

Transactional data report

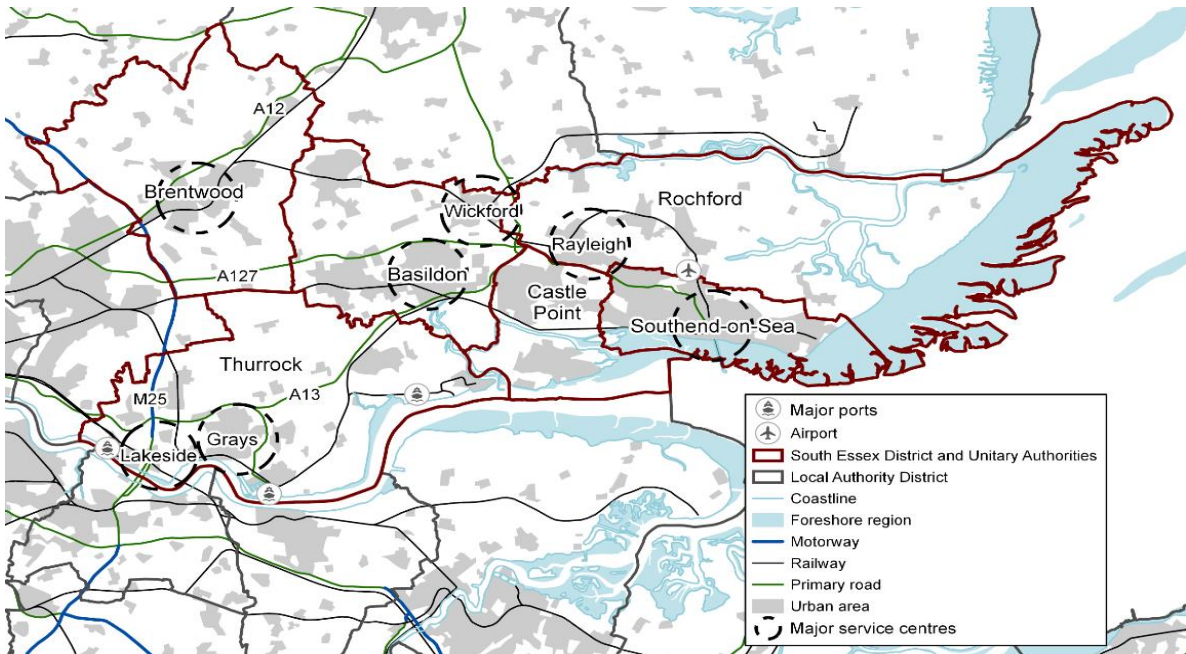
South Essex - Industrial and warehousing
Jun-19

SQW

1 Introduction

- 1.1 This report presents analysis carried out by SQW in June 2019 of transactional data available via the EGi and CoStar databases.
- 1.2 The geographic area used was the six local authorities Association of South Essex Local Authorities, and the use is industrial and warehousing.

Study area



- 1.3 Three main types of analysis have been performed:
- Consolidating records from both databases, removing patent duplicates
 - Categorising transactions by market area
 - Removing pre-let / proposed properties from availability data
 - Removing land transactions
 - Removing perceived anomalies from price and rental value data analysis

1.4 The rest of the report is structured in three sections:

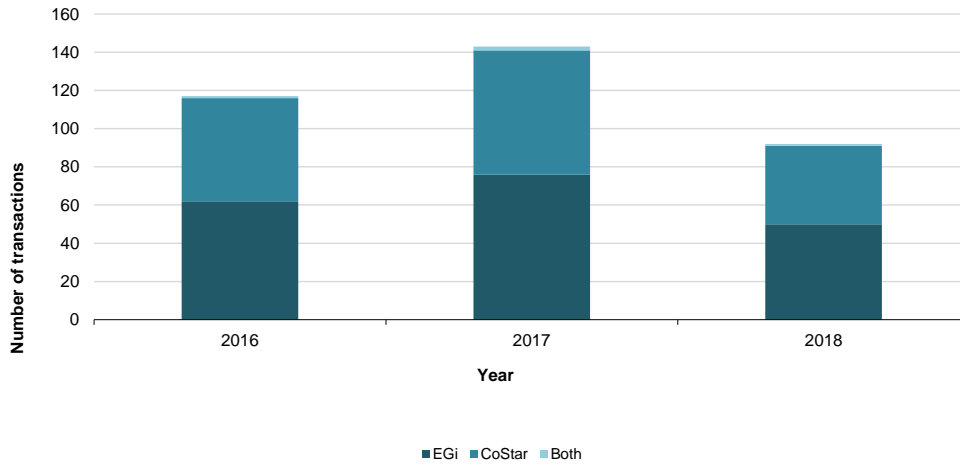
- Section 2. Sales (occupational and investment deals, freehold and long leasehold)
- Section 3. Lettings (new lease and assignment)
- Section 4. Availability (excl. pre-lets / proposed properties)
- Section 5. Grow-on Space (average take-up and lease lengths)

1.5 The report is not intended to be used on its own; findings and conclusions are provided in our main reports / presentations.

2 Sales

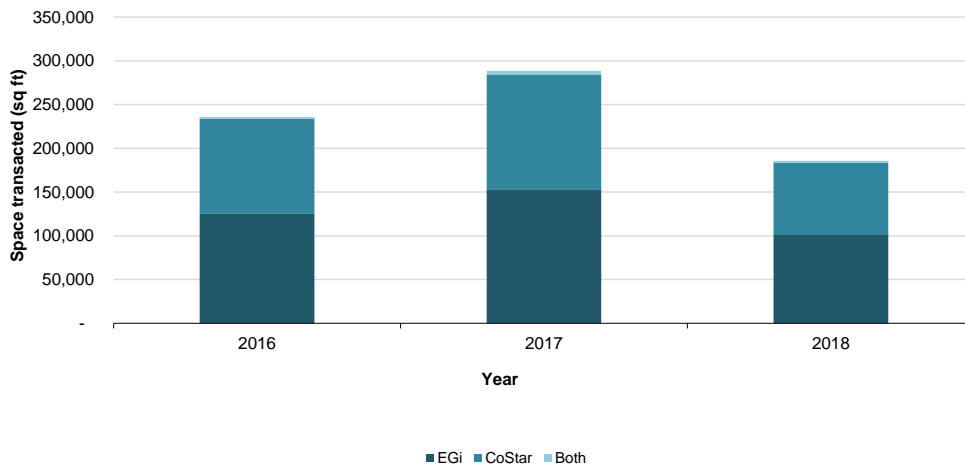
Number of transactions, by year and source

