

Planning Department
Camden Council
5 Pancras Square
Kings Cross
London
N1C 4AG

17 July 2019
DS/24330/al

Dear Sir/Madam

37 GRAY'S INN ROAD, LONDON WC1
PLANNING CONSULTATION

For the purpose of this letter, the offices located on the top three floors of 37 Gray's Inn Road will herein be referred to as 'The Uppers'.

Fresson and Tee has been involved with marketing The Uppers between June 2011 - April 2013 and 2014 to the present day. In both circumstances our instructions have been to find a tenant or multiple tenants for immediate occupation.

Fresson and Tee has been proactively marketing The Uppers across all agency platforms, including Zoopla, Realla and West end Office Agents Society since September 2018. The property has also been advertised via Fresson and Tee's website, which is accessed by users approximately 1,500 times per month by unique users looking for commercial spaces (<https://www.fandt.com/>).

A V-shaped 5ft x 4 ft. estate agency board has been hung on the front elevation of the building, within a busy area of Camden, since September 2012 in order to market the property to passers-by. Please see section 3.18 of the original report for further details on the comprehensive marketing of 37 Gray's Inn Road.

Marketing of the property over the past 11 months has resulted in one enquiry and one viewing by a prospective tenant. The tenant was represented by an agent who is a member of the Tenant Representation Advisors Society (TRADS) which specialises in finding tenants' accommodation.

The property was discounted immediately and the feedback received was that the layout was cramped and had a limited specification for modern day requirements. It can be surmised that the lack of interest is due to the condition and specification of The Uppers and the lack of demand for office accommodation of this type in the area. Please see section 5 of the report.

To clarify, between 2009 and 2010, the applicant spent circa £80,000 refurbishing The Uppers to bring them up to a lettable standard. Despite investing a considerable sum of money in The Uppers, no offers were received.

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FRESSON AND TEE

Market Rents

The Uppers are being marketed at £35 per sq. ft. which reflects the condition and specification and has been decided after extensive market research of the surrounding area. The market rent for offices of this nature in the surrounding area is in the mid £40's on a price per sq. ft. basis. (Costar, Office Submarket Report). This, therefore, offers a reasonable reduction to market rents from the outset to encourage prospective tenants and agents to inspect The Uppers.

Fresson and Tee has not offered rent free periods or other tenant incentives during the marketing process of The Uppers. This is because with the commercial letting of properties and typical of such negotiations, rent free periods are characteristically offered once an offer or interest has been made. Had a prospective tenant made an offer subject to a rent free period, this would have been negotiated and agreed with the incoming tenant, alongside possible internal light refurbishment works to support prospective tenants. This is a standard process for commercial lettings by Fresson and Tee and other letting agents.

Fresson and Tee has prepared an annotated photographic schedule in Appendix 1 showing the condition of The Uppers.

As detailed within the original report, an office of this size, layout and specification (typical of Gray's Inn Road) is dated and does not meet current occupiers' expectations and modern office requirements - as such the building remains vacant.

In contrast, preferred alternatives such as WeWork and Worskspace offer attractive, flexible pricing plans with modern telecoms infrastructure within close walking distance – something which 37 Gray's Inn Road struggles to compete against.

The Building has been actively marketed continuously for the last 10 years. During this 10 year period The Building has generated no significant interest and no offers have been received, despite prolonged periods of active marketing by different agents.

Regardless of their extensive marketing exposure, The Uppers, in their current condition, do not attract attention from prospective tenants as they do not meet modern office standards and requirements.

The level of investment required to address this would not achieve a viable return on cost to warrant undertaking the work.

The lack of demand for 37 Gray's Inn Road is exacerbated by comparable office accommodation within the surrounding area which offers more desirable office accommodation of better specification and internal layout.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Hopson', with a stylized flourish above it.

