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Our Ref: EurogroupHse/TG/ljr

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CHARTERED SURVEYORS
& COMMERCIAL PROPERTY CONSULTANTS

6th February 2006

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Dear Paul

Re: Report on the Disposal of Eurogroup House, 63 - 71 High Street, Hampton Hill, Richmond Upon Thames

Further to your recent e.mail I report on the disposal of the above property as follows:

THE BRIEF

To effect an early disposal of Eurogroup House at the best possible terms in the current market.

THE PROPERTY

We do not propose a detailed description since the property is familiar to you.

Briefly the property comprises two office buildings, one constructed in the 1970s and the other in the 1980s together with a single storey building to the rear with a self-contained secure site containing car parking for 45 cars.

Accommodation is as follows:

63 - 65 High Street	8,086 sq ft	(752 sq m)
65 - 71 High Street	6,188 sq ft	(575 sq m)
St Clare Studio Building	1,539 sq ft	(143 sq m)
Total	15,806 sq ft	(1,470 sq m)

There is planning consent for the demolition of the studio building and extension of the office building to the rear of 63 - 65 High Street to provide an additional 5,382 sq ft (500 sq m) of office space.

- Sales
- Lettings
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There are three self-contained flats above 63 - 65 High Street, sold on long ground leases, each benefiting from the right to one car parking space on site.

TARGET MARKET

Our target market comprises occupiers and property companies.

In respect of the potential occupier market demand for freehold property has generally been fairly strong. However, the leasehold market has been suffering from an over supply and relatively weak demand.

Particularly we would comment that there is a strong demand for small freehold office units.

The subject property has evolved over time as the previous occupier Londis originally occupied Nos 65 – 71 High Street and subsequently progressively expanded into the adjoining building at 63 – 65 High Street and the studio building to the rear of the site.

Consequently we believe that the property is too fragmented to appeal to one owner occupier.

In respect of property companies, there is potential for refurbishment and/or development for a number of uses.

Currently the London Borough of Richmond Unitary Development Plan is strongly against the conversion of employment use buildings to residential. The property developed for residential would produce the highest level of value. There is a possibility that the Local Authority might consider social housing, but this is unlikely to generate sufficient value.

We believe that the property could possibly be of interest to a developer to convert to small flatted freehold units.

Another possibility may be a medical use given the prominent main road location and good level of car parking.

DISPOSAL STRATEGY

The property has, of course, already been extensively exposed to the market place.

Given our comments above we believe that the property should be re-branded to offer as three potential freehold sale lots to target the occupier market as well as offered as a whole to the property company market.

Clearly we would not wish to dispose of the studio building until disposals had taken place on the main buildings.

DISPOSAL TERMS

We would recommend the following guide prices and rentals:

	Price	Rental
1. Overall property	£3,000,000	
2. 63 – 65 High Street	£1,750,000	£135,000
3. 65 – 71 High Street	£1,200,000	£95,000
4. Studio	£400,000	£30,000

The total of the individual quoting figures is more than the suggested guide price for the whole property, which is primarily aimed at the property company market. It would also reflect the increased work required in splitting the Title and a longer period for disposal.

MARKETING

Again we are aware that substantial marketing has previously been carried out and some of our suggestions may repeat a promotion that has already been carried out. However, coupled with a re-launch of the marketing these should produce some fresh interest.

Boards

There are substantial boards on the building. These would need to be amended to include our logo.

Brochure

The current brochure presents the property well. However, I think the main selling points of the property are its prominent location and very good standard of car parking in an area which is very restricted in this respect. New office buildings constructed within the London Borough of Richmond are now only permitted approximately one space for every 3,000 sq ft.

We would recommend a new brochure re-branding the property to show its three constituent elements and emphasising the main selling points.

Mailing

Mailings of the brochure would be sent to our applicants seeking property, local and London commercial agents.

A targeted mail shot should be carried out to companies with employees in excess of 20 persons within a five mile radius of the property using an outside mail house.

Mailings should also be carried out to developers from our in-house list. We would particularly draw their attention to the possibility of the division of the building into smaller units for freehold sales.

Web Based Marketing

We will arrange for the property to be listed on our web site which receives substantial 'hits' from local based companies.

We would also arrange for the property to be registered with the main property web based search engines.

We would also recommend a dedicated web site to the property which could be linked to the agents' web sites and contain brochure information as well as information on planning consents etc which can be accessed and downloaded by any interested party.

Budget

We would propose the following budget:

Boards	£100
Brochure	£2,000
External mailshot	£1,000
Web site	£1,000
Total	£4,100 + VAT

Any expenditure would be agreed in detail and authorised in advance.

Production of in-house particulars, mailings to other agents, developers and our applicants seeking office premises would be included within our fee.

BONSOR PENNINGTONS

The primary way that I believe that Bonsor Penningtons can assist is in our active local presence in the marketplace.

We have a considerable presence over the South West London/North Surrey area in respect of marketing other office and commercial properties and this generates many enquiries and leads.

We are also very close to major development companies active in the area.

FEE BASIS

We would propose on a joint agency basis fees of 2.25% of the sale price divided equally between the agents on sales or 15% of the average annual rental excluding the effects of rent frees or marketing inducements. Our fees are subject to VAT and exclusive of agreed marketing disbursements.

I would be pleased to discuss the contents of this report in greater detail.

Kind regards.

Yours sincerely,



Tim Gauld, MRICS
BONSOR PENNINGTONS

Parkside

HAMPTON HILL MIDDLESEX



Parkside Studio (above)
1,539 sq.ft. (143 sq.m.)

Sit to the rear of the site, a single storey, brick clad office building.

