

The following summary is derived from analysis of the Scottish Property Network (SPN) database of supply and take-up of industrial and office property throughout Scotland at the end of December 2007. SPN is a product of CoStar Group, the leading provider of commercial real estate information.

Industrial Availability

Supply of available industrial floorspace in Scotland increased by 4% during Q4 2007 to 2.18 million sq metres. This was, however, 4% down on the level of availability at the end of 2006 and 2% below the 3-year average.

The number of units on offer also increased during Q4 by 5% to 1,813, but this was 7% below the December 2006 level.

The fall in supply over the year was mainly in older space, with a fall of 9% in accommodation built since 2000, compared to an increase of 6% in post 2000 space.

Supply in Central Scotland as a whole was substantially unchanged in 2007, but available floorspace increased in Glasgow by 15% and by 17% in Edinburgh & Lothian. Available supply declined in most other areas.

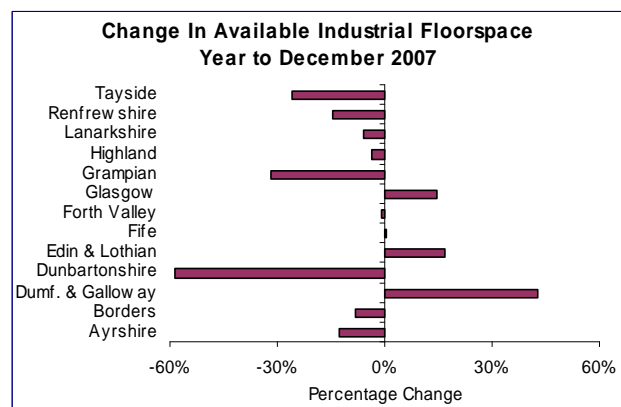
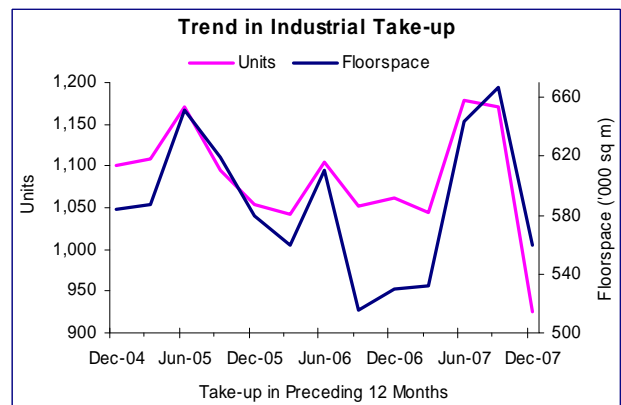
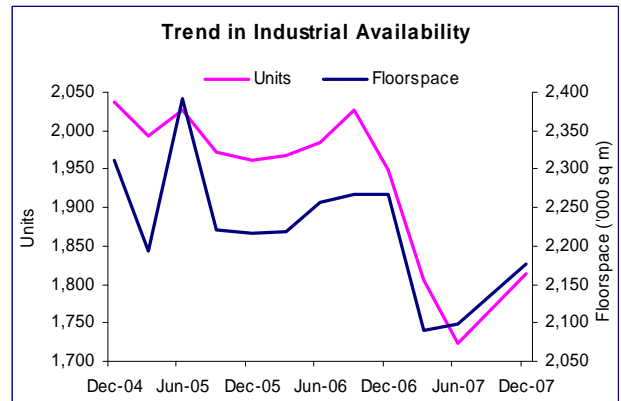
Industrial Take-up

In the 12 months to December 2007, SPN recorded take-up of 560,000 sq m of industrial floorspace across Scotland in 926 transactions. Despite a fall in the last quarter, take-up in 2007 was 6% above the level recorded in the previous year, but close to the 3-year average.

Take-up in Central Scotland increased by 10% over the year and Highland region recorded an increase of over 60%. Take-up fell, however, in Glasgow, by 43%, while Edinburgh & Lothian recorded an increase of 50%.

Significant lettings recorded during Q4 2007 are shown in the table below:

Address	Sq Metres	Lessee
7 Nettlehill Road, Houstoun Industrial Estate, Livingston	9,005	Royal Mail
Unit 11, Ashley Road, Southfield Industrial Estate, Glenrothes	4,423	Tullis Russell
Todd Square, Houstoun Industrial Estate, Livingston	3,991	SCS Upholstery
17 Seafield Road, Longman Industrial Estate, Inverness	3,619	Undisclosed
Hutton Square, Brucefield Industry Park, Livingston	2,787	Homestyle



Office Availability

At the end of December 2007, SPN recorded 846,000 sq m of available office and business floorspace in Scotland. This is just 1% lower than the level recorded at December 2006.