Harry Hopson
On behalf of Fresson and Tee Ltd

Appendix 1. Internal photos



WC located off the first half level landing accessible from the internal staircase



Water damage to the half level WC



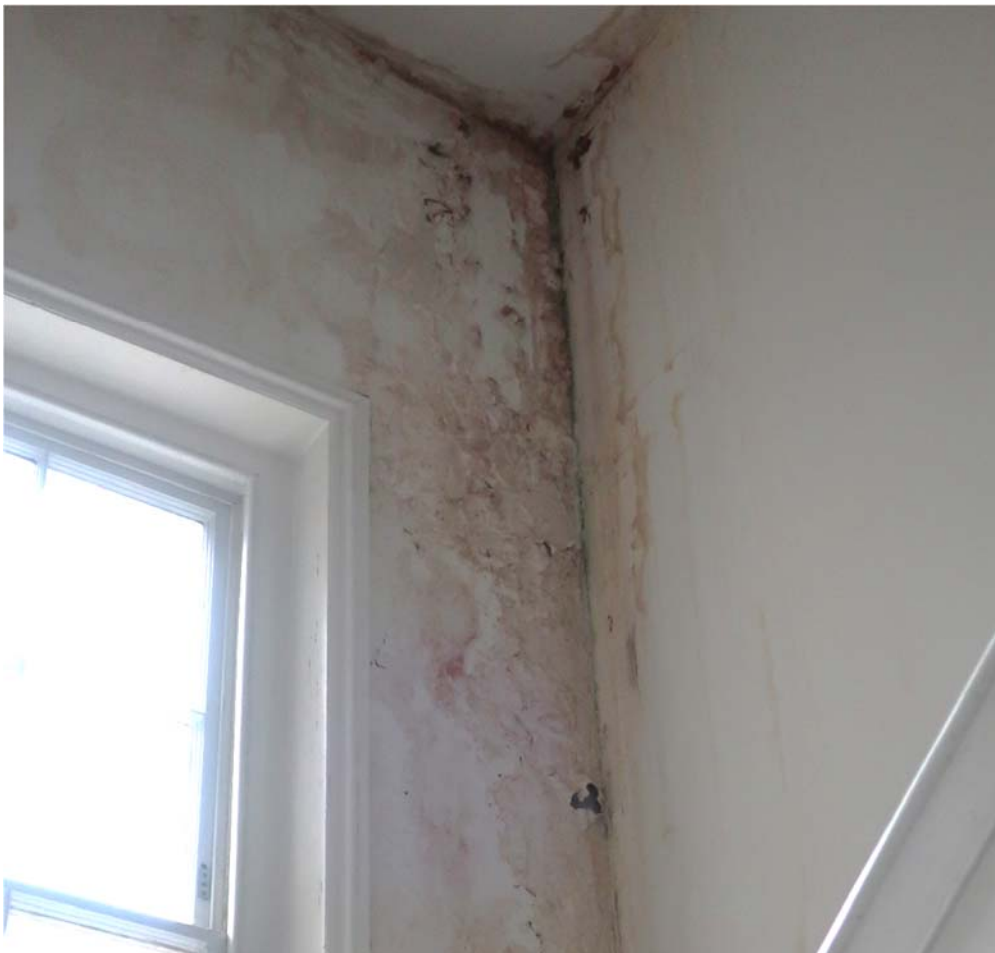
Stairs leading to the first floor landing. Uneven and narrow staircase leading to uneven flooring to landing



Water damage to first floor office



Uneven stair case and narrow foot treads to stairs from first floor landing up to the second floor landing