Year	EGi	CoStar	Both	Total transactions
2016	62	54	1	117
2017	76	65	2	143
2018	50	41	1	92
TOTAL	188	160	4	352



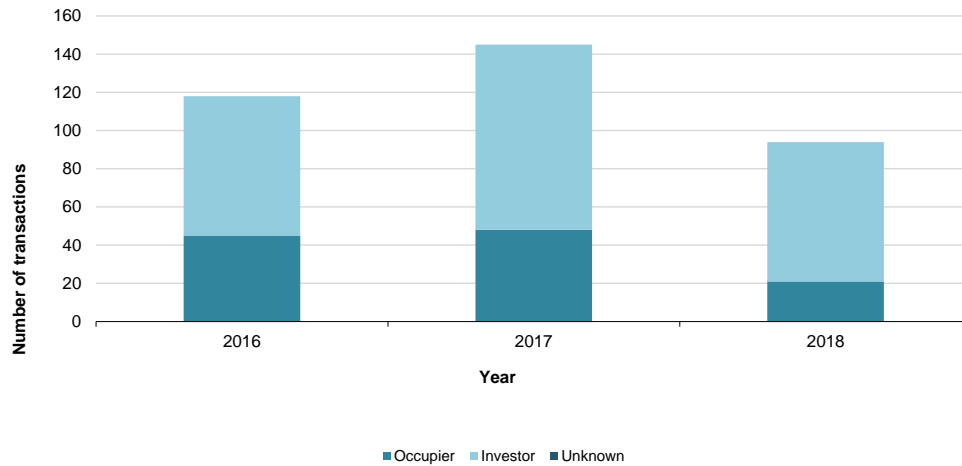
Space transacted (sq ft), by year and source

Year	EGi	CoStar	Both	Total space transacted
2016	124,992	108,864	2,016	235,872
2017	153,292	131,105	4,034	288,431
2018	100,900	82,738	2,018	185,656
TOTAL	379,184	322,707	8,068	709,959



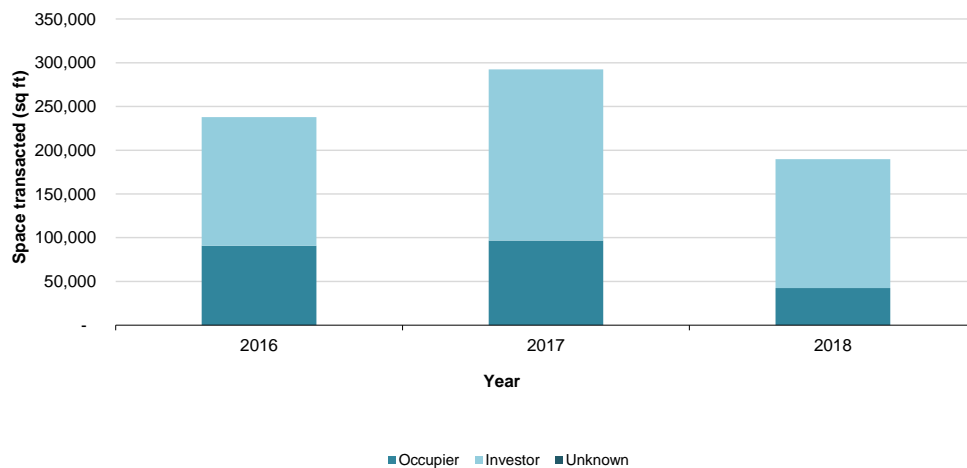
Number of transactions, by year and type (where specified)

Year	Occupier	Investor	Unknown	Total transactions
2016	45	73	0	117
2017	48	97	0	143
2018	21	73	0	92
TOTAL	114	243	0	352



Space transacted (sq ft), by year and type

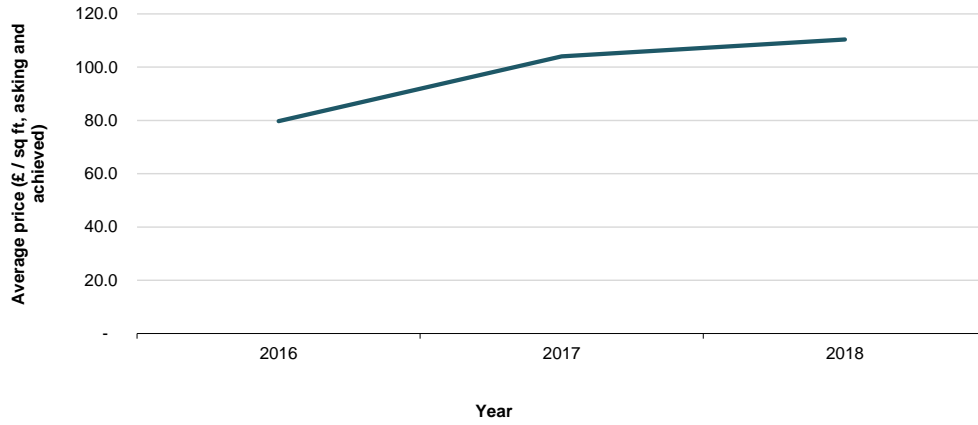
Year	Occupier	Investor	Unknown	Total space transacted
2016	90,720	147,168	-	235,872
2017	96,816	195,649	-	288,431
2018	42,378	147,314	-	185,656
TOTAL	229,914	490,131	-	709,959



Average price (£ / sq ft), by year

Year	Sample size	Average (£ / sq ft)
2016	116	79.7
2017	143	104.1
2018	92	110.4

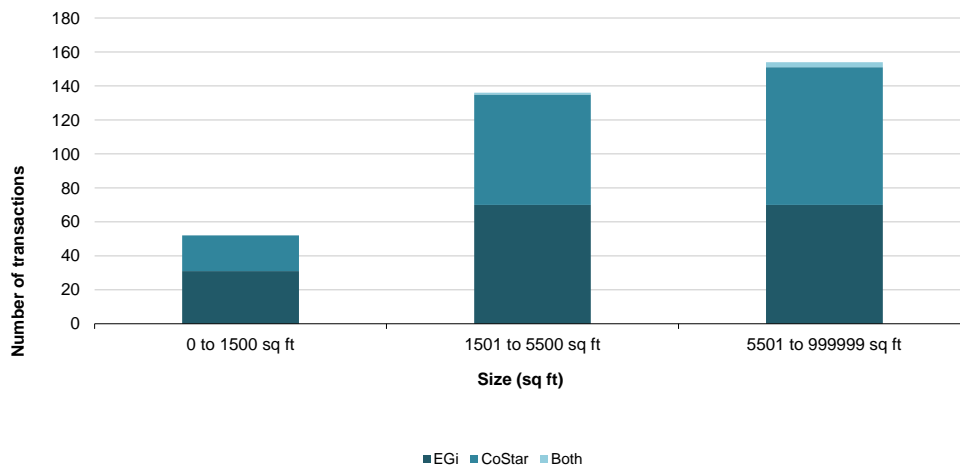
TOTAL AVERAGE	351	99.87
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Number of transactions, by size and source

