MORE THAN 8 MILLION SQ FT OF MIDLANDS’ LOGISTICS PROPERTIES WERE SECURED IN 2012 - ALMOST DOUBLE ANY OTHER UK REGION

The Midlands continues to lead the way when it comes to logistics real estate, with more than 8 million sq ft of space secured in 2012 - almost double any other UK region, according to new research by BNP Paribas Real Estate, the leading international property adviser.

The level of new logistics units available on the market continues to decrease across the UK. The Midlands is no exception, as there is currently only one year’s worth of new supply available.

In Q4 2012, take up of logistics properties in the region was 1.85 million sq ft. Interestingly, 1 million sq ft of space was secured within larger properties of more than 250,000 sq ft or above, further emphasising the demand for bigger facilities within the region.

Overall, UK take up of logistics properties in 2012 was recorded at 27.8 million sq ft, the lowest figure recorded since 2008 by the property adviser.

Commenting about the data, associate director at BNP Paribas Real Estate, Kevin Mofid said: “Currently, the Midlands only have one year’s worth of new supply available. As take-up increases, particularly from the automotive supply chain, there will be even fewer quality logistics properties available in the market.”

“The occupational figures suggest that it may be the right time for new, larger sized, speculative developments, due to the lack of current supply. However, from an economical point of view, those who acquired land at post-crash prices may find it hard to make speculative developments feasible,” added Mofid.

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About BNP Paribas Real Estate

BNP Paribas Real Estate, leading international real estate provider, offers to its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.

BNP Paribas Real Estate has local expertise on a global scale through its presence in 36 countries with more than 180 offices and 3,400 employees (16 wholly owned subsidiaries and 20 by its Alliance network, that represents today more than 3,000 people).

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