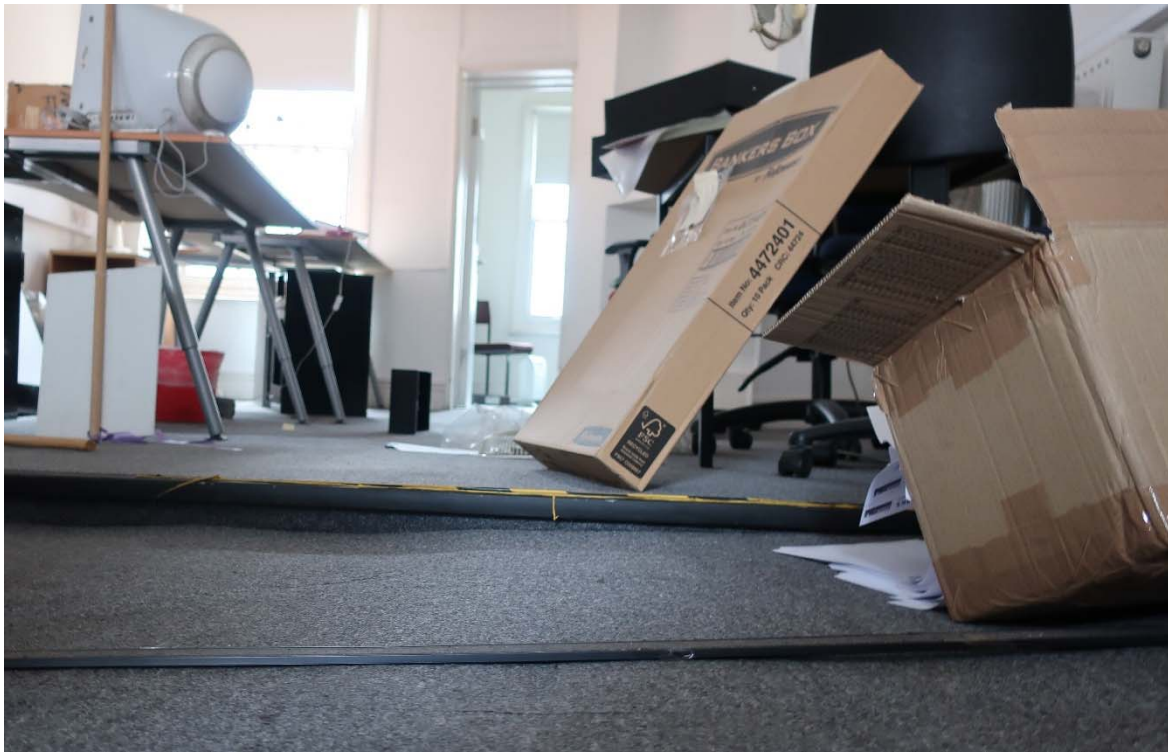
Water damage to first floor half landing



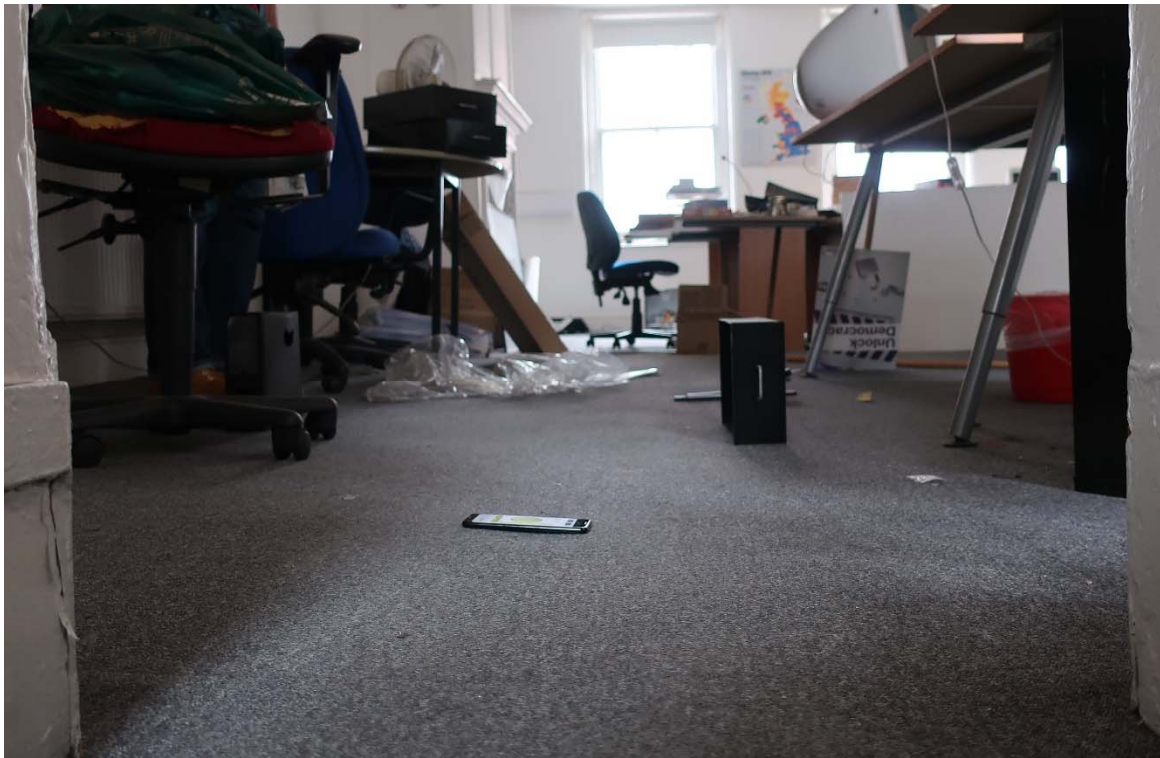
Stairs leading to second floor landing. Uneven stair case and severely uneven flooring to second floor landing



