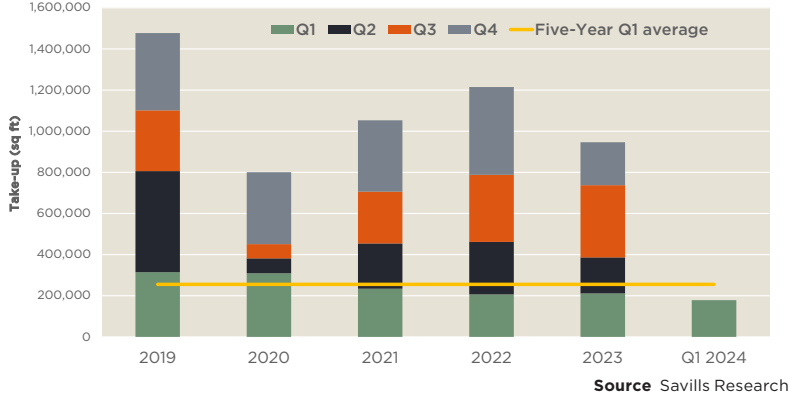


Manchester Occupational Office Data Q1 2024



Manchester Office Market Round-Up

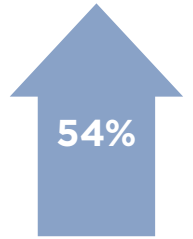
Take-up



Manchester Q1 2024 take-up totalled 179,000 sq ft across 50 transactions. Both take-up and transactions were 15% below the same period in 2023 and 14% below the previous quarter. Although Q1 take-up was slightly down, there is cause for optimism with a number of large requirements in the market that we expect to fall into Q2/Q3 2024.

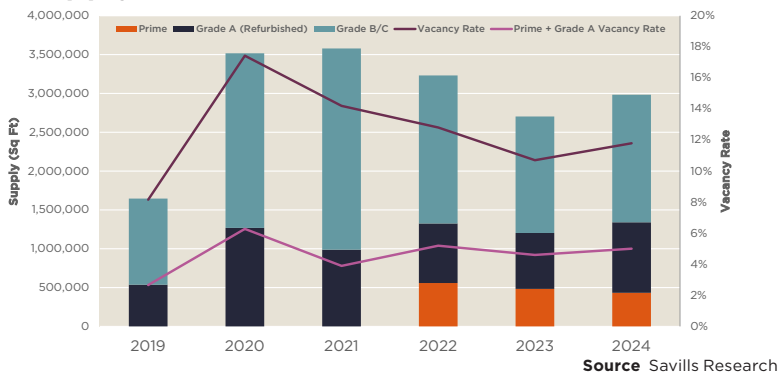
Grade A & Prime take-up totalled 97,000 sq ft in Q1, therefore accounting for 54% of the total. This was 10% lower than the Grade A and Prime take-up in Q4 2023. There is however c.522,000 sq ft of Prime & Grade A under offer which is expected to land in Q2/Q3 of this year.

Take-up and supply Key data points



Q1 2024 Grade A & Prime take-up accounted for 54% of the total

Supply



Manchester availability increased in Q1 2024 by 10%, to a total of 3 m sq ft. This increase can be partly attributed to Havelock providing 111,000 sq ft space in Q1 after practical completion, which is now accounted for in the supply figures.

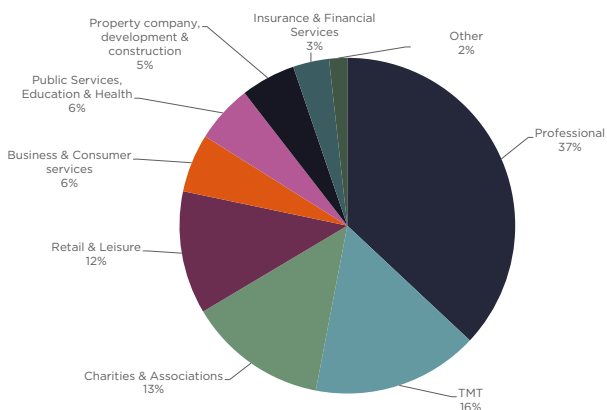
Grade A and Prime availability increased, to a total of 1.3 m sq ft, accounting for 45% of the supply total. The Grade A and Prime vacancy rate has also increased slightly by 40 basis points to 5%. Prime availability is however 17% lower than the same period in 2023, continuing to demonstrate occupiers preference for best in class.

