

# **ROBUST RETAIL MARKET SEES CONTINUED RENTAL GROWTH ON OUT-OF-TOWN RETAIL PARKS CLAIMS NEW RESEARCH**

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Despite a turbulent 12 months for the property industry, retail warehousing has remained robust and seen a steady increase in rental growth across the UK.

As revealed in TW Research Associates and FPD Savills' soon to be published annual review, *The Definitive Guide to Retail and Leisure Parks*, there continues to be a wide variation in peak rents achieved on retail parks ranging from £5 per sq ft (£53.82 per sq m) to £81 per sq ft (£871.90 per sq m) at the UK's most expensive shopping park, Fosse Park, in Leicester.

## **Top 20 Retail and Leisure Parks across the UK**

<b>Rank</b>	<b>Scheme</b>	<b>Location</b>	<b>Rent (psf)</b>
<b>1</b>	Fosse Park Shopping Park	Leicester	£81.00
<b>2</b>	The Fort Shopping Park	Birmingham	£50.00
<b>2</b>	Brookfield Retail Park	Cheshunt	£50.00
<b>2</b>	Fort Kinnaird	Edinburgh	£50.00
<b>5</b>	Castlepoint	Bournemouth	£42.50
<b>6</b>	Ladymead Retail Park	Guildford	£36.50
<b>7</b>	Broughton Shopping Park	Chester	£35.43
<b>8</b>	Valley Park	Croydon	£33.00
<b>9</b>	Castle Meadow Retail Park	Nottingham	£32.00
<b>9</b>	Solihull Retail Park	Solihull	£32.00
<b>11</b>	Hedge End Retail Park	Southampton	£31.00
<b>12</b>	Purley Way Retail Park	Croydon	£30.00
<b>12</b>	The Coliseum at Cheshire Oaks	Ellesmere Port	£30.00
<b>12</b>	Enfield Retail Park	Enfield	£30.00
<b>12</b>	Birstall Shopping Park	Leeds	£30.00
<b>12</b>	Tandem Centre	London – Colliers Wood	£30.00
<b>12</b>	Springvale Retail Park	Orpington	£30.00
<b>12</b>	The Peel Centre	Stockport	£30.00
<b>12</b>	Waterfields Retail Park	Watford	£30.00
<b>12</b>	Monks Cross Shopping Park	York	£30.00

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Trevor Wood, principal of TW Research Associates, said: “This analysis shows as last year, the greatest concentration of peak rents was still in the £10 per sq ft (£107.64 per sq m) to £20 per sq ft (£215.29 per sq m) band with 6% of retail parks having peak rents above £25 per sq ft (£269.11 per sq m). With rent reviews and further lettings on both new and existing schemes, the report shows that there has been a slight upward shift in rental bands resulting in a 2% increase in the £15 per sq ft (£161.46 per sq m) to £20 per sq ft (£215.29 per sq m) band.”

### Peak Rents for Retail Parks

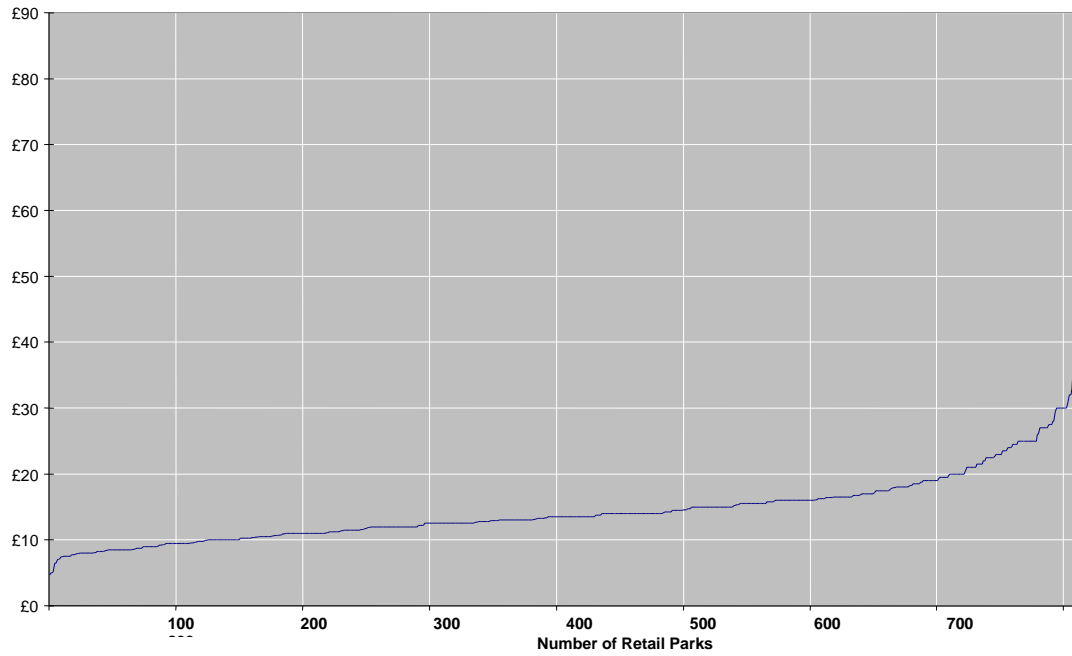
	2002	2001
Range (per sq ft)	%	%
Over £25.00	6	13
£20.00 - £24.99	7	
£15.00 - £19.99	28	26
£10.00 - £14.99	44	44
£5.00 - £9.99	15	17

The graph on the following page shows the peak rents for the 806 retail parks covered in the study, clearly showing that more than 700 schemes achieve peak rents below £20 per sq ft (£215.29 per sq m) with a relatively small number of parks achieving rents above £30 per sq ft (£322.93 per sq m).

Most leisure park rents were in excess of £20 per sq ft (£215.29 per sq m) and ranged from £10 per sq ft (£107.64 per sq m) to over £30 per sq ft (£322.93 per sq m).

Richard Allsop, director of FPDSavills Commercial, added: “We believe that the growth in retail park rents will continue over the next 12 months and specifically that a significant number of parks will enter the £20 per sq ft (£215.29 per sq m) to £25 per sq ft (£269.11 per sq ft) bracket.”

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The review is available for £245.00 from TW Research Associates, retail@twresearch.co.uk, tel: 01494 715 846.

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**For further information please contact:**

**Richard Allsop, FPD Savills**  
**Trevor Wood, TW Research Associates**  
**Kate Hanlon, FPD Savills press desk**

**Tel: 020 7409 8772**  
**Tel: 01494 715 846**  
**Tel: 020 7409 8940**