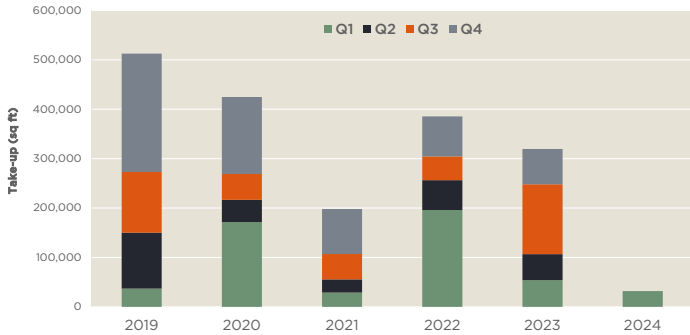


Aberdeen Occupational Office Data Q1 2024



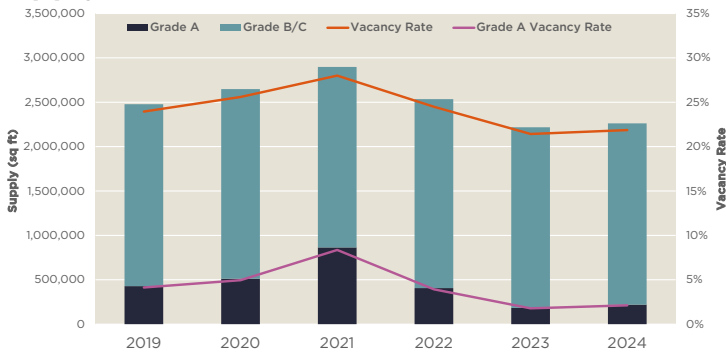
Aberdeen Office Market Round-Up

Take-up



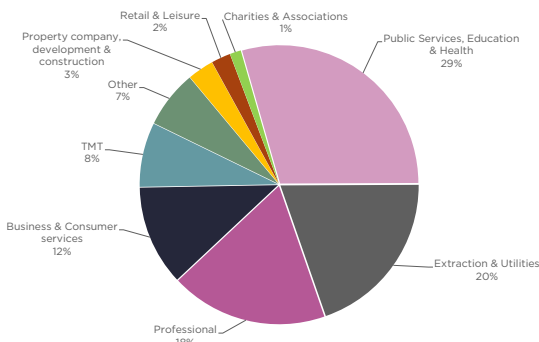
Source Savills Research

Supply



Source Savills Research

Take-up by business sector



Source Savills Research

Q1 2024 take-up in Aberdeen totalled 32,000 sq ft, across 13 deals. Although take-up was 41% down on the same period in 2023, there were only two deals less than the long term Q1 deal average, and 8% higher than the number of deals in Q4 2023. Average deal size has also increased in Q1 2024 to 2,405 sq ft, witnessing an increase of 30% on Q1 2023.

Grade A take-up totalled 2,900 sq ft which accounted for 9% of the total, which can mainly be attributed to only 10% of the available stock consisting of Grade A. Secondary take-up comprised most of the Q1 total, totalling 29,000 sq ft, therefore accounting for 91% of take-up.

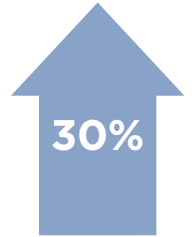
Availability in Aberdeen increased by 2% in Q1 2024, to a total of 2.2 million. Consequently, this increased the total vacancy rate slightly by 50 basis points to 21.9%.

Grade A availability totalled 220,000 sq ft, an increase of 19% on the previous quarter's availability. The vacancy rate now stands at 2.1%, demonstrating the lack of Grade A stock available in the market for occupation.

The most active sector in Q1 2024 was the 'Public Services, Education and Health' sector which leased a total of 9,000 sq ft accounting for 29% of the total, with two deals done in the quarter. The largest deal was HEA Holdings, who acquired 6,000 sq ft at 10 Queens Road, which was also the largest deal of the quarter.

Another notable sector in Q1 was the 'Extraction and Utilities' sector, with a total of 6,000 sq ft accounting for 20%. This was also across two deals, the largest of which saw Kincardine Offshore Wind Ltd acquire 3,000 sq ft at Union Point, Blaikies Quay.

Take-up and supply Key data points



Average deal size has increased by 30% when compared to Q1 2023



13
Completed transactions
in Q1 2024

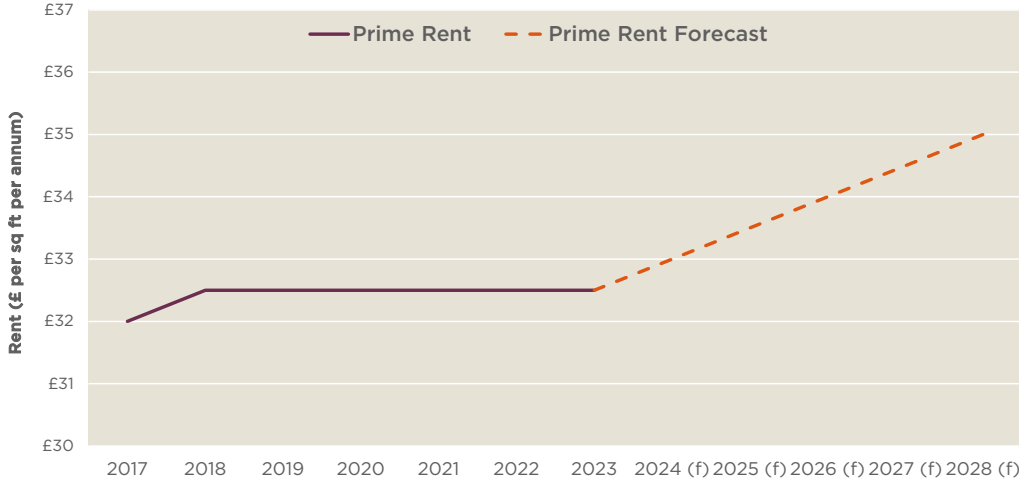


6,000 sq ft
The largest deal in Q1
2024 to HEA Holdings at
10 Queens Road



'Public Services,
Education and Health'
most active sector in Q1
2024

Rents



Source Savills Research

There was no change in the Prime rent in Q1 2024, with headline rent standing at £32.50 per sq ft. However, it is expected that there will be a 2% increase in Prime rents to £33 per sq ft by the end of 2024. Savills is also 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 Q1 2023	Comparison to Q1 2019
Take-up Q1 2024 (sq ft)	32,009	-41%	-13%
Grade A Take-up Q1 2024 (sq ft)	2,900	-75%	-44%
Deal Count Q1 2024	13	-24%	-13%
Average Deal Size (median) (sq ft)	2,405	+30%	+141%
10-Year Average Q1 Take-Up (sq ft)	113,680	-	-
Q1 Supply (sq ft)	2,262,153	+17%	+15%
Q1 Grade A Supply (sq ft)	219,660	-62%	-77%
Prime rent (£ per sq ft per annum)	£32.50	No change	No change

Source Savills Research

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