

# Retail Warehouse Dashboard



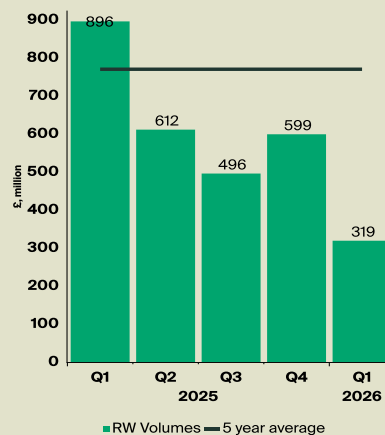
Q1 2026 | A concise quarterly synopsis of activity in the UK retail warehousing market.

## Key Takeaways

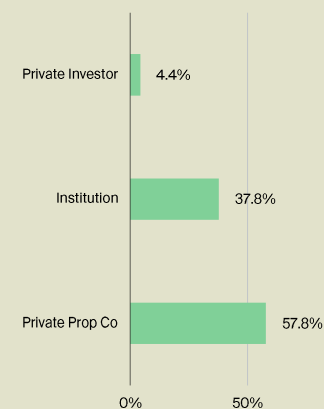
- Limited evidence of any negative impact in the wake of events in the Middle East. Consumer demand has held up, occupational markets have not destabilised and investor sentiment has only been mildly tested.
- RWH investment volumes remain somewhat depressed. A total of £319m was transacted in Q1 across 11 deals. This marked a -47% decline on Q4 and was less than half the £896m reported in the bonanza Q1 in 2025.
- Lack of stock remains the main constraint on volumes, rather than investor apathy. There is limited impetus for would-be vendors to sell in the current market, with landlords content to sit on the income. Private Propcos (Ashtrum, Royal London, Corum) were collectively the most active investors in Q1.

- Slight QoQ deceleration in capital growth (+0.3% vs +0.6% in Q4) and rental growth (+0.4% vs +0.8%). RWH achieved a total return of +1.8% in Q1, taking the 12 month annualised figure to +7.3%.
- According to Green Street, there was a surprising uptick in RWH vacancy rates in Q1 (+20bps QoQ to 6.2%). Alternative TW Associates' data shows that vacancy rates are currently at record low levels of 4.8%.
- Footfall trends as erratic as ever (Jan. +1.1%, Feb. -3.1%, Mar. +2.5%) and a questionable measure of performance and general health.
- Retail sales were far more consistent. Retail sales values grew +5.0% YoY in Q1, with volumes up +3.4%. Growth was higher in non-food (+4.2%) than food (+3.3%), but implied inflation was significantly higher in the latter (+3.2% vs +0.4%).

Investment Volumes  
(Knight Frank) Last 5 quarters



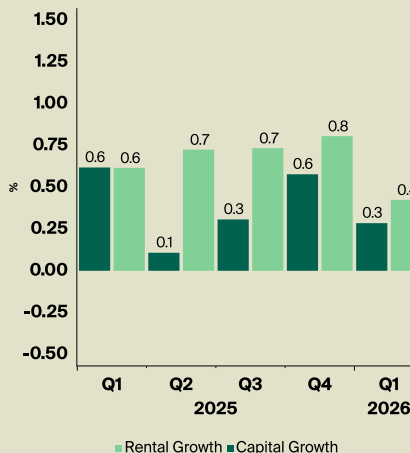
Q1 Buyer breakdown  
(Knight Frank) By deal volume



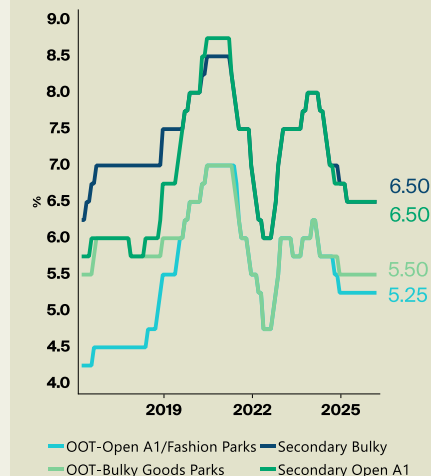
## Key Deals Q1

ASSET	PRICE £M	YIELD (%)	VENDOR	PURCHASER
Team Valley Retail Park (Gateshead)	£102.0m	7.50%	Ares	Ashtrum Properties
Monks Cross Shopping Centre (York)	£70.1m	7.44%	Consortium	Royal London
Cuckoo Bridge Retail Park (Dumfries)	£26.5m	6.90%	NewRiver Retail	aberdeen
Brislington Retail Park (Bristol)	£24.3m	8.45%	Church Commissioners	Realty
Canterbury Retail Park (Canterbury)	£12.6m	7.25%	Shipleay Estates	Corum

