

LOGIC: West Yorkshire & The Humber



Q3 2025

Occupier and investment market trends in the West Yorkshire & the Humber logistics and industrial sector.

knightfrank.com/research



Image: Unit 3, Baytree Leeds

Occupier Market

Modest Q3 for take up, but pipeline points to a robust finish to the year

QUIET Q3 FOR TAKE UP

After a strong first half of 2025, take up in West Yorkshire & the Humber’s industrial and logistics market slowed considerably in Q3, with only one transaction over 50,000 sq ft completing.

Associated British Ports (ABP), the UK’s largest ports group, let the 158,000 sq ft Shed 17, King George Dock in Hull to Mitsubishi Chemical UK Ltd, which is part of the global Mitsubishi Chemical Group. The unit sits alongside 53,000 sq ft of canopy, and the facility will be used to support Mitsubishi and its contractor, Fluor Corporation, in the development of the SoarnoL ethylene vinyl alcohol copolymer (EVOH) facility at Saltend Chemicals Park in Hull.

BUT A ROBUST FINISH TO 2025 IS ANTICIPATED

Take up in the region stands at 1.8 million sq ft year-to-date (YTD), marginally below the 1.9 million sq ft recorded YTD 2024. However, a further 490,000 sq ft of space was under offer at the end of Q3, providing a strong indication of the underlying strength of demand. If this transacts in the final three months of the year, take up will

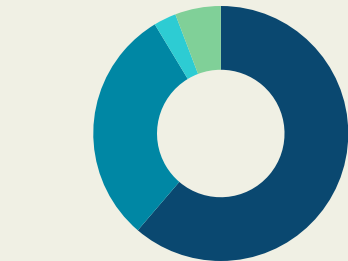
comfortably exceed last year’s total - and the pre-pandemic annual average - of 2 million sq ft.

DEMAND FOCUSED ON MID-BOX UNITS

Demand so far this year has been focused on 50,000–100,000 sq ft units, comprising half of all YTD take up, while transactions at the larger end are taking longer to complete. That said, a number of the units under offer are over 100,000 sq ft in size.

Breaking down take up volumes by sector, demand continues to be led by distribution firms, which accounted for 61% of take up in the past four quarters. This represents a sharp rise from 27% recorded in the same period last year, boosted by sizable Q1 lettings at Sherburn 550 in Selby (ID Logistics) and California 400 in Normanton (Torque Logistics). Manufacturers rank second in activity, comprising 30% of annual take up, though their share has fallen from 53% last year.

Take up by sector
Q4 2024 – Q3 2025



- Distribution: 61% of take up
- Manufacturing: 30% of take up
- Other: 3% of take up
- Retail: 6% of take up

Source: Knight Frank Insight

MARKET VIEW

Developers are turning their attention to second-hand refurbishments and redevelopments



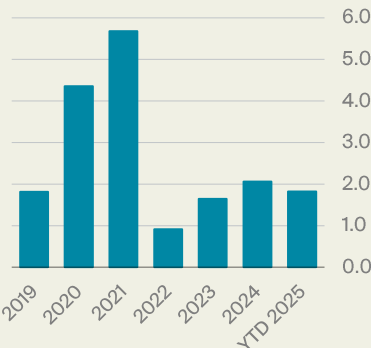
BY IAIN MCPHAIL, PARTNER,
LEEDS LOGISTICS & INDUSTRIAL
AGENCY

“Q3 has seen a marked drop in transactions concluding (50,000 sq ft +), and as such, total take up has reached only 1.8 million sq ft year-to-date. However, this was to be expected given the impact of the summer holidays. Encouragingly, there is 490,000 sq ft in legals, and we still expect 2025’s total take up to surpass 2024 and be in line with the pre-COVID annual average of circa 2 million sq ft.

Supply has jumped back up due to several second-hand units returning, including Birstall 140 in Batley, Croda’s 232,000 sq ft facility in Goole, and Ebuyer’s 278,000 sq ft distribution centre in Brough. Notably, only a small handful of grade A units remain available, including the Baytree Leeds best-in-class development (76,000 sq ft and 145,000 sq ft), the last remaining unit (60,000 sq ft) at Leeds Valley Park, and Leftfield Park Wakefield (57,000 sq ft). There are no new schemes under construction, nor is there any pipeline planned that will impact supply in the foreseeable.

Due to the continued lack of consented industrial land available as well as large tranches of industrial land being swallowed up by the recent Data Centre surge, developers and investors are now turning their attention to second-hand refurbishment/redevelopment opportunities in the region.”

Take up (sq ft)
million square feet



Source: Knight Frank Insight

Occupier Market

1.8m sq ft

Occupier take up
YTD 2025

7.5%

Vacancy rate
Q3 2025

£10.00 psf

Prime rents
Q3 2025

8.7%

Prime annual rental growth

“Demand so far this year has been focused on 50,000–100,000 sq ft units”

VACANCY RATE REMAINS VOLATILE

The supply of existing units over 50,000 sq ft increased by a notable 31% in Q3, to 5.1 million sq ft. This was entirely due to the return of second-hand buildings, while the supply of new, speculative space remained unchanged. Just nine new buildings are available, with only five between 50,000 and 100,000 sq ft, the size band where demand is greatest. Vacancy levels in the region remain volatile; having declined by 30bps to 5.7% in Q2, the vacancy rate softened to 7.5% in Q3. This compares to 6.1% recorded a year ago.

