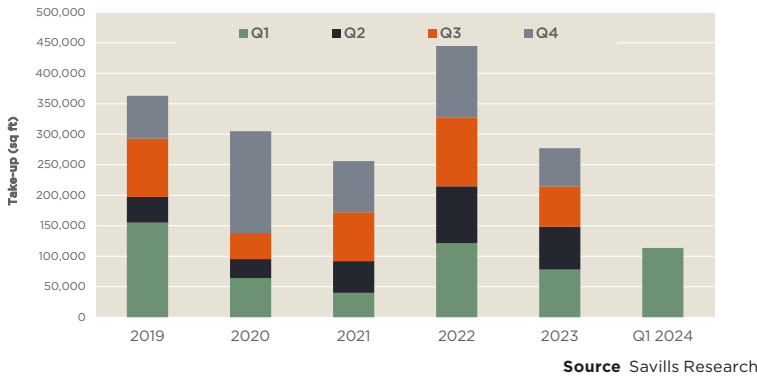


Cardiff Occupational Office Data Q1 2024



Cardiff Office Market Round-Up

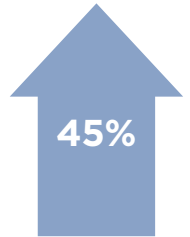
Take-up



Cardiff take-up in Q1 2024 totalled 113,501 sq ft. This was 45% higher than the total Q1 take-up in 2023, and also 24% above the five year average, with this being the highest quarterly take-up since Q4 2022. With 30 deals done in the quarter, this was 15% higher than the same period in 2023 and 32% above the long-term average number of deals.

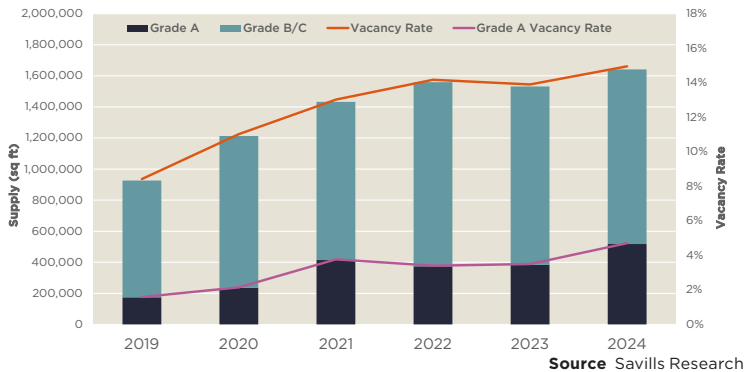
Secondary stock made up the majority of take-up in Q1 2024 with a total of 108,000 sq ft, accounting for 96% of the total, Grade A therefore only accounted for 4%, with a total of 5,000 sq ft.

Take-up and supply Key data points



Q1 2024 take-up was 45% higher than Q1 2023

Supply



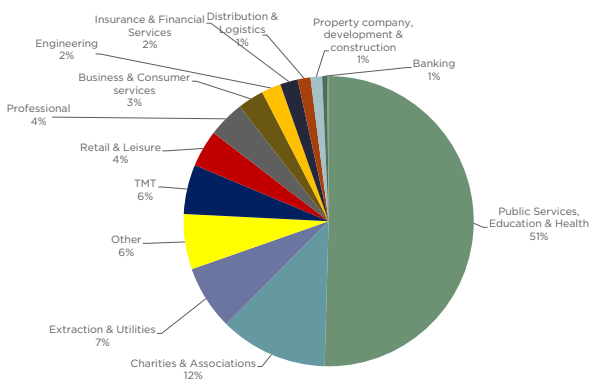
Q1 2024 availability increased by 7% to a total of 1.6 m sq ft compared to the previous quarter. This means that the total vacancy rate increased to 14.9%, representing an increase of 100 basis points on the previous quarter.

