



## AT A GLANCE...

### NORTH WEST INDUSTRIAL INVESTMENT

- ▶ Approximately £900M of North West industrial investments transacted in 2022 – slightly ahead of the 5 year average of £868M, but down 31% on the record £1.30BN transacted in 2021.
- ▶ Strong investor demand throughout H1 – particularly on bigger institutional assets. However, demand reduced in H2 across the majority of industrial submarkets.
- ▶ Lack of investment supply in H2 with vendors increasingly hesitant to market assets given the volatile market conditions, and the disparity between vendor and purchaser expectations.
- ▶ Very limited distressed / forced sales witnessed in H2.
- ▶ Dramatic shift in pricing in H2 across all industrial submarkets.
- ▶ Majority of speculative funding opportunities no longer viable due to rising build costs, finance costs and yields moving outwards. Some late deals however completed in Q3.
- ▶ Despite the difficult economic market conditions, the fundamentals of the industrial sector continue to remain strong, with a manageable supply pipeline, underpinned by the structural changes positively shaping the occupier market.



Frontier Park, Blackburn



Gorse Point, Widnes

## **AT A GLANCE...** **NORTH WEST INDUSTRIAL OCCUPATIONAL**

- ▶ 2022 saw 'big box' take up in the North West recorded at 6.06M sq ft, slightly down on the 2021 figure of 6.20M sq ft but a 20% increase on the 5 year North West average of 5.06M sq ft. Demand was heavily weighted towards the first half of the year with 4.18M sq ft recorded.
- ▶ The majority of take up was new build (Speculative / Design & Build), accounting for 4.96M sq ft, up from 3.90M sq ft the year before, with a continued increase in the average transaction size now at 263,000 sq ft.
- ▶ Availability of 'Big Box' new supply is currently only 1.03M sq ft across 5 units.
- ▶ Prime 'big box' rents are now £7.75 per sq ft - £8.00 per sq ft, which we expect to increase above £8.00 per sq ft in 2023.
- ▶ There is currently 1.88M sq ft of new build 'big box' units under construction across 6 schemes, with one unit of 456,000 sq ft currently under offer.
- ▶ Land values have fluctuated dramatically over the last 12 months due to changing market conditions. We believe prime land values are c.£1.00M per acre, down from a peak of £2.30M per acre.
- ▶ In the sub 90,000 sq ft market, there was an increase in smaller multi let (sub 15,000 sq ft) speculative development- totalling 37% of all new build lettings with mid box / SME market.
- ▶ In the second hand 'mid box' market, record rentals for good quality existing accommodation have reached above £10.00 per sq ft - eclipsing new build rents of less than 1 year ago.
- ▶ Occupier demand across all unit sizes remains strong, underpinned by continued consolidation / expansion across both the logistics and manufacturing sectors.

## 2022 INVESTMENT MARKET SUMMARY

### 2022 OVERVIEW

- The total value of North West industrial investments transacted in 2022 stood at approximately £900M (66 deals).
- This represents a 31% decrease on the £1.30BN (106 deals) transacted in 2021. The five-year North West average stands at £868M.
- Pricing in H2 2022 returned to 2019 /2020 levels, following the unprecedented yields witnessed in 2021 and H1 2022.
- On a quarterly basis, North West industrial investments transacted (by value) were split as follows: Q1 - 14% (£123M), Q2 - 43% (£388M), Q3 - 21% (£191M) and Q4 - 22% (£195M).
- Approximately £235M is currently under offer going into 2023.
- Key transactions in H1 2022 included: Artis Park, Winsford (£22.80M / 4.18%), Tornado 70, Speke (£12.70M / 3.69%), Peugeot, Ellesmere Port (£101.00M / £151 psf), Rhodes Business Park, Middleton (£19.00M / 4.22%), The Very Group, Wrexham (In excess of £30.00M).
- Key transactions H2 2022 included: Iceland, Warrington (£90.00M / 4.25%), Broadoak Business Park, Trafford Park (£19.00M / 3.56%), Ashburton Park, Trafford Park (£13.60M / 4.56%).

### INVESTOR DEMAND

- Towards the end of H1, and throughout H2, investor demand for industrial assets reduced due to several factors including:
  - Dramatically rising interest rates and the all-in cost and availability of debt (reaching circa 6.50% to 7.00%)
  - Inflationary pressures
  - The economic effect of the War in Ukraine (one of the causes of the inflationary pressures)
  - Government policy / actions and the 'mini budget'
- Whilst many investors have paused their investment requirements, a range of investors are still actively seeking opportunities (at revised pricing levels), such as overseas equity, property companies and private investors.

