

# BeCentral Bedfordshire

## Property Market Review

May 2017 / Issue 1

The Central Bedfordshire commercial property market continues to thrive. Be Central Bedfordshire, the area's inward investment partnership, facilitated by Central Bedfordshire Council, has witnessed record levels of enquiries, supported the creation of 2,474 jobs and secured millions of pounds of investment since it was created two years ago.

### Deals completed

There have been 94 commercial property deals concluded in Central Bedfordshire in the period from April 2016 to February 2017, with a total value of more than £12.2 million.

Figures from EGI data show that sale deals dominated the local market in the period, with a total value of more than £11.3 million.

As far as the types of lease deals completed, the market breakdown is 40 per cent for industrial properties, 33 per cent for offices and 27 per cent for retail properties.

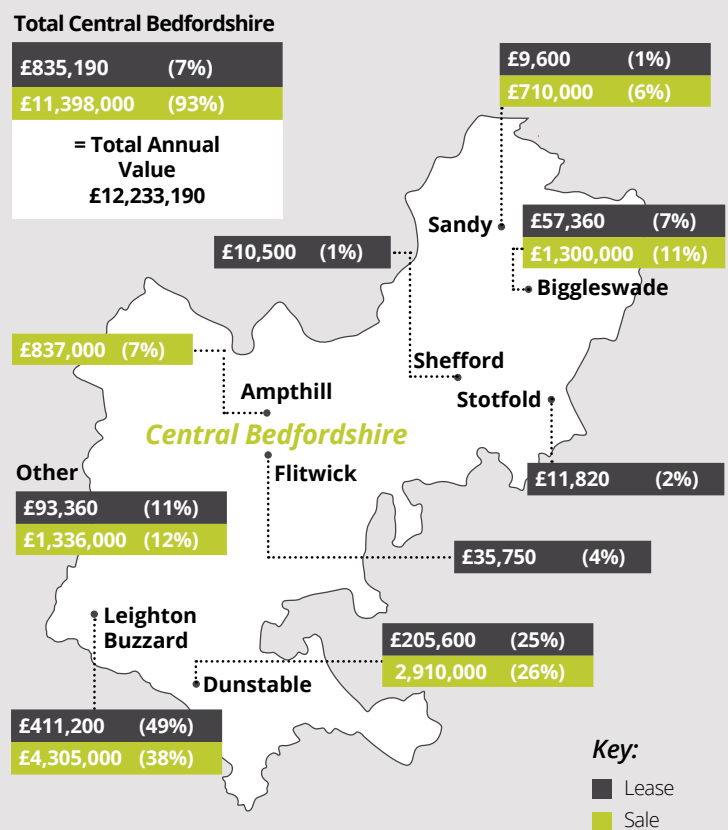
Industrial uses also made up the largest percentage of commercial property sales in the period, standing at 47 per cent of the market. Offices and retail had smaller shares of that particular market.

The hotspot in the £11.3 million commercial sales segment of the market was Leighton Buzzard with £4.3 million of sales. However, property sales in areas outside the main towns totalled just under £1.3 million.

Overall, the figures show that Central Bedfordshire's commercial property sector is dynamic and able to deliver solutions to suit all types of investors.

*N.B Deals done and price are based on information that has been disclosed.*

### Breakdown of lease and sale transactions by town and % value



### Number of deals completed by property and transaction type

Property Type	LEASE Transaction	SALE Transaction	All Deals
Industrial	30 (40%)	9 (47%)	39 (42%)
Office	25 (33%)	3 (16%)	28 (30%)
Retail	20 (27%)	3 (16%)	23 (24%)
Other	0 (0%)	4 (21%)	4 (4%)
<b>Total</b>	<b>75</b>	<b>19</b>	<b>94</b>

### Transactions by property type and size (by Square Metres)

Property Type	LEASE Transaction	SALE Transaction	All Deals
Industrial	144,547	10,562	155,109
Office	1,936	292	2,228
Retail	3,860	290	4,150
Other	8,903	7,689	16,592
<b>Total</b>	<b>159,246</b>	<b>18,833</b>	<b>178,079</b>

## Central Bedfordshire rental rates by town 2017

	Office Rental (£ per sq ft)	Industrial Rental (£ per sq ft)
Ampthill	£16	£8
Flitwick	£14	£8
Cranfield Tech Park	£16	n/a
Biggleswade	£10 - £12	£6.75
Sandy	£10	£4 - £7
Leighton Buzzard	£7.50 - £10	£5.50 - £8
Dunstable	£6 - £16.50	£5.75 - £8.25

These figures are indicative only - with individual property rents varying and being determined by a range of locality and wider market factors specific to individual premises. There will be cheaper cost and higher value premises available in the market.

