

COMMERCIAL PROPERTY

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Out-of-town appeal

New, high-quality office space on this already attractive business park is sure to appeal to more big names, says **Bob Serafini**

CALA Properties' ambitions to make its newly acquired Almondvale Business Park at Livingston the third best in the country (after Strathclyde and Edinburgh Park) will take a step closer to reality next week when work starts on the company's first 31,500 sq ft speculative office building on the site.

The £7m investment in an air-conditioned, grade-A standard property, to be completed by late spring, is expected to attract another high-calibre occupant to a campus which is already home to HSBC, GE Harris, HM Inspectorate of Education, Quintiles and HM Revenue & Customs.

This is the first of five or six

buildings totalling around 200,000 sq ft which are planned for the 9.2 acres of land which the developer bought last December as part of Taylor Woodrow's Scottish commercial property portfolio. The other equally valuable elements are at Peel Park and Philipshill in East Kilbride, currently at masterplanning stage.

CALA won Scottish commercial property development of the year last year for its forward-funded Clydesdale Bank Exchange project in Glasgow city centre and has a string of other high-profile successes. In a joint venture with Business Homes, the firm has also taken the first steps in a £50m long-term investment programme to develop small out-of-town office

and industrial units across the country.

The new three-storey offices, with 114 car parking spaces, will command a rent of around £16 per sq ft, making this out-of-town option attractive compared to city centre alternatives. This is also reflected in the number of existing public sector tenants.

The major advantage over its rivals is that it lies, literally, within a stone's throw of the town centre, with 1.5m sq ft of retail and leisure space, including McArthur Glen designer outlet, high street shops and supermarkets, which Land Securities is set to expand further. With provision of staff facilities and sustainability high on the agenda, closeness to the transport hub is also important.

The project can also be guaranteed to be completed to the highest standards – another of the park's tenants is the SBSA, the government agency charged with overseeing new commercial property developments.

James Thomson, business manager in Scotland for DTZ, joint letting agents with Jones Lang LaSalle, said CALA's purchase of the business park was a shrewd move.

"DTZ has been involved with the park since 1996 and whenever there has been a building available, it has beaten the competition for occupiers in the east of Scotland out of town market," he said.

"Notwithstanding the quality of the development, the simple reason for this is location.

Where else can you find a business park with a very high level of road accessibility, which is also next door to one of Scotland's largest retailing hubs?

"It is recognised that, in a world of increasing traffic restrictions, parking limitations and environmental issues, the prospects for genuinely remote business parks are declining. Key watch-words for the future are inter-modal transport (access to more than one form of transport) and access to amenities.

"For most businesses, staff is the key driver of success, and the ability to attract staff to their business location is paramount. Combining high-quality buildings in an attractive environment, with access



GOING UP: CALA's newly acquired Almondvale Business Park at Livingston, left, will be home to the company's first 31,500 sq ft speculative office building on the site, above.

to retail, leisure, and transport amenities, provides the best of all worlds. Almondvale will succeed for these reasons and this sixth building will continue the trend established to date on the park."

Alasdair MacConnell, managing director of CALA Properties, said the outlook for the occupational market was good and he was confident his company could build upon the area's successful track record: "This speculative building is part of a development programme which we are undertaking across our recently acquired sites.

"The property will be a high-quality product and fits perfectly with our strategy of building a diverse commercial property portfolio throughout the UK."

Livingston is viewed as increasingly attractive to the investment market as well, with three of the existing Almondvale properties changing hands recently. Legal and General sold 24,310 sq ft Earleston House for £5,695,000 and 20,838 sq ft Lauder House for £4,815,000, both to a private Irish investor and both showing initial yields of around 6%, with Joint Properties also understood to have purchased nearby Denholm House.