

LOGIC: North West



Q3 2025

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

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Occupier Market

Under offer pipeline points to a strong Q4, while development hits a new low

QUIET SUMMER FOR TAKE UP

Following a steady start to the year, occupier activity in the North West industrial and logistics market moderated throughout the summer months before strengthening in September. Take up reached 1.1 million sq ft in Q3, down from 1.8 million sq ft in Q3 2024 (units 50,000 sq ft+). This brings the year-to-date (YTD) take up to 2.9 million sq ft, 20% lower than YTD 2024.

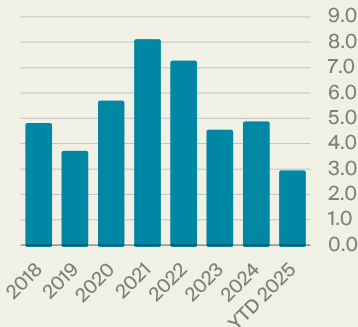
BUT MOMENTUM IS BUILDING

Despite the slower pace of transactions, sentiment continues to improve, particularly for larger units where several deals are progressing steadily. At the end of Q3, 2.6 million sq ft of space was under offer, comprising 18% of existing supply, including three units exceeding 300,000 sq ft, therefore, the market could be in for a bumper Q4.

The largest letting of Q3 and in 2025 so far was Indurent’s Omega 420 to Regency Glass for 15 years at £10.25 psf. The company will relocate from Bridgewater Business Park in Leigh, opting for a significantly larger space due to rising demand for its products. Regency Glass had initially agreed to take 125,000 sq ft at nearby Indurent Park Trident before committing to the 420,000 sq ft unit.

Take up (sq ft)

million square feet



Source: Knight Frank Insight

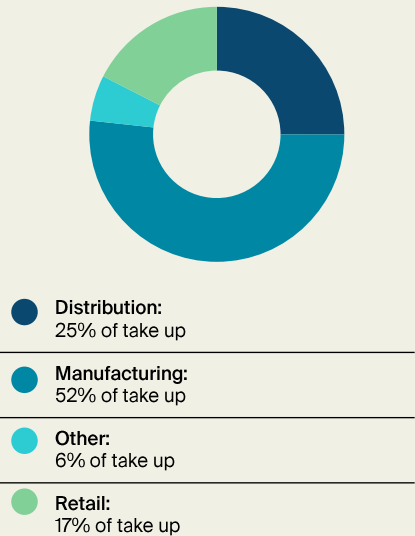
PREFERENCE FOR NEW SPACE

Other notable deals included e-commerce logistics specialist, Whistl, signing a 15-year pre-lease at £10.25 psf for Unit 2 PLP Astley (140,513 sq ft), a new logistics development in Wigan. Meanwhile, Yusen Logistics signed a five-year lease on Widnes 54, Gorsey Point (54,456 sq ft) at £9.50 psf - the last remaining unit at the Widnes scheme. Rents in the region continue to edge higher for prime space, underscoring occupiers’ ongoing preference for new and high-quality accommodation.

Manufacturing-related occupiers have increased their presence in the North West market, with take up rising 45% annually and comprising over half (52%) of take up in the four quarters to Q3 2025. This is up from 32% last year. The distribution sector also remains active, at 25%, with the volume of space signed to distribution firms marginally ahead of last year, despite the overall decline in take up volumes.

Take up by sector

Q4 2024 – Q3 2025



Source: Knight Frank Insight

MARKET VIEW

Several deals in solicitors’ hands could positively impact Q4



BY ROB TILLEY, PARTNER,
MANCHESTER LOGISTICS & INDUSTRIAL
AGENCY

“Despite a quieter summer, a number of prime deals transacted in the North West in Q3, providing a boost to the quarterly figures and pushing rents on. Activity continues to lag 2024 levels, however, there are also several deals currently in solicitors’ hands that could positively impact Q4 performance.”

Occupier Market

2.9m sq ft

Occupier take up
YTD 2025

8.8%

Vacancy rate
Q3 2025

£11.50 psf

Prime rents (Manchester)
Q3 2025

9.5%

Prime annual rental growth

“Manufacturing-related occupiers have increased their presence, with take up rising 45% annually”

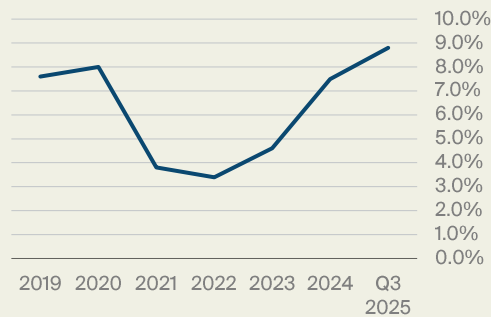
DEVELOPMENT ACTIVITY HITS NEW LOW

Speculative development activity has fallen sharply for the fifth consecutive quarter, reaching a new low with just 766,500 sq ft underway across seven units. This is down from 3.5 million sq ft in 20 units a year ago (units over 50,000 sq ft). Construction completed on Crewe 335 and Bolton 330, adding to the immediately available stock. However, robust demand in the new-build market resulted in a marginal 1.0% gain in the supply of new space, while the return of several second-hand buildings in the quarter drove second-hand supply by 16%. As a result, availability rose by 10% during Q3 to 14.1 million sq ft, softening the vacancy rate to 8.8%, from 8.1% in Q2 and compares with 6.9% recorded in Q3 2024.

