CROW GREEN, CAXTON GIBBET

THE PROPOSED DEVELOPMENT – A RESPONSE TO MARKET DEMAND

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One Station Square, Cambridge, CB1 2GA

Carter Jonas

CONTENTS

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1.0 EXECUTIVE SUMMARY

The report is summarised below but should otherwise be read in full:

1.1 MARKET SUPPLY – WHAT & WHERE

- There is c. 12.15m sq. ft. of existing stock (offering at least 30,000 sq. ft. in each building) over the regional search area down from c. 17.77m sq. ft. 12 months ago.
- Most of this existing stock is dated with an average age of construction dating back to 1999.
- Only around 26% of existing buildings have been built in the last five years.
- There is a limited supply of existing 30,000 sq. ft. plus buildings within Cambridgeshire with a total of 12 properties offering a total of 1.9m sq. ft. These buildings are spread across the county in locations such as Huntingdon, Biggleswade, Ely and Newmarket.
- Over half of the total existing stock (6.17m sq. ft.) is located, on average, 45 miles away from Crow Green (Stowmarket to the West; Walthamstow to the South; Daventry to the East; Spalding to the North) with a clear void of existing buildings along the east / west A428 corridor between Milton Keynes and Cambridge and the north / south A1 corridor between London and Peterborough.
- There is c. 7.96m sq. ft. under construction however only 305,655 sq. ft. is under construction within Cambridgeshire (of which 273,685 sq. ft. is being delivered in a single building in Peterborough – some 29 miles north of Crow Green).
- Beyond the single building under construction at Barr Hill, there is a clear wider undersupply of new accommodation being delivered within a 25 mile radius of Cambridge with only one site in Bedford (Total Park offering three buildings of between 49,000 and 105,000 sq. ft.) within this radius. There are no buildings in excess of 30,000 sq. ft. under construction between Bedford and Bury St Edmunds (A428 / A14 corridor) nor are there any others recorded as under construction between Peterborough and Welwyn Garden City along the A1 corridor (excluding the Cambridge Gateway, Barr Hill example).
- Of the 16.95m sq. ft. proposed space in the pipeline, most is coming forwards in Milton Keynes, Coventry and Rugby. The closest proposed units are between 14 and 25 miles away from Crow Green. Furthermore, there is only one development site in Cambridge on Coldhams Lane that is, subject to planning, looking to deliver units of 30,000 sq. ft. or more.
- The closest options for any business with a requirement for more than 350,000 sq. ft. in the area are in Wellingborough or Bletchley (40 miles from Crow Green). If this requirement is increased to 500,000 sq. ft. the options are limited further to proposed buildings in Bletchley, Milton Keynes (37 miles away) or Stowmarket (52 miles away).

1.2 MARKET NEED & DEMAND – WHAT & WHERE / WHAT IS NOT PROVIDED

- Over 69m sq. ft. has been leased over the regional search in the last 5 years (transactions over 30,000 sq. ft.).

- 60% of leasehold take up was in relation to buildings of between 30,000 and 100,000 sq. ft. with a further 30% taking between 100,001 and 300,000 sq. ft.

- There were 53 leasehold deals that took more than 300,001 sq. ft. of space.

- Demand for logistics / industrial type accommodation has remained consistent over the last 5 years with around 14.5 – 15.5m sq. ft. transacted on an annual basis. The year to date has seen around 12m sq. ft. leased – an amount that will increase by the year end and has no doubt been hampered by the COVID-19 pandemic elongating transaction timescales.

- Locations such as Northampton, Corby, Milton Keynes, Coventry and Bedford have seen the highest levels of take up driven partly by the availability of accommodation in these locations.

- Suffolk Park, Bury St Edmunds is a good example of 'build it and they will come'. The speculative development of a number of logistics buildings on the park has seen a significant step change in the average deal size for Bury St Edmunds (up from 10,500 sq. ft. per transaction to 100,500 sq. ft. since speculative development commenced). Over 1.56m sq. ft. has now been speculatively built, let and sold at Suffolk Park resulting in thousands of new jobs and a significant boost to the local economy. Letting agents for the last remaining existing unit within the Weerts Building have confirmed that prospective tenants are looking to take occupation of the space primarily because there are no other options to consider in the area that will offer the space available (c. 400,000 sq. ft.) and secondly because of its direct access to a good regional road network. This is despite the fact that their existing operational bases are some considerable distance from Bury St Edmunds.

- The demand for larger logistics buildings (i.e. 100,000 sq. ft. plus) across the region is evident given the quantum of take up and the speed at which deals have occurred at Suffolk Park.

- However, the dearth of options for businesses to choose from not just in the immediate Crow Green area but within say 25 miles of Cambridge and along the A428 / A1 corridors is resulting in a lost opportunity and forcing the hand of decision makers to take space where it is available not necessarily where they need it. Not only is the space not coming forward, but the regional / trunk road network is not being utilised to its full capacity despite the quality of the roads in question.

1.3 CROW GREEN – WHAT IT PROVIDES & HOW IT MEETS DEMAND

- Crow Green is exceptionally well placed to create a development that directly answers market demand whilst also providing a product that is not currently being provided elsewhere.

- Crow Green is perfectly located to deliver a scheme immediately adjacent to a major, upgraded, regional road which links Bedford and Cambridge. This, combined with the East-West rail link, will place Crow Green on a major new, multi service, transport corridor.

- Crow Green is in an almost unique position being located adjacent to one of the few junctions to this upgraded road enabling it to tap into demand for space that has typically been directed elsewhere (e.g. the M1 / A1M).

- This strong road and junction link is critical for efficient market coverage particularly for the logistics sector which will make the site a highly sought after logistics location.

- Crow Green can deliver a range of units to satisfy demand from every level of the market including ‘Small Scale’ Units of 27,100 to 42,313 sq. ft. and importantly ‘Mid-Box’ units (58,300 – 100,000 sq. ft.) and ‘Big-Box’ unis (115,000 – 800,000 sq. ft.).

- There are a small number of speculative developments in the wider Cambridge area providing a handful of ‘Small Scale’ Units (sub 50,000 sq. ft.) however only one scheme (Coldhams Lane, Cambridge) that is capable of delivering two units of between 79,000 and 106,000 sq. ft. which would fall within the ‘Mid-Box’ scale. Crow Green can deliver between 5 and 7 ‘Mid-Box’ scale units.

- Crow Green’s ability to service the ‘Big-Box’ (100,000 sq. ft. plus) market in the wider Cambridge area and along the A428 / A1 is almost unique with very few sites capable of meeting this scale of demand (which is evidently there in the region with 201 deals taking over 53m sq. ft. over the regional search area in the last 5 years on a leasehold basis alone).

- Crow Green sits alongside the expanding labour pool located within Cambourne ensuring their ability to source suitably qualified employees in sufficient numbers from an area immediately surrounding a site thereby reducing journey length/times and providing the opportunity to promote sustainable modes of transport.

- Given the proximity of Crow Green to Cambridge, it also has the ability to respond to the demand for ‘mid tech’ units required by high-tech manufacturing, life science and general manufacturing companies. To date, the majority of this demand has been satisfied by occupiers taking buildings in the fringes of Cambridge e.g. Milton / Waterbeach / Ely etc. where the need for Cambridge orientated talent pools mixes with the need for larger buildings that are only deliverable outside of the City.

- Furthermore, being located on the Cambridge–Milton Keynes–Oxford Arc, Crow Green is well positioned to deliver of employment space exactly where it is needed to serve this wider knowledge corridor.

