

Tony Parkinson

Chief Executive

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Dear Sir,

Ashall Projects Ltd.

I am writing to outline our experience with Ashall Projects over the last 8 years, primarily with respect to the projects to refurbish Cook and Endeavour House in the centre of the borough and convert the building into a Holiday Inn Express hotel and the Centre Square Grade A office development.

Ashalls first approached the Council to discuss this project in the summer of 2013 after another developer had failed to bring a previous scheme to fruition. At that stage, the building in question had been empty for over 15 years and was a blemish on the centre of the borough. It was apparent that bringing this vacant and derelict building back into productive use would be a major undertaking, not least because it would involve the removal of a substantial amount of asbestos and the challenges of refurbishing a building which had been empty for a long time.

From our first meeting it was apparent that the team at Ashalls was very knowledgeable in these areas and were able to articulate clearly what was required for the project to be successful, including

- 1. Due diligence on the building.
 - A series of detailed surveys would need to be commissioned into the structure and other fixtures of the building.
- 2. Production of a detailed cost estimate.
- 3. Selection of an experienced professional team.
- 4. Selection of a brand and product offering which was suitable for the local market.
- 5. Commission a detailed feasibility study to demonstrate the demand for the situated hotel development.
- 6. Secure funding.
- 7. Select a suitable contractor with the experience to deliver a project of this size and complexity.

On a regular basis throughout the project, Ashalls arranged meetings with the Council to discuss progress, industry areas of concern and highlighted issues where the Council could assist. These meetings were informative and constructive and helpful to develop a productive partnership between Council and Developer.

This project was extremely successful. A complex refurbishment was completed on time and within budget and the new hotel opened on 12th August 2015. In addition to providing a welcome source of additional employment and rates income this project has made a major contribution to the regeneration of the centre of Middlesbrough.

Following the success of this project Ashalls approached the Council to discuss the need for grade A office in the centre of the borough as it had identified there was a shortage of quality office space there and this was making it difficult for the council to attract quality companies and the jobs they bring. This view was in line with research undertaken by the Centre for Cities on behalf of the Council.

Over the following 4 years Ashalls and their design team, a number of whom had worked with them on the successful Cobalt Park office development in North Tyneside, conceived, designed and delivered Centre Square, a grade A office development which provides a central business hub for the town. The first phase – two buildings totalling nearly 100,000 sq ft were completed on schedule in September 2019.

The results speak for themselves. The two new buildings set the standard for office development in the Tees Valley and notwithstanding the difficulties associated with Covid, are almost fully let at levels which have exceeded those set out in the original business case.

In addition to the direct benefits arising from these developments they have also helped to trigger a significant amount of additional regeneration in the centre of the borough (see attached plan) as other developers and businesses have responded to the evidence that Middlesbrough is open for business.

Our experience with Ashalls has been very positive. They have an impressive track record in commercial property development and have developed strong relationships with proven performance in the development and construction industry.

The Council would highly recommend Ashall Projects Ltd as a developer partner or principal on future development projects – particularly those which involve working closely and collaborating with Councils.

Yours faithfully,

Tony Parkinson

Chief Executive

Middlesbrough Council