

Date: 12 March 2014

Our ref: CEP/djr/

Your ref:

Chartered Surveyors
Property Consultants

**Thompson
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Dear Sirs,

231/233 NORTH GOWER STREET, LONDON NW1

As requested, we attach a report upon office accommodation currently available within the Camden area within reasonable proximity to the subject premises above.

The area covers only those offices lying wholly within the London Borough of Camden, in an area generally between Camden Town to the north and just to the south of Euston Road and to the east and west within the Camden Borough boundary. We would consider other areas not to be comparable in location.

The report two sections:

Section 1 – A Schedule of all available properties, regardless of size, specification or quoting terms as at the 3rd March 2014. This information is taken from the CoStar Focus database. This is one of the foremost databases of Commercial Property Information for the UK and particularly London. Information is supplied to and gathered by this organisation from a wide range of sources, although predominantly relating to premises openly being marketed by commercial property agents.

The information is regularly checked by CoStar Focus but relies upon confirmation by the persons marketing accommodation for accuracy of the data at any given time. It should not therefore be taken as a complete record of all availability but should certainly account for the majority of such space and total availability in the Search Area is not believed to be less than 631,278 sq ft (58,647.7 sq m) excluding those properties "under offer" where a transaction has been agreed but not yet completed.

The report also identifies the rent and condition, where noted, and the no. of days that each property has been on the market.

Colin F Yates BSc (Hons) FRICS MCIArb
Sean M Thompson BSc (Hons) FRICS MCIArb

Section 2 – A more general report upon availability and take up (completed deals) which has been extracted from the London Office Database (source: Estates Gazette) although this is based upon Quarter 4 2013, the latest statistical analysis available.

It should be noted however that the availability reported in Section 1 is in a sub-area of the two London Districts of "Midtown" and "City Fringes" analysed in section 2. The London Office Database does not provides for further sub-area analysis.

Availability and take up over the two districts has remained relatively constant over the year although shows improvement on previous years and further improvement is anticipated this year.

However, it is clear that there remains a considerable level of availability within the local area and, in our experience demand is high for good quality large modern, floorplates or small, well serviced suites with good amenities and character.

Finally, we refer to our earlier report dated 18th July 2013 in which we considered that the subject property is of an age, style and size that is not suited to current office requirements and doubt that it is economically viable to undertake works to make it so. To précis that report, the following disadvantages of the building are apparent: -

1. Floor to ceiling heights were poor, preventing the installation of modern services - suspended ceilings, air conditioning, raised floors etc.
2. Common parts were poorly laid out and restrictive
3. The passenger lift is extremely small and non-compliant, with the lift shaft too small to take a modern car. In addition, it does not serve the top floor.
4. The building has little ability to comply with disability access requirements - the lift will not accommodate any form of wheelchair; stairs & corridors are narrow.
5. The toilet accommodation is inadequate and cannot provide for a disabled facility.
6. The building stands at the northern end of North Gower Street in a predominantly non-commercial location. Although there were some offices on the street, these were further to the south.

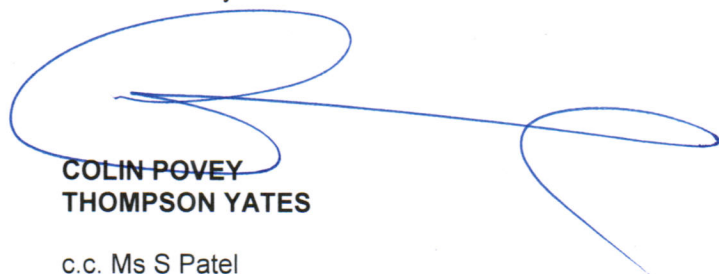
Our investigation of the VOA Rating website also shows that the current Rateable Valuations of each floor reflect a substantial discount from the standard £320 per sq m adopted for offices in the area.

In the case of the ground – third floors; a reduction by over 30% to £220 per sq m and more in the case of the fourth floor to reflect the lack of lift access.

Other properties in North Gower Street are generally rated at £320-£350 per sq m with no reduction from this baseline, except in one other case, which is a substantially larger building.

We trust that the above commentary, together with the attached reports will be of assistance to you in your application to the local planning authority.