- The increasing demand for space and diminishing supply around Cambridge has led to a rapid and sustained rise in both land values and rental rates in the City and its immediate surrounds creating, at times, a major affordability crisis. Crow Green, being one step removed from Cambridge can deliver a range of building footprints at an affordable level whilst still being easily accessible. Crow Green can deliver much needed employment space on a major commuter corridor which will reduce commuting times and the number of people trying to get into Cambridge unnecessarily.

2.0 INTRODUCTION

1.1 The following report summarises how the proposed development at Crow Green directly responds to proven market demand in the area offering space that is fit for purpose, easily accessible and in close proximity to an expanding residential population.

1.2 It addresses current and recent trends in market availability and market demand before outlining how the site is well placed to respond to the region's business requirements.

1.3 Market data is sourced from the CoStar database.

3.0 MARKET AVAILABILITY

3.1 GENERAL OVERVIEW

3.1.1 A search has been run to identify buildings with availability of at least 30,000 sq. ft. over the search areas.

3.1.2 As it stands there is 12.15m sq. ft. of existing stock that is being marketed to let / for sale (down from c. 17.77m sq. ft. c. 12 months ago) over the regional search area.

3.1.3 There are dense clusters of existing buildings located around Coventry, Dunstable, Luton, Milton Keynes, Northampton and Peterborough with circa 6.71m sq. ft. in these locations alone (as identified in Figure 1). These locations are between 33 and 71 miles (45 miles on average) from Crow Green – a considerable distance from Crow Green resulting in a lack of supply of existing purpose built accommodation around Crow Green and the wider Cambridge area.

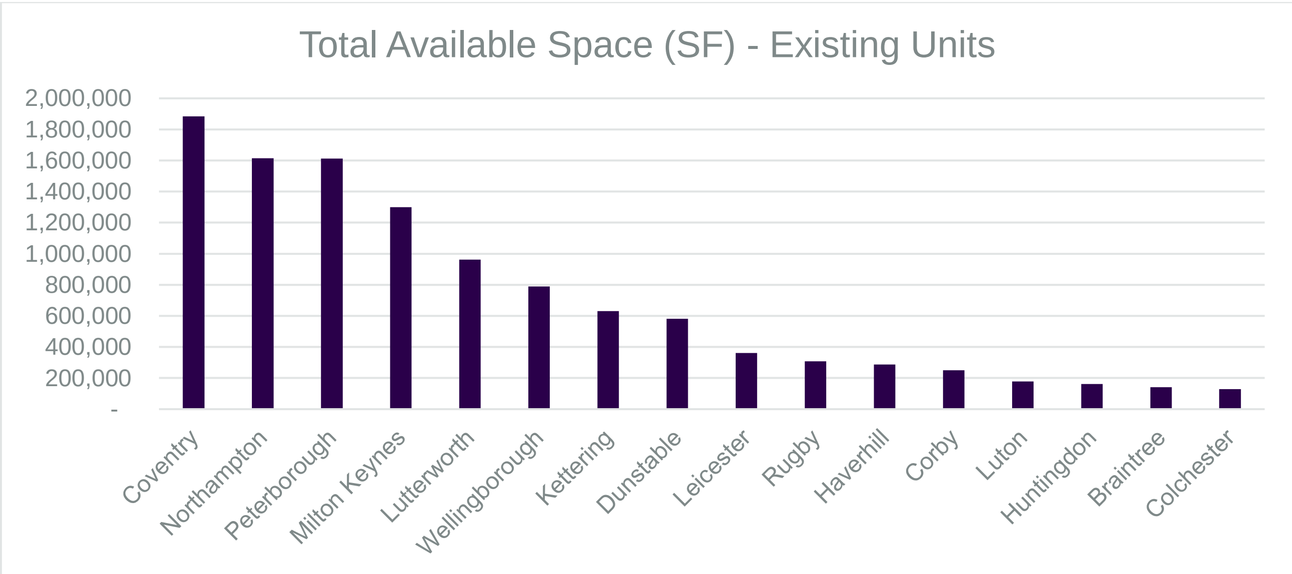
3.1.4 Specifically within the county of Cambridgeshire there is only 1.9m sq. ft. available split between 12 properties.

3.1.5 Most of the stock is dated with an average age of construction dating back to 1999 with only around 26% of these existing buildings reaching practic16al completion in the last five years.

3.1.6 Existing available accommodation of 30,000 sq. ft. plus that is closest to Crow Green includes:

Address	Size (Sq. Ft.)	Distance from Crow Green (Miles)	Notes
TG12 Tower Close, Huntingdon	55,500	10	Built in 2020
Evolution Business Park, Waterbeach	40,000	12	Built in 2016
Tower Close, Huntingdon	57,000	13	Built in 1990
Units A2 – A16, Middlefield Industrial Estate, Sandy	41,700	15	Built in 1985
Unit 9 Coldhams Business Park, Cambridge	73,000	16	Built in 2010
Holme Mill, Biggleswade	64,400	18	Built in 1965
28 St Thomas Place, Ely	36,000	24	Built in 2000
Unit 1 St Leger Drive, Newmarket Business Park	70,200	25	Built in 2010

Figure 1 - Existing Units of 30,000 sq. ft. Plus



Graph 1 - Location of Existing Buildings of 30,000 sq. ft. Plus Over Search Area (3 plus buildings available in locations shown).

3.1.7 In addition to the existing buildings, there is around 7.96m sq. ft. of space that is currently under construction over the regional search area.

3.1.8 The majority of space under construction is located around Leamington Spa (82 miles from Crow Green), Northampton (50 miles from Crow Green) and Lutterworth (62 miles from Crow Green).

3.1.9 As it stands, there are no buildings under construction in the immediate surrounding areas to Crow Green.

3.1.10 The only two buildings that are under construction at the time of the search within the Cambridgeshire district search area is 'Project Riley', Gateway Park, Peterborough where 274,000 sq. ft. is under construction and Unit 3, Cambridge Gateway, Barr Hill where 31,970 sq. ft. is under construction (inc. 2,900 sq. ft. of first floor office space).

Figure 2 - Under Construction – Cambridgeshire - 30,000 sq. ft. plus

3.1.11 The closest buildings to the site in question that are being built at present include:

- Cambridge Gateway, Barr Hill where 31,970 sq. ft. (10 miles away)
- Three Units, Total Park, Hudson Road, Bedford – 49,400 to 105,000 sq. ft. (20 miles away)
- Unit 1, Bedford Link, Bedford – 356,000 sq. ft. (25 miles away)
- Gateway Park, Peterborough – 273,000 (30 miles away)

