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for development, which should be completed in 2010. ProLogis owns a total of 90 acres at the site, which it intends to turn into a flagship employment park.

"It's another deal that shows the big shed market is still healthy," says Gent. "2007 saw a lot of business really. Teva Pharmaceuticals have taken 260,000 sq ft at Glasshoughton, which is under construction - 200,000 sq ft warehousing and 60,000 sq ft office headquarters - which is a real blue-chip deal. In terms of quantum, our biggest deal by far was the MFI deal at Nimbus Park in Thorne, at 750,000 sq ft. There was the completion of the 695,000 sq ft shed at Redhouse Interchange for Asda, along with Tesco's design and build supershed at Goole."

The big shed market can only prosper as long as major sites are available, and that situation could change over the next year. DTZ's Mack says: "With Tesco in place at Goole's Capitol Park with their 850,000 sq ft shed, there's another potential 2 million sq ft to go at, not including the leisure and offices. We'll be focusing on building another major shed of between 500,000 and 1 million sq ft and are talking to a few select occupiers. There's also the final plot at Redhouse, which could take up to 300,000 sq ft." Wilton Developments has also unveiled Latitude Park, a 135,000 sq ft shed at Wakefield Europort.

Other than that, the field is narrowing Mack says: "There are not too many

sites in Yorkshire that could house a large shed, Nimbus has gone, and PPG have done a deal with HSBC for a large data centre at Link 62 (the business park at junction 31 of the M62), which means another potential site has been ticked off. Although some of the sheds in the area of 100,000 sq ft around Doncaster and Thorne have struggled, this could be their time because the requirements are out there."

Tonkin says: "The greatest worry for me is what developers will be doing to make sure there's product there in 2009 and 2010. Currently, there's 5 or 6 million sq ft of supply and while the enquiries don't match that, there needs to be some idea of where the market's going."

What can we expect from 2008? Gent believes that the chocks-away era of speculative development has reached its end: "I think speculative development will drop off noticeably, partly because funding will be harder to secure and partly because of the empty rates relief changes. We'll see a return to people putting infrastructure in place, but not developing the buildings."

He's quick to point out that is not necessarily a bad thing. "It shouldn't be a problem in the short term because there is a good level of supply. But there could be a headache in the future because people have got used to being able to pick and choose - it's been a while since people had to wait."



UNCERTAINTY Tootell

For his part, GVA Grimley partner Rob Oliver says that it's a matter of back to basics: "There's plenty of negativity around, but I'm cautiously optimistic that the right product at the right time will go. It will be tricky and some deals will be hard to get over the line. Everyone's now realised that land values have peaked and the steam's gone out of the market, but we're better placed than other parts of the country."

Matthew Tootell, associate director at Savills, says: "The rates changes will hinder large speculative sites, the likes of ProLogis and HelioSlough will think twice about speculating on 1 million sq ft. We could see more design and build, or smaller speculative schemes. Also, economic uncertainty could see the leasehold market come back against the owner occupiers."

Tonkin reckons the big boys will tough it out, at least for the time being: "ProLogis won't slow down and nor will Gazeley. Both have stated that although these are expenses they'd not accounted for, they will continue to speculate. What it might do is make them more competitive on built product, because they won't want it hanging around."

Rather, he feels that it will be those further down the food chain that change their tactics: "It's more likely to be the mid-range developers who feel the pinch and those private investment traders won't be as bullish. It all comes on the back of the investment market pulling back from summer 2006. The big funds are still twitchy and there could be some very competitive dealing done in 2008."

"For our part, we'll be knocking on a lot of doors. It's going to be hard work and the agents are going to be getting their backsides kicked to move the product, but that's what we're here for." ▀



PROSPERING Latitude Park