

## PRESS RELEASE

### Bupa agrees terms for major extension of Cromwell Hospital into 1a Lexham Gardens Kensington, London

August 2023

Bupa plc, through its subsidiary Medical Services International, has agreed a new 20-year lease for 1a Lexham Gardens, Kensington. The lease was developed and negotiated with Merrick Real Estate, and the property owner, Jenbo N.V. Corporation.

The property was previously a 4\* hotel operating under the Mercure brand. In early 2021 Merrick, which has been Asset Manager for the property since 2017, initiated exploratory discussions with Bupa to convert the hotel to suit Bupa's future requirements, alongside associated works in the adjacent Cromwell Hospital.



The Cromwell Hospital provides a broad range of medical specialities to both Adults and Children, serving both the international and local community. In addition to its position as a leading international provider of private healthcare, the Cromwell Hospital also has an award winning partnership with the NHS, enabling the provision of urgent and complex oncology surgery.



34,000 sq ft of new mixed medical use space over 7 floors plus lower ground and basement will be created in the Lexham property, and will enable the relocation of the Cromwell Hospital's Therapy and Radiology's services, freeing up additional space for Diagnostic, Operating Theatre, In and Out-Patient enhanced facilities within the current hospital footprint. The refurbished building will make best use of lower ground and basement areas for radiology and storage, with a new reception area created at ground level with the entrance from Lexham Gardens. The 6 upper levels will fulfill various functions including offices, on-call accommodation,

consultation rooms and therapy suites.

Planning permission for the change of use was granted by the Royal Borough of Kensington and Chelsea in December 2022.

The property will be upgraded to modern building regulation standards and will achieve a BREEAM rating of 'Very Good', and its carbon emissions will be reduced by 29% through a combination of passive and active technologies including air source heat pumps, photovoltaic panels, new air handling units, LED lighting, new

windows and other building fabric improvements,

The project's professional team is led by Gardner & Theobald as Project Manager and Lusted Green as Architect. Soft strip out of the building has been completed and the main contractor for the project works is anticipated to be appointed by the end of April 2023. The construction programme will run through to completion in Q3 2024, and Merrick Real Estate will continue with the project in a monitoring role on behalf of the property owner through to successful completion.

Mark Norris, Managing Director of Merrick Real Estate said: 'This project and the associated 20-year lease offers major benefits to landlord and tenant alike. It facilitates a key business expansion for Bupa, in combination with significant income and capital value uplift for the property owner and a top quality long-term lease backed by an excellent covenant.'

**For further information please contact:**

**Merrick Real Estate:**

Mark Norris: +447711 732696/ +44 (0)203 6648107

Mike Plummer: +447802 538905/+44 (0)203 6648107

Email: [info@merrickrealestate.co.uk](mailto:info@merrickrealestate.co.uk)

Web: [www.merrickrealestate.co.uk](http://www.merrickrealestate.co.uk)