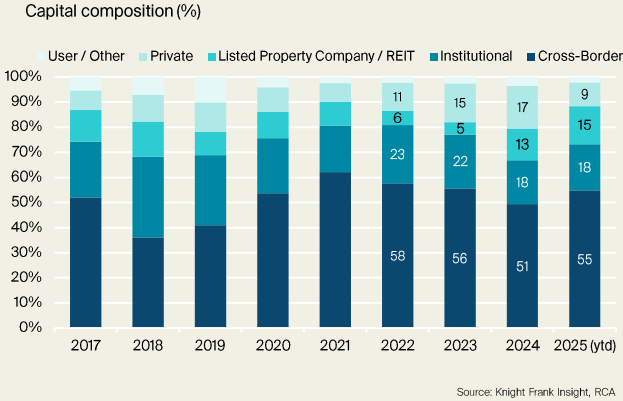
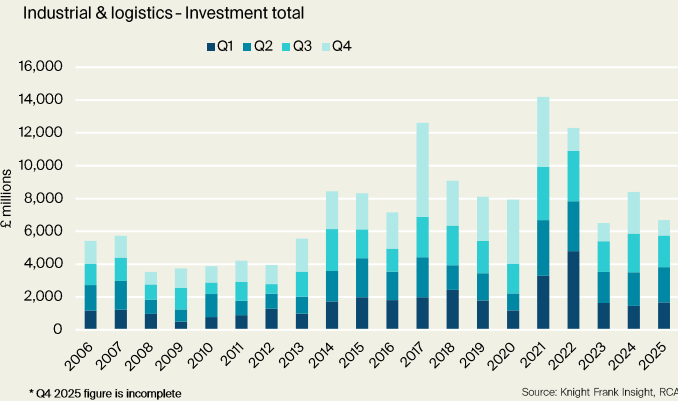


