

Jones Lang LaSalle

Valuation Advisory

Client: Greater London Authority

Property: The Crystal, Royal Docks E16

November 2020



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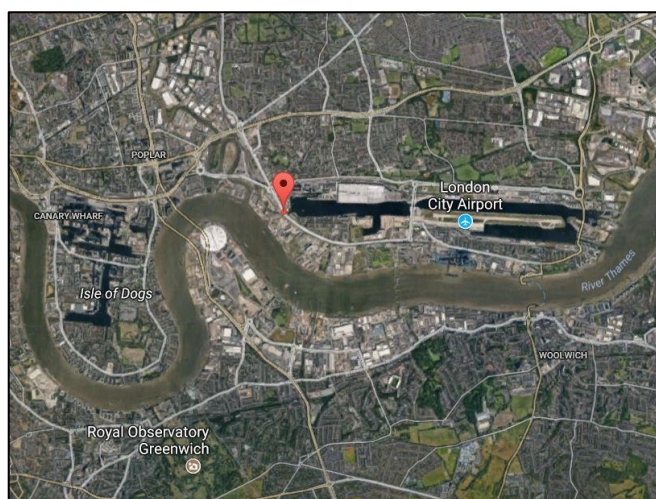
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The Crystal, 1 Siemen Brothers Way, London, E16 1GB

Key Property Facts	
Inspection Basis:	External inspection
Macro Location:	Local
Micro Location:	Secondary
Sector:	Mixed Use
County:	London - Docklands
Total Property Area:	60,063 sq ft
Tenure:	Freehold
Number of Tenants:	Single Let
Percentage Vacant:	50% let
Net Income:	£900,000 per annum



The Crystal Front Elevation



The Crystal Location

Location

- The subject property is located to the immediate west of the Royal Victoria Dock, approximately 1.5 miles east of Canary Wharf and 4.75 miles east of the City of London
- The site is a broadly rectangular and in a prominent position adjacent to Royal Victoria Dock and the Emirates Air Line Cable Car
- The immediate area is historically an industrial precinct but has been subject significant regeneration in recent years, which remains ongoing
- The proposed Silvertown Tunnel project, in its current design will emerge to the other side of the Silvertown Flyover to the east of the property.

Description



- The Crystal currently comprises a vacant exhibition space and office premises which is currently in use by GLA Royal Docks team and events management company Sodexo.
- The building was constructed in 2012.
- The building is divided broadly into 2 wings with one comprising a double height exhibition space with space with mezzanine and the other comprising office space and meeting facilities. There is also extensive catering facilities and a café at ground floor.
- The building was built as a showcase for sustainability and has LEED Platinum and BREEAM Outstanding accreditations.
- The building benefits from sustainability features including solar panels, ground source heat pumps, rainwater harvesting and an intelligent building management system.
- The office and meeting accommodation is of a high standard.
- Overall The Crystal appears to be well maintained and in a good state of repair.

Tenure

- Freehold held by GLA Land and Property Ltd (GLAP)

Current Situation

- We understand that the GLA has indicated that it is considering moving City Hall from its current location in Southwark on the south bank of the Thames to The Crystal. This move is intended to secure substantial cost savings whilst assisting with the regeneration of the wider Royal Docks area.
- GLA will occupy the property under a lease which is to be agreed with GLAP on market terms. The proposed letting is to be an arm's length transaction despite the links between the two organisations.
- JLL have been appointed to advise on the terms of the lease, in particular, what the market rent for the premises should be. The advice also covers what like tenant incentives would be offered and what works would GLAP undertake as a prudent landlord in order to secure the best rent.

Key Assumptions

- We have relied on information provided to us by GLA including:-
 - Plowman Craven measured Floor areas.
 - Budget operating costs of the building.
 - Costs of refurbishment.

1.1. Background

The GLA is proposing to move to the Crystal and reconfigure the premises in order to provide a chamber, public interaction space and ancillary offices. GLAP are required to agree terms with GLA on an arm's length basis.

JLL are instructed to give advice on what lease terms would likely be agreed between parties in an arm's length transaction.

There are a number of complicating factors, not least that substantial works would be required in order to both:-

- Fit out the premises for GLA's unique requirements.
- Fit out the premises for a commercial office user, as the premises is currently laid out to provide exhibition space.

The running costs of the premises are also extremely substantial and beyond what the market would expect to pay, the most recent information we have been provided with puts annual operating expenditure at £2.3m. We have been instructed to disregard this issue, however we note that running costs of this magnitude could have an impact on rental levels.

1.2. Rental Evidence and Considerations

In arriving at our opinion of rental value in respect of the property, we have had reviewed current market conditions.

1.2.1. East London Office Market

Take Up

East London take-up totalled 309,000 sq ft in Q2 2020, a 412% rise on Q1 2020 figures (75,000 sq ft) and recorded 15% higher than the 10-year quarterly average. The excellent take-up was largely due to BP's acquisition of 226,000 sq ft at Cargo, E14 which marked the largest transaction completed in Central London in Q2, equating to 73% of the quarterly total. Three further transactions completed in Q2, the largest of which saw St Barts Hospital Trust lease 42,500 sq ft at 20 Churchill Place, E14. This brings year to date take-up to 384,000 sq ft, compared to 576,000 sq ft transacted during the equivalent period in 2019, and 13% lower than the 10-year H1 average.

Demand

Overall demand dropped 22% quarter on quarter to 3.7 million sq ft, but remained 9% ahead of the 10-year quarterly average of 3.3 million sq ft. Within this, active demand stood at 1.8 million sq ft, marking a 22% fall in comparison to the 10-year quarterly average of 2.2 million sq ft, while potential demand rose 68% from the 10-year quarterly average of 1.1 million sq ft to 1.9 million sq ft, reflecting a change in status of some requirements due to the ongoing uncertainty created by Covid-19.

Availability

East London availability decreased marginally to 2.4 million sq ft, reflecting a vacancy rate of 9.0% which is significantly higher than the 10-year average of 7.4%, as well as the current levels recorded in the City (4.9%) and West End (5.2%) markets.

The largest addition of space saw the remaining 136,600 sq ft of speculative space currently undergoing refurbishment at 25 North Colonnade following BP's letting in Q2 2020. A number of mid-size releases of second-hand space were also recorded, the largest release of which was 38,400 sq ft at 189 Marsh Wall, as well as a further 28,900 sq ft at 5 Harbour Exchange Square.

Availability in East London is expected to come under upward pressure this year as a result of the Covid-19 pandemic and the subsequent economic consequences resulting in space being released. However, while there may be impacts recorded in mid-2020, the full scale may not be fully realised or recorded until the end of 2020 or even into 2021.

Development

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There were no development starts or completions during the quarter. There are two major schemes currently under construction speculatively, comprising 20 Water Street, E14 (215,000 sq ft) and Cargo, North Colonnade, E14 (346,000 sq ft) which are both due to complete in Q3 2020.

Delivery of future supply is likely to be impacted by current uncertainty. Schemes underway when the UK entered lockdown were delayed by government directives, a lack of manpower, and scarcity and rising costs of resources. Despite most construction sites resuming activity, enforced social distancing measures are likely to continue to add delays. Moving forward, we may see some new construction starts held back to reflect reduced demand from occupiers and more cautious strategies and financing from investors and lenders.