Therefore, this has moved the total vacancy rate to 11.80%, which is 10 basis points below the five-year average.

The most active sector in Q1 2024 was the 'Professional' sector, which leased a combined total of 66,000 sq ft across 10 deals, accounting for 37% of the total. The largest deal in the sector and the quarter was 38,000 sq ft at 3 Piccadilly Place, which was acquired by Atkins Limited. This was the largest 'Professional' deal since Q4 2022.

Another active sector was the 'TMT' sector, which leased 16% of the total, with a combined sq ft of 29,000 over nine deals, with seven of these under 5,000 sq ft. DAC Beachcroft was the largest Prime deal in the quarter, at Landmark, by acquiring 13,000 sq ft.

Take-up by business sector



50

Transactions in Q1 2024, 15% below the number of transactions in Q1 2023



38,000 sq ft

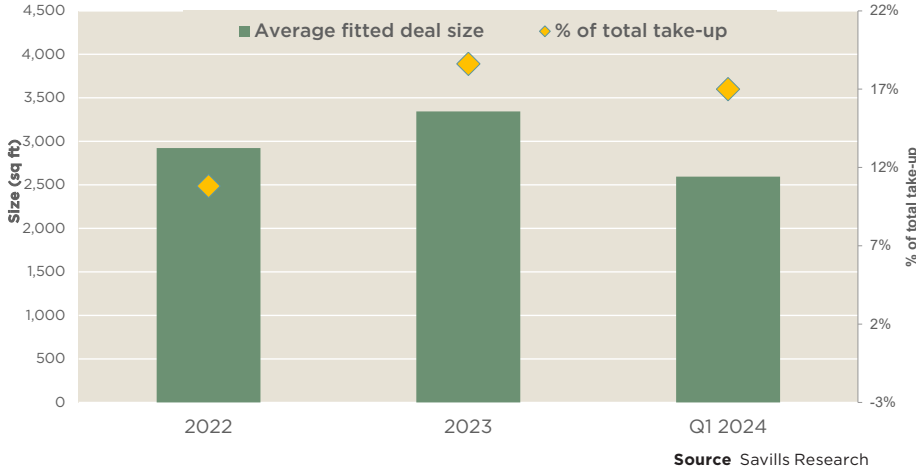
Largest letting in Q1 2024 to Atkins Limited at 3 Piccadilly Place, for £33.50 per sq ft



10

'Professional' sector was the most active sector with 10 transactions

Fitted Space



In Manchester, fitted space has continued to trend upwards, appealing to more mature businesses alongside start-ups and scale-ups. This trend has continued in Q1 2024, with 17% of take-up in the quarter being let fully fitted. In 2022, fitted space accounted for 10.82% of total take up and a year later this has significantly risen to 18.62%. The city also experienced an 18% increase in the number of completed fitted and furnished deals in 2023 when compared to 2022, accompanied by a noteworthy 14% rise in the average deal size.

Drivers For Growth



8%

Expected GVA growth over the next five years



13%

Expected office-based employment increase over the next ten years



12,350

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 five-year average
Take-up Q1 2024 (sq ft)	178,782	-15% (211,387)	-30% (255,273)
Grade A Take-up Q1 2024 (sq ft)	97,324	+52% (63,916)	+109% (46,618)
Deal Count Q1 2024	50	-15% (59)	-14% (58)
Average Deal Size (median) (sq ft)	1,537	-31% (2,222)	-
Five-Year Average Q1 Take-Up	255,273	-	-
Q1 Supply (sq ft)	2,982,265	-5% (3,126,849)	+2% (2,934,899)
Q1 Grade A Supply (sq ft)	907,307	+32% (687,954)	N/A*
Q1 Prime Supply (sq ft)	432,607	-17% (518,697)	N/A*
Prime Headline Rent (£ per sq ft per annum)	£43	7.50%	N/A*

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

Source: Savills Research

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