CoStar Data Shows Amazon, Defence and Chinese Firms Drive UK Warehouse Demand Recovery

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LONDON--(BUSINESS WIRE)--Jul. 16, 2026-- UK warehouse demand increased after three years of occupier consolidation following the pandemic and a period of elevated costs, according to data from [CoStar](), a global leading provider of online real estate marketplaces, information and analytics in the property markets.

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Industrial and logistics net absorption bounces back

Industrial net absorption turned positive in the second quarter of 2026, reaching nearly 6 million square feet, its strongest reading in more than three years, while 12-month net absorption returned to positive territory after bottoming out at 23 million square feet in 2024.

Defence-linked demand reached nearly 1 million square feet in the first half, helped by the Ministry of Defence’s 545,000-square-foot facility at Panattoni Park Swindon.

“Defence is becoming an increasingly important source of warehouse demand, with take-up reaching a record 3.8 million square feet in 2025,” said Grant Lonsdale, senior director of market analytics at CoStar Europe.

Amazon has taken an estimated 6 million square feet over the past 18 months, including its 2 million-square-foot Segro Park Northampton facility, which opened last month. The company’s 900,000-square-foot Symmetry Park Kettering site is scheduled to open this autumn.

“Chinese e-commerce platforms continue expanding their UK logistics footprints to support faster delivery times and larger domestic inventories,” said Lonsdale.

Chinese occupier take-up is on course for another record year, with more than 2 million square feet leased or under offer by mid-2026.

The full analysis can be found here.

For more information about the company and its products and services, please visit www.costargroup.com.

About CoStar Group

CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces, and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world’s real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group’s major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia’s leading property marketplaces. CoStar Group’s industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible; STR, a global leader in hospitality data and benchmarking; Ten-X, an online platform for commercial real estate auctions and negotiated bids; and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group’s websites attracted over 131 million average monthly unique visitors in the first quarter of 2026, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com.

This news release includes "forward-looking statements" including, without limitation, statements regarding CoStar's expectations or beliefs regarding the future. These statements are based upon current beliefs and are subject to many risks and uncertainties that could cause actual results to differ materially from these statements. The following factors, among others, could cause or contribute to such differences: the risk that UK warehouse demand and net absorption does not improve as expected or is not due specifically to Chinese occupier take-up. More information about potential factors that could cause results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, those stated in CoStar’s filings from time to time with the Securities and Exchange Commission, including in CoStar’s Annual Report on Form 10-K for the year ended December 31, 2025 and Forms 10-Q for the quarterly periods ended March 31, 2026, June 30, 2025, and September 30, 2025, each of which is filed with the SEC, including in the “Risk Factors” section of those filings, as well as CoStar’s other filings with the SEC available at the SEC’s website (www.sec.gov). All forward-looking statements are based on information available to CoStar on the date hereof, and CoStar assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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