Rental growth

The impact of the current economic uncertainty has not yet led to rental adjustments in East London, with a number of transactions completing at rents agreed pre-Covid. Prime rents were held at £51.00 per sq ft with recent evidence at 40 Bank Street, E14 supporting this. Tenant-controlled supply is being marketed at rents from £42.50 per sq ft, while pre-let supply is being marketed at rents of £59.50 per sq ft.

There were no new investment transactions completed in Q2, meaning year to date turnover remained unchanged at £168 million.

1.2.2. Market Rent

In arriving at our opinion of market rent, we have had reference to the following sources of information:-

In March 2020, the Home Office (UK Gov) acquired some 33,867 sq ft of office space on a 15 year lease at Warehouse K, Western Gateway. This property comprises a Grade II listed converted Tobacco warehouse which was converted in to office space in 2002. The rent agreed was £32.50 per sq ft although a substantial rent free period was given at the start of the lease of 3 years and 3 months. This property had been vacant for some 3 years prior to the letting. This property is in close proximity to the Crystal but provides a very different style of space but is the only other substantial transaction in the area. We would also comment that securing a UK Gov covenant would create substantial investment value which may help to explain the long rent free period.

A range of smaller units has been let at Expressway at rents between £26-30 per sq ft. These are small office suites which are let on terms of up to 3 years. The common parts of the premises have been substantially refurbished, however the accommodation is situated below a flyover.

We have had reference to the quoting rents at ABP's Royal Albert Dock Scheme where a number of earlier phases have completed. There is little published information surrounding the scheme, the first letting was achieved in December 2019 however the terms are confidential. The agents are quoting £35 per sq ft.

Thirdly, we have looked to more established markets including Stratford and Canary Wharf and made adjustments to reflect the property's situation in an unproven office location. Prime headline rents in Canary Wharf are £51 per sq ft as detailed in the market commentary above.

Assuming the building was to be let to a single tenant, we have assumed that a rent of £30.00 per sq ft could be achieved. Given that the building is unique in terms of its specification, location and size, there is a degree of risk attached to this conclusion. It is likely a substantial void and rent free period would be required to secure a tenant at this level, although this would be dependent on lease length. We would consider a rent free period of 24 months to be appropriate for a 15 - 25 year lease.

1.2.3. Rent

We have been provided with a schedule of floor areas which have been produced by Plowman Craven which are summarised below:-

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	NIA
Ground	
Office	27,830
Storage	283
BMA	200
Atrium Base	2,925
Common Reception	3,832
Mezzanine	
Office	3,174
1st Floor	
Office	10,515
Storage	97
2nd	
Office	10,943
Storage	264

This gives a total NIA of 60,063 sq ft.

The area of the Ground floor which is currently categorised above as office space includes the back of house catering facilities, the café, exhibition space and a substantial reception/ interactions space known as the Street. In our view, the market rent should be calculated on the basis of what a “prudent landlord” would do in order to maximise useable space and consequently, the market rent should be calculated on the NIA detailed above giving a rent of **£1.68m**. It should also be noted that it would not be possible to secure this level of rent without capital expenditure of circa £2.8m.

If the rent were to be calculated on the basis of the existing layout of the property, we anticipate the rent achieved would be in the region of **£1.2m**. It would however be much more difficult to secure a letting with the property in this condition and as such we would expect a significantly longer void period and a longer rent free period.

1.3. Other Considerations

1.3.1. Lease Term

GLAP are proposing to grant the GLA a 25 year lease with a break option at year 20. The property is to be let on a fully repairing and insuring basis.

The property is to be let at a market rent and reflect market incentives.

1.3.2. Existing configuration/ Tenant’s fit out

In order for the GLA to use the premises as City Hall, a reconfiguration of the space will be required, in particular of the ground floor which is currently fitted out as exhibition and auditorium space. The premises are currently laid out as an exhibition centre together with extensive back of house catering and atrium areas together with a café.

If the GLAP were acting as a “prudent landlord” trying to maximise the rental income received from the building, they would undertake a reconfiguration/ refurbishment in order to convert the exhibition and back of house space to office premises. In order to determine the cost of reconfiguring the ground floor premises, we have had reference to BCIS which states

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conversion costs range between £75 to 200 per sq ft depending on the complexity of the conversion and fit out requirements. We have not assumed a mezzanine would be installed in the existing exhibition area due to uncertainty over whether the P&M could support this and the potential impacts on the ground floor accommodation. We note the possibility exists but suggest further feasibility work needs to be undertaken before it is included in these calculations. We have adopted a rate of £100 per sq ft which reflects the current condition of the accommodation. We have applied this rate to the ground floor NIA as provided by Plowman and Craven (but excluding the Atrium, Storage and BMA) totalling some 27,810 sq ft. This gives a total conversion cost of circa £2.8m.

In letting the property to GLA, this cost will not be incurred as the tenant will be undertaking their own extensive fit out works. As such, it would be appropriate to contribute towards the tenants fit out in order to secure the letting. We would recommend that reinstatement provisions are put in the lease which require the tenant's fit out to be removed at lease expiry and the premises yielded up as office space.

1.3.3. Business Rates

Business rates are a form of property tax, usually paid by the occupier of property, and related to property rental value (known as Rateable Value). The level of rates paid is generally revised annually to reflect inflationary increases. The Rateable Value may be revised every five years to reflect changes in the value of the premises.

The annual amount of rates payable is arrived at by applying a multiplier to the rateable value. The multiplier for 2019/2020 is 51.2 pence in the (£) pound with a discounted small business multiplier of 49.9 pence.

The rateable value of the property is £680,000.

1.3.4. Operational Expenditure and Services

We have been provided with the following information regarding the running costs of The Crystal which were historically incurred by Siemens.

We note that these costs appear extremely high when considered on a per sq ft basis and have assumed that there are substantial staffing costs which are included relating to the operation of the building as an exhibition centre.

	FY2016	FY2017	FY2018
Opex	£2,054,647	£1,893,995	£2,275,759
Services	£917,102	£877,999	£667,050
Total	£2,971,749	£2,771,994	£2,942,809

We understand that further work is being undertaken to determine the running costs of The Crystal and initial estimates put running cost closer to £2.3m however as this work is ongoing, we have been instructed not to reflect the potential impact of these costs on rent.

1.4. Analysis of GLAP position

We have been asked to consider the benefit to GLAP of letting the property to GLA:-

1. **Scenario 1** - The building is let to GLA on Day 1. GLAP contribution to fit out £2.8m.
2. **Scenario 2** - The building remains in existing use and a new tenant is secured after 4.5 years. GLAP undertakes fit out costing £2.8m.

We have undertaken a Discounted Cashflow (DCF) in order to determine the Net Present Value (NPV) of these income/ expenditure streams. We have set out the assumptions we have made in each of the scenarios below:-

1.4.1. Scenario 1

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This is the value of the GLAP's freehold interest over the next 10 years assuming the property is let to GLA during October 2020. The DCF assumes:-

- GLA pay rent being £1.68m per annum.
- A 24 month rent free period is granted.
- GLAP make a contribution to GLA fit out cost of £2.8m

This produces a Landlord's Interest on the basis defined above:-

£7,182,000

(Seven Million, One Hundred and Eighty Two Thousand Pounds)

1.4.2. Scenario 2

This is the value of the GLAP's freehold interest over the next 10 years assuming the property is held for the next 4.5 years as per the existing strategy produced during Siemens surrender negotiations. The DCF assumes:-

- GLAP continue to received current income of £900,000 per annum for the next 3 years.
- GLAP liable for operating expenditure and business rates being £2.6m per annum based on Siemens opex information.
- GLAP invest £2.8m in the fit out/ reconfiguration of the property in year 4.
- Marketing commences in year 4 and income starts in year 6 following a 24 month rent free period.