- Active purchasers in H1 included: TPG/4i, CBRE IM, M7 Real Estate, Blackstone, Arrow Capital Partners, Mirastar, amongst others.
- Activity in H2 was quieter on larger institutional deals, with the exception of Blackstone. However, demand for smaller mid box units remained strong, with a significant amount of private investor / prop co activity.
- Towards the end of H2, Blackstone / Mileway / St Modwen became increasingly active, with a number of assets under offer or purchased. These included: Ringway Trading Estate, Manchester; Ashburton Park, Trafford Park; and Central Trading Estate, Trafford Park, for an overall price of circa £110M. This could signal a return of investor confidence in 2023.
- Demand has been greatest for good quality assets, particularly those with low rental levels and upcoming lease events to achieve immediate reversion. Due to the cost of debt many investors are targeting short term 7.00%+ returns.
- Demand for core locations is greater than ever - particularly Trafford Park, Greater Manchester, Warrington and Liverpool.



Artis Park, Winsford

## INVESTMENT SUPPLY

- H2 saw a severe lack of North West industrial investment supply, which has been compounded by a number of individual assets being withdrawn from the market after not achieving an acceptable price - caused by the disparity between vendor and purchaser pricing expectations.
- We believe approximately 16 deals, with a value of c.£620M has been withdrawn from the North West industrial investment market.
- Many investors expected forced sales from open ended funds, however, this did not materialise, with some funds imposing redemption limits in order to conduct orderly sales.
- The lack of distressed sellers has meant there are restricted opportunities at 'discounted pricing' for those sitting on capital.
- Whilst many vendors previously targeted portfolio sales, some are now reverting back to individual sales after not achieving premium pricing. We have seen a large percentage of portfolio sales across the UK withdrawn – such as The Opal and Pearl Portfolio's (Shell), The Cornerstone Portfolio (Mirastar), Javelin Portfolio (Segro), The Zeus Portfolio (NFU Mutual).
- Looking ahead to 2023, the slow down and lack of new developments will further limit pipeline stock.
- There is an expectation that more investment supply will come to the market – particularly if there are further fund redemptions or if property companies have to refinance.

## SPECULATIVE FUNDING / COMMITMENTS

- H1 continued to see record demand for funding opportunities, buoyed by continued rental growth and record yields being achieved.
- H2 saw a significant decline in investor appetite for speculative fundings, due to rising build costs, finance costs and yields moving outwards, ultimately making many appraisals no longer viable.
- The funder buyer pool has reduced, with many of the previously recognised funders waiting to see where pricing settles for up-and-built assets before committing to funding opportunities, to ensure they have factored a further discount for the funding risk element.

## NORTH WEST INDUSTRIAL INVESTMENT PRICING

- Record pricing continued to be achieved in H1, with investors attracted to the strong North West industrial fundamentals.
- In H2 there was a dramatic softening in pricing which has been very difficult to assess due to a lack of market activity and investment comparables, however, we believe pricing moved back circa 150-250 bps.
- Pricing levels are being driven by debt rates, which increased significantly in H2, with five-year gilts increasing from approximately 0.82% in Dec 21 to 3.61% in Dec 22 (having peaked at 4.39% in Sept 22).
- **Prime distribution and multi-let assets** - pricing has moved from circa 3.50% to 5.00%.
- **Poorer secondary / tertiary assets** - pricing has been hit harder than prime / modern assets, due to increased costs associated with refurbishments, confidence in locations, and investors desire for better quality assets.
- **Smaller assets (sub £4M)** - pricing remains robust, with demand remaining strong from private investors who are not reliant on finance.
- Overall, there has been a significant correction in pricing, however, the strength of the occupational market and continued rental growth projection is supporting the investment market. Alongside a steady political backdrop, we consider this to be positive news for yields going into 2023.

**TABLE 1: Q1 2023 NORTH WEST YIELD PROFILES**

→ Stable    → Improving    → Declining

CLASS	VALUE	TREND
Prime Distribution (15 year assumed term, rack rented)	5.00%+	→
Good Secondary Distribution (rack rented)	6.50%+	→
Prime Multi Let (rack rented)	5.00%+	→
Good Secondary Industrial Estate (rack rented)	6.50%+	→
Multi-let Break Ups (rack rented)	8.00%+	→

