

Updated quarterly, our dashboards provide a concise synopsis of activity in UK's industrial markets.





South Yorkshire and North East Derbyshire Industrial Market


Research, Q3 2021

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DEMAND

Take-up (sq ft)
 **926,100 sq ft**
112% above Q3 2020

Number of deals
 **4**

Prime rent (£ per sq ft)
 **£6.50**

5yr Rental Growth Forecast
 **3.4% pa**

Note: Units over 50,000 sq ft.

SUPPLY

Availability (sq ft)
 **1.41m sq ft**

Under Construction (sq ft)
 **1.02m sq ft**

Vacancy Rate (%)
 **4.5%**

Vacancy Rate Forecast
 

INVESTMENT

Investment Volumes
 **£160m**
544% above Q3 2020

Number of deals
 **11**

Prime Yield
 **4.00%**

5yr Total Return Forecast
 **10.2% pa**

Source: Knight Frank, Property Data, RealFor.

Q3 2021 SUMMARY

The South Yorkshire & NE Derbyshire region continued to perform well in Q3 with a further 923,200 sq ft of take up, bringing total take up to date for 2021 to just under 5.2m sq ft. Whilst Q3 was another strong quarter, take up volumes tapered off from H1 2021, due to the significant reduction in supply. Notable transactions this quarter include the pre-letting of 565,000 sq ft at Mulberry Logistics Park, Doncaster to Culina and the letting of 224,400 sq ft at Orion 2, Makhm Vale to The National Lighting Company. Demand remains robust and enquiry levels continue to run ahead of previous years, with a particular increase in the number of larger requirements. A large proportion of the 1.41m sq ft supply is now under offer or in advanced negotiations.

We have started to see signs of new development with start on sites at Ergo Park Sheffield; Mammoth 602, Doncaster; and iPort, Doncaster. A combination of strong demand, a lack of stock and increasing build costs have resulted in increasing rents and we expect further rental growth as new stock comes forward.



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