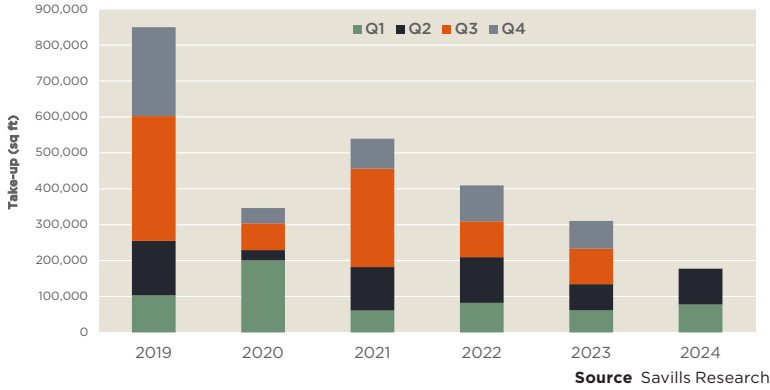


Glasgow Occupational Office Data H1 2024



Glasgow Office Market Round-Up

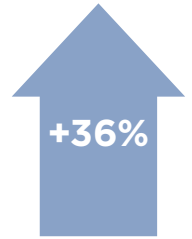
Take-up



Glasgow experienced its highest quarterly take-up in Q2 2024 since Q4 2022, which totalled 100,000 sq ft across 36 deals. Q2 was 36% higher than the same period in 2023. Consequently, this brought the half-year total to 178,000 sq ft which was 32% higher than H1 2023. With 65 deals done in H1 2024, this was the highest number of deals on record for the first half of the year.

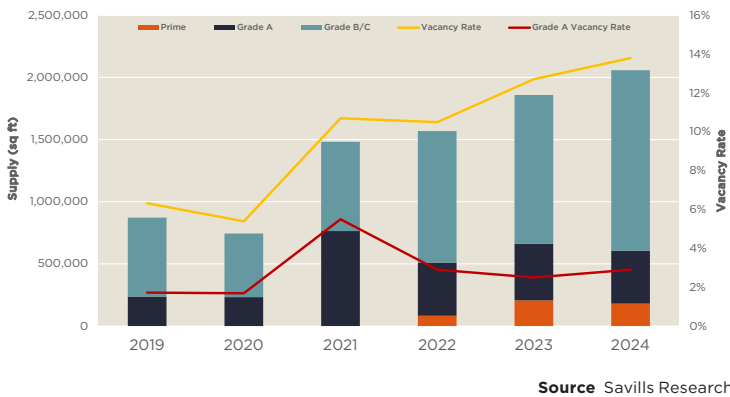
Grade A and prime accounted for 29% of H1 take-up, totalling 51,000 sq ft. There has been a significant increase in Grade A and prime take-up in H1 2024, with the market seeing a 38% increase on H1 2023.

Take-up and supply Key data points



Q2 2024 take-up was 36% higher than Q2 2023

Supply



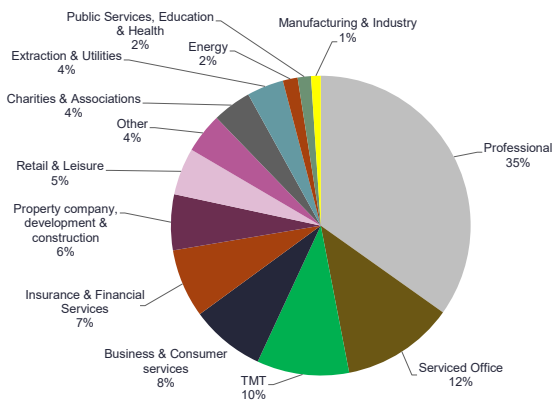
Availability in Glasgow at the end of H1 stands at 2 million sq ft, a 2% decrease on Q1 2024. This means the overall vacancy rate is now 13.8%, 30 basis points (bps) lower than the previous quarter.

