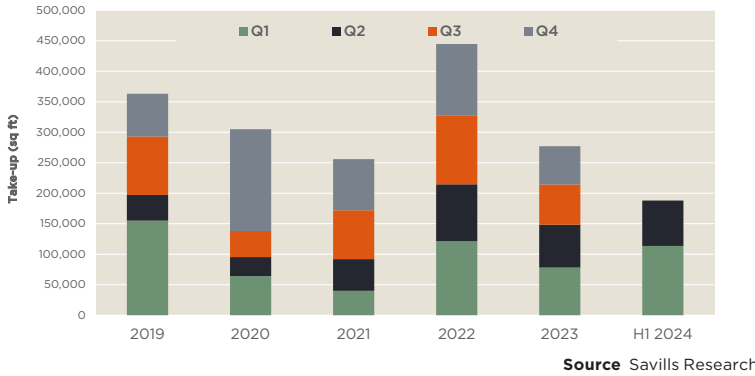


Cardiff Occupational Office Data H1 2024



Cardiff Office Market Round-Up

Take-up



Cardiff office take-up in Q2 2024 totalled 75,000 sq ft, 6% higher than the same period in 2023 and 29% above the five year average. With 19 deals in total, this took the half year total to 188,000 sq ft, the highest half year since 2022 with 49 transactions. H1 was 27% higher than H1 2023, and up 26% on the long-term average.

Grade A take-up in Q2 totalled 21,000 sq ft, therefore comprising 28% of the total, which was 52% higher than the Q2 five year average. Grade A take-up in H1 2024 accounted for 14% of the total.

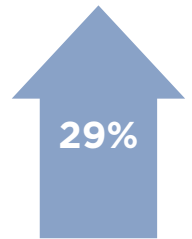
Supply remained broadly unchanged at the end of H1, with a total of 1.6 million sq ft of space available. Consequently, this means that the vacancy rate remains the same at 14.7%.

Grade A availability totals 516,000 sq ft (including grey space), which is only slightly above the total for Q1 2024, and accounts for 32% of the total. This means that the Grade A vacancy rate also remains unchanged at 4.7%. Secondary space continues to dominate the supply by totalling 1.1 million sq ft, therefore 68% of the total.

During H1, overall the 'Public Services, Education and Health' sector was the most active, leasing/purchasing 78,000 sq ft of space across nine deals, accounting for 41% of the half year total. The largest deal within the sector and subsequently H1, was to the Welsh Government, who purchased a total of 51,000 sq ft at Centre 7, Cardiff Gate Business Park, for a semiconductor hub.

A further notable business sector during H1 was the 'Insurance and Financial' sector, which leased a total of 25,000 sq ft, and was 14% of the total. This was over five deals, the largest of which totalled 16,000 sq ft and was acquired by Go.Compare at Hodge House in Q2.

Take-up and supply Key data points



Q2 2024 take-up was 29% higher than the long-term average



49 Completed lettings in H1 2024

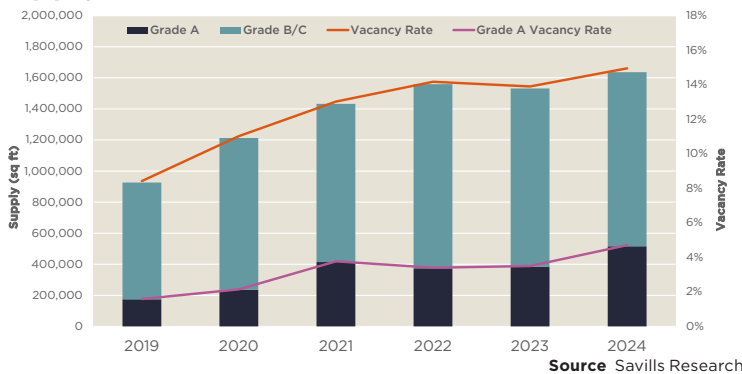


+1% Total Q2 2024 supply only 1% above the previous quarter

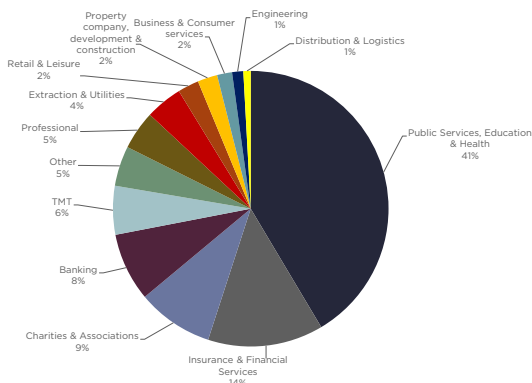


51,000 sq ft Largest deal in H1 2024 to the Welsh Government at Cardiff Gate Business Park

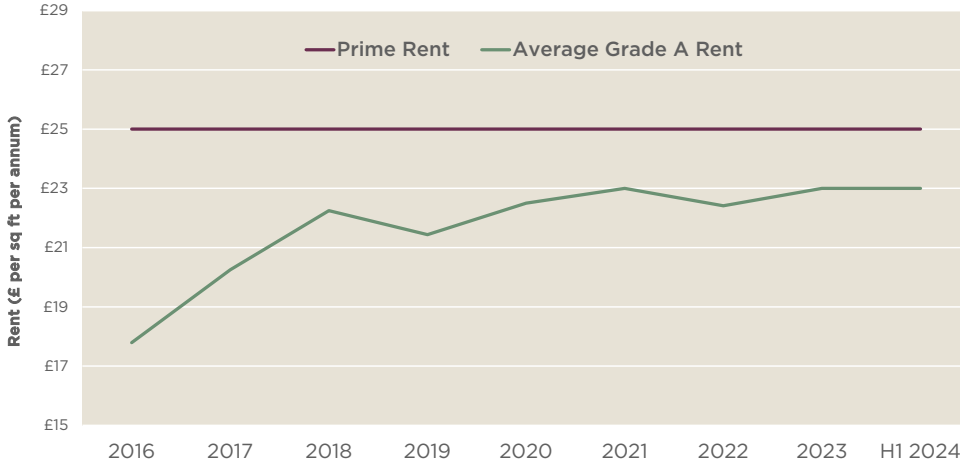
Supply



Take-up by business sector



Rents



Source Savills Research

There was no change in the Prime rent in Cardiff during H1 2024, with the Prime rent remaining at £25 per sq ft, whilst average Grade A rent rates have also remained at £23 per sq ft. Looking at growth forecasts, it is expected that Prime rents in Cardiff will reach £28 per sq ft during 2024, representing an increase of 12%.

Drivers For Growth



7%

Expected GVA growth over the next five years



6%

Expected office-based employment increase over the next 10 years



2,200

New jobs in the professional, tech and scientific sector in the next 10 years

Source Oxford Economics

Key Market Data

	Data	Comparison to H1 2023	Comparison to H1 2019
Take-up H1 2024 (sq ft)	188,112	+27%	-5%
Grade A Take-up H1 2024 (sq ft)	25,693	-8%	-66%
Deal Count H1 2024	49	-8%	0%
Average Deal Size (median) (sq ft)	1,894	-6%	-9%
10-Year Average H1 Take-Up (sq ft)	185,679	-	-
Q2 Supply (sq ft)	1,636,314	+6%	+57%
Q2 Grade A Supply (sq ft)	515,552	+10%	+258%
Grade A rent (£ per sq ft per annum)	£25	No Change	No Change

* historic comparison not possible with new 'Prime' category introduced in Q4 2022

Source Savills Research

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