UK Logistics Market Dashboard

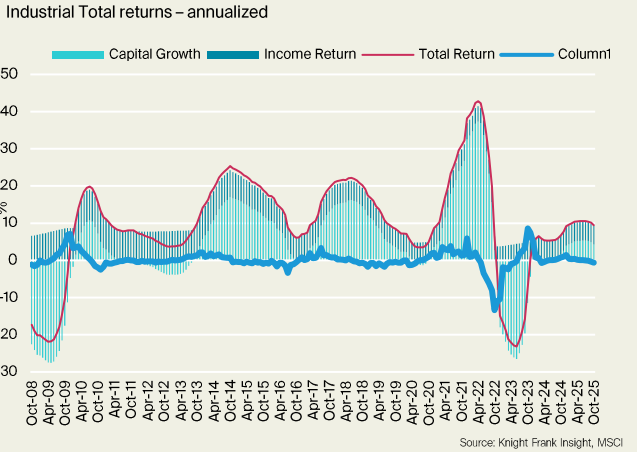
November 2025



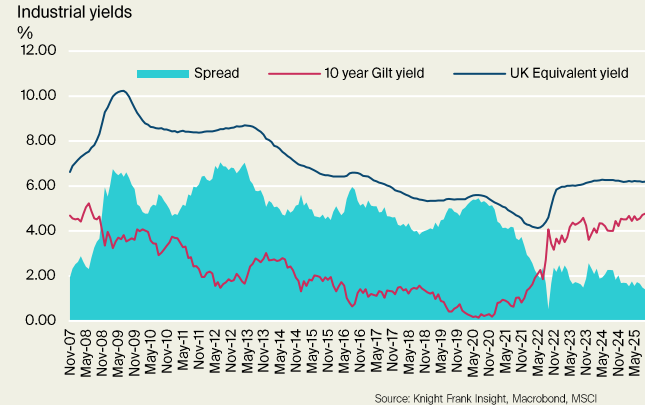
Investment market



Performance



Yields

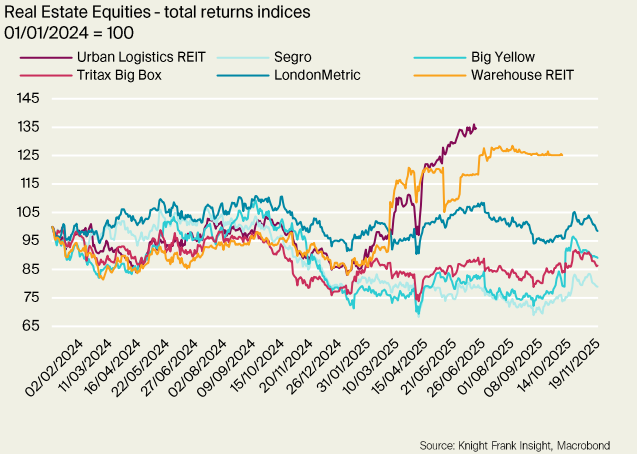


Knight Frank Prime yield guide (%)

–November 2025

	Nov 2024	Sept 2025	Oct 2025	Nov 2025	Sentiment
Warehouse & Industrial					
Prime Distribution / Warehousing (20 yr [NIY], higher OMV/index)	5.00	5.00	5.00	5.00	Stable
Prime Distribution / Warehousing (15 years, OMRs)	5.25-5.50	5.25	5.25	5.25	Stable
Secondary Distribution (10 years, OMRs)	6.00	6.00	6.00	6.00	Stable
Greater London Estates	4.75-5.00	4.75	4.75	4.75	Stable
South East Estates	5.00	5.00	5.00	5.00	Stable
Good Modern Rest of UK Estates	5.00-5.25	5.00-5.25	5.00-5.25	5.00-5.25	Stable
Good Secondary Estates	6.50-7.00	6.50-7.00	6.50-7.00	6.50-7.00	Stable

Listed real estate



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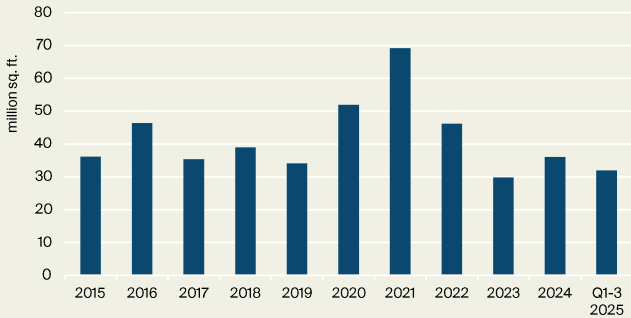
UK Logistics Market Dashboard



November 2025

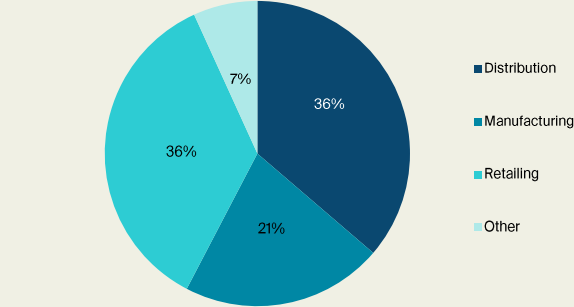
Occupier market

Take up (units over 50,000 sq. ft.)



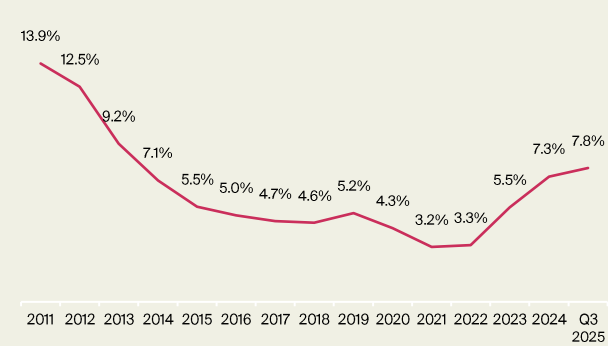
Source: Knight Frank Insight

Take up by occupier type – 2025 YTD (units over 50,000 sq. ft.)



