

# Portfolio description – Principal sectors, out-of-town retail – £6.5 billion

## Retail warehouses

**British Land's share £3,112m**

Total value £5,764m

109 retail warehouse properties, of which:

72 retail parks with total

894 units; and

37 solus units

Total floor area 1.2m sq m

(13.2m sq ft) 71% with open

A1 use

Predominantly freehold

Total rent passing £224m pa,

British Land's share £123m pa

Average rent £16.46 per sq ft

Weighted average lease term

including breaks 14.4 years

### Tenants include:

Argos

Asda

B&Q

Boots

Borders

Carpetright

Comet

DFS

Dixons Group

ELC

Halfords

Homebase

Homestyle Group

JJB Sports

Mamas & Papas

Marks & Spencer

Matalan

Mothercare

New Look

Next

Pets At Home

Poundstretcher

Sainsbury's

Sports World

Tesco

TK Maxx

Toys 'R' Us

Virgin

Zara



**Teesside Shopping Park, Stockton-on-Tees**

British Land's retail warehouse park investments represent 21.6% of the total portfolio.

Included in these investments are:

### Teesside Shopping Park, Stockton-on-Tees

This freehold property is located at the intersection of the A66 and A19 trunk roads between Stockton-on-Tees and Middlesbrough and comprises:

Phase 1: 31,500 sq m (340,000 sq ft) of open A1 retail space arranged in 30 units, on a site of 19 hectares (47 acres).

Phase 2: a 3.3 hectare (8.1 acre) site located on the Park's principal access, comprises two retail units totalling 3,900 sq m (42,000 sq ft) occupied by Comet and Staples and three restaurant units totalling 1,090 sq m (11,700 sq ft).

Phase 3: an 11 hectare (27 acre) site, surrounding an existing leisure development (not in the Company's ownership), which may be considered for future development for commercial uses.

A stand-alone Pets at Home unit comprising 740 sq m (8,000 sq ft) and the reversionary interest in the adjoining Toys 'R' Us unit also form part of the investment.

Planning consent has been obtained for a walkway refurbishment and additional customer facilities, which will be implemented in phases to minimise disruption to the scheme.

Top rents at the park are now £42.50 per sq ft.

### L. Frank Baum 1856–1919

Bromide print from original negative, 1908. Photographer unknown. From The Library of Congress

Baum was a children's author, a playwright, a journalist and an inveterate believer in better things. For one year only he managed, without conspicuous success, a New York opera house; he wrote an equally forgettable melodrama, *The Maid of Arran*; he became a theosophist; he embarked on a series of commercial ventures, all of which failed. One day his mother-in-law heard him trying to explain to his children why a mouse would run up a clock or a cow jump over the moon. Being more concerned with the family's precarious finances than keeping her grandchildren entertained, she nagged him into writing it all down and finding himself a publisher. The outcome was *Mother Goose in Prose* (1897), which was a surprise best-seller; two years later came the sequel, *Father Goose*, and Baum was all but swamped under the pile of royalty cheques and the fond kisses of his mother-in-law. In 1900 he penned *The Wonderful Wizard of Oz*, the first of 14 hugely successful Oz titles which have, with mind-numbing inevitability, now been deemed politically incorrect and banned from schools and libraries.



Homebase, Ipswich

**The Kingston Centre, Kingston, Milton Keynes**

(50% owned in Tesco BL Holdings joint venture)

The Kingston Centre occupies a freehold 14 hectare (35 acre) site, close to junctions 13 and 14 of the M1 motorway and provides a total of 22,500 sq m (242,000 sq ft) of open A1 retail space.

The Centre includes a 12,670 sq m (136,400 sq ft) Tesco Extra superstore with a petrol filling station and car wash and seven retail warehouses totalling 8,630 sq m (92,900 sq ft). Tenants of these include Boots, Mothercare, Next, Marks & Spencer and Mamas & Papas. There is a covered shopping mall with 12 units totalling a further 850 sq m (9,200 sq ft), a drive-thru McDonald's, a pub and a car showroom. Tesco has an overriding lease covering the superstore and mall units. A former car wash unit has been redeveloped and let to Dominos Pizza and Carphone Warehouse.

**Homebase DIY stores**

The portfolio of stand-alone Homebase stores comprises 22 properties. Located mainly in the South East of England, annual rents total £12.5 million, averaging £153.60 per sq m (£14.27 per sq ft). The majority are let on 20-year leases from December 2000. Total floor area is 81,430 sq m (876,500 sq ft).

**Fort Kinnaird Shopping Park, Edinburgh (HUT)**

(owned by Kinnaird and Edinburgh Fort Unit Trusts)

A long leasehold open A1 shopping park of 51,000 sq m (548,000 sq ft) in 49 units, four food outlets, two leisure outlets and factory and office space of 8,450 sq m (91,000 sq ft).

