

LOGIC: North West



2025 Review

Occupier and investment market trends in the North West logistics and industrial sector.

knightfrank.com/research



Occupier Market

Stable take-up, strong manufacturing demand, and a sharp drop in speculative development

TAKE UP SLOWS THROUGH 2025

Occupier activity in the North West industrial and logistics market for units over 50,000 sq ft slowed through 2025. The final quarter of the year recorded 1.1 million sq ft, bringing total for 2025 to just over 4.1 million sq ft. This total is down 14% y/y, with 4.8 million sq ft recorded in 2024, and down 8% compared with the five-year pre-pandemic average of 4.5 million sq ft.

The largest occupier transaction of Q4 was Denholm Logistics' purchase of the 199,092 sq ft warehouse in Knowsley Business Park for c.£11 million. Denholm plan to use the facility, which sits on an 11-acre site, for its timber supply chain branch.

DESPITE SLOWED ACTIVITY, SENTIMENT REMAINS STRONG

Although transaction activity remains subdued, market sentiment is still improving, particularly for larger units where several large deals are progressing steadily. Nine units are currently under offer, with three units exceeding 300,000 sq ft, one of which is a new speculative build. We therefore anticipate a strong start to 2026.

Take up (sq ft)

million square feet



Source: Knight Frank Insight

Second-hand space accounted for nearly two thirds of take up in 2025, dominating the year.

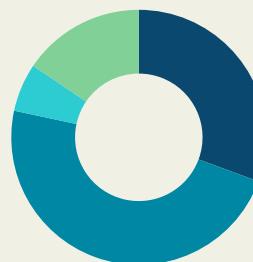
Speculative development accounted for 32% of annual take up, with 1.3 million sq ft of space transacted, although this is down 19% y/y, the 2024 total was boosted by some sizeable deals, making the y/y comparison less flattering.

MANUFACTURING DOMINATES FOR A SECOND CONSECUTIVE YEAR

The manufacturing sector led the North West market in 2025, accounting for 48% of the year's take up, up from 38% last year. The volume of space signed to manufacturers rose by 24% y/y, with the letting of 420,872 sq ft Indurent Omega 420 to Regency Glass in Q3 significantly boosting the total for the sector.

The distribution sector were also acquisitive, accounting for 31% of take up this year.

Take up by sector 2025



● Distribution:
31% of take up

● Manufacturing:
48% of take up

● Other:
6% of take up

● Retail:
16% of take up

MARKET VIEW

Take up reached 4.1 million sq ft in the North West in 2025.



BY ROB TILLEY, PARTNER,
MANCHESTER LOGISTICS & INDUSTRIAL AGENCY

"Take up reached 4.1 million sq ft in the North West in 2025. Whilst it's been an active year for Knight Frank, the wider market has remained constrained, with lower take up levels than the previous year. However, new headline rents have been set in prime areas.

With limited speculative development committed, pressure on prime rents is expected to continue, and we therefore anticipate further rental growth next year for Grade A stock."

Source: Knight Frank Insight

Occupier Market

4.1m sq ft

Occupier take up
2025

8.4%

Vacancy rate
Q4 2025

£11.50 psf

Prime rents (Manchester)
Q4 2025

Stable

Prime annual rental growth

Vacancy rate

% of stock



Source: Knight Frank Insight

“The manufacturing sector led the North West market in 2025, accounting for 48% of the year's take up”

“Vacancy rates tightening 40 bps q/q to 8.4%”

SPECULATIVE DEVELOPMENT ACTIVITY AT RECORD LOW

Supply of units over 50,000 sq ft rose 12% y/y, from 11.7 million sq ft in 2024 to just over 13 million sq ft in 2025. The vacancy rate softened 90 bps during the course of 2025, from 7.5% at the end of 2024. However, the final quarter showed improvement, with vacancy rates tightening 40 bps q/q to 8.4%.

Lower-quality second-hand space makes up nearly 60% of availability. Speculative development remains at record lows, throughout the second half of 2025, with no q/q change from the 766,507 sq ft under construction in Q3, spread across seven units. This is down 72% y/y from 2.8 million sq ft recorded in 15 units a year ago (units over 50,000 sq ft).

RENTAL LEVELS & OUTLOOK

Prime rents in Manchester for units over 50,000 sq ft have remained stable at £11.50 psf for the past five quarters. Warrington's prime rents are up 32% y/y, tracking £3 psf higher at £12.50 psf. Average rental growth of 5.9% is forecast for the North West region for 2025 and 3.2% for 2026 (Knight Frank Insight).

