



Cheshire West & Chester

Property Review



Executive Summary | 2015



Cheshire West
and Chester



Executive Summary

Throughout 2014 investment activity across the borough has focussed on delivering major elements of the Cheshire West and Chester growth strategy. Funding for key infrastructure was secured through the Cheshire and Warrington Local Enterprise Partnership (LEP) Local Growth Deal. Further successes have come in the creation of local employment opportunities, assisting new businesses and building new homes.

There have also been a number of strategic developments over the year. The transformation of Chester's **Central Business Quarter** into a vibrant and distinctive commercial hub is under way, with construction starting on Muse Developments' City Place, a 6,500 sqm Grade A BREEAM excellent office building. The **Northgate project** continued to progress with planning approval for the new cultural centre. Re:New will comprise a new theatre, library and cinema and is due to be completed in autumn 2016.

The **University of Chester** expanded during 2014, acquiring the former Shell Research Centre. This has opened as **Thornton Science Park** - a major research and innovation hub, offering a unique blend of industry, innovation and academia. The University's **North West Food Research Development Centre** also opened.

Ellesmere Port was granted **European Assisted Area status**, which will improve opportunities and

attract new businesses. The town has seen other positive developments during the year, including the expansion of operations at **Vauxhall**, the development of the new **Sports Village**, regeneration plans for the town centre, and planning permission granted for the redevelopment of the **Rossmore area** of the town.

In Northwich the **Barons Quay** and **Memorial Court** developments are well underway delivering new leisure, retail and entertainment space in the town. And in Middlewich Cheshire West & Chester Council approved plans for **Cheshire FRESH**, a 37,200 sqm rural business hub at Midpoint 18.

Two new **Business Improvement Districts (BIDs)** have been established in the borough, following positive votes in both Northwich and Chester. The Northwich BID is managed by Groundwork Cheshire and will focus on improving the marketing and profile of the town, developing and enhancing events, and supporting businesses with £1.25 million

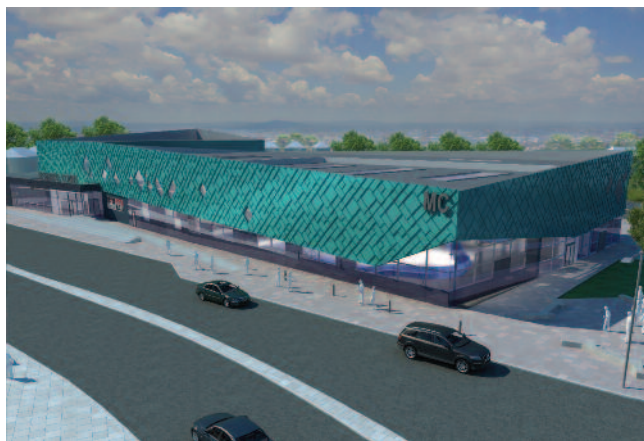




worth of private sector led investment. The CH1 Chester BID Company operates by charging a 1 percent levy on business rates, which will be reinvested back into the City Centre. It is expected that the Chester BID will generate more than £2.5m of funding over five years.

Across the UK investment activity has continued to improve. Industrial yields for prime space in the borough have remained strong, although quality stock is in short supply. Retail investment has also been strong, following national trends.

Office investment has been limited within the borough, with just two investments – both at **Admiral Court**, Northwich. Nonetheless, overall office take up in 2014 was 28,078 sqm, almost double the 2013 figure. There were 55 transactions undertaken in West Cheshire in 2014, up from 29 transactions in 2013. 65 percent of the deals were in the 200-500 sqm range, and only 5 deals for space over 1,000 sqm. Chester comprised the largest proportion of deals in the area.



2014 was a solid year for the industrial market, with a take up of 64,738 sqm, an increase of 30 percent from 2013. The sector recorded 61 deals in 2014, an increase from 37 transactions in 2013. Winsford and Ellesmere Port were the main areas of activity in the market – with 21 deals achieved in Winsford, and 20 in Ellesmere Port. The largest site transacted in 2014 was **Johnson Controls (UK) Limited's** taking up of the lease for a 12,670 sqm unit at North Road, Ellesmere Port. However the smaller end of the market dominated the deals across West Cheshire, with 38 of the 61 transactions being in the 200-500 sqm size bracket.



