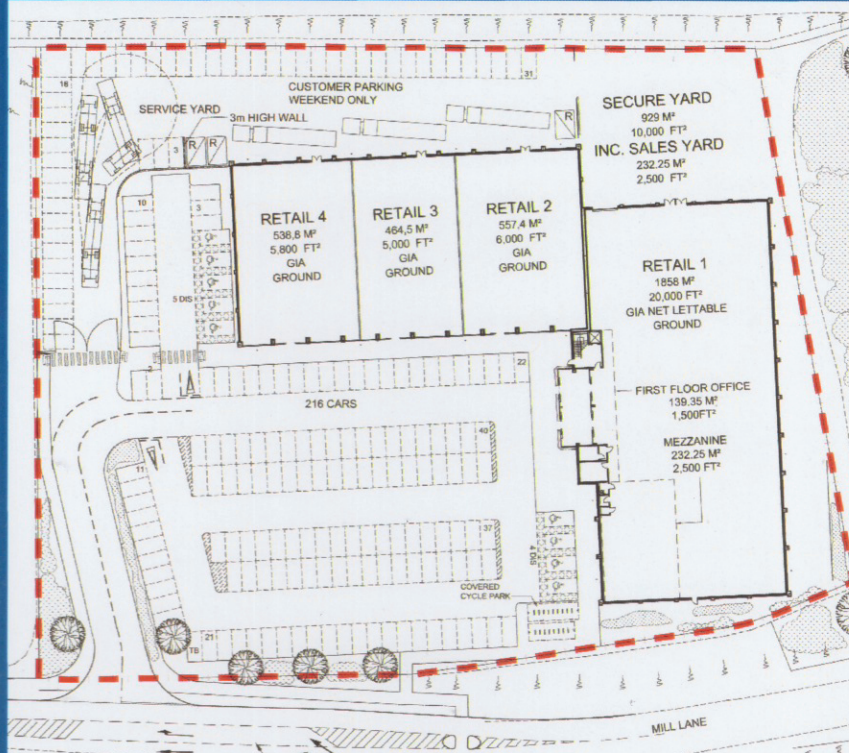


Redundant industrial estate to retail warehousing

Aerial view of site and proposed site layout



Introduction

As a result of an outstanding requirement for a DIY store to serve the Alton area, in early 2005 we carried out a detailed investigation of suitable sites of circa. 3.0 acres. We identified two potential opportunity sites located at the end of Mill lane on the edge of the town centre and close to the access to the A31 (the principal route into the town) which were the right size and comprised a range of obsolete industrial buildings. We were satisfied that there were no other sites available located closer to the town centre and that terms could be negotiated with the owners, who we approached directly.

We negotiated option to purchase agreements with both the freeholder and long leaseholder and in order to optimise our scheme and facilitate the site assembly process, entered into a joint venture with Rok Development who had secured an option on adjoining land.

Planning

Following detailed discussions with East Hampshire District Council, in July 2006 we submitted a detailed planning application for a 40,800 sq ft non food (bulky goods) retail warehouse scheme for the sale of goods such as carpets, car accessories and pets to complement the adjoining Focus DIY store, which had been granted consent at appeal. In order to establish demand, we undertook direct discussions with potential occupiers.

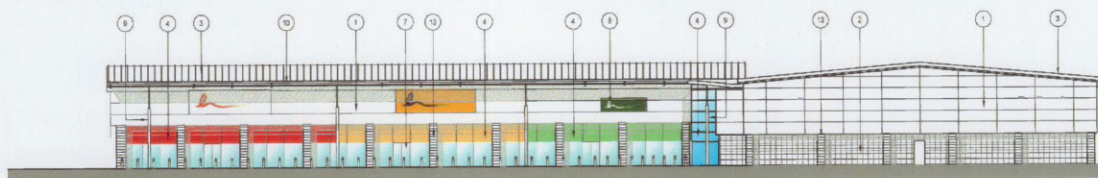
Our application has been supported by a detailed planning assessment including a Retail Impact Assessment, Highway Impact Assessment, Industrial Land Assessment, Ground Investigation Report, Flood Risk Assessment and detailed plans and elevations.

As part of our public consultation exercise, we attended meetings with local interest groups to provide details of the proposals and to address any concerns.

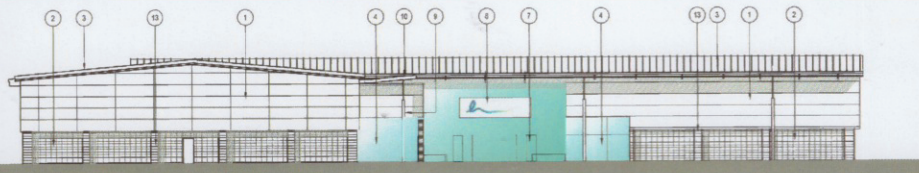
Land secured for development
by option agreements

millngate

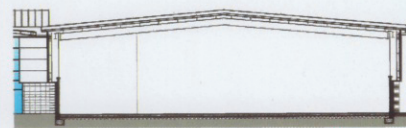
adding value
to property



SOUTH EAST ELEVATION



SOUTH WEST ELEVATION



SECTION THROUGH RETAIL UNIT 1



The scheme

A 40,800 sq ft, non food (bulky goods) retail warehouse scheme arranged as follows:-

Retail Unit 1

Ground Floor	20,000 sq ft/1,858 sq m
Mezzanine	2,500 sq ft/232 sq m
First Floor Office	1,500 sq ft/139 sq m
Total	24,000 sq ft/2,461 sq m

Retail Unit 2

Ground Floor	6,000 sq ft/557 sq m
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Retail Unit 3

Ground Floor	5,000 sq ft/464 sq m
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Retail Unit 4

Ground Floor	5,800 sq ft/539 sq m
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Total Retail	40,800 sq ft/3,790 sq m
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Floor Area

207 car parking spaces are proposed of which circa 155 will be available at all times, with the balance of 52 available to staff and customers at week ends when the service yard is not in use.

Funding

All upfront expenditure has been financed from internal resources and site acquisition costs have been funded by way of a loan to the joint venture company, Milln Gate Rok Development Alton Limited, a special purpose vehicle set up to carry out the development.

The Developer's Team

Town Planning Consultants

White Young Green, Southampton

Architects

Mountford Pigott Partnership, London

Highway Consultants

Capita Symonds Limited, Southampton

Solicitors

Paris Smith & Randall LLP, Southampton

Investment Agents

Young & Butt, Fareham