

## Market Update

- ◆ New car sales hit a decade-high in 2014, with 2,476,435 registrations. This reflected a 9.3% rise on 2013, whilst December's registrations marked 34 successive months of growth.
- ◆ Knight Frank Automotive advised on the largest dealer to dealer transaction in 2014, disposing of three prime BMW businesses to US Giant, Group 1. Further business sales will follow this year.
- ◆ Top-5 dealer group Lookers opened a multi-million pound Land Rover showroom in Battersea. The custom-built site is the first Land Rover facility of its kind to be developed in the UK.
- ◆ Kia is nearing completion of its new flagship dealership on the A4 in Brentford, the prime motor retail pitch in the UK. Knight Frank Automotive is advising on other high profile schemes nearby.
- ◆ US property investment trust, WP Carey, acquired a portfolio of 73 dealerships let to Pendragon, the UK's largest dealer group. The purchase price was reported to be £230.5 million, marking one of the largest motor retail investment deals of recent times.
- ◆ Knight Frank Automotive acquired the freehold investment in VW Cheltenham, let to VW Group UK, on behalf of a major institutional UK fund.

## Rent & Yield Tables

The below values are illustrative of general market trends/sentiment, rather than based on specific assets, and are intended purely for guidance purposes. We have assumed a notional modern facility, rack rent and held on institutionally attractive terms (20 years+), in major regional centres.

### Rent

Region	Prime (per sq ft)	Secondary (per sq ft)	Knight Frank Sentiment
London	£28 - £30	£18 - £22	Rising
South East	£18 - £20	£14 - £17	Rising
South West / Wales	£16 - £18	£10 - £14	Rising
Midlands	£17 - £19	£10 - £14	Rising
North West	£15 - £17	£10 - £14	Stable
North East	£14 - £16	£9 - £13	Rising
Scotland	£13 - £15	£8 - £12	Stable

### Yield

Tenant	December 2014	January 2015	Knight Frank Sentiment
Top Manufacturer	4.50 - 5.50%	4.50 - 5.00%	Stable
Major Dealer	4.75 - 5.25%	4.75 - 5.25%	Stable
Regional Dealer	6.50% +	6.50% +	Hardening

## Vehicle Registrations

The below table shows vehicle sales data for 2014.

Brand	New Registrations	Market Share	Monthly Variance
Ford	326,643	13.19%	5.08%
Vauxhall	269,177	10.87%	3.75%
Volkswagen	214,828	8.67%	10.69%
Audi	158,987	6.42%	11.93%
BMW	148,878	6.01%	9.81%
Nissan	138,338	5.59%	17.27%
Mercedes-Benz	124,419	5.02%	13.67%
Peugeot	103,566	4.18%	-1.77%
Toyota	94,012	3.80%	6.05%
Citroen	83,397	3.37%	6.43%
Hyundai	81,986	3.31%	6.59%
Kia	77,525	3.13%	7.54%
Skoda	75,488	3.05%	14.24%
Fiat	67,162	2.71%	11.57%
Renault	66,334	2.68%	43.66%
Land Rover	56,200	2.27%	2.74%
MINI	53,661	2.17%	3.33%
Honda	53,544	2.16%	-3.80%
SEAT	53,512	2.16%	18.10%
Volvo	41,066	1.66%	25.71%

Source: Society of Motor Manufacturers and Traders



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