**B8RE COMMENT**

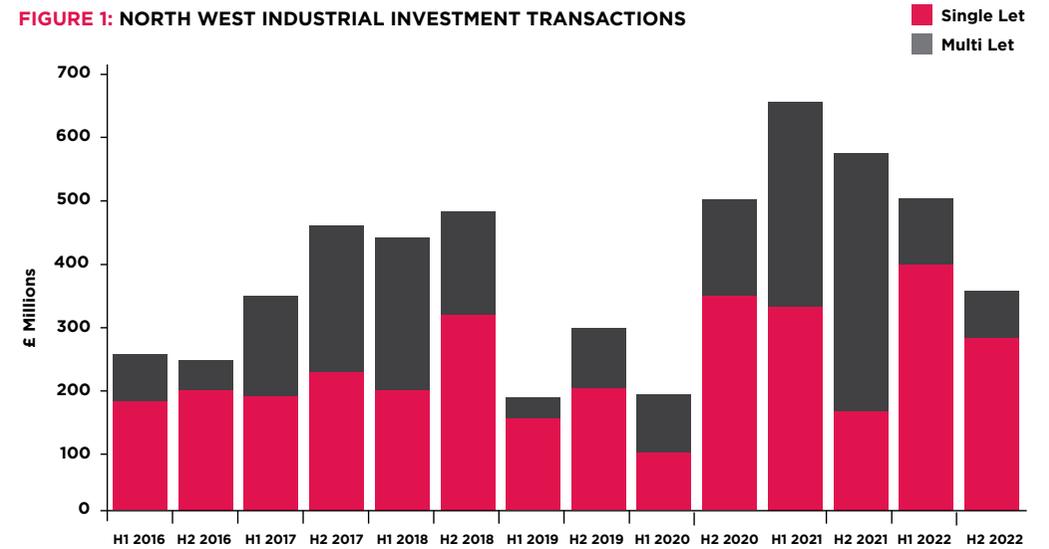
- The 2022 North West industrial investment market was a year of distinct halves.
- H1 performed strongly, both in terms of trading volumes and pricing achieved.
- H2 saw huge economic market volatility which destabilised the property sector and saw pricing reduce dramatically.
- There is a significant amount of capital continuing to back the industrial sector due to the continued strength of the occupational market which is helping to provide confidence amid difficult economic conditions.
- Blackstone were one of the first to withdraw from the market in H1, however, they have been one of the first to return in H2. Many investors will see this as a sign of confidence, and with market conditions appearing calmer towards the end of H2, a number of investors have started to signal their return to the market in H1 2023.
- The movement out in yields together with cost inflation is making speculative funding and development opportunities unviable, and as such we are starting to see a shortage of new build supply in the North West.
- Environmental considerations continue to be of growing significance, particularly from institutional funds. Serious consideration needs to be given to EPC levels, BREEAM and other initiatives to generate future demand and premium pricing.



