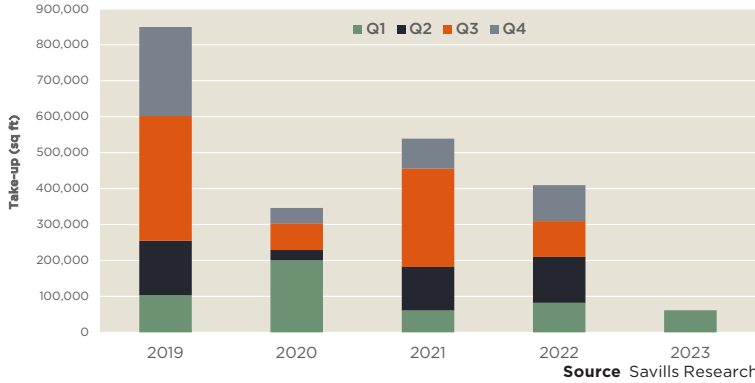


# Glasgow Occupational Office Data Q1 2023



## Glasgow Office Market Round-Up

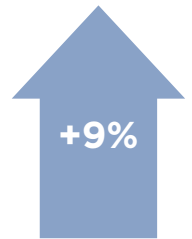
### Take-up



Q1 2023 take-up totalled 62,000 sq ft across 24 transactions. This was 9% above the five-year average for the number of completed Q1 deals in the Glasgow city centre market.

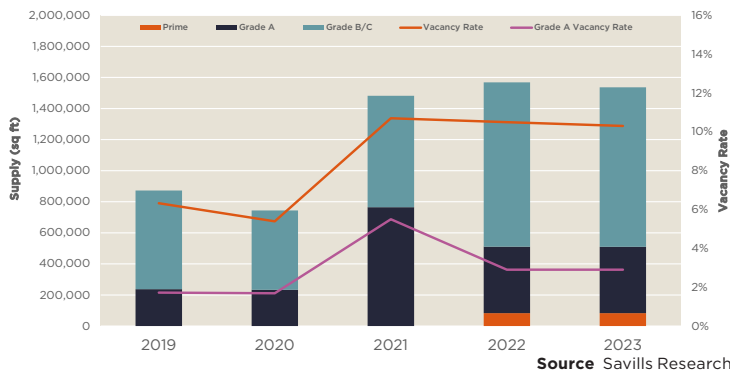
The largest deal in Q1 was the 21,000 sq ft letting to Transport for Scotland at George House. This was the only deal over 10,000 sq ft in a quarter which saw the majority of its activity coming from the smaller size bands of spaces.

### Take-up and supply Key data points



Increase in Q1 2023 deal count compared to the five-year Q1 average

### Supply



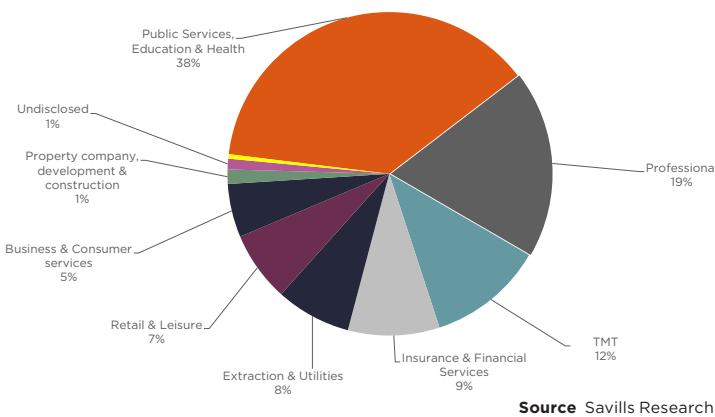
Total supply stood at 1.54 million square foot at the end of Q1. This represented a 2% decrease in the first quarter of 2023. Total Grade A supply at the end of Q4 was 426,000 sq ft with just 82,000 sq ft of prime supply available in the market.