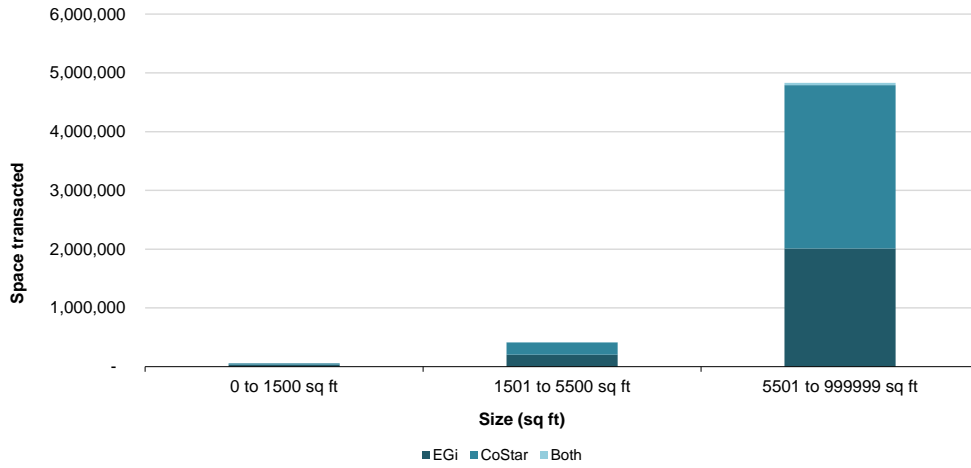
Size	EGi	CoStar	Both	Total transactions
0 to 1500 sq ft	31	21	0	52
1501 to 5500 sq ft	70	65	1	136
5501 to 999999 sq f	70	81	3	154

TOTAL	171	167	4	342
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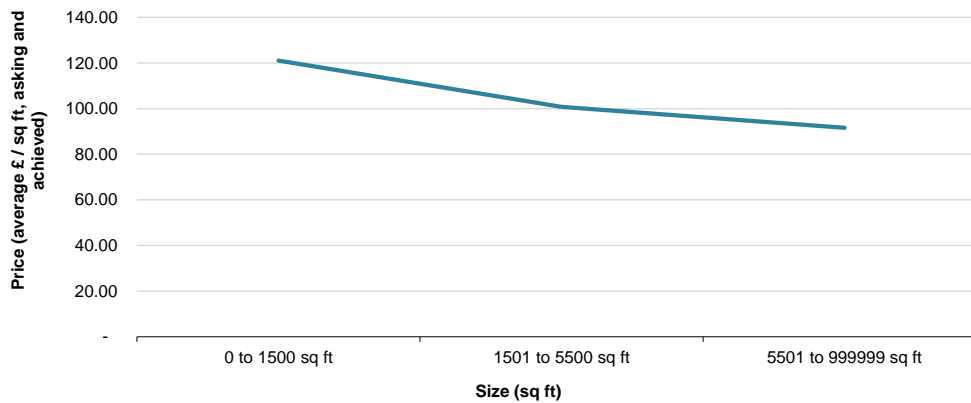
Space transacted (sq ft), by size and source

Size	EGi	CoStar	Both	Total space transacted
0 to 1500 sq ft	35,000	21,737	-	56,737
1501 to 5500 sq ft	204,554	206,952	2,473	413,979
5501 to 999999 sq f	2,011,378	2,779,811	36,840	4,828,029
TOTAL	2,250,932	3,008,500	39,313	5,298,745



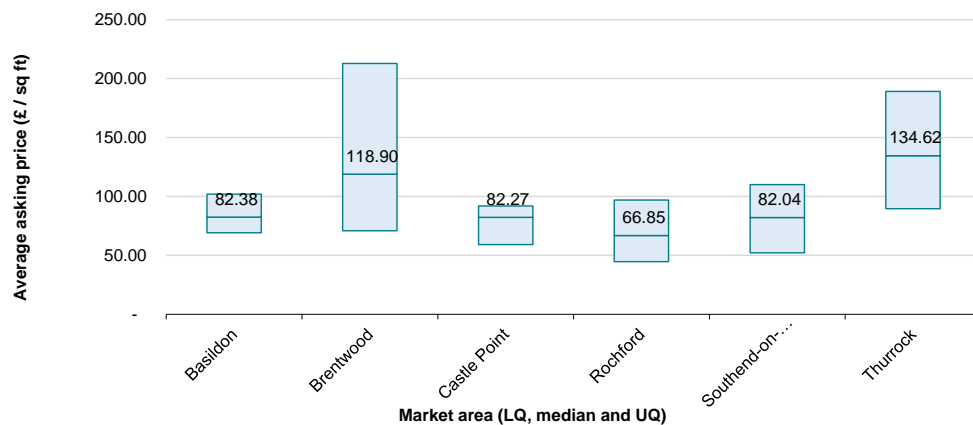
Average price (£ / sq ft), by size

Size	Sample size	Average price (£ / sq ft)
0 to 1500 sq ft	52	121.04
1501 to 5500 sq ft	135	100.78
5501 to 999999 sq f	154	91.57
TOTAL AVERAGE	341	100.15



Average asking price (£ / sq ft), by market area

Market area	Sample size (freehold / long leasehold)	Lower quartile (£ / sq ft)	Median price (£ / sq ft)	Upper quartile (£ / sq ft)
Basildon	33	69.18	82.38	101.89
Brentwood	2	70.83	118.90	212.86
Castle Point	9	59.20	82.27	91.93
Rochford	11	44.60	66.85	96.85
Southend-on-Sea	38	52.21	82.04	110.00
Thurrock	8	89.64	134.62	189.06
TOTAL AVERAGE	101	95.38	129.23	136.37



