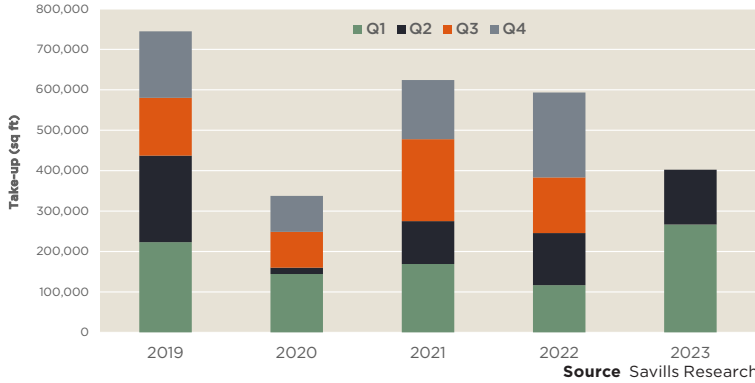


# Leeds Occupational Office Data H1 2023



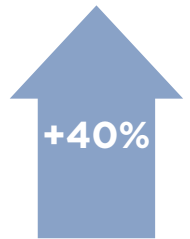
## Leeds Office Market Round-Up

### Take-up



H1 2023 take-up totalled 400,000 sq ft in Leeds city centre. This was a success for the market, beating the 10-year H1 average by 40% and recording the third best H1 that Savills has on record for the market. However, with falling Prime availability in an already severely undersupplied market, this may have a limiting effect on occupational demand levels in the second half of 2023.

### Take-up and supply Key data points



Increase in H1 2023 take-up compared to the five-year H1 average

Grade A take-up was 185,000 sq ft in H1 which accounted for 80% of the overall total. This is indicative of the continuing flight-to-quality that is being seen in the Leeds market.

Total availability stood at 740,000 sq ft at the end of Q2 2023 which was broadly in line with the Q4 2022 total. Thanks to resilient demand for best-in-class, Prime availability fell by 24% to 109,000 sq ft at half year end.



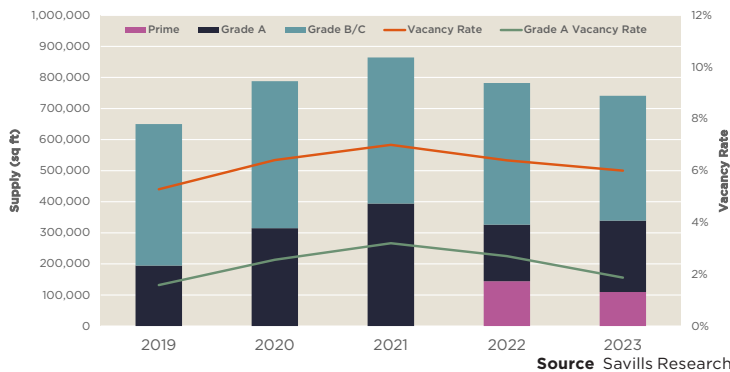
125,000 sq ft  
Largest transaction in H1 2023

The total vacancy rate for the market stood at 6% at the end of H1 which is 250 basis points below the 10-year average. At the Prime end of the market, supply remains extremely constrained, with just 0.3 years of availability based on average Grade A demand.

