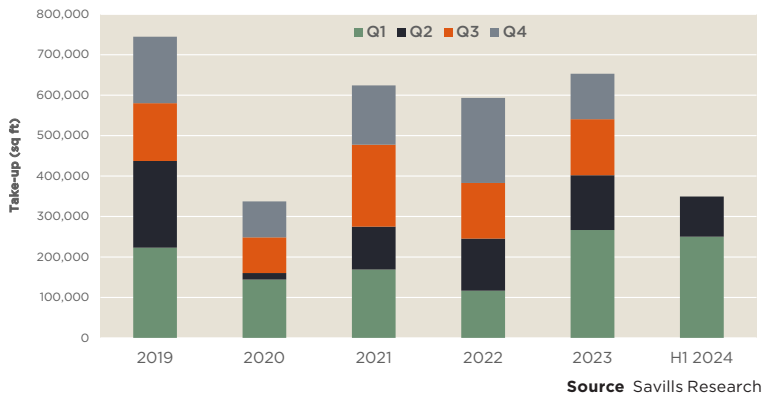


Leeds Occupational Office Data H1 2024



Leeds Office Market Round-Up

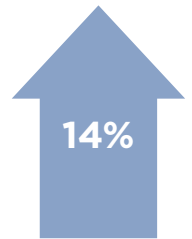
Take-up



Take-up in Leeds during Q2 2024 totalled 99,000 sq ft across 23 deals done. Although take-up was down year on year, the number of deals was 15% higher than the five year, Q2 average number of deals. This brought the half year total to 350,000 sq ft which was 14% and 23% above the five and ten year H1 averages respectively.

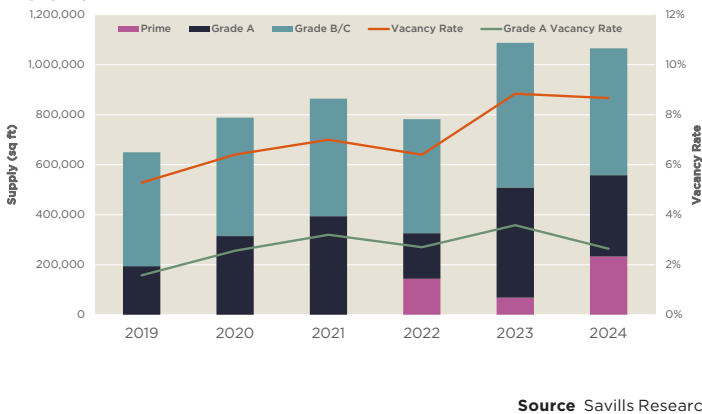
Grade A and Prime take-up during H1 totalled 241,000 sq ft and accounted for 69% of the total. This was also 22% higher than the five year H1 average of 197,000 sq ft.

Take-up and supply Key data points



H1 2024 take-up was 14% higher than the five year H1 average

Supply



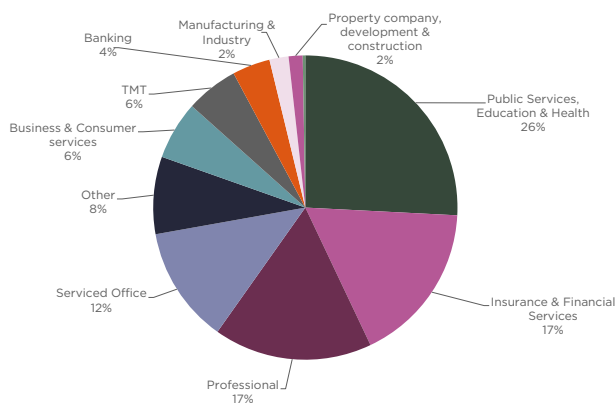
Leeds availability at the end of H1 totals just over 1 million sq ft, a 6% decrease on the previous quarter. This means that the total vacancy rate now stands at 8.7%, a decline of 50 basis points.

Grade A and Prime supply accounted for 52% of this by totalling 558,000 sq ft. Prime supply has increased in Q2 2024 due to Aire Park Phase one completing, providing 210,000 sq ft of best-in-class space for occupiers in Leeds.



There were six transactions over 25,000 sq ft in H1 2024

Take-up by business sector



The most active sector during H1 was the 'Public Services, Education & Health' sector, which leased a combined total of 90,000 sq ft, consequently accounting for 26% of the total. The largest deal of H1 in the sector was 44,000 sq ft which was leased by Leeds Teaching Hospitals NHS Trust, at Joseph's Well.

Another active sector in Leeds during H1 was the 'Insurance & Financial Services' sector, which leased a combined 60,000 sq ft and therefore accounting for 17% of the total. The largest deal in the sector was acquired by QBE Management at West Village, totalling 38,000 sq ft.

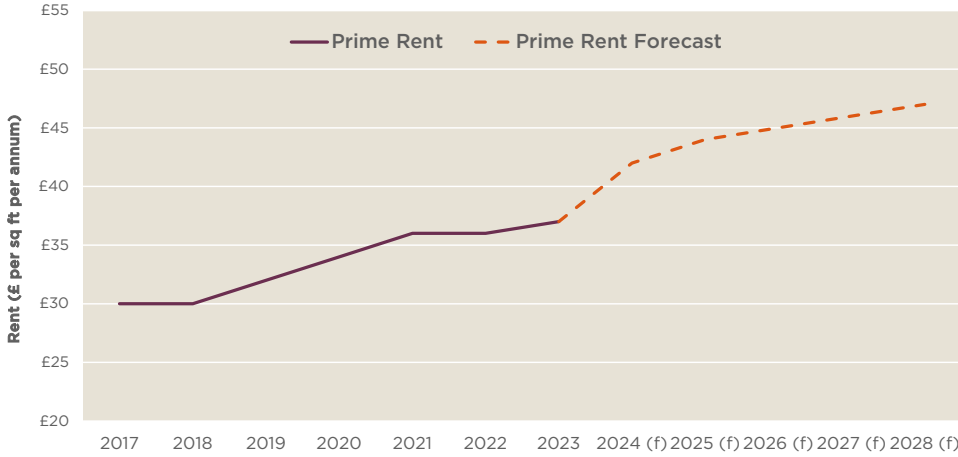


'Public Services, Education & Health' was the most active sector in H1 2024



54 Transactions in H1 2024

Rents



Source Savills Research

There was a new headline rent achieved in 2023, which reached £38 per sq ft, 6% higher than 2022. This has remained unchanged in H1 2024, however Savills are aware of a space under offer at rental levels above £38 per sq ft. Savills latest rental forecasts expect headline rents to grow further to reach £42 per sq ft by the end of 2024, representing an 11% increase on the current headline rent. Revised rental forecasts are predicting headline rent to grow by 24% and reach a market high of £47 per sq ft by 2028.

Drivers For Growth



6%

Expected GVA growth over the next five years



3%

Expected office-based employment increase over the next five years



7,300

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)	349,633	-13%	-20%
Grade A Take-up H1 2024 (sq ft)	241,060	-25%	-26%
Deal Count H1 2024	54	-14%	-19%
Average Deal Size (median) (sq ft)	2,426	-8%	+24%
10-Year Average H1 Take-Up (sq ft)	285,047	-	-
Q2 Supply (sq ft)	1,065,549	+44%	+50%
Q2 Grade A Supply (sq ft)	535,601	+133%	+207%
Q2 Prime Supply (sq ft)	223,182	+113%	N/A*
Prime rent (£ per sq ft per annum)	£38	+3%	N/A*

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

Source Savills Research

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