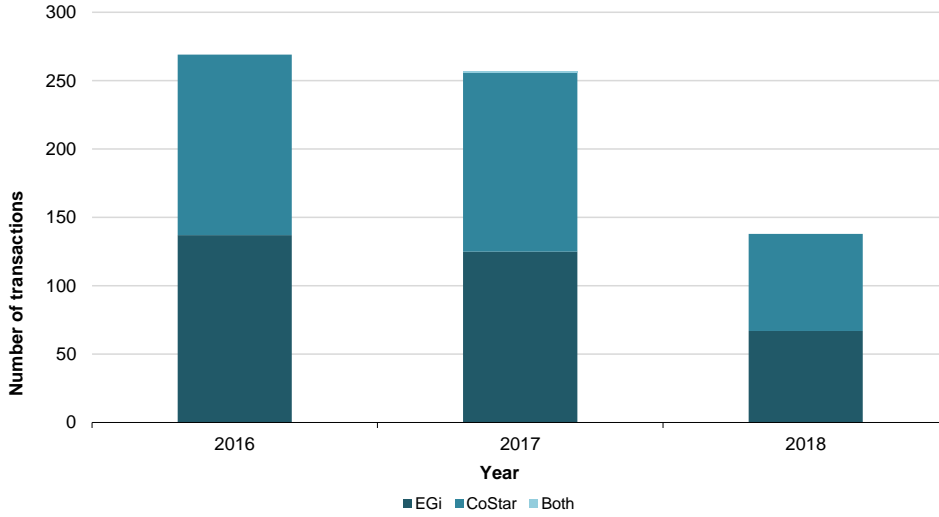
Average gross yield, by market area (where available)

Market area	Sample size	Average gross yield (%)
Basildon	1	5.38%
Brentwood	1	6.35%
Castle Point	0	#N/A
Rochford	0	#N/A
Southend-on-Sea	0	#N/A
Thurrock	2	5.90%
TOTAL	4	5.88%

3 Lettings

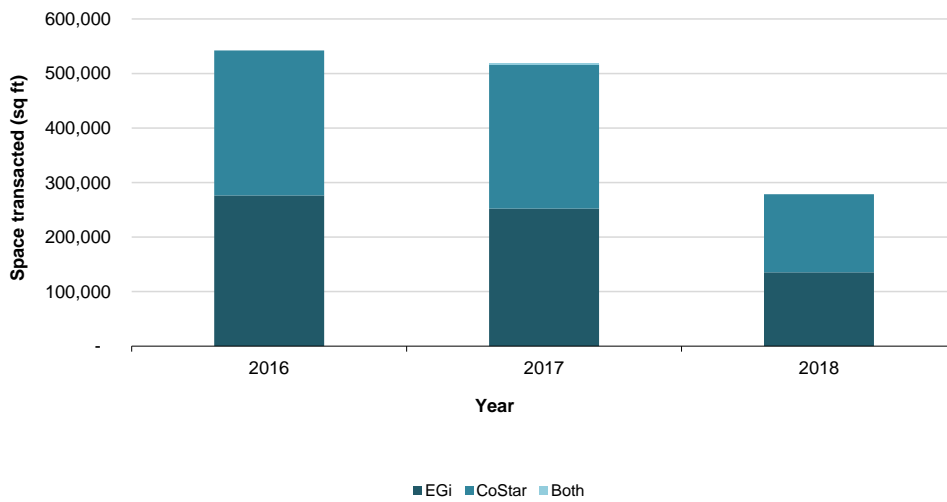
Number of transactions, by year and source

Year	EGi	CoStar	Both	Total transactions
2016	137	132	0	270
2017	125	131	1	258
2018	67	71	0	138
TOTAL	329	334	1	666



Space transacted (sq ft), by year and source

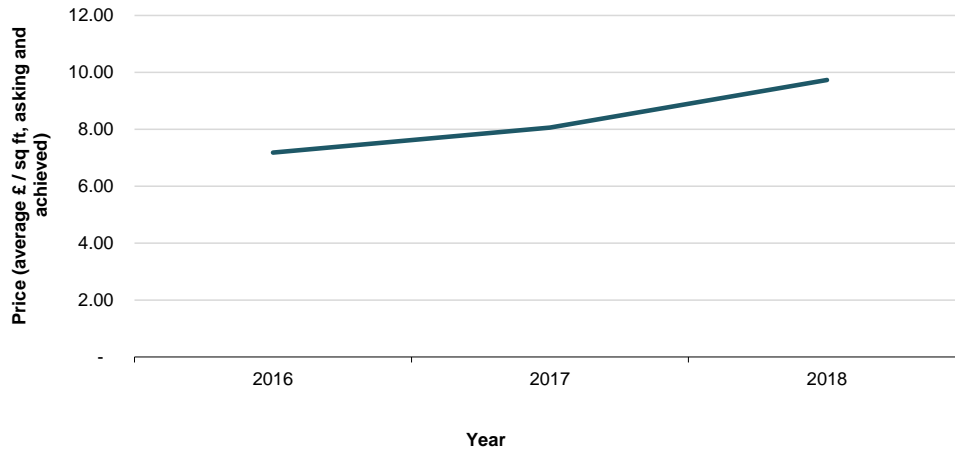
Year	EGi	CoStar	Both	Total space transacted
2016	276,192	266,112	-	542,304
2017	252,125	264,227	2,017	518,369
2018	135,206	143,278	-	278,484
TOTAL	663,523	673,617	2,017	1,339,157



Average rental value (£pa / sq ft), by year

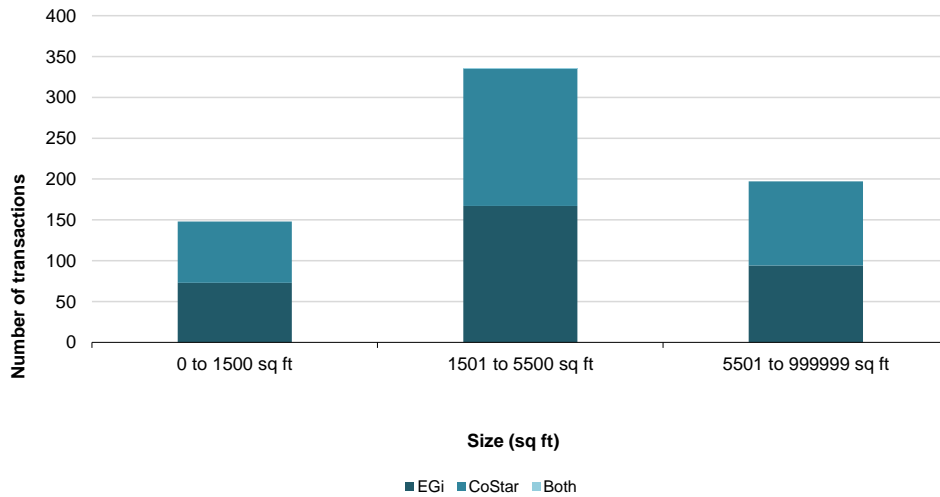
Year	Sample size	Average rental value (£pa / sq ft)
2016	269	7.18
2017	257	8.06
2018	137	9.73