Source: Knight Frank Insight

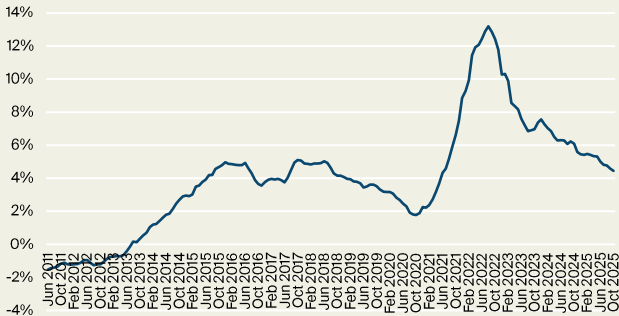
Vacancy Rate (%)



Source: Knight Frank Insight

Rents

Annual average market rental growth %



Source: Knight Frank Insight, MSCl

Average rental growth forecast (%) –Q3 2025

	2025	2026	2027	2028	2029	2025-29 CAGR
UK	4.2	3.1	3.2	3.4	3.5	3.5
London	3.0	2.2	2.6	3.2	3.6	2.9
South East	4.4	3.3	3.5	3.6	3.7	3.7
South West	4.0	3.0	3.2	3.3	3.4	3.4
Eastern	4.9	3.6	4.0	4.3	4.6	4.3
East Midlands	4.0	2.6	2.7	2.8	2.9	3.0
West Midlands	4.7	3.5	3.5	3.6	3.6	3.8
North West	4.8	3.4	3.3	3.4	3.5	3.6
Yorks & Humber	3.6	2.3	2.3	2.3	2.4	2.5
North East	2.2	1.9	2.1	2.1	2.0	2.1
Scotland	2.3	2.0	2.1	2.1	2.0	2.1
Wales	3.5	2.7	2.9	2.8	2.8	2.9

Source: Knight Frank Insight

Development

Development completions (units over 50,000 sq. ft.)



Source: Knight Frank Insight, Glenigan

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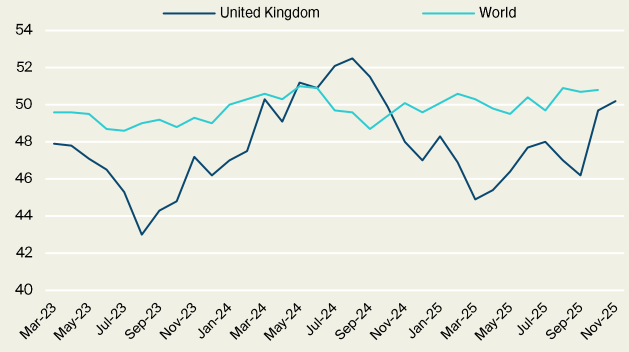
UK Logistics Market Dashboard



