



NEWS RELEASE

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‘Long haul’ economic recovery on the cards for commercial property market

Members of the UK’s largest network of independent commercial property agents were advised this week to anticipate a ‘long haul’ recovery by RICS Chief Economist, Simon Rubinsohn, in what he believes is a pivotal moment for the economy.

Property Agents Independent (PAI), which brings together 30 UK practices, held its annual conference on Tuesday, after a year of collaboration saw over £500,000 worth of fees directly generated following transactions between member firms.

The virtual conference included the latest economic update from Simon Rubinsohn on the outlook for commercial property in the aftermath of Covid. In the retail and office sectors Rubinsohn expects to see falls in capital and rental values, contrasting with some strong prospects for growth in industrials as the UK takes a leading role in online retail.

Rubinsohn identified affordability issues as an ongoing concern for the UK housing market but believes the sector will see more in the way of new development activity than commercial sectors in the short to medium term.

Fergus Laird of Newcastle-based firm Naylor Gavin Black, who was elected as the new PAI president in October, said: “Like any organisation PAI has had to adapt to Covid-19, but we have embraced the challenge. We have established a number of key service panels including real estate recovery, valuation and investment, which enable us to share regional market intelligence, thereby creating opportunities and adding value for clients.”

“I am very grateful for Simon Rubinsohn’s valuable insight in what is a rapidly changing marketplace for both investors and occupiers. PAI and RICS have

established a very positive relationship and this is something I am looking to develop further in my new role.”

At the conference over 60% of PAI members reported that levels of market activity within their respective regions have been higher than expected over the past nine months in light of the pandemic.

This year, PAI has taken an active role in lobbying Government on the many challenges facing the property industry in response to Covid-19 and particularly on behalf of retail landlord clients. The organisation has also tracked rent collection statistics from within its property management panel to provide an accurate national picture.

Simon Rubinsohn said: “This week’s announcement regarding the development of an effective vaccine is obviously very welcome news, but there is still some way to go before we can fully understand how quickly it will be rolled out and start having an impact.

“The Chancellor’s response to the crisis has been significant but the economic outlook remains fragile and therefore it’s premature to rule out further fiscal injections in the coming months. We do expect to see businesses scale back their office footprint and that may include an element of relocating to more suburban locations from the larger conurbations. This is a pivotal moment in our economy as we see the majority of businesses restructure their operations and become more digitally focused.”

Established for over 55 years, PAI offers its member’s clients access to a network of local experts within a specific region, opening up the opportunity for nationwide collaboration across a range of commercial services.

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About PAI: [Property Agents Independent](#) comprises 30 commercial surveying practices and is the UK’s largest connected network across Scotland, England, Northern Ireland and Wales. PAI offer expert advice concerning all aspects of commercial property. The network has been established for over 55 years and each member firm is privately owned, locally based and has many years of building first-rate relationships in their region. Visit www.pai.uk.com and follow [@pai_uk](#)