TOTAL AVERAGE	663	8.09
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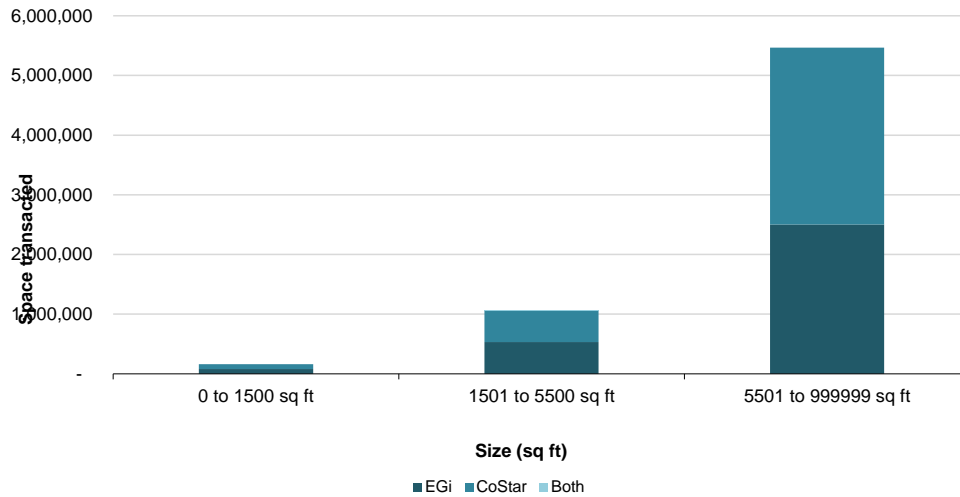
Number of transactions, by size and source

Size	EGi	CoStar	Both	Total transactions
0 to 1500 sq ft	73	75	0	148
1501 to 5500 sq ft	167	168	1	336
5501 to 999999 sq f	94	103	0	197
TOTAL	334	346	1	681



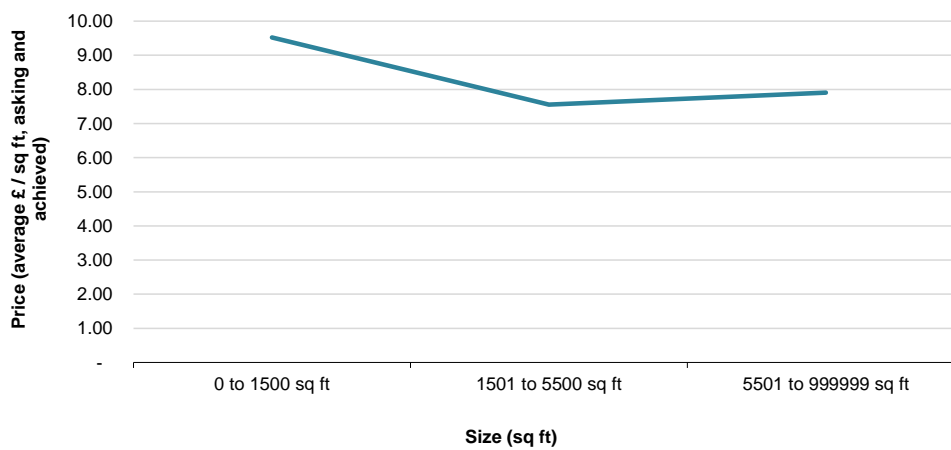
Space transacted (sq ft), by size and source

Size	EGi	CoStar	Both	Total space transacted
0 to 1500 sq ft	82,308	78,846	-	161,154
1501 to 5500 sq ft	532,780	534,328	4,388	1,071,496
5501 to 999999 sq f	2,502,655	2,965,061	-	5,467,716
TOTAL	3,117,743	3,578,235	4,388	6,700,366



Average rental value (£pa / sq ft), by size

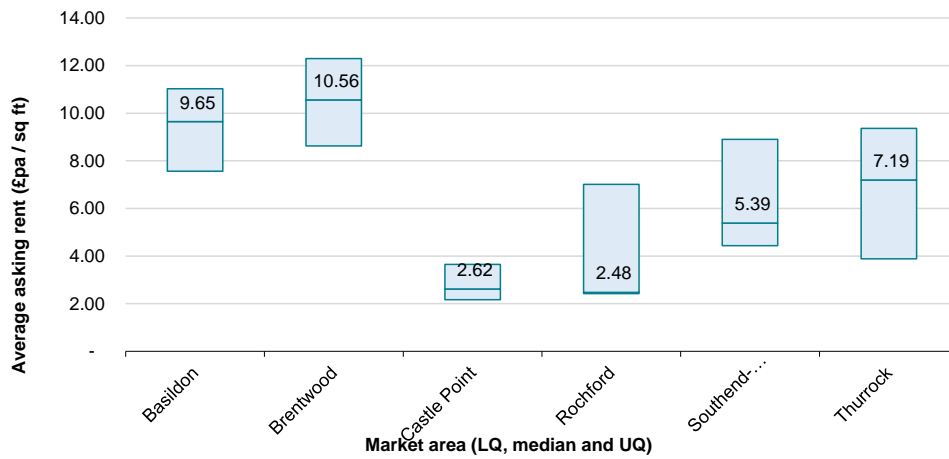
Size	Sample size	Average rental value (£pa / sq ft)
0 to 1500 sq ft	148	9.52
1501 to 5500 sq ft	336	7.55
5501 to 999999 sq f	196	7.90
TOTAL AVERAGE	680	7.95



Average rent (£ / sq ft, asking / achieved), by market area

Market area	Sample size (leasehold)	Lower quartile (£pa / sq ft)	Median rent (£pa / sq ft)	Upper quartile (£pa / sq ft)2
Basildon	198	6.32	7.68	9.08
Brentwood	37	5.07	9.00	10.23
Castle Point	36	4.78	6.57	7.58
Rochford	71	5.92	6.62	7.79
Southend-on-Sea	133	5.27	6.31	7.60
Thurrock	102	7.95	9.24	11.06

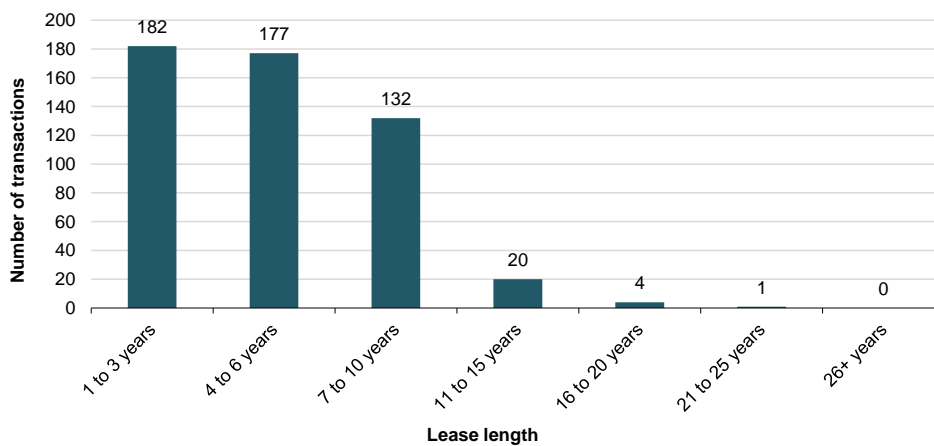
TOTAL AVERAGE	577	4.91	7.80	10.00
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Lease length (where specified)