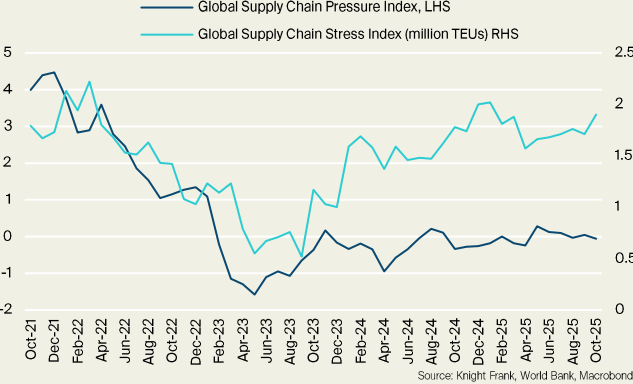
November 2025

Industry, trade and manufacturing

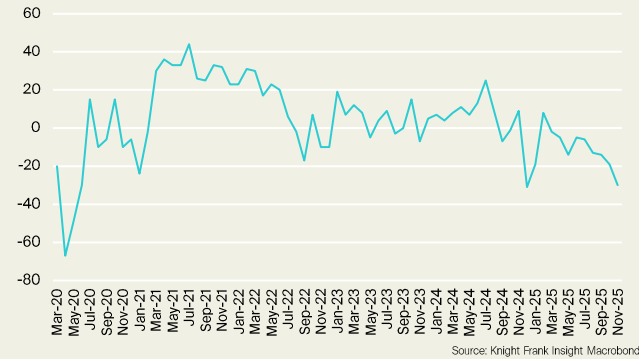
Manufacturing PMI Index



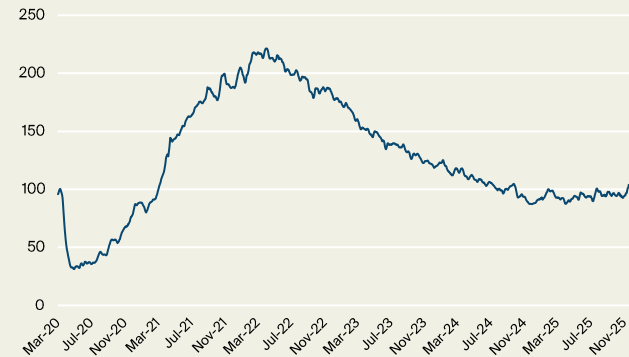
Global supply chains



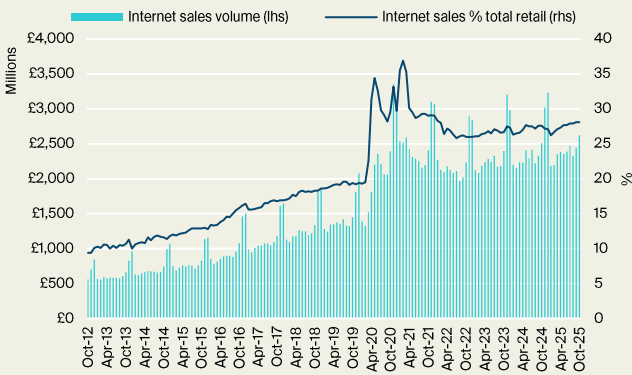
Expectations for future manufacturing output
CBI Industrial Trends Monthly Survey
% balance expecting improvement/deterioration



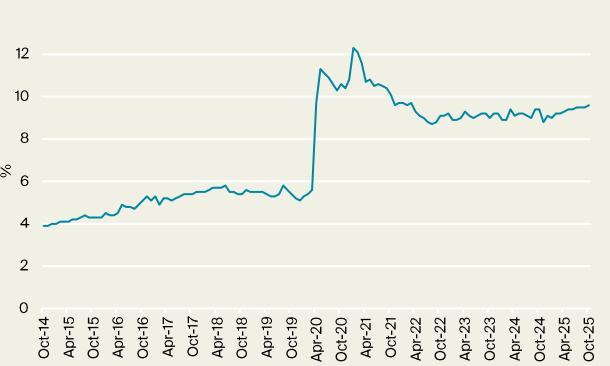
Job Postings Index - Logistics Support



UK Internet Retail Sales (monthly)



UK grocery market – proportion of online retail (%)