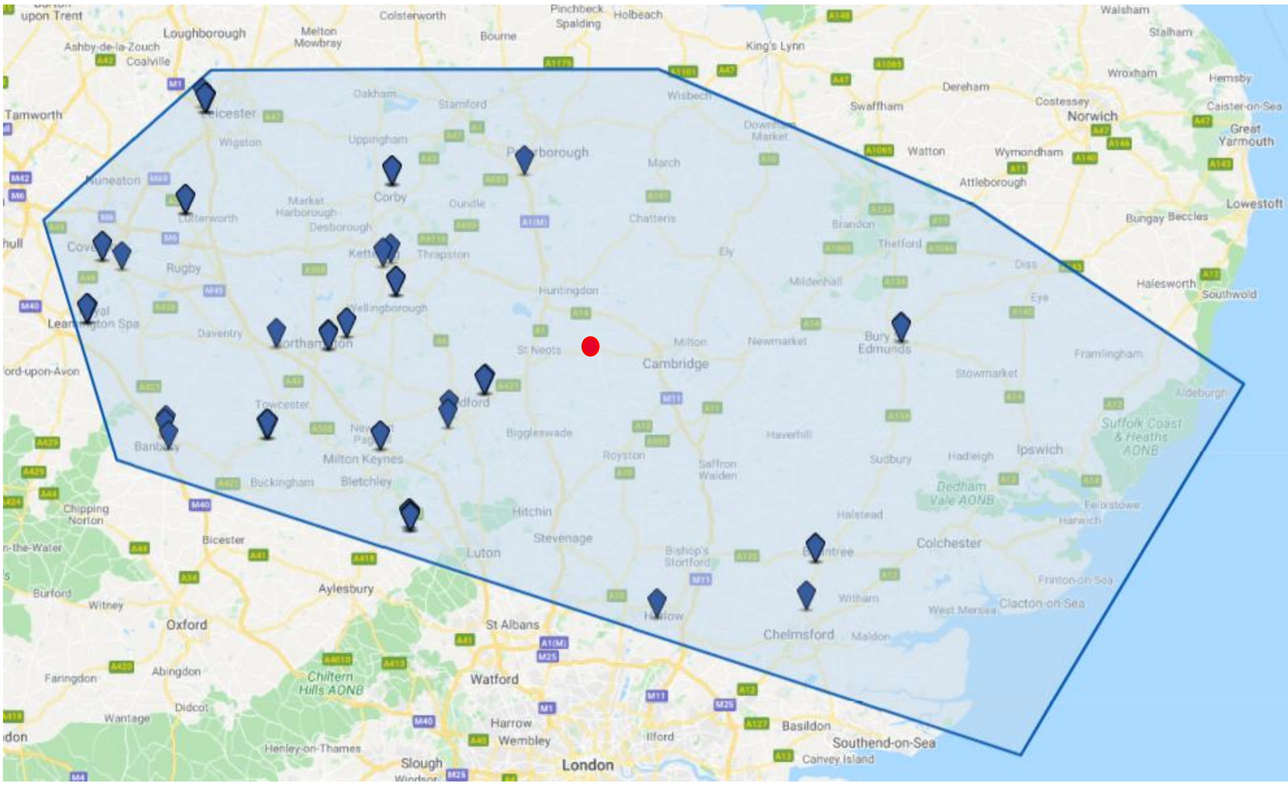
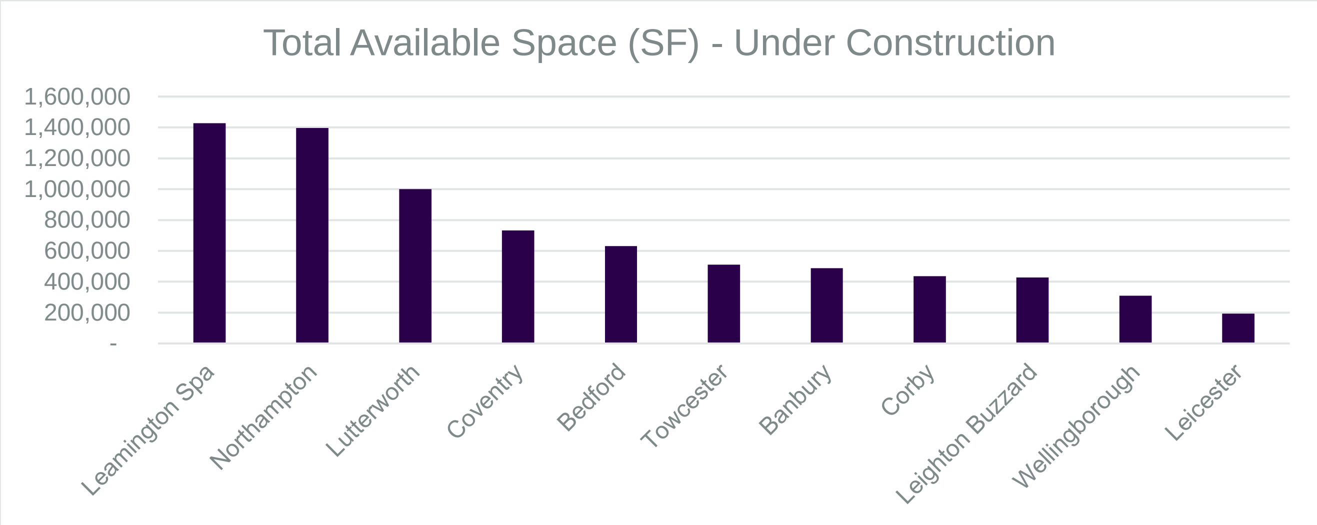


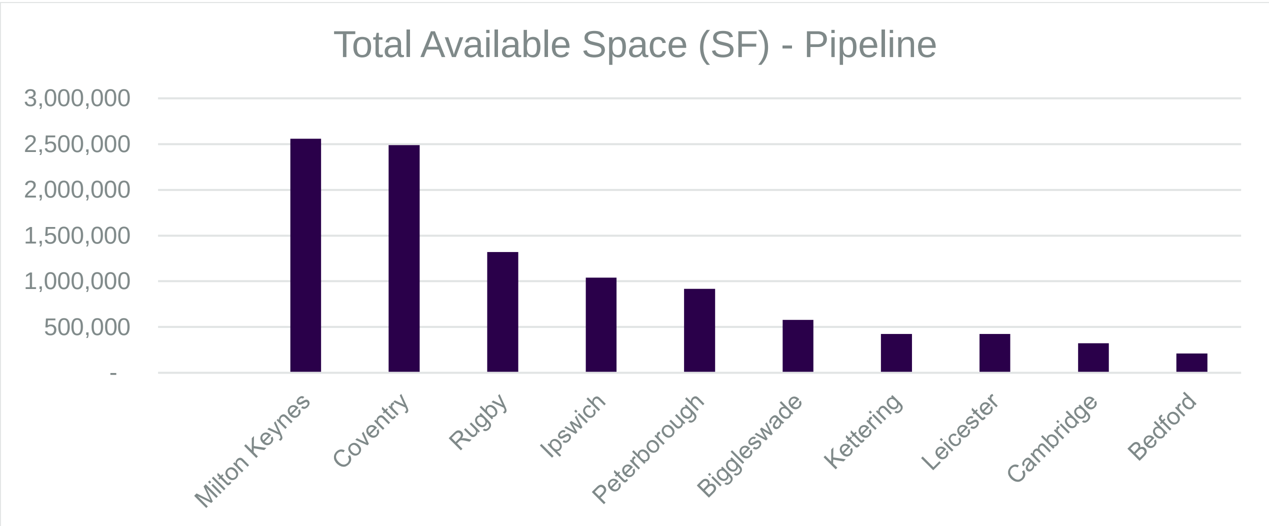
Figure 3 - Under Construction – 30,000 sq. ft. plus



Graph 2 - Location of Buildings Under Construction Over the Search Area (3 plus buildings available in locations shown).

3.1.12 In addition to stock that is existing there is around 16.95m sq. ft. of space that is proposed as a 'pipeline' supply of stock.

3.1.13 The majority of proposed units are located in Milton Keynes, Coventry and Rugby.



Graph 3 - Location of Pipeline Buildings Over the Search Area (3 plus buildings available in locations shown).

