

## Maximise long-term investment value through urban development



PROJECT:  
**London's Fitzrovia redevelopment**



COMPANY:  
**DWS**



LOCATION:  
**London**

### Challenge

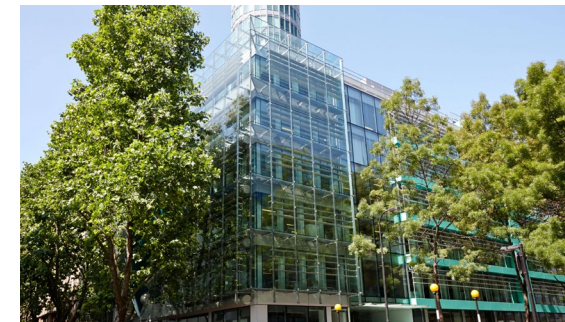
DWS identified a vacant office asset in central London's Fitzrovia, a highly competitive submarket with constrained supply and high tenant expectations. The challenge was to redevelop the property to meet modern occupier demands for wellness, sustainability, and efficiency while preserving existing structural elements to reduce environmental impact. Securing a rare freehold site and optimising its value required navigating planning complexities, executing a full refurbishment to Grade-A standard, and achieving top-tier ESG certifications – all while positioning the asset competitively for pre-letting in a supply-constrained market.

### Solution / Approach

To meet both market and sustainability goals, DWS pursued a comprehensive redevelopment strategy, targeting BREEAM Outstanding and WELL Gold certifications. Key steps included retaining much of the existing frame and cladding to reduce primary energy demand by 30%, and converting the building into an all-electric asset powered by air-source heat pumps.

Enhancements included a two-story rooftop extension (+185 sqm), new terraces, a redesigned street-level entrance and atrium, and high-quality end-of-trip facilities such as upgraded cycle parking. Operational efficiency was prioritised via air quality monitoring and integrated energy management systems.

The asset's strategic location, close to six underground lines and the Elizabeth Line, supported the business case, while leasing was de-risked by delivering the type of space in highest demand: modern, healthy, ESG-forward work environments. DWS managed the entire development cycle, from budgeting and planning to construction oversight and leasing strategy, in collaboration with selected partners.



## Results

**The redevelopment project was projected to deliver:**

- A 30% reduction in primary energy demand
- BREEAM Outstanding and WELL Gold certifications (upgraded from initial targets)
- A levered net IRR of 12.4% and equity multiple of 1.50x
- Net lettable area of 8,701 sqm including additional rooftop space
- Significant enhancements to occupier appeal via new terraces, wellness features, and energy-efficient infrastructure

The repositioning of the property has maximised its long-term investment value and attractiveness to leading occupiers in the tech, life sciences, and media sectors.

## Outcome

The project is an example of future-proofing real estate through sustainability-driven refurbishment.

The design evolved to target BREEAM Outstanding (upgraded from Very Good) and WELL Gold, aligning with increasing occupier and investor expectations. A smart retrofit strategy preserved much of the existing frame and cladding, enabling significant embodied carbon savings while achieving a targeted 30% cut in primary energy demand.

The redevelopment also added value through a rooftop extension, high-quality terraces, new common areas, and modern end-of-trip amenities – crucial features for attracting forward-looking tenants. Advanced building systems – including indoor air quality sensors and energy management software.

With its high-quality design, certifications, and location, Project Fitzroy is expected to achieve strong tenant demand and financial returns.

### Company

DWS is a global asset manager offering a broad range of investment capabilities across equities, fixed income, multi-asset, and alternatives. With deep expertise in real estate, DWS delivers innovative investment solutions to institutional and private clients worldwide.