## New businesses, new jobs in Central Bedfordshire

The **Be Central Bedfordshire** website, where users register their requirements and receive help finding a commercial property in the area, has attracted international attention, been nominated for three awards, and enabled 31 relocations into the area since its launch.

Among the major employers which have been a part of this success are Amazon, Maritime Transport, DFS and Innovative Bites.

Vishal Madhu, Director of Innovative Bites, told bakeryinfo.co.uk: "Moving into our new Dunstable premises is a strategic move that has been on the cards for some time. We have seen an increasing demand for American confectionary here in the UK, which has meant we simply outgrew our previous site."

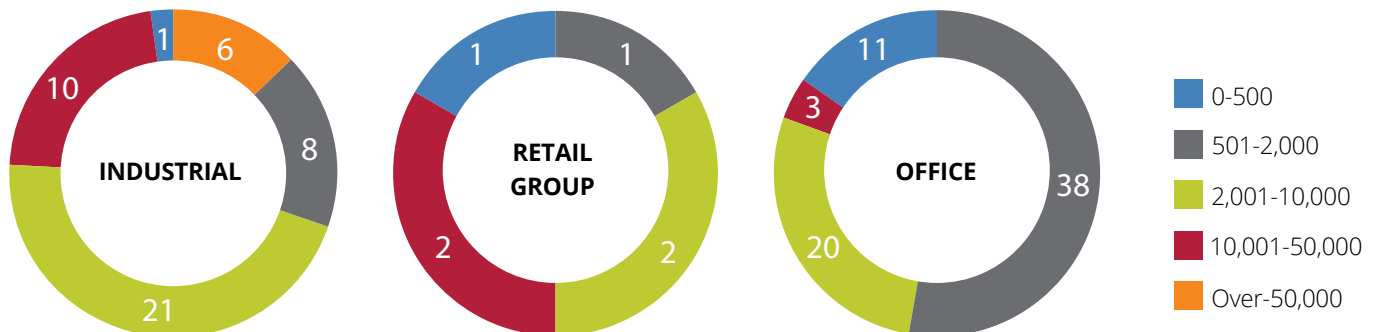
Central Bedfordshire's extensive support to both new and existing businesses has provided free training and business grants to 11 businesses via the **Business Growth and Support Fund**, securing 66 jobs, with 7 of the 11 awards made to businesses new to Central Bedfordshire.

## Space availability (2015/2016 data)

We promote 6 million sq ft of commercial space across more than 200 plots in Central Bedfordshire (March 2017)

- 2,590,605 sq ft of industrial
- 150,011 sq ft of office
- 45,196 sq ft of retail/leisure

Square footage by type:



## Total amount of additional employment floorspace - by type (m<sup>2</sup>)

	B1a	B1b	B1c	B2	B8	B1 - B8 Mixed	Total
<b>Gross</b>	824.27	0	2,337.3	8,617.4	67,256.6	873	79,908.6
<b>Losses</b>	6,816.57	569	31,415	9,592	4,402.2	1,943	54,737.8
<b>Net</b>	-5,992.3	-569	-29,077.7	-974.6	62,854.4	-1,070	25,170.8

Almost 80,000 sq m of employment floor space has been delivered in the last year, with net completions of employment floorspace continuing to be positive, maintaining a similar level to that seen in the previous year.

With regards to availability of allocated employment land in Central Bedfordshire, there remains over 90 hectares delivered.

The Central Bedfordshire Council Local Plan process began in February. The new Plan will set out a vision for how the area will develop in the future up to 2035. It will deal with future needs and opportunities in relation to infrastructure, homes, jobs and businesses, community facilities and the environment. It will also set out the principles that will guide future development, including employment land.

[www.centralbedfordshire.gov.uk/localplan](http://www.centralbedfordshire.gov.uk/localplan)

## Case study

**A new strategic distribution facility has been speculatively developed by Prologis at Marston Gate.**

Furniture retailer Dwell, who were acquired by sofa specialist DFS in 2014, has opened its national distribution centre in a 151,000 sq ft building that was pre-let. DFS will also be using the site as a regional distribution centre.

Head of distribution, Marcin Twardysko, said: "Marston Gate is in an ideal location for our logistics network and the unit has the flexibility to accommodate Dwell's continuing growth. We are delighted to have secured it."

