

Marketing Report

Alderholt Meadows,
Land to the South of Ringwood Road,
Alderholt,
Fordingbridge

Report date: 17th April 2024

Prepared for:

Dudsbury Homes (Southern) Ltd
C/o Intelligent Land

Prepared by:

Bryony Thompson BSc Hons MRICS
M: 07741 145629
E: bthompson@vailwilliams.com

Where great relationships yield the best property outcomes

Contents

| | | |
|---|--|---|
| 1 | Scope of Instructions | 1 |
| 2 | Personnel Contact Details | 1 |
| 3 | Property Information | 1 |
| 4 | Market Commentary | 2 |
| 5 | Comparable Developments | 2 |
| 6 | Recommendations – Phasing | 4 |
| 7 | Recommendations – Style of Accommodation | 4 |
| 8 | Summary | 5 |

Appendices

| | |
|------------|--------------------------|
| Appendix 1 | Proposed Employment Land |
|------------|--------------------------|

1 Scope of Instructions

- 1.1. Vail Williams has been invited to provide marketing commentary and advice in respect of the proposed commercial development at Alderholt Meadows.
- 1.2. The proposed development includes 1.6 ha of Employment Land supporting 10,000 sq m of employment space in the form of a business park and we have been advised that this proposes to include Class E (former B1 light industrial/B1a offices), B2 and B8 space.
- 1.3. Vail Williams will set out the type of anticipated demand and recommended style of accommodation and phasing for the proposed commercial development.

2 Personnel Contact Details

- 2.1. Vail Williams, Everdene House, Deansleigh Road, Bournemouth, BH7 7DU.
- 2.2. The key contact is Bryony Thompson, Associate.

3 Property Information

3.1. Description

- 3.1.1. We understand that an outline planning application has been made for a mixed-use development of up to 1,700 dwellings including affordable housing and care provision, 10,000 sq m of employment space in the form of a business park; village centre with associated retail, commercial, community and health facilities; open space including the provision of a suitable alternative natural green space (SANG); biodiversity enhancements; solar array, and new roads, access arrangements and associated infrastructure.
- 3.1.2. We understand the proposed scheme incorporates 1.6 ha of Employment Land supporting 10,000 sq m of commercial space to be delivered on the eastern edge of the site, with a new access road from Hillbury Road as shown purple on the plan in Appendix 1.
- 3.1.3. We understand the 10,000 sq m proposed commercial space is equivalent to 1.3% of the total developable space and is supplementary to the 4,000 sq m of retail, healthcare, and community space proposed (in the village centre).
- 3.1.4. We understand the proposed 10,000 sq m commercial space is to be delivered as a business park incorporating Class E (former B1 light industrial/B1a offices), B2 general industrial and B8 storage and distribution use.

3.2. Location

- 3.2.1. The proposed development is located approximately 3.1 miles distant from the A338 and approximately 5.3 miles distant from the A31.

- 3.2.2. The A338 provides connections with Salisbury to the north. The A31, which can be accessed from the proposed development via the A338 or Alderholt Road, connects with the M27 and provides access to the wider motorway network.

4 Market Commentary

- 4.1. The South Coast has a significant commercial property market and Dorset plays a key role in this as it boasts a population of over 400,000 people.
- 4.2. The Bournemouth, Christchurch & Poole (BCP) conurbation is the largest within Dorset and has historically suffered from a limited supply of employment land and therefore, in recent years the majority of commercial development has taken place outside the BCP jurisdiction and within the wider Dorset area. Accordingly, the demand has been driven out of the BCP area and in to the wider Dorset localities due to the lack of supply. This coupled with the requirement for access to the main roads which provide connectivity throughout Dorset, namely the A31, A338 and A35, has led to successful commercial developments in areas which were previously seen to have no demand.
- 4.3. The below comparable developments demonstrate the increased demand for industrial units post-Pandemic, boosted by the increased demand for e-commerce and last-mile logistics. The demand levels continue to outstrip supply demonstrated with an approximate 38% increase on the 5-year average in take up of industrial space in 2023.
- 4.4. In the past 12 months we have experienced an increase in demand from occupiers seeking high-quality, energy efficient accommodation. Accordingly, we have witnessed an increase in occupiers moving from older style industrial and office buildings in to more modern units with increased sustainability features. In particular the office market has seen most of its recent activity driven by a “flight-to-quality” with almost all occupiers requiring a minimum B EPC rating.

