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- **Chief Executive**
- **Derwent Valley**



Derwent Valley Holdings plc

Estates Gazette London Development Conference

The Developer's Perspective

20th June 2006

Presentation by John Burns, Managing Director

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Introduction

Derwent Valley

- Quoted specialist commercial property investor focused totally on Central London offices
- Portfolio value in excess of £1 billion
- West End and its surrounding areas (70%) City borders (30%)
- Balance of income generating properties and refurbishment/redevelopment opportunities - 1.25 million sq ft active pipeline over the next 5 years
- Varied tenant base including creative industries, professional and business services, manufacturing, Government and financial

Introduction

Derwent Valley

- Strategy to add value to our buildings through creative planning solutions, high quality architectural design and enterprising lease management

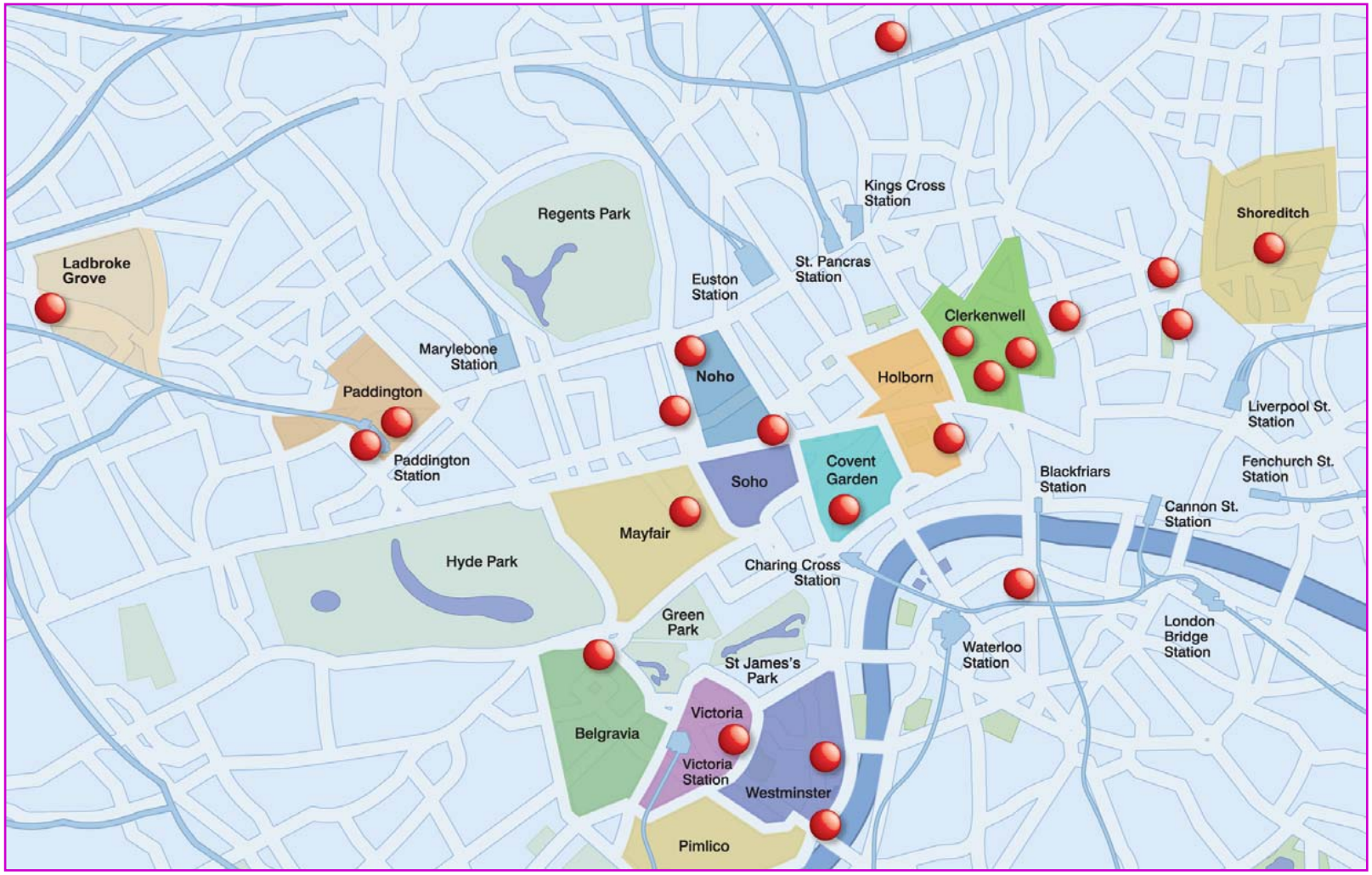
- Finding the new locations – from small beginnings to large schemes:

1985 - 2,000 sq ft Colbrooke Row, Islington

2006 - 150,000 sq ft Johnson Building, Hatton Garden
100,000 sq ft Telstar, Paddington
160,000 sq ft Horse Ferry Building, Victoria

Introduction

Derwent Valley



Introduction

London's traditional heartlands

- With all the new development planned over the next decade, what will the impact be?

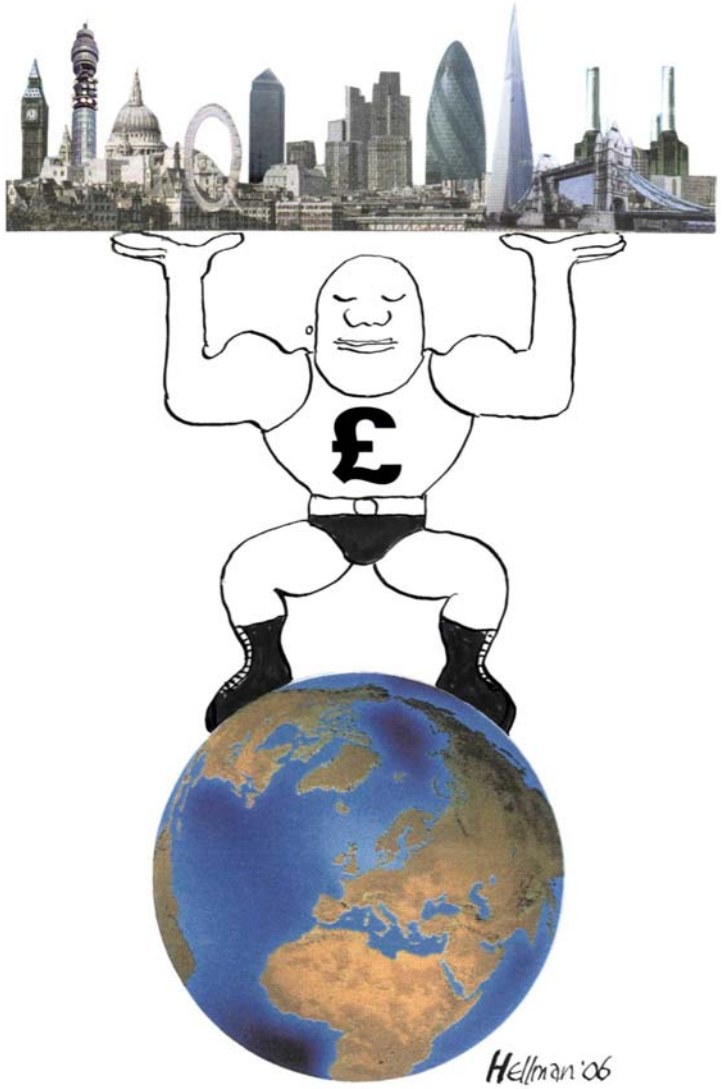


© Cityscape

London development market

Strengths

- Strong and diverse economy
- Established global village
- Broad base of occupiers
- Politically secure
- Attractive to live and work