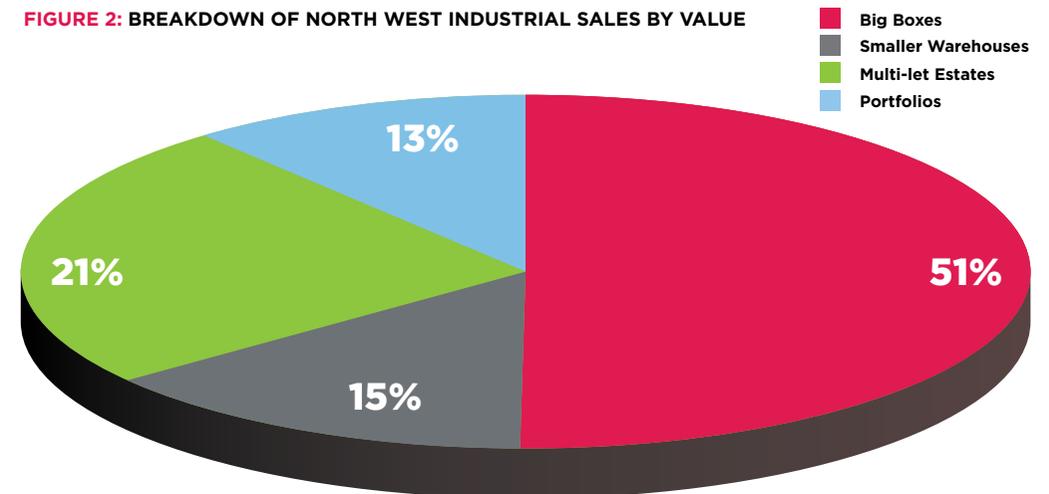
**TABLE 2: NORTH WEST INVESTMENT TRANSACTIONS OF NOTE 2022**

ADDRESS	DATE	AREA (SQ FT)	TENANT	APPROX. TERM CERTAIN	PURCHASE PRICE	YIELD
<b>SINGLE LET</b>						
Amethyst Court, Preston	Q1 2022	43,000	Sainsburys	15.00	£8.35M	3.73% (B8RE Advised)
Tornado 70, Speke	Q1 2022	67,000	Sainsburys	15.00	£12.725M	3.69% (B8RE Advised)
Vita Group, Oldham	Q1 2022	652,000	Vita Cellular Foams UK	6.35	£20.25M	7.16%
Melbury Park, Warrington	Q1 2022	110,000	Quintessential Brand UK Holding and G&J Distillers	10.00	£15.45M	4.25%
Univar Solutions, Irlam	Q2 2022	8.96 acres	Univar Solutions	30.00	£11.40M	2.94% (B8RE Advised)
The Very Group, Wrexham	Q2 2022	712,000	The Very Group	9.25	In excess of £30.00M	Confidential (B8RE Advised)
Peugeot, Ellesmere Port	Q2 2022 - Exchanged	667,000	Peugeot	15.00	£101.00M	4.00%
Domino, Bootle	Q3 2022	170,000	Domino Printing Sciences	25.00	£24.34M	4.00%
Evri, Trafford Park	Q3 2022	13,000	Evri	6.00	£2.91M	3.90% (B8RE Advised)
B&M Middlewich	Q3 2022	469,000	B&M	3.00	£45.00M	3.59%
Iceland, Warrington	Q4 2022	505,000	Iceland	20.00	£90.00M	4.25%
<b>MULTI LET</b>						
Southside, Bredbury Industrial Estate	Q1 2021	75,000	6 tenants	4.58	£10.00M	4.20%
Artis Park, Winsford	Q2 2022	124,000	7 tenants	13.57 (9.74)	£22.80M	4.18% (B8RE Advised)
Rhodes Business Park, Middleton	Q2 2022	192,000	6 tenants	5.75 (1.46)	£19.00M	4.22%
Broadoak Business Park, Trafford Park	Q3 2022	116,000	12 tenants	7.00 (4.80)	£19.00M	3.56% (B8RE Advised)
Europa Way, Trafford Park	Q3 2022	45,000	3 tenants	5.60 (4.30)	£6.61M	4.14%
Fence Avenue, Macclesfield	Q3 2022	40,000	12 tenants	3.75 (2.80)	£5.00M	5.15% (B8RE Advised)
Ashburton Park, Trafford Park	Q4 2022	95,000	9 tenants	3.90	£13.60M	4.56%
<b>SPEC FUNDING</b>						
Tunstall Arrow Phase 2, Stoke-on-Trent	Q2 2022 - Exchanged	111,000	MLI	n/a	£18.00M £163psf	- (B8RE Advised)
Acornfield Road, Knowsley	Q2 2022 - Exchanged	131,000	MLI	n/a	£15.74M £120psf	- (B8RE Advised)
NW 558, Farrington	Q2 2022 - Exchanged	557,000	Single Let	n/a	£69.63M £125psf	-

**FIGURE 1: NORTH WEST INDUSTRIAL INVESTMENT TRANSACTIONS**



**FIGURE 2: BREAKDOWN OF NORTH WEST INDUSTRIAL SALES BY VALUE**



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## 2022 OCCUPATIONAL MARKET SUMMARY

### BIG SHEDS (OVER 90,000 SQ FT)

#### TAKE-UP

- 2022 saw continued strong demand in the North West with take up recorded at 6.06M sq ft (23 transactions), made up of 4.18M sq ft in H1 2022 and only 1.88M sq ft in H2 2022, hindered by the dwindling supply of good quality units. Despite this overall figure being slightly down on the 2021 take-up of 6.20M sq ft (31 transactions), it remains above the 5 year average of 5.06M sq ft, representing a 20% increase.
- Notable, high-profile deals include; Omega West, Warrington (878,000 sq ft - Home Bargains), Omega West, Warrington (505,000 sq ft - Iceland Foods), Widnes 400, Widnes (393,000 sq ft - NHS) and Connect6, Leyland (557,000 sq ft - Victorian Plumbing).
- Design and Build accounted for 2.32M sq ft (5 transactions - 22%); Speculative New Build - 2.63M sq ft (11 transactions - 48%); Grade A (2nd hand) - 111,000 sq ft (1 transaction - 4%); Grade B (2nd hand) - 858,000 sq ft (5 transactions - 22%) and Grade C - 137,000 sq ft (1 transaction - 4%).
- Whilst overall take up was down, year-on-year comparison shows that the demand for Speculative New Build / Design and Build increased significantly with a combined total of 4.96M sq ft (82% of overall take up) compared to 3.94M sq ft (63% of overall take up) in 2021.
- The largest proportion of transactions were within the 90,000 - 150,000 sq ft size range with 9 transactions, accounting for 39% of take up. There was however a notable increase in demand for properties over 300,000 sq ft with 7 transactions accounting for 30% of take up, compared to only 4 transactions (13% of take up) in 2021. We expect this trend to continue with one unit of three over 300,000 sq ft currently under construction and under offer with a number of larger active requirements still unsatisfied.
- Prime 'Big Box' rents are now established at £7.75 per sq ft - £8.00 per sq ft, a 10% increase from 2021 (£7.25 per sq ft) and a 17.5% increase from 2020 (£6.75 per sq ft). With the continued lack of stock, we predict rents will increase above £8.00 per sq ft, with prime quoting rents now £8.50 - £8.95 per sq ft.

