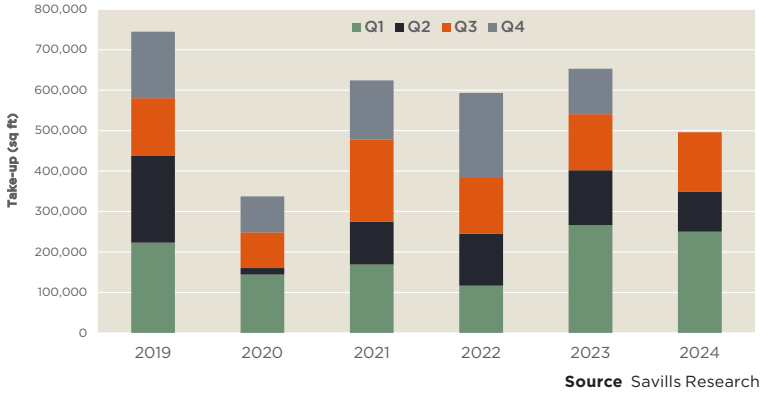


Leeds Occupational Office Data Q3 2024



Leeds Office Market Round-Up

Take-up



Leeds Q3 2024 take-up totalled 146,372 sq ft across 33 transactions, of which six were 10,000 sq ft plus. This was also 3% higher than the number of transactions in Q3 2023. Take-up was 6% higher than the same period in 2023 and 3% higher than the five-year Q3 average. Take-up year to date totals 496,005 sq ft, therefore 11% and 6% higher than the five- and ten-year averages.

Grade A and Prime take-up in Q3 2024 totalled 98,936 sq ft, consequently accounting for 67% of the total for the quarter which is 14% higher than the five-year Q3 average proportion. Q1-Q3 2024 Grade A and Prime take-up totals 338,996 sq ft, accounting for 68% of the year to date total.

Availability in Leeds at the end of Q3 2024 stands at 1.2 million sq ft, an increase of 11% on the previous quarter, due to movement within the market. The overall vacancy rate stands at 9.6%.

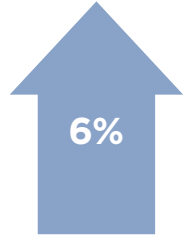
Grade A and Prime availability at the end of Q3 totals 661,000 sq ft, therefore accounting for 56% of the total. Grade A and Prime vacancy rates are now 3.4% and 2% respectively, and demonstrates the 'flight to quality' from occupiers.

The most active sector during Q3 2024 was the 'Public Services, Education & Health' sector, which leased a total of 46,000 sq ft, accounting for 32% of the take-up. The largest deal of the sector saw the University of Law acquire 15,000 sq ft at Yorkshire House, which was also the largest letting of Q3.

Another notably active sector during Q3 2024 was the 'Professional' sector which accounted for 14% of take-up. The sector leased 21,000 sq ft of office space, with the largest deal totalling 10,000 sq ft. This was acquired by Mills and Reeve by expanding to the 2nd floor at 1 City Square.

The 'Serviced Office' sector remains an active sector accounting for 10% of take-up. This is primarily a result of Wizu taking 13,260 sq ft at One Embankment.

Take-up and supply Key data points



Q3 2024 take-up was 6% higher than the same period in 2023, with six deals over 10,000 sq ft