Yours faithfully



COLIN POVEY
THOMPSON YATES

c.c. Ms S Patel

SECTION 1 - SCHEDULE OF OFFICE AVAILABILITY - SOUTH CAMDEN - as at 3rd March 2014

Building Name	Street No	Street Name	Postcode	No of Units	Available sq ft	U/Offer sq ft	Total Sq Ft	Total Sq M	Rent Sq Ft	Total Cost /Sq Ft	Grade	Days on Market
	180	Albany Street	NW1 4AW	4	10,863	0	10,863	1,009	£34.50	£49.78	Second Hand	678
North East Quadrant	10	Brock Street	NW1 3JL	1	18,256	0	18,256	1,696	£65.00	£99.94	Second Hand	111
	30	Brock Street	NW1 2PX	6	21,330	0	21,330	1,982	£59.50	£78.72	New/Refurbished	355
The Old Bakery		Carlow Street	NW1 7LH	4	52,475	0	52,475	4,875	NQ	N/A	New/Refurbished	343
	350	Euston Road	NW1 3AX	1	8,316	0	8,316	773	£55.00	£66.40	Second Hand	97
	338	Euston Road	NW1 3BG	1	5,730	0	5,730	532	NQ	N/A	Second Hand	15
	105/111	Euston Street	NW1 2EW	1	754	0	754	70	£32.50	£49.84	Second Hand	38
	24/32	Stephenson Way	NW1 2HD	1	1,900	0	1,900	177	NQ	N/A	New/Refurbished	112
	2	Pancras Square	NW1 2TB	4	46,679	15,596	62,275	5,786	£62.50	£82.08	New/Refurbished	75
	6	Pancras Square	NW1 2TB	10	158,000	0	158,000	14,679	NQ	N/A	New/Refurbished	613
	33/34	Alfred Place	WC1E 7DP	7	764	11,435	12,199	1,133	£25.00	£48.00	Second Hand	19
Winchester House	19	Bedford Row	WC1R 4EB	3	2,013	1,109	3,122	290	£36.50	£49.20	Second Hand	290
	21	Bedford Square	WC1B 3HH	2	722	0	722	67	£35.00	£42.50	Second Hand	31
	18	Bedford Square	WC1B 3JA	5	6,069	0	6,069	564	£37.07	£55.13	Second Hand	55
	14	Bedford Square	WC1B 3JA	5	7,805	0	7,805	725	£45.00	£45.00	Second Hand	140
	26/27	Bedford Square	WC1B 3HH	5	6,636	0	6,636	617	£42.50	£60.50	Second Hand	138
	40	Bernard Street	WC1N 1LE	3	9,311	0	9,311	865	N/Q	N/A	Second Hand	42
	78	Cromer Street	WC1H 8DR	1	364	0	364	34	£26.10	£37.87	Second Hand	1116
	3/4	Endsleigh Street	WC1H 0DD	6	8,711	0	8,711	809	£15.00	£15.01	Second Hand	284
	25/28	Field Street	WC1X 9DA	2	1,700	0	1,700	158	£71.43	£71.43	Second Hand	87
	1	Gower Street	WC1E 6HD	5	2,350	0	2,350	218	£39.36	£56.36	New/Refurbished	374
	3	Gower Street	WC1E 6HA	5	2,295	0	2,295	213	£40.31	£57.31	New/Refurbished	259
	5	Gower Street	WC1E 6HA	5	2,155	0	2,155	200	£34.80	£52.39	Second Hand	55
	11	Gower Street	WC1E 6HB	5	2,463	0	2,463	229	N/Q	N/A	Second Hand	102
	100	Gray's Inn Road	WC1X 8AL	1	5,960	0	5,960	554	£32.50	£57.49	Second Hand	138
	200	Grays Inn Road	WC1X 8XZ	1	4,843	0	4,843	450	£43.98	£79.75	Second Hand	94
	200	Grays Inn Road	WC1X 8XZ	1	19,660	0	19,660	1,826	£48.50	£82.00	Second Hand	313
	222	Grays Inn Road	WC1X 8HB	1	6,413	0	6,413	596	£39.50	£63.63	Second Hand	329

