The Cambridge Phenomenon

Land Use
The Demands of Business

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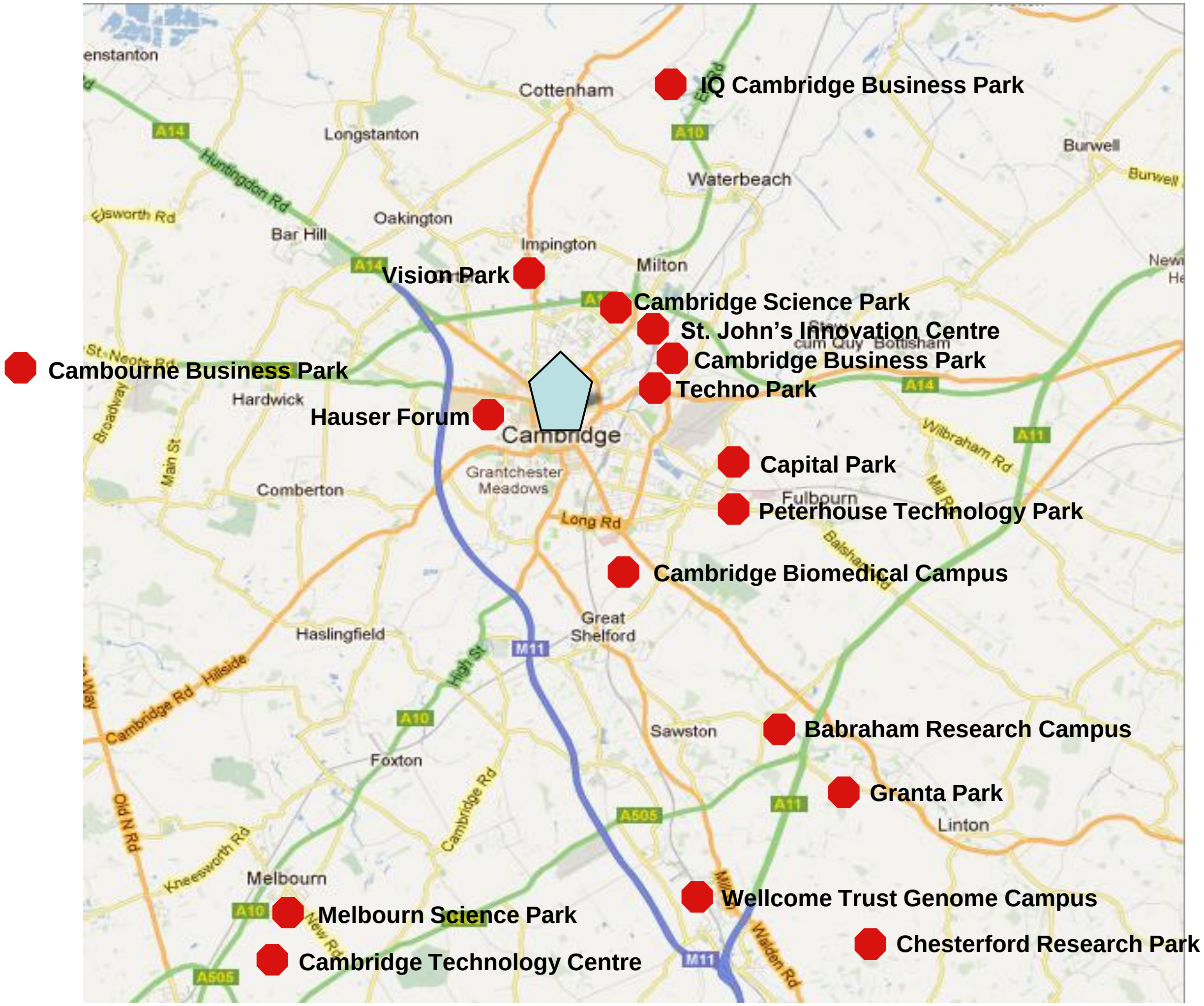
Agenda

- Cluster milestones
- Science and business park locations
- City centre businesses
- Space availability/demand
- Current status
- Observations
- Back-up
    - Economic impact
    - Sources
    - Overall stock of space by type and location