London development market

Challenges



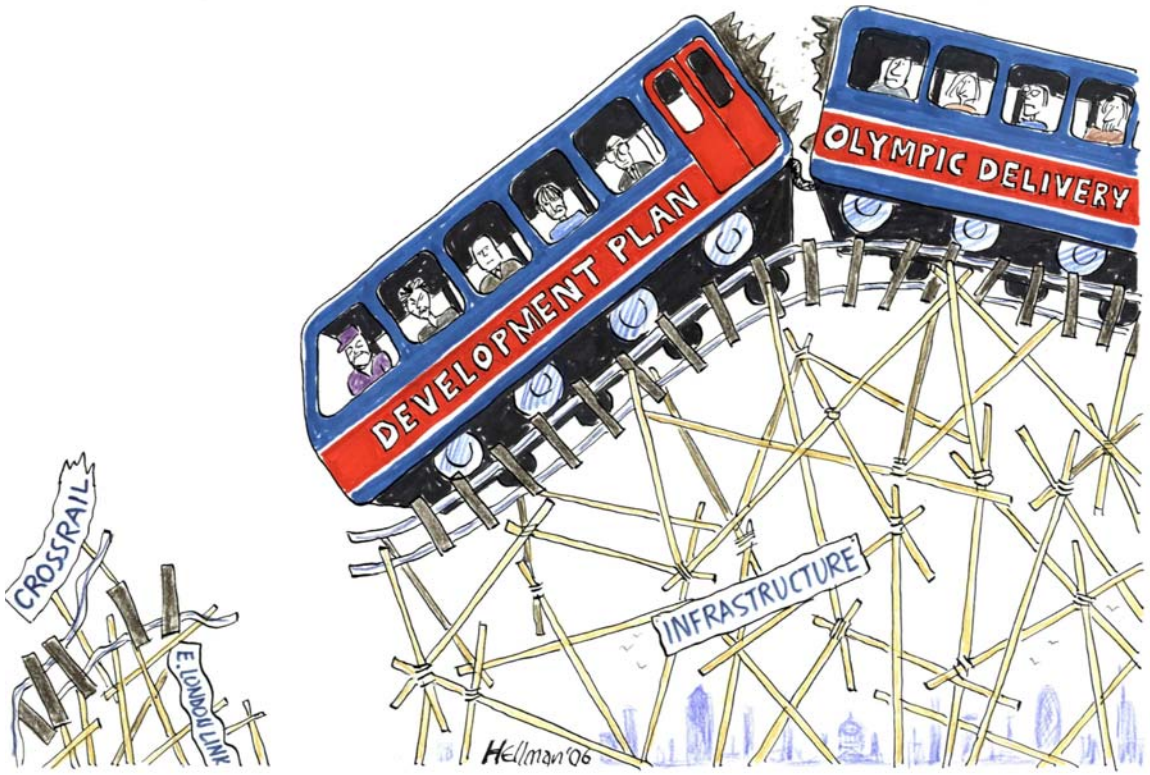
THE RED TAPE-WORM

- Planning bureaucracy
- Delivery of affordable housing
- Co-operation of boroughs
- Development Land Tax

London development market

Challenges

- Transport is key
- Security
- Olympics
- Development cycles



Key trends

Mixed use

Portobello Dock, Ladbroke Grove

- 1 site 2 boroughs (Westminster and Kensington & Chelsea)
- 50,000 sq ft offices and 18,000 sq ft residential

