FINAL MARKETING REPORT

On

Former S R Gent Plc Premises
Dodworth Road
Barnsley

For the period

March 2007 to March 2008

Report prepared by
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1.0

The purpose of this report is to consider the marketing that has taken place in respect of the former S R Gent Plc property on Dodworth Road, Barnsley and follows our initial marketing proposal dated 18th October 2006, and our interim Marketing Report of March 2007.

The purpose of this report is as follows:

1.1 This report will summarise the marketing campaign following the interim Marketing Report in March 2007.

1.2 This report will detail the enquiries that have been received and discuss where necessary each party's requirement and comment on the suitability of the premises.

1.3 This report will then summarise the whole marketing period including the period prior to October 2006, in order to summarise the situation in respect of the premises.

1.4 The premises were demolished in March 2008 and this was in effect the end of the marketing period.

2.0 Marketing Summary

In accordance with the initial Marketing Report and the interim summary, the property has continued to be marketed as follows:-

2.1 The "To Let" board has remained on the site and due to its prominent position on Dodworth Road has generated a significant number of enquiries.

2.2 The property has continued to appear on Eddisons own website – www.eddisons.com and in turn is linked through to the national commercial website EG Property Link. Parties enquiring of the website are able to view basic details of the property and download details by way of a PDF. I can confirm that in the period, March 2007 to March 2008, 111 sets of details where downloaded on these premises.

2.3 The premises have continued to appear in Eddisons own in-house Property Magazine, "Eddisons Property News", which is published quarterly and is distributed to approximately 12,000 Individual and businesses throughout the region.

2.4 The premises' details have been registered with the Barnsley Development Agency.

3.0 Enquiries

3.1 As a result of the marketing initiative we have received a number of enquiries for the premises. These are shown on the attached Schedule in Appendix 1.

3.2 We have sought to contact all parties who have expressed an interest in the premises, as per the attached schedule and would advise as follows:

3.3 The inquiry by SBH UK Limited was part of a search on behalf of a client; the property was deemed to be unsuitable upon the information provided and no inspection was undertaken

3.4 The number of inquiries including those of Gent Visicks', King Sturge, CBRE and Crossland Otter Hunt were agents acting on behalf of clients. It is clear from the conversations that their clients were mostly property speculators and were looking at acquiring the premises, seeking planning permission for residential redevelopment and then selling on to third party residential developers.

3.5 A number of enquiries came directly from residential developers and the include Gleesons Regenerations, Caddicks, Country Homes, McInerney Homes Yorkshire, CALA Homes and Miller Developments. All were residential developers looking to acquire the site for residential redevelopment.

3.6 We received a number of direct inquiries from individuals, the majority of whom were seeking to acquire the premises on a speculative basis. It was not entirely clear from each individual as to what future use they would propose to put the premise to, but it was quite clear that the majority were looking at residential redevelopment.

3.7 An enquiry was received from the brewery Marstons, looking for a pub site. It was clear that the site was too large for their purposes.

4.0 Summary

4.1 The property was previously offered on a (for sale) basis from 13 March 2006 until the close of business on the 12 June 2006. The outcome of the "for sale" process was dealt within our initial report dated 18 October 2006.

NB: Whilst offers were closed in June 2006 enquiries for the properties continued to be generated due to the presence of the marketing board and information available via Eddisons' website and Commercial Property News.

4.2 Agreement with Barnsley MDC and in accordance with the Report of the 18 October, 2006, the premises were then offered on a "to let" basis. This was initially reviewed as per our interim report in March 2007.

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As a result the proposal from Barnsley MDC to instruct an Advanced Learning Centre ("ALC"). This resulted in protracted negotiations with the council and as a result the marketing of the premises continued on a "to let" basis for a further substantial period of time. It in effect ended when the property was demolished in March 2008.

4.3 As a result of this, there is a strong argument that the premises have been marketed for approximately 2 years, far longer than we would normally expect premises such as this to be exposed to the market.

4.4 It is clear from the enquiries, particularly in the second marketing period, that these can be divided into effectively three different types:

4.4.1 Developers

There have been a significant number of purely residential developers enquiring about the premises. All considered the premises suitable for residential development. Indeed a number enquired about the premises, having previously bid for them when the property was originally offered for sale.

4.4.2 Speculators

The fact that the premises are owned by an insolvent company has continued to attract speculators looking to acquire the premises on a "freehold" basis despite the fact that in recent times, the premises have been offered on a "to let" basis only.

We held discussions with a number of these parties and it is clear that the majority were looking to buy, at a level to reflect the fact that there was an insolvency had taken place and therefore the property were to be regarded as "distressed", and that ultimately they would be looking at the redevelopment of the premises almost entirely for residential purposes.

4.4.3 Occupiers

The latter half of the marketing campaign there were no occupiers looking at the premises. Indeed there had been only one previous enquiry, DHL, which was covered in our interim Marketing Report.

4.5 We consider the two year marketing period to have been considerably longer than you would normally allow for a property of this nature. As a result we believe we have fully tested the market on a "for sale" and "to let" basis. We consider that the premises are unsuitable for employment use for a variety of reasons, including the following:-

4.5.1 Configuration of accommodation/layout of buildings

As has previously been detailed, the premises do not comprise a single 200,000 sq ft shed but four individual buildings, albeit some of them are linked.

The results of this are firstly it is an inefficient and therefore costly layout; Secondly the service yard is in our opinion too small for a building of this size and Thirdly consider that there are potential Health and Safety risks associated with the layout of the external areas in particular the proximity of some of the car parking to the service yard.

4.5.2
A further issue that was identified as being the restrictive eaves height, as reported on our original report, warehouse buildings have an eaves height of 8-10 mtrs to haunch, whereas 62% of the space (Units 1 and 4) here , we would consider to be have an unreasonably low eaves height of between 3.24 and 4.09 meters to haunch. Again this means the buildings are too low for modern day use.

4.5.3
The final issue is the location of residential dwellings to the site. It was clear from the limited number of conversations with prospective occupiers, that the proximity of residential dwelling houses virtually surrounding the site would limit many operators who require unrestricted 24 hour operations/access. This point was of particular concern to DHL who viewed the premises in the first part of the marketing period.

4.6 We consider that we have fully marketed these buildings over a 2 year period and during this period received considerable interest in the property. In light of this and the interest we received we consider that the buildings are unsuitable for industrial/ warehouse use.