Cluster Milestones

1881	Cambridge Scientific Instrument Company
1898	WG Pye
1909	Marshall's of Cambridge
1950	Holford report - no industry
1960	Cambridge Consultants
1969	Mott Report - Cambridge Science Park
1985	Cambridge Phenomenon Report SQW
1988	St. John's Innovation Centre
1996	Alec Broers appointed Vice-Chancellor
1996 - current	Ten $Bn companies
2006	Cambridge Enterprise
2003 - 2008	Library House reports
2011	Autonomy acquired by HP for $10Bn

Science and Business Park Locations



2030 vision
for the Cambridge sub-region

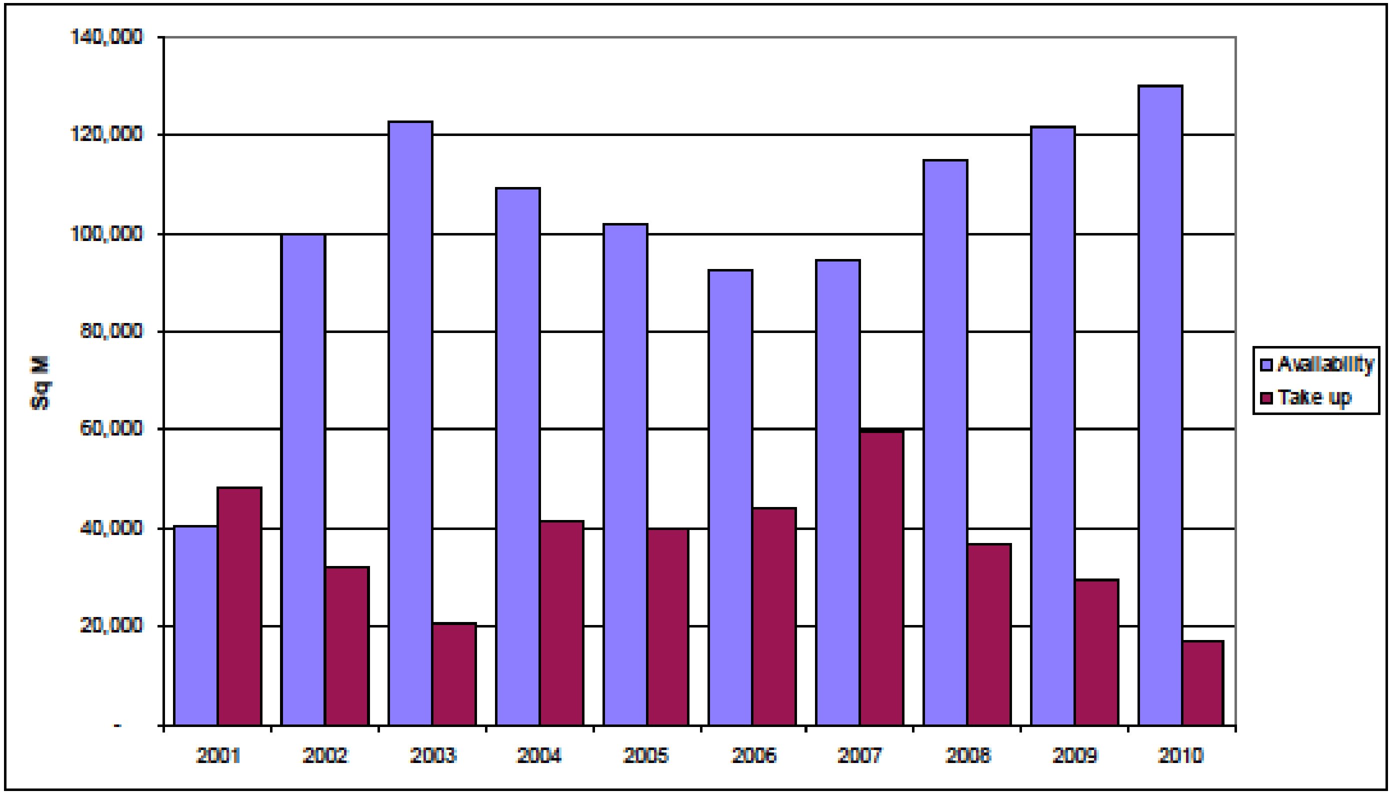
City Centre

Principal location for services companies:

- Banks
- Accounting
- Legal
- Patent agents
- Building societies
- Recruitment
- Estate agents
- Travel agents
- Retail

Office/R&D - Space Take Up and Availability

Figure C1-2: Cambridge City & South Cambs Office/R&D space – take up and availability



Source: Carter Jonas LLP, August 2010

NB: 2010 Take Up is YTD figure only

Business and Science Parks

Table C1-3: Office/R&D Business & Science Parks

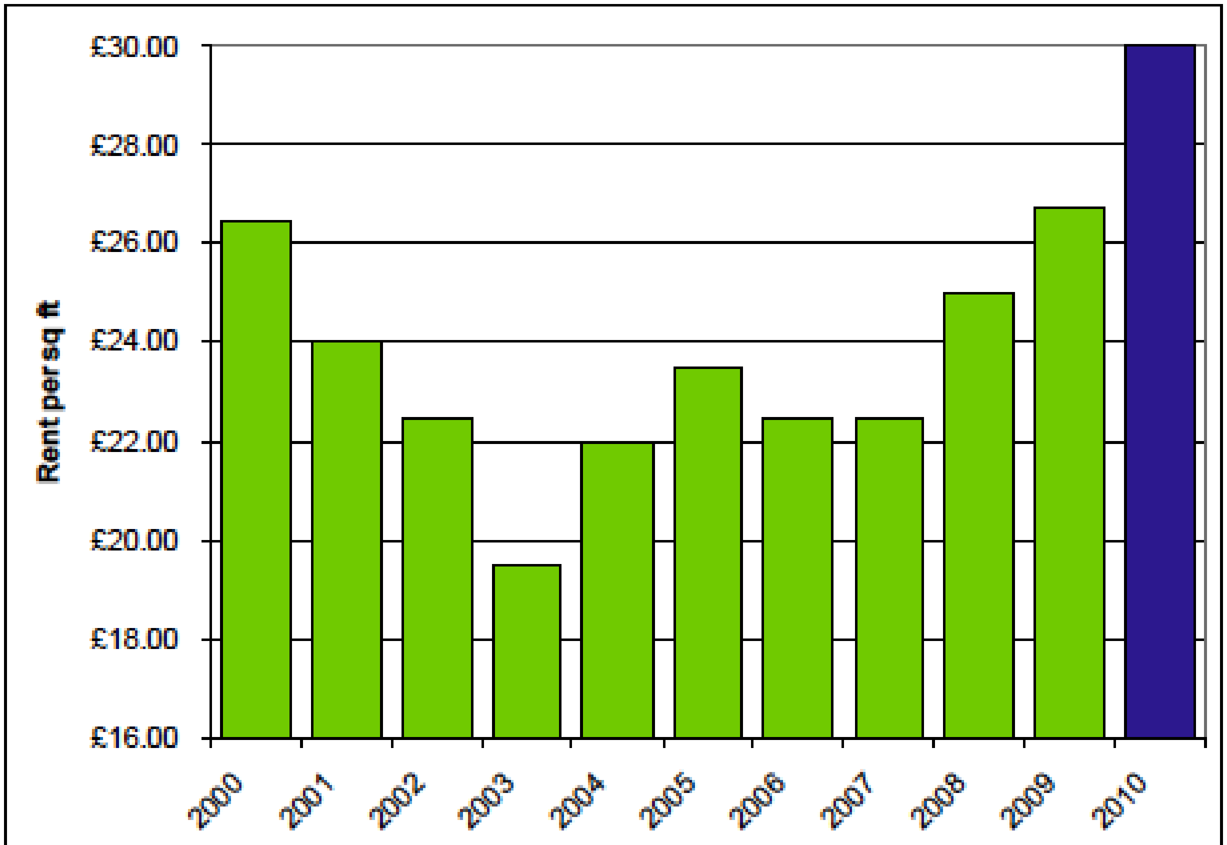
Restricted Use Class Parks	Local Authority Area	Existing Space	Current Availability	Remaining Capacity
Babraham Institute	South Cambs DC	28,428	929	13,935
Cambridge Biomedical Campus	Cambridge City Council	34,374	-	111,484
Cambridge Science Park	South Cambs DC	138,426	17,930	13,935
Chesterford Research Park	Uttlesford DC	23,226	2,694	37,161
Granta Park	South Cambs DC	44,965	12,821	32,516
North West Cambridge	Cambridge City/South Cambs DC	-	-	69,677
Peterhouse Technology Park	Cambridge City Council	15,329	2,787	-
Wellcome Trust	South Cambs DC	30,379	-	-
West Cambridge	Cambridge City Council	3,995	3,159	51,097
St Johns Innovation Park	Cambridge City/South Cambs DC	20,439	4,413	2,323
		339,561	**44,733**	**332,128**