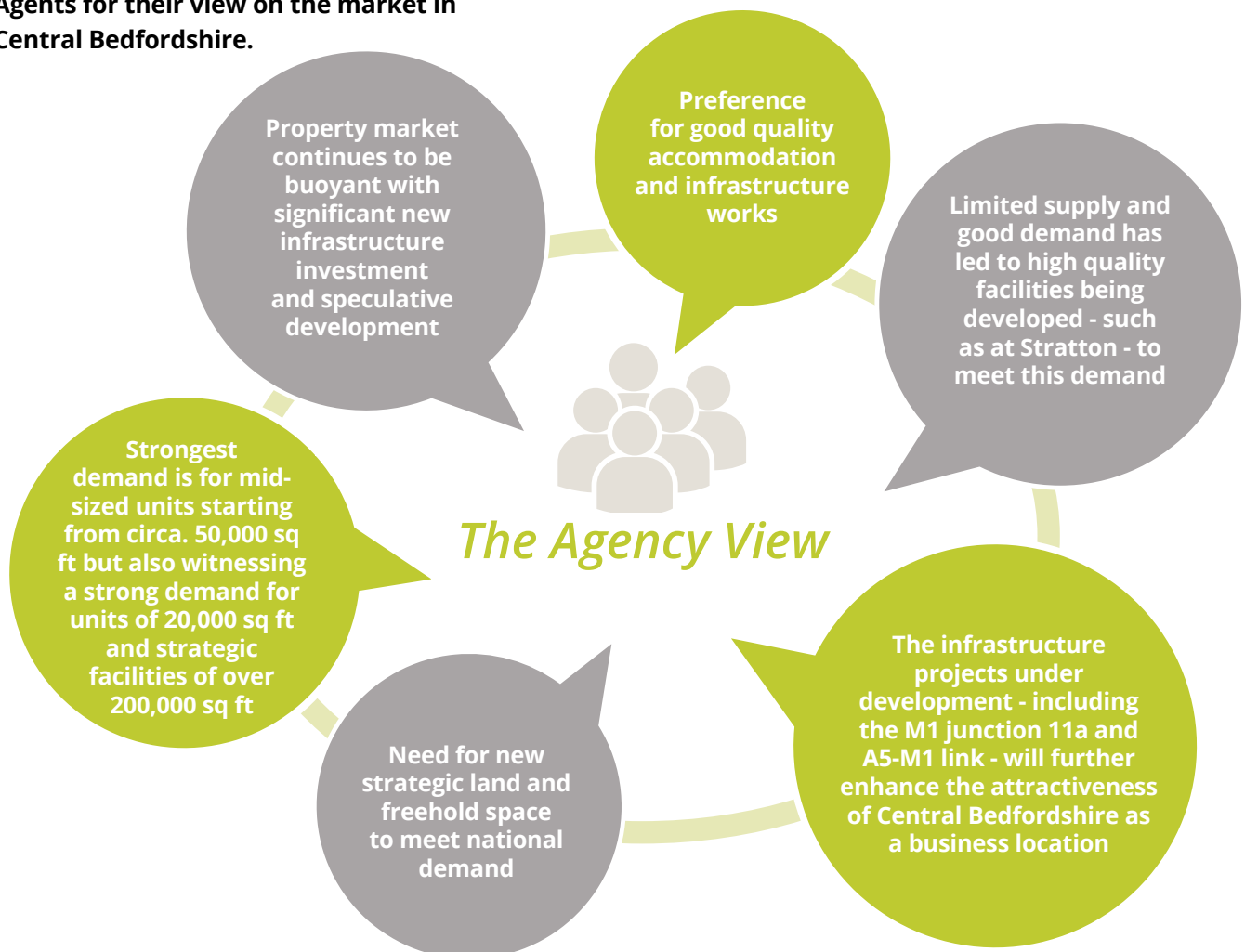
A second speculatively-developed 275,000 sq ft facility scheduled for completion in the summer of 2017 will complete the second phase of Prologis Park Marston Gate.

The Park provides around 1.8 million sq ft in total, located next to Junction 13 of the M1. The site is already home to major brands such as Amazon, Furniture Village and Rajapack.

