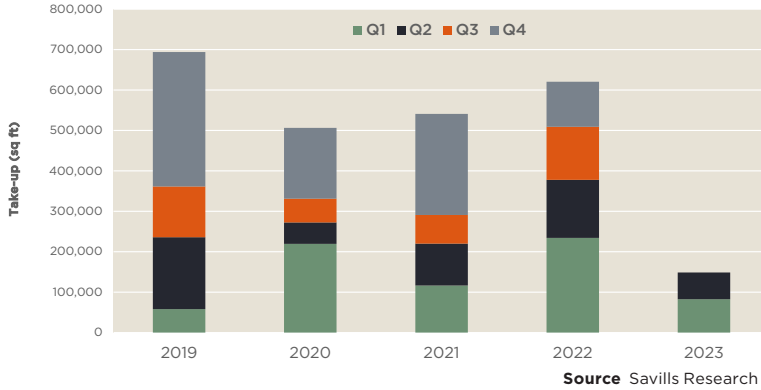


Bristol Occupational Office Data H1 2023



Bristol Office Market Round-Up

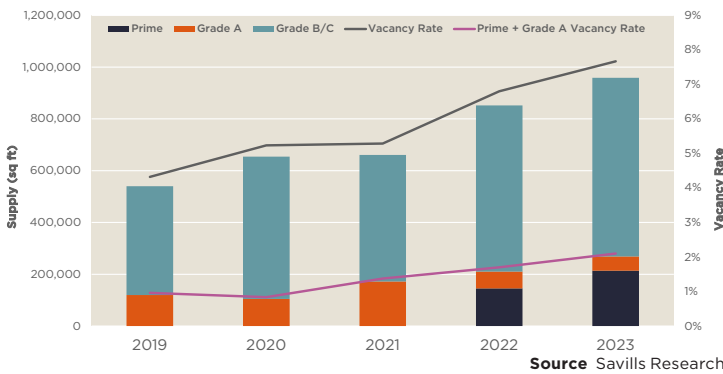
Take-up



H1 2023 take-up totalled 150,000 sq ft in Bristol city centre. This was below the long-term H1 average. Take-up was spread across 42 transactions at an average deal size of 3,542 sq ft. This means that the average deal size has decreased by 38% in Bristol city centre since 2013 due to increasing activity in the smaller size bands.

Grade A take-up was 47,000 sq ft which accounted for 32% of the overall total. The largest Grade A deal in H1 was the 11,000 sq ft acquisition by Michelmores at 10 Victoria Street.

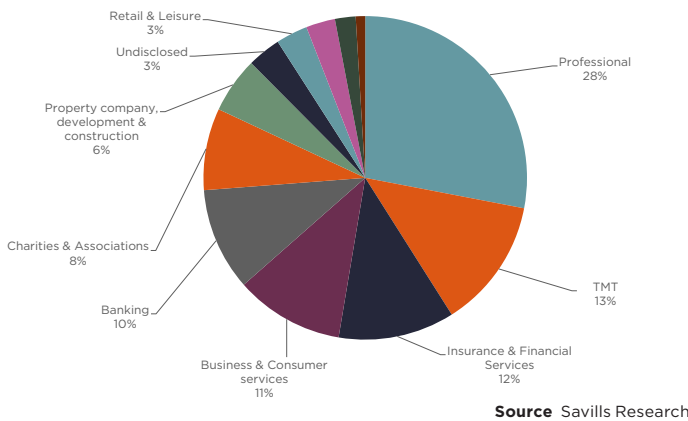
Supply



Total availability at the end of H1 stood at 958,000 sq ft. This represented a 13% increase on the Q4 2022, equating to just 1.6 years of supply based on average demand. Savills deems anything below two years as an undersupplied market.

Prime availability was 214,000 sq ft at the end of Q1 2023. This has increased compared to the Q4 2022 total of 145,000 sq ft, but this is due to EQ and Assembly now being added to the supply total as they approach completion.