#### SUPPLY

- There was 2.17M sq ft of Speculative New Build and Grade A / B stock available at the end of 2022. Speculative New Build accounted for 1.02M sq ft (5 units - 47%); Grade A refurbished - 211,000 sq ft (2 units - 10%) and Grade B refurbished 933,000 sq ft (7 units - 43%).
- Across all grades there were only 2 units above 200,000 sq ft immediately available and a further 12 units within the 90,000 - 199,000 sq ft. The majority of the current availability is weighted towards Grade B locations, predominantly Merseyside and Cheshire, demonstrating a real need to deliver new or good quality refurbished space in prime locations.
- Towards the end of 2022 we have seen a slight increase in the supply of second hand 'Big Box' due to occupiers continuing to expand / consolidate from older premises.
- Second hand units are benefitting from Grade A refurbishments which are increasingly focusing on ESG credentials to meet both occupier and investor requirements. This is being reflected in quoting rents in prime locations which are now on a par with achieved prime new build.

#### DEVELOPMENT PIPELINE

- Speculative development increased significantly during 2022 with 14 buildings > 90,000 sq ft commencing or practically completed, providing an additional 3.01M sq ft of supply, a 60% increase from 2021 (9 buildings - 1.8M sq ft).
- 1.98M sq ft (75%) of speculative units were let within 6 months of practical completion, of these 1.74M sq ft (60%) were let prior to practical completion. We expect this trend to continue with only 6 units under construction, totalling 1.88M sq ft. 1 unit of 460,000 sq ft is under offer and due to exchange imminently (PLP, Crewe).
- There are a further 11 units with detailed planning consent, able to deliver 1.85M sq ft. Due to current uncertainty in the funding market, there will likely be delays in these schemes being brought forward in 2023.
- We expect to see more Design and Build activity in 2023, due to limited speculative development, bespoke occupier requirements, and increased manufacturing activity.
- Despite the continued occupier demand and rental growth, the rise in interest rates and knock on effect on yields has resulted in land values reducing from record levels at the start of 2022 (£2.30M per acre). We believe prime land values may now be back to 2021 figures at c.£1.00M per acre and secondary land values be around £400,000 per acre, but there is no recent transactional evidence (Table 4).

**CONCLUSION**

- 2022 saw a record year of take up of Speculative New Build / Design & Build, representing 82% of overall take up.
- The average transaction size increased from 201,000 sq ft in 2021 to 263,000 sq ft. This was as a result of 7 transactions between 328,000 sq ft and 878,000 sq ft, accounting for 30% of total take up.
- Prime rents are well established at £7.75 per sq ft - £8.00 per sq ft, an increase of £0.50 per sq ft on 2021. We believe rental levels will continue to move forward despite the reduced development pipeline, due to supply and viability issues. Quoting rents on prime schemes currently under construction are up to £8.95 per sq ft.
- Whilst H2 take up was down on H1, mainly due to the lack of supply, occupier demand remained strong which we expect to remain in 2023. The expected delays to spec development though will lead to an increase in design and build offering an opportunity for oven ready sites.

**TABLE 3: NORTH WEST RENTAL LEVELS**

PRIME RENTS	CURRENT	QUOTING
<b>&gt;90,000 SQ FT (10 YEAR ASSUMED TERM)</b>		
Prime Distribution:	£7.75 - £8.00	£8.50 - £8.95
Secondary Distribution:	£6.00 - £6.50	£6.75 - £7.00
<b>&lt;90,000 SQ FT (10 YEAR ASSUMED TERM)</b>		
New Build: 40,000 - 80,000 sq ft	£9.00 - 9.50	£10.50 - £11.50
New Build: 15,000 - 40,000 sq ft	£11.00 - £11.50	£11.50 - £12.00
Modern: 40,000 - 90,000 sq ft	£7.95	£8.00 - £8.50
Modern: 15,000 - 40,000 sq ft	£10.00 - £10.50	£10.50 - £11.00

**TABLE 4: LAND VALUES**

	VALUE PER ACRE
Prime Site	c. £1,000,000
Secondary Site	£400,000 - £500,000
Tertiary Site	£250,000- £300,000

**TABLE 5: H2 2022 OCCUPATIONAL TRANSACTIONS OF NOTE (BUILDINGS OVER 90,000 SQ FT)**

ADDRESS	DATE	SPECIFICATION	AREA (SQ FT)	TENANT / PURCHASER	ACHIEVED PRICE / RENT (PER SQ FT)
Omega West	Q1 2022	Pre-sale	878,000	Homes Bargains	Confidential
Connect 6, Leyland	Q4 2022	Speculative new build	557,000	Victorian Plumbing	Confidential
Widnes 400, Widnes	Q1 2022	Speculative new build	393,000	NHS	£6.50 (B8RE Advised)
Monarch 330, Kingsway, Rochdale	Q2 2022	Speculative new build	328,000	Danish Crown	£7.50
Widnes 258, Widnes	Q2 2022	Speculative new build	258,000	Kammac	£6.95 (B8RE Advised)
Alpha 167, Warrington	Q2 2022	Speculative new build	168,159	Sykes Seafood	£7.85 (B8RE Advised)
Ark, Trafford Park	Q4 2022	Grade A	166,571	Supreme Imports	£8.00 (B8RE Advised)
Symmetry Park, Huyton	Q3 2022	Speculative new build	161,900	Yodel	£7.25

