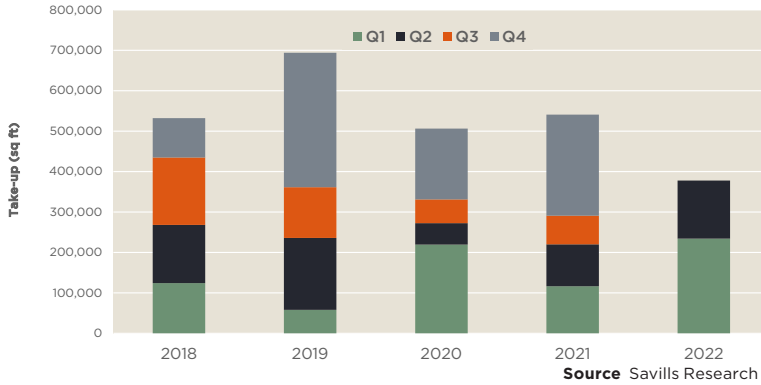


# Bristol Occupational Office Data H1 2022



## Bristol Office Market Round-Up

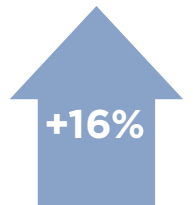
### Take-up



H1 2022 take-up, totalling 378,000 sq ft, was the second highest H1 take-up since 2008. This was 71% above the H1 2021 and represented a significant 50% increase on the five year H1 average.

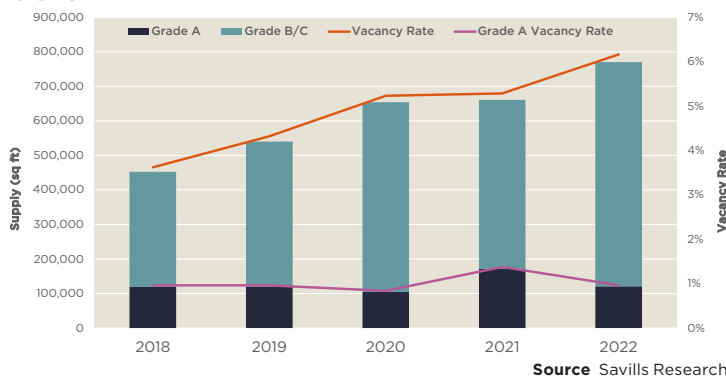
Grade A take-up accounted for 41% of Q1 take-up. This represented a much larger Grade A proportion than the five year H1 average of 23%. This included the 24,000 sq ft acquisition by Pax8 at No2 The Distillery and the 23,000 sq ft letting to Deloitte at Halo.

### Take-up and supply Key data points



Q2 2022 take-up was 16% above the five year Q2 average

### Supply



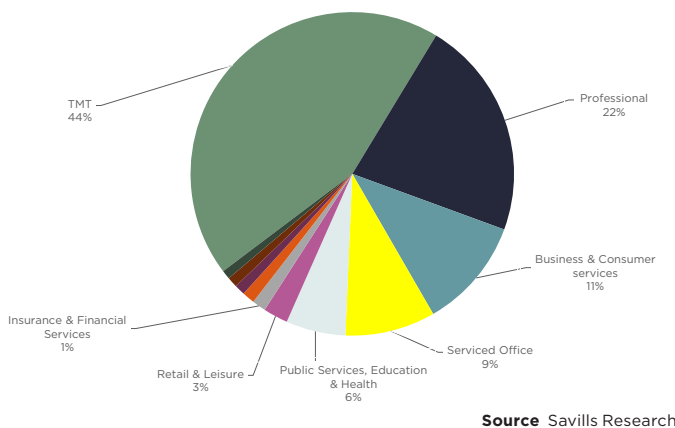
Total supply currently stands at 770,000 sq ft. This equates to just 1.3 years of supply, and with Savills regarding anything under two years as an undersupply, availability within the Bristol city centre market remains extremely limited.

