

Practical advice to maximise the value of your industrial property.

Progressive approach. Smart solutions.

Property is both an opportunity and a risk to the profitability of your business. Whatever the scale, type or location, our approach to industrial property consistently optimises its operational value.

Property is our business, not yours, and our advice is tailor made to give our clients the advice they need to make the complicated simple.

Our Industrial Agency and Development team is expert in all aspects of industrial property and land. We have dealt industrial property, from small warehouse buildings to rail freight terminals and airport buildings, countrywide.

We provide development and funding recommendations, marketing advice, and negotiation and transaction management.

Diverse experience. Comprehensive service.

Acquisition
and disposal.

Tenant
representation.

Leasing.
Property strategy.

Asset
optimisation.

Market comment. 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.

Occupiers should seek greater flexibility when taking space.

“Our expectations are

consistently exceeded by NB’s Industrial Agency & Development Team.”

Henk Derksen, President, Belden Europe

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

What have we done recently?

| Belden

35 site audits across the UK and Europe

| Royal Mail

Acquired seven buildings in seven days – 1.6 million sq ft

| Royal Mail

Acquired 11.5 acres for major distribution warehouse in East London

| Sainsbury’s

35,000 sq ft acquired in Park Royal

| Speedy Hire

Various acquisitions and disposals across the UK

| ADC Krone

45,000 sq ft prelet and 6 acre sale in Cheltenham

| Valassis

85,000 sq ft disposal in Corby

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 no two clients are the same

Opportunities in 2009

1. Target your marketing

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

2. Your landlord needs you

If you have a break or lease expiry your landlord will be more inclined to regear your lease than at any other time since the early 1990s. The relationship between landlords and occupiers has been rebalanced and landlords who are proactive will benefit alongside their occupiers, in the long 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 occupiers 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 per day
- Targeting the right demand groups
- Communication – we update our clients after each inspection

“There has never been a better time to ignore market comparables and generalisations – each deal holds unique circumstances for the buyer and seller.”

Andrew Smith
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