MIDLANDS CONTINUES TO LEAD WAY FOR INDUSTRIAL PROPERTY TAKE UP
-2.4m sq ft secured in Q2 2013 compared to 1.96m sq ft in London & SE-

The Midlands continues to lead the way, achieving the highest amount of take up of industrial property in the second quarter of this year at 2.4m sq ft, according to new research by BNP Paribas Real Estate, the leading property adviser.

Overall take up of industrial property in Q2 2013 was 9.9m sq ft, the highest level since Q3 2011. UK take up for the first half of 2013 reached 17.1m sq ft, almost 2m sq ft higher than the first half of 2012. Interestingly, design and build deals accounted for 5.06m sq ft of take up in H1 2013, a rise of 69% compared to H1 2012.

Commenting on the data, associate director at BNP Paribas Real Estate, Kevin Mofid said: “The first half of this year has proven that the industrial and logistics market remains to be one of the more robust sectors, with positive take up levels. However, the market has been boosted by several large deals, such as a pre-let to M&S at London Gateway, which was 900,000 sq ft.”

In terms of other regions, take up in London and the South East in Q2 2013 was 1.96m sq ft, in the North West it was 2.31m sq ft and in Yorkshire and The Humber it was 1.35m sq ft.

Birmingham industrial agency director at BNP Paribas Real Estate, Stephen Rowan, said: “The level of new logistics units available on the market continues to decrease across the UK. Nationwide, supply fell 1.8m sq ft to 142.1m sq ft, whilst the level of new stock in all core regions also continues to fall with just 20m sq ft available nationwide. The occupational figures suggest that it may be the right time for new, larger sized, speculative developments, due to the serious lack of supply.”

Andrew Meikle, Birmingham head of investment at BNP Paribas Real Estate, added: “With growing occupational fundamentals, we are experiencing significant yield compression for both good quality multi let stock and distribution units throughout the Midlands.”

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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 34 countries with more than 180 offices and 3,300 employees (17 wholly owned subsidiaries and 17 by its Alliance network, that represents today more than 3,000 people).

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For more information: www.realestate.bnpparibas.com

Press contact:

Alex Tucker, UK Press Officer – Tel: +44 (0) 207 338 4086 alex.tucker@bnpparibas.com