Building Name	Street No	Street Name	Postcode	No of Units	Available sq ft	U/Offer sq ft	Total Sq Ft	Total Sq M	Rent Sq Ft	Total Cost /Sq Ft	Grade	Days on Market
	285/287	Grays Inn Road	WC1X 8QD	2	1,530	0	1,530	142	£32.35	£44.47	Second Hand	49
	344/354	Grays Inn Road	WC1X 8BP	6	15,000	0	15,000	1,394	N/Q	N/A	Second Hand	515
	1	Mabledon Place	WC1H 9AX	14	87,295	0	87,295	8,110	£55.00	£55.00	New/Refurbished	766
	49	Mount Pleasant	WC1X 0AE	6	2,151	0	2,151	200	£39.50	£48.06	Second Hand	262
	2/3	North Mews	WC1N 2JP	1	1,186	0	1,186	110	£17.50	£23.75	Second Hand	3518
Russell Sq House	10/12	Russell Square	WC2B 5HZ	1	7,700	0	7,700	715	N/Q	N/A	Second Hand	112
	48/49	Russell Square	WC1B 4JP	1	325	0	325	30	£60.00	£60.00	Second Hand	172
	55/56	Russell Square	WC1B 4HP	3	4,548	0	4,548	423	£45.00	£68.70	Second Hand	19
Lynton House	7/12	Tavistock Square	WC1H 9LT	1	5,221	0	5,221	485	£42.50	£65.22	Second Hand	18
Tavistock House	9/13	Tavistock Square	WC1H 9TW	3	1,309	0	1,309	122	£39.50	£20.50	Second Hand	89
	27	Tavistock Square	WC1H 9HH	1	1,759	0	1,759	163	£39.50	£45.18	Second Hand	74
	31	Theobalds Road	WC1X 8SP	2	548	0	548	51	£25.00	£36.42	Second Hand	396
Imex House	42	Theobalds Road	WC1X 8NW	1	426	0	426	40	£15.96	£18.73	Second Hand	161
Lacon House	84	Theobalds Road	WC1X 8WA	1	25,890	0	25,890	2,405	£18.00	£44.27	Second Hand	544
Brook House	2/16	Torrington Place	WC1E 7HN	4	26,787	0	26,787	2,489	£20.00	£38.00	Second Hand	327
The Heals Building	22	Torrington Place	WC1E 7HJ	5	37,234	0	37,234	3,459	N/Q	N/A	New/Refurbished	154
Russell Court		Woburn Place	WC1H 0LL	1	3,407	0	3,407	317	£17.50	£18.97	Second Hand	38
Ariel House	74a	Charlotte Street	W1T 4QJ	1	1,800	0	1,800	167	N/Q	N/A	Second Hand	133
Fitzroy House	355	Euston Road	W1T 6DX	1	9,846	0	9,846	915	£55.00	£84.50	New/Refurbished	290
	52	Fitzroy Street	W1T 5JR	2	3,100	0	3,100	288	£32.50	£45.50	Second Hand	48
Kings Court	2/16	Goodge Street	W1T 2QA	1	3,055	0	3,055	284	£38.95	£66.82	Second Hand	215
	23	Goodge Street	W1T 2PL	1	244	0	244	23	£45.08	£51.37	Second Hand	654
	26	Goodge Street	W1T 2QG	1	285	0	285	26	£45.61	£58.97	Second Hand	14
	68	Grafton Way	W1T 5DS	2	484	0	484	45	£42.50	£42.50	Second Hand	207
Met Building	22	Percy Street	W1T 2BU	1	4,527	0	4,527	421	£49.50	£80.36	Second Hand	123
	179	Tottenham Ct Road	W1T 7NZ	1	1,190	0	1,190	111	£42.50	£66.34	Second Hand	97
Glen House	200/208	Tottenham Ct Road	W1T 7PL	2	14,578	0	14,578	1,354	N/Q	N/A	Second Hand	133
	38	Warren Street	W1T 6AE	1	2,028	0	2,028	188	£42.50	£42.50	Second Hand	10
Scala House	31/37	Whitfield Street	W1T 2SF	8	21,047	0	21,047	1,955	£52.00	£52.00	New/Refurbished	158
	43	Whitfield Street	W1T 4HD	1	1,098	0	1,098	102	N/Q	N/A	Second Hand	76
	44/46	Whitfield Street	W1T 2RJ	1	2,000	0	2,000	186	£59.70	£59.70	Second Hand	96

