

Panther purrs with 220,000 sq ft shed letting

13 August 2014 | By Andrew Don

Panther Securities has exchanged on a deal to lease its 220,000 sq ft industrial freehold in Merton, south-west London, to a UK television broadcaster.

The premises, the former home of *The Bill*, was previously occupied by Wimbledon Studios, in which Panther Securities has a 25% stake.

Panther announced last week that KPMG had been called in as its tenant's administrator.

Simon Peters, Panther Securities' finance director, told *Property Week*, that it had been in talks with two potential interested parties, including a developer that wanted to knock the site down and build new modern units.

"They gave us a good offer of more than £8m but it wouldn't value up as much as a rental offer," he said.

Wimbledon Studios had been contracted to pay a concessionary rental of £490,000 a year but the cost of changing from a fixed set filming location to a more modern multi-let television and film studio proved far more costly than anticipated.

Panther said it could not justify the significant funds which the non-core business would have needed.

The new tenant, which *Property Week* understands to be Marjan Television Network but which Peters said he could not name because of a non-disclosure agreement, will pay rent of £1.05m a year under a 15-year lease with two-and-a-half years' rent paid in advance.

Completion of the lease is conditional on the tenant completing works to the roof and electricity supply.

Panther said the letting enabled it to retain an attractive industrial investment in a desirable London location, with a growing media tenant.

Panther said the deal would improve the group's headline annual rental income by £560,000 but would also increase annual profitability by about £1m because the previous concessionary rental income had been fully provided against.

Completion is anticipated in October 2014.

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