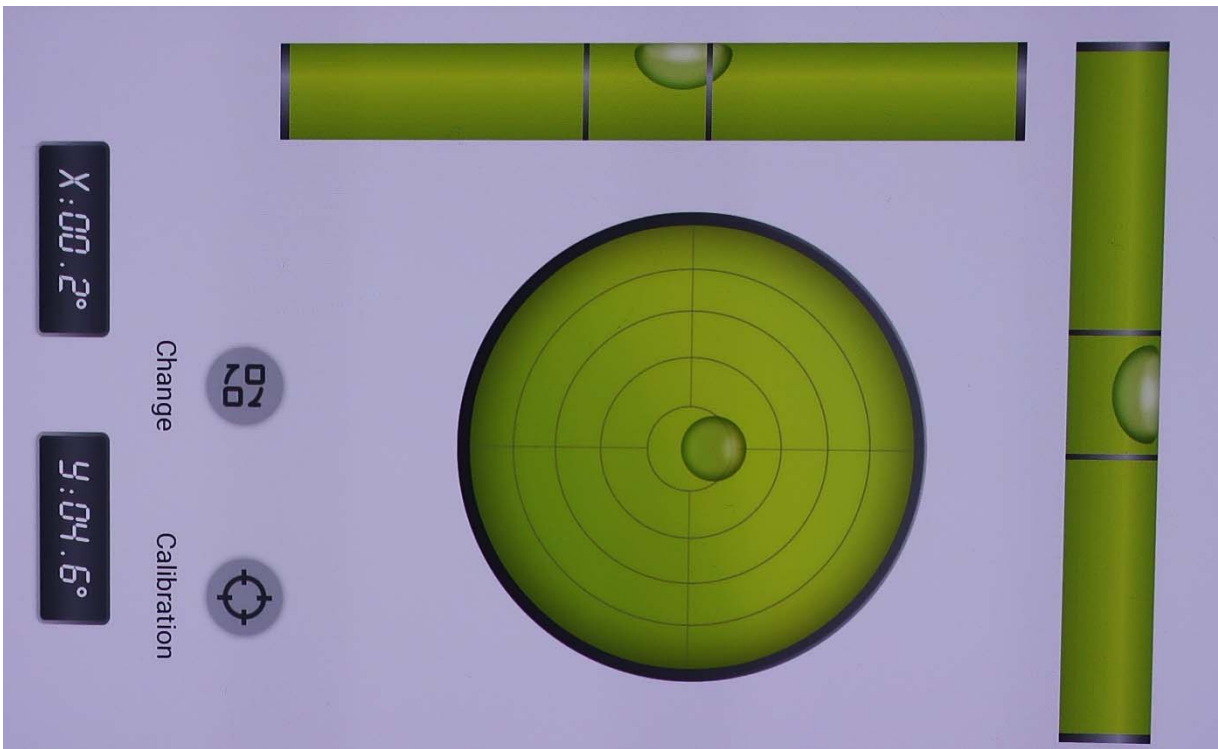
Door to second floor office from the second floor landing showing uneven flooring



