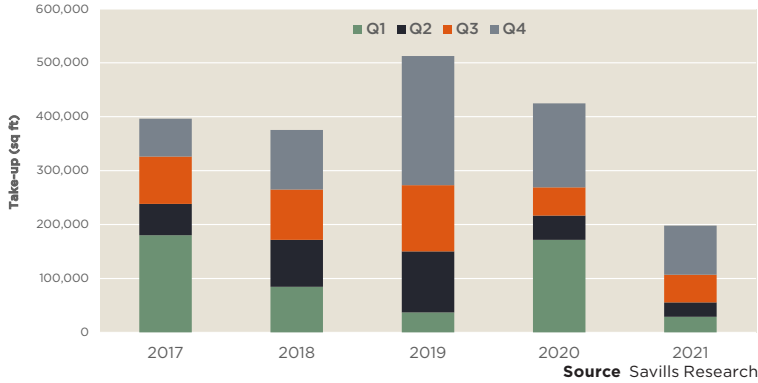


# Aberdeen Occupational Office Data Q4 2021



## Aberdeen Office Market Round Up

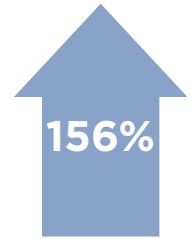
### Take-up



Q4 2021 take-up, totalling 91,001 sq ft, was a 77% increase on Q3 2021. This took annual 2021 take-up to 197,914 sq ft which was 48% below the five-year average as the market looks to recover from the ongoing effects of the pandemic. Momentum is building within the market though with take-up increasing in both of the final two quarters of the year.

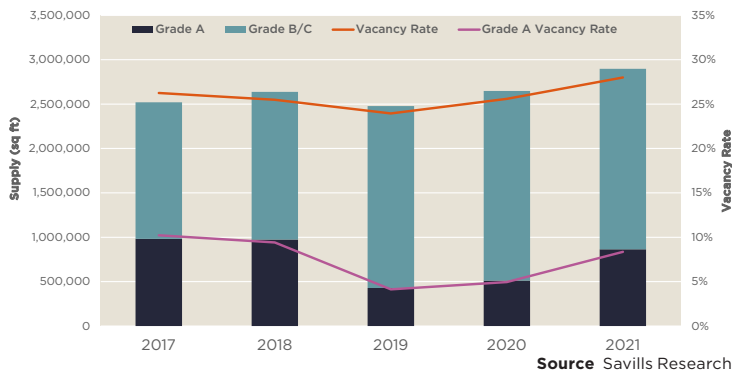
Grade A take-up, totalling 80,157 sq ft, equated to 41% of overall take-up in 2021. As a proportion, this was just 4% below the share of 45% for Grade A take-up in 2019.

### Take-up and supply Key data points



H2 2021 take-up represented an 156% increase on H1 2021

### Supply



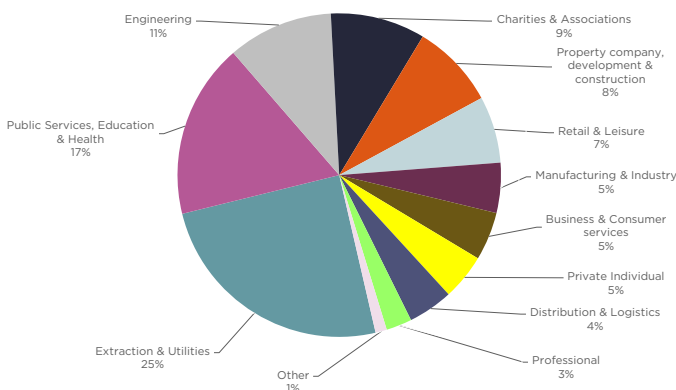
Total supply increased by 9% in 2021 to a total of 2,897,521 sq ft. Furthermore, Grade A supply stands at 865,074 sq ft at year end. A notable addition to Grade A supply was the Wellheads Avenue campus which comprises of 193,000 sq ft.