Lease length	Number of transactions	% of transactions
1 to 3 years	182	35%
4 to 6 years	177	34%
7 to 10 years	132	26%
11 to 15 years	20	4%
16 to 20 years	4	1%
21 to 25 years	1	0%
26+ years	0	0%

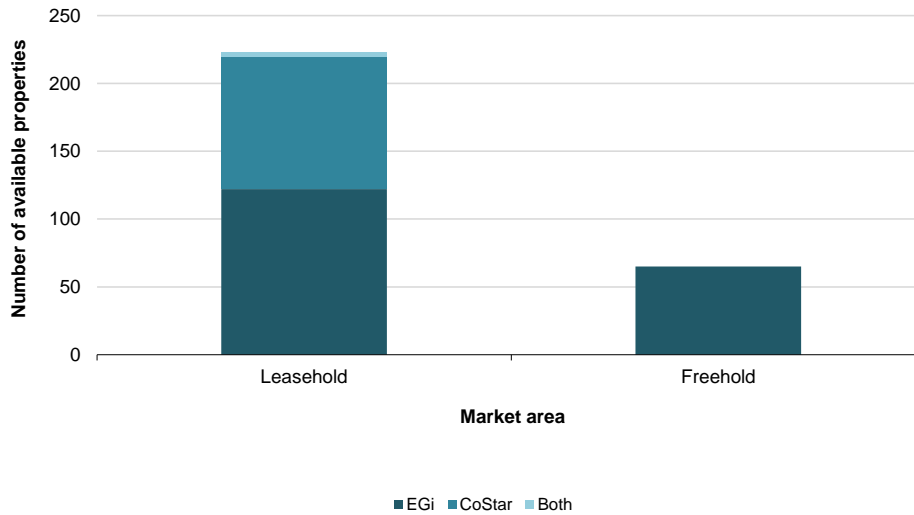
TOTAL	516	100%
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4 Availability

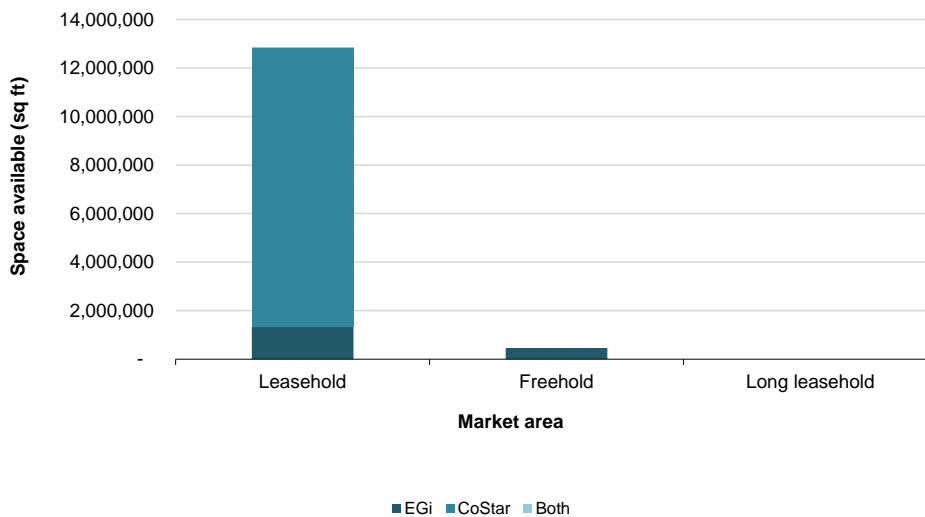
Number of available properties, by tenure and source

Tenure	EGi	CoStar	Both	Total available properties
Leasehold	122	98	3	223
Freehold	65	0	0	65
TOTAL	187	98	3	288



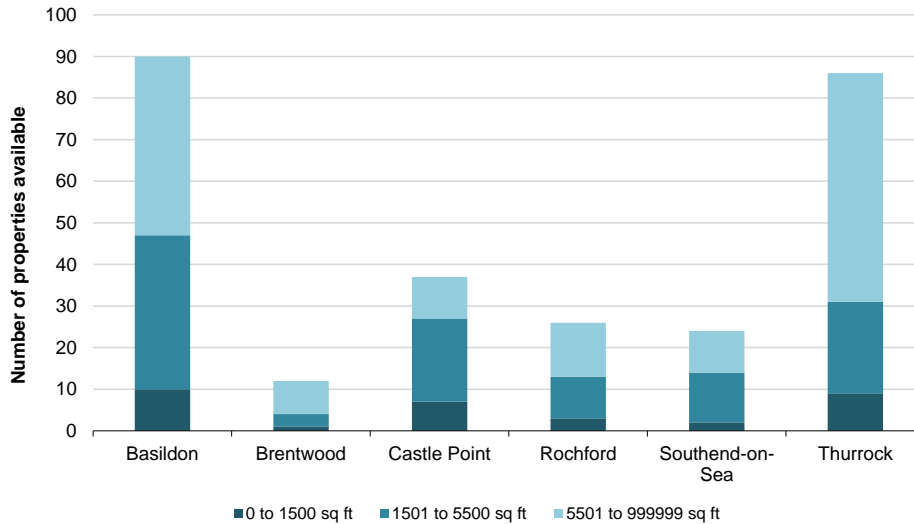
Space available (sq ft), by tenure and source

Tenure	EGi	CoStar	Both	Total available space properties
Leasehold	1,331,354	11,515,927	7,451	12,854,732
Freehold	458,835	-	-	458,835
Long leasehold	-	-	-	-
TOTAL	1,790,189	11,515,927	7,451	13,313,567