5 Comparable Developments

- 5.1. The proposed development is located approximately 3 miles distant from the nearest main (A) road connection. Using this as a goalpost, we believe the following recent commercial developments are comparable. They are an example of successful commercial developments in areas which were not deemed to have a high level of demand but their success has been driven by the lack of supply in the central urban areas.

5.1.1. Axis 31, Woolsbridge Industrial Estate, Wimborne, BH21 6FE

Construction commenced in 2019 and 8,000 sq m of industrial space has been delivered over several phases, with over 80 transactions completing since 2021. The majority of the development has comprised of 100 sq m units which have been available to purchase and rent. The development is located 2.1 miles from the A31. The developers have recently commenced the next phase, delivering an additional c.1,600 sq m of space.



5.1.2. Westcroft Business Park, Three Legged Cross, Wimborne, BH21 6FQ

This development consisted of 14 industrial units totalling 1,500 sq m delivered in 2021. The estate was fully let within a few months and has remained fully occupied. It is approximately 2.6 miles distant from the A31.



5.1.3. Glasshouse Studios, Fryern Court Road, Fordingbridge, SP6 1NG

Comprises a three phased development of small office units. The most recent phase was developed in 2016 and delivered 1,000 sq m which were all sold/let and the latest phase remains at full occupancy. This is located approximately 1 mile from the A338.



5.1.4. Glenmore Centre, Sandleheath Industrial Estate, Fordingbridge, SP6 1TE

This development comprised of 14 industrial units each 100 – 200 sq m, totalling 2,000 sq m, completed in 2014 and all units sold following Practical Completion. The development remains at full occupancy. It is located 1.8 miles from the A338.



5.1.5. Enterprise Park, Piddlehinton, DT2 7UA

New development constructed in 2022 consisting of 800 sq m of industrial space. All the units were sold off-plan or within a few months of Practical Completion and the development remains at full occupancy. The development is situated 3 miles from the A35.



5.2. These developments demonstrate that there is a track record in Dorset for commercial developments fulfilling unexploited pent up demand due to lack of supply. This demand is unexplored due to the fact that there were no existing commercial developments in these areas.

6 Recommendations – Phasing

- 6.1. The comparable developments suggest that the demand is for small unit developments comprising of c.100 sq m industrial units and <100 sq m office units delivered over a phased period. We would anticipate the demand to come from local small and medium sized businesses for light/general industrial and storage and distribution use for the industrial units. We would anticipate small local professional service providers to occupy the office units such as accountants and architects who are seeking high quality, energy efficient accommodation. We would therefore recommend the following phasing and sizes:

| | Industrial | | | | Office | | |
|--------------|------------|-------------|--------------|--------------|-----------|-------------|--------------|
| | No. Units | Size (sq m) | Total (sq m) | | No. Units | Size (sq m) | Total (sq m) |
| Phase 1 | 10 | 100 | 1000 | Phase 1 | 10 | 50 | 500 |
| Phase 2 | 10 | 100 | 1000 | Phase 2 | 10 | 50 | 500 |
| Phase 3 | 10 | 100 | 1000 | Total | | | 1000 |
| Phase 4 | 10 | 100 | 1000 | | | | |
| | 4 | 250 | 1000 | | | | |
| Phase 5 | 10 | 100 | 1000 | | | | |
| Phase 6 | 10 | 100 | 1000 | | | | |
| Phase 7 | 4 | 500 | 2000 | | | | |
| Total | | | 9000 | | | | |

- 6.2. The suggested split of accommodation between industrial and office space reflects the anticipated demand levels being higher for the industrial units.
- 6.3. The suggested phasing and unit sizes anticipates small and medium sized businesses occupying 100 sq m in the first instance and over a period of time growing their business to require larger units. This will encourage organic growth and retention of occupiers within the commercial development.

