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REF: SAFFRON. BFI

FAX COVER SHEET

TO: BRITISH FILM INSTITUTE ; FAX 071 436 7950

ATTN: JIM PINES (PLANNING DEP)

FROM: L. F. M. C BUILDING COMMITTEE FAX 071 637 1372;

Re; FINANCE RELOCATION (DUNN & CO/29-31, SAFFRON HILL)

DATE: AUGUST 1st 1991

PAGES INC THIS COVER SHEET : FOUR

IF YOU DON'T RECEIVE ALL INFORMATION PLEASE CONTACT

071 637 2249;

URGENT FOR ATTENTION BFI CONSIDERATION, IN ADDITION TO
INFORMATION SUPPLIED 31ST JULY '91. (x 2 sheets)

Building Committee currently comprises
MARTIN LUGG (chair), ANNABEL NICOLSON, ILIAS PANTOS,
STEVE FARRER, PATRICK KEILLER

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RE 29/31 SAFFRON HILL : POINTS FOR CONSIDERATION

POINT ONE:

CENTRAL LOCATION , SAFFRON HILL IS SITUATED ONE MIN WALK FROM FARRINGDON UNDERGROUND STATION AND B. R. THAMES LINK IE FOUR TUBE AND TWO B. R. LINKS.
BUSES WELL SERVED .
VERY GOOD ACCESS TO ALL PARTS OF LONDON

POINT TWO

QUIET NON-RESIDENTIAL STREET YET WITHIN A HISTORICAL AND LIVELY LOCATION .

POINT THREE:

BUILDING PERFECTLY SUITED TO REQUIREMENTS OF ALL PARTIES , M. D. A. AND L. V. A. AND THE FILM CO-OP, OVERALL FLOOR AREA 13, 370 SQ FEET. GOOD HEIGHT ON ALL FLOORS

- 1/ EASY GROUND FLOOR ACCESS (DISABLED ACCESS)
- 2/ LARGE DRIVE-IN LOADING BAY WITH LIFT TO ALL FLOORS.
- 3/ EXTERNAL FIRE ESCAPE TO ALL FLOORS TOGETHER WITH TWO INTERNAL STAIRCASES (FIRE REGULATIONS).
- 4/ EXCELLENT NATURAL DAYLIGHT ON ALL FLOORS .
- 5/ THE BUILDING IS OF SOLID CONSTRUCTION AND IN VERY GOOD CONDITION, INTERNAL AND EXTERNAL ALL WORKS TO TOP SPECIFICATIONS AND READY FOR IMMEDIATE OCCUPATION WITH ALL SERVICES INC LIFT, ELECTRIC, CENTRAL HEATING AND PLUMBING.
- 6/ NO STRUCTURAL CHANGES NECESSARY (APART FROM MOVING A FEW STUD PARTITIONS TO FACILITATE THE CINEMA).
- 7/ THE SPACE FOR THE CINEMA IS GOOD BOTH IN TERMS OF ACCESS (ground floor) AND FLEXIBILITY OF USE (INSTALLATIONS /MULTI SCREEN WORK. IT IS ALSO A VERY ATTRACTIVE SPACE TO BE IN.
- 8/ THE BASEMENT IS A GOOD HEIGHT (10') AND WOULD BE IDEAL FOR LIGHT SENSITIVE USES AND STORAGE (constant temperature for film storage/archive, study rooms and small viewing area.
- 9/ PUBLIC ACCESS TO A BEAUTIFUL ROOF TERRACE/OPEN AIR SCREENINGS etc!

POINT FOUR

GOOD FINANCIAL PROPOSITION WITH AVERAGE COST AT £7 PER SQ FT. VARIOUS OPTIONS FOR LEASE OR LEASEHOLD. FAVOURABLE TERMS FOR CLIENT TAKING ON WHOLE BUILDING (see separate sheet)

n/h

23/31 Suffolk Hill, 201

23 August 1991

FINANCIAL INFORMATION.

OPTION 1

Leasehold purchase 69 years unexpired

Price £900,000 to £1,000,000 open to offers.

Mortgage at current interest rates of 11.5% would be approx
£130,000 pa over 15 year term. (Based on £900,000 loan).

This could be achieved either by:-

- 1) BFI directly purchasing long lease (69 years)
- 2) Separate charitable art/film trust funded by BFI which purchases long lease (69 years). Trust directors could be well known artists/film directors to manage fund till purchase term completed. On expiry small management fund maintained to oversee building.

Registered charities currently pay 20% rates and possible 0% rates on application.

OPTION 2

21 Year lease expiry 2012

Rent review December 1994 and 5 yearly thereafter.

Passing rent advertised £95,052 for complete building ~~but for single tenant would accept lower offer. (Maybe £80,000. Our suggestion)~~

Service charge approx £1.40/sq ft. (OWN CONTROL IF WHOLE BLDG. £1.00/sq ft)

Rates under review downward but agreed at £4.50/sq ft. max maintained by Lessor. Current chargeable £6.50/sq ft.

As previous those organisations with charity status would be 20% or 0% rated.

Furthermore a rent free period of 6 to 9 months has been suggested by the estate agents as being available/negotiable as inducement (£50,000 to £70,000 approx).
if the whole building is leased.

29/31 Saffron Hill EC1

1st August 1991

ADDITIONAL FINANCIAL INFORMATION

1. 6 to 9 month rent free 'sweetener' if we lease whole building.
2. Service charge in control of lessee if whole building. Would be lower than £1.40 already quoted, possibly £1.00 .
3. Other party legal fees approx £6500 (based on £100,000 rent approx).
4. Rent for whole building is £95,000 , not really negotiable because of 'sweetener' in 1. above.
5. If whole lease is assigned then no VAT applies.

GENERAL COMPARISON WITH DUNN & CO SITE.

Refurbishment. On advice from 2 independent architects, both with their own practice, and experience in refurbishment.

Typical cost £35-£40 per sq ft.	£580,000	on Dunn & Co site
	<u>£375,000</u>	offered
	<u>£205,000</u>	shortfall

Carpet/lino, light partition, minor re-routeing of heating/wiring on ground floor only and no plumbing

Allow £7.50 per sq ft.	£100,275	on Saffron Hill site
	<u>£ 65,000</u>	'sweetener'
	<u>£ 35,275</u>	shortfall

Martin Lugg

Martin Lugg (B Sc CW ENG. M.I.C.E.)
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FOR THE ATTENTION OF JIM PINES BFI , 21, STEPHEN STREET, LONDON W1.

FAX NUMBER: 071 436 7950

URGENT