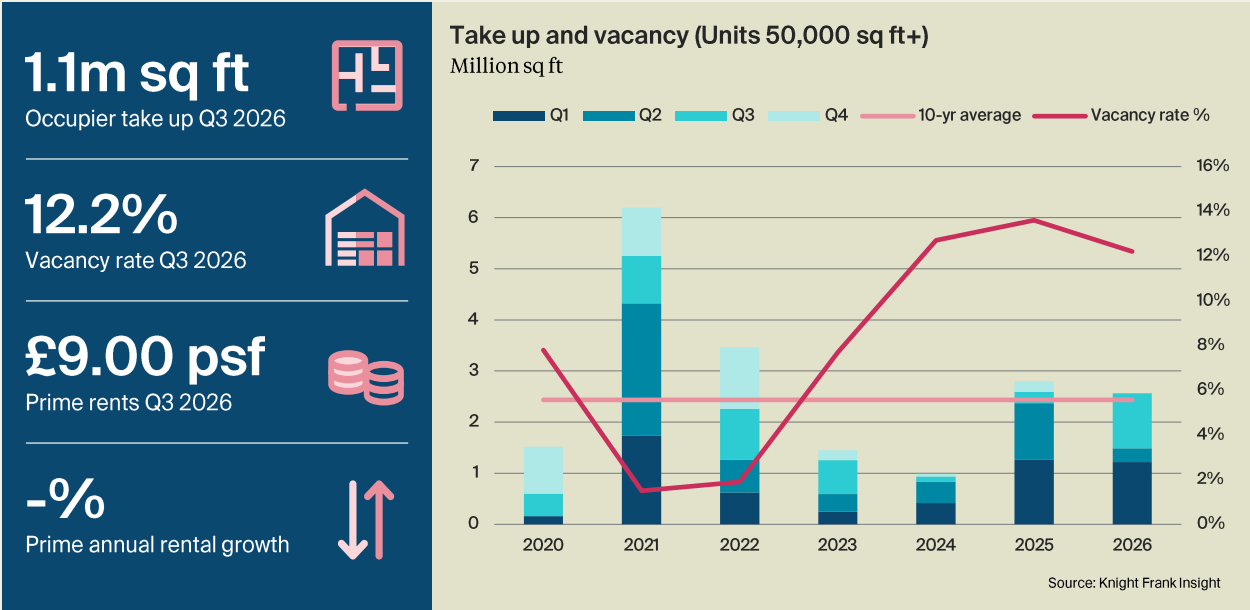


South Yorkshire and North East Derbyshire



Grade-A DEMAND RE-EMERGES IN Q3

South Yorkshire’s occupier market picked up in Q3, with take up reaching 1.1 million sq ft following a subdued second quarter. This was 392% above the level recorded in Q3 2025, marking a sharp return in activity after a quieter first half of the year.

Q3 saw a return to higher-quality space, with new and second-hand Grade-A units accounting for half of all take up, compared with a previous quarter dominated entirely by second-hand Grade B and C stock. Activity was concentrated in the 50,000-100,000 sq ft size band, although overall volumes were heavily influenced by one major transaction.

The largest transaction of the quarter was Primark’s letting of 615 Shepcote Lane in Tinsley. The 614,501 sq ft high-specification distribution facility, which offers 16.7m eaves height and a modern

logistics specification, was secured to support the retailer’s expansion into home delivery, and accounted for the majority of quarterly and provided a significant boost to overall activity.

VACANCY EDGES DOWN AS SUPPLY TIGHTENS

South Yorkshire’s vacancy rate edged down from 13.6% at the end of 2025, to 12.2% in Q3 2026. This was driven by a fall in availability in the 50,000 to 100,000 sq ft size band, while supply of larger units remained broadly stable.

Available space across South Yorkshire remained evenly split at the end of Q3, with new and second-hand stock each accounting for around half of the total. New-build availability stood at approximately 4.2 m sq ft, down 2% q/q, while second-hand supply fell by 8% to 4.1 m sq ft.

LIMITED HIGH-QUALITY SUPPLY SUPPORTS RENTAL GROWTH

Prime rents for units above 50,000 sq ft in Sheffield have remained resilient over the past 24 months, holding firm at £9.00 psf in Sheffield. However, there are expectations of a significant uplift in prime headline rents as new schemes come forward.

Knight Frank Insight project average rental growth of 2.9% in Sheffield during 2026, ahead of the wider Yorkshire & the Humber region (1.7%). While this represents a modest easing in the pace of growth seen in recent years, the outlook remains positive, supported by improving demand and a gradual tightening in availability.