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## MID BOX / SME UNITS (BELOW 90,000 SQ FT)

### OVERVIEW

- 2022 saw continued levels of strong occupier demand in the mid box/SME market for new build accommodation with take-up totalling c.1.15M sq ft (40 transactions), an increase from 976,000 sq ft (29 transactions) on the previous year. The increased take up was in part due to sub 15,000 sq ft lettings accounting for 38% of transactions, up from 30% in 2021.
- There was c.630,000 sq ft of new build space completed in 2022 across 11 schemes, equating to 54% of annual take up over the same period. 2.3M sq ft of space is currently under construction across 27 schemes which will compensate for historic under supply in previous years.
- The continued need for speculative development remains with availability at an all-time low of 572,000 sq ft, particularly in units of 40,000 sq ft and below which has seen the highest proportion of lettings in recent years. Merseyside and North Wales saw the most speculative development completed in 2022 with 7 schemes extending to c.311,000 sq ft. In addition Greater Manchester has seen a significant increase in development activity, with 11 schemes on site totalling c.1M sq ft, 800k sq ft higher than the previous year.
- Second hand accommodation has seen particularly strong rental growth, with headline rentals increasing by 30% in prime locations over the last 12 months. We expect to see continued growth, but the rising cost of utilities, coupled with the proposed rates increase from 1st April will have a knock-on effect.

### SUB 15,000 SQ FT

- This sector accounted for the highest proportion of transactions (37%) across new build / SME lettings in 2022. This is in part due to the number of high-profile schemes being completed, including Phase 2 Mersey Reach in Aintree by Northwood Urban Logistics (12 units - 102,000 sq ft) and Spitfire Court in Speke by ARA Dunedin (12 units - 138,000 sq ft).
- 47% of new build lettings were agreed on or prior to practical completion, the majority achieving headline rents up to £15 per sq ft. Examples include a 5,100 sq ft new build unit on Gateway 49 Trade Park let to Wurth UK setting a record Warrington rental.
- The substantial rental growth at the smaller end of the market has led to an increase in speculative development with 9 schemes expected to complete in 2023. Notable examples

currently on site include Broadheath Network Centre, Altrincham by Network Space (20 units - 82,000 sq ft - quoting up to £14 per sq ft) and Bridgewater Point in Trafford Park by Chancerygate (16 units - 130,000 sq ft - quoting up to £17 per sq ft).

- Existing multi let estates have seen a slight increase in supply over the last 12 months mainly in secondary locations where demand has been more limited. Despite this, rents have increased across the board, most notably in prime locations such as Trafford Park and Warrington. Here rents have increased at a rate of 10% annually over the last 5 years with headline rents now up to £12 per sq ft.

### 15,000 - 40,000 SQ FT

- Historically this size range has seen the largest proportion of new build take-up below 90,000 sq ft, which is still strong accounting for 33% of transactions in 2022. Record rents have been achieved, such as Gemini 8 Business Park in Warrington (16,487 sq ft - £11.50 per sq ft).
- 7 new build schemes are on site or were completed in 2022. Examples include Urban Park in Rochdale by Urban Logistics Reit (4 units - 118,000 sq ft - quoting £8.50 per sq ft) and Q17, Stockport by Quorum (single unit - 17,000 sq ft - quoting £12 per sq ft).
- Good quality second hand buildings in prime locations which have undergone Grade A refurbishments have achieved record rents, eclipsing new build rents of less than a year ago. Notable examples include Melford Court, Warrington (22,500 sq ft - £8.75 per sq ft) and Hallwood Avenue, Haydock (19,266 sq ft - £8.30 per sq ft).
- In prime locations where there has been limited supply, many occupiers have been left with no option but to take unrefurbished space at strong rental levels, due to lease events and operational requirements. One example includes a 23,750 sq ft unit at Castlehill, Bredbury which was let at £8.50 per sq ft on a ten-year lease.

### 40,000 - 90,000 SQ FT

- A year ago, there were only two new build units of 69,000 & 52,000 sq ft available in this size band, speculative development in 2022 has looked to address this with 5 schemes completed. The limited new supply has resulted in existing rentals increasing by 15-20% up to £7.95 per sq ft.
- 72% of lettings on new build schemes in this size were agreed prior to or on practical completion. Examples include Aviator 80, Ellesmere Port (80,772 sq ft - £7.50 per sq ft) and Discovery Point, Speke (46,152 sq ft - £7.50 per sq ft).

