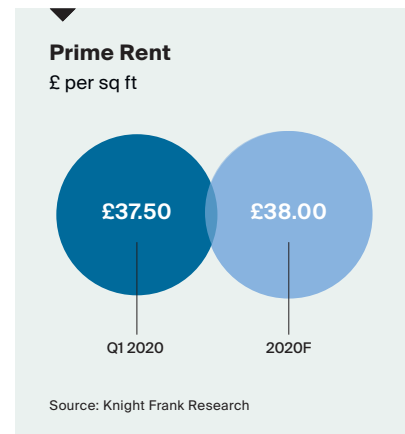


Bristol Office Market

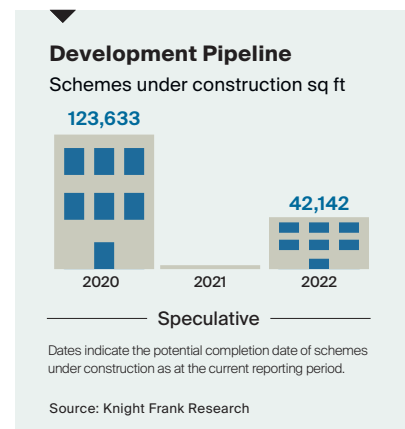
Research, Q1 2020 Review

OCCUPIER DEMAND	TAKE-UP (SQ FT) 219,420 52% ABOVE 10 YEAR AVERAGE	NUMBER OF DEALS 30	MOST ACTIVE SECTOR 60% PROFESSIONAL SERVICES
	OCCUPIER SUPPLY	GRADE A AVAILABILITY (SQ FT) 15,621 NEW GRADE A	TOTAL MARKET VACANCY RATE 3.6%



KEY TRANSACTIONS Q1 2020

PROPERTY	OCCUPIER	SIZE (SQ FT)
3rd - 7th Flrs, Halo, Finzels Reach	Osborne Clarke	73,991
3rd Flr, One Temple Quay	Sanlam Life & Pensions Ltd	20,365
4th Flr, Programme	NMI / Call Credit UK Ltd	16,377
4th floor Kings Orchard	WSP	15,250





INVESTMENT VOLUMES

INVESTMENT VOLUMES (£M)

17

VS 10 YEAR AVERAGE

-73%

NUMBER OF DEALS

4



YIELDS

PRIME CITY CENTRE

5.00%

PRIME OOT

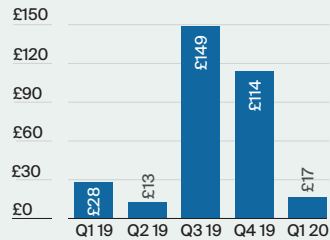
6.00%

FORECAST TOTAL RETURN 2020

8.90%

Investment Volumes

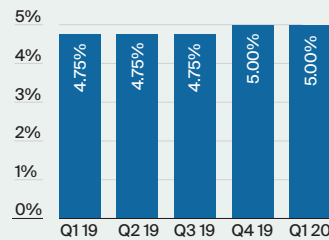
Last five quarters, £ millions



Source: Knight Frank Research

Prime Yield

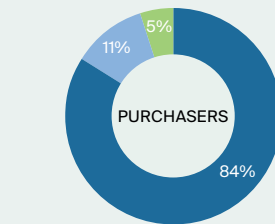
Net yield, %



Source: Knight Frank Research

Investor Type

UK Overseas Private



Source: Knight Frank Research

Q1 REVIEW

Although activity slowed in late in March as restrictions to counter Covid 19 were imposed, Q1 2020 delivered positive results. Take-up was 219,420 sq ft – the fourth highest quarterly total in 10 years and 52% above the 10-yr quarterly average. Activity was dominated by Professional Services with 60% of take up (by sq ft) and 40% of deals. The headline deal was Osborne Clarke's pre-letting of 73,991 sq ft at Cubex's/Fiera Capital's "Halo" scheme at Finzels Reach.

With The Distillery (93,000 sf) remaining the only new scheme to be delivered in 2020 or 2021, supply will remain low for at least 24 months. The pre-let to Osborne Clarke within Halo will bring forward a further 42,142 sq ft within the lower floors of the development, targeted for completion in Q1 2022.

KEY TRANSACTIONS Q1 2020

PROPERTY	PRICE (£M)	YIELD (%)	PURCHASER	VENDOR
600 & 650 Aztec West	7.40	6.38	Sedgemoor District Council	Threadneedle
King William House	5.40	7.50	South Somerset District Council	Private
Soho Studios	3.22	7.26	AEW	Private
330 Bristol Business Park	1.00	8.35	Private	Private

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



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