

Updated quarterly, our dashboards provide a concise synopsis of activity in UK's regional office markets.

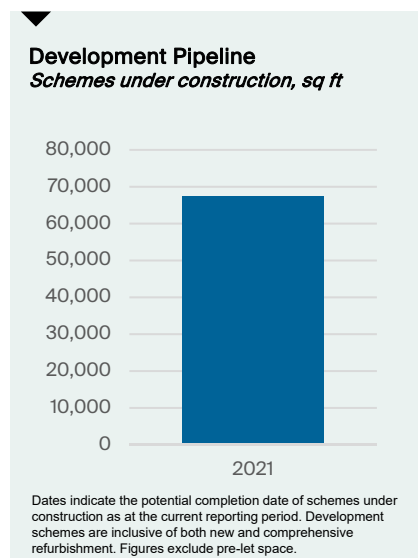
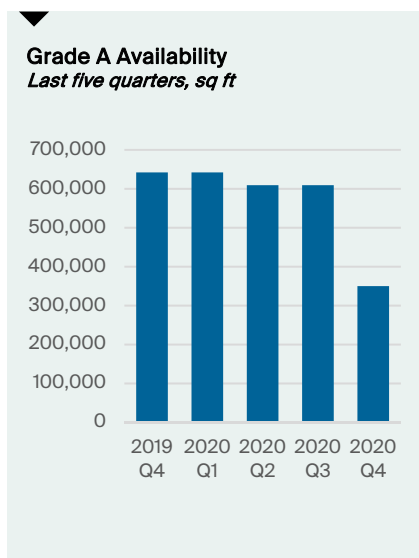
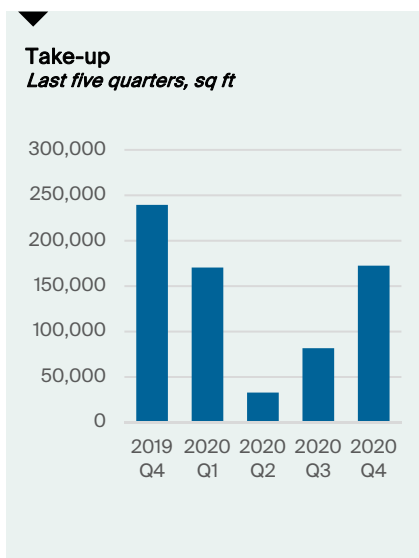


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Aberdeen Office Market

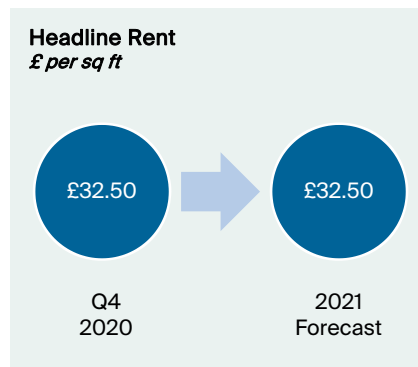
Research, Q4 2020

OCCUPIER DEMAND	TAKE-UP (SQ FT)	NUMBER OF DEALS	MOST ACTIVE SECTOR
	155,926	15	Energy & Utilities 47%
OCCUPIER SUPPLY	GRADE A AVAILABILITY (SQ FT)	VACANCY RATE (TOTAL MARKET)	UNDER CONSTRUCTION (SQ FT)
	350,000	24%	67,344 Speculative and major refurbishments



KEY TRANSACTIONS

Building	Occupier	Size (sq ft)
Aberdeen International BP	BP	102,331
Level 4, The Exchange, Market St	Sodexo Remote Sites Scotland Ltd	9,100



INVESTMENT ACTIVITY

VOLUMES £M
£-

QTR vs 10yr AVERAGE
-

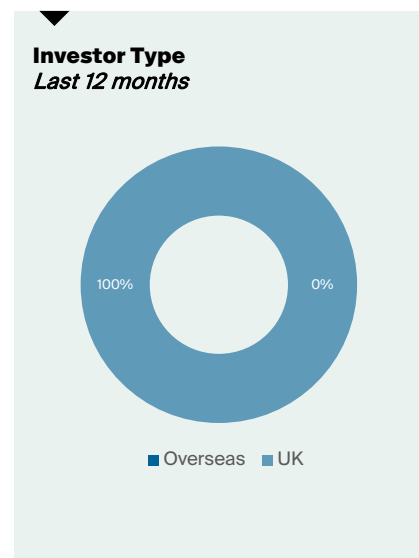
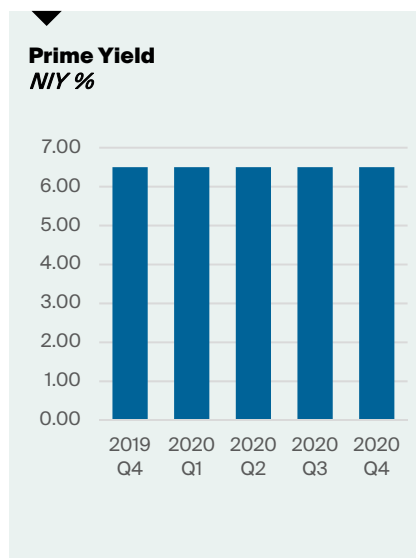
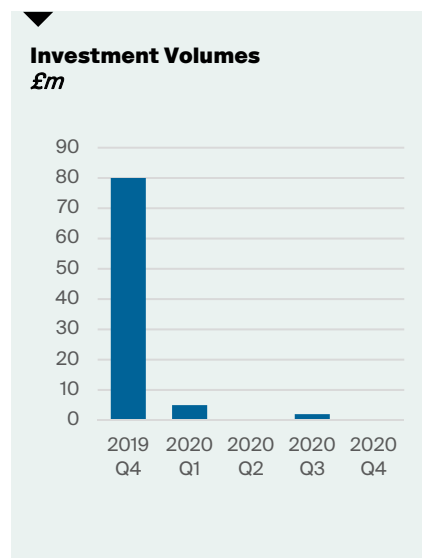
NUMBER OF DEALS
-

YIELDS

PRIME CITY CENTRE
6.50%

PRIME OOT
7.50%

FORECAST TOTAL RETURN
4.8% (PA 2020-2025)



Summary

Despite additional Covid restrictions being imposed, the final quarter of 2020 recorded an increase in occupier activity. Office take-up was 155,926 sq ft, 8% above the 10-year quarterly average. This meant that total take-up for the year rose to 457,661 sq ft. While this is 14% below the total recorded in 2019, a shortfall of this scale indicates that Aberdeen outperformed many other UK regional markets in 2020.

The ongoing limitations created by the Covid pandemic meant that investor activity remained subdued. During 2020, just two office deals were completed, which amounted to £5.5m.

Moving into 2021, the roll out of vaccines have meant greater market optimism and allowed business strategy to focus beyond the crisis. The much debated shift away from offices is now widely dispelled, contrasting the viewpoint from early in the pandemic. There will be greater importance placed on securing the best quality space, meaning competitive pressure on prime stock availability is sure to be a factor in 2021.

KEY TRANSACTIONS (last 12 months)

Building	Price £	Buyer	Vendor
Craigshaw Business Park	£4.65m	Private	Aviva
Millennium House	£850,000	Private	Faro Group

We like questions, if you have one about our research, or would like some property advice, we would love to hear from you.



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