

04/09/2023



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To: Glencar Property Limited

**Subject: Section 73 Amendment - Commercial Space Reduction at 551-557 Finchley Road Property**

Dear Sir/Madam

I am writing to provide an overview of the proposed Section 73 Amendment for your property located on 551-557 Finchley Road. This amendment will reduce the size of commercial space within the building, with the intention of demonstrating that such a reduction will not have a negative impact on the scheme or the surrounding areas. Our involvement with this site spans several years, during which we made extensive efforts to lease the building to potential tenants after the Hampstead School of English vacated. Unfortunately, these endeavours yielded no positive outcomes over the course of 24 months.

The Finchley Road area is currently experiencing a notable surplus of vacant commercial premises within a one-mile radius of your property. This oversupply of available spaces presents a challenging market environment for securing long-term tenants. As such, it has become increasingly apparent that reducing the size of the commercial spaces within your building to create smaller, more manageable units is a strategic and viable approach to enhance the property's marketability and expedite the leasing process.

Several key points below support the reduction in commercial space:

**Market Demand:** The demand for larger commercial spaces, such as the one originally configured within your building, has dwindled in recent years. Potential tenants, especially smaller businesses and startups are increasingly seeking smaller, more cost-effective spaces.

**Competitive Advantage:** By subdividing the commercial space, your property will become more competitive in a market saturated with larger, unoccupied premises. Smaller units are more likely to attract a broader range of potential tenants.

**Faster Occupancy:** Smaller units are generally easier to lease due to their reduced space requirements and lower operating costs. This adjustment could significantly expedite the leasing process, resulting in a faster return on investment.

**Adaptability:** Smaller units offer greater adaptability to accommodate diverse businesses, allowing for more flexible leasing arrangements that can cater to various tenant needs.

**Local Market Conditions:** The current state of the Finchley Road commercial real estate market suggests that a reduction in commercial space will align with prevailing trends and enhance the building's competitiveness.

In conclusion, the proposed Section 73 Amendment to reduce the size of the commercial space in your building aligns with the current market conditions and trends in the Finchley Road area. It is a strategic move to adapt to the evolving needs of potential tenants and expedite the leasing process. Given the significant surplus of vacant premises in the vicinity, this amendment is likely to have a positive impact on the scheme and the surrounding areas, as it increases the building's marketability and potential for occupancy.

Please feel free to reach out should you require further information.

Sincerely,



Freddie Gershinson  
Investment & Development Consultant  
Estate Office