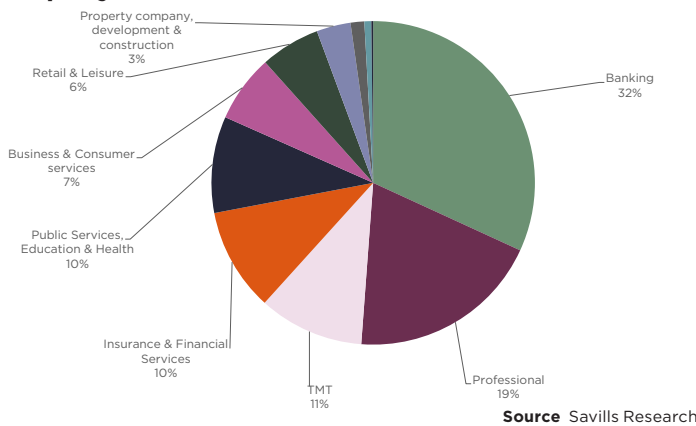


0.3  
Years of Prime supply based on average Grade A demand

### Supply



### Take-up by business sector



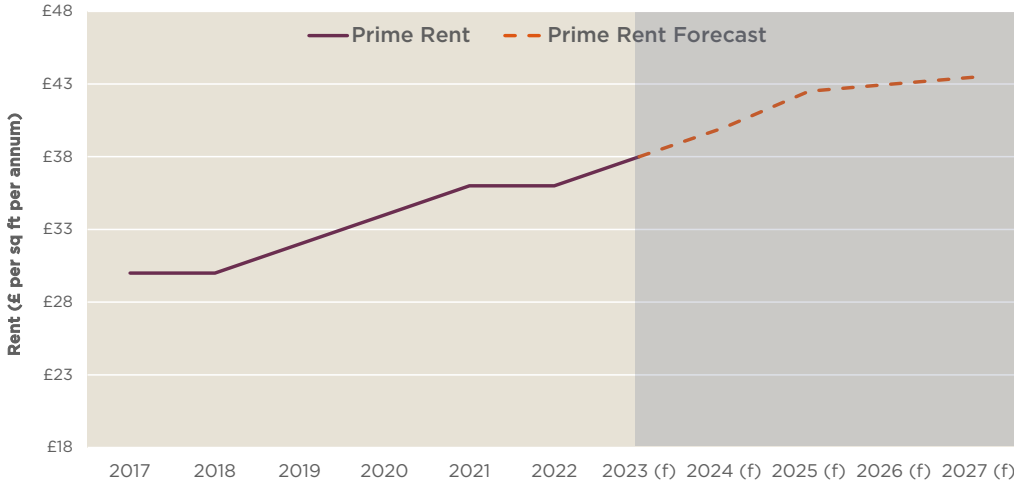
The 'Banking' sector was the most active in H1 2023, accounting for 32% of total take-up. This came as a result of the 125,000 sq ft acquisition by Lloyds Banking Group at MEPC's 11 and 12 Wellington Place which was the third largest transaction for the market that Savills has on record.

Elsewhere, the 'Professional' sector was the second most active, recording 78,000 sq ft take-up which equated to 19% of the overall total across 19 completed transactions. This was the largest number of completed H1 transactions recorded by the sector since 2007.



37  
Grade A transactions in H1 2023, the highest H1 total on record

## Rents



Source Savills Research

The prime rent grew by 3% in H1 2023, standing at £37 per sq ft at the end of Q2. Furthermore, Savills latest rental forecasts expect headline rents to grow further to reach £38 per sq ft at the end of 2023. Average Grade A rent in H1 was £30.55 per sq ft which represented growth of 23% on the 2019 average as the top end of the market continues to perform strongly from a rental perspective.

## Drivers For Growth



6%

Expected GVA growth over the next five years



3%

Expected office-based employment increase over the next five years



7,300

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)	402,274	+59%	-8%
Grade A Take-up H1 2023 (sq ft)	321,127	+148%	No change
Deal Count H1 2023	63	+17%	-6%
Average Deal Size (median) (sq ft)	2,639	No change	+35%
5-Year Average H1 Take-Up (sq ft)	291,219	-	-
H1 Supply (sq ft)	741,102	-5%	+4%
H1 Grade A Supply (sq ft)	229,790	N/A*	N/A*
H1 Prime Supply (sq ft)	109,427	N/A*	N/A*
Prime rent (£ per sq ft per annum)	£37	+9%	+23%

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

Source Savills Research

## Savills team

Please contact us for further information

### Patrick Carter

Director  
Office Agency  
0113 220 1203  
pcarter@savills.com

### Paul Fairhurst

Director  
Office Agency  
0113 220 1207  
pfairhurst@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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