

# Estate News



Team Valley, Gateshead

## 75th Anniversary Celebrations for Team Valley

UK Land Estates plan to host a number of celebratory events commencing from Wednesday 18th May 2011 and continuing throughout the summer. The date represents 75 Years since 18th May 1936 when work began on establishing Team Valley Trading Estate, the UK's first Government funded Industrial Estate, with the direct purpose of stimulating private sector industrial enterprise.

With unemployment levels in the 1930's reaching almost 60% the government selected the 700 acre site at Team Valley from a number of sites in the North East and, with an initial £70,000 budget (today's equivalent would be approximately £35 million,) proposed to create a well planned industrial estate with a wide arterial road layout and direct links into the national railway network.

With the announcement came the formation of The North East Trading Estates Co which was headed by Colonel KC Appleyard, a dynamic and outspoken individual who oversaw considerable progress towards that goal. A variety of industrial units were constructed and made available to companies on excellent rental terms with the long term intention of employing up to 40,000 people.

The development contract for the Estate was awarded to George Wimpey & Co, a London based company although with strict provision to employ mainly local labour. Construction work commenced and the Estate was officially unveiled by King George VI in 1939.

75 Years on Team Valley has become much more than an Industrial Estate. With over 700 businesses covering 7.5 million sqft of property and employing over 20,000 people in the industrial, office, retail and leisure sectors, Team Valley is the largest business estate in the UK within a single ownership.

UK Land Estates are working closely with Gateshead Council, and plan to hold a "Birthday" celebration on Wednesday 18th May to mark the anniversary. This will include an announcement about a number of community based events planned during the course of the summer culminating in another Team Valley Open Day event; an opportunity for Team Valley Businesses to showcase their wares. The event plans are Top Secret at the moment but check out our [www.team-valley.com](http://www.team-valley.com) website for further information and announcements or sign up for the Team Valley e-news by emailing [Lisa@uk-land-estates.co.uk](mailto:Lisa@uk-land-estates.co.uk).

# Opportunities to own your own office on Kingsway

## Kings Park

UK Land Estates have plans to redevelop Kings Park offices at the heart of Team Valley. The redevelopment will provide 9,578sqft of modern offices over 2 floors in a fantastic location facing onto Kingsway.

Opportunity exists to own or rent this building.



## Kings Court

A recently refurbished 3 story office building fronting onto Kingsway.

Opportunity exists to purchase or rent this 8,084sqft building.



## Gateshead College expansion plans

UK Land Estates has commenced on site to build the second phase of Gateshead College' Construction Centre on Kingsway, Team Valley. The new development, which will complete the Team Valley Campus, consists of a 4,592m<sup>2</sup> (49,428sqft) extension to the Skills Academy completed in 2008.

The new site will include a 40% extension to the current workshop space and the creation of a central Hub which will contain classrooms, staff accommodation, library and IT Centres, a café and fitness centre and an all-weather pitch alongside the building. The development is being funded solely from College reserves and provide the College with additional capacity to accommodate the anticipated growth in learner numbers and, most importantly to further develop their curriculum in sustainable construction. The College will become a regional centre of excellence in new technologies and approaches to building construction including solar PV, wind turbines, ground and air source heat pumps, biomass and other new construction techniques. The Hub will enable the college to provide much better student support services and social space for their Team Valley students.



## Cotswold launch at Teesside Industrial Estate

The former Tabuchi electronics plant on Teesside Industrial Estate has been transformed as part of a £1 million refurbishment project to provide new premises for Teesside business, Cotswold Manufacturing. The 83,000sqft unit, which stood empty for the last 5 years was in need of substantial repair and modernisation. Cotswold Manufacturing signed a 10 year lease for 53,500sqft and may even take the remaining 30,000sqft for a new door manufacturing business. Buildings for Business worked closely with Cotswold to refurbish the unit to their specification and are working together to host an official opening function in the near future.

Cotswold Manufacturing Ltd supply doorsets, doorkits and internal glazed screens for use across the commercial, residential, leisure and education sectors of the construction industry. Whilst a relatively new company (Est 2005), they have built a reputation for reliability, quality and excellent service to a strong client base.

Stuart Burnett, director of Cotswold said:

**"It was a big decision to relocate from Billingham, but we had outgrown our premises and needed expansion space. Teesside Industrial Estate is an ideal location for us to take the business onto the next level and the refurbishment has exceeded our wildest expectations. The new premises look superb and we are hopeful of creating 30 new jobs as a result of our current expansion."**



Picture House, Team Valley

## Engineering Employers Federation move to Team Valley

**UK Land Estates have sold the 11,000sqft Picture House on Team Valley to Engineering Employers Federation (EEF).**

Originally built for Ingersoll Rand in the 1950s as their staff recreation building, Picture House was renovated in 2002 by UK Land Estates and won the British Council for Offices Best Refurbished Workplace, Northern England in 2003 and the prestigious Hadrian Award, which celebrates excellence in architecture and design, in 2005. UK Land Estates occupied the office for the past 5 years and have since relocated to the adjoining building.

