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LAZARI INVESTEMENTS LIMITED

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Camden Council
5 Pancras Square
London
N1C 4AG

4th December 2023

Dear Sir/Madam,

REF: Marketing & Leasing: The Lantern, 75 Hampstead Road, London, NW1

We write to provide an overview of the marketing initiatives implemented to lease The Lantern between 2020 to present date, highlighted in blue, to each of your queries below.

Please note that this commentary relates to the period of 2 years pre-completion marketing and 12 month period post-completion.

- Advertised rent and lease terms (these should be for at least three years):
Lazari have been advertising the ground floor at a rent of £57.50 psf based on a 10-year term throughout the marketing campaign for the building. The terms agreed with First Intuition are based on a 10 year lease, Tenant only break at year 5 at £52.50 psf.

Lazari have always guided a rent (£57.50 psf) which is well below what is being achieved on the mid-upper floors of the building (£75 psf), given that the Ground floor has some limitations and given that the upper floors are more favoured with terraces and views. Despite a 25-30% discount to rent with an equivalent specification, enquiry levels have been limited with the exception of Medical and Educational businesses who saw value in the S/C entrance and ground floor experience. Office enquiries have been very limited with no negotiations during the period of marketing.

- If any appropriate rent-free periods have been offered to cover necessary fit out:
Yes, Lazari are giving 12m rent free reflecting the first 5-years of the term. An additional 10m rent free will be given the option to break at year 5 is not exercised.

- A commentary on the number and details of enquiries received, such as the number of viewings and the advertised rent at the time, including any details of why the interest was not pursued. **Lazari have been successful in occupying all the upper floors of the Lantern, but the Ground floor has seen subdued levels of enquiry as a result of primarily a lack of natural light and outdoor amenity area. Lazari were temporarily under offer to one potential occupant on this space in 2022 but negotiations did not progress beyond the early stages. Lazari had an enquiry for a potential treatment centre for this space, which would have also required a planning application for a change of use, however this has also not progressed. The offer from First Intuition and agreement of terms (subject to planning) remains the only serious commitment from a tenant for this space.**

We trust that the above gives sufficient overview but please let me know if more information is required.

Yours sincerely,

Adrian Crooks
Head of Leasing
Lazari Investments Limited