3.1.14 The closest proposed units are:

- Royston Gateway, Royston – c. 67,000 sq. ft. (14 miles away)
- Coldhams Lane, Cambridge – c. 65,000 – 78,000 sq. ft. (16 miles away)
- Symmetry Park, Biggleswade – c. 75,000 – 230,000 sq. ft. (17 miles away)
- Bedford Commercial Park, Bedford - c. 30,000 – 130,000 sq. ft. (25 miles away)

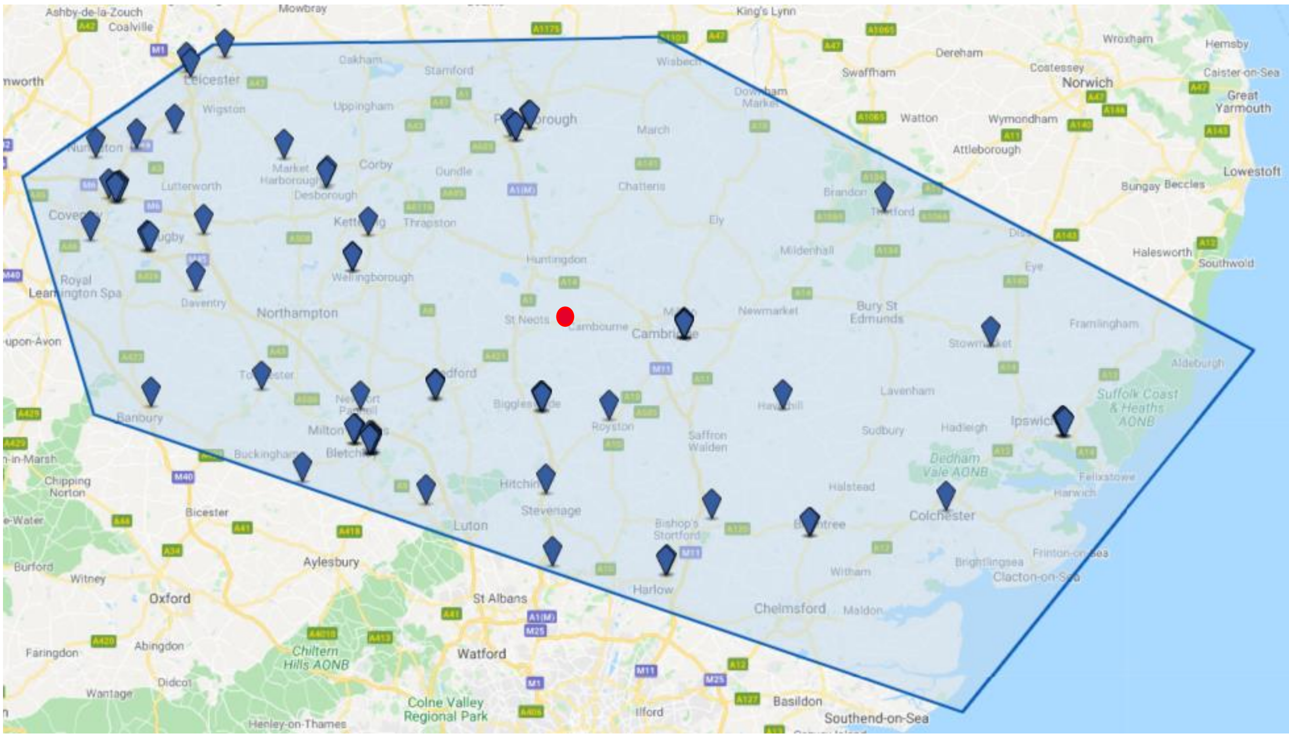


Figure 4 – Proposed Units Over 30,000 sq. ft.

3.1.15 Businesses seeking more than 100,000 sq. ft. for a major regional or national hub (a size of building that could be accommodated at Crow Green) have few options to choose from within the current pool of proposed stock (c. 40 buildings over the whole search area). Buildings on the M11 / A1M / A14 corridors north and east are particularly in short supply.

3.1.16 Availability is limited further for any business seeking over 350,000 sq. ft. (12 buildings over the whole search area) or over 500,000 sq. ft. (7 buildings over the whole search area). The closest options offering over 350,000 sq. ft. are:

- **Zone C, Prologis Park, Wellingborough** – 379,000 sq. ft. (38 miles away)
- **Unit B, Baytree, Dunstable –** 356,000 sq. ft. (46 miles away)

3.1.17 The amount of available space and number of options decreases further in the event of a requirement for 500,000 sq. ft. and above (again, a building that could be accommodated at Crow Green) with only six buildings proposed that could accommodate this type of requirement (Figure 6).

3.1.18 The closest buildings of this size are between 37 miles (Bletchley, Milton Keynes) and 52 miles away (Stowmarket).

Figure 5 – Proposed Units Over 350,000 sq. ft.

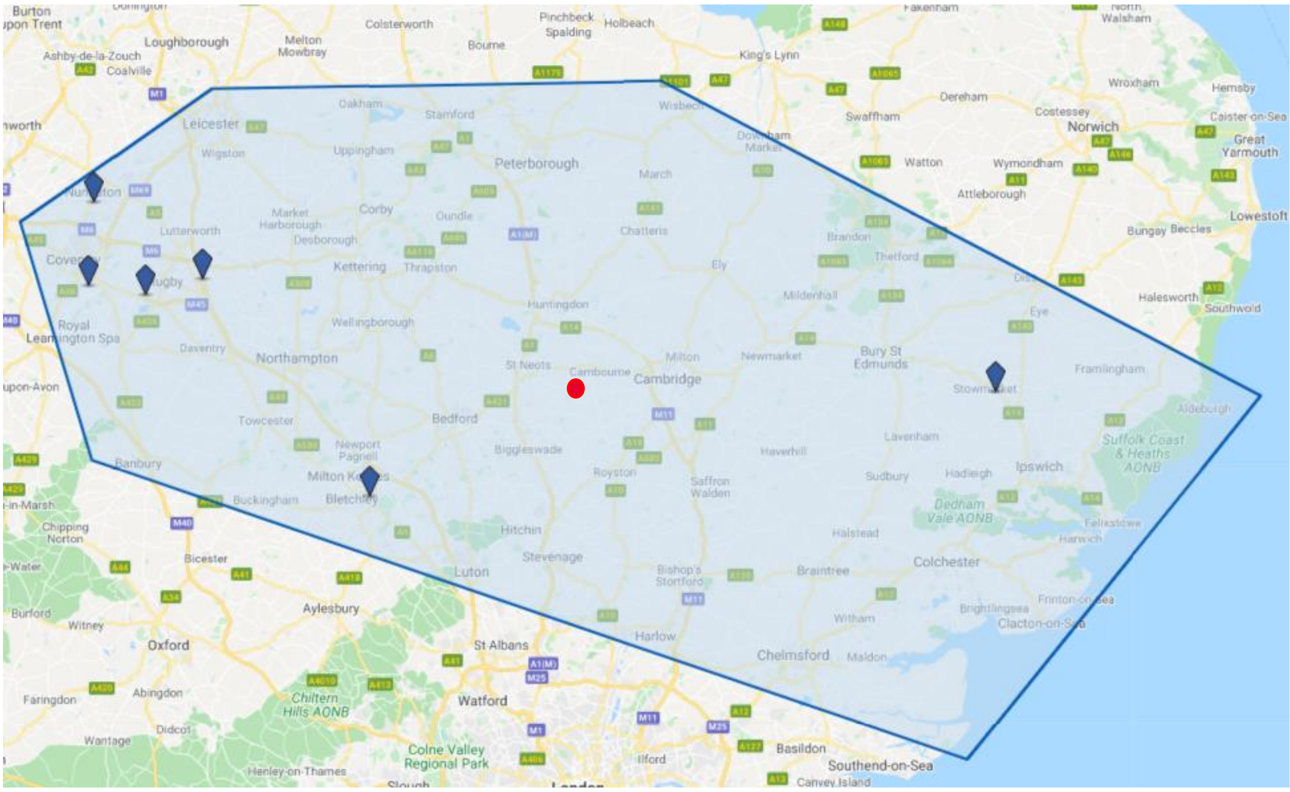


Figure 6 – Proposed Units Over 500,000 sq. ft.