- 4 car parking spaces
- Suspended ceilings
- Cat II lighting
- Gas fired central heating
- Ceiling mounted air cooling units
- Largely open plan
- Carpeted
- Kitchen
- Male & Female WC's
- CCTV security coverage

Parkside House (foreground below)
8,086 sq.ft. (752 sq.m.)

63 - 65 High Street. Fronting the High Street, brick built, on ground and two upper floors with a terraced patio and water feature.

- 24 car parking spaces
- Suspended ceilings with Cat II lighting
- Gas fired central heating
- Ceiling mounted air cooling units
- Open plan and cellular offices
- Perimeter trunking
- Comms room
- Carpeted throughout
- Male & Female WC's
- Kitchen points
- CCTV security coverage

Note: The top floor includes 3 residential units sold on 99 year leases with a single car parking space each.



Parkside Place (right)
6,188 sq.ft. (575 sq.m.)

65 - 71 High Street. Adjacent to Parkside House and interlinked by a first floor walkway. Fronting the High Street, of brick construction on ground and two upper floors.

- 18 car parking spaces
- Large reception area
- 4 person passenger lift
- Suspended ceilings with Cat II lighting
- Perimeter trunking
- Electric heating
- Ceiling mounted air cooling units
- Carpeting throughout
- Male & Female WC's
- Telecoms server and 2 x Premical lines
- CCTV security coverage

Three properties occupying a large gated site of 0.596 acres (0.0241 ha) with generous on-site car parking and overlooking Royal Bushy Park



TERMS

For sale freehold or to let on terms to be agreed. Price/rent on application.

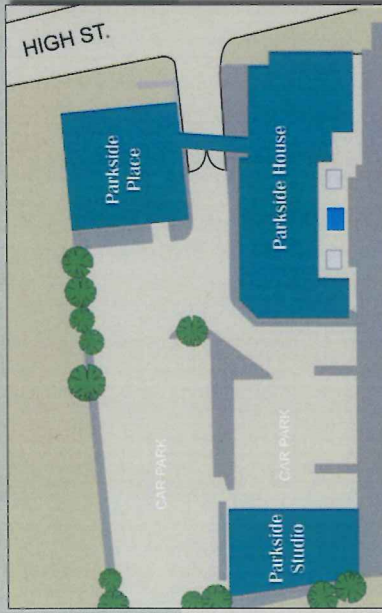
PLANNING

Planning consent exists to extend Parkside House to the rear creating an additional 5,382 sq.ft. (500 sq.m.) of office space.

LOCATION

Hampton Hill lies to the west of Kingston-upon-Thames, within the borough of Richmond-upon-Thames. Road communications are good with the nearby A316 providing a direct route into Central London, whilst the A308 gives access to the M3 junction 1 at Sunbury. The M25 is 4 miles further west via the M3 junction 2.

Rail services into London Waterloo operate from both Hampton and Fulwell mainline stations, each being approximately one mile from Parkside. There are nearby golf courses and leisure facilities. Kempton Park racecourse is closeby and Royal Busby Park is situated directly opposite Parkside on the other side of the High Street.



Parkside

HAMPTON HILL MIDDLESEX



Parkside

HAMPTON HILL MIDDLESEX



Office Complex

For Sale Freehold (or may Let)

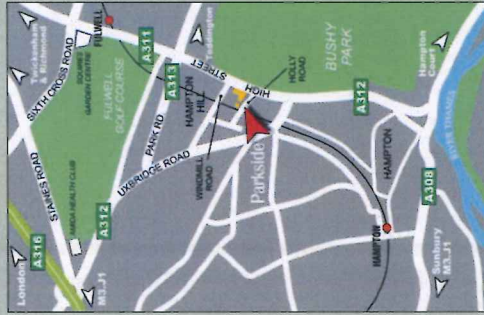
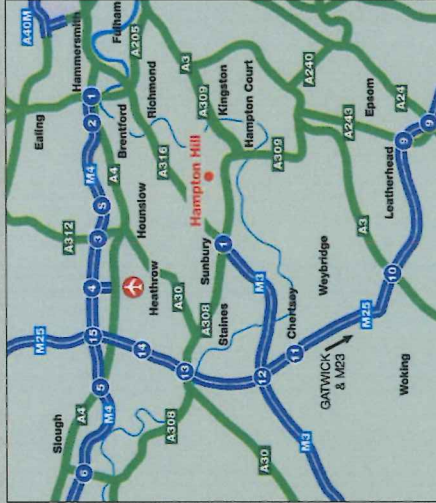
Available as a whole

or as 3 individual office buildings

1,539 - 15,813 sq.ft.

(143 - 1,470 sq.m.)

www.parksideoffices.co.uk



VIEWING

Strictly by appointment through the joint sole agents.

Further information, including a breakdown of floor areas is available via www.parksideoffices.co.uk



www.bonsor.net



Marketing Act 1987: Meurs, Bonsor Penningtons & Peter Taylor for themselves and the vendors of this property, whose agents they are, give notice that: 1. None of the statements contained in these particulars are to be relied upon as statements or representations of fact. 2. None of the statements contained in these particulars are to be relied upon as statements or representations of fact. 3. Any intending purchaser/occupier must satisfy themselves by inspection or otherwise as to the correctness of each of the statements contained in these particulars. 4. The vendors do not make or give, and neither Bonsor Penningtons or Peter Taylor nor any person in their employment has any authority to make or give, any representation or warranty whatever in relation to this property. Finance Act 1989: Unless otherwise stated all prices and rents quoted are exclusive of VAT. Property Management Act 1971: These details are believed to be correct at the time of compilation but may be subject to subsequent amendments. Brochure produced 01-2004. One to Dugues CC0 0125 0015

APPENDIX 2

Letting Report and Particulars 2008