

Aaron Fox

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Dear David

Re: - **DNP Employment Sites Survey Update 2012**

Further to your letter of engagement I confirm that I have now inspected all of the sites within the above, to include the 2 additional sites, and have pleasure in enclosing a print out of the spread sheets for each. I confirm that I have also copied these to a CD for your retention.

Your instructions requested a short commentary on the impacts of the recession on employment space/take up in Dartmoor and an overview of the individual sites with any specific observations. You also requested a more detailed commentary on 2 specific locations regarding the opportunities for future development. I would therefore comment as follows:-

A38 garage – Ashburton

No material changes at this estate, which has been significantly improved now the Ashburton Cookery School premises has now been completed and they are in occupation. I have commented at the end of this report regarding the yard and compound areas here that remain undeveloped and full of vehicles.

Bullycleaves Quarry, Buckfast Road, Buckfastleigh

The industrial space to the front has now been let to David Clark Commercial Repairs whilst the recycling centre is now closed. I believe this site has been marketed at auction but failed to reach the reserve. This is a backland area on an incline that is located behind the empty offices and backing onto the quarry, so will be difficult to develop.

Buckfast Spinning Company, Lower Mills, Buckfast

No changes to the buildings or occupier. However, a further report is to the rear of this letter.

Buckfastleigh Spinning Works, Chapel Street, Buckfastleigh

No change to the buildings or users here.

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Chuley Road Estate, Chuley Road, Ashburton

There have been limited changes in this estate, with one or two vacancies and some new companies relocating into the area. In Station Yard, the two storey office buildings are now fully occupied, with the former coal shed now converted into an impressive two storey office. This has created a very pleasant working environment that particularly suits office use. There is generally a lack of this type of accommodation across the Dartmoor National Park. The former engine shed further down in Chuley Road has seen additional vacancies, although this accommodation is now looking rather tired and lacks parking.

However, as a small aside, I am aware that there is some concern among tenants and owners in Chuley Road due to the much talked about comprehensive redevelopment of this area, and therefore until this is finalised one way or the other, they are unsure as to whether they should stay in situ, relocate, or delay further investment / refurbishment of their premises.

Dial Court, Buckfastleigh

No changes here, with one further artist sharing some of the upper floors. The buildings remain in a very poor condition, but are now almost fully let at very competitive rents. The tenants here continue to confirm that although the accommodation is poor, it is cheap and there is a significant shortage of this type of business space within the area. I understand that residential redevelopment is being considered for this site, and the tenants are concerned that if they are relocated they will not find similar accommodation at a cost they can afford.

Dial Motors, Buckfastleigh

No change.

Dolbeer Meadow, Eastern Road, Ashburton

As you aware the development has commenced here, although unfortunately due to the developer going bust this has now stopped. However, the first building on the site is a 9,000 sq.ft two storey building let to Devon and Cornwall Police which is now occupied. I understand that the original developers are currently in discussions with another developer to joint venture this site to enable it to be completed. I also believe that there is a further 45,000 to be developed on the site, with the agents advising me that they do have interested parties in office space on the site but have not as yet agreed terms.

Glentor, Balland Lane, Ashburton

No material change to the premises with the upper floors now fully occupied.

Hamlyn House, Mardle Way, Buckfastleigh

Limited change, with one or two tenants having swapped places. The self store continues to generate much needed income, with the top floor having been vacant now for over 24 months.

Linhay Business Park, Ashburton

Limited change here, with Cambium Networks having taken over Motorola and I believe due to expand shortly into the empty offices previously occupied by Millwood Homes. Otherwise this estate remains generally full and continues to be a favoured location, and one that is almost unique within the Dartmoor National Park.

Mardle Way, Buckfastleigh

Limited change with almost 100% occupation. The 6 units now owned and occupied by Waldrons Patisserie are looking very tired, and would benefit from some improvement.

Cranafords Industrial Park, Chagford

This estate continues to attract motor trade users which do create some issues with parking on the estate. There also continues to be a 16 metal storage containers also located in the courtyard which are let to private individuals and small businesses for self-store, which further adds to the parking issues.

Gidleys Meadow, Rural Workshops, Christow, Exeter

This estate continues to suffer 2 vacant units as a result of an earlier receivership of one of the larger occupiers. Other than that the remainder of the tenants remain the same.

Various Estates and Units, Mortonhampstead

There has been some movement in these units on this occasion, including the vacancy of Court Garage due to the death of the owner. This is being marketed on a leasehold basis. Otherwise occupancy remains high, with Animal Crackers having bought and refurbished new premises beside The Old Mill at the entrance to the town. Their old premises are vacant and available "To let" on the old Gales Sawmill site.