3.2 MARKET AVAILABILITY – CONCLUSIONS

3.2.1 As has been assessed in Section 3.1 it is evident that the warehouse, logistics and manufacturing market is performing well across the wider region reflected by the significant decline in the amount of available space. This decline in available space highlights the ongoing demand for warehouse, logistics and manufacturing units across the wider region and Cambridgeshire.

3.2.2 The principal clusters of existing available accommodation are located, on average, 45 miles away from Crow Green with only 7 examples of available units offering more than 30,000 sq. ft. within 25 miles of Crow Green. Given this, the existing availability within close proximity to the site is limited to non-existent. Added to which, there are very few examples of modern facilities in the local area that could provide in excess of 30,000 sq. ft.

3.2.3 Smaller, newly built, logistics and mid-tech buildings have been built around Cambridge including Buckingway Business Park, Enterprise at Cambridge Research Park and Cambridge South, Sawston. These sites are now all fully let within a short period of reaching practical completion. The units at Cambridge Research Park were built to a 'mid-tech' specification and have successfully drawn and facilitated the expansion of several Cambridge based pharmaceutical companies that require this combination of R&D, office, manufacturing, storage and distribution to successfully operate.

3.2.4 Although there is around 7.96m sq. ft. of space that is currently under construction over the regional search area, there are few examples of accommodation being delivered in the district. The closest, within the district, is in Barr Hill (31,970 sq. ft.) with the only other in Peterborough (274,000 sq. ft). There are no other buildings currently under construction that will deliver more than 30,000 sq. ft. in a single building within the district.

3.2.5 The picture is similar with proposed / pipeline buildings with the majority of these buildings located between 40 and 75 miles away in Milton Keynes, Coventry and Rugby. The closest proposed sites are between 14 and 25 miles away in locations such as Bedford and Biggleswade.

3.2.6 Businesses seeking more than 100,000 sq. ft. for a major regional or national have few options to choose from with a noticeable gap in supply along the M11 / A1M / A14 corridors.

3.2.7 Across the District and regional search area there is evidently a lack of buildings and sites with direct access to a major / trunk road that is existing, under construction or proposed. This is especially the case in the locality of Crow Green giving rise to the opportunity to fill a gap in the market and bring forward a site that can deliver a wide range of unit sizes to meet the spectrum of market demand.

4.0 SUMMARY OF MARKET DEMAND

4.1.1 Over the last 5 years, more than 69m sq. ft. has been leased over the regional search area for lettings of space over 30,000 sq. ft.

4.1.2 These transactions have ranged in size from 30,000 sq. ft. to 1.1m sq. ft. on an individual basis.

4.1.3 Most deals occurring have been between the 30,000 and 100,000 sq. ft. brackets with 60% of the deals taking this much space.

4.1.4 In addition, there are examples of several larger deals occurring with 148 or 30% of deals involving between 100,001 and 300,000 sq. ft.

Size Bracket	No. of Deals	Total Size	Average Size
30,000 - 50,000	180	7,079,000	39,327.78
51,000 - 100,000	123	8,794,000	71,495.93
100,001 - 150,000	59	7,134,000	120,915.25
150,001 - 200,000	45	7,844,000	174,311.11
200,001 - 300,000	44	10,791,000	245,250.00
300,001 - 400,000	18	5,989,000	332,722.22
400,001 - 500,000	13	5,865,000	451,153.85
500,001 - 600,000	8	4,324,000	540,500.00
600,001 - 700,000	4	2,576,000	644,000.00
700,001 - 800,000	3	2,211,000	737,000.00
800,001 - 900,000	3	2,484,000	828,000.00
900,001 plus	4	3,946,000	986,500.00
TOTAL	**504**	**69,037,000**	

Table 1 – Regional Leasehold Deals by Size

4.1.5 Take up of space has remained relatively consistent over the last 5 years with between 10.17m sq. ft. and 15.6m sq. ft. leased between 2017 and 2020 (the only full years recorded – note 2016 only captures the last part of the years activity). 2017 / 2018 and 2020 all had similar take up levels.

4.1.6 Average deal sizes have also remained consistent over the years at around 120,000 to 155,000 sq. ft. each.

4.1.7 The number of transactions peaked in 2017 / 2018 however numbers thereafter have remained fairly consistent with the two most recent years seeing an increase in the number of deals since 2019.

4.1.8 2020 saw a recent high in the total amount of space leased, the average size of transaction and the number of deals occurring.

4.1.9 Despite the COVID-19 pandemic, disruptions to the market and impacts on the ability to construct and fit out buildings due to national restrictions imposed, shortages of building supplies and rapidly rising costs, the demand for space remained strong with a level of take up in excess of 2019 and close to 2020.

4.1.10 The following breakdown focuses on all deals that have occurred between December 2016 and December 2021.

Sign Date	No. of Deals	Total SF Leased	Average
2016	17	1,843,000	108,412
2017	122	14,475,000	118,648
2018	108	15,598,000	144,426
2019	79	10,175,000	128,797
2020	96	14,797,000	154,135
2021	82	12,149,000	148,159