Take-up by business sector



The 'Professional' sector was the most active in H1 2023, accounting for 28% of total take-up. Take-up was spread across 10 transactions which was double the 10 year H1 average deal count for the sector.

Elsewhere, 'TMT' was the second most active, accounting for 13% of total take-up. There was only one deal over 5,000 sq ft as demand was focussed on smaller, fitted spaces that allow these companies to avoid significant capital expenditure costs.

Take-up and supply Key data points



42
Completed office transactions in H1 2023



13%
Increase in total supply compared to Q4 2022

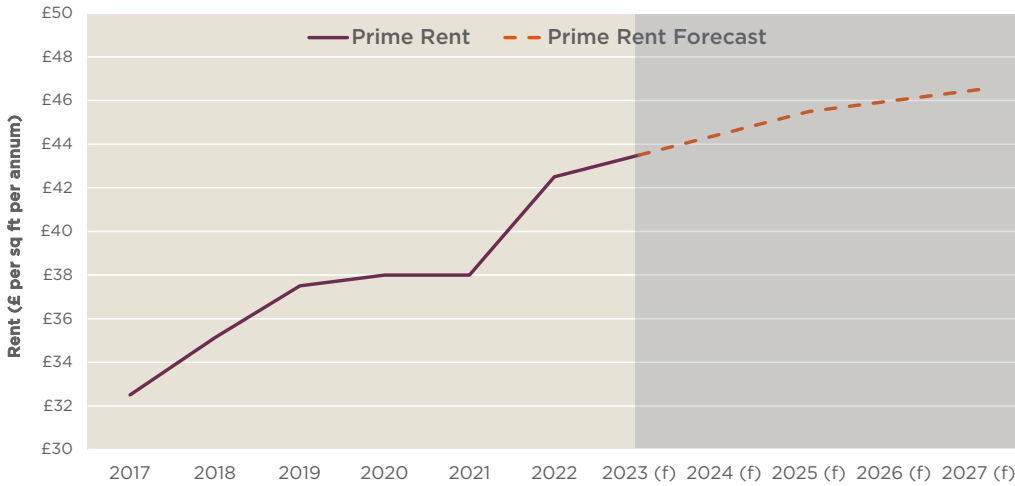


12,000 sq ft
Largest transaction in H1 2023



Average deal size has reduced by 38% since 2013

Rents



Source Savills Research

There was no increase in the prime rent H1 2023, which currently stands at £42.50 per sq ft. Bristol has experienced 13% prime rental growth since the end of 2019 to establish itself as having the joint highest prime rent in the UK Big 6 markets. Savills latest forecasts that prime rent will grow by a further 9% to at least £46.50 per sq ft by the end of 2027. Average Grade A rents also remain strong, with the H1 2023 average of £37.10 representing a growth of 21% over the past five-years.

Drivers For Growth



7%

Expected GVA growth over the next five years



4%

Expected office-based employment increase over the next five years



7,920

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

Source Oxford Economics

Key Market Data

	Data	Comparison to H1 2022	Comparison to H1 2019
Take-up H1 2023 (sq ft)	148,744	-61%	-37%
Grade A Take-up H1 2023 (sq ft)	47,496	-70%	-11%
Deal Count H1 2023	42	-31%	-18%
Average Deal Size (median) (sq ft)	2,551	-22%	-19%
5-Year Average H1 Take-Up (sq ft)	274,790	-	-
H1 Supply (sq ft)	958,621	+24%	+80%
H1 Prime Supply (sq ft)	214,127	N/A*	N/A*
Prime rent (£ per sq ft per annum)	£42.50	No change	+21%

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

Source Savills Research

Savills team

Please contact us for further information

Chris Meredith

Director
Office Agency
0117 9102 216
cmeredith@savills.com

Harry Allen

Director
Office Agency
0117 9102 356
hrallen@savills.com

Clare Bailey

Director
Commercial Research
020 7409 8863
cbailey@savills.com

George Roberts

UK Office Analyst
Commercial Research
020 7016 3790
george.roberts@savills.com

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