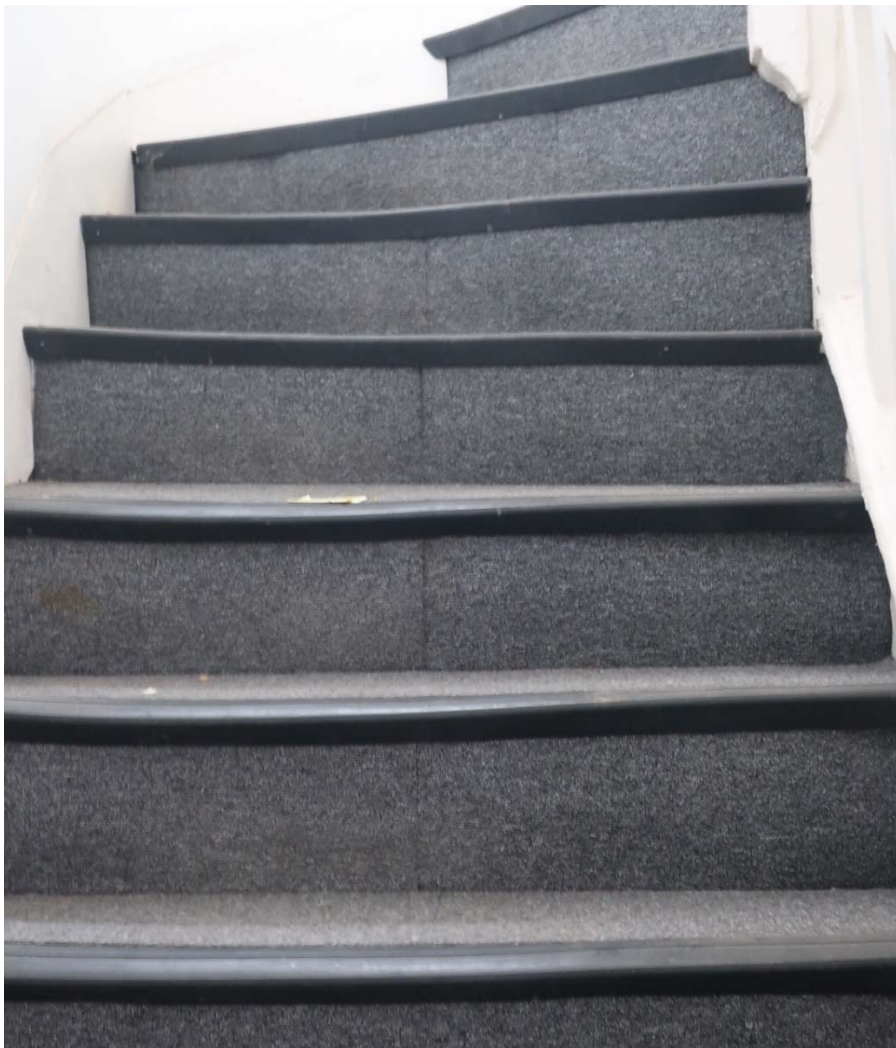
Severely uneven flooring to second floor office



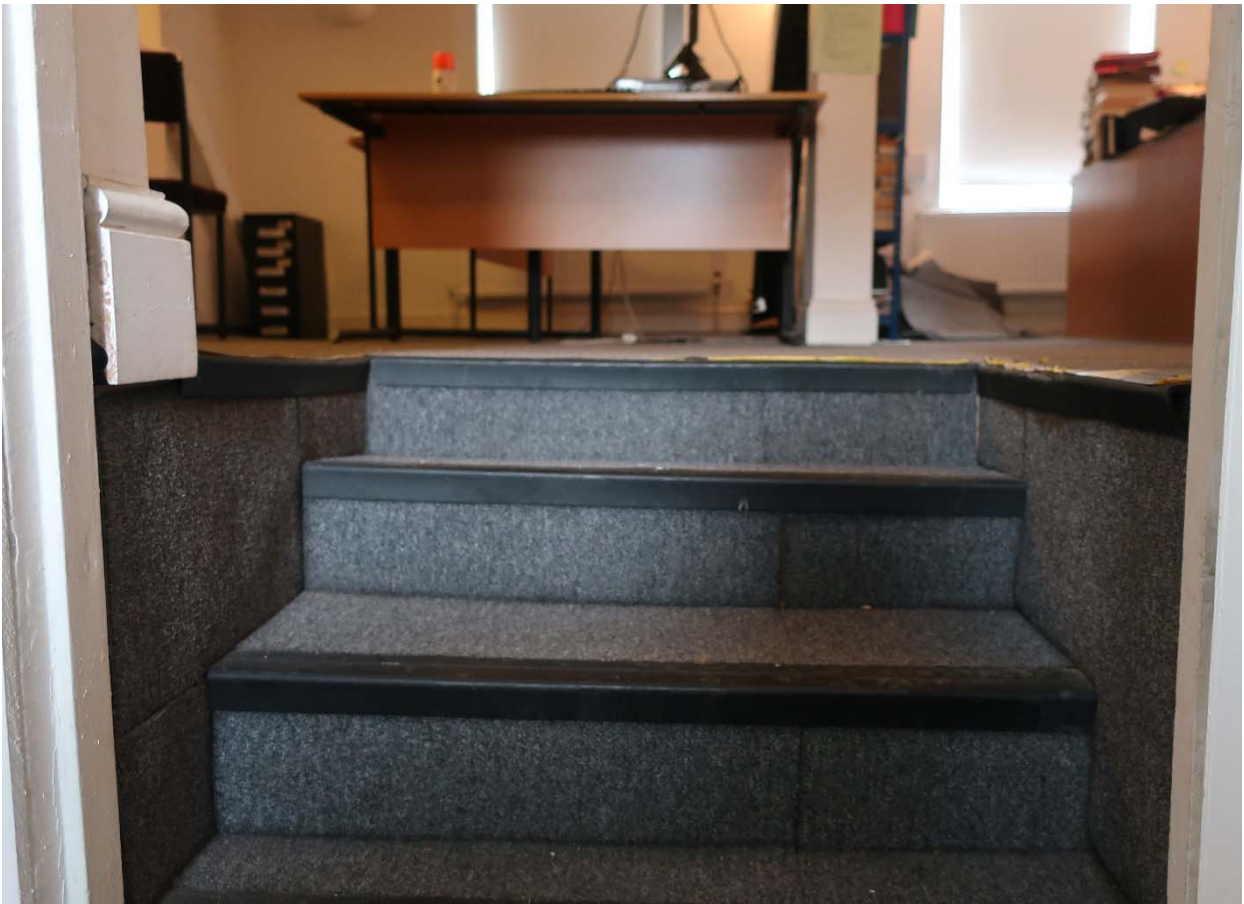
Position of device taking reading of second floor office level



