2003 by a fire causing such serious damage that a fundamental choice had to be made: either to repair and refurbish the entire building or completely rebuild it. The tenant, London Underground Limited, moved out and Derwent Valley started to consider a strategy with Westminster City Council Planning Department.

The planners were keen to see a building that would be compliant with their current objectives for the area, and architects Fletcher Priest were appointed to develop ideas for the site. What followed was a text-book example of consultation, co-operation and focused thinking. With the help of the planners, planning consultant Hugh Bullock of Gerald Eve and neighbourhood representatives,

a consented scheme was produced within eight weeks, which allowed Derwent Valley to agree a settlement with the loss adjusters and so progress the project.

The scheme provides 104,000 sq ft of space, which exceeds the net space provided by Telstar House – but in a six storey building rather than a twelve storey one. **The design admirably responds to current market needs and has all the quality the planners wanted.** Scale and massing are a response to the original streetscape, while the stone elevations with their landscaped terraces are a lively and elegant addition to the area.

55 NORTH WHARF ROAD

This canal-side project will replace another outworn 1960s building and form an important gateway to the redevelopment area. Architects Fletcher Priest are evolving a mixed-use scheme of offices, residential and retail space that currently features a 220,000 sq ft office building fronting Bishop's Bridge Road and around 100 residential units, including a proportion of affordable housing.

The architects are keen to integrate the scheme into the public realm of Paddington Waterside. **They have planned a canal-side walkway and open spaces featuring public art, and are specifying the hard landscaping to ensure continuity of finishes with those areas already successfully established.**



The seven floors of office space can be let on a whole building, floor by floor or part floor basis. They will be available in 2007.



INVESTMENT NEWS

Sales and acquisitions form a strong theme in this edition's Investment News. In the last 12 months, the continuing strong investment market has provided a good opportunity to make profitable disposals.....



SOLD
Berkshire House, WC1



ACQUIRED
186-188 City Road, EC1



ACQUIRED
Horseferry Road, SW1



PLANNING CONSENT
Gresse Street, W1

SALES

MID-TOWN AND MAYFAIR

Post-refurbishment sale in Mayfair.... Clients of Insight Investment Management Limited have acquired Berkshire House, 168-173 High Holborn, WC1 for £25 m. The building had recently undergone a refurbishment programme designed by architect AEM. **...and investment disposal in Mayfair.** The same clients have also acquired 28-29 Dover Street, Mayfair, W1 for £11 million.

BLOOMSBURY AND NOHO

Early sale at Woburn Place... We have sold 19-29 Woburn Place WC1 to a private investor for £22.3m. This 101,000 sq ft office building was acquired in 2004 as part of the Chelsfield portfolio and we decided on an early sale.

...and refurbishment result in Noho. Following a refurbishment designed by Lifschutz Davidson Sandilands, we have sold The College, a 47,800 sq ft building on Gresse Street, W1, which is now home to Arcadia's new Fashion Retail Academy.

ACQUISITIONS

VICTORIA

Rapid start on Victoria refurbishment...

We have bought a 150,000 sq ft property on an island site in Horseferry Road SW1 for £32.35m, with completion delayed until July 2006. Refurbishment work will commence in September 2006 with architects AHMM to produce a multi-let property.

Studies to evaluate design options have looked at refocusing the building to create one entrance – there are currently four; possibly utilizing the lightwells to form circulation galleries and improving the ground floor to allow for possible restaurant and retail options. Work has now started on site.

We also acquired 186-188 City Road in February 2006, a 39,200 sq ft air-conditioned office building with short-term income and refurbishment potential.

PROGRESS

NOHO

Planning consent for two schemes...

Two of our latest development projects will be built in Noho on the site of the former BDP headquarters on Gresse Street, W1. In 2005 we won planning consent from Westminster City Council for a new office building, totalling 48,000 sq ft. Designed by architects Lifschutz Davidson Sandilands, the air-conditioned building will be arranged on ground and six upper floors and feature a glass and timber panelled façade and double height reception space. Work starts soon with an expected completion date of summer 2007.