Grade A availability totalled 517,000 sq ft therefore accounting for 31%. Consequently, this means that Grade A vacancy increased by 120 basis points from 3.5% to 4.7%. Secondary stock dominates the availability, accounting for 69% of the total.



30 Completed lettings in Q1 2024

Take-up by business sector



The 'Public Services, Education and Health' sector was the most active in Q1 2024 totalling 57,000 sq ft and therefore accounting for 51% of the total. The largest deal in the sector and the quarter was to the Welsh Government at Cardiff Gate Business Park, where 51,000 sq ft was acquired. This is also the largest deal in the market since Q1 2022.

The second most active sector in the quarter is 'Charities and Associations'. The sector leased 14,000 sq ft which accounted for 12% of the total. The largest deal in this sector was to the Guide Dogs for the Blind, who acquired 4,300 sq ft at Eastern Business Park.

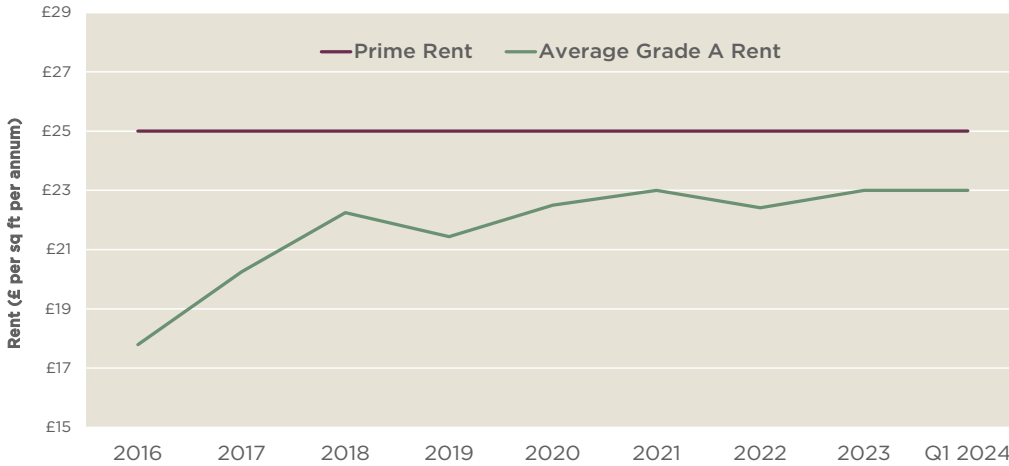


+7% Total Q1 2024 supply increase on Q4 2023



51,000 sq ft Largest deal in Q1 2024 to the Welsh Government at Cardiff Gate Business Park

Rents



Source Savills Research

There was no change in the Prime rent in Cardiff during Q1 2024, with the Prime rent remaining at £25 per sq ft, whilst average Grade A rent rates have also remained at £23 per sq ft. This represents an increase of 4% on 2022 average Grade A rents, therefore closing the gap against Prime rents in the market. Looking at growth forecasts, it is expected that Prime rents in Cardiff will reach £28 per sq ft during 2024 and could potentially reach £30 per sq ft by the end of the year, if a pre-let is achieved in the speculative John Street development.

Drivers For Growth



7%

Expected GVA growth over the next five years



6%

Expected office-based employment increase over the next 10 years



2,200

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

Source Oxford Economics

Key Market Data

	Data	Comparison to Q1 2023	Comparison to Q1 2019
Take-up Q1 2024 (sq ft)	113,501	+45%	-27%
Grade A Take-up Q1 2024 (sq ft)	5,066	+34%	-93%
Deal Count Q1 2024	30	+15%	-9%
Average Deal Size (median) (sq ft)	1,775	-23%	-15%
10-Year Average Q1 Take-Up (sq ft)	101,768	-	-
Q1 Supply (sq ft)	1,644,175	+4%	+62%
Q1 Grade A Supply (sq ft)	517,430	+14%	+171%
Grade A rent (£ per sq ft per annum)	£25	No Change	-

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

Source Savills Research

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