Building Name	Street No	Street Name	Postcode	No of Units	Available sq ft	U/Offer sq ft	Total Sq Ft	Total Sq M	Rent Sq Ft	Total Cost /Sq Ft	Grade	Days on Market
	55/65	Whitfield Street	W1T 4AH	1	2,619	0	2,619	243	£17.50	£23.00	Second Hand	38
	31	Windmill Street	W1T 2JN	2	500	0	500	46	£47.50	£51.25	Second Hand	88
Hatton Square	16/16a	Baldwin Gardens	EC1N 7TE	2	2,618	0	2,618	243	£22.45	£26.48	Second Hand	1386
Signet House	49/51	Farringdon Road	EC1M 3JP	2	805	376	1,181	110	£30.00	£34.30	Second Hand	122
	75	Farringdon Road	EC1M 3JY	1	2,028	0	2,028	188	£27.50	£50.32	Second Hand	371
The Corner	91/93	Farringdon Road	EC1M 3LN	3	7,390	0	7,390	687	£45.00	£70.00	Second Hand	27
	27	Greville Street	EC1N 8TN	5	6,534	0	6,534	607	£22.50	£22.50	Second Hand	31
Marriner House	32/34	Greville Street	EC1N 8TB	1	643	0	643	60	£30.00	£42.42	Second Hand	152
	25	Hatton Garden	EC1N 8BQ	4	1,971	0	1,971	183	£35.00	£35.00	Second Hand	88
	31	Hatton Garden	EC1N 8DH	1	800	0	800	74	£30.00	£40.38	Second Hand	24
	33	Hatton Garden	EC1N 8DL	1	175	0	175	16	£35.00	£47.11	Second Hand	76
	34/35	Hatton Garden	EC1N 8DX	4	3,601	0	3,601	335	£18.00	£24.22	Second Hand	613
	54	Hatton Garden	EC1N 8HN	1	940	0	940	87	£45.00	£68.09	Second Hand	105
	63/66	Hatton Garden	EC1N 8LE	1	182	0	182	17	£6.97	£6.97	Second Hand	116
New House	67/68	Hatton Garden	EC1N 8JY	2	636	0	636	59	£29.79	£29.79	Second Hand	111
	70	Hatton Garden	EC1N 8JT	1	470	0	470	44	£25.53	£34.55	Second Hand	111
	88/90	Hatton Garden	EC1N 8PN	2	458	0	458	43	£35.27	£49.46	Second Hand	382
Chapel House	18	Hatton Place	EC1N 8RU	1	1,120	0	1,120	104	£27.50	£43.45	Second Hand	271
	14	Hatton Wall	EC1N 8JH	2	1,064	0	1,064	99	£22.55	£22.55	Second Hand	97
City House	72/80	Leather Lane	EC1N 7TR	1	847	0	847	79	£20.37	£29.78	Second Hand	579
	94	Saffron Hill	EC1N 8QP	4	6,829	4,271	11,100	1,031	£36.81	£59.71	Second Hand	193
Baird House	15/17	St Cross Street	EC1N 8UW	4	3,883	954	4,837	449	£32.50	£50.73	Second Hand	220

Total Units Available sq ft U/Offer sq ft TOTAL sq ft TOTAL sq m

TOTAL

219 631,278 33,741 665,019 61,782

Avg On Market

206.10

Section 2 - Statistical Analysis of Office Activity 2013.

	Midtown		City Fringes	
	2013	Q3	2013	Q3
Availability				
New/Refurbished	330,000	430,000	120,000	130,000
Pre-Let (All incl. under construction)	3,880,000	4,110,000	2,010,000	2,010,000
Secondhand	<u>1,730,000</u>	<u>1,420,000</u>	<u>1,240,000</u>	<u>1,380,000</u>
TOTAL	5,940,000	5,960,000	3,370,000	3,520,000
Take Up Deals Completed				
New/Refurbished	210,000	50,000	200,000	20,000
Under Construction (incl.yet to start)	1,420,000	310,000	150,000	50,000
Secondhand	<u>960,000</u>	<u>350,000</u>	<u>920,000</u>	<u>310,000</u>
TOTAL	2,590,000	710,000	1,270,000	380,000
Availability Rate % of Stock	6.61%	6.02%	5.79%	6.40%

N.B.

Midtown & City fringes cover a wider area than defined by the Focus availability report but wholly includes the Camden sub-area.

Your Ref:

Our Ref: NAE US Misc Vegards

25 February 2014

Robin Needham
The Harris Partnership
101 London Road
Reading
RG1 5BY

Dear Robin

Re: Ground/First/Second Floor
231-233 North Gower St London NW1

Please note the lease in place for the above is for a fixed period term from 25.03.13 to 24.03.14 and is outside the Landlord & Tenant Act.

Yours sincerely,



Neil A. Evans

Member - Senior Solicitor

MALCOLM DEAR WHITFIELD EVANS LLP

Email: n.evans@mdwe-law.com **Tel:** 0208 907 4366 **Fax:** 0208 907 6143