



Google refreshes King's Cross plans

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BNP Paribas is to abandon its move to King's Cross to make way for Google, as the tech giant refreshes plans for its London offices.

Google is in talks to lease the remaining 185,000 sq ft at **6 Pancras Square**, the 400,000 sq ft building being developed by BNP Paribas Real Estate and forward funded by Axa Real Estate Investment Managers and PSP Investments.

The deal will give Google full occupation of the offices at the building, having agreed in April to take 165,000 sq ft on a 15-year lease. It made that move following a decision by the search giant to redraw plans for its proposed 1m sq ft headquarters building at a nearby plot.

Revised plans for its main headquarters are not expected to be completed before 2018 at the earliest.

BNP Paribas announced in 2012 that it would occupy just over half of the 350,000 sq ft of office space at **6 Pancras Square**, which occupies plot B1 on the King's Cross Central Limited Partnership's 67-acre site.

Google remains committed to the headquarters development according to sources familiar with the talks, but it is also considering a range of additional strategies to accommodate its rapid expansion.

One option includes a potential new development in the north-eastern part of the giant King's Cross Central site.

Argent, which has led development of the King's Cross regeneration area, originally intended the north-eastern portion of the site to be predominantly for residential development, while it planned to build a major office scheme – once earmarked by Sainsbury's – to the north-west.

However since the supermarket's decision to walk away from the deal, Argent has revised the plans and has brought forward a mixed-use scheme in the north-west of the site.

The decision has left it open to develop a larger office scheme in the as-yet undeveloped north-eastern part of the site, with French "starchitect" Michel Mossessian appointed this summer to work on the next 750,000 sq ft phase of office development.

For BNP Paribas Real Estate, which is the second-largest developer in France, a deal with Google would secure a significant profit on its decision to build at King's Cross.

A source said: "This would be a very effective use of its covenant by BNP Paribas, though the negotiations with Google are ongoing and very complex."

Google is expected to pay well in excess of £60 per sq ft for the space at 6 Pancras Square.

CBRE advises Google; BNP PRE is advising BNP Paribas; CBRE advised Axa on the letting of 6 Pancras Square.

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