

Karen Franek

From: [REDACTED]
Sent: 27 April 2016 16:55
To: [REDACTED]
Subject: Growth Plans

Dear Karen,

Following our recent conversations surrounding our growth plans and inevitable moving on from The Business Terrace, I thought it would be helpful to outline some of the experiences we have had, with specific regard to business premises, in our journey as a start-up business.

We founded in January 2015. Before we found The Business Terrace, we were working from our home office, and knew we wanted our own office for the following reasons:

- Somewhere mutual and more professional to meet clients (rather than our living room or a coffee shop!)
- Separation of home and work (particularly crucial as we're a husband-and-wife team)
- Access to professional support/services

We began looking at office premises in June 2015. Our overwhelming realisation was that most offices on the market are very, very large. Of those which were small enough, most have a 2 or 3 year lease, as well as additional overheads on top of the. At this stage in our journey, this prospect daunting and risky.

We were very pleased to hear about The Business Terrace. It presented us with an ideal stepping stone to bridge that gap between a home office and a large, commercial premises. We were the first tenants to sign up, and moved in to Office 6 in September when it opened.

Being at the Terrace has been great for our business. Not only did we now have an office, we also had meeting rooms and other resources in a great central location, as well as access to resources such as Kent Foundation and Rift Accounting on site. We also have been able to meet and get to know a variety of fellow small business owners, including forming several professional relationships with other tenants.

When we joined the Terrace, we were a team of 2, we opted for a three-person office on the basis of having a bit of breathing room and with a longer term idea to grow our team. However, we have experienced growth in our business much faster than we anticipated. 8 months after moving in, we're now a team of 3, we'll be a team of 4 by the end of May, and we are recruiting for a 5th person. This means we are soon to outgrow Office 6, and what the Terrace is currently able to offer us.

Our business growth has been very much linked to the opportunities presented by being in the Terrace, and we would have very much liked to stay here for a little longer. As you know, we did explore options, and had originally hoped that an expansion into the rest of Floor 1 of Maidstone house would enable a move to a next-step office for us. However since this is now not in the pipeline, and no larger offices are available, we have been required to source considerably larger premises elsewhere.

Returning to looking into the commercial property market, we have found that the search for small business premises is still very difficult.

We have been fortunate to have now found a space to move to. It was a sought-after premises, since the choice on the market for high quality premises for anything under 1000sqft is still very limited. We are jumping to an office around 4 times larger than our current space, in order to accommodate projected growth of the team within the lease term, as well as the loss of having a separate meeting room on site. We'll be a team of 4 or 5 in a space that could accommodate more than 10. Although we are in a more stable and better position than we were last summer, it is still a large commitment for us and the move

comes with risks. A commercial let of this kind has longer lease terms, much higher deposits, and more complex responsibility - e.g. overheads from setting up internet connectivity, purchasing furniture, and sourcing other facilities which we currently have provided by the Business Terrace.

We're excited by the next phase of our business, though we will be sad to be leaving the Terrace. We do still have plans to remain connected to the Terrace, hopefully with a set-up whereby we'll be able to provide services and advice to tenants and members, regarding digital aspects of their business.

Kind Regards,

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