

# News

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## Stobart Group heads to Eurocentral

The Scottish commercial property sector received a significant boost this week with the news that the Stobart Group, parent company of Eddie Stobart Ltd., has agreed a deal with Muse Developments to take occupation of the 67,689 sq ft 'Pinnacle' building at Eurocentral.

In what is understood to be the first major industrial property deal north of the Border for six months, the iconic multimodal logistics business will establish a new distribution facility on the highly successful business park and create around 40 jobs at the site.

Eddie Stobart will take occupation of 'Pinnacle' during February, with the facility including refrigeration and office accommodation to allow the company to meet growing business demand from central Scotland.

The company felt Eurocentral's location on the A8/M8 road network between Glasgow and Edinburgh was key to the development plans and the facility would fit well with the 40 other Stobart sites located around the UK and Europe.

Muse Developments sanctioned a £21.2 million speculative build commitment in April 2010 to construct the 'Pinnacle' and 'Zenith' buildings on the 17.4 acre site known as 'Plot F' at Eurocentral. This was followed by an additional £33 million speculative investment in March 2011 which delivered two further buildings 'Apex' and 'Vertex' on 'Plot F' and three smaller units on 'Plot B', all of which were completed in December last year.

Muse Developments' regional director for Scotland, Steve Turner, said the deal with Eddie Stobart Ltd had endorsed the company's ongoing belief in both Eurocentral and Scotland as a place to do business.

"At the time we made the investment few in the commercial property sector were making similar commitments, but we still felt the mix of location, Enterprise Zone benefits, energy efficiency and our track record of working with clients in terms of flexibility and deals would deliver results," he said.

"Each of the 'Pinnacle', 'Zenith', 'Apex' and 'Vertex' units stand out against their competitors and we believe there remains a desire and demand for modern distribution and production units in key locations in Scotland.

"There are a number of other potential occupiers looking at the site at the moment and the fact we can add an iconic name like Eddie Stobart to our portfolio of occupiers is a testament to the belief in the location and may well act as a catalyst to further lettings in the coming months."

Commercial Property expert, Douglas Smith of CBRE said the deal would be warmly welcomed by the sector in Scotland and felt it could act as a catalyst for further development in the months ahead.

"Volumes of speculative development through this market cycle have been at low levels, but this letting at Eurocentral illustrates that well conceived projects which meet occupier needs will be successful," he added.

Scottish Enterprise is Muse Developments' long-term business partner at Eurocentral and the economic development agency's project manager, Paul Wedlock, also felt the Stobart deal was a welcome development in the sector.

"Eurocentral has established itself as a leading distribution hub capable of attracting globally competitive companies to grow, which is evidenced by the Stobart Group's decision to locate here," he added. "Today's announcement is great news for Scotland and I wish the company every success with its future growth plans."

More than 3,000 people are currently employed at Eurocentral, which has over 3.5 million sq.ft. of developed space and also hosts operations for businesses including Morrison, Hovis, Argos, Warburtons and Norbert Dentressangle.

The Eddie Stobart Ltd deal at Eurocentral is for a 15-year period. CBRE and Ryden acted on behalf of Muse Developments.

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