Alan Hall, Regional Director for EEF, said: "I am delighted with the purchase. This is an excellent location amongst some 750 manufacturers, many of whom are our members. It will double the size of our accommodation, but most importantly provide much-needed meeting rooms for conference and training. The purchase comes at a time when we are coming out of recession and gives the opportunity for growth in our membership. I am grateful to JK Property Consultants who acted for us to source and negotiate the purchase of this wonderful building."

## Customer Relationship Management - Getting to know our customers and building better relationships...



**Our tenants are very important to us. In order to ensure we are continually improving our service to tenants, we have agreed to carry out an occupier survey on an annual basis and publish the results of the survey.**

In 2010 we carried out surveys in four locations that covered both industrial and office locations. The outcome of these surveys allowed us to make various changes to our working

processes and deal with some issues specific to the individual locations.

Overall, however, we need to make sure the survey is comparable from year to year and within the property industry. In order to do this we will be comparing our results against the Occupier Satisfaction Index (For further information on OSI visit [www.occupier-satisfaction.co.uk](http://www.occupier-satisfaction.co.uk)). The index monitors occupier satisfaction with key elements such as property supply, lease terms, business relationships, progress with environmental initiatives and value for money, and produces an index of occupier satisfaction tracking year on year changes. The OSI is a composite score derived from 14 questions, weighted by importance.

The UK Occupier Satisfaction Index over the last few years was 55 in 2007, rising to 57 in 2008 and 2009 and again rising to 65 in 2010. UK Land Estates score for 2010 was 68, and therefore we are happy that this is comparable to the industry standard. This in no way, however, makes us complacent and we will be striving to continually improve on this score.

From the research conducted in 2010 we have put together an ongoing Customer Relationship Management Programme, read more about our plans overleaf.



## Major new letting at Tyne Tunnel Trading Estate

**Tyne Tunnel Estate in North Shields is one of the region's most established business parks and recent lettings continue to show its ability to meet the demands of occupiers in spite of the challenging economic climate. Soil Machine Dynamics have taken a new high bay industrial unit at UK Land Estates' Intersect 19 development leasing 29,500sqft.**

Intersect 19 at Tyne Tunnel is a scheme comprising 4 high bay units ranging in size from 23,000sqft to 49,500sqft and representing some of the newest large scale construction on the estate in years. Last July Fisher Services, a linen hire services company with its head office in Cupar, Scotland, expanded from Unit L3 at Intersect 19 (29,500sqft) into the last available unit L4 (49,500sqft). The company acquired L3 in December 2008 but its success in growing its presence and coverage across the North of England resulted in a need for more space sooner than anticipated. Fisher Services created 75 jobs in North Tyneside as a result of their original move to Tyne Tunnel Estate and a further 50 as a result of their expansion into L4. Bruce McHardy, Fisher's Group managing director commented: "The location and quality of Intersect 19 combined with the immediate access to a labour force made the development an obvious choice for our expansion programme."

Andrew Hodgson, Chief Executive Officer of SMD said:

**"We are delighted with the new premises which have allowed us to expand our business operations on North Tyneside. Soil Machine Dynamics is at the forefront of new engineering technology in a number of different fields which we hope will continue to benefit the region economically for many years to come."**



Intersect 19, Tyne Tunnel Trading Estate



## CCP gets straight to The Point

**CCP, a revolutionary video game developer has opened its new office at UK Land Estates' Point 5 in Gateshead Quays taking 3,200sqft of refurbished office space.**

The former railway building had fallen into a parlous condition prior to UK Land's acquisition of part of the former Greenesfield railway works in 2003. The refurbishment design by award winning architects, Faulkner Browns, was nominated for BCO best office refurbishment award in 2008. The sensitive restoration has provided a modern, open plan environment, which is ideal for a company like CCP.

CCP was founded in the summer of 1997 with the goal of becoming a leading massively multiplayer game company. With the launch of EVE Online in May 2003, CCP has established itself as one of the leading companies in the field, winning numerous awards and receiving critical acclaim worldwide.

With offices throughout the world, CCP decided they wanted a new base in Newcastle and quickly identified Point 5 as an ideal solution with its excellent transport links and accessibility to the centres of Gateshead and Newcastle.

Richard Smith, Head of CCP Games in the UK said, "We are very pleased with our move to Point 5 which has proved popular with the staff and provides us with a building of the highest quality which matches our aspiration as a business".

Point 5 is the first part of a comprehensive redevelopment masterplan which combines six buildings to create a commercial heart within an existing urban village within the Gateshead Quays area. The buildings are a combination of new modern office buildings and a hotel designed to complement the existing historic buildings which are grouped around an existing and new public square with retail and restaurant facilities.