The current Grade A supply level in the market is 121,000 sq ft. This represents a significant decrease of 30% on the Q4 2021 total and is indicative of the severe lack of Grade A supply within the market. As such, Grade A vacancy rate currently stands at 1% at the end of H1 2022.



157,000 sq ft Grade A take-up in H1 2022 which was the highest total since 2016

### Take-up by Business Sector



The 'TMT' sector continues to perform strongly in Bristol, recording 164,000 sq ft take-up in H1 2022 which accounted for 44% of the overall total. This included the 55,000 sq ft acquisition by Paymentsense UK at CEG's EQ building.

Elsewhere, it was also a strong half year for the 'Professional' sector. Total take-up of 82,000 sq ft accounted for 22% of the overall total take-up, which in terms of quantum has already surpassed the annual total achieved in 2021.

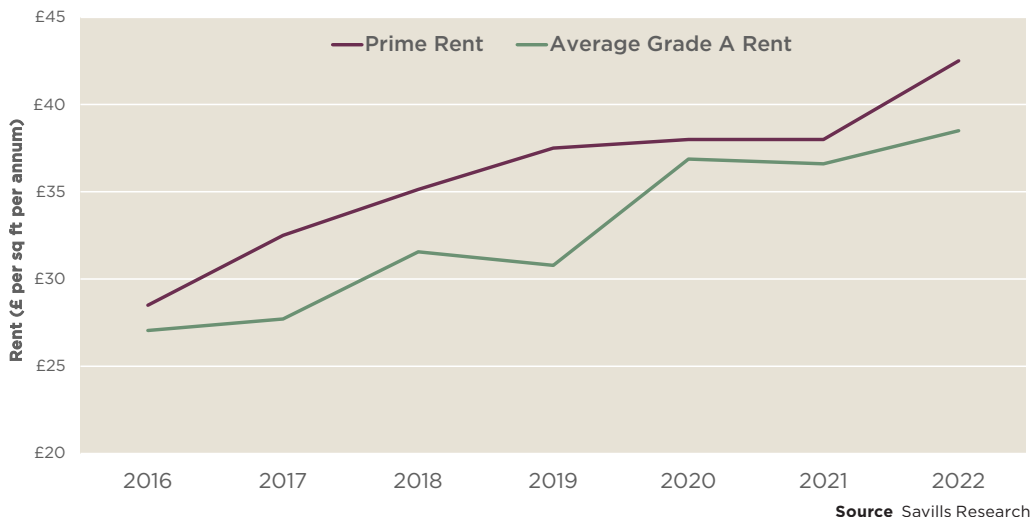


55,000 sq ft Largest letting recorded in H1 2022



37 Number of transactions completed in H1 2022. This was the largest number of H1 deals since 2018

## Rents



The prime rent in Bristol increased by 12% in H1 2022 to £42.50 per sq ft at half year end. With this latest increase prime rent in Bristol has grown by 49% since 2016 and at £42.50 per sq ft Bristol has the highest prime rent in the UK Big Six markets. Equally, average grade A rents have also increased significantly during this period. The average grade A rent in H1 2022 was £38.50 per square foot, a 5% increase on the 2021 Grade A average. Savills expects average Grade A rents to increase as the headline rent becomes more established within the market.

## Drivers For Growth



11%

Expected GVA growth over the next five years



6%

Expected office based employment increase over the next five years



9,050

New jobs in the professional, tech and scientific sector in the next 10 years

Source: Oxford Economics

## Key Market Data

	Data	Comparison to H1 2021
Take-up H1 2022 (sq ft)	377,884	+71%
Grade A Take-up H1 2022 (sq ft)	157,283	+733%
Average Deal Size (median) (sq ft)	3,255	+20%
10-Year Average H1 Take-Up (sq ft)	267,330	-
5-Year Average H1 Take-Up (sq ft)	252,139	-
H1 Supply (sq ft)	770,305	+17%
H1 Grade A Supply (sq ft)	120,621	-1%
Years of Supply*	1.3	-
Prime Rent	£42.50	12%

\*calculated by dividing total supply by 5-year average annual take up

Source: Savills Research

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