Total vacancy rate for the market reduced by 20 basis points in Q1 to 10.3%, with Grade A vacancy rate standing at just 2.9% as a proportion of total market stock.



24  
Completed transactions in Q1 2023

### Take-up by business sector



The 'Public Services, Education & Health' sector was the most active sector in Q1 accounting for 38% of overall take-up. This was spread across 3 deals and was largely driven by Transport for Scotland's 21,000 sq ft letting at George House.

Elsewhere, 'Professional' was the second most active sector, accounting for 19% of overall take-up. Professional occupiers showed a greater preference for fitted suites early in 2023, with 80% of the completed deals being for plug and play space.

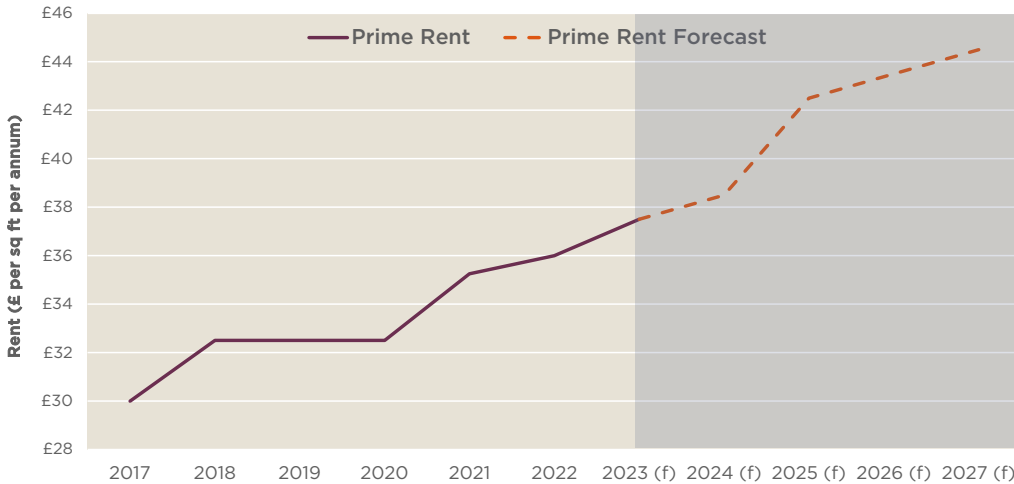


21,000 sq ft  
Largest letting in Q1 2023



80%  
'Professional' sector lettings were for fitted space

## Rents



Source Savills Research

There was no change in the Prime rent in Q1 2023 which currently stands at £36 per sq ft. This means that the prime rent has grown by 11% over the last five years. Savills fully expects that there is further room for growth in the market, with most recent forecasts projecting growth to £37.50 per sq ft in 2023 with further growth to £42 per sq ft by the end of 2027.

## Drivers For Growth



**7%**

Expected GVA growth over the next five years



**28%**

Increase in proportion of working age population with NVQ Level 4 qualification or above in the last 10 years



**5th**

In the UK for lowest number of poor air quality days per year

Source Centre for Cities/Oxford Economics

## Key Market Data

	Data	Comparison to Q1 2022	Comparison to Q1 2019
Take-up Q1 2023 (sq ft)	61,651	-25%	-40%
Grade A Take-up Q1 2023 (sq ft)	0	N/A	N/A
Deal Count Q1 2023	24	-8%	-37%
Average Deal Size (median) (sq ft)	1,197	No change	-46%
5-Year Average Q1 Take-Up (sq ft)	139,392	-	-
Q1 Supply (sq ft)	1,536,902	+4%	+50%
Q1 Grade A Supply (sq ft)	177,391	N/A**	N/A**
Q1 Prime Supply (sq ft)	136,540	N/A**	N/A**
Prime rent (£ per sq ft per annum)	£36	+2%	+11%

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

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

Source Savills Research

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