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Industrial & Logistics

Spring 2026 market update

Resilient demand. Sharper decisions.

Ben Collins | Director – Head of Commercial Agency



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MARKET OVERVIEW

A resilient market, but a more disciplined one

Industrial and logistics remains one of the more resilient parts of the property market, but the tone has changed from ‘demand at almost any price’ to a more disciplined, cost-conscious market.

The tone has shifted

From demand at almost any price to a market where pricing, building quality and certainty matter more.

That does not point to a weak market. It points to a more selective one.

Demand remains healthy, but occupiers are doing more homework before committing.

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KEY INDICATORS

Headline numbers still show activity

Selected indicators from the Industrial & Logistics market update

£750m
March 2026 industrial investment volumes

6.1m sq ft
Q1 2026 occupational take-up

8.7%
UK vacancy rate in Q1 2026

4.3%
Annual rental growth in March 2026

Activity remains, but rising vacancy and slower rental growth point to a market where quality, pricing and certainty matter more.



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OCCUPIER BEHAVIOUR

What occupiers are checking earlier

The focus is shifting from headline rent to operational fitness and full occupational cost.

Good, practical space is still attractive. The difference is that issues once left until later are now being raised at the outset.

- Power availability and cost
- HGV access, loading and circulation
- Yard space, eaves height and staff parking
- EPC, business rates and service charge
- Fit-out requirements and repair liability

More information earlier = more confidence later.

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KEMSLEY LOCAL VIEW

Essex, East London & the Thames Gateway

The structural drivers remain, but occupiers are more selective about the space itself.

London • M25 • A12 / A13 • Ports



Trade counter demand

Well-located smaller and mid-sized units continue to attract interest.



Last-mile logistics

Access to population and road infrastructure remains a key driver.



SME occupier base

A broad mix of service, storage, light industrial and distribution occupiers supports demand.



Location still matters, but clarity on specification, cost and condition is increasingly what converts interest into commitment.

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BEN COLLINS | INDUSTRIAL & LOGISTICS

> Industrial demand remains healthy, but occupiers are sharper on total cost. The best units are practical, well-located and clear on power, building specification and occupational costs.

Ben Collins
Director – Head of Commercial Agency
Kemsley Property Consultants

Clearer information. Practical space. Credible pricing.

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PRACTICAL IMPLICATIONS

What this means in practice

Transactions are more likely to progress where information is clear and expectations are aligned early.

For landlords

- Set quoting levels with care
- Prepare core EPC, cost and specification details
- Explain power, access, service charge and repair position
- Reduce uncertainty to improve conversion

For occupiers

- Assess total occupational cost, not just headline rent
- Test building functionality against operations
- Allow time for deeper due diligence
- Compare fit-out, capex and repair exposure



The best outcomes are likely to come from practical space, transparent information and credible pricing.

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Read the full article on the Kemsley website.

For industrial and logistics advice, speak to Ben Collins.

www.kemsley.com

Selected sources

1. Colliers (2026) United Kingdom Property Snapshot: April 2026, page 8.
2. Knight Frank (2026) What the ban on upwards-only rent reviews means for the industrial sector, 8 May 2026.
3. Savills Research (2026) UK Commercial Investment: April 2026, page 1.
4. Cluttons Investment Management (2026) Commercial Property Examiner: Q1 2026, pages 10-13.