

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



# North East Industrial Market

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## Research, 2020 Review

### DEMAND

Take-up (sq ft)  
**1.5m sq ft**  
-59% below 2019

Number of deals  
**15**

Prime rent (£ per sq ft)  
**£6.50**

5yr Rental Growth Forecast  
**1.3%pa**

Note: Units over 50,000 sq ft.

### SUPPLY

Availability (sq ft)  
**2.2m**

Under Construction (sq ft)  
**0**

Vacancy Rate (%)  
**6.2%**

Vacancy Rate Forecast  
**▼**

### INVESTMENT

Investment Volumes  
**£102m**  
32% above 2019

Number of deals  
**13**

Prime Yield  
**5.25%**

5yr Total Return Forecast  
**5.5%pa**

Source: Knight Frank, Property Data, RealFor.

## 2021 OUTLOOK

2020 ended in a flurry of activity, though few of the transactions were over 50,000 sq.ft. It was a remarkable year and any company with a hand in the online business seems to be prospering, with the parcel companies generating huge volumes of traffic on the back of that.

The signs for 2021 seem equally promising and at this early point there appears to be very little let up in the volume of enquiries. In a region heavily dependent on Nissan as an employer, the Brexit deal along with other recent announcements suggest more than a degree of optimism. There is hope of attracting further battery technology investment to the region, in both Sunderland and in Blyth, with the recent announcement of the planned development of the UK's first battery gigaplant, at a 235-acre site, formerly home to the Blyth Power Station. If this proceeds as hoped, it will be a massive boost for the economy of South East Northumberland and breath further life into the former coal producing areas.



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