This produces a Landlord's Interest on the basis defined above:-

£-5,217,000

(Negative Five Million, Two Hundred and Seventeen Thousand Pounds)

1.5. Recommendations

We would be able to recommend GLAP agrees a lease to GLA on following terms which would be reflective of current market conditions:-

- Rent - £1,680,000
- Area – 60,063 sq ft
- Rent free period – 24 months
- Fit out contribution - £2.8m
- Term –25 years with a break at year 20
- Reinstatement – To office premises

1.6. Confidentiality and Publication

Finally, and in accordance with our normal practice we confirm that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither

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the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

Yours faithfully

A handwritten signature in black ink, appearing to read 'N Carter', followed by a vertical yellow line.

Nick Carter MRICS

Director

For and on behalf of Jones Lang LaSalle Limited

Environmental sustainability of the Crystal building

Appendix 2 - Environmental works proposed by Arup

Scope	Lower estimate	Upper estimate
<u>Core works</u>		
Stripping out and disposing of redundant services listed below	£123,000	£184,000
Replacement of kitchen extract	£39,000	£46,000
New rainwater filters	£16,000	£19,000
Modification to alternative water supply systems (rainwater harvesting modification & blackwater decommission)	£16,000	£19,000
New UV disinfection unit	£23,000	£28,000
Reinstatement of hot water renewable system	£62,000	£74,000
BMS modications	£31,000	£46,000
Recommission building services including natural ventilation actuators	£92,000	£150,000
Core works sub-total	£402,000	£566,000
<u>Energy reduction measures</u>		
Replace light fittings with new LED fittings and lighting control modification	£1,380,000	£1,660,000
Replacement of 300m ² building integrated PV	£230,000	£300,000
Energy reduction subtotal	£1,610,000	£1,960,000
<u>Requirements for BREEAM Outstanding</u>		
Desktop studies (post-occupancy evaluation, etc)	£40,000	£40,000
Total	£2,052,000	£2,566,000

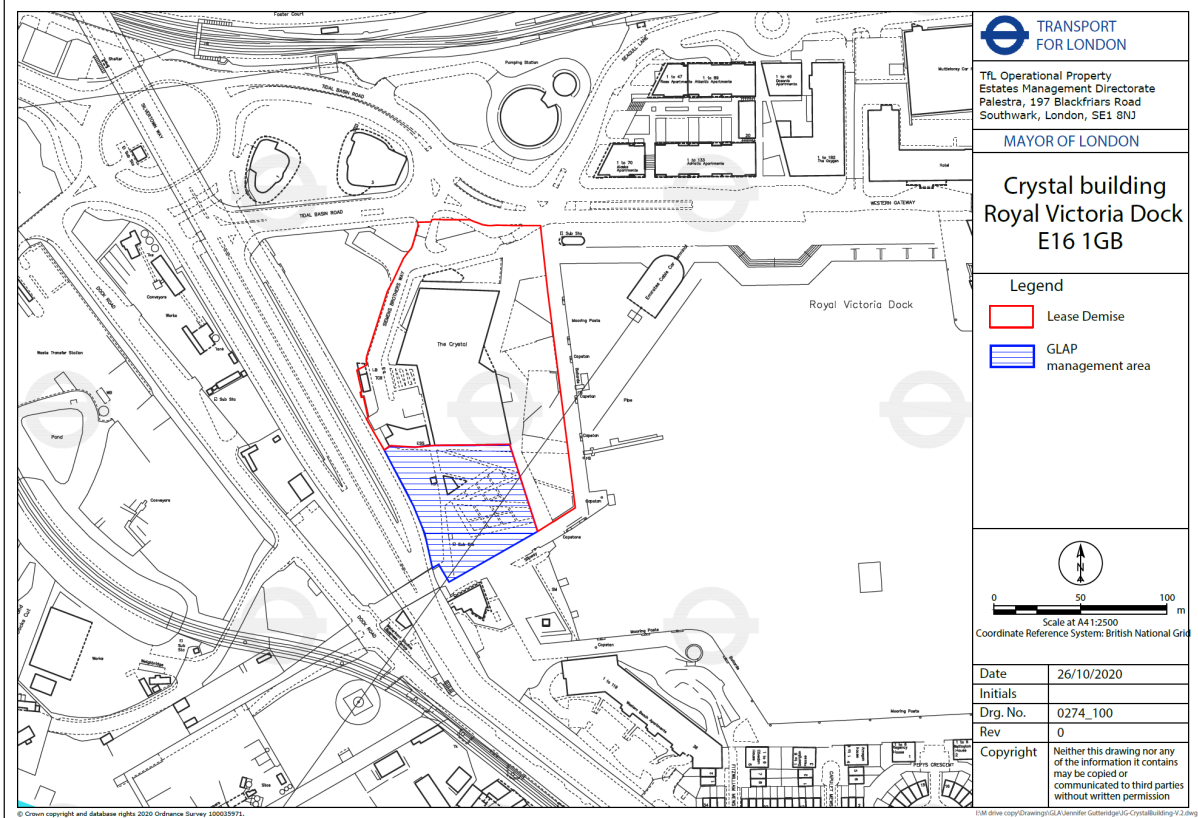
Crystal Lease – Heads of Terms
Subject to Contract

Parties	Landlord: GLA Land & Property Ltd (GLAP) Tenant: Greater London Authority (GLA)
Conditionality	Heads are subject to: 1. GLAP internal approval 2. GLA internal approval 3. Contract
Property	The Landlord's premises shown edged red on the draft lease plan appended and known as The Crystal, 1 Siemens Brothers' Way, Newham, London E16 1GB which forms part of the Landlord's freehold title number TGL460710
Rent	£1,680,000 per annum exclusive of VAT, first 24 months of Term will be rent free
Payment	Rent to be paid quarterly in advance on the usual quarter days.
Service Charge	The Tenant will pay a service charge. [The service charge will be based on a fair proportion of the Landlord's total service expenditure, including the Landlord's contributions to the [RoDMA service charge]]
Term	25 years from completion of Lease. Either party will have the right to terminate the Lease at the end of the nineteenth year of the Term subject to providing not less than six months prior written notice
Rent reviews	The rent to be increased every 5 years in accordance with the RPI.
Insurance	Tenant to cover full insurance costs of the Property
Repair	Full repairing lease with the Tenant responsible for maintaining the Property and for all repairs by reference to a schedule of condition
Handover of Property at the end of lease	Tenant to reinstate alterations at the Landlord's request.
Use	Use to be as civic centre (sui generis), comprising committee chamber and rooms, ancillary exhibition and conference space, ancillary office and ancillary cafe, or any use within B1.
Dealings / Alienation	The Tenant may not assign, transfer, mortgage, charge, hold on trust, or otherwise part with possession with the property save as set out below.

