

CEG

LSCC GROWTH COMMISSION



BACKGROUND/HISTORY

- CEG is a privately owned property company established in 1989
- Our unique approach is one of collaboration; we work with partners to deliver locally-responsive, design led solutions
- Our funders include global capital in the form of AP4, the Swedish National Pension Fund
- Over the 18 year period to December 2014 CEG has managed a portfolio that has grown from £80m to £668m
- We have a 10 million square foot portfolio of commercial space around the UK, home to 1000 businesses
- 7,500 acres of land under promotion with ability to deliver in excess of 60,000 dwellings

AURORA - GLASGOW

- Major speculative office development where others unwilling to invest
- 185,000 sq ft grade A fully let to Barclays, Paribas, Cushman and Knight Frank
- Key to success close working with City Council



ARM HOLDINGS HQ – CAMBRIDGE

- Secured planning for 300,000 sq ft on Greenbelt site ahead of local plan
- Helps secure ARM in Cambridge with building currently under construction



HOLBECK URBAN VILLAGE/TOWER WORKS - LEEDS

- 5.86 acre site adjacent to Leeds main Railway station with planned for HS2 link
- Major mixed use development opportunity



LAND SOUTH OF LIMEBROOK WAY - MALDON

- CEG has secured planning for 1,000 new homes as a new Garden Suburb
- Place making now key in the delivery



FINANCIAL VEHICLE FOR PROVISION OF INFRASTRUCTURE

CEG

FINANCIAL VEHICLE FOR PROVISION OF INFRASTRUCTURE

- Local growth fund grants via LEP
- HCA loans
- Pinch point funding
- Central funding
- Growth and Housing fund
- Public works loan board
- Tax increment financing / regional bond

KIRKSTALL FORGE - LEEDS

- 56 acre contaminated Brownfield site
- Accessed from A65, the principle arterial route into Leeds with congestion issues
- Leeds Bradford railway line running through the site



KIRKSTALL FORGE - LEEDS

- West Yorkshire Combined Authority identified need for new rail halt in this general area
- Without rail halt site only suitable for circa 250 dwellings
- Negotiated with Combined Authority to have station within site
- Prior to 2010 General Election secured in-principle funding from DFT for a rail halt
- Site secured planning for 1050 new homes, 100,000 square foot of leisure and retail and 300,000 square foot of offices



KIRKSTALL FORGE - LEEDS

- After General Election, the new coalition government commenced a comprehensive spending review
- By Winter 2013 support for the rail halt was conditional on demonstrating unconditional funding commitment amounting to £20m for station and road infrastructure by Summer 2014
- Due to recession impacts no funding available from lenders
- Leeds City Council approached to search for solutions



KIRKSTALL FORGE

- £5m secured from West Yorkshire Combined Authority
- £5m from CEG
- £10m secured via Leeds City Council via public works loan board, the first time Leeds had used this route
- Money from public works loan board can only be used to fund public infrastructure
- Repayment terms of anything from 1 year to 20 years possible.



KIRKSTALL FORGE, LEEDS

- Loan secured on basis of repayment commencing in 2018 and paid back by 2028
- Maximum LTV of 50% secured against asset via legal charge
- Parent Company Guarantee also required
- 3rd party Red Book Valuation to ensure loan performance. Interest Rate of 2.5% as backed off Leeds City Council covenant strength



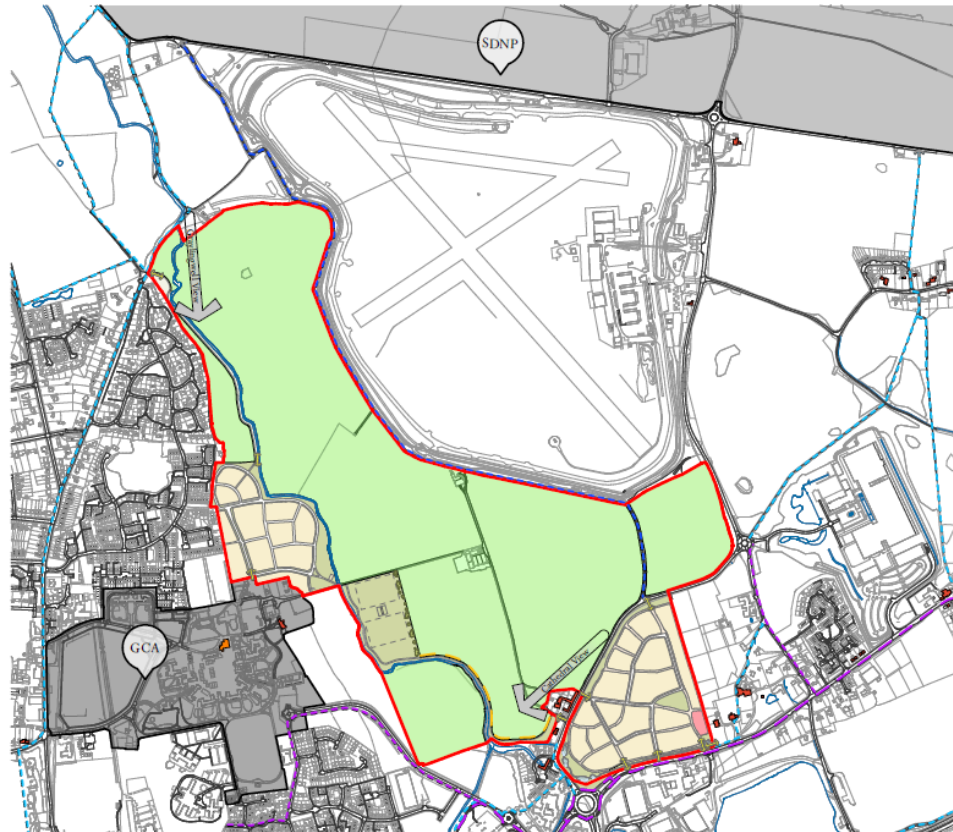
KIRKSTALL FORGE

- As soon as unconditional commitment was put in place, occupier enquires emerged
- Kirkstall Forge Railway Station opens in June 2016
- Pre-let in place with Zenith for 55,000 square foot office; construction has commenced



CHICHESTER – WEST SUSSEX

- A27 congestion major barrier to growth
- Missed out on initial pinch point funding
- Pro-growth local plan progressed clearly identifying road constraints
- Early joint working between developers, local authority, county and Highways England
- Result was in 2014 Autumn statement £120-£250m identified for A27 improvements
- Details strategy now being progressed and development starting to be released



TWENTYFIVE25

- Employment site capable of achieving 1m sq ft of new business space
- Excellent Macro-economic argument and much needed diversification of local employment base
- A10/M25 upgrades key upfront infrastructure with high cost that need to be overcome to unlock potential



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