



CORNERSTONE

A busy year ahead

Jim London, Joint Senior Partner, comments on the property investment market.

Investment in commercial property throughout our region remains very strong, with a variety of clients seeking investments from about £250,000 to £5m. Some larger clients and funds are actively seeking investments of £10m plus. Yields typically vary from 5% – 5.5%, up to 8% across the

various sectors.

It will be interesting to know how many property companies converted to REITS during their EGM's last December.

The IPD monthly index for October showed UK (All) Property Totals over the last 12 months at 20.4% (October 2005 was about 17.5%), whilst equities were at 21.7% and gilts 3%.

Offices showed the best return at



Jim London.

24.3%, industrial 19.5% and retail (slowing) at 19%.

The fall in yields is continuing to slow down and although 2007 is expected to be a good year for investment properties, forecasters are predicting yield increases and capital values falling, going into 2008. However, this may well change if the current encouraging signs of rental improvement continue.

It is further anticipated that with a number of property companies converting to REITS to benefit from Capital Gains charges, several disposal portfolios may be held back until later on in 2007, which will produce a busy year ahead.

London Clancy expands

London Clancy is pleased to announce several changes which significantly enhance the services we offer to our clients.

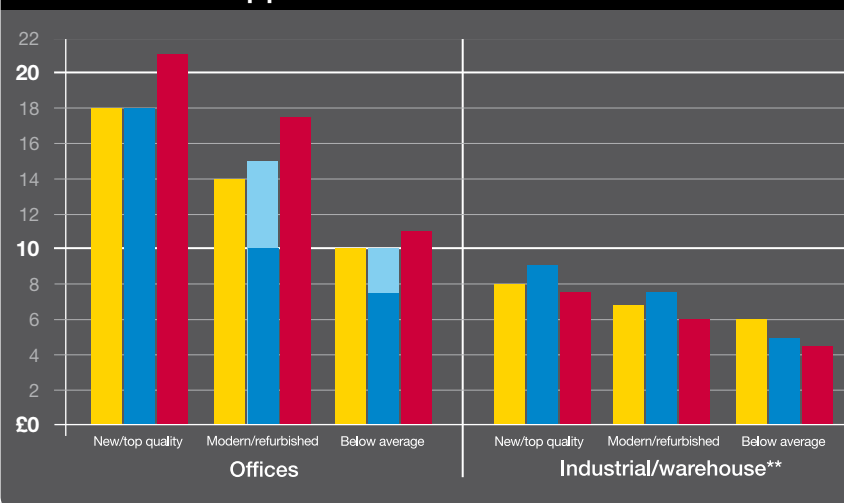
London Clancy Building Consultancy has been launched in association with Gregory Associates of Basingstoke. The new division is led by Alan Gregory, with a team of chartered building surveyors, and is based in Basingstoke.

Jim London, also based in Basingstoke, has now returned to his specialism as Investment and Development Agency team leader covering Southern England. James Clay

has moved from Southampton office and is now joint Agency Partner at Basingstoke with Keith Harpley. James will be focusing on business space and office agency, as well as acting for some of his Southampton-retained clients. Chris Ridge has been appointed as Office Director in Southampton and London Clancy is recruiting a further team member there.

Following the retirement of Reg Varns, Derek White has been appointed as the Property Maintenance and Facilities Supervisor within our Management Department in Basingstoke.

Market Data – Approximate Business Rents *



Key

Basingstoke £ per sq ft Price range
 Camberley £ per sq ft Price range
 Southampton £ per sq ft Price range

* units over 5,000 sq ft approx.
 ** with approx. 10% office content.



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Prisma Park, Basingstoke

Prisma Four.



Equity Estates (Basingstoke) Limited has let Unit A at Prisma Four, Berrington Way, off Wade Road, Basingstoke to **Homeserve Emergency Services Limited** on a 10-year lease at an initial rental of £8 per sq ft.

Nick Smith of Equity Estates says, "We are very pleased that Homeserve is our first tenant on the business park and look forward to welcoming more occupiers in the near future."

Other industrial units are available on a freehold or leasehold basis,

including 12 new office units which were recently completed. The letting agents are London Clancy and Baker Davidson Thomas.

Unit A, the unit which has been let, is one of a group of four, brand new warehouse/industrial units set within this well-landscaped business park, one of Basingstoke's premier industrial estates. It benefits from easy access to junction 6 of the M3 (within two miles).

Hampshire review

The office market in Basingstoke showed encouraging activity during 2006, especially within the town centre area.

Deals include lettings of about 6,500 sq ft at Renaissance; 6000 sq ft at Matrix House, 7,500 sq ft at The Square (to Revenue & Customs) and about 12,500 sq ft within Network House, Basing View, to business consultancy group CAP Gemini.

There is also the possibility of additional lettings at Belvedere within Basing View.

This activity totals about 51,000

sq ft, with approximately 120,000 – 130,000 sq ft having been let so far this year.

Grade A space currently costs around £17 - £18 per sq ft, while Grade B space is about £14 - £16 per sq ft. Some firms are showing a preference for town centre offices rather than those further out.

Freehold offices are currently available at Prisma Park, Wade Road in Basingstoke, in unit sizes of 1,768 sq ft up to 2,194 sq ft.

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INSIDE THIS ISSUE

Office market activity

Opportunities in Ringwood and Frimley Green.



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Our new website is a time saver!



A busy year ahead

Jim London looks at the property investment market.



Practice News

London Clancy expands.



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Hampshire review

These are also offered on a leasehold option, which gives smaller tenants and prospective purchasers an excellent opportunity to acquire their own 'front-door' style premises.