Grade A and prime availability accounts for 29%, totalling 606,000 sq ft. This also means that the vacancy rate for Grade A has decreased by 30 bps to 3.8%. Secondary stock continues to dominate availability with a total of 1.4 million sq ft; 71% of the overall total, highlighting the lack of high-quality space available.



H1 2024 take-up was 32% higher than H1 2023

Take-up by business sector



The 'Professional' sector was the most active in Glasgow during H1, accounting for 35% of the total take-up. The sector leased a combined 62,000 sq ft with 15 deals in total, the highest number of 'Professional' deals on record for the half year. The largest deal of H1 was PWC, which leased 26,000 sq ft in Q1 at Aurora.

Another notable sector during the first half of the year was the 'Serviced Office' sector, which accounted for 12% of the total. This was through one transaction, which was acquired by Boutique Workplace, across three floors at 9 George Square, for a total of 22,000 sq ft.

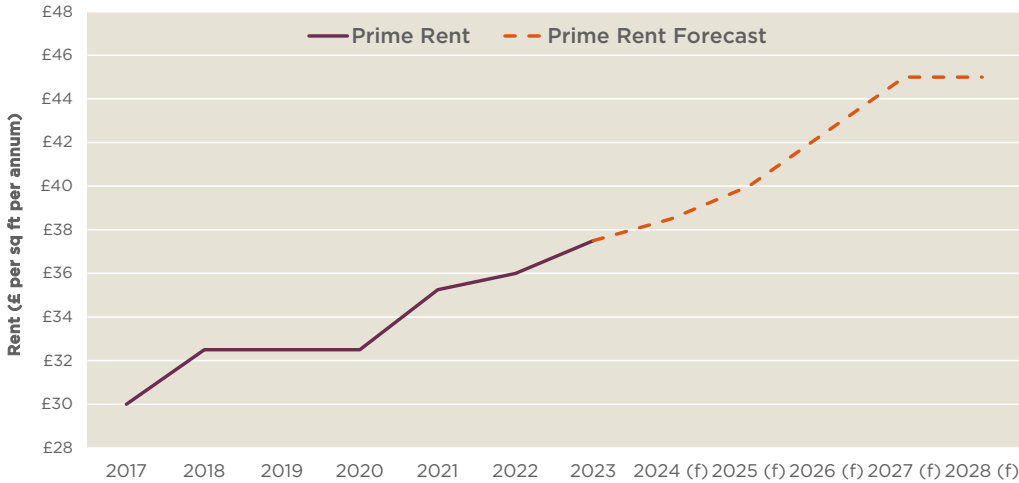


26,000 sq ft
Largest letting in H1 2024 by PWC at Aurora



65 deals completed in H1 2024, the highest half-year deal count on record

Rents



Source Savills Research

There was no change in the prime rent in the first half of 2024, which currently stands at £37.50 per sq ft. This means that the prime rent has grown by 25% over the last five years. Further rental growth is forecast to reach £38.50 by the end of the year, with Savills’ latest projections forecasting growth to reach at least £45 per sq ft by the end of 2028. This would represent a significant 17% increase over the next five-year period.

Drivers For Growth



7%

Expected GVA growth over the next five years



28%

Increase in proportion of working age population with NVQ Level 4 qualification or above in the last ten years



5th

In the UK for lowest number of poor air quality days per year

Source Centre for Cities/Oxford Economics

Key Market Data

	Data	Comparison to H1 2023	Comparison to H1 2019
Take-up H1 2024 (sq ft)	177,514	+32%	-30%
Grade A Take-up H1 2024 (sq ft)	50,619	+29%	-54%
Deal Count H1 2024	65	+18%	+12%
Average Deal Size (median) (sq ft)	1,315	-2%	-43%
10-Year Average H1 Take-Up (sq ft)	270,724	-	-
Q2 Supply (sq ft)	2,058,417	+21%	+111%
Q2 Grade A Supply (sq ft)	425,094	+2%	+64%
Q2 Prime Supply (sq ft)	180,718	-30%	N/A*
Prime rent (£ per sq ft per annum)	£37.50	N/A	N/A*

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

Source Savills Research

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