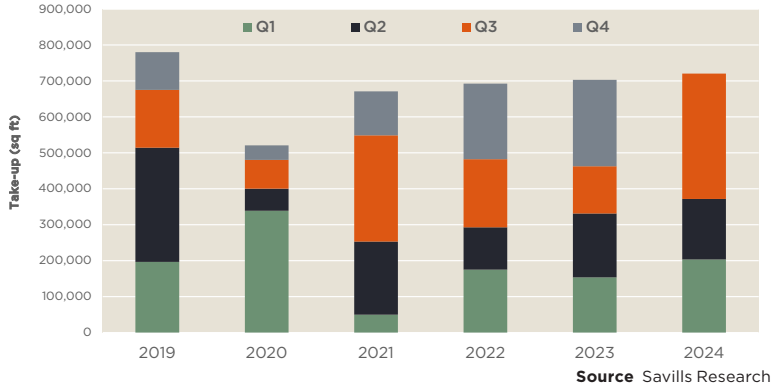


Birmingham Occupational Office Data Q3 2024



Birmingham Office Market Round-Up

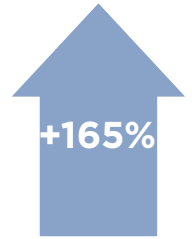
Take-up



Birmingham Q3 2024 take-up totalled 349,000 sq ft across 23 deals. This was 165% higher than the same period in 2023, and also 103% higher than the five-year Q3 average. Total year-to-date (YTD) take-up amounts to 721,000 sq ft, which has already surpassed the total for the entirety of 2023 by 3%, putting Birmingham on course for a record year.

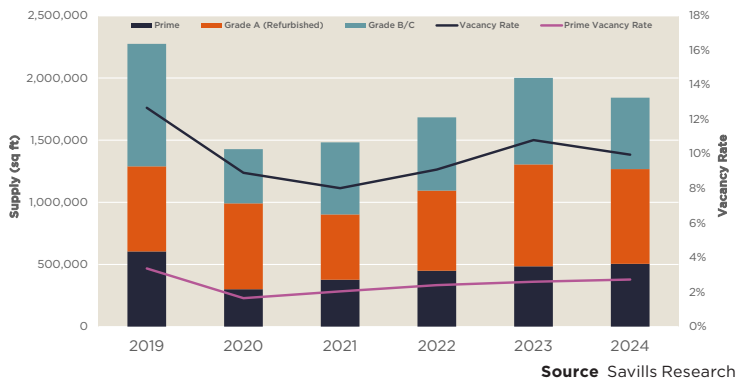
Grade A and Prime take-up in Q3 totalled 60,000 sq ft which accounted for 17% of the total. YTD Grade A and Prime totals 335,000 sq ft, therefore accounting for 47% of the total take-up.

Take-up and supply Key data points



Q3 2024 take-up was 165% higher than the same period in 2023

Supply



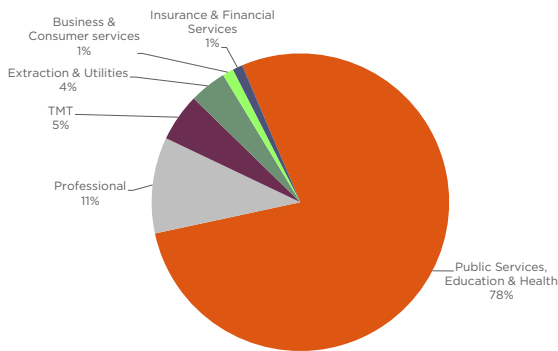
Total availability at the end of Q3 2024 stands at 1.8 million sq ft, which represents a decrease of 1% on the previous quarter. The overall vacancy rate is now 10%, which is a 10 basis point decrease on Q2 2024.

Grade A and Prime availability at the end of Q3 2024 totals 1.2 million sq ft, an increase of 9% on Q2 2024. This comprises of 761,000 sq ft of Grade A and 505,000 sq ft of Prime space. The Grade A and Prime vacancy rates now stand at 4.1% and 2.7%, respectively.



