

Update

Quarter 3
2011

A strong first six months - our best for several years, set us up nicely for 2011, and I'm pleased to report that the third quarter in terms of business levels continued in the same vein as its two predecessors.

The word 'August' should undoubtedly be re-classified as an expletive, but despite the trade press reverting overnight from books to something resembling leaflets, and everyone in the South East apparently going on a group holiday together (with their bank manager and solicitor in tow), we coped. Yes, the summer was quiet, but with our pipeline holding up, some good instructions on the books and enquiries back up in September, we're expecting a good finish to the year.

Our recent recruitment drive manifested over the summer months, with Tom Castro and Warren Guest now firmly settled into the team at Bromley. They are joined by Perry O'Shea, who recently graduated from the University of Kent. Perry will be working for us four days a week - spending the other at Nottingham Trent University studying for a Masters in 'International Real Estate Finance and Investment'.

Chris Henshall has also joined the ranks, which brings me nicely on to the next phase in the evolution of our business: Longstanding clients will recall that before the economic downturn, we had offices in London Bridge. Although they haven't been staffed on a full time basis for several years, we have continued to use the offices in Bermondsey Street for meetings, and have recently refurbished them throughout to give us a London base with a very contemporary feel.

Having graduated from Exeter University, Chris Henshall has made the big move down from the Midlands to work with Tom Luck, who will now operate from the London offices full time. The move

has been driven entirely by client demand, and we're excited by the prospect of increasing our commercial and investment agency activities particularly, further into Central London.

In terms of market developments, I was tempted to copy and paste the same paragraph that I've used every quarter for the last 3 years or so, so I did: Interest rates remain at an all time low, and none of the major banks have anything that even slightly resembles a positive view on the UK property market. Cash is king, and the returns currently available from commercial property will become the stuff of legend in the future. There they are - the facts.

Don't despair, however. Whilst you might have read that more than 10% of retail units nationwide lay vacant, we're still experiencing huge demand. In fact, during the bore that was Aug*@t we completed two of our largest lettings in recent years - a substantial restaurant in Beckenham, and a prominent retail unit on Lewisham High Street. If you remain pragmatic about value, are willing to be flexible in negotiation, employ a pro-active agent and importantly, focus on what a letting/sale etc of a particular asset could free you up to take on elsewhere, you may come to share our view that whilst challenging, the market is riddled with opportunity.

Follow us on Twitter (#acorncommercial), check out our further improved website (www.acorncommercial.co.uk), and see our ads in The Guide, the Newshopper, Estates Gazette and Commercial Property Register as usual.

I'll recap on the year at Christmas, and also report on our trip to MAPIC scheduled for November, but if you have any comments or questions in the meantime please don't hesitate to contact me personally.



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Lewisham

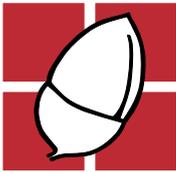
Having served as a local headquarters for the Allied Irish Bank for many years, we've just completed our second letting of this prominent building on Lewisham High Street.

After advising the private owner in connection with his purchase of the property back in 2007, we concluded a letting to Connexions, who at the time had secured a Government-funded contract to provide careers and welfare advice to young people. Funding for the services that Connexions provided was withdrawn earlier this year, at which point we were engaged by Connexions' parent company, Prospects Services, to dispose of the benefit of their lease.

Working closely both with our clients and the owner, we successfully concluded the assignment of the lease to the British Heart Foundation. BHF intend to add the property, which extends to over 8,000 sqft, to their growing chain of Electricals & Furniture stores.

Acorn's Property Management Division continues to handle the letting and management of the residential apartments across the upper two floors on behalf of the ultimate landlord.





LET

Lewisham

Self-contained offices, well located in the very heart of Lewisham Town Centre let for 5 years on behalf of a private pension fund to an expanding legal practice.



LET

Beckenham

A prime A3 unit with 3 bedroom flat above in the heart of Beckenham High Street adjacent to Zizzi, let on behalf of an overseas landlord to 'Nene', a Mediterranean restaurant chain operator.



SOLD

Camberwell

A single development plot with full planning permission for the construction of a contemporary 3 bedroom house, sold to a local builder developer on behalf of a central London investment firm.



SOLD

New Cross

A freehold commercial building comprising a ground floor retail unit and vacant upper parts offering development potential, sold on behalf of a family run funeral directors to a private investor.



ACQUIRED

Fulham

A mid terrace Victorian freehold property with planning permission for the conversion of the upper parts to provide 3 flats over a ground floor retail unit. Acquired in five days for a private developer client.



SOLD

Dulwich

Freehold offices with large yard to the side and rear offering potential for a variety of uses including redevelopment. Sold to a local development firm to facilitate the relocation of our clients business.



SOLD

Portfolio

A portfolio of 10 mixed use investment properties, including three let to Swinton Insurance, located across South London and North Kent. Sold on the instructions of an offshore client to a private local investor.



SOLD

New Cross

A contemporary development of 12 one and two bedroom flats adjacent to New Cross Station marketed, and selectively forward sold to investors in the Far East on behalf of a private developer client.



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