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# Wales Industrial Market

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Research, Q3 2020

DEMAND	SUPPLY	INVESTMENT
Take-up (sq ft) <b>59,880</b>	Availability (sq ft) <b>5.0m</b>	Investment Volumes <b>£2.5m</b>
Number of deals <b>1</b>	Under Construction (sq ft) <b>130,000</b>	Number of deals <b>2</b>
Prime rent (£ per sq ft) <b>£6.50</b>	Vacancy Rate (%) <b>12.6%</b>	Prime Yield <b>5.50%</b>
Rental Growth Nominal 5yr CAGR <b>1.3%pa</b>	Vacancy Rate Forecast 	Total Return Forecast 5yr CAGR <b>5.9%pa</b>

Note: Units over 50,000 sq ft.

Source: Knight Frank, RealFor.

## Q3 SUMMARY

Across all size bands, there were 70 deals transacted in Q3, for a total of 504,000 sq ft, demonstrating the continued good levels of demand and activity within the region. The newly constructed 60,000 sq ft warehouse unit at Pen Y Fan Industrial Estate, Crumlin has also secured a new tenant on a 5 year lease.

As a result of this growing demand for better quality stock there is more confidence in speculative development within the region. St Modwen are progressing with 30,000 sq ft and 100,000 sq ft at St Modwen Park, Newport and RCT Council are close to completing 30,000 sq ft at Coed Ely, Tonyrefail. In addition to these, there are a number of smaller workshops schemes being planned throughout South Wales. This is very positive for the area as it will provide a range of much needed new stock which will assist in boosting the take up figures over the next 12 months.



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