Manchester’s office market continues to go from strength to strength. 2018 was the fifth consecutive year that Manchester saw city centre take-up in excess of 1.2 million sq ft. The first quarter of 2019 reached 314,733 sq ft and despite continued political uncertainty, we expect 2019 to exceed 1.2 m sq ft once again.

The 47,000 sq ft letting to Eversheds at Two New Bailey was a particular highlight of the first quarter in 2019, along with Moneysupermarket who took 22,600 sq ft at No.1 Spinningfields, commanding the highest rent of the quarter at £35 per sq ft.

However, the Manchester office market isn’t reliant on the larger deal with 46% of take-up in Q1 made up of lettings under 15,000 sq ft.

With prime yields remaining stable at 4.75%, Manchester remains attractive to the London West End (3.75%) and other European city markets such as Milan (3.5%) and Barcelona (3.75%).

Manchester has the highest graduate retention rate outside of London and retains 60% of its graduates – contributing to a young, skilled and talented workforce.

This has helped generate an immediate and varied pool of talent that is very appealing to a number of existing occupiers in the city as well as helping to attract inward investment.

Grade B refurbishment market, as these buildings offer an attractive alternative to the new developments. The gap between top of class refurbished space and new build rents has now closed with £35 being achieved on Bauhaus.

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With only 310,000 sq ft of Grade A space available (38% of this in legals), new Grade A product is rather limited with only 125 Deansgate completing within the next 6 months. Late 2019 will see Landmark complete adding 180,000 sq ft into the mix. Pre-let conversations are on-going.

At 1.75 m sq ft, 2018 saw the highest level of take-up ever recorded in Manchester. 2019 is expected to be another strong year.

The economy in the North West is expected to grow by 2.1% in 2019, making it the fastest growing UK region this year.

Greater Manchester is forecast to grow at a rate of 14% over the next five years, well ahead of the UK average of 11%.

It is anticipated that the levels of job creation in Manchester could outpace that of cities such as Berlin, Tokyo and Paris between 2015 and 2020, helped by Greater Manchester having the largest regional creative and digital clusters in the UK, employing 63,500 people and generating GVA of £3.1 billion each year. We expect employment in this sector to grow by 24% over the next 10 years (12% over the last 10 years) out-performing all other regional cities.

Despite a subdued start to 2019, with no significant office investment volumes transacted in the first quarter, there continues to be a wide range of domestic and international demand for the city and we expect volumes to pick up later this year.

The most notable transactions for the next quarter will be 70 Great Bridgewater Street and 125 Portland Street, both of which are asset management focused, looking to take advantage of the excellent occupational backdrop and rental growth prospects in the city.

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Manchester's top rent reached £35 per sq ft in the first quarter of the year, however, we expect 2019 to see a growth of 4%, as top rents hit £36.50 per sq ft on new developments.

With a lack of new build space, the city is also seeing a significant growth in the Grade B refurbishment market, as these buildings offer an attractive alternative to the new developments. The gap between top of class refurbished space and new build rents has now closed with £35 being achieved on Bauhaus.

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Manchester does have a competitive office market with strong levels of supply that will continue to meet demand. With prime yields remaining stable at 4.75%, Manchester remains attractive to the London West End (3.75%) and other European city markets such as Milan (3.5%) and Barcelona (3.75%).

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One-in-four people experience a mental health problem in the UK each year – so the likelihood is high that someone in your workplace is struggling with stress, anxiety or depression right now.

Wellness in the workplace

How wellness has impacted on the traditional office

It’s no exaggeration to say that the focus on fitness and health is at the heart of a global trend, which prioritises wellbeing and its impact on workplace productivity.

According to Andrew Cooke, Regional Director at Bruntwood, “As the lines between work and play become increasingly blurred, investing in wellbeing is creating a healthy ripple effect that drives employment, improves amenity and even encourages business migration – enlivening and enriching our business communities. It’s something that employers and landlords can no longer afford to ignore.”

Implementing wellbeing initiatives in your workplace, and doing it effectively, is about balance and tailoring activities to the interests of your staff. Provided you get this right, you can improve productivity levels and staff attitudes towards your business.

In a recent survey by Mind, 60% of workers said they’d feel more motivated if their employer took action to support their mental wellbeing.

One in four people experience mental health problems in the UK each year - so the likelihood is high that someone in your workplace is struggling with stress, anxiety or depression right now.

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