

Where do you go for a creative, viable strategy to maximise the value of your asset?

Practical advice. Progressive approach.

Your asset is your opportunity and our business.

Whatever the scale, type or location of your investment, our practical and progressive approach to acquisition and disposal of industrial property consistently optimises the value of our clients' assets.

Our clients include property developers and investors, institutional investors, property owners and occupiers.

The NB Real Estate (NB) Industrial Agency and Development team is expert in the development, leasing, sale and acquisition of industrial and distribution property and land across the UK.

Intelligent Agency[©]

At NB we employ a more thoughtful approach to property marketing, an approach based on sound principles that we call Intelligent Agency[©].

The fundamentals of effective property marketing are often forgotten. Little differentiation is made between buyer types or emphasis given to positioning the property relative to the buyer's alternative options. As a consequence, marketing strategies tend to lack focus.

An intelligent marketing strategy is founded upon a thorough understanding of the target audience, detailed knowledge of their alternative choices, realistic positioning and pricing, and a promotion plan that is focused and influential.

**It's an approach that brings
consistently exciting results.**

■ Leasing.

■ Property
strategy.

■ Acquisition and
disposal.

■ Asset
optimisation.

“NB Real Estate’s

Industrial Team are a valued agent who have proven themselves to offer the highest standards of service. They consistently deliver results and are working hard to ensure this continues.” Director, Chancerygate

The current market. What’s our view?

The current global recession is having a dramatic effect on industrial property. Property values in some locations have lost 25% since the peak of June 2007 and values will fall further. Land pricing in particular is suffering as the appetite to develop dries up, but rents have not dropped proportionally in the same period.

The impact of slowing retail sales is likely to impact on the big warehouse market (90% of large sheds are fed through the High Street). We can therefore expect, some bigger sheds to become available by the second quarter of 2009 to compete with existing landlord stock.

The effects of the economic downturn have been compounded by the change in empty rates legislation from April 2008. As a result there are an increasing number of deals being done which are effective rate savers on larger stock. Some landlords are doing short-term, six-week deals to mitigate lost relief over the subsequent six months.

Industrial should remain the most robust sector but expect capital values to fall a further 10% to 20% and rental value to fall between 5% and 10%. Our advice is to hold tight and embrace the change. Focus on the industries and companies that are still progressing and the industrial sector will remain strong in the long run.

Our advice is

- | **Practical** because we implement our strategies as well as devise them
- | **Intelligent** because we never settle for a standard industry approach
- | **Tailor made** because the complexity of each project demands an original solution

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Opportunities in 2009

1. Target your marketing

Target marketing of space to green industries and new SMEs where demand is likely to grow.

2. Nurture your customers

A stronger, partnership-based approach to customer relations will help landlords and their customers to survive through the recession. Giving greater flexibility to tenants, adopting the lease code and a more proactive approach to helping occupiers succeed in their business will be rewarded by a steady rental income and loyalty in the longer term.

3. Invest

Buying development land at realistic values will provide an excellent platform when the market returns. Supply of land is currently good, so investors can pick up properties at advantageous prices, with the potential to develop for the future.

4. Be selective

Be sure that you have the right agents and encourage them to go ‘back to basics’:

- Cold calling all prospects (we do 70-80 a day)
- Canvassing and targeting the right demand groups
- Networking with prospects
- Communication – make sure you are updated (we call our clients after every inspection)

“There is no doubt that 2009 will be a difficult year but return to stability in early 2010 is a realistically optimistic outlook.”

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