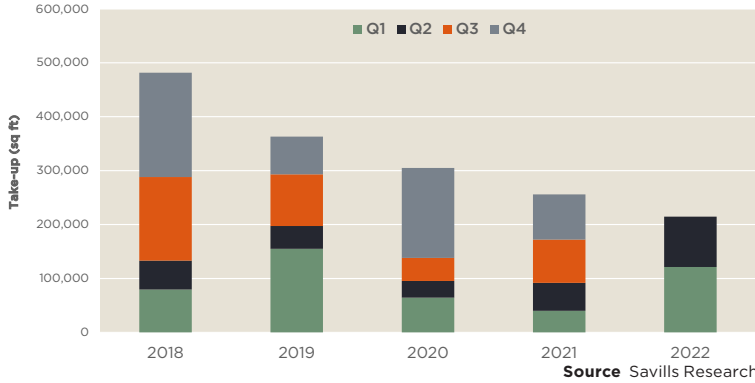


Cardiff Occupational Office Data H1 2022



Cardiff Office Market Round-Up

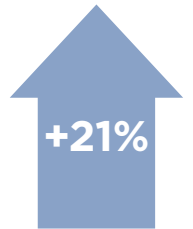
Take-up



H1 2022 take-up, totalling 215,000 sq ft, was the highest H1 take-up since 2016, and 134% above the H1 2021 total. In terms of deal count, there were 51 transactions in H1 2022 which was 38% above the five year average for the Cardiff market.

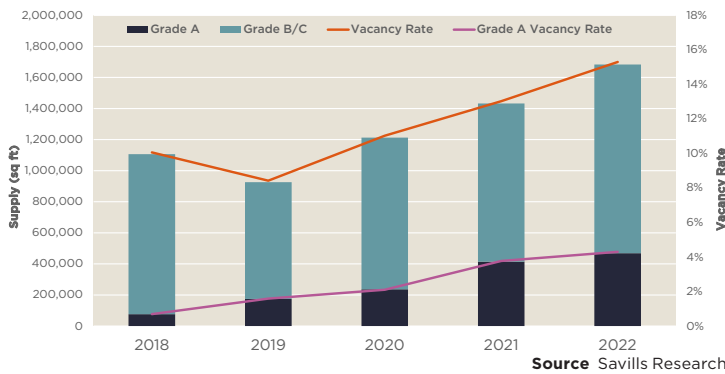
Grade A take-up of 102,000 sq ft accounted for 47% of total take-up in H1. This return was a notable success for the market representing a 37% improvement on the H1 2021 Grade A proportion and a 25% improvement on the five-year average for the market.

Take-up and supply Key data points



H1 2022 take-up was 21% above the 10 year H1 average

Supply



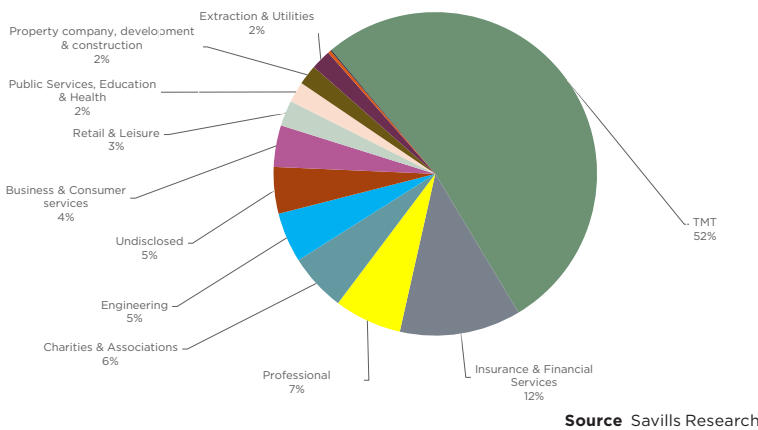
Total supply increased in the second quarter of 2022 to 1.68 million sq ft which represented a 1% increase from Q1 2022 total. That being said, with a strong first half of 2022 in terms of take-up, Savills predicts that supply in the market will reduce in the remaining quarters of the year.