Old English Estate, Yelverton

This estate is unchanged from last year's inspection.

Yelverton Business Park Crapstone Devon

This is a new inclusion in the report. It is a large development of some 26 separate units in 4 phases totalling some 2,987 sq.m (32,100 sq.ft). The estate has clearly been developed over a period of time, with units built in the early eighties and during the nineties. The initial phases are small single storey office units in terraces of 6, which I would suggest is an unusual product to be trying to let in this semi-rural location. A number of these smaller B1 office units are currently vacant, although most of the industrial units are let. The estate is generally well maintained, although some of the above small office units appear to have been empty for some time, and are looking a little tired now.

Stidson Rural Industrial Park

This continues to suffer from the main unit being empty, and which remains for sale. This was for sale when I first inspected some three years ago. This estate again seems to favour the motor trade and small builders with a large number of vehicles and building materials stored outside in the yard area.

Redlake Trading Estate

This is the second new addition to the survey this year. It comprises a large single building, formerly an agricultural machinery dealers premises, that were sold some 10 years ago and whilst part of the premises remains in this use, other manufacturing uses have been introduced. The premises appear to have been subdivided into 5 separate units, with just one vacant. The site benefits from a large yard area which is full of large agricultural machinery. This site is rather remote on the edge of the town boundary surrounded by agricultural land. The main access is not ideal for larger vehicles over a small railway bridge.

Long Meadow, South Brent

This is a large estate with a number of small units, but I am pleased to say that the vacancy rates remains quite low, with only some of the larger and more modern units on two floors proving slow to let.

Old Station Yard, South Brent

This estate has remained unchanged and continues to be fully occupied.

Manor Mills, Avon Works, South Brent

This also remains unchanged from when I inspected it last year.

Duchy Yard, Station Road, Princetown

These units have been refurbished and despite one tenant relocating to larger premises on the site all the units are now let.

I also tried to inspect Duchy Square at Princetown but the site was closed with all units vacated. I did then call into the Dutchy of Cornwall office and talk to the Estate Surveyor Tom Stratton. He confirmed that Devon County Council was having a strategic review of the centre before making any further decisions upon its future.

From my last inspection a year ago, out of the sixteen units there, only four were permanently occupied. Although when they opened the centre had almost 100% occupancy rate the nature of the tenants are that they establish themselves and then they move on to their own retail premises, say in Tavistock or other similar locations. They had tried to do short term "Pop Up Shops" or just let them on a month by month basis, and although this had helped it obviously was still not viable. I suspect some difficult decisions will need to be made regarding the future use of this facility.

Owlsfoot Garage and Wain Homes, South Zeal

No material change to these premises or tenants.

Pitts Cleave Industrial Estate, Tavistock

Some of the units that were vacant two years ago when I inspected remain vacant. In addition there has been a swapping around of some users on the estate which has created further additional vacant units.

In the Tavistock Business Centre, again there were a much higher number of vacant units than when I inspected last, almost representing 50% of the total. Michelle Baker from West Devon confirmed she has noticed a marked change over the last 3 months, with a number of tenants relocating back to their houses to avoid the costs, a couple of businesses going into receivership, and 2 relocating to share premises with other parts of their organisations.

Again, some further development continues to take place in the quarry to the rear of the main site. I have again included them on the list although I have not been able to obtain any sizes via the rateable value, as only one seems to be currently occupied and completed.

ADDITIONAL COMMENTARY

BUCKFASTLEIGH

My main point of contact for this site is the Property Manager at Axminster Carpets. By coincidence, they have recently been giving some thought to the potential development of this site, and agree that it is currently underused. They also feel that most of the operation on this site could be accommodated on their lower site, and they do not anticipate any loss of employment as a result of this relocation.

They therefore suggested I speak to their planning consultant, Jeremy Bladon of CSJ Planning Consultants in Bristol.

I have now had a long telephone conversation with him, and although he is awaiting final instructions, he expects to be submitting a representation to you by the 11th of April for your Area Allocation Consultation. He would anticipate a mixed scheme with residential accommodation and some small starter units. This would be mainly demolition and new build but they would hope to retain and convert some of the existing Victorian buildings.

He appreciates that the site is in a flood zone and is likely to have some nasty contamination due to the tanning process that has been undertaken on the site for some time, so anticipates that there will be some challenges balancing all these costs with your Affordable Housing requirements. I have suggested he makes contact with you once they are ready. I confirm that I am happy to further assist with this matter if you feel there is a role for me in the process.

