

**4-5 TORRIANO MEWS
NW5 2RZ**

**MARKETING REPORT &
RECOMMENDATIONS**

02nd October 2020

The impact of the Coronavirus is yet to be fully understood, this worldwide pandemic is causing major uncertainty and volatility in most markets. Our valuations and reports are therefore subject to a high degree of uncertainty. It is generally predicted that property values for sale will fall along rental values, but it is unclear how this extreme situation will unfold.

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1. AGENCY INSTRUCTIONS & BACKGROUND

We have been instructed to sell the freehold interest or to let the above property as of May 2019 and we been actively marketing the property on our Website along with EACH (Estate Agent Clearing House), Right Move, On The Market and EGI magazine, since this date.

This brief report will set out the complete summary of the marketing we undertook for the building and will include details of any viewings we have undertaken of the premises and the comments that we have received from the parties that inspected the building.

We inspected the premises and set out our advice on marketing and potential Freehold Sale in May 2019. We were instructed by the owners of the building to market it on a Freehold basis, to try and find a potential tenant for the space, or to find an investor to buy to let (with vacant possession).

The property is situated in the north west London district of Kentish Town in the Borough of Camden. Kentish Town is approximately four miles north west of central London. Torriano Mews is situated off Torriano Avenue, which runs north from Leighton Avenue, which intersects with Kentish Town Road approximately 500m to the west. The approach into the Mews is via a covered access way over sailed by first floor accommodation. This is an attractive secluded location although some potential occupiers may prefer a more prominent location with a main road frontage, which this property lacks.

The surrounding property stock is primarily comprised of Victorian terraced houses. Local retail facilities can be found along Kentish Town Road to the south of Kentish Town station. The station provides Underground services (Northern Line) and Overground (Thameslink services).

Units 4 & 5 Torriano Mews comprise two units in a terrace of six similar units that we understand date from the late 1980s. The property is of cavity brick/blockwork construction under a composite slate clad pitched roof with reinforced concrete floors. The accommodation is arranged as compartmentalised office space over ground and first floors with kitchen and WC facilities. A mezzanine floor has been constructed above the first-floor office space in No. Unit 4, Unit 5 has the original vaulted ceiling. The two units are intercommunicating at ground and first floor level.

The internal specification is typical of units of this type with gas central heating, hardwood framed single glazed windows, ceiling mounted fluorescent lights and carpet floor covering. There is no air conditioning or lift.

There are two car parking spaces to the front of the property included within the title. The parking area is covered with interlocking brick paving blocks.

We made the owner fully aware from the outset of our deep concerns; we felt that the space would have very limited appeal due to the nature of the location, layout, space, and size.

The space comprised of the following approximate areas:

	Area sq. m	Area sq. ft
Ground floor Offices	144.6	1,556
First floor Offices	141.9	1,527
Mezzanine Offices	42.7	460
Total	329.2	3,543

We tried to market the space to an accountant, travel agents, creche, its operators and other end-users that we felt would be able to utilise the space and who do not require high levels of footfall.

However, this location is not desirable for offices, which is borne out by the fact that a number of properties along this parade have already been converted to residential, including units 2 and 3.

We were marketing the demise as Office space, quoting a Freehold Sale for offers in excess of £1,750,000 or rental of £35.00 Sq. ft exclusive or near offers with good incentives and minimal service charge.

We were fully clear that our client would consider any offers, as they were keen to sell the Freehold Interest, or rentals and they were keen to provide added flexibility for any potential occupiers to try and attract more budget conscious individuals, companies or investors to buying to let.

We were instructed to offer flexible terms, including a quick exchange with a long completion if the freehold was sold, and were making potential occupiers fully aware that our client would consider short term and long term lettings with flexible terms, as the property has been vacant since March 2019.

2. MARKETING CAMPAIGN

Set out below is a brief outline of the marketing we have undertaken from the date of instruction on 10th May 2019, and still ongoing as of today 2nd October 2020.

We prepared in-house marketing particulars with information about the size, facilities, sale, rental, and lease terms etc. The marketing particulars were sent out in response to a number of client's requirements circulated by local agents during the period of our instruction, but we did not have a very positive response. Only one agent brought round a potential occupier who dismissed the space due to location and the access for his vans and pick up trucks, along with a lower light levels to some spaces which would not work for his printing business.

Details of the property were posted onto our Retail and Office Lists. The Lists are updated on a weekly basis and when we take on a new property new lists are printed out immediately so that no exposure is lost. The Lists set out all the retail, B1 office and B2 light industrial and B8 warehouse premises that we currently have available to let and for sale and is a very effective marketing tool.

