



**Brackmills 163, Northampton - 163,907 sq ft**  
Let by Avison Young at a record rent of £6.50 psf

## Grade A Space Above 100,000 Sq Ft

### Strong Start to Year

- Q1 take-up stood at 4,334,648 sq ft which was 118% up on Q1 2017.

### East Midlands Surge

- The East Midlands saw take-up of 3,284,791 sq ft in 8 buildings (76% of total floor area).
- West Midlands saw take-up of 1,049,857 sq ft in 3 buildings.

### Bespoke Development Enjoys Bumper Activity

- Design and build accounted for 78% of total take-up in the Midlands.

### Principal Pre-Let Transactions

- Midlands Logistics Hub, Corby 844,000 sq ft - Eddie Stobart
- East Midlands Gateway 646,997 sq ft - XPO Logistics
- East Midlands Gateway 478,000 sq ft - Amazon

## East & West Midlands Take-up Above 100,000 Sq Ft

EAST MIDLANDS				SIZE RANGE SQ FT	WEST MIDLANDS			
2015	2016	2017	2018 up to 31.03.18		2015	2016	2017	2018 up to 31.03.18
5 672,609	10 1,360,159	5 644,503	2 320,577	100 – 199,999	5 740,950	17 2,177,931	7 962,547	1 135,048
4 900,612	8 2,003,682	3 719,842	2 495,217	200 – 299,999	6 1,460,720	5 1,106,761	4 999,650	1 250,450
4 1,328,168	3 1,008,324	2 617,587		300 – 399,999		3 1,013,723		
1 479,750	3 1,299,697		1 478,000	400 – 499,999	1 475,000		1 433,949	
			1 500,000	500 – 599,999	1 526,426	2 1,095,688	2 1,150,601	
2 1,255,000	1 1,059,710	1 657,000	2 1,490,997	600,000 plus		1 850,000	1 875,000	1 664,359
<b>4,636,139</b> 16 buildings	<b>6,731,572</b> 25 buildings	<b>2,638,932</b> 11 buildings	<b>3,284,791</b> 8 buildings		<b>3,203,096</b> 13 buildings	<b>6,244,103</b> 28 buildings	<b>4,421,747</b> 15 buildings	<b>1,049,857</b> 3 buildings

# Midlands Industrial Facts at a Glance - Q1 2018

## Rents Continue to Rise

- New record rent has been achieved at Northampton for a modern existing unit with the letting to TPN of 163,000 sq ft at Gowerton Road, Brackmills at £6.50 psf on a 10 year term.

## Increased Speculative Supply

- Speculative buildings make up 57% of overall supply. The few available fully fitted existing buildings are attracting good interest particularly from 3PLs.

## Smaller Units Dominate Supply

- 56% of the total number of buildings are below 200,000 sq ft.

## Growing Supply of Large Speculative Units

- An increasing number of larger units are under development following First Panattoni's entry into the market with their commitment to a large build programme which will see them constructing buildings up to 550,000 sq ft.

## East & West Midlands Supply Above 100,000 Sq Ft Plus

	EAST MIDLANDS			WEST MIDLANDS			TOTAL		
	Speculative	Existing	Total	Speculative	Existing	Total	Speculative	Existing	Total
100 – 199,999	1,144,788	504,562	1,649,350	1,470,487	583,353	2,053,840	2,615,275	1,087,915	3,703,190
200 – 299,999	1,209,504	477,399	,686,903	440,365	210,682	651,047	1,649,869	688,081	2,337,950
300 – 399,999	335,000	749,354	1,084,354	716,324	376,869	1,093,193	1,051,324	1,126,223	2,177,547
400 – 499,999		911,564	911,564					911,564	911,564
500 – 599,999	550,000		550,000				550,000		550,000
600,000 plus					685,892	685,892		685,892	685,892
<b>TOTAL UNITS</b>	3,239,292	2,642,879	5,882,171	2,627,176	1,856,796	4,483,972	5,866,468	4,499,675	10,366,143
<b>TOTAL SQ FT</b>									



**Eurohub 277, Corby - 277,828 Sq Ft**

Avison Young negotiate record rent for the Corby market



**Nottingham 550 - 550,270 Sq Ft**

Avison Young advise on marketing of Midland's largest spec development



# Midlands Industrial Facts at a Glance - Q1 2018

## Sites Cost More

- Land prices continue to rise for prime sites with strong developer competition for limited opportunities.
- Gazeley / Equation have paid £950,000 per acre for a 19 acre site at Moulton Park, Northampton. This beats the previous record price of £700,000 per acre paid by Liberty and Equation for a 9.178 acre site at Brackmills Industrial Estate, Northampton

## Quoting Rents Higher

- Prime quoting rents rise to circa £7.00 psf which reflects strong rental growth over the last 24 months.

## Q2 Prediction

- We expect to see the improved take-up levels maintained over the following quarter although there is the likelihood of increasing stock as struggling retailers such as Toys R Us shed space and a number of new speculative developments come onto the market.

## Specification Trends

- Eaves heights increasing to 15 - 18 m.
- Increased use of mezzanine floors for e-commerce.
- Increased automation resulting in higher power requirements.
- Lower site density to accommodate increased truck and van parking especially for 'last mile' units.



**CP685, Coventry - 685,892 Sq Ft**

Avison Young advise on the sale of UK's largest available building



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