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Market commentary

Investment

- A total of £1.9 billion in transactions was recorded in Q3. This brings the Q1-3 total to £5.75 billion, this is down marginally (2%) on the same period last year. So far in Q4, just over £2 billion of transactions have been recorded (including pending sales), this should put the final quarter on course to deliver an annual 2025 total in excess of £8 billion.
- Portfolio transactions have continued to dominated activity in Q4, as they have over the previous six months.
- The listed (REIT) segment of the market remains highly active. REITs are currently trading at a discount to NAV, that is, market trading prices are currently below funds' total current value of the properties they own. This is driving activity, with larger REITs or private equity funds taking the opportunity to amass scale at relatively attractive pricing, while for smaller REITs, trading can offer a way to close the value gap, with takeover bids often made at prices closer to the NAV.
- Last month, Warehouse REIT delisted from the LSE following Blackstone's acquisition for £489m. While Tritax Big Box REIT acquired a £1.04 billion portfolio from Blackstone, in a cash and share deal and the Clipstone REIT portfolio was acquired by a new joint venture between Clipstone and Sixth Street for £350 million. Blackstone is also considering a bid for Big Yellow. Big Yellow share price jumped in mid-October following the news. However, with uncertainty about upcoming tax changes in the budget enabled Blackstone to gain an extension from the 10th November, and now have until 8th December to decide whether to make an offer.
- In June, Tritax launched a new, open-ended logistics fund focused on London, the Tritax London Logistics Fund (TLLF). The new fund has been active in acquiring new properties, in November 2025, TLLF purchased PR1 in Park Royal from Patrizia for £43.9m. This addition bring TLLF's portfolio to 19 assets. The fund has delivered an annual return of 16.6% by the end of Q3 2025.
- Ten-year gilt yields stood at 4.47% at the end of October. However, with potential policies constantly shifting in the run up to the Budget, they have remained elevated and volatile during November.
- Inflation eased to 3.6% in October, boosting expectations that the Bank of England will resume rate cuts next month. Markets now price an 80% chance of a 25-bps cut in December.
- In October 2025, industrial equivalent yields softened slightly, for the second consecutive month. At 6.21%, the equivalent yield represented a 174bps premium over gilt yields, compared with 140bps at the end of September, and a ten-year average of 367bps.

Returns

- Annual UK Industrial capital growth continued to slow in October 2025, with 4.28% growth recorded, down from 4.91% in September (MSCI).
- Annual total returns declined 65bps to 9.45% in October 2025 (MSCI).

Occupier Market Activity

- Take-up in Q3 2025 totalled 11 million sq ft (units over 50,000 sq ft), added to the 21 million sq ft of space taken up in H1 2025, this brings the year to date total to 32 million sq ft.
- Despite rising occupier activity, the UK vacancy rate continued to rise in Q3, reaching 7.8% up marginally q/q from 7.7% in Q2.
- Significant occupier deals in November, include transport and logistics company DSV taking 600,000 sq ft at the Mercia Park expansion in Leicestershire. This will add to the already 1m sq ft that DSV occupies at the facility in Mercia Park, alongside Jaguar Land Rover's global logistics centre.
- However, on the whole, occupier activity appears to have slowed in November, with some occupiers postponing decisions until after the budget.

Rental Growth

- Average rents for UK industrial properties continue to grow. The annual growth rate for the year to October 2025 stands at 4.5%, slowing from 4.6% in September, and 6.1% a year ago.
- Rental growth is expected to continue to slow throughout the remainder of 2025 and into 2026, with annual growth forecast at 4.2% in 2025. This latest forecast represents an upward revision since last quarter (4.0%). Rental growth is expected to slow further in 2026 (3.1% growth forecast), before accelerating 2027–2029.
- The strongest average rental growth this year is forecast for the Eastern region (4.9%), followed by the North West (4.8%) and West Midlands (4.7%).

Development

- As of the end of October, an estimated 12 million sq ft has reached PC, with the total completions for 2025 expected to fall below 14 million sq ft, this will be the lowest annual total after 2018, when 12.4 million sq ft completed.
- A further 9.5 million sq ft is under construction and expected to complete in 2026. These figures includes owner-occupied facilities, pre-lets, and speculative developments and may be revised as expected completion dates change and additional schemes commence.

Industry/Trade

- The S&P Global UK Manufacturing PMI for November 2025 was 50.2 This marks the highest reading since September 2024 and signals a return to growth for the sector, with output expanding for the second consecutive month. While new orders increased for the first time in over a year, many manufacturers continued to report subdued global demand and rising overseas competition, and employment levels fell at a faster rate, with companies reluctant to hire or replace staff given the softer demand conditions and policy uncertainty.
- CBI Industrial Trends Monthly Survey in November shows a weakening in expectations for future manufacturing output. over the next three months. Output volumes fell at an accelerated pace in the three months to November (weighted balance of -30%), and output volumes are expected to fall at a similar pace in the three months to February (-30%). Firms link the slowdown to uncertainty ahead of the Budget, with customers delaying purchases and investment until they know what's coming.

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