

14<sup>th</sup> June 2012

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Dear Mark

**Premier House, 150 Southampton Row WC1**

We have been asked by our client, Richard Doffman at Pearl & Coutts, to write to you summarising our role and experiences as letting agent for the above.

As a bit of background we are Commercial Property Advisers established in 1989 and based in Hatton Garden.

We specialise in the letting, selling and acquisition of commercial properties in Central London specialising in Mid Town and areas on the periphery of the City. Please visit our website for more information [www.richardsusskind.com](http://www.richardsusskind.com)

On 19<sup>th</sup> November 2010 David Guttentag a colleague of Richard Doffman instructed us to let office space within the above.

Whilst the suites present reasonably well, you need to be aware of the following market feedback throughout this period:-

1.0 Southampton Row lies in a part of WC1 known as Bloomsbury. The major users in this area include:-

- 1.1 Great Ormond Street Hospital for Children, the National Hospital for Neurology and Neurosurgery, the Royal London Homeopathic Hospital.
- 1.2 The British Museum.
- 1.3 University of London, including School of Hygiene and Tropical Medicine, Birkbeck College, the School of Oriental & African Studies, Institute of Advanced Legal Studies, the University College.
- 1.4 Brunswick Centre.
- 1.5 Various hotels – immediately to the north is Imperial Hotel and Hotel President. In the 150 metre section south of New Premier House to Theobald's Road there are four hotels on the eastern side – the Bonnington, Bloomsbury Park, Mercure London Bloomsbury, Grange Holborn.

Thus the immediate area cannot be described as a central core office location.

*Since 1989*

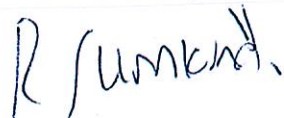
2. We have been informed that current tenants have complained that the nearby student population congregates in front of the building at various times during the day, including both before and after lectures at either end of the day, as well as at break and lunch times. This ofcourse creates a nuisance factor to potential office occupiers.
3. The lack of prominence to the entrance is deemed a further negative by prospective parties along with the student population already referred to.
4. Only one eight person passenger lift represents a major deterrent for an office building of 24,581 sq ft with offices on seven floors particularly at prime times in the morning, lunch time and early evening.
5. The clear division at each floor level by the presence of the central core means that there are 16 suites of offices in the building. The vast majority of these, totalling 13 range in size between 1,000 sq ft and 2,000 sq ft, which creates competition between the landlord who wants to keep the rents as high as possible and existing tenants who are looking to dispose of their space almost at any cost, throughout a period of suppressed tenant demand for second hand uninspiring conventional space.

The state of the UK economy is also a significant factor as moving offices represents an expensive exercise. Thus many S.M.E's have found it cheaper to stay where they are, rather than relocate. This has enabled them to negotiate better terms with their landlords who are only too keen to retain them and not incur a void cost comprising rent, service charge and full rates.

Overall across Central London in secondary locations such as this, demand remains very soft for this type of space and we do not expect to see improvements for at least two to three years given the depth of worldwide economic concerns.

I hope this is helpful.

Yours sincerely



**RICHARD SUSSKIND**