Meanwhile, there is exciting activity at the Farnborough Business Park development. Developer Slough Estates has announced an additional 110,000 sq ft of offices at the park, together with about 30,000 sq ft under offer and a potential further 7,000 sq ft under offer within the hub building.

Industrial

In Basingstoke, the encouraging take-up especially seen during 2005 in industrial lettings (around 400,000 sq

Office availability and take-up in Basingstoke

	Availability (sq ft)	Take-up (sq ft)
2003	980000	150000
2004	905000	131000
2005	800000	300000
2006 (to Sept)	900000	120000

Source: London Clancy

ft) has resulted in a lack of supply in respect of larger buildings. As reported in the last In View, Brixton plc is now fully underway with the building of its new 117,000 sq ft scheme known as Horizon in Kingsland Business Park, Wade Road, Basingstoke.

The scheme will provide units ranging in size from 18,945 sq ft to 22,820 sq ft gross external floor area and will include 20% office content. Horizon will provide a major new

development for warehousing and industrial space within an established and popular area, providing easy access to both the M3 and M4 motorways.

As a result of the excellent take-up recently, industrial rents are now showing signs of improvement, with rental levels for good-quality refurbished space at around £6.50-£6.75 per sq ft and for new build high office content (industrial) about £8.75/£9 per sq ft.

Danebury Works, Hants



London Clancy, acting on behalf of Gleeson Properties Limited, has sold the Danebury Works in Kentsford Road, Middle Wallop, near Andover, to SB Joinery Limited.

The property comprises a site of about five acres and warehouse/industrial buildings totalling around 38,377 sq ft. Four of the five individual buildings have been refurbished. The premises benefit from a large rear hardstanding area of about 1.28 acres and extensive car parking to the front.

The site was sold for £1.4m freehold.

Listed period offices – Ringwood



There are many attractive features at Manor Hatch, near Ringwood.

Manor Hatch, a two-storey Grade 1 listed building located near Ringwood town centre, is available for leasing.

It is thought that the property dates back to at least the 18th century, if not earlier, and was formerly the stable block to the nearby Manor House.

Situated on Southampton Road and offering 1,661 sq feet of space with car parking for at least six cars, the property has been recently refurbished and modernised. The property provides high quality, air-

conditioned accommodation featuring a combination of styles. There are suspended ceilings on the ground floor, whilst the first floor has original timbers, exposed beams and feature lighting, creating a unique working environment. It is fully cabled for networks and telecoms. The property is only a short walk from Ringwood town centre and is ready for immediate occupation.

For further information contact Chris Ridge on 023 8033 0442 or email chrisridge@londonclancy.co.uk

London Clancy's new website

London Clancy has launched a great new website at www.londonclancy.com

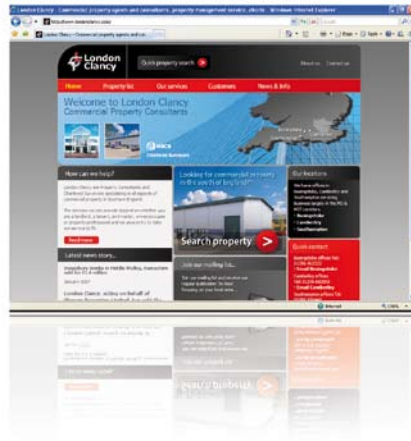
It's fast and very easy to use with a full and current property listing, a useful summary of all the services provided by London Clancy and the latest news from the market place.

Client case studies highlight what we do, from identifying market opportunities, to arranging and managing leases, to dealing with all aspects of property acquisition and sales, including relocations.

What's more, our website provides valuable information from London Clancy's experts on important and complex issues like new legislation, as well as helpful advice and

guidelines in its 'opinion' section, including market data, and links to our newsletters and bulletins.

Visit www.londonclancy.com



Moving made easy

Finding the right solution to commercial property requirements can be daunting but needn't be.

London Clancy is experienced in all aspects of purchasing, including carrying out property searches, arranging viewings, conducting building surveys and overseeing all financial and legal aspects.

We recently acted on behalf of E-TEC Power Management Limited, based in Bedfordshire, which was looking to relocate to the Blackwater Valley area.

E-TEC required new premises which provided excellent opportunities for business expansion and, following our search, has purchased freehold industrial units and offices next to Farnborough airfield at Farnborough Aeropark.

The brand new premises were developed by Terrace Hill and comprise an industrial property Nimbus N2 and self-contained offices Cirrus C15. They have excellent access to the M3, M25 and other major road networks, as well as close proximity to railways and airports.

Mitie relocation at Frimley Green



Mitie, the Bristol-based property services and engineering group, has acquired a substantial office, laboratory and depot complex, extending to about eight acres, by Quayside Waterpark at Frimley Green, Surrey.

Mitie is occupying a vacant 15,000 sq ft office building on the site and it has also bought, as an investment, an adjacent office and laboratory complex

leased to South East Water.

At the southern end of the site two and a quarter acres of hard standing and open storage land, named Bluewater Storage Park, have also been acquired by Mitie, which is looking to lease it out to one occupier company.

For further information please contact Jonathan Laurence on 01276 682055.

Office Relocation



Samantha Kipping of Shine Creative with Jonathan Laurence.

Design consultancy, Shine Creative, has relocated from Yateley and leased new office premises at The Lodge, Hartley Wintney, Hampshire.

The Lodge is a unique property – a former Masonic Hall converted for office use in a way which is contemporary but which also retains the character and integrity of a charming period building. Right in the centre of Hartley Wintney and with its own private car park, it is a brilliant place to work.

Shine Creative has taken The Lodge on a six-year lease with a break clause in year three.

Jonathan Laurence of London Clancy was the letting agent.