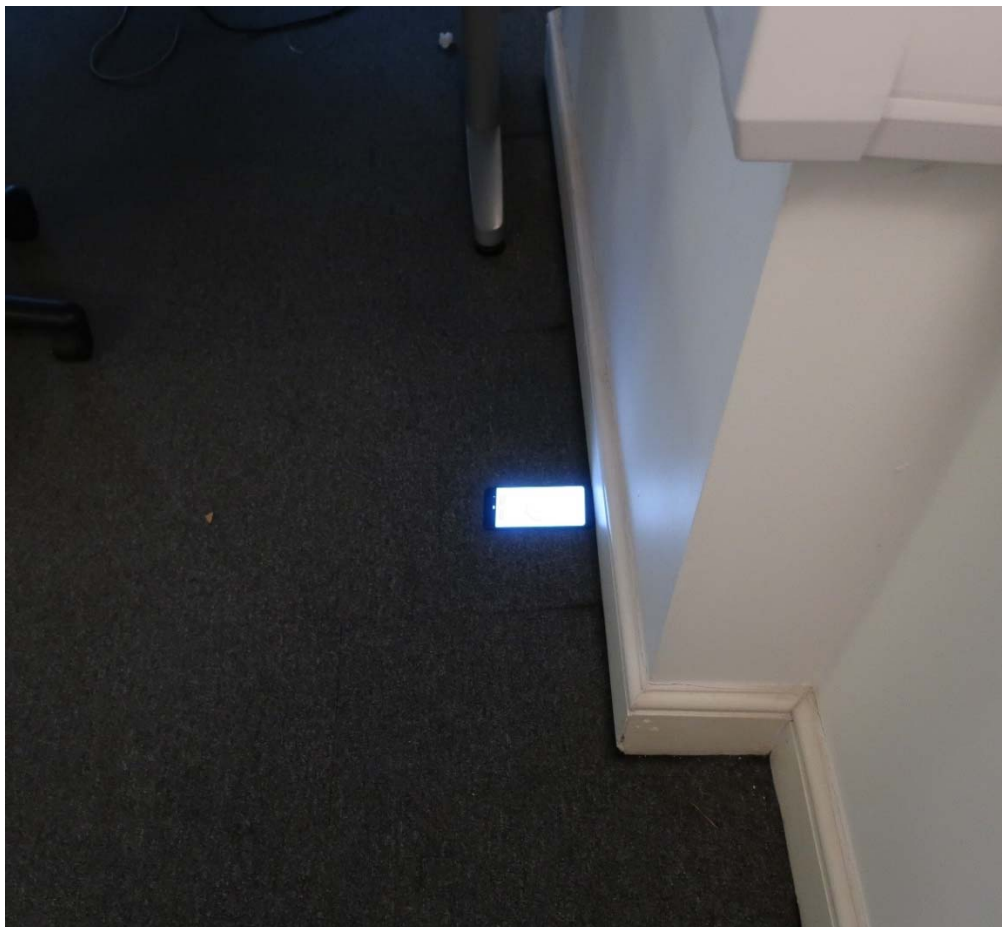
Device showing uneven flooring to second floor office