North West - Prime Rents

£ per sq ft (units over 50,000 sq ft)



Source: Knight Frank Insight

Key Occupier Deals

2025

PROPERTY	SIZE (SQ FT)	OCCUPIER	RENT (OR PURCHASE PRICE)	COMMENTS
Indurent Omega 420, Warrington	420,872	Regency Glass	£10.25 psf	Speculative build
Knowsley 200	199,092	Denholm Logistics	c.£11 million	Second-hand
Revolution 185	185,191	Baxxi	£6.30	Second-hand
Finsa HQ, Birkenhead	158,904	Finsa UK	Undisclosed	Pre-let – Build-to-Suit
Unit 2 PLP Astley, Astley BP, Wigan	140,513	Whistl	£10.25 psf	Pre-let ahead of practical completion

Source: Knight Frank Insight

Investment Market

5.25%

Prime NIY - Manchester
Q4 2025

Stable

YoY movement in prime yields

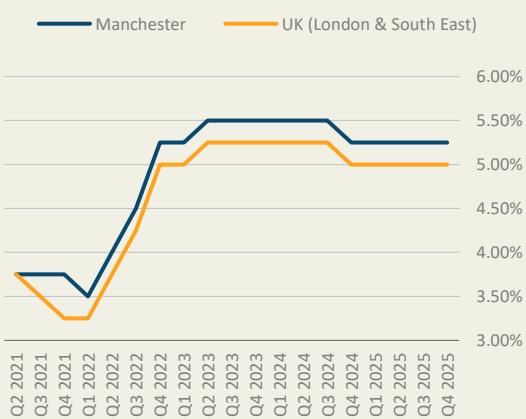
YIELDS REMAIN STABLE FOR A FIFTH CONSECUTIVE QUARTER

Prime industrial yields for units over 50,000 sq ft in Manchester remained at 5.25% during Q4, with this being the fifth consecutive quarter of stability, having compressed by 25bps in Q4 2024. The last quarter of 2025 saw investment activity slightly slow compared to Q3, with transaction volumes reaching just £227 million. This brings the total for 2025 to £1.08 billion, recorded over 77 transactions and is down 21% y/y.

A standout deal in 2025 was the purchase of a 850,000-square-foot facility in Knowsley on a long lease to Amazon by Ponte Gadea for £81 million, representing a NIY of 5%. Despite the prime yield quoting at 5.25%, and limited potential for reversion in the short term, as the investment arm of a high net worth individual, Ponte Gadea is able to take a longer-term view of an asset.

Prime Yield

Net initial yield %



Source: Knight Frank Insight

We like questions, if you've got one about our research,
or would like some property advice, we would love to hear from you

**Logistics & Industrial
Insight**

Claire Williams
claire.williams@knightfrank.com
+44 20 3897 0036

Gajan Pakkiyarajah
Gajan.Pakkiyarajah@knightfrank.com
+44 20 7861 1694

Josh Atkinson
Josh.Atkinson@knightfrank.com
+44 20 3909 6805

**Manchester Commercial
Logistics & Industrial Agency**

Rob Tilley
rob.tilley@knightfrank.com
+44 161 833 7719

Bradley Norton
bradley.norton@knightfrank.com
+44 161 470 0611

**Manchester Commercial
Capital Markets**

Craig Barton
craig.barton@knightfrank.com
+44 161 833 7734

Matt Stretton
matt.stretton@knightfrank.com
+44 161 470 0610

Holly McLean
holly.mcleman@knightfrank.com
+44 161 833 7690

Valuation & Advisory

Richard Moor
richard.moor@knightfrank.com
+44 161 833 7730

Methodology

This report has been prepared by Knight Frank Commercial Insight.

Data and information within this report have been provided by Knight Frank occupier and investment teams across the Knight Frank UK network. Third party data sources are also utilised.

For the purposes of this report, take-up figures refer to spaces of 50,000 sq ft or more, that are let, pre-let or acquired for occupation.

Availability refers to all space available for immediate occupation as well as space under construction (built speculatively) that will be available for occupation within the next 12 months.

Investment figures refer to industrial property purchases where the primary motivation is the generation of income. Acquisitions for occupation are excluded. Land sales are included, where the end use of the land is known.



© Knight Frank LLP 2025. This document has been provided for general information only and must not be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this document, Knight Frank LLP does not owe a duty of care to any person in respect of the contents of this document, and does not accept any responsibility or liability whatsoever for any loss or damage resultant from any use of, reliance on, or reference to the contents of this document. The content of this document does not necessarily represent the views of Knight Frank LLP in relation to any particular properties or projects. This document must not be amended in any way, whether to change its content, to remove this notice or any Knight Frank LLP insignia, or otherwise. Reproduction of this document in whole or in part is not permitted without the prior written approval of Knight Frank LLP to the form and content within which it appears.