Underletting	<p>The Tenant may underlet any part the Property for less than 5 years within the term of the lease without Landlord consent provided leases are outside the protection of the Landlord and Tenant Act 1954.</p> <p>Tenant may sublet the whole of the Property subject to landlord’s consent which is not to be unreasonably withheld or delayed.</p> <p>Tenant may share occupation of the Property with any company in the same group of companies as the Tenant without the need for Landlord consent.</p>
Alterations	<p>The Tenant may carry out non structural internal alterations provided the Landlord is notified of any changes within 30 days of completion and all plans and specifications are submitted. The Tenant may carry out structural and external alterations subject to the Landlord’s consent not to be unreasonably withheld.</p> <p>It is anticipated that the Tenant’s fit out and repair works will be carried out under licence prior to completion of the lease. The Landlord will also carry out works up to the value of [£3.3M] prior to completion of the lease.</p>
Third Party Rights	<p>Each party confirms that no term of this Lease is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to it.</p>
Management of the outside areas	<p>The Tenant shall be responsible for the care, control and management of the grassed area within the demise.</p> <p>The Landlord shall be responsible for the care, control and management of the grassed area and gardens to the south side of the Property, as shown in the Estate Management plan edged and hatched in blue. In respect of this land:</p> <ol style="list-style-type: none"> a. Landlord’s costs to be recovered via service charge as mentioned above. b. The Tenant shall have the right to use the land for the purpose of emergency evacuations. c. The Landlord will not undertake or authorise any activities on the land that will adversely affect the Tenant’s quiet enjoyment of the Property or create any additional significant security or safety risks.
Security	<p>The Landlord shall be responsible for keeping in place and maintaining in an effective state the hostile vehicle mitigation scheme on their land that forms part of the protection zone around the Crystal building</p> <p>The Tenant shall have the right to carry out security patrols in the areas around the Property managed by Landlord</p>

Security of Tenure

The lease will be outside the protection of the LTA 1954



Avison Young
65 Gresham Street
London
EC2V 7NQ



Schedule of dilapidations

**The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB**

Greater London Authority

March 2019

Simon Pick BA (Hons) MA MRICS
020 7911 2035
simon.pick@avisonyoung.com

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Prepared by: William Cobb BSc (Hons)

Date: 6th March 2019

Doc Ref: 02B904115

Version: v1



.....
Authorised by: Simon Pick BA (Hons) MA
MRICS

Date: 6th March 2019

1. Preambles and Summary

Lease	Lease dated 14th October 2016 and made between GLA Land and Property Limited and Royal Docks Management Authority Limited and Siemens PLC ("The Lease")
Landlord	GLA Land and Property Limited ("The Landlord")
Tenant	Siemens PLC ("The Tenant")

- 1.1 The following schedule of dilapidations identifies those works which the Landlord believes are necessary in order to remedy the breaches of covenant imposed upon the tenant by the terms of the Lease dated 14th October 2016 ("the Lease") made between GLA Land and Property Limited and Royal Docks Management Authority Limited and Siemens PLC and any deeds and documents supplemental to the Lease.
- 1.2 This schedule was prepared following our inspection of the property on 21st February 2019.
- 1.3 The front elevation is deemed to face east and all references to direction within the schedule will follow this orientation, or as if facing the element described.
- 1.4 Where the schedule has been prepared prior to the end of the Lease, items relating to any reinstatement, decoration and yield up obligations are set out in anticipation of breaches likely to arise at the date the Lease determines should the Tenant fail to undertake works to comply with their Lease obligations.
- 1.5 The schedule is a representation of what the Landlord believes is required for the Tenant to be in compliance with their Lease covenants at the date the Lease determines. The schedule should not be taken as a specification of the works required and the Tenant needs to interpret the Lease and any supplemental documents themselves. The Tenant should appoint their own consultants to advise on the scope of works necessary to yield up the demised premises in compliance with their Lease obligations.
- 1.6 All of the works stated are to match the original as appropriate. All works are to be carried out using appropriate materials and workmanship, and in observance of all current and relevant statutory regulations.
- 1.7 All reinstatement remedies are to be read as inclusive of the removal of all associated parts, components and accessories, and inclusive of making good.
- 1.8 The Landlord reserves the right to amend the schedule as appropriate, including the addition of further breaches of the Tenant's Lease covenants, until full and final settlement is made.
- 1.9 Should an electronic copy of this Schedule be required, this is available from the surveyor whose details are stated on the front page of this document.

Surveyor's Endorsement

- 1.10 In the opinion of Simon Pick BA (Hons) MA MRICS, this schedule sets out what the Landlord's surveyor considers to be breaches of the Lease documentation and any other associated documentation and sets out the works reasonably required to remedy those breaches and full account has been taken of the Landlord's intentions for the property insofar as it is possible four years prior to termination of the tenancy as advised by the Landlord and that the costs, if any, quoted for such works are reasonable.

- 1.11 This opinion has regard to the principles set out in the Royal Institution of Chartered Surveyors' Guidance Note on Dilapidations (7th Edition) and the Pre-Action Protocol for Claims for Damages in Relation to the Physical State of Commercial Property at Termination of a Tenancy (the 'Dilapidations Protocol').



Simon Pick

Signed

Printed

2. Summary of Tenant's Covenants

Lease Summary

Lease Dated 14th October 2016 Between GLA Land and Property and Royal Docks Management Authority Limited and Siemens plc

Property Address	Land at Silvertown Way known as part of the Landmark Site, Newham London
Commencement of Term	14 th October 2016
Expiry Date	11 th May 2023
Term	6 years and 7 months
The Demised Premises	The building known as The Crystal Building as defined by the lease plan.

Summary of Tenant's Lease Covenants

Clause number

5.	ALTERNATIONS
5.1	Not to carry out
5.1.2	Any development as defined by Planning Law; or
5.1.2	any work which adversely affects;
	(a) any load bearing part of the Premises; or
	(b) any energy or water performance efficiency;
5.1.3	Any work affecting the external appearance of the Premises or which merges them with any other premises; or
5.1.4	Any work to the structure of the Building
5.2	Not to carry out any other work to the Premises without the Landlord's consent which will not be unreasonably withheld or delayed (but installing and removing demountable internal partitioning in a way which does not breach Clause 5.1 does not required the Landlord's consent, subject to the Landlord being notified about the work within one month after it is carried out.
5.3	To provide the Landlord without delay with a written insurance valuation of any alteration which does not constitute tenant's fixtures and fittings
5.4	By the end of the Term (unless otherwise agreed with the Landlord in writing) and to its reasonable satisfaction, to have removed:
5.4.1	All alterations made to the Premises and the Landscaped Area at any time during the Term by the Tenant or by anyone who claims through the Tenant; and
5.4.2	Unless the Landlord confirms in writing (in its absolute discretion) in relation to any specific item referred to in the Reinstatement Schedule that it does not required the relevant item(s) to be removed, the items referred to in the Reinstatement Scheduled;

And made good all damage caused (including without limitation any damage to decoration and/or floor coverings to the Landlord's reasonable satisfaction.

5.5 To provide the Landlord as soon as reasonably practicable upon receipt with a copy of any EPC or air-conditioning inspection report obtained by the Tenant for the premises together with all ancillary records.

5.6 Not to obtain or commission an EPC in respect of the premises unless required to do so by the EPC Regulations and, if the Tenant is required to obtain an EPC, the Tenant must (at the Landlord's option) obtain an EPC either from an assessor approved by the Landlord (acting reasonably) or pay the Landlord's reasonable and proper costs of obtaining an EPC for the Premises.

5.7 To provide whatever information the Landlord reasonably requires about any alteration proposed to be or which has been, carried out by the Tenant or by anyone who claims through the Tenant during the Term of the Previous Leases.