The number of premises on offer decreased by 6% over the year, to 2,257.

In Glasgow available office floorspace decreased by 15% in 2007, while Edinburgh recorded an increase of 6%. The decline in supply in Glasgow was across all age and size bands, with the biggest reductions in modern (post-2000) space (-22%) and in sizes of more than 999 sq m (-27%). Edinburgh saw a fall in supply of floorspace built pre-1980, but an increase of 21% in post 2000 space. In Edinburgh 38% of total availability is in post-2000 floorspace, compared to 22% in Glasgow.

Office Take-up

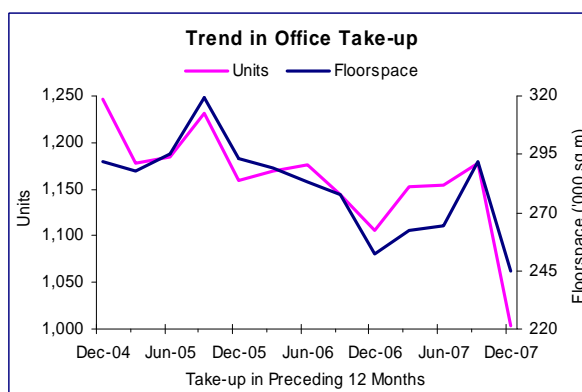
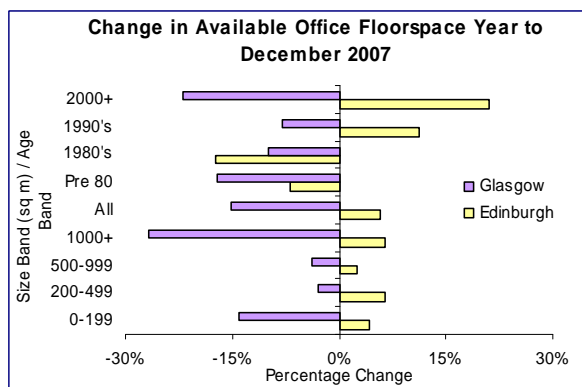
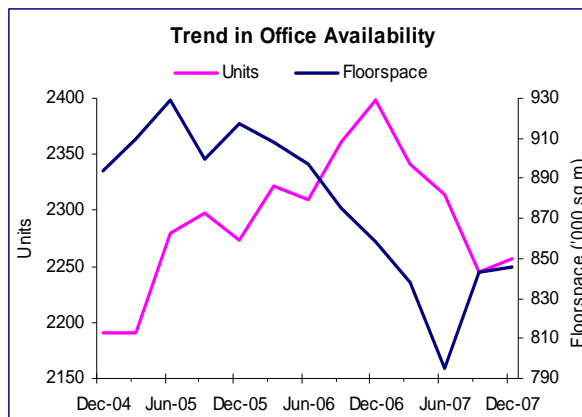
During 2007, SPN recorded take-up of over 247,000 sq m of office floorspace in 1,003 transactions across Scotland. This was 2% lower than the level recorded in the previous 12 months and 6% below the 3-year average. Take-up in sizes of over 999 sq m increased by 26%, while take-up in smaller sizes fell by 18%.

Take-up in Glasgow in 2007 was just 3% higher than in 2006, while Edinburgh recorded a rise of 12% in floorspace taken up.

Across Central Scotland as a whole, office take-up increased by 6%, but Lanarkshire recorded a rise of around 65%. Take-up in Grampian fell by over 60% year on year.

Some of the more significant office lettings recorded during Q4 2007 are detailed below.

Address	Sq Metres	Lessee
Number 1 Lochrin Square, Exchange District, Edinburgh	5,763	HBOS
Fifth & Sixth Floors, 1-7 Conference Square, Edinburgh	5,388	Shepherd & Wedderburn
Part 5th & 6th Floor, Guild Hall, 57 Queen Street, Glasgow	2,028	Semple Fraser LLP
Seventh Floor, Aurora, 120 Bothwell Street, Glasgow	1,780	Davis Langdon LLP
Second Floor East, 1 South Gyle Crescent, Edinburgh	1,525	Common Services Agency



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