

Employment Space Strategy – August 2013



West End Square, West Hampstead

The following paper sets out the strategy for marketing and management of the flexible business / community floorspace within the West End Square development.

The scheme will provide modern flexible commercial floorspace located within the ground floor area of Blocks B, C and D providing an active frontage within the internal environment of the scheme and complementing the scheme's retail offer. The workspace is focussed primarily towards small to medium start-up businesses, providing high quality flexible accommodation that can cater for a wide variety of end users including both commercial and community enterprises.

Strategy

The lettings strategy proposes a three stage process to ensure early occupation of the workspace and establishes a framework to ensure that tenants are secured as quickly as possible. The three stage strategy is detailed as follows:

Stage 1

In order to appeal to the widest possible range of end users the commercial floorspace will, upon practical completion of the development, be delivered on a 'shell and core' basis, thus maintaining maximum flexibility in terms of potential occupier fit-out options.

Local agents will be appointed approximately 12 months prior to practical completion. The local agent will be appointed on the basis of their specialist skill set and contacts within the business and community sectors. Nine months prior to practical completion the space will be marketed at prevailing market rates, along with appropriate incentives / rent free periods negotiated as required.

Six months from first occupation the developer / agent will provide to the Council the first interim report setting out actions to date, details of market interest and the extent of negotiations with interested parties.

Stage 2

In the event that the space (either in its entirety or on an individual unit basis) is not let on a 'shell and core' basis within a period of six months from first occupation, or demand is from small businesses / community uses that are not able to cover fit out costs, the Developer will, at its own cost, fit out the unit(s) in order to meet specific identifiable market demand.

12 months from first occupation the developer / agent will provide to the Council a second interim report setting out actions to date, details of market interest and the extent of negotiations with interested parties



Stage 3

In the event that the space (either in its entirety or on an individual unit basis) is not let within 12 months from first occupation and / or market testing identifies this as being appropriate, the Developer will use reasonable endeavours to find a partner to deliver serviced office space. However, if an appropriate and qualified partner cannot be found, then the Developer will run the office space and make it available for serviced offices until such time as an occupier / partner can be found or the space is let.