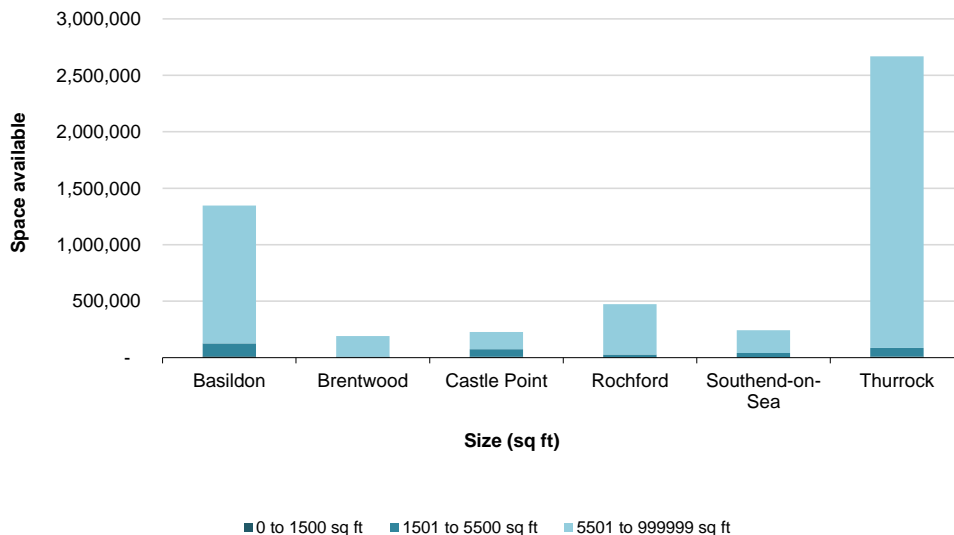
Number of available properties, by size and market area

Size	Basildon	Brentwood	Castle Point	Rochford	Southend-on-Sea	Thurrock	Total transactions
0 to 1500 sq ft	10	1	7	3	2	9	31
1501 to 5500 sq ft	37	3	20	10	12	22	102
5501 to 999999 sq f	43	8	10	13	10	55	152
TOTAL	90	12	37	26	24	86	285



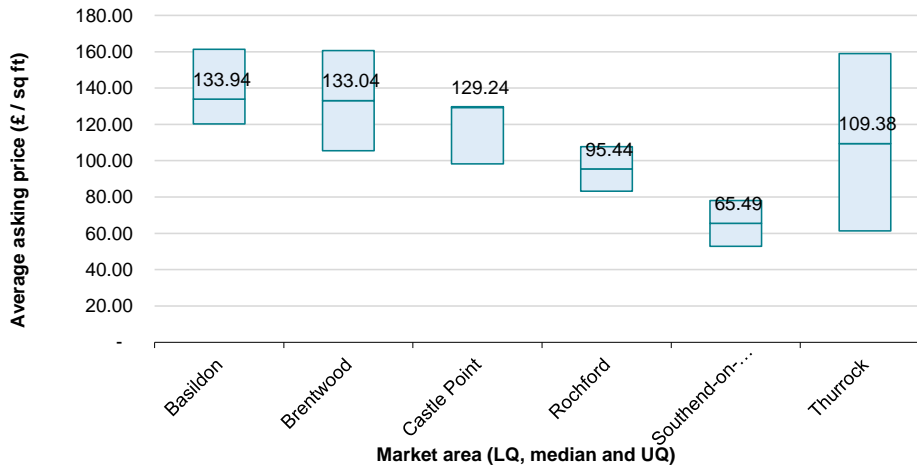
Space available (sq ft), by size and market area

Size	Basildon	Brentwood	Castle Point	Rochford	Southend-on-Sea	Thurrock	Total space available
0 to 1500 sq ft	11,872	1,200	7,498	1,741	2,200	10,436	34,540
1501 to 5500 sq ft	114,553	9,191	67,734	26,083	38,388	75,745	324,435
5501 to 999999 sq f	1,220,923	180,879	152,638	445,797	202,479	2,582,173	4,768,094
TOTAL	1,347,348	191,270	227,870	473,621	243,067	2,668,354	5,127,069



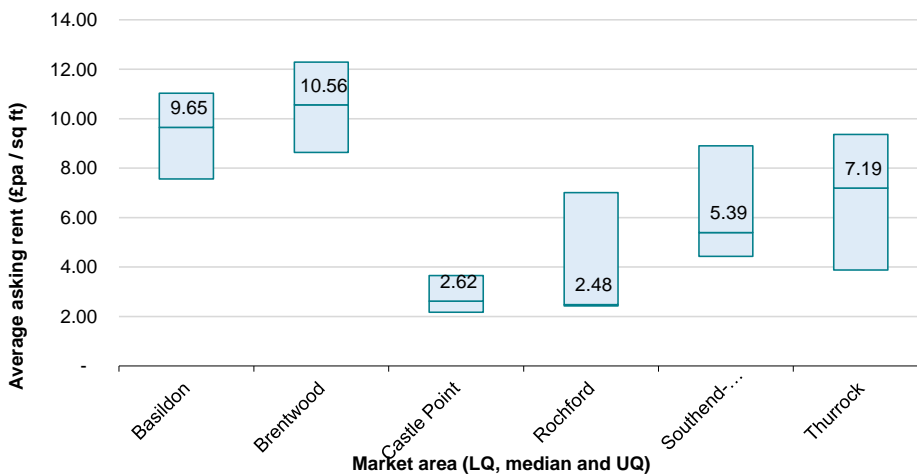
Average asking price (£ / sq ft), by market area

Market area	Sample size	Lower quartile (£ / sq ft)	Median price (£ / sq ft)	Upper quartile (£ / sq ft)
	(freehold / long)			
Basildon	15	120.32	133.94	161.40
Brentwood	2	105.43	133.04	160.64
Castle Point	10	98.25	129.24	129.70
Rochford	2	83.16	95.44	107.72
Southend-on-Sea	2	52.90	65.49	78.08
Thurrock	4	61.39	109.38	158.92
TOTAL AVERAGE	35	95.38	129.23	136.37



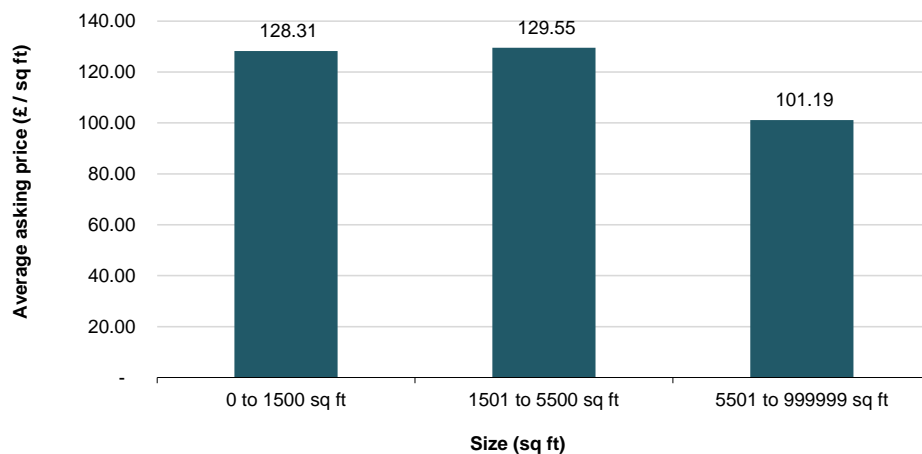
Average asking rent (£ / sq ft), by market area