- 12 speculative schemes commenced construction or were completed in 2022, compared to 7 in 2021. Notable examples include Air Logistics in Speke by Mirastar (2 units – 150,000 sq ft – quoting £7.95 per sq ft) and Prime Point in Blackburn by Prime Property (2 units – 106,000 sq ft – quoting £8.00 per sq ft).
- The lack of supply has led to record rents being achieved on good quality existing buildings particularly in prime locations such as the M6 corridor and Trafford Park. Examples include Empire 40 in Trafford Park let at £10.50 per sq ft (40,017 sq ft) and Point 23 in Haydock which achieved £7.95 per sq ft (81,921 sq ft).

**TABLE 6: H2 2022 OCCUPATIONAL TRANSACTIONS OF NOTE (BUILDINGS BELOW 90,000 SQ FT)**

ADDRESS	DATE	SPECIFICATION	AREA (SQ FT)	TENANT	ACHIEVED RENT (PER SQ FT)
Point 23, Haydock	Q3 2022	2nd hand refurbished	81,921	Oak Tyres UK	£7.95 (B8RE Advised)
Aviator 80, Ellesmere Port	Q4 2022	Speculative new build	80,772	Gwynedd Shipping	£7.50 (B8RE Advised)
Ergo 44, Middlewich	Q4 2022	Speculative new build	44,995	ASAP Cargo	£7.75
Unit 1 Spitfire Court, Speke	Q3 2022	Speculative new build	34,337	Mapei	£7.50 (B8RE Advised)
715 Quadrant, Birchwood, Warrington	Q3 2022	Speculative new build	19,250	Werfen	£10.50 (B8RE Advised)
Unit 9 Gemini 8 Business Park, Warrington	Q4 2022	Speculative new build	16,487	Kenji	£11.50
Unit 1 Kestrel Road, Trafford Park	Q4 2022	2nd hand refurbished	15,260	Riverside Truck Rental	£10.50 (B8RE Advised)
Unit 1 Gateway 49 Trade Park, Warrington	Q3 2022	Speculative new build	5,100	Wurth UK	£15.00 (B8RE Advised)

**TABLE 7: SPECULATIVE NEW BUILD DEVELOPMENT OVER 90,000 SQ FT**

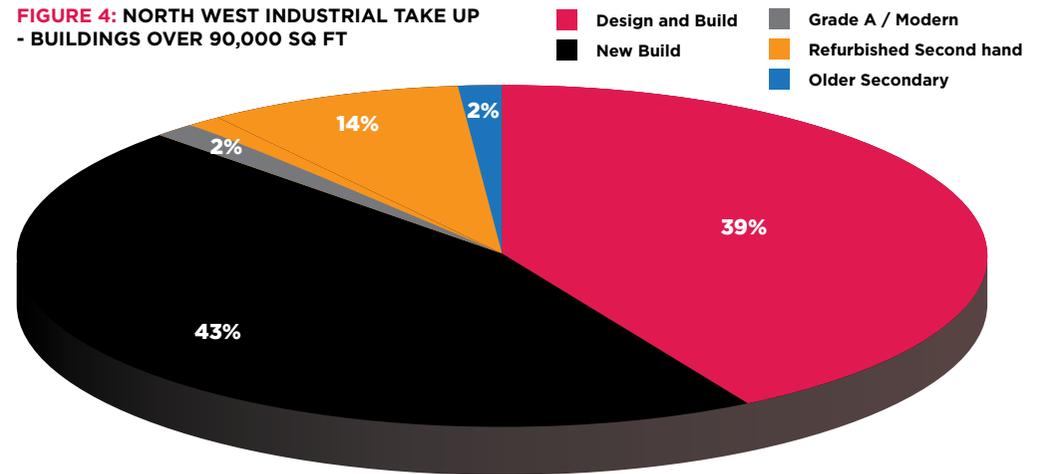
LOCATION	NO. OF COMPLETED BUILDING'S	TOTAL SIZE (SQ FT)	NO. OF BUILDING'S UNDER CONSTRUCTION	TOTAL SIZE (SQ FT)
Greater Manchester	1	367,000	1	164,305
M6 Corridor (Lancashire to Cheshire)	1	149,000	2	764,735
Merseyside	3	510,489	3	947,000
<b>Total</b>	<b>5</b>	<b>1,026,489</b>	<b>6</b>	<b>1,876,040</b>