The year saw a significant uplift in retail deals across the West Cheshire area, with the greatest concentrations of activity in Chester and Northwich but with significant developments also in Ellesmere Port. A number of larger premises were let in the **Grosvenor Precinct**, Chester including the reopening of **Fenn Wright Manson**. In two separate agreements, **Turners Furniture** took leases on over 2,322 sqm of space on the **Paddock Row** side of the centre.





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The West Cheshire housing sector was buoyant again throughout 2014, with permissions granted for a number of residential schemes in the area and work getting underway for previously agreed proposals. The need to increase the provision of affordable accommodation across the borough has been a key factor in decisions to approve residential developments through the year. At the start of the year, Cheshire West and Chester Council selected six housing partners to buy surplus land from the local authority for residential development. These eleven sites, spread across Ellesmere Port, Northwich and Winsford, have a combined capacity for 500 units and will make a significant contribution to the Council's policy of addressing housing under-supply in the borough.

The tourism and leisure sector also continued to be very important with attractions such as **Chester Zoo, Delamere Forest, Ness Gardens** and **Beeston Castle** contributing significantly to the Borough's economy. Chester Zoo continued to be the most popular attraction in the region, with over 1.4 million visitors in 2014, topping their previous best. Furthermore, the Zoo's **Islands Project**, a 6 hectare, £30 million investment and the largest zoo project in UK history, is due to open within the coming 12 months. Chester's **cultural centre development** is also expected to be a major influence on the Borough's economy, projected to attract 635,000 visitors a year and create an estimated 385 jobs.

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Top 10 Industrial / Office Deals

Property Name/Address	Town	Office/ Industrial	Vendor/ Landlord	Tenant/ Purchaser	Size (sqft)	Size (sqm)	Rent price (sqft)	Lease Term (yrs)	Agents
Maximus, Road One, Winsford Industrial Estate	Winsford	Industrial	Friends Life Ltd c/o AXA REIM	Tiger Trailers	105,000	9,755	£3.75	10	Jones Lang LaSalle/ B8RE/ Lamont
Cromwell House, Rossmore Road East, Ellesmere Port	Ellesmere Port	Industrial	Joint Administrators of Formes Alutek Limited	MPS	61,037	5,670	£11.47	Free- hold	Sanderson Weatherall
Building 301, Thornton Science Park, Pool Lane, Chester	Chester	Office	University of Chester	Essar Oil (UK) Ltd	29,806	2,769	£18.70	20	GVA
Unit 1 Rossfield Industrial Estate, Ellesmere Port	Ellesmere Port	Industrial	Unknown	Lancashire Double Glazing	23,672	2,199	£11.40	Free- hold	GVA
Ground and 1st (part), Chester Business Park - The Foundation, Chester Business Park, Chester	Chester	Office	GE Capital	GB Group	19,632	1,824	£15.32	Un- known	Colliers International
Unit 23, Thornton Industrial Estate, Telford Road, Ellesmere Port	Ellesmere Port	Industrial	Unknown	Velmore Ltd	19,310	1,794	£1.99	Un- known	Fearnalls
Kingfisher Court, Denton Drive, Northwich The Foundation, Chester Business Park, Chester	Northwich	Industrial	J & S Motorcycles Limited	TonerMan Limited	18,622	1,730	£3.25	3	Fifield Glyn
The Foundation, Chester Business Park, Chester	Chester	Office	GE Capital	GB Group	18,450	1,714	£16.30	10	Legat Owen/ Colliers International
Unit 1, New Bridge Court, New Bridge Road, Ellesmere Port	Ellesmere Port	Industrial	Cheshire West & Chester Council	Deeside Precision Engineering Ltd	16,875	1,568	Un- disclosed	Un- known	Cheshire West & Chester Council
Winnington Business Park, Northwich	Northwich	Industrial	FI Real Estate	Cheshire County Removals & Storage Ltd	15,866	1,474	Un- disclosed	3	Legat Owen/First Investments Ltd



For further information visit www.finditincheshireandwarrington.co.uk