7. COST AND OUTGOINGS

7.1 The Tenant shall pay all present and future rates, taxes, levies, costs, charges, impositions and other outgoings of whatever nature assessed on, or reasonably attributable to the Premises and the External Dining Area (or any other areas over which the Tenant enjoys rights granted under this Lease, their use and occupation or on their owner or occupier including business rates and utilities costs (including meter rents, standing charges and taxes payable on utility costs) (together "Outgoings") and, in the absence of a direct assessment on the Premises, shall pay to the Landlord a fair proportion (to be reasonably determined by the Landlord) of any such Outgoings. This obligation does not require the Tenant to pay any such costs which arise from any dealing by the Landlord with its interest in the Premises or adjoining land or to income or corporation tax payable by the Landlord on the Principal Rent or any other sums due under this Lease.

7.2 The Tenant shall pay to the Landlord, within 14 days of written demand a fair proportion (to be reasonably determined by the landlord) of all reasonable and proper costs and expenses reasonably and properly expended or incurred by the Landlord in repairing maintaining, decorating, cleaning, lighting, making, laying or rebuilding, as the case may be any forecourts, passages, pavements, roads ways, party walls or fences, party structures. Conduits or other conveniences and easements whatsoever which are capable of being used or enjoyed by the Premises in common with any adjoining property, but excluding any costs and expenses relating to the Landscaped Area (which are the subject of Schedule 1) and any costs and expenses payable pursuant to the Water Management lease (which are the subject of Schedule 2)

7.3 The Tenant covenants with the Landlord to pay to the Landlord within 14 days of written demand the proper and reasonable costs and expenses of the Landlord's solicitors surveyors and other professional advisors and bailiffs fees and commissions including any irrecoverable VAT arising from or in connection with.

7.3.1 the preparation and service of any notice and the taking of any proceedings by or on behalf of the Landlord under sections 146 or 147 Law of Property Act 1925 or under the Leasehold Property (Repairs) Act 1938, whether or not forfeiture is avoided by an order of the court

7.3.2 any application made by the Tenant for the Landlord's consent for or approval of any matter under this Lease whether or not consent or approval is given (unless the Landlord has unreasonably withheld that consent or approval or proffered such consent or approval subject to unreasonable conditions) or the application is withdrawn (save where the Tenant withdraws the application due to the Landlord seeking to impose unreasonable conditions);

7.3.3 enforcing the Tenant's Obligations against anyone who is liable to comply with

them; and

7.3.4 the preparation and service of all notices and schedules of dilapidations during or within six months after the end of the Term and

7.3.5 the recovery of any arrears of Principal Rent

8. REPAIRS AND DECORATION

8.1 Subject as provided in Clause 6.2, the Tenant shall:

8.1.1 keep and maintain all structural elements of the buildings on the Premises (including the roof) (the "Structure") in good and substantial repair and condition and intermediate any latent or inherent defects (relating to defective design, workmanship and/or materials); and

8.1.2 keep and maintain all other parts of the Premises (being all parts of the Premises other than the Structure), the Access Road and any other items installed or constructed by the Tenant in the Landscaped Area from time to time (including without limitation the car parking spaces referred to in clause 3.1.15) in no worse repair and condition than they are in as at the date of this Lease. as evidenced by the Schedule of Condition

8.2 Subject as provided in Clauses 6.2, the Tenant shall keep the Premises clean and in the third year of the Term and also in the last year of this lease the Tenant shall redecorate and treat all relevant parts of the Premises with appropriate materials in a good and workmanlike manner (and, during the last year of this lease, in a colour scheme reasonably approved by the Landlord provided that the Landlord may not object to a colour scheme which is consistent with the colour scheme at the date of this Lease) Provided That nothing in this clause 8.2 shall require the Tenant to carry out any works to put the Premises in any better condition than that evidenced by the Schedule of Condition

8.3 Following the service of any notice, whether by the Landlord or any public authority, the Tenant is to commence and carry out any repairs or other works to the Premises required by that notice within a reasonable period having regard to the nature and extent of the repairs or works. The Landlord may serve notice under this Clause 8.3 only to specify repairs or other works that are required to remedy any breach by the Tenant of its obligations under this lease.

8.4 If the Tenant does not comply with Clause 8.3, subject to receiving not less than five days' prior Written notice (except in case of emergency where as much prior notice as can reasonably be given in the circumstances shall be given) the Tenant is to permit the Landlord to enter and remain upon the Premises with or without workmen, plant and materials to carry out the repairs or other works required. The reasonable costs properly incurred by the Landlord in carrying out the repairs or other works are to be paid by the Tenant to the Landlord within 14 days of written demand together with interest on those costs at the Interest Rate calculated from and including the date on which they became due to and including the date on which they are paid.

8.5 The Tenant shall notify the Landlord of any defect in the Premises which might give rise to an obligation on, the Landlord to do, or refrain from doing, anything at the Premises or the need to discharge a duty of care under any Enactment, as soon as the Tenant is aware of the defect; and shall display such notices as the landlord may reasonably require at the Premises about their state of repair

8.6 Without prejudice to Clause 8.5, the Tenant is to take any action that the Landlord may properly and reasonably require in respect of any defects in the Premises which might give rise to a duty or liability on the part of the Landlord under the Defective Premises Act 1972, any other statutory provision or at common law

8.7 Notwithstanding any other provision of this lease and the limitations on the

Tenant's repairing and decorating liability as referred to in Clauses 8.1 and 8.2, as soon as reasonably practicable and in any event within six months of the date of this Lease, the Tenant shall carry out and complete the works identified by pink highlighting in: the schedule entitled "4.0 Approximate Costings for Defects Remediation" prepared by Sweett which appears at Appendix 2, such works to be carried out to the landlord's reasonable satisfaction

12 END OF THE TERM

- 12.1 At the end of the Term the Tenant shall:
- 12.1.1 Return all keys of the Premises to the Landlord;
- 12.1.2 Remove all goods and chattels and (to the extent required by clause 5.4) tenant's fixtures;
- 12.1.3 Leave the premises with vacant possession, in the state of repair and condition required by the Tenant's Obligations; and
- 12.1.4 Notwithstanding the foregoing provisions of this clause 12.1 and any other provisions of this lease (including without limitation and provisions of clause 8), hand back the Premises with all mechanical, electrical, plumbing and drainage systems, including water storage tanks and lift installations but excluding the black water treatment system, full commissioned and certified.
- 12.2 If the Tenant has not removed all of its property from the Premises within three months after the end of the term;
- 12.2.1 The Landlord may sell that property as the agent of the tenant and the Landlord is to pay or account to the tenant on demand for the sale proceeds after deducting the reasonable and proper costs of transportation, storage and sale reasonably incurred by the Landlord; and
- 12.2.2 The Tenant is to indemnify the Landlord against any liability of the Landlord to any third party whose property is sold in the mistaken belief held in good faith that the property belonged to the Tenant.
- 12.3 Subject to the provisions of any legislation which prevents or restricts such an agreement, the Tenant is not entitled to any compensation under statute or otherwise at the end of the Term.