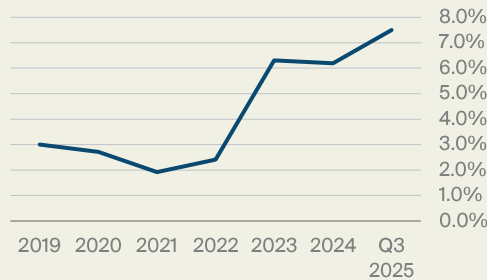
RENTAL LEVELS & OUTLOOK

There has been no speculative development of units over 50,000 sq ft for nearly a year, with nothing in the planning pipeline. Should take up levels continue the upward trend seen over the past few years, we would expect the vacancy rate to stabilise again.

Prime industrial rents in Leeds remained stable in Q3 2025 at £10.00 psf, with growth of 8.7% recorded annually (units 50,000 sq ft+). Knight Frank Insight forecasts average rental growth of 3.9% for Leeds in 2025 and 3.6% for the wider Yorkshire & the Humber region. Looking ahead to next year, rental growth is expected to moderate, with an average of 2.4% expected for Leeds and 2.2% for the wider region.

Vacancy rate

% of stock

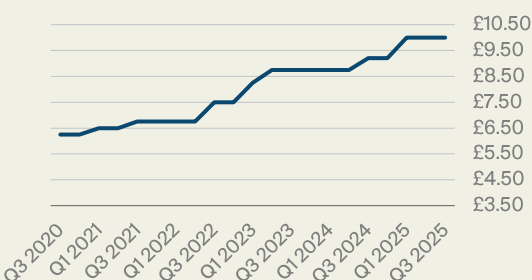


Source: Knight Frank Insight

“There has been no speculative development of 50,000 sq ft+ units for twelve months now”

Leeds - 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
Sherburn 550, Sherburn in Elmet, Selby	556,598	ID Logistics	£6.75 psf	Second-hand
California 400, Normanton, Wakefield	398,000	Torque Logistics	£6.25 psf	Second-hand
SH280, Sherburn 42, Selby	280,000	Sika Everbuild	£7.50 psf	Speculative build
Shed 17, King George Dock, Hull	158,000	Mitsubishi Chemicals	Confidential	Second-hand
Unit A, Leeds Valley Park, Leeds	55,000	Wayfair	£10.00 psf	Speculative build

Source: Knight Frank Insight

Investment Market

5.25%

Prime NIY - Leeds
Q3 2025

-25 bps

YoY movement in prime yields

INVESTMENT VOLUMES STRENGTHEN

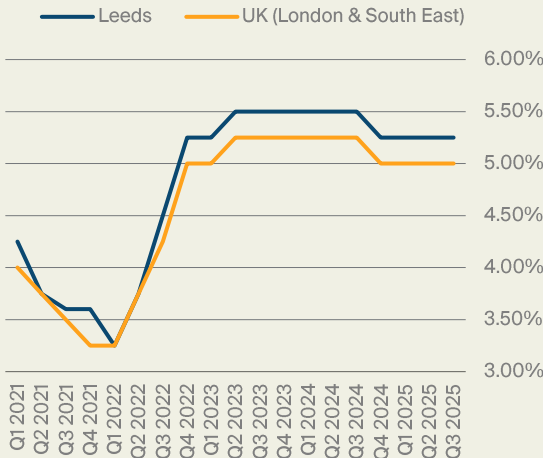
Following a subdued first half of 2025 for industrial investment in the region, the third quarter saw a strengthening of activity buoyed by the completion of several portfolios and single-asset transactions.

The Raylor Centre in York was acquired by a private investor from HB Raylor & Company for c. £18 million, representing a net initial yield (NIY) of 6.30%. In addition, Glenbrook Investments acquired Units 1-4 Ashfield Way, Whitehall Industrial Estate in Leeds from Glenstone REIT for £3.55 million (NIY 7.60%). The 40,000 sq ft facility is occupied by Just Trays Ltd., the UK’s leading independent shower tray designer and manufacturer.

Prime industrial yields in Leeds for units over 50,000 sq ft have 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

Second half of the year is likely to be dominated by portfolio transactions



BY GRAHAM FOXTON, PARTNER,
LEEDS CAPITAL MARKETS

“The second half of the year is likely to be dominated by portfolio transactions in the industrial sector, with sizeable sales from Blackstone, Equities and EQT Real Estate, to name a few.

The scale of the portfolios will skew the numbers, but the standout single deal in our region was Symington’s acquisition of its facility at Cross Green for c. £21 million.

Interest from private investors remains high, with a number of assets receiving a large amount of interest from this group.”

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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