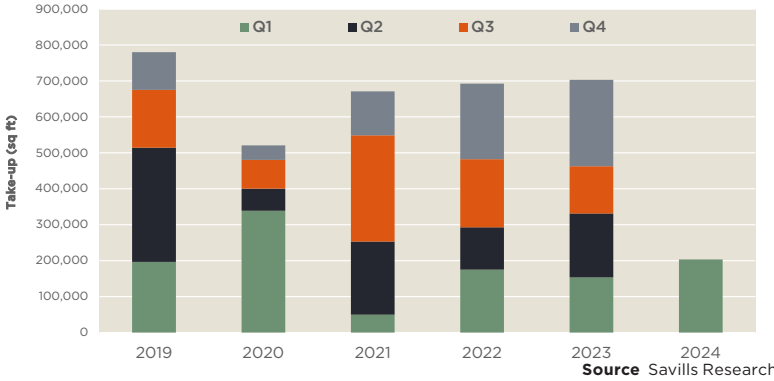


# Birmingham Occupational Office Data Q1 2024



## Birmingham Office Market Round-Up

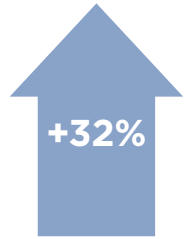
### Take-up



Q1 2024 take-up in Birmingham reached 203,000 sq ft, the highest Q1 take-up since 2020. This was across 20 deals done in the quarter, 11% higher than the number of deals in Q1 2023. Take-up was 32% higher than the total take-up in Q1 2023, and 19% above the long-term Q1 average for the market.

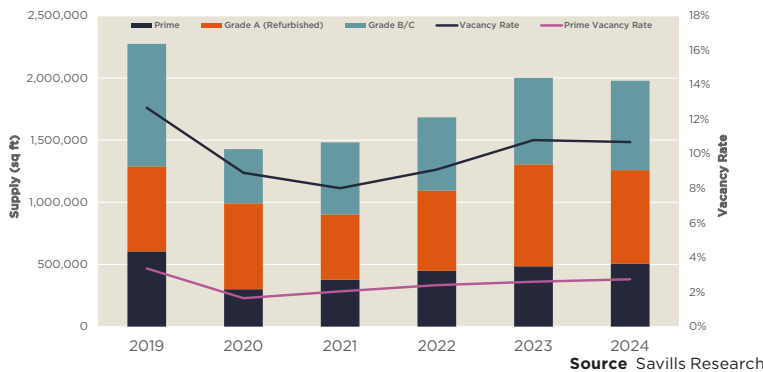
Grade A take-up amounted to 171,000 sq ft, the highest Grade A Q1 take-up since 2020. This was also 97% higher than the Grade A take-up in Q1 2023. At 84% of the total take-up, this was also the highest Q1 Grade A quarterly proportion since the same period in 2020.

### Take-up and supply Key data points



Q1 2024 take-up was 32% higher than Q1 2023

### Supply



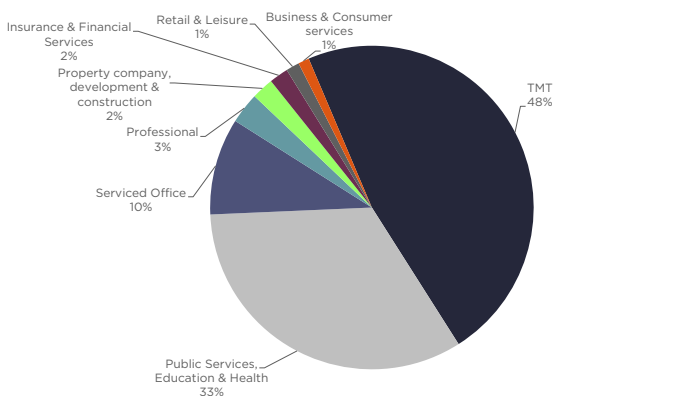
Total availability in 2024 stands at 1.97 m sq ft, 1% lower than the previous quarter. The vacancy rate has decreased by 10 basis points in Q1 2024, to 10.7%.

