

## **PARK & PATERSON (MANCHESTER) LIMITED**

### **LAND AND BUILDINGS KNOWN AS CROSS LANE WORKS, CROSS LANE, MARPLE**

This report relates to a collection of industrial and office buildings previously used for the manufacturing of non-ferrous ingots by Park & Paterson Limited.

The property is situated to the west of Cross Lane and is accessed from Stockport Road (A626) to the western end of Marple town centre some 7 kilometres from Stockport town centre.

The original foundry premises were built during the latter part of the 19th century and had railway access into the site from the adjoining Manchester/Marple (Rose Hill)/Macclesfield railway line which adjoined the western boundary of the site and which, subsequent to the closure of the railway, has been brought into use by Stockport M.B.C. for recreational purposes and is now known as Middlewood Way.

Several extensions and additions to the original buildings have taken place over the years with two small industrial garage/stores built in the late 1960s and a two storey office building constructed to the head of the site in 1972, this building incorporating laboratory facilities serving the non-ferrous ingot manufacturing process on site.

The industrial buildings are of traditional construction for their respective type and ages. Generally elevations are of solid brick construction. The older buildings have roofs clad with corrugated asbestos.

Of those buildings which are interconnected not all have similar internal floor levels. The office building affords direct access into the foundry premises at ground floor level.

The design of the office building was personal to the requirements of the then occupier. The internal layout of the building, in our considered opinion, is not conducive to any occupation of this building in anything other than a single occupation. By virtue of the nature of the internal arrangement and the layout of the laboratory facilities it is unlikely that the building in its present condition will meet the requirements of any prospective office occupier.

In addition to the buildings there is an enclosed yard area to the southern part of the site incorporating, in part, a weigh bridge. Much of the land to the north of the buildings is vacant and a greater part of this has been subjected to tipping from the former foundry premises whilst, at one point, there was also a lagoon also serving the former foundry use.

In November 2003 Park & Paterson Limited, we understand, entered into a joint venture arrangement with another non-ferrous ingot producing company based in Derby as a result of which Park & Paterson Limited entered into an occupational lease with the

freeholder Park & Paterson(Manchester) Limited. As part of this leasehold agreement Roberts & Roberts was instructed to provide a Schedule of Condition offering a descriptive account of the condition of the interior and exterior of the building in photographic form. This report was prepared on 23rd November 2003 and a copy of the same is attached hereto.

On 5th July 2004 Park & Paterson Limited went into Administration and shortly thereafter the freeholder Park & Paterson (Manchester) Limited instructed Roberts & Roberts to dispose of its interest in the property by way of letting or by sale.

We are advised that the Administrator attempted, unsuccessfully, to dispose of the company, including its freehold land and buildings as a going concern.

We understand that since 1999 or thereabouts the Managing Director of Park & Paterson(Manchester) Limited had been in contact with Mr R Davies, then of Knight Frank, Industrial Estate Agents of Manchester, with a view to receiving advice on the disposal prospect of the Cross Lane Works. We are advised by Mr Davies that, in April 1999, he prepared a marketing report for the company and that, from that date, he continued to bring the availability of the property to the attention of prospective tenants and buyers until the lease referred to above was entered into at the end of 2003. Once Park & Paterson Limited went into liquidation Mr Davies liaised with Roberts & Roberts and both companies sought to introduce tenants and/or purchasers to the site.

The total site area of the Park & Paterson (Manchester) Limited interest extends to 1.861 hectares. In addition to the foundry works and vacant land referred to above, the site area also includes the two storey detached dwelling house known as 104 Cross Lane, Marple. This property is also vacant but had previously been occupied by way of service tenancy.

The main access to the site is the subject of a right of way in favour of premises situate at Westwood Trading Estate and occupied by Call 24-7. It is understood that this site is the subject of a resolution to approve planning permission for redevelopment in respect of elderly persons living accommodation. That development will require access from Cross Lane via land within the ownership of Park & Paterson (Manchester) Limited beyond the existing access over which that company has a right of way.

Since July 2004 Roberts & Roberts has attempted to introduce the Cross Lane Works site to prospective tenant and purchasers. As indicated above Knight Frank has conducted a similar exercise since 1999. Parties introduced by Roberts & Roberts have not only included those who might have been interested in purchasing the building as a whole but companies who might have been prepared to use the vacant land for vehicle storage purposes. Because of the condition of the building and the poor state of the open land together with the extent of contamination on site, neither Knight Frank, Davies Harrison nor Roberts & Roberts has been successful in introducing any party to this site other than those interested in a redevelopment of the site for residential purposes.

## **The Buildings**

The total extent of the buildings on site extends to 4,396 square metres (47,315 square feet) or thereabouts comprising 4069.80 square metres in respect of industrial buildings and 325.80 square metres (3,507 square feet) in respect of the two storey office/laboratory building.

The office building, which is of two storey construction, has part (the laboratory) cantilevered over a driveway and former test room. Former machinery within this test room could only be removed by knocking down the front wall and that part of the property has been temporarily repaired with blockwork. The office building has been subjected to a good deal of vandalism and, in addition to this and lack of maintenance together with poor construction, extensive external repairs are required especially to the mosaic tiling.