## Breathing new life into older stock

**The recent vacations of occupiers at 2 large industrial buildings in Team Valley are giving UK Land Estates an opportunity to refurbish both buildings and bring them up to the high standards of the modern occupier.**

273 Dukesway is being comprehensively refurbished and planning consent has been obtained to extend the secure yard area to the front of the unit. Upon completion of the works the building will provide 31,000sqft of warehouse/factory space including offices, canteen area and a secure yard area of approximately 1 acre to the front.

Unit 10 Princes Park, formerly occupied by Diplomat Extrusions is a 65,000sqft building and prominently located on Fourth Avenue. The proposal is to completely redevelop the building, bringing it upto modern standards including new offices of upto 20,000sqft. The computer generated image gives an idea of what the building could look like when completed.

Both buildings are available To Let or For Sale. Interested parties should contact **John Seager** at **UK Land Estates** for further information.



## In spite of the recession... 155,000sqft Let or Sold and further 240,000sqft planned developments on Team Valley

In spite of challenging market conditions there is continued demand for well located high quality industrial/distribution buildings in the North East region, especially on Team Valley, one of the UK's largest business parks. During 2010 UK Land Estates let or sold a staggering 155,000sqft of property in Team Valley. UK Land Estates has had continued success with its most recent developments on Team Valley, Queens Court and Eastern Avenue.

The industrial component of the Queens Court development, totalling just over 100,000sqft, reached practical completion towards the end of 2008 just as the financial crisis took hold.

In spite of market conditions, the development has proven extremely successful with the last remaining hybrid unit letting in August. The development has attracted mainly locally based companies looking to expand and upgrade their existing premises with occupiers including Red Forrest Group, who recently bought Swalwell Signs and took 53,000sqft, International Innovative Technologies who took 19,000sqft and Newcastle Tool & Gauge who took 16,000sqft. Other occupiers of the hybrid units include Integral, Principal, EMI Services and IPC Security. The only remaining space is two self contained office buildings offering up to 2,755sqft each.

Eastern Avenue, the 23,000sqft trade park scheme is now fully let with occupiers including Taps, Tool Station, Morrels, Rearo Laminates, Bon Bloeman and Whittington's. Both of these developments achieved headline rents, proving that demand exists for good quality industrial premises particularly in well established locations like that of the Team Valley.

Although there has been a downturn in the number of new businesses starting up, it is evident that some businesses are still keen to purchase their own stand alone premises. UK Land Estates has sold two properties in the last few months, a 30,000sqft industrial unit on Kingsway to UK Mail and more recently their former headquarters, the 11,000sqft Picture House office, to EEF.

Due to the increasing amount of older stock on Team Valley and the continuing demand from companies for newer, higher specification units UK Land Estates are in the process of submitting a planning application for Dukesway Central, a scheme which will see just under 200,000sqft of new B2/B8 industrial accommodation in Team Valley. The sites formerly occupied by Scholle and Saia Burgess were demolished and planning has been submitted for a scheme similar to the high quality units at Queens Court. The proposed developments are flexible to allow bespoke requirements to meet in a variety of sizes.

A second smaller development will be the transformation of a prominent site at the junction of Queensway and First Avenue, where UK Land Estates will be submitting a planning application in the near future for two offices totalling 20,000sqft. Team Valley is one of the biggest generators of wealth in the North East and continues to be a hub of activity. This has been a difficult time for most but we hope that the North East continues to attract the innovative and successful businesses of the future.



Queens Court, Team Valley

## Our new approach to Tenant Liaison

**During 2010 UK Land Estates undertook a review of our interaction with, and approach to, our tenants and identified a need to continually improve our landlord-tenant relationships. We have undertaken to ensure that we are providing and delivering the best property solutions for our tenants and properties.**

In order to achieve our aims, we now have in place a Tenant Liaison Team whose purpose is to lead and continually review this approach; the Tenant Liaison Team will focus on maintaining contact with tenants, ensuring that we understand any issues that they have, and how they would like us to respond to them. Some of the projects being undertaken by the team will include:

- Development of a tenant handbook
- Annual visits to all of our tenants
- Launch of an electronic newsletter
- Annual satisfaction surveys & industry benchmarking

- Review of processes internally and with our property management partner DTZ
- Approach & flexibility of leases
- Ensuring value for money for our tenants
- New compliments & complaints procedure
- Three month guarantee for new leases on properties over 12 months old

It is our aim that our tenants will only see and feel the benefit of our service improvement plans and not be inconvenienced in any way by them. We are very pleased that our service partner DTZ shares our vision and commitment to this service-led approach. We will continue to work closely with DTZ to ensure they have the support from us to deliver any changes identified and that we are all meeting our Tenant Commitment Charter.

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