Grade A availability totals 750,000 sq ft which accounts for 38% of the total. Moreover, Prime availability accounts for 26% of the availability, with a total of 507,000 sq ft.



Grade A take-up accounted for 84% of the total in Q1 2024

### Take-up by business sector



The most notable sector in Q1 2024 was the 'TMT' sector, which leased 96,000 sq ft, accounting for 48% of the total. This was across 5 deals, with the largest deal being the BBC acquiring 84,000 sq ft at Typhoo Wharf. Consequently, Q1 2024 was the 'TMT' sector's largest quarter of take-up since Q1 2020.

The 'Public Services, Education & Health' sector was also active in the quarter, with 33% of the overall take-up total. The sector's 68,000 sq ft Q1 take-up was largely driven by the 45,000 sq ft acquisition by University College Birmingham at Baskerville House.

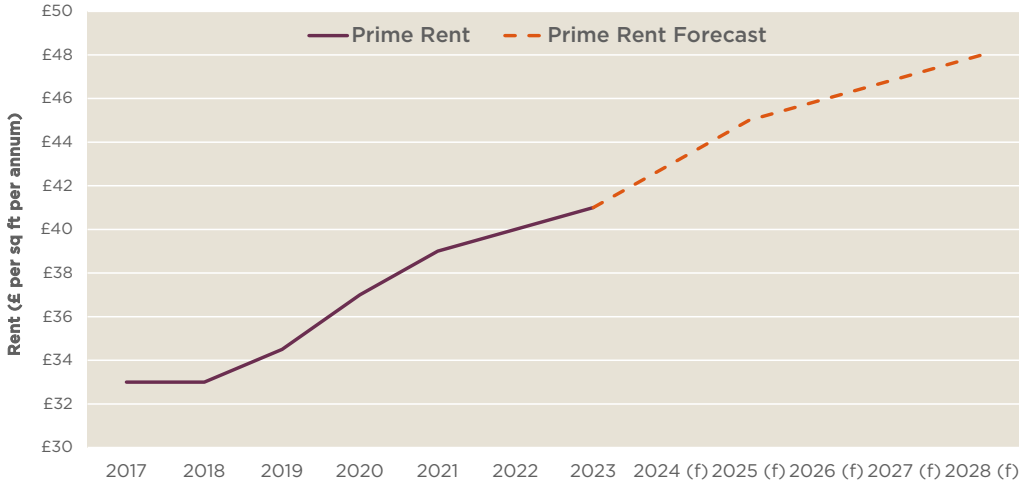


BBC acquired the largest deal in the quarter of 84,000 sq ft at Typhoo Wharf



There were 20 transactions in Q1 2024, 11% higher than Q1 2023

## Rents



Source Savills Research

The prime headline rent currently stands at £42.50 per sq ft, with Birmingham experiencing 23% prime rental growth since the end of 2019. Looking forward, against a backdrop of in demand prime supply and an extremely thin development pipeline, forecasts expect the prime rent to grow by a further 13% over the next five-years to approximately £48 per sq ft by the end of 2028.

## Drivers For Growth



8%

Expected GVA growth over the next five years



8%

Expected office-based employment increase over the next ten years



9,200

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

Source Oxford Economics

## Key Market Data

	Data	Comparison to Q1 2023	Comparison to Q1 2019
Take-up Q1 2024 (sq ft)	203,385	+32%	+3%
Grade A Take-up Q1 2024 (sq ft)	171,014	+97%	+75%
Deal Count Q1 2024	20	+11%	-23%
Average Deal Size (median) (sq ft)	2,866	-2%	+12%
10-Year Average Q1 Take-Up (sq ft)	171,467	N/A	N/A
Q1 Supply (sq ft)	1,978,036	+15%	+2%
Q1 Prime Supply (sq ft)	507,213	N/A*	N/A*
Prime Rent (£ per sq ft per annum)	£42.50	+4%	+23%

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

Source Savills Research

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