Acuitus Commercial Property Auction Review

September 2026

Webinar overview

The webinar reviewed commercial property auction activity, asset-sector demand and financing conditions ahead of the autumn auctions and year-end.

Panel: Richard Auterac (Chairman & Auctioneer), Charlie Powter (Director) and Stuart Buchanan (Acuitus Finance), chaired by Duncan Lamb.

Commercial property auction market

- **Richard Auterac** noted that commercial property auction sales have set records for three consecutive years, despite a broadly flat secondary commercial property market.
- Online auctions have expanded the buyer pool, increased accessibility and enabled more alternative investments and development sites to be offered.
- For £1m-plus lots, sellers should compare an auction sale in around four weeks with a six- to nine-month private treaty process, including opportunity cost, management input and legal costs.

Asset sector demand

- Retail remains dominant, representing approximately 50% of auction property value. Multi-unit town-centre parades and retail parks are particularly sought after.
- **Charlie Powter** described office demand as “trickling back”, driven mainly by repositioning and development opportunities. The pricing and yield gap between prime and secondary offices is widening.
- Industrial and distribution assets remain highly competitive but scarce. Leisure, F&B and mixed-use properties are also attracting investors, including a Coventry sale at £2.1m at around a 9% yield.
- London accounts for about one-third of auction sales by value, while regional demand is broadening.

Finance and refinancing

- **Stuart Buchanan** highlighted rapidly changing finance products, with the five-year swap rate at 4.52%, projecting three base-rate increases.
- Borrowers refinancing or renewing loans should begin at least four months before expiry. Current lender pricing and occasional fee waivers may make September a favourable time to act.

Key takeaways

1. Sellers should be selective.
2. Buyers should demand the information and due diligence they need.
3. Borrowers should consider securing finance at this point in the cycle.

Webinar transcript

Duncan Lamb, Moderator
Hello and welcome to the latest Acuitus commercial property auction review. Today we're going to reflect on the sector year to date, look ahead to the autumn round of auctions and the year-end, and consider the money markets. Joining me are Richard Auterac, Charlie Powter and Stuart Buchanan. Richard, commercial property auction sales volumes in the first half of the year have been exceptionally high, yet, given the conflict in the Middle East and Ukraine, alongside money-market turbulence, it still feels like an uncertain market to read. In that context, are you surprised by the sales figures?

Richard Auterac, Chairman and Auctioneer, Acuitus
Yes, slightly, Duncan. This is part of a pattern of records being broken over the last three years. Every year seems to bring another record, but that has to be set against what is actually happening in the wider commercial property market.

The market for secondary assets has been pretty flat for a number of years, yet we're seeing records being broken on the auction side. We've looked into that carefully, and what is clear is that the online nature of auctions has expanded the buyer pool considerably and made the process more accessible for buyers.

Another benefit of online auctions is that they have opened the market to a greater number and range of investments. We've seen more alternative investments and development sites, for example, so the online market has given much more flexibility to what can be offered. What is also interesting is the number of larger, £1m-plus lots, which is an area in which we specialise. Owners of these assets should perhaps carry out a cost-benefit analysis of selling within, say, four weeks rather than six to nine months, because arguably there may be little or no price difference. In a falling market, there can also be an advantage in exiting the market or realising capital quickly. I think that cost-benefit analysis should consider three things: first, the opportunity cost of not receiving the capital for another six to nine months rather than in around four weeks through auction; second, the additional management input required from the client during that longer period; and third, the greater legal costs that can arise if negotiations and the contract process are extended after an offer has been accepted.

Duncan Lamb
And in terms of the assets coming to market, what does this mean for buyers in terms of pricing and availability?

Richard Auterac
A very good question. I think yields have slightly hardened this year, which means there are no easy buys today. Buyers need to carry out greater due diligence and look carefully at the opportunities within a property: how the income might grow and how the asset could be repurposed. Buyers are taking much more care today.

Duncan Lamb
So, Charlie, this feels like the right moment to look at what has actually been happening in auctions and dig deeper into these trends. How has this been playing out in terms of the flow of assets coming through your auctions?

Charlie Powter, Director, Acuitus

Perhaps the first thing to remember, Duncan, is that retail is still the dominant auction property type, and we've continued to see sustained demand through our auctions. That is evident across the wider auction market as well. Demand has been especially strong for multi-unit parades in town centres. We've sold assets like this over the last year or so in locations such as Winchester, Bedford and London, and in the auction next week we have an unbroken parade of 21 shops in West Yorkshire, which we're offering on behalf of a major fund. While these multi-let town-centre retail investments are among the most popular, we shouldn't forget retail parks, which are also popular when offered at auction. We don't see too many of these, but when they do come up there is a lot of competition. Taking all these retail categories together with high-street assets, retail still accounts for approximately 50% by value of the properties offered at auction.

Duncan Lamb

And the office sector - that seems to be bouncing back somewhat?

Charlie Powter

Well, Duncan, 'bouncing back' is probably too strong; 'trickling back' is more like it. But, in all seriousness, we are seeing more assets offered through auctions, particularly development-led opportunities where buyers may look to reposition the asset over the medium term. For example, in the next auction we're selling a substantial office building in Staines, just three miles from Heathrow. We're guiding it at £3m, which equates to about £43 per sq ft. Quite frankly, though, it is about repositioning the asset and probably viewing it more as a development opportunity than as the existing office building. Overall, in the office sector, the pricing and yield gap between prime and secondary assets is certainly opening up, which means more secondary assets are being bought to auction.