We have also been granted planning permission for 10 private flats at 7-8 Rathbone Place, W1 together with a 2,100 sq ft retail unit. Designed by architects, Sergison Bates, these Soho-style flats will feature timber floors, open plan living spaces and balconies. They will be available from 2007.

Our portfolio contains a substantial pipeline of refurbishment and development projects and we are delighted with the recent planning consents achieved and with the progress of our latest schemes under construction. As our letting rate shows, high quality design and first-class management create a recipe for success.



LETTING
St. Cross Street, EC1



PRE-LET
Holden House, W1 Phase 2



LETTING
Tea Building, E1



FULLY LET
Oliver's Yard, EC2

LETTING NEWS

KENSAL GREEN

One project – two planning authorities...

We have secured planning permission from Westminster City Council and from the Royal Borough of Kensington and Chelsea for a 70,000 sq ft luxury mixed use scheme at Portobello Dock. For full story, see pp 12-13.

CLERKENWELL

Refurbishment will produce 32% increase in floor area...

Consent has been received for a scheme to amalgamate four buildings on Rosebery Avenue, EC1, and convert these to offices and add a further floor. The project will start late in 2006.

CLERKENWELL

Transformation at St Cross Street EC1...

St Cross St is part of the Johnson Building site and is being refurbished for office use. Floors 3-5 are now complete and available for let. We have pre-let 3,000 sq. ft to Johnson Matthey, the original owners of the Hatton Garden building. A further 18,000 sq. ft of offices will be available later in the year and will include a new glazed double height space opening onto the courtyard.

WEST END

Completion of Holden House W1 – phase 2...

The final phase of works at this 90,000 sq ft building included a 27,400 sq ft office and retail refurbishment. The scheme relocated the office entrance and created dramatic new double height spaces. The new office space pre-let to H&M Hennes at improved rental levels of £38 psf.

SHOREDITCH

Tea E1 – phase 2 diversification...

Phase 2 of the AHMM designed warehouse refurbishment in Shoreditch is now under way, bringing a further 27,000 sq ft on the 5th to 7th floors to the market. Some of these latest units are already pre-let, bringing Tea's total let space to 221,000 sq. ft.

Soho House is leasing 29,500 sq. ft at the Biscuit Building for its latest club. Facilities will include a bowling alley, dining club, bar, snooker room, exercise and treatment rooms, together with a roof-top swimming pool and restaurant that take advantage of the spectacular views over Broadgate and the City. We worked with Soho House to achieve planning consent for the change of use, and found Hackney Council and the Investing in Hackney group very supportive. Work starts on site in April.

CITY

Letting complete at Oliver's Yard EC2...

The final two suites at Oliver's Yard were let in Autumn 2005. The Carphone Warehouse leased 2,500 sq ft and Penson Worldwide Settlements took the remaining 2,500 sq ft.

For further details on any of the properties, please contact Susannah Woodgate on 020 7659 3000

‘Where we want leather
– we want Amberg.’





Bill Amberg's studio



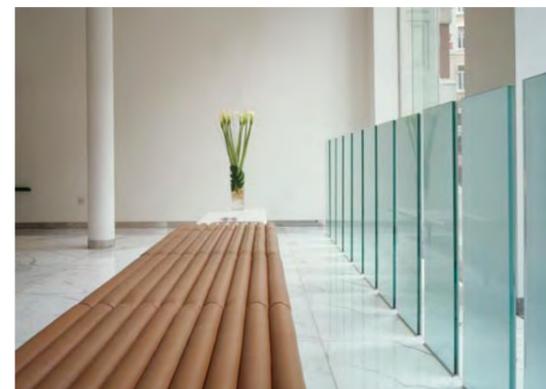
Bill Amberg



25 Saville Row reception



Bill Amberg shop



Bench at Davidson Building

Working with

Bill Amberg

Tanned and fit: leather is becoming an increasingly popular component of Derwent Valley's architectural interiors.

