

# News

13.10.14

## Planning approval for £107 million Marischal Square project

National developer and urban regeneration specialist, Muse Developments, has welcomed Aberdeen City Council's full approval of the planning application for the £107 million Marischal Square development which is set to transform one of the key locations in Aberdeen city centre.

With preparation for a site start continuing on the ground, the Muse team expect building work on the two-year project to begin first thing next year. The Marischal Square development is already fully funded by Aviva Investors.

The plans for the former St. Nicholas House site will deliver a vibrant new mixed-use quarter for the city, with the commercial and civic space project including 175,000 sq ft of Grade 'A' office space, a 126-bed Residence Inn by Marriot, top quality bar and restaurant space as well as a greater prominence for the 469-year-old Provost Skene's House.

Approval of the full planning application was welcomed by Muse Developments' regional director for Scotland, Stephen Turner.

"This decision can be the catalyst for further development of the city centre and the further enhancement of Aberdeen's position as a key business and leisure destination in the UK," he said.

"People living and working in Aberdeen have helped shape this development, as part of the wide ranging consultation exercise we conducted around the project, and this decision has reflected the views they expressed throughout that process.

"The Marischal Square development will provide a vibrant new mixed-use area for the city centre which will help deliver a positive long-term impact on the local economy and provide the people of Aberdeen with a space of which they can be proud."

Councillor Marie Boulton, Deputy Leader of Aberdeen City Council said: "The Marischal Square development provides further evidence that Aberdeen is open for business, with new office space, hotel, retail and catering set to regenerate a key site at the heart of the city centre.

"Marischal Square is one of the key projects in the better image for Aberdeen strand of the Council's Strategic Infrastructure Plan as is the refurbishment of Aberdeen Art Gallery. It's great news to see these proposals moving forward into the delivery stage as we continue the work on the City Centre Masterplan."

The project will create 300 construction jobs during the construction phase and have the potential to support or create 1,500 jobs in the area when it is fully occupied.

Julian Taylor, Head of REaLM Funds at Aviva Investors said: "With funding already in place, the council decision means that development activity can move forward at pace and we are excited about the potential the project has for the future of one of the key business destinations in the UK.

"We are already aware of a number of high profile organisations who are looking seriously at the prospects delivered by the Marischal Square development - with some of those keen to establish a presence in the city for the first time. With that background, the forward thinking shown by both

Muse and Aberdeen City Council around the project will pay dividends for the city for years to come.”

The Marischal Square funding agreement with Aviva Investors will see Aberdeen City Council lease the development and receive the rental profits for 35 years, after which time the site and development will transfer into Aberdeen City Council ownership. Muse and Aviva Investors were advised throughout by CBRE.