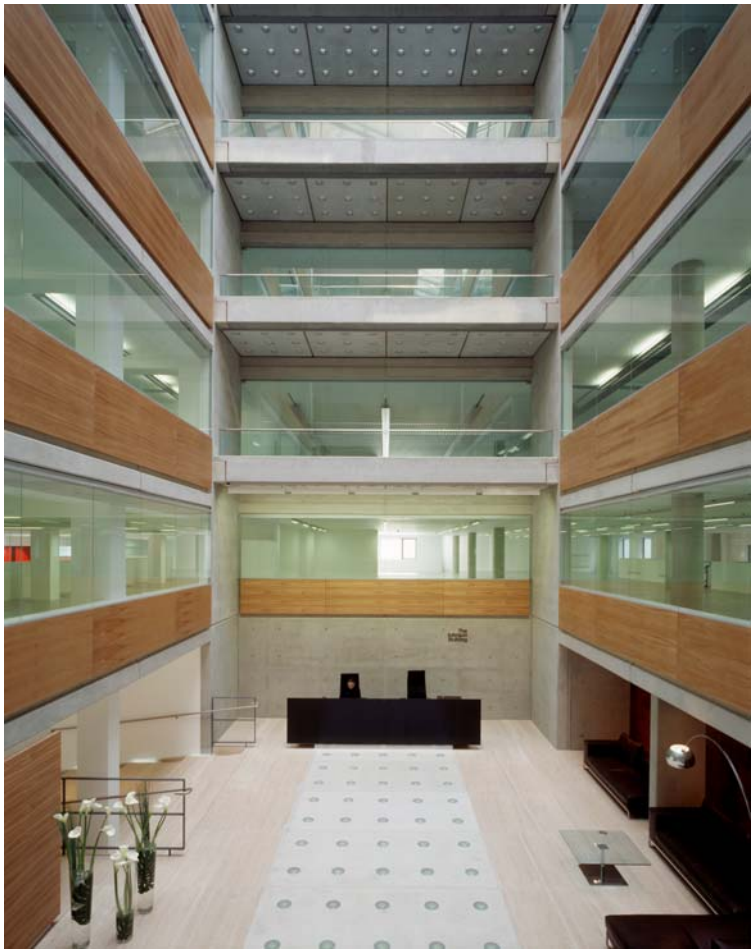




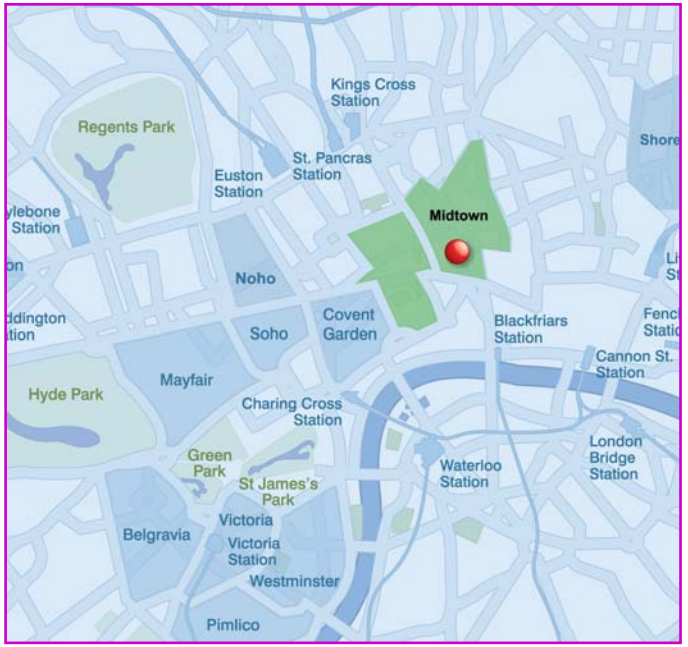
Key trends

Environmental issues

Johnson Building, Midtown



- Displacement air-conditioning
  20% energy saving
- DALI lighting system
  15% energy saving
- Energy badging
  occupiers will choose the most energy efficient buildings



Key trends

Tall buildings

- Vertical village
- 6 star
- Who will occupy?
- How will they occupy?



© Foster and Partners

Key trends

Conservation and sustainability

Davidson Building, Covent Garden

- Challenge for planners and developers in high density areas
- IAS / OAS Property Week Award for Best Central London Development 2003
- RIBA Award for a Commercial Building 2004





Key trends

Urban villages – the up and coming areas

Tea Building, Shoreditch

- Creative industries – Mother, Soho House, art galleries
- Introducing life on the ground floor





