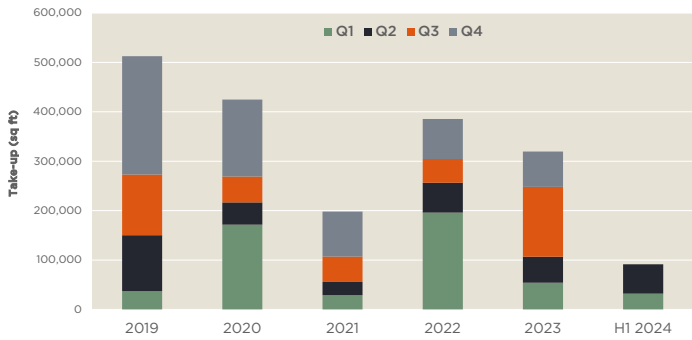


Aberdeen Occupational Office Data H1 2024



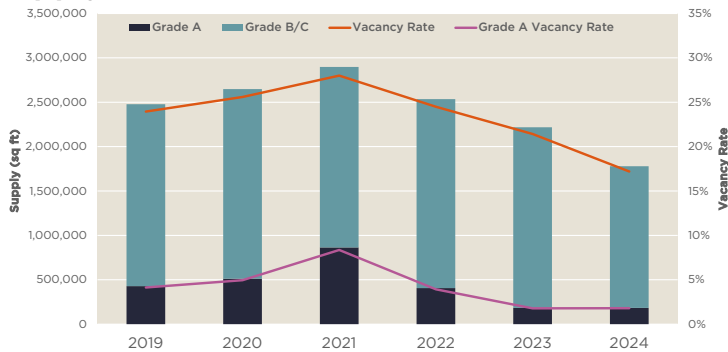
Aberdeen Office Market Round-Up

Take-up



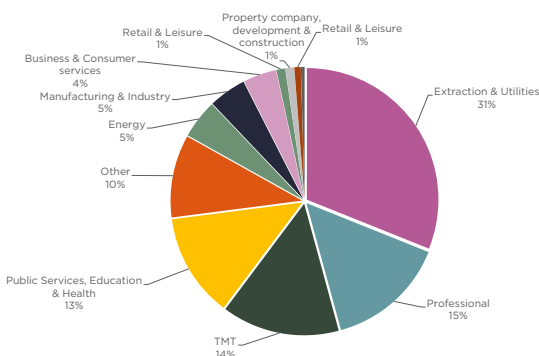
Source Savills Research

Supply



Source Savills Research

Take-up by business sector



Source Savills Research

Aberdeen office take-up in Q2 2024 totalled 59,000 sq ft across 27 deals. Take-up was 13% higher than the same period in 2023 and on par with the five-year average for the quarter. This brought the half year total to 91,000 sq ft, which consisted of 40 deals, and was 29% higher than the number of deals done in H1 2023.

Grade A take-up in Q2 totalled 5,000 sq ft which was down on the previous year. Total half year take-up amounted to 7,500 sq ft and accounted for 8% of the overall total.

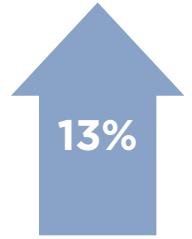
The availability in Aberdeen at the end of H1 stands at 1.7 million sq ft, due to a market recalculation of buildings that will no longer return to office use. This means that the availability has decreased by 21% on the previous quarter, and consequently means that the overall vacancy rate has decreased to 17.2%.

Grade A availability has also decreased in Q2 2024, to a total of 184,000 sq ft, representing a decrease of 16%. Therefore, the Grade A vacancy rate has now declined to 1.8%, which is the lowest figure Savills has on record for Grade A vacancy, and highlights the lack of best-in-class office space in Aberdeen.

During H1, the most active sector was the 'Extraction & Utilities' sector which accounted for 31% of the total. The sector leased a combined 28,000 sq ft of space across nine deals, the largest of which was acquired by Reach Subsea, at H1, Hill of Rubislaw for a total of 7,000 sq ft.

Another notable sector during H1 was the 'Professional' sector, which leased 13,000 sq ft, consequently accounting for 15% of the total. This included four deals, with the largest witnessing Deloitte acquire 6,000 sq ft at the Silver Fin Building.

Take-up and supply Key data points



Q2 2024 take-up was 13% higher than the same period in 2023



40 Completed transactions in H1 2024, 29% higher than H1 2023

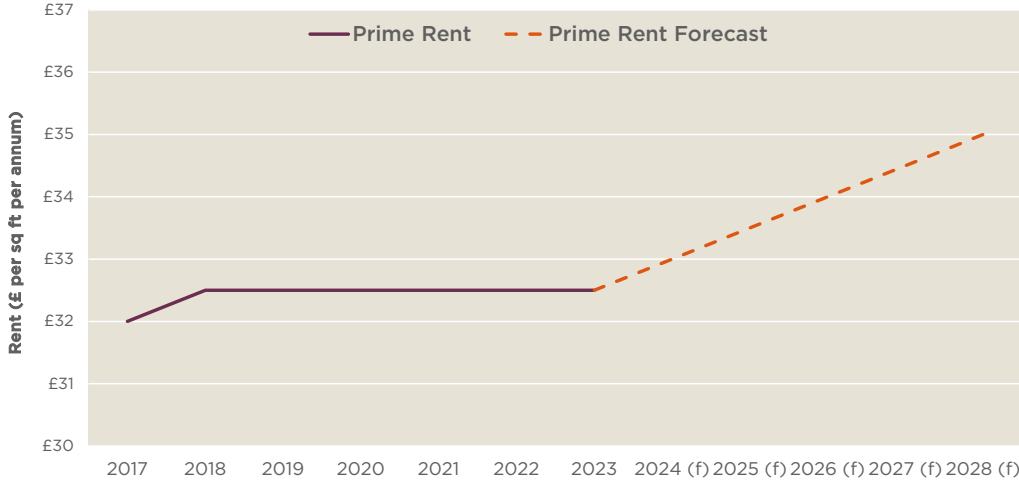


7,000 sq ft The largest deal in H1 2024 to Reach Subsea



'Extraction & Utilities' most active sector in H1 2024

Rents



Source Savills Research

There was no change in the Prime rent in H1 2024, with headline rent standing at £32.50 per sq ft. Savills is predicting rental growth in the next five years, with most recent forecasts projecting a 2% increase to £33 per sq ft in 2024 with further growth of 8% to £35 per sq ft expected by the end of 2028.

Drivers For Growth



52%

Working age population with a NVQ level 4 or above qualification



214,000

Current population in Aberdeen



3rd

In the UK for fewest poor air quality days a year

Source Centre for Cities

Key Market Data

	Data	Comparison to H1 2023	Comparison to H1 2019
Take-up H1 2024 (sq ft)	91,445	-14%	-39%
Grade A Take-up H1 2024 (sq ft)	7,475	-73%	-81%
Deal Count H1 2024	40	+29%	+18%
Average Deal Size (median) (sq ft)	1,877	-25%	-27%
10-Year Average H1 Take-Up (sq ft)	182,707	-	-
H1 Supply (sq ft)	1,778,895	-29%	-34%
H1 Grade A Supply (sq ft)	183,834	-12%	-72%
Prime rent (£ per sq ft per annum)	£32.50	No change	No change

Source Savills Research

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