Duncan Lamb

And what is happening across the other main asset sectors that sell at auction?

Charlie Powter

I haven't mentioned industrial and distribution assets, which continue to be incredibly popular at auction when they are offered. Quite frankly, though, we're not seeing enough of that kind of product at the moment, and when they are offered they're certainly snapped up. For example, we have an Evri distribution centre in Leeds in our auction next week. This is being guided at about 8.5%, with a lot size of around £850,000, which certainly seems to be in the sweet spot for many auction buyers. Another sector we shouldn't forget is leisure and F&B, sometimes combined with a mixed-use element. We recently sold a property in Coventry city centre for £2.1m at our June auction. It had a restaurant on the ground floor with student accommodation above. Many investors are very comfortable with this sort of diversified income, and at a yield of around 9% it was certainly attractive.

Duncan Lamb

You've mentioned various locations across the country. Are there any regional buying patterns at present?

Charlie Powter

From our experience, London certainly remains the primary focus for many investors and still accounts for about a third of auction sales by value. Outside the capital, buying is very much led by the specifics of the asset in question. I'd say, however, that the overall regional spread is broadening as investors see more opportunity and sellers bring assets forward to meet that demand.

Duncan Lamb
Thanks, Charlie. That's extremely interesting. Turning now to Stuart Buchanan of Acuitus Finance: to say that the money markets have been disrupted this year is something of an understatement. What is the outlook for borrowing as we head towards the year-end?

Stuart Buchanan, Acuitus Finance
As you said, what we've seen this year has been quite spectacular in terms of movements in the finance market. The cost of funds has been moving from week to week, with lenders reducing rates one week and then, following a dramatic reversal, having to raise them the next. That means some finance products are staying on the market for only one or two weeks at a time, which is very fast in our world when you are trying to capture that money. The five-year swap rate rose to 4.52% in the last week, which is projecting three base-rate increases. It is more than three-quarters of a percentage point above base rate. The Bank of England's main tool for curbing inflation is interest rates, and that is what we are seeing reflected in the swap market at the moment: it is predicting that the Bank of England will have to move.

Duncan Lamb
So, in the face of this continuing turbulence, what practical advice would you give borrowers looking to finance a property purchase or refinance an existing loan?

Stuart Buchanan
If you have a refinance or loan renewal taking place this year, you need to allow at least four months before your existing loan term runs out. If you're buying a new property, that tends to be more opportunity-led and depends on how quickly you want your equity back if you are using equity for the purchase. If you want part of your equity back today, you need to obtain finance terms and see whether they work for you. It is not always about the rate; the loan structure can be just as important.

Duncan Lamb
And presumably lenders are also under pressure to deploy their money and meet their targets. We saw some margin cutting in the summer. Do you think there may be better terms for borrowers before the year-end?

Stuart Buchanan
Although swap rates have gone up, what we're seeing at the moment is that lenders are largely holding the rates they have had since June. In some cases there have been marginal reductions, and we've also seen some lenders waiving lending fees, which is quite unusual because fees are an important part of a lender's profitability. These fee waivers tend to be for a specific period rather than open-ended. So, as we stand here in September, this could be a particularly good time to action loan renewals or refinancing, or, if you are buying property, to secure rates that may be lower than those available within a year's time.

Duncan Lamb
Thanks very much, Stuart. A very interesting outlook on the money markets. Before I ask Richard for his thoughts on the outlook for the rest of the year, if you have any questions for the team, or any queries about the issues and trends we've discussed today, please send them via the email address on screen and we will get back to you as soon as possible. Richard, in light of everything we've heard, what are you expecting to see across the commercial property auction sector as we head towards the year-end?

Richard Auterac
We all know there is huge uncertainty across the world at the moment. How does that affect sellers, and how should they view the next three months? Uncertainty also brings opportunities. I think sellers need to be selective about what they bring forward, because we now have a huge buyer pool with a wide range of requirements. We need to make sure we get the right asset at the right price in front of the appropriate buyer market.

If I can make a brief plug for Acuitus, we specialise in understanding our buyer market and the types of assets buyers are looking for. To give you an indication, of every 10 assets we might research, we may recommend taking only two to auction. We are trying to help clients be selective and make sure the right asset is put in front of the right buyers.

Duncan Lamb
So, Richard, in light of everything we've heard today, what three key takeaways would you ask our audience to consider?

Richard Auterac
I would break them down between seller, buyer and finance, which is what we've heard today. For sellers, we recommend being selective, and we can help in that regard. There is a market out there; we can price everything and help you identify the right route. From the buyer's perspective, demand more information from your auctioneer. Make sure the auctioneer is providing the due diligence you need to make the right decision. Thirdly, on finance, I think we've heard clearly from Stuart that this is potentially a very good point in the cycle to go out and secure your finance.

Duncan Lamb
Thank you very much, Richard. Interesting points to consider. The overall market message seems to be about being selective in your approach. We need to leave it there. We hope you found today's discussion useful and, if you have any questions, please don't hesitate to contact the team.

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