Table 2 – Regional Leasehold Deals by Year

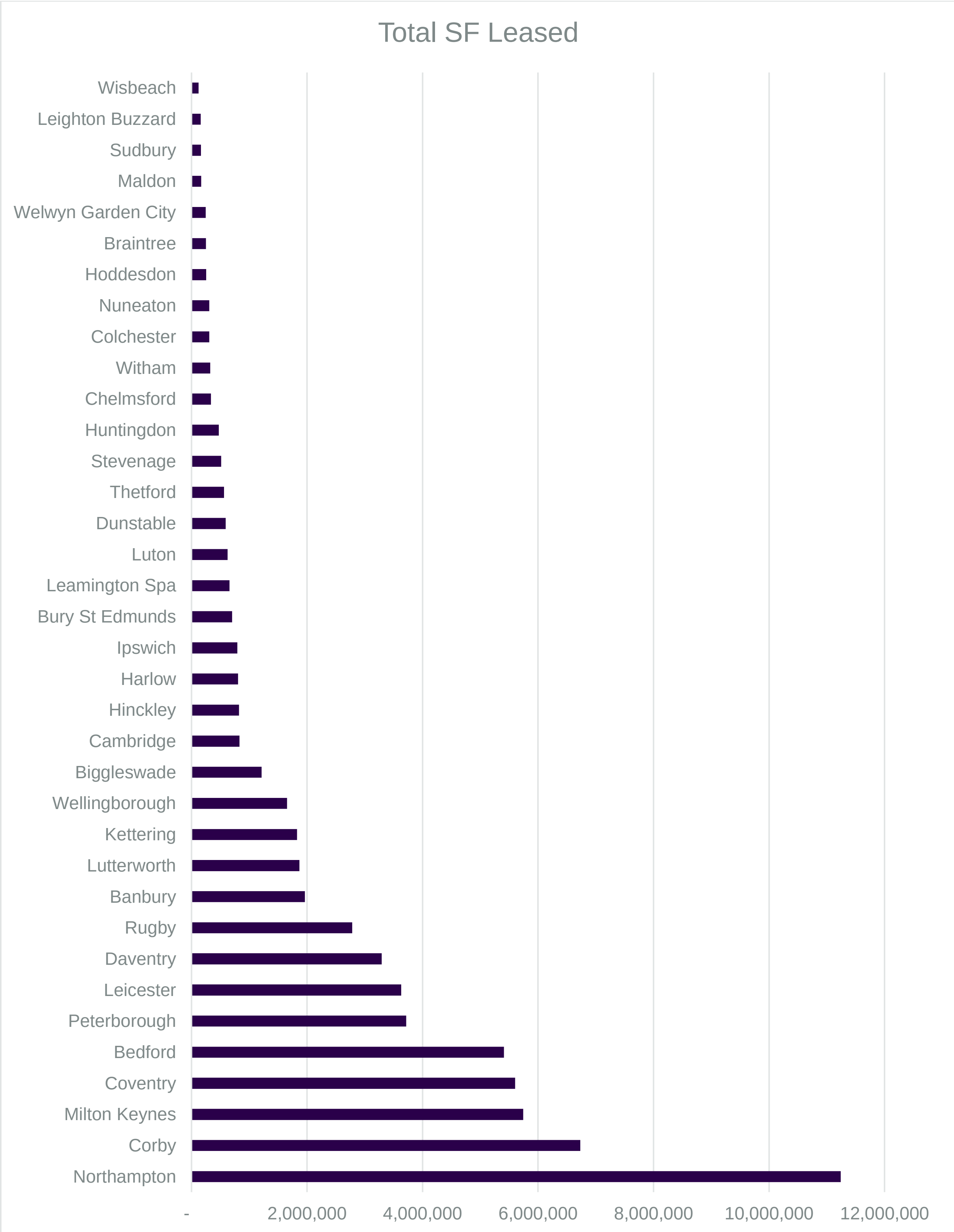
4.1.11 Graph 4 breaks down the location of where these deals have been occurring with the top 5 locations where the most amount of space has been let being Northampton, Corby, Milton Keynes, Coventry and Bedford.

4.1.12 Cambridge, the closest city to Crow Green, saw 830,000 sq. ft. leased where units of 30,000 sq. ft. or more were taken resulting in an average deal size of over 92,000 sq. ft.

4.1.13 Locations where no more than three deals occurred have been excluded from the graph. Locations where there were only one or two deals include:

City	Total SF Leased	Number of Deals	Average Deal Size
Bishop's Stortford	69,000	2	34,500
Buckingham	54,000	1	54,000
Ely	125,000	2	62,500
Epping	35,000	1	35,000
Felixstowe	111,000	1	111,000
Haverhill	99,000	1	99,000
Hertford	38,000	1	38,000
Loughborough	315,000	1	315,000
Market Harborough	31,000	1	31,000
Newmarket	35,000	2	17,500
Newport Pagnell	213,000	2	106,500
Royston	211,000	1	211,000
Rushden	187,000	1	187,000
Sandy	125,000	1	125,000
Southam	102,000	2	51,000
St Ives	109,000	2	54,500
St Neots	81,000	2	40,500
Towcester	83,000	2	41,500
Wigston	102,000	2	51,000

Table 3 – Leasehold Deals by Location



Graph 4 – Total Sq. Ft. Leased – Regional Search Area

City	Total SF Leased	Number of Deals	Average Deal Size
Northampton	11,242,000	68	165,324
Corby	6,731,000	26	258,885
Milton Keynes	5,744,000	45	127,644
Coventry	5,605,000	43	130,349
Bedford	5,411,000	33	163,970
Peterborough	3,717,000	26	142,962
Leicester	3,629,000	31	117,065
Daventry	3,294,000	11	299,455
Rugby	2,784,000	16	174,000
Banbury	1,961,000	15	130,733
Lutterworth	1,867,000	7	266,714
Kettering	1,828,000	11	166,182
Wellingborough	1,653,000	11	150,273
Biggleswade	1,213,000	6	202,167
Cambridge	830,000	9	92,222
Hinckley	823,000	6	137,167
Harlow	807,000	10	80,700
Ipswich	793,000	6	132,167
Bury St Edmunds	701,000	5	140,200
Leamington Spa	658,000	8	82,250
Luton	624,000	6	104,000
Dunstable	592,000	11	53,818
Thetford	563,000	6	93,833
Stevenage	512,000	4	128,000
Huntingdon	474,000	4	118,500
Chelmsford	335,000	7	47,857
Witham	324,000	5	64,800
Colchester	308,000	7	44,000
Nuneaton	307,000	3	102,333
Hoddesdon	256,000	4	64,000
Braintree	249,000	3	83,000
Welwyn Garden City	245,000	5	49,000
Maldon	167,000	3	55,667
Sudbury	162,000	3	54,000
Leighton Buzzard	158,000	3	52,667
Wisbeach	124,000	3	41,333

Table 4 – Amount of Space Leased by Location

4.1.14 Take up of smaller stock has been widely seen around Cambridge and to the east / south east with larger deals only really occurring where this scale of space is currently being offered. Historically, places such as Northampton, Corby, Milton Keynes and more locally Peterborough have seen the bulk of large scale deals as this is where this scale of buildings have been delivered. In other words, demand and take up of space is being driven towards sites where there is availability of consented serviced land.

4.1.15 A good example of a park that has created the appropriate environment and available land to satisfy demand is Suffolk Park, Bury St Edmunds. By laying the foundations of serviced land with planning consent it has quickly secured some of the eastern regions largest logistics and manufacturing deals. The development of this park has significantly shifted the historical take up rates within the town. Until the delivery of Suffolk Park, Bury St Edmunds had an average deal size of 10,500 sq. ft. over the last 5 years with only four examples of space being taken in excess of the average. Since the park was delivered, this average has increased to 100,500 sq. ft.

4.1.16 The deals at Suffolk park included:

- **Treatt Plc** – the disposal of land to Treatt Plc's for its new global headquarters extending to 112,000 sq. ft. in the first phase of development.

- **Unipart Group** – took a 148,000 sq. ft. speculatively built logistics facility.

- **MH Star –** the speculatively build 207,000 sq. ft. logistics facility was sold to MH Star.

- **Sealey** – the delivery of this 150,000 sq. ft. logistics facility is due to commence construction shortly.

- **Weerts Group** – in November 2020 it was announced that Weerts Group (a Belgian logistics, real estate and motor-racing company) chose Suffolk Park for its first UK warehouse location with an 870,000 sq. ft. logistics hub to be delivered. It was originally going to be built in two back to back phases but was built as one to accommodate the demand for the space. Sketchers leased half of the building with the other half currently under offer.

- **Hermes** - a pre-let has been agreed with Hermes to take 77,000 sq. ft.

4.1.17 The Weerts Group deal is the largest ever warehouse transaction to be undertaken in Bury St Edmunds and the West Suffolk region. Weerts Group chose the location because of its proximity to the Felixstowe ferry connection with the European continent and its proximity to Junction 45 of the A14 providing fast links into the UK motorway network. Another important factor was the site capacity to accommodate a unit of this scale whilst also being fully serviced and with planning consent for this type of use. The building will result in the creation of 700 jobs for the local economy.

