

Planning Department
Camden Council
5 Pancras Sq
London
N1C 4AG

27 September 2022

Dear Sirs

Re: Marketing Report: 1 Hampshire Street, London, NW5 2TE

We are a firm of Chartered Surveyors and Property Consultants, based in the heart of the West End, specialising in a wide range of commercial property advisory. We advise throughout the UK but the focus of our work is in the central London markets. We have advised on the sale and letting of a variety of commercial properties within the London Borough of Camden. We are currently instructed to advise the freeholder of 1 Hampshire Street, NW5 2TE on the sale or letting of the three commercial units within this new development.

We initially received instructions to market 1 Hampshire Street back in June 2019. At the time, the property comprised a two storey light industrial building of approximately 6,566 sq ft (610 sq m) with the ability to convert it into Warehouse style office space of approximately 8,252 sq ft (766.6 sq m) under Permitted Development Rights. Our instructions were to market the building as available either to let or for sale.

We conducted numerous viewings with both occupiers and investors but were unable to agree terms for a letting or sale. We received a single offer to purchase the original building in January 2020. However, this was reliant on the purchaser obtaining finance with a high loan to value ratio. Ultimately the proposed purchaser was unable to provide confirmation that they were ready, willing and able to proceed with the purchase so the proposed sale did not progress.

Market conditions deteriorated significantly towards the end of the first financial quarter in 2020 due to Covid. Due to the lack of market activity our Client redeveloped the property under planning permission 2017/2883/P. Our instructions were therefore changed in January 2020 from marketing



Regulated by RICS

Partners

Nigel M Lenson BSc (Hons) FRICS
Sebastian Norman BSc (Hons) MRICS

Consultants

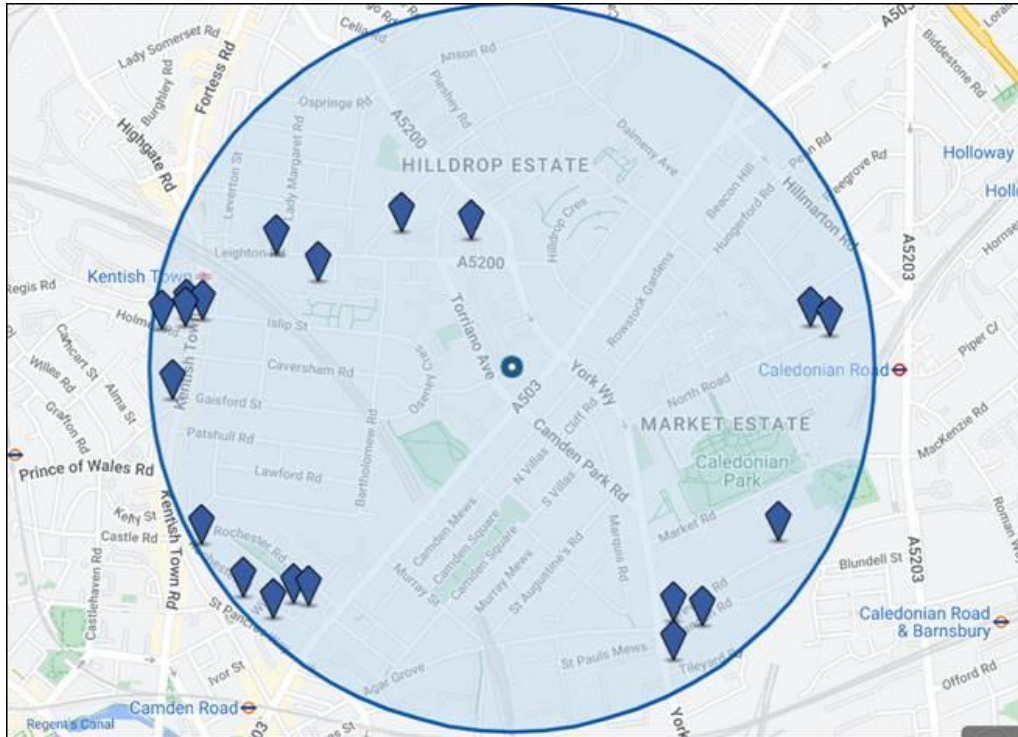
David B Shortall BSc (Hons) FRICS IRRV

Alexander Reece Thomson LLP
The White House
26 Mortimer Street, London W1W 7RB
Tel +44 (0)20 7486 1681
enquiries@artsurveyors.co.uk
www.artsurveyors.co.uk

the original building to marketing a pre-let / pre-sale of the three commercial units which form part of the new development on either a 'to let' or 'for sale' basis. We therefore marketed the units in accordance with the approved marketing plan as required under the s.106 agreement of the planning permission.

We have continuously marketed the three units widely since January 2020. Our marketing has included advertising the opportunity to local businesses via a professionally prepared bespoke database of local occupiers. We have conducted many viewings but have been unable to complete lettings or sales for any of the three units. We managed to negotiate terms for the sale of one of the three units but the proposed purchaser withdrew from the transaction in August 2022. Aside from extremely poor market conditions a reoccurring concern cited by potential tenants and purchasers is the restriction on applying for business parking permits and the restriction on the type of occupier who can occupy the units stipulated in the s. 106 agreement. The other major issue with the subject property that potential tenants and purchasers have raised is that the subject development is situated further away from the amenities of Kentish Town Road (or other locations with similar amenities) than they require.

The map extract on the following page, from Costar, a leading database of available commercial properties, lists offices available to let in 20 buildings (including 1 Hampshire Street) within a half mile radius of the subject property.



The map clearly shows that many of the alternative offices available in the vicinity are closer to public transport and local amenities (such as those found on Kentish Town Road, in Camden or Kings Cross) than the subject property.

Whilst we continue to conduct viewings regularly, since the abortive sale in August to date, we have been unable to complete a letting or sale of any of the three units.

For the above reasons we conclude that the optimum land use for the three commercial units in the development would be as residential apartments.

Yours sincerely

Sebastian Norman BSc (Hons) MRICS

DDT: 07970 273 545

Email: sebnorman@artsurveyors.co.uk