Key tenants: Borders, ELC, HMV, Marks & Spencer, Next and UCI Cinemas.

**New Mersey Shopping Park, Speke (HUT)**

A freehold part open A1/part restricted planning consent retail park of 44,700 sq m (481,000 sq ft) in 30 units and two restaurants.

Key tenants: Boots, Borders, B&Q, ELC, Gap, Next and Marks & Spencer.

**Fort Shopping Park, Glasgow (HUT)**

A long leasehold open A1 park of 36,500 sq m (387,500 sq ft) in 60 units (plus kiosks).

Key tenants: Boots, Zara, Oasis, River Island, Next, Top Shop, Virgin, Starbucks, Argos, H Samuel, Mamas & Papas and New Look.

**Parkgate Shopping Park, Rotherham (HUT)**

A freehold open A1 park of 52,000 sq m (561,500 sq ft). There are a total of 30 retail units, a 8,800 sq m (95,000 sq ft) Morrisons foodstore and five further units including restaurants.

Key tenants: Next, Matalan, Marks & Spencer, Boots and TK Maxx.



Tesco, Formby

## Superstores

### British Land's share £1,767m

Total value £2,021m

71 superstores located across England, Wales and Northern Ireland

77% of stores larger than 40,000 sq ft

Average store size

67,000 sq ft

Total floor area

444,000 sq m (4.8m sq ft)

Total site area 171 hectares (423 acres)

Total car spaces c.28,000

### Tenants:

Morrisons/Safeway (2 stores)

Sainsbury's (43 stores)

Somerfield (10 stores)

Tesco (15 stores)

Waitrose (1 store)

66 freeholds, 5 long leaseholds

57 stores 100% owned

14 stores owned 50%

in joint ventures

Total rent passing £97.5m pa

British Land's share £85.3m pa,

Average rent £20.39 per sq ft

Weighted average lease term

to break (and expiry) 20.9 years

British Land's investment in superstores represents 12.3% of the total portfolio.

We calculate that we are the largest owner of UK superstore properties, other than the occupiers themselves.

In an increasingly restrictive planning environment and with limited new supply, the retailers continue to require more and larger stores and are prepared to commit to full lease lengths of over 20 years.

These investments, acquired over some 16 years, have been enlarged by 45 extensions adding a total of 60,850 sq m (655,000 sq ft).

In addition to these, British Land also owns, directly or 50% in joint ventures, a further 13 superstores which are included in other sectors of the portfolio (such as retail warehouse parks), and total a further 111,000 sq m (1,200,000 sq ft).



Meadowhall

### Meadowhall Shopping Centre, Sheffield

<b>Value £1,550m</b>
132,800 sq m (1,430,000 sq ft) retail
Site area 74 hectares (183.3 acres of which 73.7 acres undeveloped)
201 shop units, 9 anchor stores, 11-screen Warner Village cinema, 26 speciality kiosks, 20 mall kiosks
28 restaurants and cafes (including Oasis food court) seating for some 3,300
Up to 800,000 visitors per week at peak time
Direct access to junction 34 of M1 motorway
Free parking for over 12,000 vehicles
On site transport interchange with bus, train and supertram services <a href="http://www.meadowhall.co.uk">www.meadowhall.co.uk</a>

<b>Anchor stores:</b>
BHS
Boots
Debenhams
H&M
House of Fraser
Marks & Spencer
Next
Sports Soccer
WH Smith
Freehold
100% owned
Rent passing £70.8m pa
Average rent £61.62 per sq ft
Weighted average lease term including breaks 14.9 years

Meadowhall is one of the largest and most successful shopping centres in the UK.

The two level, fully enclosed mall with excellent transport links continues to be attractive to both retailers and their customers. For multiple retailers at Meadowhall, 80% of the units are in the top 10 performing outlets of their company.

During the past year 'The Lanes' speciality retail area has been refurbished. The car parks were upgraded and major refurbishment of the malls has commenced. This will improve the overall look and feel of the Centre and the introduction of cooling will provide a more comfortable shopping experience and help increase dwell time.

The reconfiguration of space previously let to Allders and Sainsbury's including the introduction of mezzanines and a new first floor mall, will increase the floor area by around 46,000 sq ft. The project will complete in 2007 and provide two new stores and a number of additional units.

The Company has also invested in a major master planning exercise for the Lower Don Valley in conjunction with Sheffield City Council for the undeveloped land.

Meadowhall has again received 'Purple Apple' Awards from the British Council for Shopping Centres for Best Single Event for the 'Funky Feet Campaign', Retail Partnership for the ARC and Media Relations for the BBC Flashmob event. The Centre also received the Worldwide International Council of Shopping Centres Maxi Award for Revenue Impact for the ARC, our onsite logistics facility.

Rents passing are expected to increase to £80.1 million per annum when rent reviews to March 2007 and lettings have been completed (including the new units created as part of the reconfiguration mentioned above).