We send out approximately 5-6 Lists every week in response to enquiries by telephone, online and to callers that walk into our office looking for retail or office/studio premises. During the period of our agency we estimate that over 300 of our Lists were distributed to potential occupiers.

Marketing particulars were initially sent to registered applicants on our database looking for retail and office space within Camden and surrounding areas. Further mail outs were undertaken to registered applicants in September 2019, November 2019 and again in February 2020, as our offices were closed by the pandemic in March all adverts were displayed online.

We are in the process of preparing another list, as more businesses return to work and to their offices if people are having difficulty securing their ideal premises they may be more flexible with their criteria for finding suitable space for their business.

Marketing particulars were circulated by EACH which is marketing portal for Co-Star; the first mail out produced two enquiries from a Gym and a Printing Company. Unfortunately, both parties were not interested in the whole of the unit. The second mail out produced one enquiry from someone with a creche, which would have involved a Change of Use and there were concerns that due to the amount of residential properties surrounding the building this would not be practical as it would cause nuisance to neighbours and there was no outside play area for the children.

The office space was displayed on our website from May 2019 with general information about all the available space and outlining the seller's flexibility with regard to the sale, rental and lease terms that could be offered with incentives such as rent free periods, and further landlord's work if required.

The property was advertised on the following agency portals; Focus Co-star group and EACH (Estate Agents Clearing House). We had lots of hits (1691) from which we booked 28 viewings, of with 15 appointments were attended. Most of the enquiries were from Agents asking for Comparable Evidence for valuations or who had clients wanting to buy the freehold but once again the response was very poor with only 10 enquiries being received from the Portals mostly downloaded detail from the portals itself.

3. RESULTS OF MARKETING CAMPAIGN

We were marketing the property at a fair market price for sale and rental for this type of space within this location. However, our instructions were to be as flexible as possible and therefore we were informing people that any rental offers would be seriously considered as long as the use was reasonable and would not have a negative effect on the adjoining residential neighbours.

Although we undertook a substantial marketing campaign and, as previously stated, were fully prepared to offer flexibility on the quoted sale price and rental price, we have had no serious interest in the office space. Even offering further incentives such as generous rent free periods, short term leases, further landlord's works if required were not sufficient to persuade a potential tenant. Prospective purchasers made some offers, but the offers we received were 30-40 % less than market value which our client paid for it, making them untenable.

Most enquiries received were either regarding the freehold subject to planning or from other agents who were looking to use it as evidence for comparison as they were carrying out bank valuations or an appraisal for their clientele.

Since we commenced marketing in May 2019 we have tried to attract a wide network of different office space users, however we were always fully aware that trying to sell or find a tenant for this type of space was not going to be easy due to constraints of the building, including its location, proximity to the surrounding residential premises and the outdated nature of the office space. With the onset of the Covid-19 pandemic this spring demand for office rentals or purchase has declined further.

Despite strong marketing we have been unable to secure a suitable purchaser for the office unit although we had two potential purchasers who wanted to buy to let who pulled out. We recommended that our clients consider subject to planning.

The potential audience has been limited by the location, which lacks prominence, the outdated nature of the accommodation and a poor layout with a lack of suitability for certain predators. Most enquiries which we receive for properties which are all on one floor with good access, suspended flooring, a lift, more parking, and air conditioning. Unfortunately the space does not fit these criteria and to install facilities such as a lift, suspended floors etc. would be impractical within the existing building. The property is bounded on all sides by residential properties so noise and disruption have to be taken into consideration so that the local residents are able to have peaceful enjoyment in their homes.

During the period of our marketing we had 300 enquiries which resulted in only 15 viewings and we outline below further details on the inspections.

Schedule of Viewings and Feedback:

Mr Sanjay Kohli (Company not known) – Looking for premises for solicitors and accountancy use. Viewed the building but the space was not suitable due to the lack of walk in trade, and bit more than his budget to purchase or let.

Mr T Yarar (Company not known) – Looking for premises for language school. Viewed the building for use but was not suitable due to lack of alternative exit and need for change of use.

Printing Shop (Company not known) - Already located in Kentish Town and looking to buy freehold. Viewed the building and found the location and entrance not unsuitable, also issues with parking and lighting to rear spaces.

Goldstein Leigh (Agent) – Viewed property with his client, a private school. The space was not suitable as it was over two floors and location was not ideal due to being in the middle of residential area. They were looking for a more prominent location.

Mr Dennis Mawadzi (Renaissance Personnel) - Looking to re-locate his employment company and interested in buying or renting. The amount of space was adequate, but the layout was not ideal as he wanted space over one floor.

Omer Levin Ben Haim (Developer) - Looking for an investment for property portfolio. Made an offer to buy at £1,550,000 subject to planning or suitable tenant in occupation.

