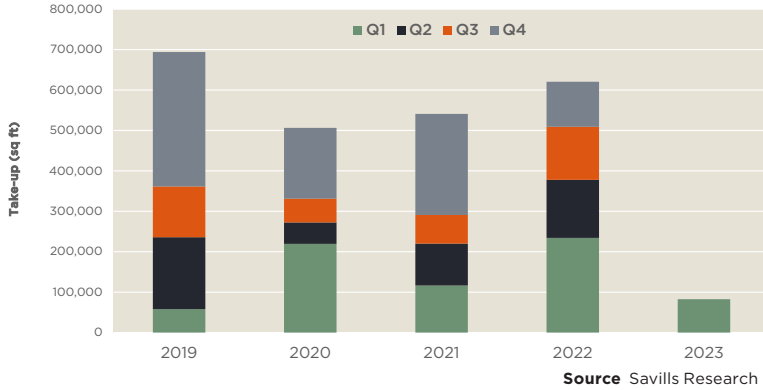


Bristol Occupational Office Data Q1 2023



Bristol Office Market Round-Up

Take-up



Q1 2023 take-up totalled 83,000 sq ft in Bristol city centre. This was below the long-term Q1 average, however, there were 22 completed transactions in the quarter which was in line with the five-year Q1 average deal count. This came as a result of increased activity in the sub 5,000 sq ft size band.

Grade A take-up was just over 20,000 sq ft which accounted for 25% of the overall total in the quarter. This was marginally below the five-year average Grade A proportion of 28%. The largest Grade A deal in Q1 was the 11,000 sq ft acquisition by Michelmores at 10 Victoria Street.

Take-up and supply Key data points



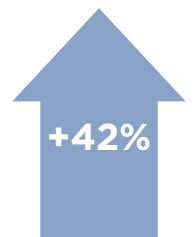
22
Completed office transactions in Q1 2023 which was broadly in line with the five-year Q1 average



33%
Increase in 'Professional' sector deal count compared to the five-year Q1 average

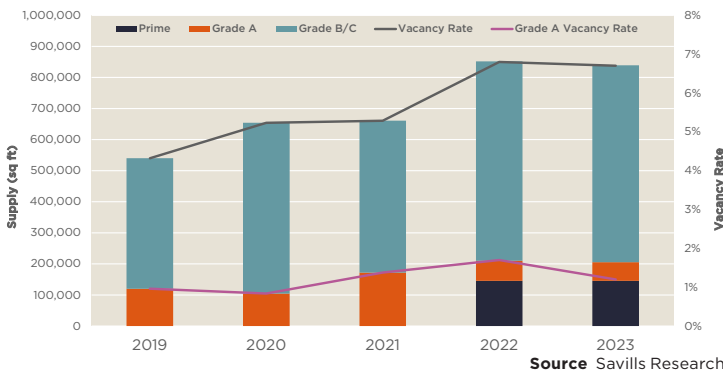


12,000 sq ft
Largest transaction in Q1 2023



Q1 2023 take-up was 42% above the Q1 2019 total

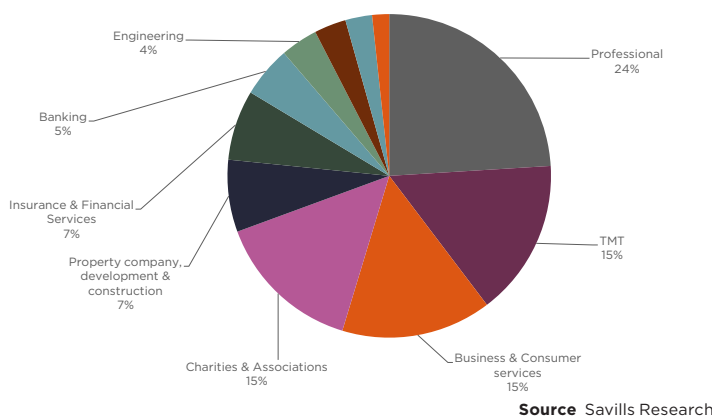
Supply



Total availability at the end of Q1 stood at 840,000 sq ft. This was broadly in line with the total recorded at the end of Q4 2022, and it represents 1.5 years of supply based on average demand in the market.

Prime availability was 145,000 sq ft at the end of Q1 2023. There was no change in Prime supply compared to Q4 2022, meaning there is just 0.9 years of Prime availability based on average Grade A demand. Savills fully expects Prime supply to continue to decrease in the coming quarters of 2023.

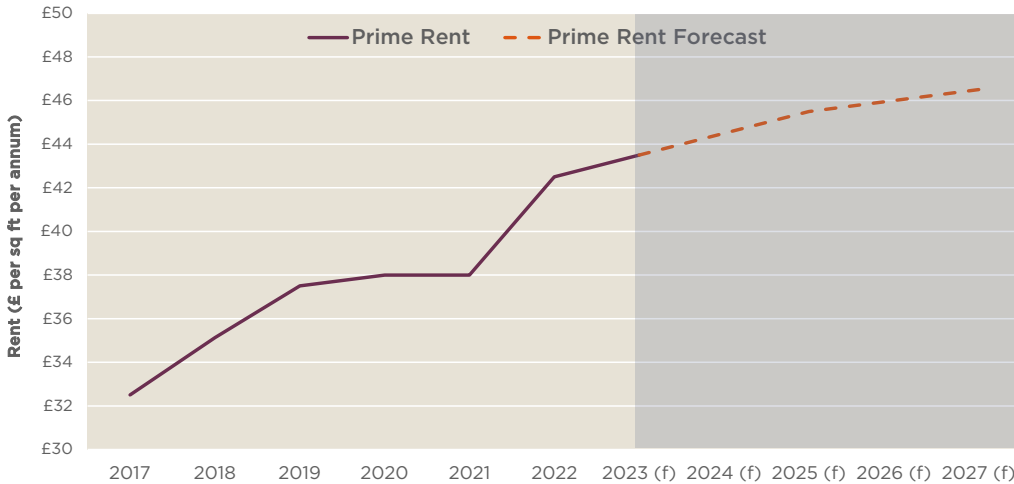
Take-up by business sector



The 'Professional' sector was the most active in Q1 2023, accounting for 24% of total take-up. There were four completed transactions from the sector which was 33% above the five-year Q1 average deal count for 'Professional' occupiers.

Elsewhere, 'Charities & Associations' also delivered a strong performance thanks to the freehold acquisition at Protheroes House by The Nelson Trust. This was the largest completed transaction in the market in Q1 2023 at just over 12,000 sq ft.

Rents



Source Savills Research

There was no increase in the prime rent Q1 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 highest prime rent in the UK Big 6 markets. Savills latest forecasts expect rents to increase further to £43.50 per sq ft by the end of the year, with an expectation that prime rent will grow by a further 7% to approximately £46.50 per sq ft by the end of 2027.

Drivers For Growth



9%

Expected GVA growth over the next five years



5%

Expected office-based employment increase over the next five years



8,100

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

Source Oxford Economics

Key Market Data

	Data	Comparison to Q1 2022	Comparison to Q1 2019
Take-up Q1 2023 (sq ft)	82,694	-65%	+42%
Grade A Take-up Q1 2023 (sq ft)	21,067	-81%	-35%
Deal Count Q1 2023	22	-27%	+38%
Average Deal Size (median) (sq ft)	2,427	-30%	+4%
5-Year Average Q1 Take-Up (sq ft)	150,475	-	-
Q1 Supply (sq ft)	839,154	+18%	+63%
Q1 Prime Supply (sq ft)	145,331	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

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