RENTAL LEVELS & OUTLOOK

Prime rents in Manchester for units over 50,000 sq ft have remained at £11.50 psf for the past four quarters, although they are 9.5% higher year-on-year. Warrington’s prime rents are tracking 50p higher at £12.00 psf. Average rental growth of 4.8% is forecast for the North West region for 2025 and 3.4% for 2026. Marginally stronger growth is predicted for Manchester, of 4.9% and 3.6% for 2025 and 2026, respectively (Knight Frank Insight).

Vacancy rate
% of stock

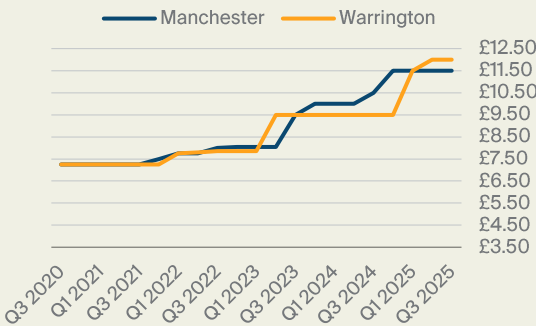


Source: Knight Frank Insight

“2.6 million sq ft of space is under offer, comprising 18% of existing supply”

North West - Prime Rents

£ per sq ft (units over 50,000 sq ft)



Source: Knight Frank Insight

Key Occupier Deals YTD 2025

PROPERTY	SIZE (SQ FT)	OCCUPIER	RENT (OR PURCHASE PRICE)	COMMENTS
Indurent Omega 420, Warrington	420,872	Regency Glass	£10.25 psf	Speculative build
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
Icon 4, Manchester Airport	103,000	Sterling Event Group	£10.50 psf	Second-hand
Widnes 54, Gorsey Point, Widnes	54,456	Yusen Logistics	£9.50 psf	Speculative build

Source: Knight Frank Insight

Investment Market

5.25%

Prime NIY - Manchester
Q3 2025

-25 bps

YoY movement in prime yields

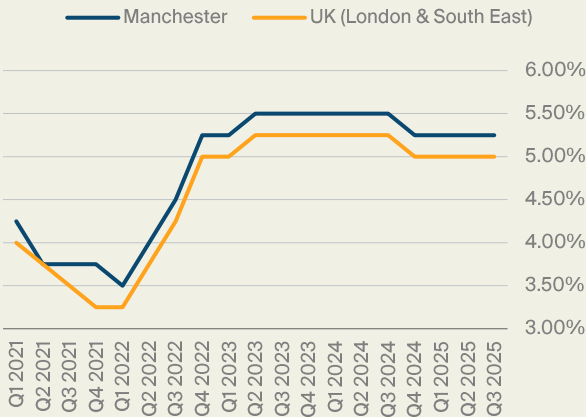
NOTABLE DEALS HIGHLIGHT INVESTOR CONFIDENCE

Similar to the occupier market, the North West industrial investment market experienced a quieter start to Q3, with activity gathering momentum in September. Preliminary figures indicate that YTD 2025 investment volumes are on par with those of YTD 2024, at approximately £850 million. Transactions in Q3 were a balanced mix of single- and multi-let assets, with evidence of strong pricing highlighting investor confidence.

The sale of Amazon’s fulfilment centre at PLP Knowsley for £81 million (5.00% NIY) was the second-largest transaction of the year. PLP acquired the site in 2018, and the 860,000 sq ft building was pre-let to Amazon in 2021, with practical completion in 2022.

Yields for prime industrial units over 50,000 sq ft in Manchester remained at 5.25% for the first three quarters of 2025, having compressed by 25bps in Q4 2024.

Prime Yield
Net initial yield %



Source: Knight Frank Insight

MARKET VIEW

The common theme is that reversionary yields are typically 6.5% or higher



BY MATT STRETTON, PARTNER,
MANCHESTER LOGISTICS & INDUSTRIAL
CAPITAL MARKETS

“Despite a quiet August, Q3 ended on a positive note with some key transactions completing.

The market was dominated by a number of good-quality multi-let industrial estate transactions, including OSIM’s acquisition of Taurus Park in Warrington for 23.65 million, reflecting a NIY 4.91%; LBA’s acquisition of Broadfield Business Park in Heywood for £36.2 million, reflecting a NIY 5.09%; and Chancerygate’s off-market acquisition of Birch Business Park in Heywood for £61 million. The consistent trend is that reversionary yields on these multi-let estates are typically 6.5% or higher.

Another key deal was PLP’s sale of the 860,000 sq ft Amazon distribution unit in Knowsley, for £81 million, reflecting 5% NIY, rising to 5.50% at the review in 2027.”

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

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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.



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