

Market Demand

Dear Sirs,

Re: Former Marine Ices Site, 4-8a Haverstock Hill & 45-47 Crogsland Road, NW3 2BL

We have been instructed by Haverstock Hill SRE Ltd to consider the potential market demand for the former Marine Ices ice cream parlour and factory premises on Haverstock Hill, for continued employment use, in support of a planning application for the redevelopment of the site.

We have been provided with drawings of the existing building, the proposed redevelopment scheme, and the Building Condition Survey already submitted with the planning application.

Practice Background

Chartered commercial agency surveyor specialising in the Northern City Fringe stretching from Camden/Kentish Town to Old Street/Shoreditch and surrounds.

Professional Experience /Background

Five years in the specialist market mentioned above. Successful completion of over 150 leasing and sales transactions. Experienced in both retail and leisure and office agency.

Background

The subject property is situated on the northern side of Haverstock Hill, opposite Chalk Farm Underground Station and The Roundhouse music venue, and adjacent to the busy road junction of Adelaide Road and Haverstock Hill.

Haverstock Hill, turning into Chalk Farm Road as you travel southeast-ward, provides a mix of town centre uses including retail, community, leisure and evening entertainment uses, restaurants, cafes a school and residential dwellings. The road provides access into Camden Town to the east/southeast, which provides a wide range of local facilities and amenities, and being located within 40m of Chalk Farm Underground Station and so close to many bus routes, this location has excellent access to public transport.

We understand that the property was occupied briefly by Ponti's restaurant until August 2014, however, this closed due to the poor condition of the premises making this unsuitable for continued operation for health and safety reasons, as well as the fact that only the ground floor was available for operation as a restaurant under the existing lawful planning uses of the building (the rest of the building having a B1c / B8 use). This made the operation of the building solely for Ponti's at the ground floor unviable.

Prior to this, we understand that the building was the home to the Marine Ices manufacturing and restaurant business for many years. The relocation of the Marine Ices business (both manufacturing and selling) in 2013 was due to the building being in a poor condition and the

premises no longer being able to accommodate the modern-day machinery and processes required for this scale and type of development, both in terms of the size of the premises, the layout, and the location, particularly the servicing taking place to the side of the building on Crogsland Road.

The Existing Building

The existing building is a brick-built part one / part two / part 3 storey building, fronting onto both Haverstock Hill to the south (the front, main entrance) and onto Crogsland Road to the east (the smaller servicing entrance). The building comprises an amalgamation of older, smaller units fronting onto Crogsland Road, which have been locally listed by the Council, and larger floor areas in a more modern part of the building fronting onto Haverstock Hill, providing for an awkward internal layout.

We have been provided with the following breakdown of floor areas for the existing property currently occupying the site:

| USE | FLOOR AREA (GIA) |
|------------------------|------------------|
| Restaurant (A3) | 552.5 sqm |
| Light Industrial (B1c) | 149 sqm |
| Ancillary Storage (B8) | 553.2 sqm |

The building is in a poor condition structurally and not fit for continued use, as demonstrated in the Building Condition Survey Report submitted in support of the planning application.

Potential Market Demand for Existing Use

In our opinion, in its current very poor condition, the premises would generate very little or no demand for continued employment uses. As already stated, the building was not considered to be fit for purpose for either the former Marine Ices manufacturing business or the subsequent occupier Ponti's restaurant.

Significant investment would be required to bring this building back up to modern-day standards, not just from a health and safety point of view but also in terms of providing modern-day, sustainable commercial space that would attract organisations looking for B Class floor space in the Borough. The level of investment needed would likely make this an unviable option.

Further site constraints limit the use of the site as it currently stands. The current premises comprises an amalgamation of buildings of varying floor heights creating an awkward internal layout no longer suitable or desirable for light industrial or storage and distribution purposes. Similarly, the limited access to the building for servicing and delivery purposes would make the building undesirable for any industrial or distribution businesses of significant scale.

In addition, the building currently comprises a mix of uses, with A3 restaurant use occupying much of the ground floor to the front and the B1c light industrial and ancillary B8 storage uses to the rear and on upper floors. We understand this was also a problem whilst Ponti's were occupying the premises, as the operation of the restaurant alone on the ground floor

was not viable in the long-term. It would be difficult to let the space to the rear of the restaurant and on the upper floors only for B Class employment uses.

Proposed Redevelopment

We understand that the redevelopment proposal provides modern commercial (retail or leisure) uses at ground floor (and basement), retaining the active frontage, with residential flats above.

We consider that the provision of new retail or leisure use floor space at the ground floor level will be suitable in this location, and far more attractive to prospective tenants or buyers than the current poor quality employment use floor space.

General Market Overview

As set out above, we consider there would be little or no demand for the existing premises in its current state for continued light industrial or storage and distribution use. For the same reasons, we consider that the space would also be unsuitable and unattractive for B1 office use.

A brief review of office units currently on the market either for sale or rent, within a quarter of a mile of the site, demonstrates that there is a large amount of office floor space available for businesses looking to relocate. The current office units available are a range of sizes and costs, and many of them serviced.

We therefore consider that not only is there a range of office space available on the market in the vicinity of the premises, but that this office space is in far better condition, and so far more attractive to potential tenants or buyers.

Conclusions

Having reviewed the information provided to us on the current building, and drawing on our extensive experience, we are of the opinion that there would be little or no demand in the current market for the existing light industrial and storage premises mainly due to problems of building condition, layout, access and the employment uses being located to the rear and on upper floors.

It is clear that any properties in the Borough in a better condition and better location for employment use, would be preferable to and more desirable than the subject premises.

Yours sincerely,

Dan Cohen
Associate Director