Grade A supply currently sits at 469,000 sq ft. This represents an increase of 3% on the Q1 total. However, with an increasing 'flight to quality' as demonstrated by the proportion of Grade A take-up, this figure is expected to decrease in the remaining quarters of 2022.



Vacancy rate has increased in every year since 2019

Take-up by Business Sector



The 'TMT' sector was the most active sector in H1 2022, accounting for 52% of overall take-up. This included the 65,000 sq ft letting to BT at Capital Quarter and 26,000 sq ft acquisition by Roku at Fusion Point One. Overall, the quantum of 'TMT' take-up in H1 2022 (113,000 sq ft) exceeded the annual total achieved in 2021 by 370%.

It was also a strong start to the year for 'Insurance & Financial Services', which took a 12% share of overall take-up. This included the 12,000 sq ft Grade A letting to Carlyle Trust at One Central Square.

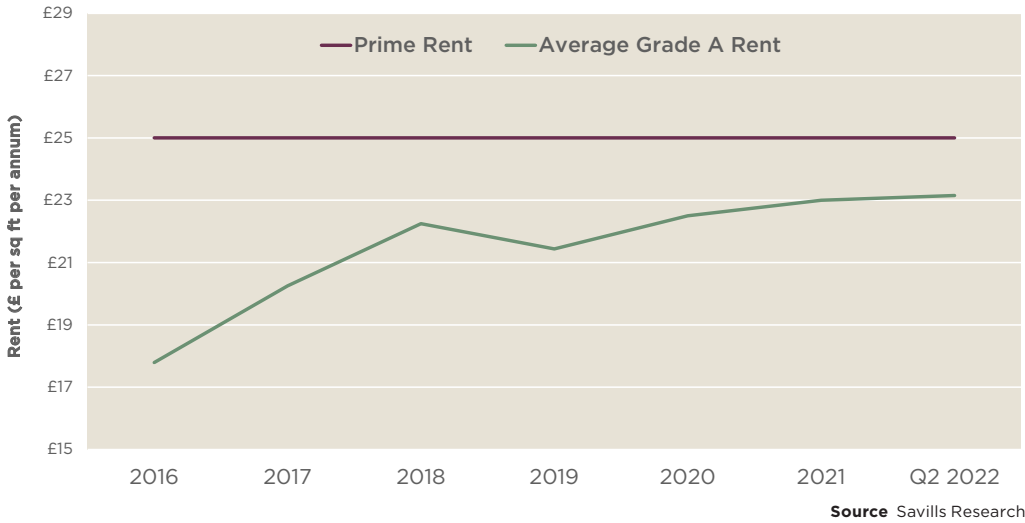


65,000 sq ft
Largest letting in H1 2022



51
Highest number of completed Q2 transactions since 2016

Rents



There was no change in the prime rent in Cardiff in H1 2022. Although the prime rent remains at £25 per sq ft, Savills latest rental forecasts are predicting rental growth in the market for the first time in 6 years with a potential to top £30 per sq ft in the City Centre. Average Grade A rents have increased significantly from 2015 to 2021. This trend continued in H1 2022, with average Grade A rents increasing to £23.15 at the end of H1 2022.

Drivers For Growth



7%

Expected GVA growth over the next 5 years



3%

Expected office based employment increase over the next 5 years



2260

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)	214,708	+134%
Grade A Take-up H1 2022 (sq ft)	101,639	+977%
Average Deal Size (sq ft)	2,250	+10%
10-Year Average H1 Take-Up (sq ft)	177,378	-
5-Year Average H1 Take-Up (sq ft)	144,859	-
H1 Supply (sq ft)	1,683,607	+27%
H1 Grade A Supply (sq ft)	468,698	-9%
Years of Supply*	4	-
Prime Rent	£25	0%

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

Source: Savills Research

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