[www.prologis.co.uk](http://www.prologis.co.uk)

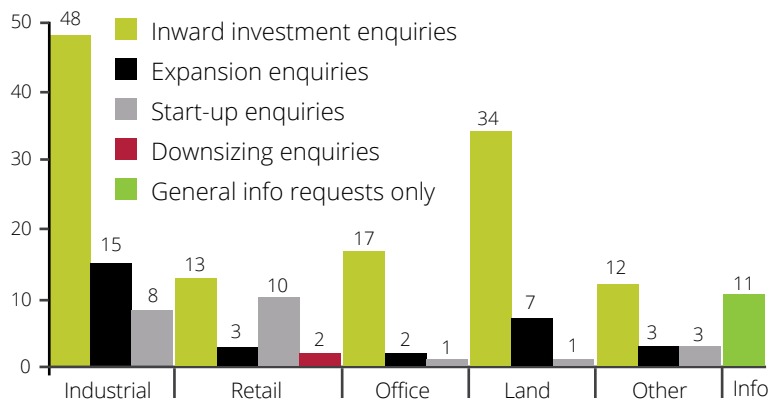


**We asked some of our local Commercial Property Agents for their view on the market in Central Bedfordshire.**



## Inward investment enquiries

### Breakdown of 190 inward investment enquiries April 2016 - March 2017



On average, more than 15 new inward investment enquiries were made to Central Bedfordshire Council every month in the year to March 2017.

Of the 190 number of enquiries, more than one third (37%) concerned the industrial sector, with requests about land forming the next largest sector (22%), followed by retail (15%) and offices (11%). The vast majority of contacts across all sectors (65%) were from potential investors outside the area. More than 16 per cent were expansion enquiries and 12 per cent were concerning new business start-ups.

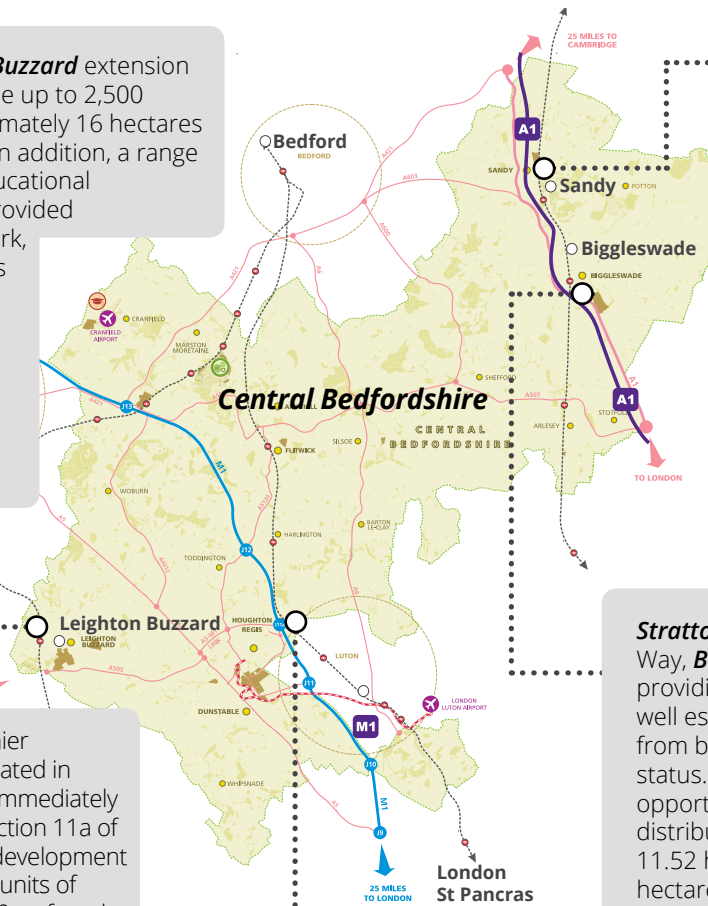
## Available development sites

**The East of Leighton Buzzard** extension to the town will provide up to 2,500 dwellings and approximately 16 hectares of employment land. In addition, a range of community and educational facilities will also be provided including a country park, children's play facilities and sports provision. An Eastern Link Road through the development will minimise the impact on the existing road network.

**Sunderland Road Industrial Estate** is a well-established site positioned to the north-west of **Sandy town centre**, in close proximity to the A1 and the mainline train station. The current estate is approximately 39 hectares in size with plans to increase the overall site to 54 hectares.

**Baytree Luton** is a premier UK logistics location situated in **Central Bedfordshire**, immediately adjacent to the new Junction 11a of the M1 Motorway. The development comprises two modern units of 355,000 sq ft and 55,000 sq ft and is deliverable within six months. The sites are ready for development.

**Stratton Business Park**, in Montgomery Way, **Biggleswade**, is being developed, providing new opportunities in this already well established business park, benefiting from being awarded Food Enterprise Zone status. There are currently build-to-suit opportunities on a sale or to-let basis for distribution facilities on Phase 4 (Size: 11.52 hectares) and 6 (Size: 18.28 hectares).



Details of all the sites are available on-line at:  
[www.becentralbedfordshire.co.uk/map](http://www.becentralbedfordshire.co.uk/map)

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