Market area	Sample size	Lower quartile (£pa / sq ft)	Median rent (£pa / sq ft)	Upper quartile (£pa / sq ft)
	(leasehold)			
Basildon	34	7.56	9.65	11.03
Brentwood	4	8.63	10.56	12.29
Castle Point	4	2.17	2.62	3.65
Rochford	9	2.43	2.48	7.01
Southend-on-Sea	10	4.44	5.39	8.90
Thurrock	44	3.88	7.19	9.36
TOTAL AVERAGE	105	4.91	7.80	10.00



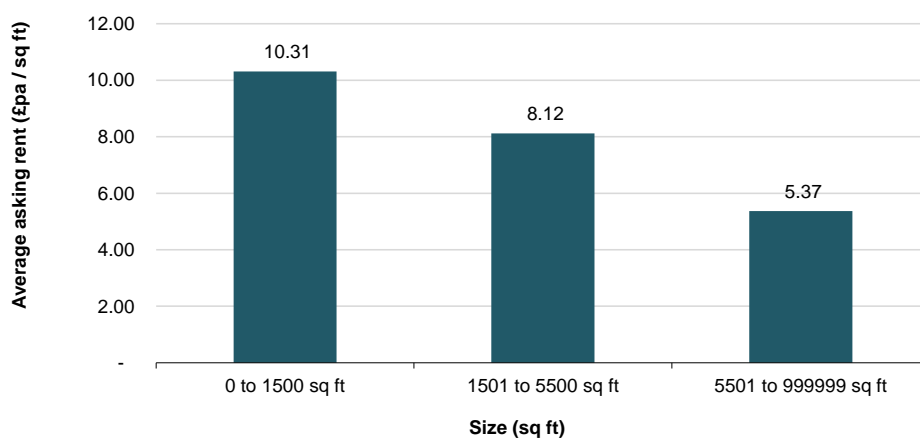
Average asking price (£ / sq ft), by size

Size	Sample size	Average price (£ / sq ft)
0 to 1500 sq ft	3	128.31
1501 to 5500 sq ft	22	129.55
5501 to 999999 sq f	10	101.19
TOTAL AVERAGE	35	121.34



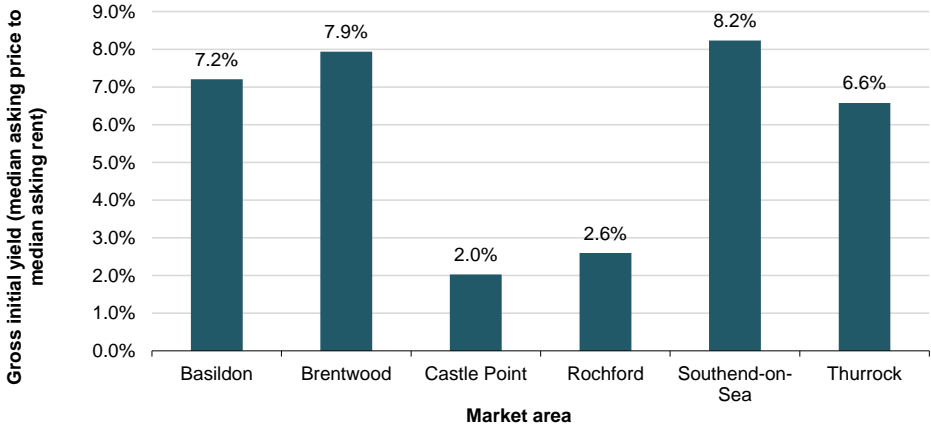
Average asking rent (£pa / sq ft), by size

Size	Sample size	Average price (£ / sq ft)
0 to 1500 sq ft	18	10.31
1501 to 5500 sq ft	52	8.12
5501 to 999999 sq f	35	5.37
TOTAL AVERAGE	105	7.58



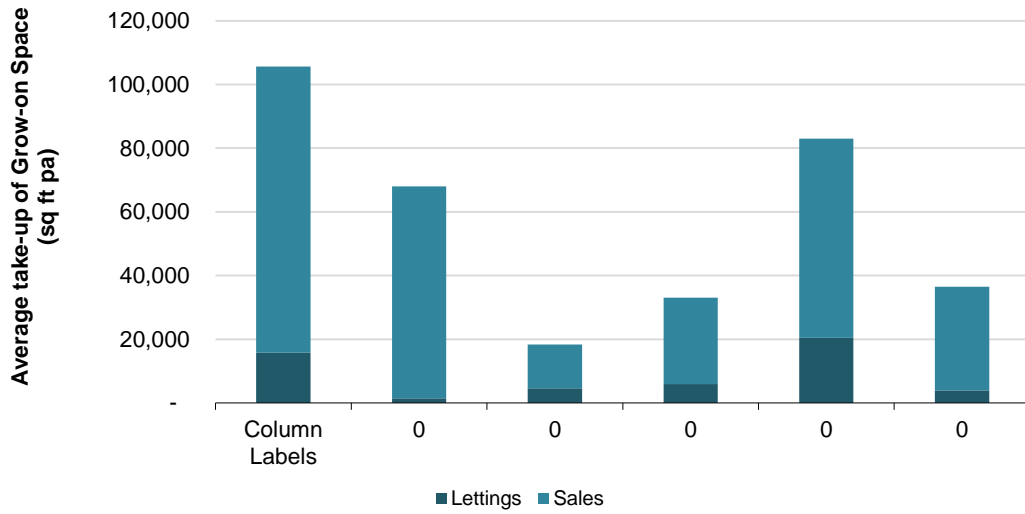
Gross initial yields (median asking price to median asking rent)

Market area	Median asking price	Median asking rent	Gross initial yield
Basildon	133.94	9.65	7.2%
Brentwood	133.04	10.56	7.9%
Castle Point	129.24	2.62	2.0%
Rochford	95.44	2.48	2.6%
Southend-on-Sea	65.49	5.39	8.2%
Thurrock	109.38	7.19	6.6%



5 Grow-on Space for industrial / warehousing use

Average take-up of Grow-on Space (sq ft), by transaction type



Average lease lengths, by size

