

Pieter Conradie
CHP Management Ltd.
Haskell House
152 West End Lane
London
NW6 1SD

22nd September 2011

Dear Pieter

Re: The Old Bakery - Rear of 136 Fortress Road, NW5

I enclose the current report of the proposed letting of the above premises.

Our joint agents Stephen & Matthews were first instructed to let the Old Bakery in January 2010. The marketing initiatives undertaken on your behalf include on-line advertising, sub-agency instruction of other agents to help marketing the premises, direct mail-shots by post and email to all registered applicants and potential end occupiers.

The quoted rental price takes into account prevailing market conditions and the current economic climate but there is little demand for this type of accommodation. Although several viewings were carried out to date, there has been no serious interest in these premises. The feedback from applicants is that they require more modern premises for this type of use and there is not enough parking in relation to alternative units available on the open market.

I understand that the planners require our view as experienced agents as to the prospects of finding a tenant for the premises. To briefly recap my background, I have over 10 years experience in North and Central London's property industry having worked as both an architect (for Terry Farrell & Partners and PKS Architects) and estate agent (for Currell) before I set up Duke & Herzog more than 3 years ago. With a prominent office located in 159 Fortress Road NW5, Duke & Herzog is one of only a few local estate agents who are professionally qualified and licensed by the National Association of Estate Agents (NAEA). We act for a varied range of private and corporate landlords and vendors.

Fortess Road is a busy through route (A400) that runs South North and connects Central London (Tottenham Court Road) with the A1 (Archway). Situated close to Tufnell Park underground station, the Northern end of Fortess Road is characterised by a parade of independent local shops of which some have been vacant and available to let for more than 2 years.

The premises in question include the ground and first floor to the rear of 136 Fortess Road, which is accessed via a little mews. Historically, there was demand for workshops manufacturing goods for sale in the shops on Fortess Road but today the mews mainly comprises garages and storage rooms. It's a quiet back-area that is unattractive and does not feel safe.

Without visibility and direct access from Fortess Road, The Old Bakery holds little appeal in the current market. Even if the premises were refurbished and updated, it will be difficult to find a tenant for such unattractive location because security outside office hours remains a concern for any business user. Spending money refurbishing the unit for the same use will not necessarily ensure a letting to my mind and the likely end result could well be that the commercial space remains empty.

Kind regards

A handwritten signature in black ink, appearing to read 'Chris Herzog', with a stylized flourish extending from the bottom.

Chris Herzog MNAEA
Director
Duke & Herzog Ltd