Hotspots

Breathing life into old buildings

Horse Ferry Building, Victoria





Hotspots

Breathing life into old buildings

Horse Ferry Building, Victoria



Existing reception

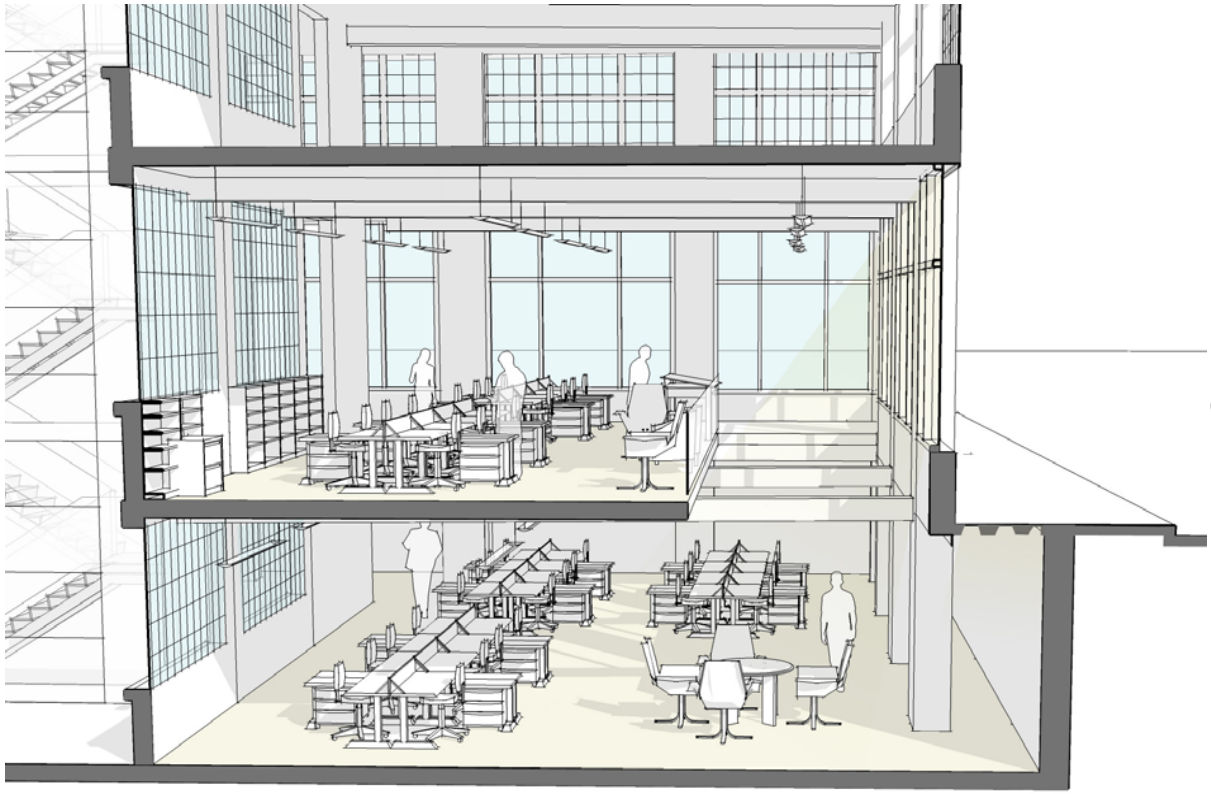


Proposed reception

Hotspots

Breathing life into old buildings

Horse Ferry Building, Victoria



Hotspots

Attracting occupiers to new areas

Telstar, Paddington



