

Mr Mike Greene.
c/o Farlane Investments Ltd

19th December, 2022

Dear Mike

**11/12 HAMPSTEAD HIGH STREET – MARKETING UPDATE
GROUND FLOOR AND BASEMENT RETAIL PREMISES**

Following our recent meeting, I just wanted to give you a further update on the general marketing and progress on the above property.

As you have seen from the interest to date, it is predominantly coming from retailers looking for circa 800 sq ft – 1,200 sq ft at ground floor with a small back of house / basement space.

What is becoming evident is that there are limited occupiers who are able to trade a store of circa 1,700 sq ft at ground with similar ancillary / trading space in the basement.

In reality, basement is not really tradable, particularly in light of the configuration and structure of the property. Any changes to improve this would require substantial structural works which potentially could impact the overall property.

As you know, following the departure of the previous tenant, we have undertaken an extensive marketing campaign and whilst we have seen interest in the entire, it has come from food operators including mini supermarkets, restaurants, and coffee shops.

The reality is that only a restaurant could possibly build a sustainable business here however as both know, restaurants, whilst vibrant can bring different issues and challenges.

If we were to look at restaurant and to overcome the issues raised by the residents above and in the adjacent properties, we would then need to consider the following:- ventilation route to roof level, kitchen duct, gas supply, drainage, additional power capacity and storage of refuse. All are possible but may not, in reality be deliverable so easily.

Looking carefully at all comparable properties and lettings along Hampstead High Street over the last 6 months, as mentioned above, the sweet spot remains units of around 1,000 sq ft ideally on a single level with some back of house. I have looked at all comparables and with the exception of food operators who place toilets in the basement, everyone trades ground floor only.

We are of course continuing to move forward offering different configurations however I just wanted to emphasise the above since, as the market currently dictates, unless an operator with a large surface requirement appears, the split of the basement is going to be way forward.

I have looked too at non-conventional retail but would not recommend focusing on losing a wide shop frontage in an area where ensuring there is life and variety is key to maintaining the charm of Hampstead / Hampstead Village.

I remain available to discuss further and meet up with you and Joanne early in the new year to walk Hampstead again and go into further detail.

In the meantime, I am, along with our team are moving forward with the marketing of Hampstead at the beginning of January.

Wishing you both Seasons Greeting together with a happy and healthy New Year.

Thank you.

Kind regards.



David Burland

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