Visitors to Bill Amberg's shop in west London are drawn by both the style and the impeccable craftsmanship of the leather goods there: bags and briefcases, sporting and travel accessories, furniture, storage and office products – not to mention wonderfully comfortable looking kit for the fashionable baby. Unsurprisingly, the company Amberg launched twenty years ago is now a group, which incorporates retail distribution across the UK and US, an international fashion wholesale business, a specialist design consultancy and a bespoke architectural projects department.

With the growth of the whole operation, Amberg has opened a large new shop on the corner of Chepstow Road and Westbourne Grove.

A mile or so to the north is the company's design studio and workshops, where 14 people work. These include RCA-trained product and furniture designers who have the traditional craft skills that typify the company's products. Surrounded by many of the processes that turn hide into luxurious, long lasting objects and finishes, Amberg talks with passionate enthusiasm about leather's versatility, beauty and strength.

He speaks from first-hand knowledge of the material, having worked with it since his apprenticeships under leather craftsmen in Australia in the 1970s. **'For me', he says, 'leather is material at its rawest: you mustn't overdress it and you mustn't try to turn it into something else. It works as itself.'** Amberg fully appreciates leather's qualities as a natural material that can be sustainably gathered from many sources. Under his guidance, it is sewn and stamped, polished and moulded to provide numerous textures, colours and properties. Lambskin, for example, as a soft material is used for clothing or fine upholstery, while buffalo leather becomes a resilient structural component of floors and furniture.

Amberg's insistence on the harmony to be achieved between material, design and function helps to explain his collaboration with Derwent Valley on a number of their projects. It is a strong conceptual link between the two companies and, at a personal

level, between Amberg and Derwent Valley's directors. The introduction came about five years ago, when Simon Silver was impressed by some furniture he saw at a friend's home. Visits to the shop followed, with a careful examination of Amberg's range and approach, and discussions of his ideas as to the potential of leather in architecture. **Silver and his fellow directors concluded that the visual qualities of the material could make a distinctive contribution to Derwent Valley buildings – particularly their reception areas.** Its physical qualities also make it ideal in this context. Not only is it warm and resilient, it has an excellent capacity to absorb sound in what are often large spaces. Since then, Amberg has produced furnishings at Tower House, a richly grained leather panel wall at Derwent Valley's Savile Row offices, and a further wall and a reception desk at the award-winning Davidson Building.

Recently completed is a wall treatment for the atrium of the Johnson Building in Hatton Garden. (See feature pp.4-9.) Collaborating with Derwent Valley directors and architect Simon Allford, Amberg developed an approach that used as a reference two artworks commissioned from Jason Martin. These highly textured paintings require Amberg and his team to experiment in the choice of tanning and finishing processes to reveal the graining of the hide, so generating the panelling aesthetic. **Just as the design of each piece of furniture or bag incorporates colours and textures in a deliberate way, so each wall or floor Amberg produces is a purposeful aspect of the entire space.** A clean and tailored look was developed for both Savile Row and the Davidson Building, while the Johnson Building – with its exposed concrete, wood and glass – has generated a bolder and more elemental approach.

Simon Silver is very pleased with Amberg's growing contribution to the Derwent Valley portfolio of elegant, modern buildings. 'We like his confident and imaginative approach and the really impeccable craftsmanship his people produce. Where we want leather – we want Amberg.'



Davidson Building reception

The 'Skypad' at the University Hospital of Wales, Cardiff

Teenage Cancer Trust's 9th unit is on the drawing board. This unit will provide accommodation for 8 adolescent inpatients, with additional treatment and daycare services, and includes an exclusive social zone with private terrace. To help make this dream a reality TCT are looking to raise £1.5m.

If you would like to know more about how you can be involved or to donate to the 'Skypad' then please contact:

Simon Davies, Chief Executive
Teenage Cancer Trust
38 Warren Street
London W1T 6AE

T: 020 7387 1000
tct@teenagecancertrust.org
www.teenagecancertrust.org
Charity Registration N° 1062559

Thank you for your support.
cardiff@teenagecancertrust.org

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TEENAGE CANCER TRUST



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