16 LANDLORD'S TERMINATION RIGHT

- 16.1 The Landlord may terminate the Term if at any time more than 50% of the Gross internal Area has ceased to be occupied and used for use as a conference centre and/or exhibition centre in accordance with the Authorised Use for a continuous period of one year or more (in relation to which clause 1.8 shall apply), by serving written notice on the Tenant to that effect within the relevant period as referred to in Clause 16.2 and where notice is given under this Clause 16.1 the lease shall be determined on the first Working Day arising 40 Working Days after the date of the Landlord's notice (the Break Date).
- 16.2 The relevant period for the purposes of clause 16.1 is the period of six months from the last day of the period of one year during which more than 50% of the Gross Internal Area has ceased to be occupied and used for use as a conference centre and/or exhibition centre in accordance with the Authorised Use PROVIDED THAT if following expiry of that period 50% or more of the Gross Internal Area is subsequently occupied and used for use as a conference centre and/or an exhibition centre in accordance with the Authorised Use on or before the date upon which the landlord serves a notice on the Tenant pursuant to Clause 16.1 the notice shall be invalid, the Term will not terminate and the period referred to in Clause 16.1 shall start again.
- 16.3 Within 14 days of termination of this Lease pursuant to this Clause 16 the

Landlord will repay to the Tenant such proportion of the Principal Rent or any other sums due under this Lease (other than sums paid in respect of the Maintenance Charge, as defined in Schedule 1) which have been paid by the Tenant and relate to the period after the date of termination.

- 16.4 On termination of this Lease pursuant to this Clause 16, the Tenant covenants to give vacant possession of the Premises (save for, where applicable, the arrangement with the lean Community Group as referred to in clause 10.13 above Provided That such arrangement does not create any security of tenure for the relevant occupier and expires prior to 21 December 2018) free from any mortgages or charges.
- 16.5 When this Lease ends it will be without prejudice to any outstanding claims between the Landlord and the Tenant.

Licence Summary

Licence for Alterations Dated 4th April 2017 Between GLA Land and Property Limited and Siemens Public Limited Company

Nature of Licenced Alterations Minor alterations to the café ceiling and relocation and installation of a lamp post including associated CCTV.

Summary of Relevant Licence Terms

- | Clause 10 | Reinstatement |
|-----------|--|
| 10.1 | Unless and to the extent that the Landlord notifies the Tenant not to do so before the end of the Lease, the Tenant must remove the Works (including the 'equipment') at its own cost and reinstate the Premises and the Equipment Area to their former state and condition and make good any damage caused by the removal of the Equipment. |
| 10.2 | All works of reinstatement must be carried out on in accordance with clauses 5, 6 and 7 as if the references in those clauses to 'the works' were references to the works of reinstatement. |

3. Schedule of Remedial Works Required

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

1. Reinstatement

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		Office Section		
		Second Floor		
1.1	12	Tenant has installed timber stud partitioning to the floor.	Remove partitioning and make good disturbed surfaces.	£4,225.00
1.2	12	Tenant has installed shelving and fixtures generally throughout the floor.	Remove shelves, notices, clocks, and all other tenant fixtures and make good disturbed surfaces.	£1,000.00
1.3	12	Tenant has installed retractable electrically operated window blinds.	Remove window blinds and make good disturbed surfaces.	£1,500.00
1.5	12	The tenant's furniture and chattels remain in situ.	Remove all chattels, desks and furniture etc.	We assume the tenant will remove.
1.6	12	The tenant has installed a circular feature board and raised stand to the board room.	Remove circular feature and stand and make good disturbed surfaces.	£2,250.00
1.7	12	Following the removal of the circular feature the carpet will be reinstated.	Reinstate carpet.	£750.00
1.8	12	Tenant has installed their signage throughout the floor.	Remove signage etc.	£400.00
1.9	12	The tenant has provided their own white goods to the office kitchenette.	Remove all white goods to office kitchenette and dispose.	£300.00
1.10	12	The tenant has installed textured feature walling in the board room.	Strip out textured feature walling and make good to disturbed surfaces.	£500.00
		First Floor		
1.11	12	Tenant has installed shelving and fixtures generally throughout the floor.	Remove shelves, notices, clocks, and all other tenant fixtures and make good disturbed surfaces.	£1,000.00
1.12	12	The tenant's furniture and chattels remain in situ.	Remove all chattels, desks and furniture etc.	We assume the tenant will remove.
1.13	12	Tenant has installed their signage throughout the floor.	Remove signage etc.	£400.00
		Ground Floor		
1.14	12	Tenant has installed shelving and fixtures generally throughout the floor.	Remove shelves, notices, clocks, and all other tenant fixtures and make good disturbed surfaces.	£1,000.00

1. Reinstatement

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
1.15	12	The tenant's furniture and chattels remain in situ.	Remove all chattels, desks and furniture etc.	We assume the tenant will remove.
1.16	12	Tenant has installed their signage throughout the floor.	Remove signage etc.	£400.00
1.17	12	The tenant has provided their own white goods to the commercial kitchens.	Remove all white goods to commercial kitchens and dispose.	£1,200.00
Exhibition Area				
1.18	12	The tenant has installed various freestanding exhibition structures throughout the floor.	Remove freestanding exhibition installations.	£10,000.00
1.19	12	The tenant has installed bespoke exhibition structures such as the mezzanine and hanging elements.	Remove all bespoke exhibition structures / mezzanine and make good to disturbed surfaces.	£15,000.00
Total				£39,925.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

2. Repair

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		Office Section		
		Second Floor		
2.1	8.2	The glazing is begrimed throughout.	Clean all internal glazing, including windows, doors and partitioning.	£1,488.00
2.2	8.2	The WCs and shower rooms are generally soiled and require cleaning.	Deep clean all WCs.	£2,000.00
2.3	8.2	The structural elements to the underside of the roof are generally begrimed and have a collection of dust.	Clean down structural elements to underside of roof.	£4,000.00
2.4	8.2	The metal grated walkway is begrimed and soiled.	Clean and polish the metal grated walkway.	£144.00
2.5	8.2	The metal floor grates are damaged adjacent to the walkway.	Repair areas of damaged floor grate.	£700.00
2.6	8.2	Powder coated aluminium window frames are begrimed and dust has collected on surfaces.	Clean window frames.	£2,000.00
2.7	8.2	The ironmongery is begrimed and requires cleaning in the last year of the term.	Polish door ironmongery, handrails, etc.	£500.00
2.8	8.2	The metal handrails to the stairs and glazed barriers are begrimed.	Clean all metal handrails	£110.00
2.9	8.2	The solar film to the windows is peeling in isolated areas.	Remove defective solar film and replace with new.	£1,500.00
2.10	8.2	Water ingress damage to section of ceiling to cleaners cupboard.	Further investigation required. Undertake repairs and redecorate the ceiling.	£1,500.00
2.11	8.2	The carpet to the staircase is generally worn in trafficked areas and will be further damaged following the removal of furniture.	Replace the carpets to the staircase.	£25,710.00
		First Floor		