David Simnock (TSP) – A local commercial agent who dealt with 2 Torriano Mews (converted to flats) who enquired behalf of his clientele.

Lara Kaufman (Ian Lerner and Co.) - Enquired regarding potential purchase. No feedback provided.

Steven Lewis (Lewis Partners) - Offered £1.4 million to buy Freehold interests, substantially below the advertised price of £1,750,000.

Abby Penfold (Land and Marketing Assistant at Gold Crest)- No feedback provided.

Donna (Dandy Book Sellers) – Looking to for a property to rent or buy. The property was not suitable for them.

Hussein Ridha (Developer) - Looking to purchase freehold investment or development sites. The developer's clients were not keen on the location.

Karen Forbes (Company not known) - No feedback provided.

4. CONCLUSION

In summary, following our appointment in May 2019 we have undertaken a wide-ranging marketing campaign. As we have previously stated, we feel that the lack of interest derives primarily from the secondary location of the building away from a thoroughfare. Based upon feedback from people with whom we have discussed the space and those that have gone one stage further and viewed the premises, we are of the opinion that the space was deficient for the majority of operators; the main reasons being:

- 1) The property is not in a busy location.
- 2) The rear part of the ground floor was too dark.
- 3) The space was over 3 floors and lacked a lift.
- 4) No air conditioning.
- 5) No outside space.
- 6) Entrance is poor.
- 7) Not secure.

When we initially were instructed, we made it clear to the owner of the building that we did not think it would be easy to find an occupier for the whole of the available space. We had some expressions of interest for the space but none of the interested parties wanted to take the commitment of the whole of the unit, and the use of part of the unit alone would be unsustainable for our client.

We hope that this report adequately outlines the marketing we undertook during the period of our instruction to try and secure a tenant for the space and the potential problems that exist with older buildings like this and the demands of contemporary office use.

5. APPENDIX

FREEHOLD/RENT Offers in excess of £1,750,000 Unconditional basis only with vacant possession or let at £30 Sq Ft Exclusive.

VIEWING: Only by appointment through the Sole Agent as below:

Metin Yildirim
Salter Rex LLP
Chartered Surveyors & Estate Agents, Crown House
265/267 Kentish Town Road
London NW5 2TP
Tel: 020 7267 2071 (main switchboard)
Fax: 020 7485 8488
E-mail: my@salter-rex.co.uk

AML: Under the Anti Money Laundering Regulations Act (AML), we are obliged to verify the identity of proposed Seller/s Purchaser/s prior to instructing solicitors in order to assist in preventing fraud and money laundering. This information is required by law.

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**FREEHOLD/TO LET SELF
CONTAINED OFFICE BUILDING
FOR SALE
TORRIANO MEWS, NW5
APPROX. 329.17 M²
(3545 SQ. FT.)**

LOCATION: The property is located in a gated mews off Torriano Avenue close to its junction with Leighton Road. The Property is located within the suburb of Kentish Town, which in turn is within the London Borough of Camden and the NW5 postal Region of North-West London.

THE PREMISES: The subject property comprises two mid-terrace two storey B1 office buildings in a gated mews known as Torriano Mews, two units have been merged to create one large office space. The building has been extended on first floor level to create a further mezzanine level. The freehold includes two allocated car parking spaces.

The area is mostly mix-use predominately surrounded by Victorian period houses some which of have been converted to flats along with residential blocks. Torriano Mews itself provides a number of (B1) office buildings.

TRANSPORT/SHOPS Local shopping facilities and amenities can be found along Kentish Town Road. Main retailers include Sainsbury's, Pret-A-Manger, Starbucks, Franco Manca, Caffè Nero along with Barclays and Lloyds bank within walking proximity. Public Transport includes Kentish Town station and numerous bus routes.

ACCOMMODATION:

Ground Floor: Secure entrance which leads to a small reception area with a waiting room, in addition to a number of partitioned consultation rooms and offices (Six Rooms to this level), a disabled access WC, kitchen, stairs upto.

First Floor: Open plan office mainly (two large offices) along with two small rooms at rear with a Kitchenette, WC, and access to mezzanine.

Measurements			
Ground Floor	144.58 m ²	1,558 sq. ft.	
First Floor	141.9 m ²	1,527 sq. ft.	
Mezzanine	42.69 m ²	460 sq.	
Total Area	329.17 m ²	3,545 sq. ft.	

EPC: C 58 and 61

AMENITIES: CCTV
Emergency Lighting
Smoke Alarm
High Ceiling with Spotlights
Air-Conditioning System
Category 5 Wiring
Gas Central Heating
Two Kitchen Areas
Single Glazing
Off Street Parking
Male and Female Toilets

Location of the subject property.