The total vacancy rate increased by 2.4% to 28% in 2021. Additionally, Grade A vacancy rate increased by 3.4% to 8% at year end.



140% Increase in the quantum of 'Public Services, Education & Health' sector take-up in 2021

### Take-up by business sector



The 'Extraction & Utilities' sector was the most active this year, accounting for 25% of take-up in the Aberdeen market.

Elsewhere, it was also a strong year for the 'Public Services & Education & Health' sector which took a 17% share of 2021 take-up, totalling 34,500 sq ft. This was the highest quantum of take-up in this sector since 2016.

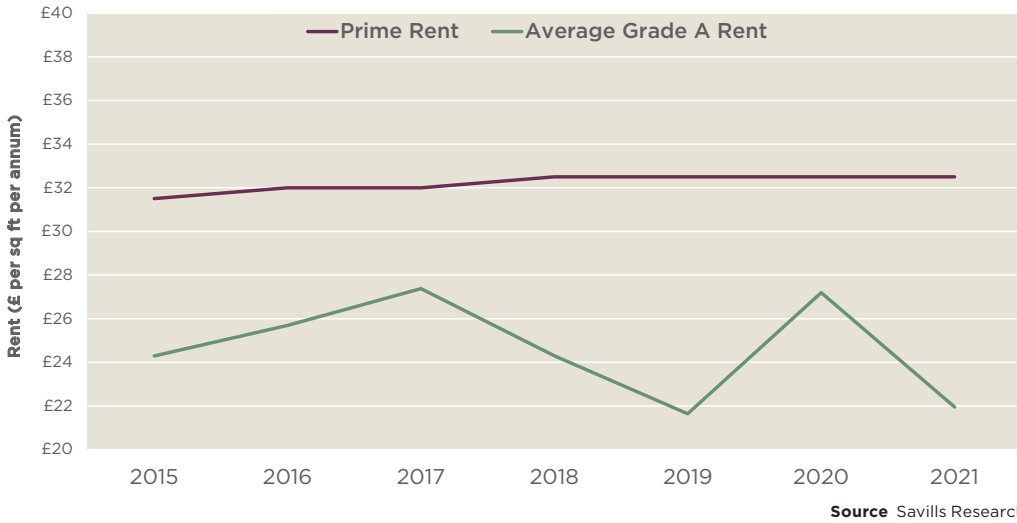


41,000 sq ft Largest deal in 2021



'Extraction & Utilities' sector has been the most active in every year since 2018

## Rents



Prime rents remained stagnant in 2021 and stood at £32.50 per sq ft at year end. Between 2016 and 2021, prime rents have grown by 3.2% in the Aberdeen market. Average Grade A rents have fluctuated during this period, reaching a high of £27.38 per sq ft in 2017 and hitting a low of £21.64 in 2019. In 2021, average Grade A rents were £21.95 per sq ft. It should be noted that this average includes deals from both the city centre and out of town areas of the market.

## Drivers For Growth



9%

Expected GVA growth in Aberdeen over the next 5 years



5%

Expected employment increase in Aberdeen over the next 5 years



1,600

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

Source Oxford Economics

## Key Market Data

	Data	Year-on-Year Change
Take-Up 2021 (sq ft)	197,914	-53%
Grade A Take-Up 2021 (sq ft)	80,157	-53%
Average Deal Size (sq ft)	4,123	-49%
10-Year Average Annual Take-Up (sq ft)	584,837	-
5-Year Average Annual Take-Up (sq ft)	378,492	-
Q4 Supply (sq ft)	2,897,521	+9%
Q4 Grade A Supply (sq ft)	865,074	+69%
Years of Supply*	7.7	+9%
Prime Rent	£32.50	0

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

Source Savills Research

## Savills team

Please contact us for further information

### Dan Smith

Director  
Office Agency  
01224 971 134  
dan.smith@savills.com

### Kieran Ward

Graduate Surveyor  
Office Agency  
01224 971 123  
kieran.ward@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

Savills plc: Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 600 offices and associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. While every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.

