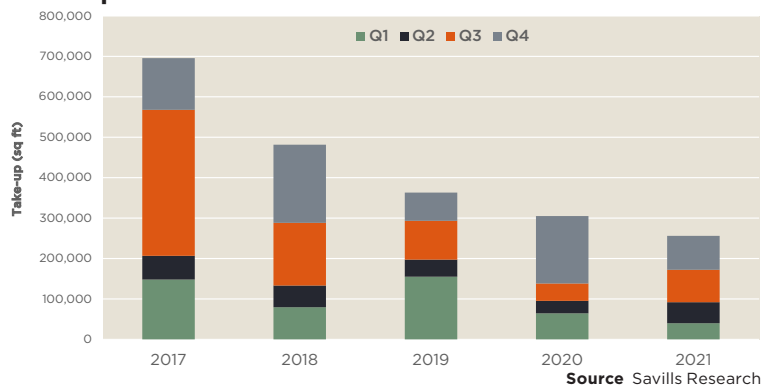


Cardiff Occupational Office Data Q4 2021

savills

Cardiff Office Market Round-Up

Take-up



Q4 2021 take-up, totalling 82,939 sq ft, was the highest quarterly take-up figure in 2021. This was, however, 50% lower than the total take-up for Q4 2020. It should be noted that this was significantly influenced by the pre-let deal of 120,000 sq ft to Legal & General at the Interchange building in Q4 2020.

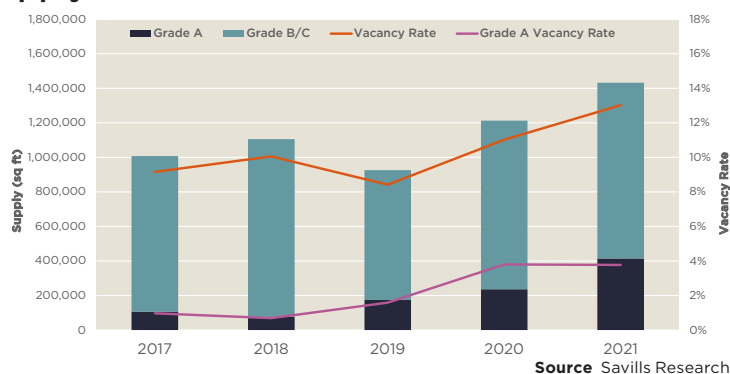
Grade A take-up accounted for 5% of total take-up in Q4 but total annual take-up decreased again in 2021. Momentum has been building in the market though with take-up increasing in each quarter throughout the year.

Take-up and supply Key data points

-44%

Q4 take-up was 44% below the 5 year Q4 average

Supply



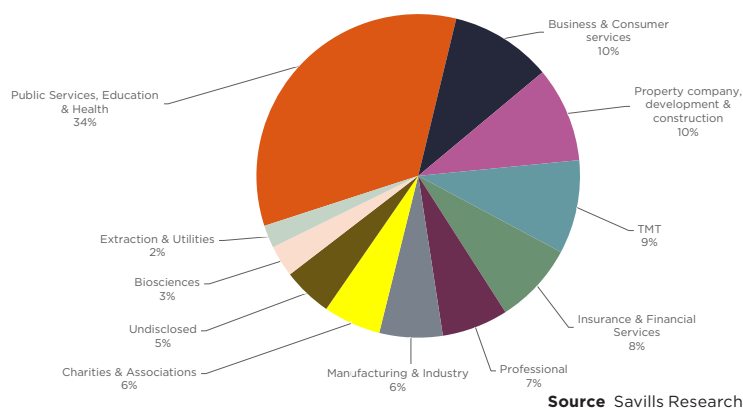
Total supply increased in 2021 to 1,432,806 sq ft which represented an 18% increase from 2020. This is the highest quantum of available supply since 2015.

Grade A supply currently sits at 414,625 sq ft. This represents an increase of 75% on the 2020 total. In addition, the total vacancy rate has increased to 13%, which is a 2% growth on the 2020 figure. Grade A vacancy rate has also grown by 1.7% to 3.8%.



79%
Increase in H2 2021 take-up compared to H1 2021

Take-up by Business Sector



The 'Public Services, Education and Health' sector was the most active sector this year accounting for 34% of take-up. It was also a strong year for 'Business and Consumer Services', which took a 10% share of overall take-up.

The Insurance and Financial Services sector declined significantly this year, recording 8% take-up in 2021, which is 32% down on the 2020 share. Overall take-up.

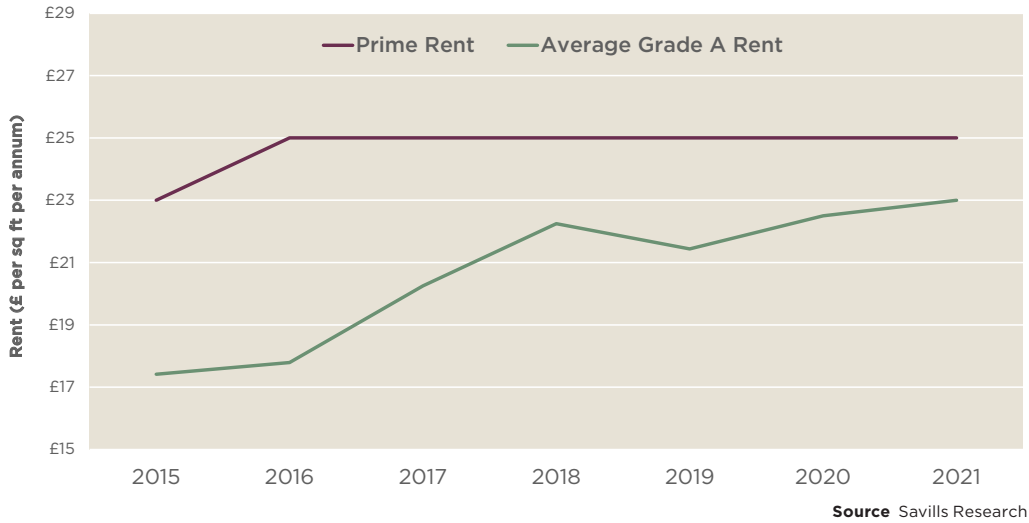


Vacancy rate has increased in every year since 2019



2021 was the highest level of 'Public Sector' take-up since 2018

Rents



There was no change in the prime rent in Cardiff in 2021, which currently stands at £25 per square foot. The prime rent in the market has remained static since 2016. Average grade A rents have increased significantly from 2015 to 2021 though. The average grade A rent in 2021 was £23 per square foot, representing 2.2% increase on 2020 and 7.3% on 2019.



12%

Expected GVA growth
over the next 5 years



5%

Expected office based
employment increase
over the next 5 years



2270

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

Source Oxford Economics

Key Market Data

	Data	Year-on-Year Change
Take-Up 2021 (sq ft)	255,949	-16%
Grade A Take-Up 2021 (sq ft)	39,697	-71%
Average Deal Size (sq ft)	2,798	+5%
10-Year Average Annual Take-Up (sq ft)	484,603	-
5-Year Average Annual Take-Up (sq ft)	504,061	-
Q4 Supply (sq ft)	1,432,806	+18%
Q4 Grade A Supply (sq ft)	414,625	+75%
Years of Supply*	2.8	+18%
Prime Rent	£25	0%

*calculated by dividing total supply by 5-year average annual take up

Source Savills Research

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