4.1.18 The demand for space across the region has been reflected in the declining time on which the space is on the market along with an improvement in net absorption rates. This has also resulted in consistently improving rents and yields and an upsurge in units being brought to the market for sale as investors in particular seek to capitalise on the growth in demand and rent.

5.0 THE SITES SUITABILITY & ABILITY TO MEET IDENTIFIED MARKET DEMAND

5.1 CROW GREEN – DELIVERING SPACE THE MARKET NEEDS

5.1.1 The demand for employment space across the region remains strong with the areas around Cambridge continuing to see demand from a wide range of business sectors.

5.1.2 Speculative development of logistics and 'mid-tech' space has been occurring more quickly in recent years than previously with schemes being built speculatively at Buckingway Business Park, Cambridge Research Park, Cambridge South in Sawston, Nearly all of this speculatively built space is now let.

5.1.3 Further speculative development is underway at Bourne Quarter in Cambourne where logistics and 'mid-tech' units from 1,700 sq. ft. to 13,940 sq. ft. with one at 26,930 sq. ft. are being offered to let. The only other large buildings have been pre-let by Cambridge Design Partnership who have taken two buildings of 27,150 and 56,430 sq. ft. Cambridge Gateway in Barr Hill is also undertaking speculative development of units from 3,046 sq. ft. to 31,970 sq. ft.

5.1.4 As has been identified throughout the report, Crow Green is exceptionally well placed to create a development that directly answers market demand whilst also providing a product that is not currently being provided elsewhere. This is particularly true when it comes to modern 'mid-box' (50,000 sq. ft. to 100,000 sq. ft.) or even 'big-box' (100,000 sq. ft. plus) buildings which are simply not available in the local area (Cambridge + 15 mile radius) as existing spaces. Buildings of at least 50,000 sq. ft. that are available are located, at best, in Bedford but for the most part considerably further away in Milton Keynes, Northampton, Kettering and Peterborough which serve different markets to Cambridge and its surrounding areas.

5.1.5 There is only one existing building in the local area (Cambridge + 15 mile radius) which is Unit 1 St Leger Drive, Newmarket Business Park which is 70,200 sq. ft. however it was built in 1980 and is c. 25 miles from Crow Green.

5.1.6 The pipeline availability for 'mid-box' or 'big-box' units within the local area (Cambridge + 15 mile radius) is also extremely limited with the three plots at Coldhams Lane, Cambridge (yet to receive planning permission) being the only option. Those that are available being promoted (e.g. around Bedford, Milton Keynes, Northampton, Kettering and Peterborough) are a considerable distance from Crow Green.

5.1.7 The same applies to the delivery of 'mid-tech' buildings across the local area with a limited number of sites specifically targeting this market and very few, if any, existing buildings of this type in existence in the area now left as available.

5.1.8 As has been seen with Suffolk Park, when sites are given consent with serviced plots created the occupiers follow swiftly thereafter resulting in hundreds if not thousands of new jobs being created plus significant GVA benefits to the local economy.

5.1.9 Historically locations such as Bedford, Peterborough, Northampton and Coventry have been favoured by logistics businesses given their proximity to major regional and national road links enabling swift transportation of goods and services along these established corridors.

However, the upgrade to the A428 link between Bedford and Cambridge combined with the East-West rail link will create a major new, multi service, transport corridor within which Crow Green is located. Crow Green is therefore in an almost unique position at one of the few junctions to this upgraded road enabling it to tap into demand for space that has typically been directed elsewhere (e.g. the M1 / A1M). This will be an attractive link to the wider regional and national road network including inroads into the supply chain links between Oxford / Cambridge / Stevenage / White City, London (serving the life science and technology businesses situated in these hubs).

5.1.10 Location is key to the success of any employment led scheme and indeed critical for efficient market coverage particularly for the logistics sector. A strategically well located site with strong transport connections is therefore a requirement for occupiers with a need for good access to major roads junctions (as seen with Weerts Group at Suffolk Park). Increasingly, of equal importance to occupiers are locations that are close to large labour pools, ensuring their ability to source suitably qualified employees in sufficient numbers from an area immediately surrounding a site thereby reducing journey length/times and providing the opportunity to promote sustainable modes of transport.

5.1.11 Crow Green's strategic location adjacent to a major road junction and in close proximity to a labour pool that is expanding rapidly makes it particularly well suited to becoming a major employment, production and logistics business park of regional importance with proposed units falling within the EGiii (light industrial processes), B2 (general industrial uses) and B8 (storage and distribution) use classes (with ancillary office / R&D functions).

5.1.12 Given the proximity of Crow Green to Cambridge, it also has the ability to respond to the demand for 'mid tech' units - typically EGiii (light industrial processes), B2 (general industrial uses) and B8 (storage and distribution) type units with a higher than standard proportion of office space (circa 25% - 35%) which could also be used for R&D / light assembly type uses as well.

5.1.13 Furthermore, with ever increasing land values within the immediate Cambridge sphere, companies being priced out of the Cambridge and therefore struggling to afford to remain will, with Crow Green, have another option to consider. Importantly, not only will Crow Green be an affordable option by comparison to Cambridge it remains close enough to the City to be a viable alternative in terms of access to the right tallet pools.

5.1.14 These hybrid units suit the Cambridge market particularly well offering flexible space to cater for the wide variety of companies entering or operating in the market from University spin outs to global corporations in addition to the existing high-tech manufacturing, life science & healthcare and general manufacturing companies already in the local area. This existing presence all around Crow Green will to continue to draw other companies from outside the local area to the wider Cambridge market increasing the need further for suitable employment sites (such as Crow Green) to accommodate them.

5.1.15 Crow Green has several significant attributes that will assist in meeting the identified needs of the Cambridge sub-region, including:

- The scale to accommodate not only 'mid-box' but 'big-box' logistics facilities alongside smaller scale 'mid-tech' buildings.

- The scope to provide suitable employment space for a wide variety of knowledge intensive and non-knowledge intensive businesses across various sectors including mid and high-tech manufacturing, modern logistics, professional services and AgriTech.

- A major new park that sits perfectly on the East-West rail link / Cambridge–Milton Keynes–Oxford Arc enabling the delivery of employment space exactly where it is needed to serve these knowledge corridors.

- A blank canvas employment site that can set high standards of build form and site wide landscaping to create a suitable environment for business to grow.

- The ability to increase economic output through the hosting of high value industries with capacity to support thousands of FTE jobs on the site.

- An easily accessible employment site on a major transport corridor that will continue to be enhanced by the East West rail, A428 works delivering pedestrian links south to Cambourne and enhanced bus links.

5.2 A MASTERPLAN TO MEET MARKET DEMAND

5.2.1 A high level masterplan has been prepared which takes into account the opportunities and constraints of the site however, most importantly, the driving force behind the scheme – the need to meet market demands.

5.2.2 Crow Green has scope to deliver around 55.9 to 61.3 hectares (138 to 151 acres) of developable land in five zoned development parcels that would be suitable for the types of businesses seeking space in the area including those within the E (office, R&D, light industry), B2 (general industrial) and B8 (storage & distribution) Use Classes.

5.2.3 Combined, the plots have the potential to deliver between 217,798 sq. m. (2,344,362 sq. ft.) and 243,934 sq. m. (2,625,683 sq. ft.) of Class E, B2 and B8 type buildings.

5.2.4 Irrespective of the delivery of East West Rail, the Crow Green site represents an excellent opportunity to deliver the employment floorspace the District needs in a strategic, and sustainable, location. East West Rail will not prejudice the delivery or commerciality of the site, it will only serve to improves its already excellent accessibility credentials.

