

WAREHOUSING

Picky retailers shun out-of-town

By Graham Parker

Retail park vacancies are rising as retailers become more selective about their locations, according to research from FPD Savills and TW Research Associates.

The firms calculate that there is almost 8 million sq ft (743,200 sq m) of second-hand retail warehouse space available, more than four times the supply of unlet newly built space. At 6.2 per cent, the out-of-town vacancy rate is now on a par with the high street.

If the administrators fail to find a buyer for Courts, that figure could grow considerably. According to *The Definitive Guide to Retail & Leisure Parks*, it occupies 1.1 mil-



Park keeper: B&Q increased its out-of-town portfolio by 6 per cent

lion sq ft (102,190 sq m) of retail park space. The administrators have appointed Leslie Furness to advise on property strategy.

So far, the amount of vacant space overhanging the market is not sufficient to create a drag on rental growth. Out-of-town rents

continue to rise and there are 27 UK parks that command rents of more than £35 per sq ft (£377 per sq m). There are also more than 100 parks where retailers have to pay more than £25 per sq ft (£269 per sq m).

B&Q is still, by far, the largest retail park tenant, occupying 7.7 million sq ft (715,330 sq m), up 6 per cent on the year. If all its standalone stores are included, the B&Q portfolio stands at more than 17 million sq ft (157,930 sq m).

JJB Sports was the fastest-growing major retailer out-of-town, adding 12 per cent to its stores portfolio to reach 2.8 million sq ft (260,120 sq m).