Rental & Capital value growth  
(MSCI) QoQ change



Yields (guide available online [here](#))  
(Knight Frank) Last 10 years



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## Research Commentary

**Vacancy rates hit record lows.** According to TW Associates, the RWH vacancy rate fell to 4.8% at the end of 2025, surpassing the previous record low of 4.9% in 2017. Any second hand floorspace from CVAs/administrations (e.g. Carpentry, Homebase) has been reabsorbed and new demand has far outweighed any rationalisation or downsizing. The top 10 fastest growing retail park tenants (headed by Home Bargains, The Range, Pure Gym, B&M and Mountain Warehouse) collectively added 1.7 million sq ft of floorspace in 2025 (and 3.3 million sq ft since 2023).

**Strong demand playing off against a constrained development pipeline.** TW Associates tentatively lists 21 schemes that are 'thought likely to proceed by 2033', plus 12 further proposed developments that are still at the pre-planning stage. Whether these schemes will proceed as originally planned is a perennial moot point. Extensions rather than new builds are more likely to come forward, as exemplified by BL's recent decision to expand The Fort in Glasgow by 60,000 sq ft to accommodate an extended M&S store and a broader leisure offer.

**Potential impact from events in the Middle East.** The Q1 data only covers one month of the war. However, the direct impact on the RWH market is unlikely to be significant. Inflation will rise in tandem with rising oil prices – this may put some pressure on retail sales volumes, but will not prompt a consumer meltdown. Some RWH sectors that are currently deflationary (e.g. electricals, sports, furniture) face a delicate balancing act of passing on price increases and not stymying demand.

## Get in touch with us

### CAPITAL MARKETS



**Dominic Walton**  
Partner, Capital Markets  
+44 20 7861 1591  
dominic.walton  
@knightfrank.com



**Sam Waterworth**  
Partner, Capital Markets  
+44 20 3909 6821  
sam.waterworth  
@knightfrank.com



**Josh Roberts**  
Associate, Capital Markets  
+44 20 8187 8694  
josh.roberts  
@knightfrank.com



**Volkan Denli**  
Surveyor, Capital Markets  
+44 20 7861 1051  
volkan.denli  
@knightfrank.com



**Eve Brooksbank**  
Trainee Surveyor  
+44 20 7167 2498  
eve.brooksbank  
@knightfrank.com

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### COMMERCIAL INSIGHT



**Stephen Springham**  
Partner, Head of Retail Insight  
+44 20 7861 1236  
stephen.springham  
@knightfrank.com



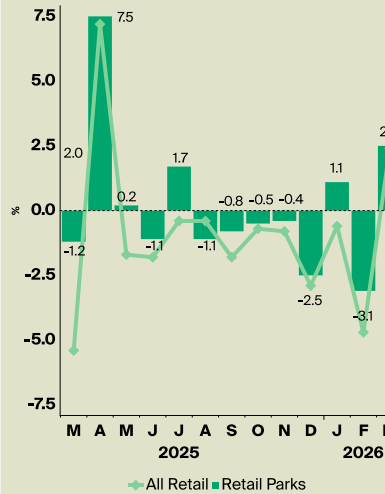
**Lydia Goodchild**  
Trainee Surveyor  
+44 20 7861 1134  
lydia.goodchild  
@knightfrank.com

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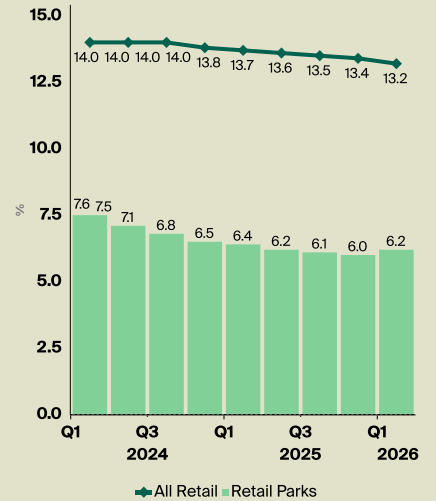
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**Footfall**  
(BRC) Monthly YoY change\*



**Vacancy Rate**  
(BRC-Green Street) Units



“

Record low vacancy rates may be celebrated and the lack of a meaningful development pipeline may be understandable – but are we at risk of sleepwalking towards a RWH supply crisis?

”

**RESEARCH VIEW**  
STEPHEN SPRINGHAM  
Partner, Head of UK Markets Insight

**Retail Sales Categories**  
(ONS) Quarterly Sales YoY Change