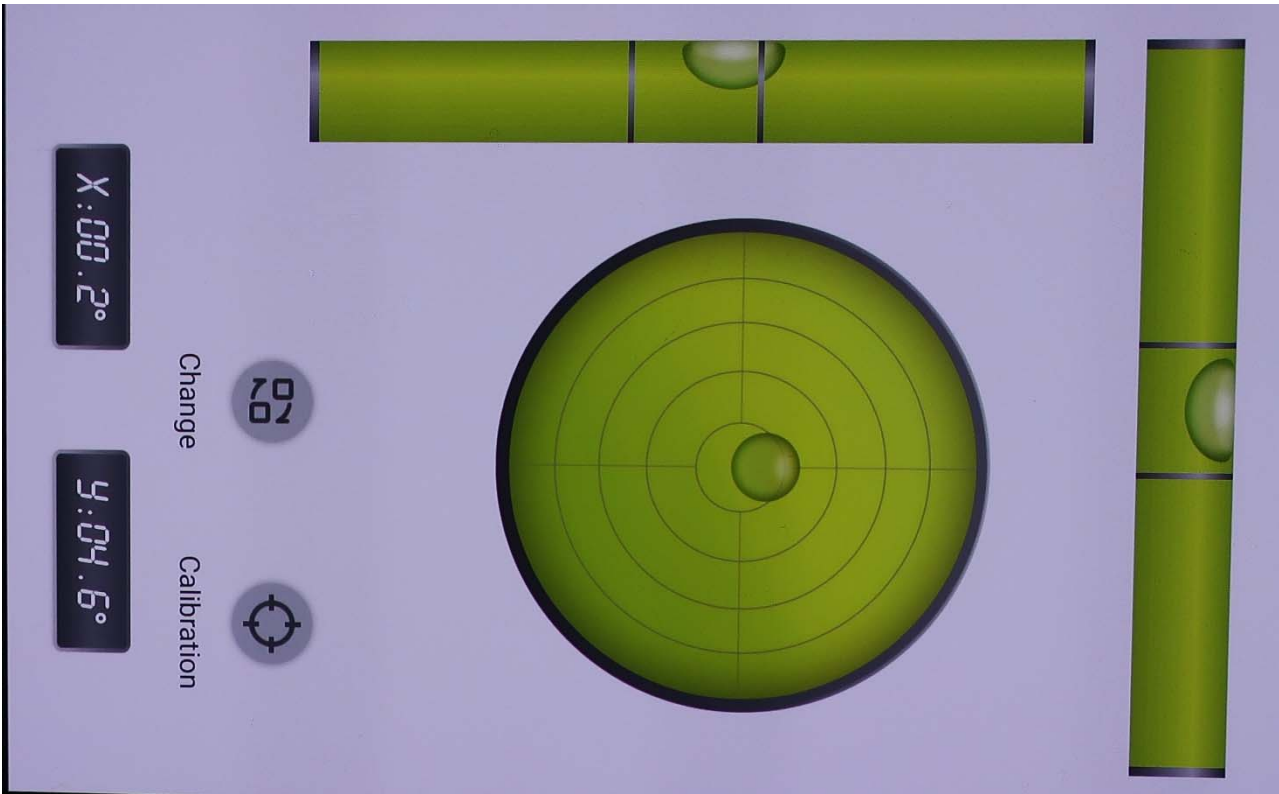
Severely uneven internal staircase leading to the third floor



Third floor uneven staircase and uneven office floor



Position of device taking reading of third floor office level



Level of third floor office



Uneven and narrow staircase foot treads from the third floor landing