ASHBURTON

I have spoken to all owners here and would comment as follows: -

Linhay Business Park

This site is now fully developed within the existing developers land ownership boundaries.

Glenneddinnings Quarry

At the entrance to the site, on the left hand side of the entrance is a site of approximately 1.5 acres which has planning consent for industrial development. This site could potentially accommodate up to 25,000 sq.ft of industrial space, although Glendenning's have confirmed they would only be interested in developing the site for a company that are related to their trade and would ultimately be a customer of their quarry products.

The original proposal was for a smaller industrial unit than above but with a large yard area for a company who supplied concrete pre-cast lift shafts which would use aggregate from the quarry. However, due to the decline in the property industry, they are reluctant to commit to a new facility and Glendenning's are reluctant to construct the building on spec.

However Glendenning's have confirmed that they have started drilling and blasting the site and they intend to put a crusher into the site and remove the stone over the next 3 months, so that they can level the site and commence the installation of drainage etc. before the planning consent expires in March 2013.

A38 Garage Site

I have spoken to Mr Nock who used to own all of this site, and was the developer of the Ashburton Cookery Building. However, there are a number of yard and compound areas remaining on the site, but these have all been sold off to the existing owners on the site, mainly for parking / storing cars. Unfortunately because this area is in numerous land ownerships it is unlikely a comprehensive scheme for development of these various areas will now be forthcoming.

CONCLUSION

Having again inspected all of the estates within your geographical area, I think generally it is a healthy picture, and perhaps more so than in some of the larger city estates that we also deal with. There seems to be a continual requirement for small cheap premises, and tenants looking for this seem to be prepared to accept lower quality buildings as a result.

Clearly there is and will always be a demand for new office premises as well such as the units on the Linhay Business Park and the new Dolbeer Meadow Estate, but conversely there is also a demand for basic industrial accommodation for manufacturers and distributors, and maybe some less conventional users as well. It is interesting to note that at the new Skypark Development on the outskirts of Exeter, they are only going to offer new Industrial premises initially rather than the offices, as they believe they are unable to build offices on the site at a price that is affordable and fundable in the current climate for potential occupiers.

It was also interesting to note that things have not changed at the Dial Court Estate where the tenants are prepared to accept some relatively sub-standard buildings on the basis that they were cheap and enabled them to continue to run their businesses. They felt they would not be able to afford to relocate to newer premises on the basis of the rents that would likely to be required.

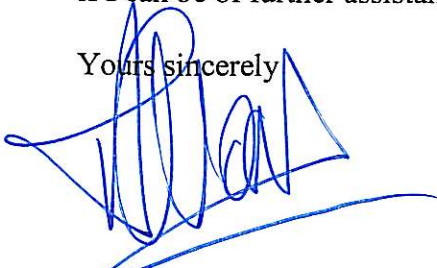
Moretonhampstead is another interesting example as it is currently almost 100% occupied, and has been each time I inspect, although with one or two tenant changes each year. The death of the Court Street Garage proprietor has created what could be a development site if not re-let to another motor trade user. It is also good to see the refurbishment of the premises now occupied by Animal Crackers by the Old Mill, which is a significant investment in the town. However, I continue to be unsure as to whether there is demand for further commercial development in the town, and suspect the current supply and demand continues to be well balanced. I also suspect it will be very difficult to convince a developer that there is sufficient demand to encourage them and their funder's to commence any further "on spec" development in this rural location.

However, in contrast I believe there is still a demand in the Ashburton and Buckfastleigh area along the A38 Corridor and would expect further take up on the Dolbeare Meadow site as soon as the developer has got his house in order. The Buckfastleigh Spinning Site in Chapel Road mentioned above would also support some new starter units and possibly some additional commercial / Tourist use with some complimentary workshops and retail units, or a small office / workshop scheme encouraging local companies to grow and remain in this area. Clearly the relief road has significantly improved access to the site, and a mixed use development would offer a very sustainable option.

I think that you as an Authority can take some heart that the industrial estates within your area are relatively well occupied, but I think that it is a continuing challenge for the future to see how you can deliver more basic accommodation now that organisations such as English Estates and the South West Regional Development Agency are not available to subsidise either the land purchase or the provision of the infrastructure.

I hope that the above and enclosed provides you the information you require at this stage, but if I can be of further assistance on this matter then please do not hesitate to contact me.

Yours sincerely



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