5.2.5 Without the East West Rail line the breakdown of potential buildings are as follows:

Building Reference	Size (Sq. Ft.)	Use Class	Notes
ZAP1	37,000	B2 / B8	Single Building
ZAP2	224,370	B8	Single Building
ZAP3	378,000	B8	Single Building
ZBP1	42,313	B2 / B8	Single Building
ZBP2	175,000	B2 / B8	Terrace of 3 units (c. 58,300 sq. ft. each)
ZBP3	100,000	B2 / B8	Single Building
ZBP4	100,000	B2 / B8	Single Building
ZCP1	180,000	B2 / B8	Terrace of 8 units (c. 22,500 sq. ft. each)
ZDP1	448,000	B8	Single Building
ZDP2	141,000	B8	Single Building
ZEP4	800,000	B8	Single Building
TOTAL	**2,625,683**		

Table 5 – Building Sizes – Masterplan Without East West Rail Line

5.2.6 With the East West Rail line the breakdown of potential buildings are as follows:

Building Reference	Size (Sq. Ft.)	Use Class	Notes
ZAP1	37,000	B2 / B8	Single Building
ZAP2	224,370	B8	Single Building
ZAP3	378,000	B8	Single Building
ZBP1	42,313	B2 / B8	Single Building
ZBP2	175,000	B2 / B8	Terrace of 3 units (c. 58,300 sq. ft. each)
ZBP3	100,000	B2 / B8	Single Building
ZBP4	100,000	B2 / B8	Single Building
ZBU5	115,000	B2 / B8	Single Building
ZBU6	158,000	B2 / B8	Single Building
ZCP1	355,797	B8	Single Building
ZCP2	68,769	B2 / B8	Single Building
ZDP1	190,000	B2 / B8	Terrace of 7 units (c. 27,100 sq. ft. each)
ZEP1	400,113	B8	Single Building
TOTAL	**2,344,362**		

Table 6 – Building Sizes – Masterplan With East West Rail Line

5.2.7 This diversity of plot scale enables the site to respond to market demand for ‘mid-box’ and ‘big-box’ buildings that are simply not being supplied elsewhere in the local area as well as the ‘mid-tech’ and general ‘small scale’ units where there is a lack of new and modern buildings of this scale that cater for the most recent occupier requirements. The design of the site is therefore likely to include a range of unit sizes to meet these varying market demands as follows:

- **‘Small Scale’ Units** (typically 5,000 – 50,000 sq. ft.) for new and established local / regional businesses across various sectors.

- **'Mid-Box'** size units (typically 50,000 – 100,000 sq. ft.) which are particularly sought after by retailers, manufacturers and third-party logistics operators looking for satellite and local distribution units.

- **'Big-Box'** size units (typically buildings of 100,000 sq. ft. plus). These 'big-box' units are larger format industrial logistics facilities that often have characteristics not found in the rest of the sector and should be differentiated from smaller older buildings. These properties are modern, strategically located, highly efficient distribution centres and logistics hubs that hold finished goods for distribution to other parts of the supply chain or directly to consumers. The site's scale, location and flexibility mean that they are strategically important to tenants ensuring that they can benefit from economies of scale.

- **'Mid Tech'** units to respond to the desire for hybrid units from a range of businesses operating within the Cambridge market that typically need a higher proportion of office / R&D space than the standard unit (say 20%-30% rather than 10% office / R&D content).

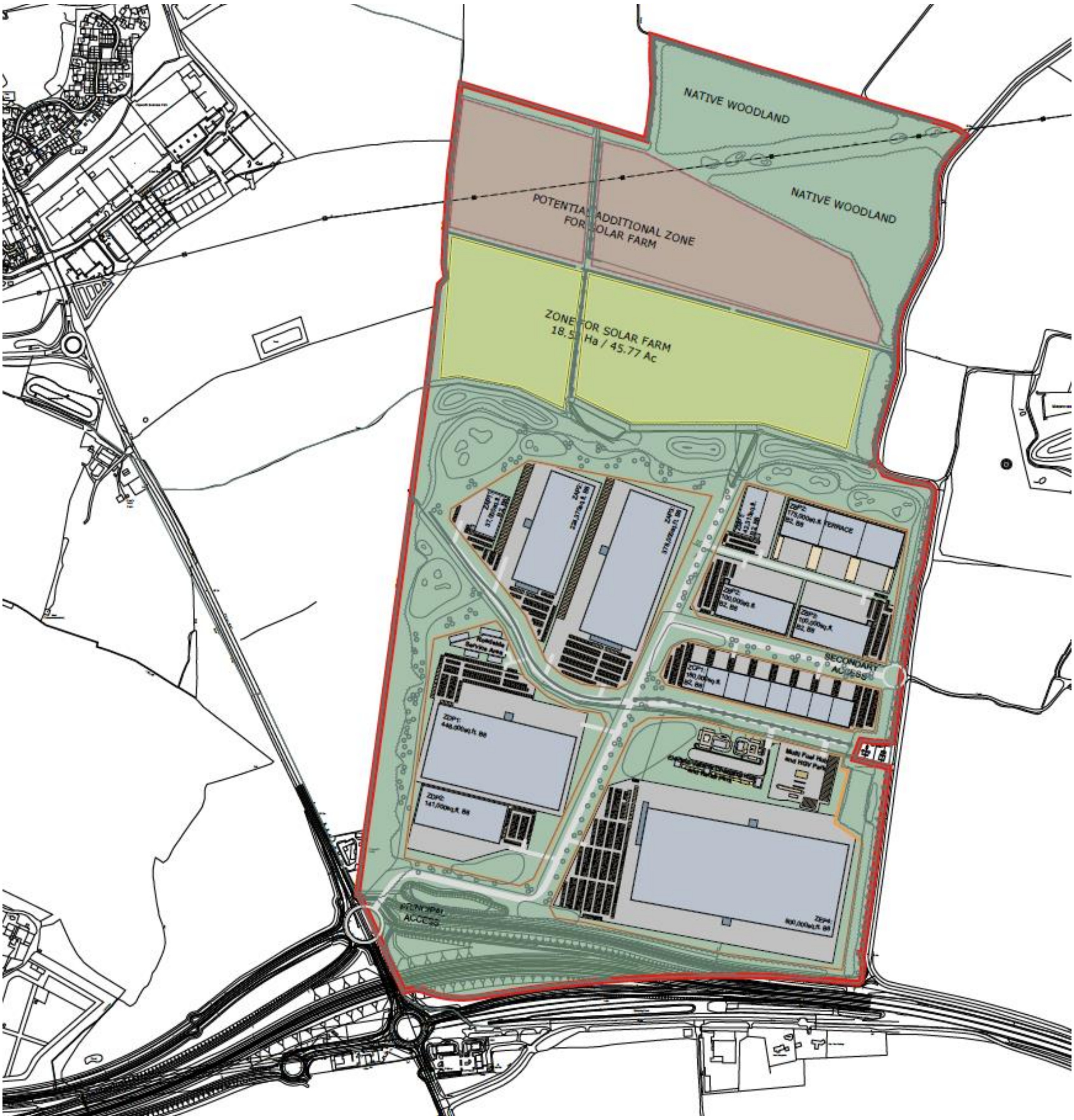


Figure 7 – Crow Green Development Masterplan – Without East West Rail

Figure 8 – Crow Green Development Masterplan – With East West Rail

Carter Jonas