7 Recommendations – Style of Accommodation

- 7.1. Given the increased demand for energy efficient and sustainable commercial buildings, we would recommend that the proposed commercial development incorporates green credentials which will attract occupiers. As a minimum we would suggest the following:
- EPC A/A+ Rating
 - Solar PV panels
 - EV charging
 - High performance insulated cladding and roof materials
 - Low air permeability design
 - Secure cycle parking and shower facilities

8 Summary

- 8.1. In conclusion, we believe that if you delivered energy-efficient, sustainable commercial accommodation as per our recommendations and phased over a length of time, there will be demand for the proposed business park.

| Description | | Address |
|-----------------------|--|--|
| Fee Earner |  Bryony Thompson | Vail Williams LLP Everdene House Deansleigh Road Bournemouth Dorset, BH7 7DU |
| Contact Number | 07741 145629 | |
| Email | bthompson@vailwilliams.com | |
| Date | 17.04.2024 | |

Appendix 1

Proposed Employment Land



Expertise

Related Services

Agency – Renting & Letting

Comprehensive commercial property search and acquisition / letting service, designed to help you to achieve the best possible property outcome - whether occupier or landlord.

Buying & Selling

Support throughout the process of acquiring or selling freehold commercial premises or development land.

Business Rates

Expert support to navigate the increasingly complex world of business rates, exploring opportunities to save you money at every turn.

Building and Project Consultancy

Technical property services designed to support you throughout the lifecycle of your property needs, whether occupier, landlord, investor, developer, or lender.

Building Surveying

Professional technical building surveying services, to provide insight for evidence-based property decision-making.

Property Development

Advice for landowners and property developers and their professional teams, to realise best development value in line with your objectives, for commercial, residential, and mixed-use schemes.

Lease Advisory

Commercially astute, detailed strategic advice on all aspects of commercial property leases for occupier and landlords - from pre-contract negotiations and rent reviews, to lease renewal and exit strategy.

LPA Receivership

Specialist advice for lenders with non-performing loans, to recover money owed on defaulted loans, with a clear strategy and in the most efficient way possible.

Marine & Leisure

Full-service property advice to help occupiers, landlords and investors throughout the lifecycle of their marine and leisure asset needs - from buying and selling, to fundamentals like income, profitability and cashflow.

Occupier Advisory

Full-service advice for occupiers of commercial property, to ensure property strategy is aligned with business needs, either managing properties for you, or supporting in-house teams to ensure your portfolio becomes a true asset.

Planning

Advising landowners, developers, and their teams, on the most appropriate planning strategy to achieve planning consent, ensuring the successful delivery of your project in line with your objectives.

Project Management

Working with developers, owner occupiers, tenants and funders, to plan, budget, oversee and document all aspects of your project, to ensure successful delivery on time and on budget.

Property Asset Management

Bespoke property asset management services for local authorities, private individuals, property companies and trust funds, delivered by a team of over 25 client accountants, facilities managers, and surveyors.

Property Investment

Working with institutional investors, property companies and private investors, as well as over 45 local authorities across the UK, to acquire property investments, maximise their value and ongoing return, or achieve the best possible returns upon their sale.

Residential Property

Understanding the full dynamics of residential property as an investment, our team of over 40 planners, property valuation experts, building surveyors, investment advisers and development consultants, will ensure your residential projects happen.

Valuation

Accurate property valuation assessments delivered by experienced surveyors across a variety of sectors and asset classes, for secured lending, acquisition, tax or financial reporting purposes.

Our Offices and Regions:

Gatwick

Crawley
Brighton

London

London

Midlands and North

Birmingham
Leeds

South Coast

Southampton
Portsmouth
Bournemouth

Surrey

Woking

Thames Valley

Heathrow
Oxford
Reading

Our Services

- Building Consultancy
- Business Rates Consultancy
- Commercial Property
- Investment
- Lease Advisory
- LPA Receivership
- Marine and Leisure
- Occupier Advisory
- Property Acquisition and Disposal
- Property Asset Management
- Property Development
- Consultancy
- Property Planning Consultancy
- Property Valuation



Vail Williams LLP, a Limited Liability Partnership, registered in England (number OC319702). Registered office: Savannah House, 3 Ocean Way, Ocean Village, Southampton, SO14 3TJ. Any reference to a Partner means a Member of Vail Williams LLP or an employee or consultant with equivalent standing and qualifications. A full list of Members is open for inspection at the registered office.

Regulated by RICS

www.vailwilliams.com



Vail Williams



@vailwilliams



Vail Williams