There are two garages of brick/metal profile cladding construction built in the late 1960s. Although these have been affected by vehicle impact damage the buildings are in a reasonable condition.

Adjoining is a 19th century former stable building of two storey construction. The whole of the first floor and approaching staircase to this property is seriously affected by woodworm and in danger of collapse. The building generally is in poor condition.

The foundry building, of brick wall, corrugated asbestos roof construction comprises generally four buildings all of which are interconnected. These buildings, because of the differing internal floor levels and configuration will be difficult to sub-divide for the purposes of letting off in smaller floor areas.

In giving consideration as to why parties were not interested in taking a lease or purchasing the existing properties we should point out that the existing condition of the main fabric is extremely poor. This has been due to the age of the greater part of the property which has been subjected to further extensive deterioration in places as a result of lack of maintenance over the years. The repairing requirement is not one which can be dealt with on a piece meal basis in our opinion. The problems have been exacerbated firstly by the ad hoc removal of built in fittings by the Liquidator in order to reduce the losses of the former trading company and, latterly, by the effects of vandalism. Extensive vandalism has and continues to take place.

The internal layout of the properties is not conducive to sub-division. The greater part of the foundry premises are interconnected. Access/egress to all parts to/from the exterior is not possible and, as indicated previously, differing floor levels further compound the problem.

The internal layout of the office building clearly met the personal requirements of the original occupier. We do not believe that this building is capable of being sub-let economically and we very much suspect that a tenant for the whole building will not be found as a result of the internal layout and its overall condition.

So far as the external storage areas are concerned, the greater part of this is of uneven contour and has clearly been used for indiscriminate tipping by the former foundry occupier. At least one local haulage company, who had looked at the site to meet its urgent storage requirement was "frightened off" as a result of environmental issues which it believed would result as a consequence of contamination which affected the site.

As part of the process of disposing of the site ground investigation and environmental reports have been obtained on behalf of Park & Paterson (Manchester) Limited. These reports have confirmed the extent of contamination on site. A method statement in respect of the treating of the site has not been drawn up to date although we understand that the cost of treating contamination is likely to be in the region of £1,000,000/£1,250,000 and, possibly, higher once remedial works start.

In addition to the Schedule of Condition report prepared by this company and dated November 2003 we have attached hereto brief photographic schedule showing the condition of the property as at March 2006. Hopefully these latter pictures will confirm the extent of further deterioration which has occurred within the main fabric over the last 2 years and indicate the problems which any owner/occupier would have in using the existing accommodation.

### **Viability of Buildings**

Both Davies Harrison and Roberts & Roberts are of the opinion that the current value of the industrial buildings on site is not likely to exceed £1.25 per square foot overall. The problem, however, is that it is not considered likely that a tenant could be found for the whole of the building. Indeed a tenant has not been found. Furthermore, for reasons mentioned above, physical sub-division of the existing floor plate is considered inappropriate. In any event, with the level of rent likely to be achieved, the cost of sub-division and of putting the property into a lettable condition would render this exercise unviable.

Were the site to be cleared and available for industrial redevelopment it is believed, bearing in mind the location of the site in a residential area, the relatively poor access and the perceived limited demand for industrial units in this part of the Borough, Davies Harrison and Roberts & Roberts are both of the view that the value of the site, assuming no contamination, is in the region of £250,000/£275,000 per acre. This would give a value of £1.15M/£1.265M. As indicated above, however, we are advised that the cost of decontamination is likely to be in the region of £1M/£1.25M. Furthermore, ground conditions are such that redevelopment of the site is likely to incur extensive abnormal costings. It will be seen, therefore, that, to all intents and purposes, this site could not be redeveloped for industrial purposes viably.

In addition to the Schedule of Condition of November 2003 and the photographic schedule as at March 2006, we also enclose herewith letting details prepared by this company in July 2004.

**Summary**

The subject premises represent a difficult marketing instruction. Not only is the greater part of the development of Victorian era, but the use to which the property was originally built and subsequently put, necessitated an internal arrangement of buildings, with differing floor levels which render subsequent use for modern day light industrial/storage purposes extremely difficult.

The size of the property is such that no single occupier could be found. The problems with regard to sub-division occasioned by layout, construction and condition render sub-division of the property impractical and unviable.

Redevelopment prospects for the site are hampered partly by location and access but primarily because of the extensive contamination which the former foundry use has created.

The subject property forms part of a primarily modern residential area. There are some other industrial buildings adjoining although the greater part of these have, within the last 6 months, been the subject of a resolution to approve planning permission for redevelopment for residential purposes. That redevelopment necessitates access via the subject site.

It will be appreciated that the Administrator of Park & Paterson Limited attempted to dispose of the property together with the business as a going concern and was unsuccessful. Bearing in mind the trading position of the company the property appears not to have rendered itself a viable proposition to interested parties at that time.

We are firmly of the opinion that the prospects for future use of the subject property for industrial purposes are non-existent and we have recommended the vendor, in the light of this, to seek planning permission for an alternative use.

..... FRICS  
pp ROBERTS & ROBERTS

dated this 10th day of March 2006