2. Repair

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
2.12	8.2	The tenant is required to clean internal glazing elements in the last year of the term.	Clean all internal glazing, including windows, doors and partitioning.	£912.00
2.13	8.2	The WCs and shower rooms are generally soiled and require cleaning.	Deep clean all WCs and showers.	£750.00
2.14	8.2	Powder coated aluminium window frames are begrimed and dust has collected on surfaces.	Clean window frames.	£2,000.00
2.15	8.2	The ironmongery is begrimed and requires cleaning in the last year of the term.	Polish door ironmongery, handrails, etc.	£500.00
2.16	8.2	The metal handrails to the stairs and glazed barriers are begrimed.	Clean all metal handrails	£140.00
2.17	8.2	The solar film to the windows is peeling in isolated areas.	Remove defective solar film and replace with new.	£1,500.00
2.18	8.2	Water ingress damage to section of ceiling to cleaners cupboard.	Further investigation required. Undertake repairs and redecorate the ceiling.	£1,000.00
2.19	8.2	The carpet to the stairs is worn. The carpet to the south west corner is soiled and stained.	Replace areas of carpet.	£6,960.00
		Ground Floor		
2.20	8.2	The tenant is required to clean internal glazing elements in the last year of the term.	Clean all internal glazing, including windows, doors and partitioning.	£204.00
2.21	8.2	The WCs and shower rooms are generally soiled and require cleaning.	Deep clean all WCs and showers.	£500.00
2.22	8.2	The structural elements to the underside of the roof are generally begrimed and have a collection of dust.	Clean down structural elements to underside of roof above lobby/entrance.	£1,000.00
2.23	8.2	Powder coated aluminium window frames are begrimed and dust has collected on surfaces.	Clean window frames.	£2,000.00
2.24	8.2	The ironmongery is begrimed and requires cleaning in the last year of the term.	Polish door ironmongery, handrails, etc.	£500.00
2.25	8.2	The solar film to the windows is peeling in isolated areas.	Remove defective solar film and replace with new.	£1,000.00
2.26	8.2	The commercial kitchens are generally soiled and begrimed.	Undertake a thorough deep clean of both the café and restaurant kitchens.	£850.00

2. Repair

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
2.27	8.2	The tiled flooring to the café area is generally soiled.	Thoroughly deep clean the tiled flooring.	£740.00
2.28	8.2	The auditorium finishes are generally soiled. Including the carpet, seating, nosings to stairs, etc.	Undertake a thorough deep clean of the auditorium.	£750.00
2.29	8.2	The tiled flooring to the atrium and lobby/entrance area is soiled and requires cleaning.	Thoroughly deep clean the tiled flooring.	£1,312.00
2.30	8.2	Water ingress stain to the male WC and ceiling is delaminating.	Further investigation required. Undertake repairs and redecorate the ceiling.	£1,500.00
Exhibition Section				
2.31	8.2	The WCs and shower rooms are generally soiled and require cleaning.	Deep clean all WCs and showers.	£500.00
2.32	8.2	The structural elements to the underside of the roof are generally begrimed and have a collection of dust.	Clean down structural elements to underside of roof.	£7,136.00
3.33	8.2	Powder coated aluminium window frames are begrimed and dust has collected on surfaces.	Clean window frames.	£4,000.00
2.34	8.2	The tiled flooring to the exhibition area is soiled and requires cleaning.	Thoroughly deep clean the tiled flooring.	£5,352.00
External				
2.35	8.2	The external curtain walling requires cleaning within the last year of the term.	Thoroughly clean external curtain walling.	£35,328.00
2.36	8.2	There are a number of defective glazing panels to the curtain walling.	Replace damaged glazing panels to the north and west elevations.	£8,000.00
2.37	8.2	Defective sealing to the curtain walling system.	Remove existing sealant and apply new sealant.	£450.00
2.38	8.2	There is a defective vent which is not operational.	Service the vent and carry out repairs.	£2,300.00
2.39	8.2	Rendered plinths and infill beneath doors are cracked and missing.	Rake off defective render and apply new render to locations.	£750.00
2.40	8.2	A number of rail sheets to access paths are corroded.	Clean down, prepare and treat corroded sheets with a corrosion inhibitor.	£750.00
2.41	8.2	The bike shelter roof and concrete floor are heavily begrimed and stained.	Thoroughly clean down the begrimed areas.	£600.00

2. Repair

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
Total				£128,936.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
 London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

3. Decoration

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
Office Section				
Second Floor				
3.5	8.2	The tenant is required to redecorate painted plasterboard ceilings in the last year of the term.	Decorate suspended plasterboard ceilings in WCs and boardroom	£2,700.00
3.7	8.2	The tenant is required to redecorate the skirtings in the last year of the term.	Decorate skirtings to the boardroom.	£1,072.00
3.8	8.2	The tenant is required to redecorate/treat the doors in the last year of the term.	Decorate/varnish doors to the boardroom.	£700.00
3.9	8.2	The tenant is required to redecorate the columns in the last year of the term.	Decorate columns.	£1,080.00
First Floor				
N/A				
Ground Floor				
N/A				
Exhibition Section				
N/A				
External				
N/A				
Total				£5,552.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

4. Statutory compliance

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		General		
4.1	11	We were unable to view any documentation on site confirming that the emergency lighting within the demise is compliant with the Management of Health and Safety at Work and Fire Precautions (Workplace) (Amendment) Regulations 2003 under the Health and Safety at Work etc Act 1974 and the Regulatory Reform (Fire Safety) Order 2005.	Please provide relevant test certification to demonstrate compliance with the recommendations of BS 5266 as well as being in good repair.	£500.00
4.3	11	We were unable to view any documentation relating to the electrical installation and testing of the existing fit out in accordance with The Electricity at Work Regulations 1989.	Please provide relevant NIC EIC certification to demonstrate compliance as well as being in good repair.	£800.00
4.4	11	We were unable to view a certificate of compliance for the fire alarm system as per the Management of Health and Safety at Work and Fire Precautions (Workplace) (Amendment) Regulations 2003 and the Regulatory Reform (Fire Safety) Order 2005.	Provide evidence that the fire alarm system has been maintained and tested such as the documentation recommended in BS 5839 which includes a log book.	£200.00
Total				£1,500.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

5. Reinstatement of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		External		
5.1	5.4.1	The Tenant has isolated and bypassed the solar hot water storage vessel. The solar thermal panels have been isolated and are not in operation and has been de-commissioned.	Inspect, carry out repairs and re-commission solar thermal hot water system.	£5,000.00
5.2	5.4.1 and Appendix 3	Electric car chargers have been installed to car park.	Make safe and cut back power supplies to electric car battery chargers.	£3,000.00
		Ground Floor		
5.3	5.4.1 and Appendix 3	Reception area desks to exhibition area have been installed.	Make safe, cut back and cap off/isolate and remove services connections to desks including power supplies and accessories, CCTV, security, communication systems etc.	£2,000.00
		1st Floor		
5.4	5.4.1	Tenant has created additional partitioned offices to East and West side open plan offices.	Lighting and chilled beam controls to be re-programmed to suit open plan arrangement.	£1,000.00
5.5	5.4.1	Tenant has converted a store room to a meeting room.	Make safe, strip out and remove existing power supplies, accessories and telecom services etc.	£1,500.00
5.6	5.4.1 and Appendix 3	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Reinstate lighting to suit the original boardroom layout.	£15,600.00
5.7	5.4.1 and Appendix 3	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Modify air conditioning system including ductwork, air grilles, controls etc. to suit the original boardroom layout.	£9,600.00