Grade A take-up accounted for 47% of the total in Q1-Q3 2024

Take-up by business sector



The most notable sector in Q3 2024 was the 'Public Services, Education & Health' sector, which leased a combined total of 272,000 sq ft, across seven deals. The sector accounted for 78% of the total in Q3, with the largest deal of 189,000 sq ft being acquired by Aston University at 10 Woodcock Street. Another large deal in the sector was at 1 Brindley Place, which was acquired by Global Banking School for a total of 68,000 sq ft.

Another active sector in the quarter was the 'Professional' sector, which accounted for 11%, by totalling 36,000 sq ft. This was across six deals, the largest of which was acquired by Trowers & Hamblins, for a total of 16,000 sq ft at One Snowhill.

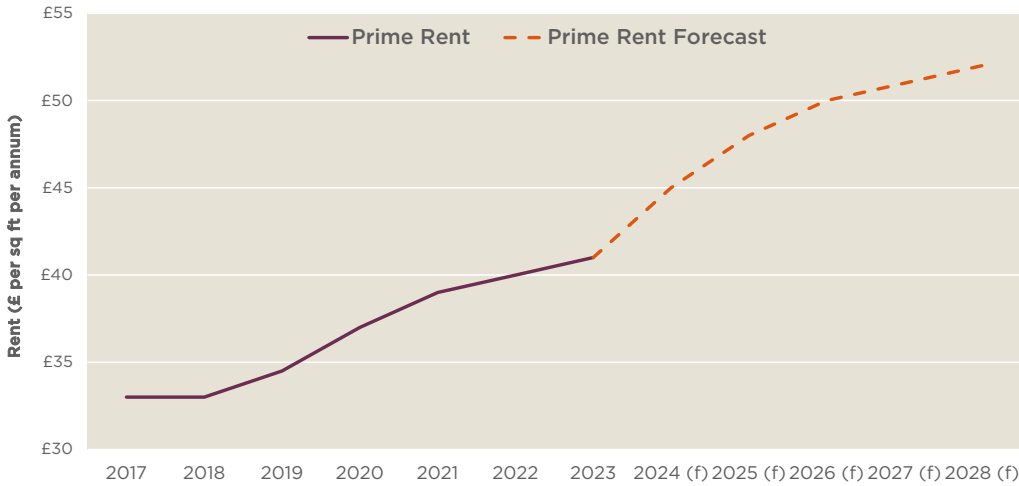


Aston University acquiring 189,000 sq ft at 10 Woodcock Street was the largest deal in Q3 2024 and YTD



The 'Public Services, Education & Health' sector was the most active in Q3 2024

Rents



Source Savills Research

The Prime headline rent has seen no increase in 2024, and 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, a thin development pipeline and a rise in requirements in the market, forecasts expect the Prime rent to grow by a further 22% over the next five years to approximately £52 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 Q3 2023	Comparison to Q3 2019
Take-up Q3 2024 (sq ft)	348,690	+165%	+117%
Grade A Take-up Q3 2024 (sq ft)	59,715	-51%	-51%
Deal Count Q3 2024	23	+28%	-34%
Average Deal Size (median) (sq ft)	3,729	+6%	+301%
10-Year Average Q3 Take-Up (sq ft)	174,537	N/A	N/A
Q3 Supply (sq ft)	1,841,337	-10%	-25%
Q3 Prime Supply (sq ft)	504,885	-6%	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

Savills team

Please contact us for further information

Ben Thacker

Director
Office Agency
0121 200 4561
ben.thacker@savills.com

Nick Williams

Director
Office Agency
0121 634 8401
nwilliams@savills.com

Jonathan Ottewell

Associate Director
Office Agency
0121 634 8419
jottewell@savills.com

Clare Bailey

Director
Commercial Research
020 7409 8863
cbailey@savills.com

Jack Edwards

UK Office Analyst
Commercial Research
07977 293 430
jack.edwards@savills.com

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