**TABLE 8: SPECULATIVE NEW BUILD DEVELOPMENT BELOW 90,000 SQ FT**

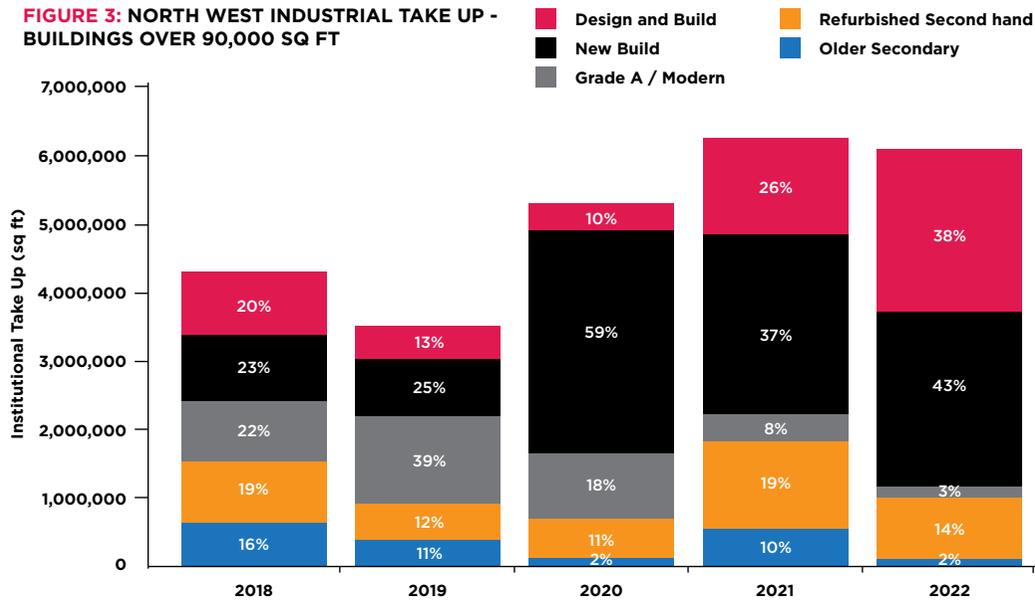
LOCATION	NO. OF COMPLETED SCHEMES	TOTAL SIZE (SQ FT)	NO. OF BUILDINGS / SCHEMES UNDER CONSTRUCTION	TOTAL SIZE (SQ FT)
Greater Manchester	1	127,116	11	997,583
M6 Corridor (Lancashire to Cheshire)	3	189,179	9	705,991
Merseyside / North Wales	7	311,126	7	658,972
<b>TOTAL</b>	<b>11</b>	<b>627,421</b>	<b>27</b>	<b>2,362,546</b>



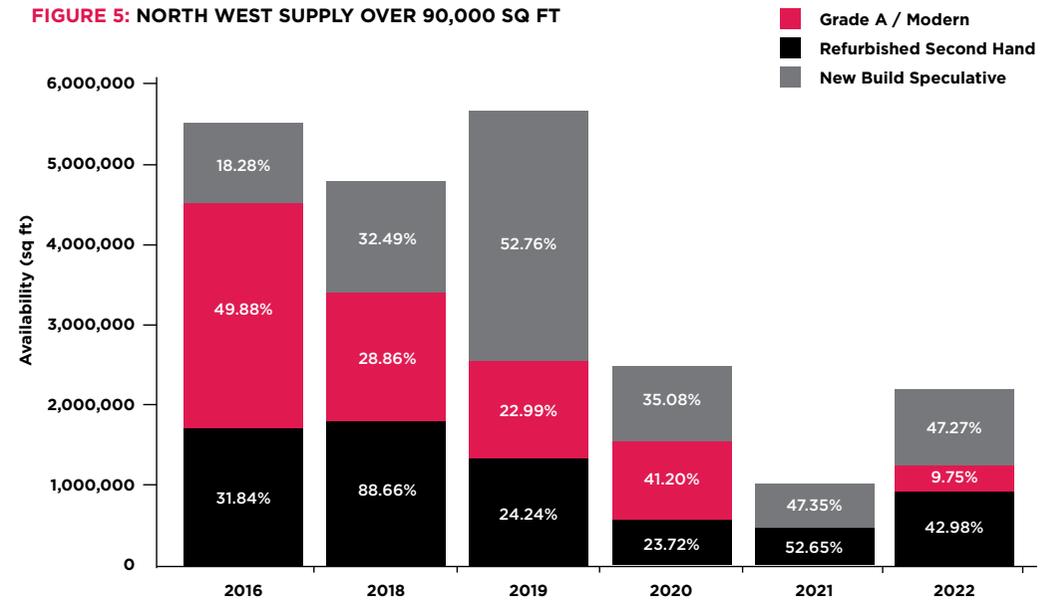
**FIGURE 4: NORTH WEST INDUSTRIAL TAKE UP - BUILDINGS OVER 90,000 SQ FT**



**FIGURE 3: NORTH WEST INDUSTRIAL TAKE UP - BUILDINGS OVER 90,000 SQ FT**



**FIGURE 5: NORTH WEST SUPPLY OVER 90,000 SQ FT**



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Fourth Avenue, Trafford Park



Phase 2 Mersey Reach, Aintree



Point 23, Haydock



Ma6nitude, Middlewich



PLP, Ellesmere Port

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