



PRESS RELEASE

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BUSINESS PARKS SET TO TAKE ADVANTAGE OF CITY CENTRE OFFICE SHORTAGE?

Glasgow's out of town business parks could be set to benefit from the acute shortage of office space in the city centre, according to two leading office agents.

Ken McInnes at Ryden, and Paul Broad at DTZ say that with the supply of office accommodation at a 10 year low in Glasgow city centre, enquiries are expected to pick up at office parks on the edges of the Glasgow conurbation.

Recent surveys have indicated that there will be unsatisfied demand in the city centre in the next 12 months, pushing headline rents for prime grade A stock to over £27 psf.

"With a tightening of supply of both grade A and grade B space set to continue through to the third quarter of 2008, out of town will become an increasingly attractive option for footloose occupiers," says Mr McInnes.

Parks such as GSO Business Park and Peel Park in East Kilbride, Strathclyde Business Park in Bellshill, Hamilton International Business Park and Eurocentral on the M8, are in a position to benefit from the shortage of space in central Glasgow.

“It’s not just the exceptional value that these out of town business parks offer which will appeal to footloose organisations, it’s also about accessibility and car parking,” says Mr McInnes.

Typical rents on business parks range from £14psf to £18psf. At CALA Properties’ GSO Business Park accommodation is available at a rental from £15psf.

“GSO Business Park lies on the new Glasgow Southern Orbital route, which means that using the M8 and turning off the M77 at Junction 5 on to the Glasgow Southern Orbital, I can leave my office in St Vincent Street and be in the car park at GSO Business Park in around 20 minutes outside rush hour,” says Mr McInnes.

“It is a slightly different story outside of rush hour, but of course this is where out of town business parks score even more highly for workers who live on the right side of the conurbation. It is much quicker to get to GSO Business Park in East Kilbride from the East and South of Glasgow, than it is to drive into the city centre each morning. The same applies at all the other business parks.”

Paul Broad says: “Business parks do cater for non-car users, too. More now encourage employees to share cars to work and many have bus services linking to nearby population centres and transport hubs, as well as a network of cycle ways.

“Increasing numbers also have leisure and recreational facilities on site, or are located close to such facilities or town centres, as in the case of CALA’s GSO Business Park, which is located close to East Kilbride town centre.

“Modern business parks offer some of the best standards of office accommodation available anywhere. The fact some are in a semi-rural environment only adds to their appeal to office workers.

“The announcement of the significant redevelopment at EuroCentral would indicate that the rest of the market is very well aware of the future opportunities in business parks around Glasgow.”

At GSO Business Park, joint agents Ryden and DTZ are currently chasing a number of enquiries for the 40,000 sq ft of accommodation that is currently available.

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