67% of Q3 2024 take-up was for Grade A and Prime space

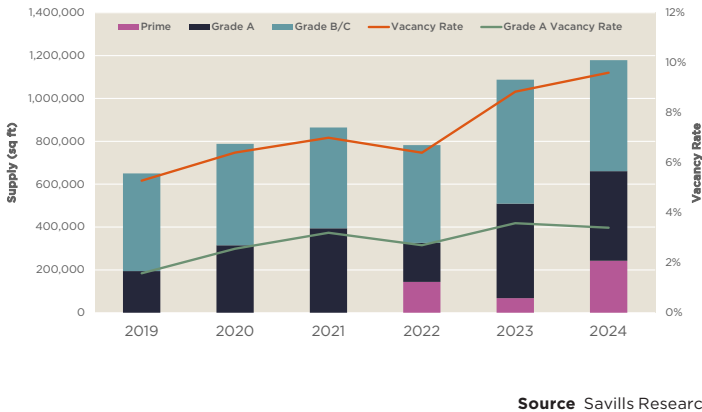


'Public Services, Education & Health' was the most active sector in Q3 2024

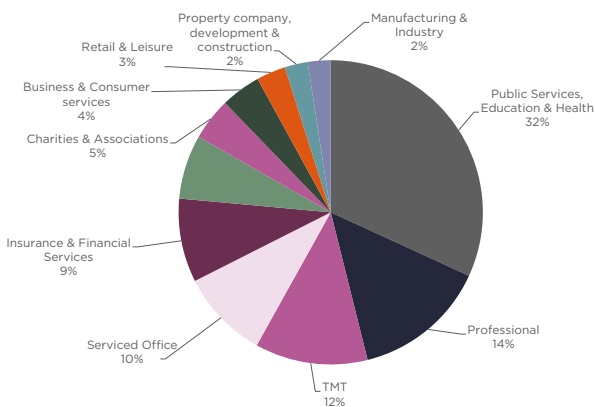


33 Transactions in Q3 2024

Supply

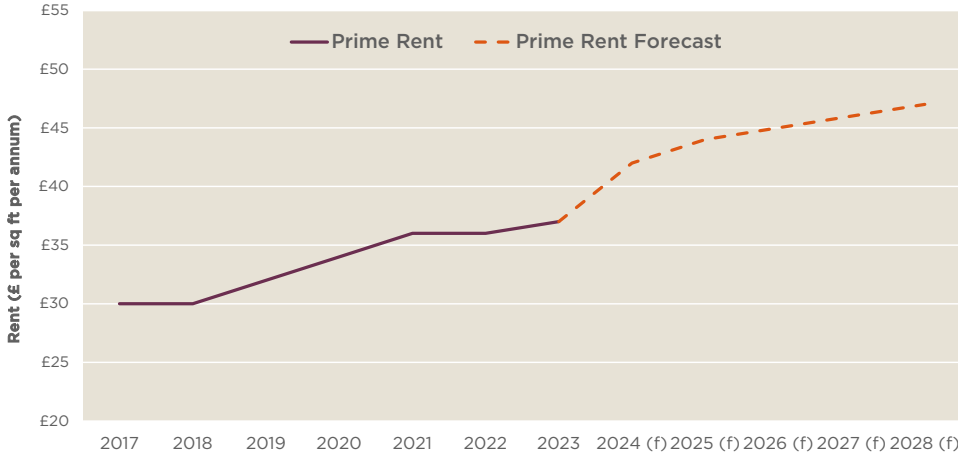


Take-up by business sector



Source: Savills Research

Rents



Source Savills Research

There was a new headline rent achieved in Q3 2024, which has now reached £39 per sq ft, which was set in the latest letting at City Square House, totalling 9,981 sq ft. This is 3% higher than the previous quarter. Savills latest rental forecasts expect headline rents to grow further to reach £42 per sq ft by the end of 2024, representing an increase of 8% on the new headline rent. Revised rental forecasts are predicting headline rent to grow by 21% and reach a market high of £47 per sq ft by 2028.

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 Q3 2023	Comparison to Q3 2019
Take-up Q3 2024 (sq ft)	146,372	+6%	+2%
Grade A Take-up Q3 2024 (sq ft)	97,936	+8%	+80%
Deal Count Q3 2024	33	+3%	0%
Average Deal Size (median) (sq ft)	1,960	-14%	+7%
10-Year Average Q3 Take-Up (sq ft)	141,960	-	-
Q3 Supply (sq ft)	1,178,818	+71%	+73%
Q3 Grade A Supply (sq ft)	418,049	+93%	+136%
Q3 Prime Supply (sq ft)	242,988	+251%	N/A*
Prime rent (£ per sq ft per annum)	£39	+3%	N/A*

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

Source Savills Research

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