5. Reinstatement of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
5.8	5.4.1 and Appendix 3	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Make safe and remove all audio visual equipment, specialist lighting, electronic presentation walls, TV screens, speakers etc.	£2,500.00
5.9	5.4.1	Tenant has installed under floor power busbars to supply floor boxes and/or grommets. The installation is in serviceable condition and suitable for re-use.	Service and repair floor boxes/grommets.	£1,200.00
5.10	5.4.1	Tenant has installed security systems including CCTV cameras, access controls and intruder alarms. The installation is serviceable condition and suitable for re-use.to offices entrance doors, stores and comms room. Retained reuse service.	Service and repair system components and leave operational.	£1,200.00
5.11	5.4.1	Tenant has fitted out a comms room on second floor.	Strip out and remove data cabling from server racks to floor boxes.	£2,640.00
		Second Floor		
5.12	5.4.1	Tenant has created additional partitioned offices to East and West side open plan offices.	Lighting and chilled beam controls to be re-programmed to suit open plan arrangement.	£1,000.00
5.13	5.4.1	Tenant has converted a store room to a meeting room.	Make safe, strip out and remove existing power supplies, accessories and telecom services etc.	£1,500.00
5.14	5.4.1	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Reinstate lighting to suit the original boardroom layout.	£15,600.00
5.15	5.4.1	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Modify air conditioning system including ductwork, air grilles, controls etc. to suit the original boardroom layout.	£9,600.00
5.16	5.4.1	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Make safe and remove all audio visual equipment, specialist lighting, electronic presentation walls, TV screens, speakers etc.	£3,000.00

5. Reinstatement of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
5.17	5.4.1	Tenant has re-configured the boardroom and enhanced with presentation and audio visual systems for multiple presentation types.	Reinstate smoke detectors to original boardroom layout.	£600.00
5.18	5.4.1	Tenant has installed under floor power busbars to supply floor boxes and/or grommets. The installation is in serviceable condition and suitable for re-use.	Service and repair floor boxes/grommets.	£6,000.00
5.19	5.4.1	Tenant has installed security systems including CCTV cameras, access controls and intruder alarms. The installation is serviceable condition and suitable for re-use.to offices entrance doors, stores and comms room. Retained reuse service.	Service and repair system components and leave operational.	£2,400.00
5.20	5.4.1	Tenant has fitted out a comms room.	Strip out and remove 3 server racks and associated power supplies.	£750.00
5.21	5.4.1	Tenant has fitted out a comms room.	Strip out and remove data cabling from server racks to floor boxes.	£7,200.00
5.22	5.4.1	Tenant has fitted out a comms room.	Make safe, strip out and server rack powers supplies to PDU.	£3,750.00
Total				£51,400.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

6. Repair of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		External		
6.1	8.1.2	Filters to louvered wall to plantroom on ground floor housing the black water storage tank are dirty.	Replace filters.	£750.00
6.2	8.1.2	Fault light on control panel for thermal to ACH	Investigate and repair fault.	£1,500.00
6.3	8.1.2	Fault light on control panel for IT Comms and Electrical Plantroom package unit.	Investigate and repair fault.	£2,500.00
6.4	12.1.4	Black water recovery system is not working.	We are advised that the system although installed has never been commissioned and has subsequently been disconnected from the system. Clause 12.1.4 excludes the black water treatment system from the obligations of the Tenant.	£0.00
6.5	8.1.2	The air conditioning system serving the restaurant area adjacent to the kitchen is noisy.	Inspect ventilation plant and carry out remedial works.	£1,000.00
6.6	8.1.2	The PV array appears dirty.	Clean PV panels on roof.	£15,800.00
		Ground Floor		
6.7	8.1.2	High level spot lights to exhibition space and around auditorium are not working.	Replace spot lights with new.	£1,750.00
		1st Floor		
6.8	8.1.2	No repairs noted.		
		Second Floor		
6.9	8.1.2	Leak in evidence to comms room.	Investigate and if required carry out repairs to pipework leaks.	£1,000.00
6.10	8.1.2	There are a number of high level spot lights not working.	Access difficult and we are advised the spot lights are no longer manufactured. Replace	£3,750.00
6.10	8.1.2	There are a number of high level spot lights not working.	Access difficult and we are advised the spot lights are no longer manufactured. Access platform.	£5,000.00

6. Repair of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
		General		
6.11	12.1.4	All mechanical, electrical, plumbing and drainage systems, including water storage tanks and lift installations to be handed back fully commissioned and certified.	Carry out servicing and re-commissioning of all electrical systems including any remedial works identified. Provide engineers reports and test certificates to demonstrate that the electrical installations, fire alarm, lighting control, fire alarms, emergency lighting etc. are fully operational and performing in accordance with design parameters.	£10,000.00
6.12	12.1.4	All mechanical, electrical, plumbing and drainage systems, including water storage tanks and lift installations to be handed back fully commissioned and certified.	Carry out servicing and re-commissioning of all mechanical systems including any remedial works identified. Provide engineers reports and test certificates to demonstrate that the ground source heat pumps, chiller, closed circuit water systems, ventilation, BMS and controls systems etc. are fully operational and performing in accordance with design parameters.	£15,000.00
6.13	12.1.4	All mechanical, electrical, plumbing and drainage systems, including water storage tanks and lift installations to be handed back fully commissioned and certified.	Carry out servicing and re-commissioning of all mechanical systems including any remedial works identified. Provide engineers reports and test certificates to demonstrate that the domestic water and drainage systems etc. are fully operational and performing in accordance with design parameters.	£5,000.00
6.14	12.1.4	All mechanical, electrical, plumbing and drainage systems, including water storage tanks and lift installations to be handed back fully commissioned and certified.	Carry out servicing and re-commissioning of all lifts and hoists including any remedial works identified. Provide engineers reports and test certificates to demonstrate that the two passenger, disabled hoist and dumb waiter are fully operational and performing in accordance with design parameters.	£7,500.00

6. Repair of building services items

6 Mar 2019

Item no.	Lease clause	Breach	Remedy	Cost
Total				£70,550.00

Schedule of remedial works required

The Crystal, Siemens Brothers Way, Royal Victoria Dock
London E16 1GB

Greater London Authority

02B904115 Simon Pick BA (Hons) MA MRICS

7. Summary of claim

6 Mar 2019

Item no.	Lease clause	Item	Cost
		Cost of works	
7.1		Reinstatement of alterations	£91,325.00
7.2		Repair	£199,486.00
7.3		Decoration	£5,552.00
7.4		Statutory compliance	£1,500.00
		Sub total	£297,863.00
7.5		Temporary access for high level works	inc
7.6		Contractor preliminaries, overheads and profit 15.0%	£44,679.45
		Cost of works sub total	£342,542.45
		Professional fees	
7.7		Surveyor - preparing the schedule of dilapidations	£11,175.00
7.8		Solicitor - serving the schedule	£600.00
7.10		Contract Administrators Fees 10.0%	£34,254.25
7.13		Services engineer 2.0%	£6,850.85
7.14		CDM related fees 1.0%	£2,000.00
7.15		Building Control / Approved Inspector 0.0%	£1,500.00
		Professional fees sub total	£56,380.09
		Consequential losses	Annual costs
		Loss of rent	TBC
		Loss of service charge	TBC
		Loss of insurance costs	TBC
		Void rates / void water rates	TBC
		Other misc. costs	TBC
		Finance costs	TBC
		VAT 0.0%	£0.00
		(Basis of VAT applicability: The owner has opted to tax the land and buildings. VAT will not be incurred when undertaking works and is therefore not applicable to the claim as an additional loss.)	
		(Basis of VAT applicability: The owner has not opted to tax the land and buildings. VAT will be incurred on the cost of the works and will therefore result in an additional loss.)	
		Consequential losses sub total	£0.00
		Grand total	£398,922.54

Estimated void period	
Preparation of specification and tender documents	
Tender period	
Tender analysis	
Contractor's lead in	
Contract period	
Total	0 week(s)