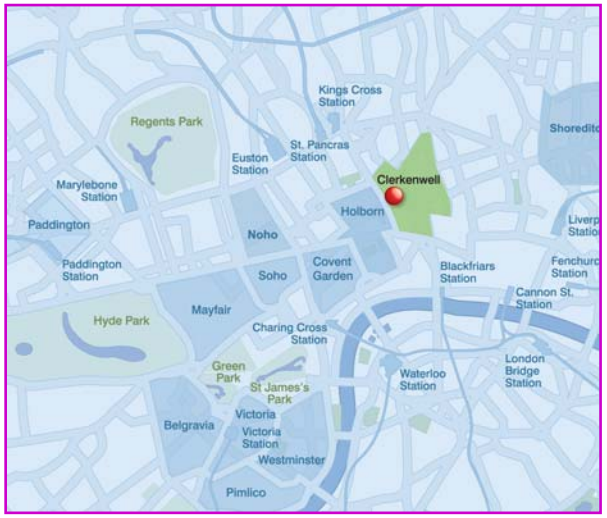


Hotspots

Old buildings new areas

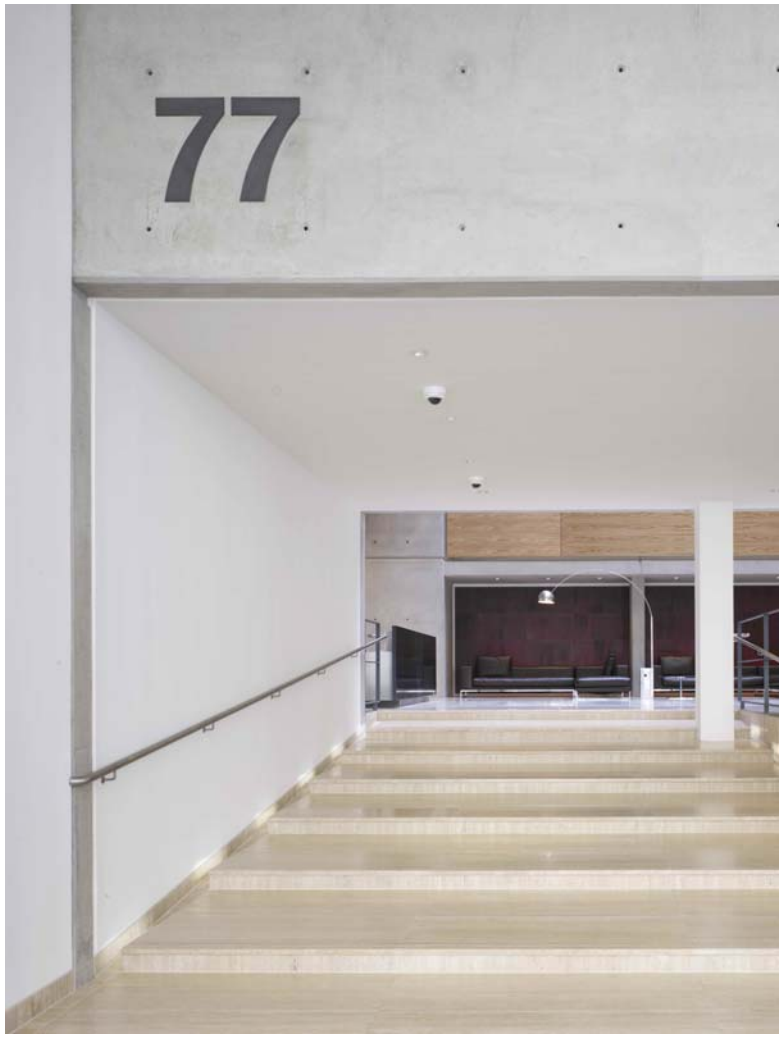
Rosebery Avenue, Clerkenwell

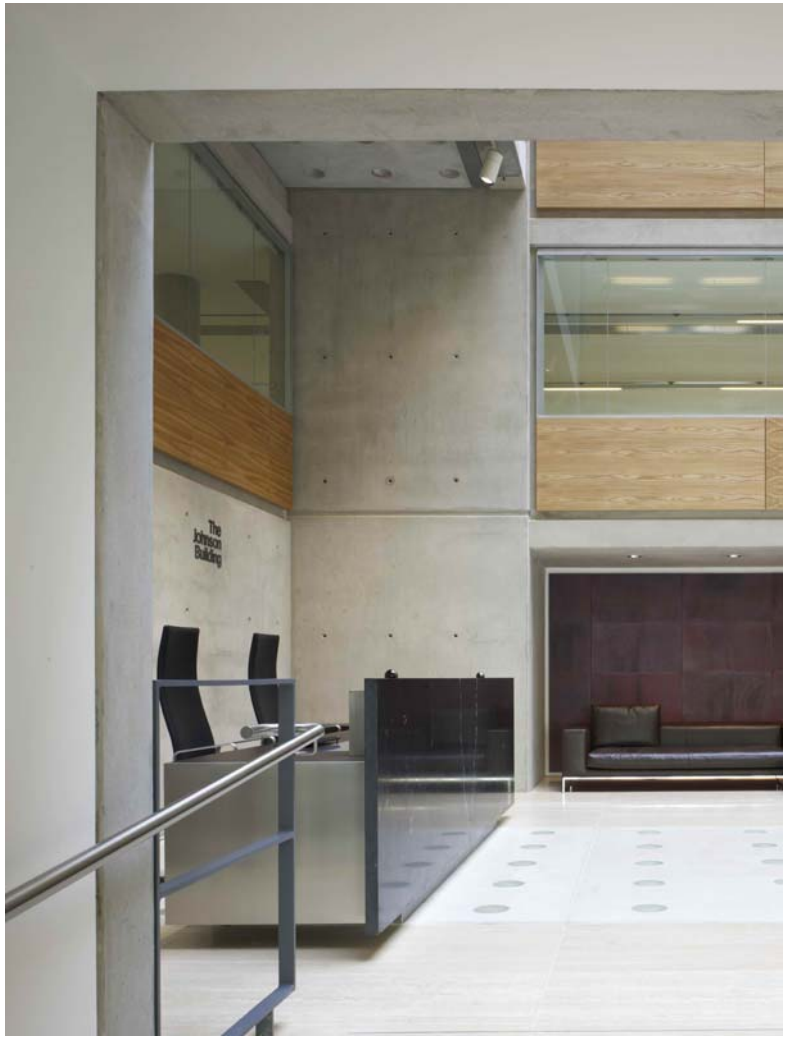




Changing requirements

Making an entrance





Changing requirements

Occupiers are becoming more sophisticated …





Changing requirements

…and more discerning – the Shoreditch culture