Business and Science Parks

Non Restricted Use Class Parks	Local Authority Area	Existing Space	Current Availability	Remaining Capacity
Cambourne Business Park	South Cambs DC	26,570	3,159	37,161
Cambridge Business Park	Cambridge City Council	28,243	4,924	-
Capital Park, Fulbourn	South Cambs DC	13,935	1,254	3,716
Castle Park	Cambridge City Council	12,077	3,345	-
CB1	Cambridge City Council	-	-	69,677
Haverhill Research Park	St Edmundsbury DC	-	-	8 ha
IQ Cambridge	South Cambs DC	21,368	8,361	10 ha
Melbourn Science Park	South Cambs DC	16,444	4,181	-
St Ives Business Park	Huntingdonshire DC	6,503	3,716	13,935
		125,140	**28,939**	**124,490**

Office Prime Rents

Figure C1-10: Cambridge & South Cambs Prime Rent Achieved



Source: Carter Jonas LLP

Serviced Offices and Innovation Centres

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Figure C1-14: Serviced Offices and Innovation Centres

Source: compiled by Carter Jonas LLP

Provider	Address	Occupancy Rate	Facility Size (sq m)	Flexible leases	Reception Services	Meeting Rooms	Business Coaching	R&D/Science Environment
Cambridge Science Park Innovation Centre	Cambridge Science Park	87%	600	Yes	Yes	Yes	No	Yes
Citib@se	Castle Park, Cambridge	100%	1,719	Yes	Yes	Yes	No	No
Executive Offices - Palladia	Cambridge Business Park	80%	1,579	Yes	Yes	Yes	No	Yes
Hauser Forum	West Cambridge		2,323	Yes	Yes	Yes	Yes	Yes
MWB Business Exchange	East Road, Cambridge	97%	1,301	Yes	Yes	Yes	No	No
Newton Hall	Newton, South Cambs	58%	1,152	Yes	Yes	Yes	No	No
Regus	Vision Park, Histon	100%	1,672	Yes	Yes	Yes	No	No
Regus	Cambourne Business Park	92%	1,868	Yes	Yes	Yes	No	No
St John's Innovation Centre	Cowley Road, Cambridge	89%	5,365	Yes	Yes	Yes	Yes	Yes
			17,569					

NB: due to the flexibility of serviced offices, occupancy rates change on a monthly basis

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Current Status

- The Cambridge Phenomenon
  - 1400 high-tech companies
  - 40,000 employees
  - IT, Medical, Bioscience, Tech Consultancies
  - Sectors evolve
- Cluster impact
  - Population growth, infrastructure, traffic, housing, schools, hotels, restaurants, leisure facilities, property prices …..
  - Demand for offices, R&D labs, wet labs, serviced offices and innovation centres
  - Housing needs
- Secondary impact
  - Cambridge as a commuter town for London
- Land use for offices / labs
  - Developments outside city
  - Recession has not moderated demand (note restricted use / user clauses)
  - Cost of space, car-parking

Observations

- The Cambridge Cluster has made a major impact on the city and surrounding areas
- Brownfield and former country houses have been used as the sites for science and business parks
- Capacity exists in current science and business park locations
- Closer to the city centre - prices higher, restrictions greater
- Prices used to modulate demand
- Older buildings on Cambridge Science Park are single storey - think vertical
- Economic situation will encourage more entrepreneurs
- Deeper engagement of the universities in entrepreneurial activity can stimulate cluster growth
- Retreat of venture capital is impacting cluster growth
- Ability of Cambridge Enterprise to raise significant new funds can partially offset this
- Population of Cambridge will grow regardless of the future success of the cluster – demand for housing will have a far greater impact on land use