RESEARCH

Central London office analysis

Q4 | 2018

OCCUPATIONAL MARKET

Central London take-up totalled 3.5 million sq ft for Q4 2018, 42% above the 10-year average.

INVESTMENT MARKET

Investment transaction volumes reached £4.3 bn for Q4 2018, 21% above the 10-year average.

On behalf of an international bank, GVA have acquired 14,300 sq ft on the 3rd floor of Morgan Capital's new office development at 45 Cannon Street, EC4.

GVA provided refurbishment and letting advice to a leading European bank which resulted in the successful subletting of 4,450 sq ft on the part 6th floor at 5 Aldermanbury Square, EC2

Occupier market – in brief

Brexit

A strong 2018 is confounding commentators as to the actual effect Brexit is having on the London office market. Following the shock of the Brexit vote, investment and leasing activity has held up despite predictions of a major fall in London office values in 2016. As we approach the end however, occupiers and businesses are likely to avoid making decisions and we may see a subdued start to 2019.

Furthermore, Brexit is having an effect on the willingness of landlords to commence with schemes without a tenant already in place. Although non-speculative development is not necessarily new, Brexit has amplified such uncertainty. This is demonstrated by low levels of space under construction, although such levels of development have the benefit of keeping vacancy rates in check. The planning pipeline is currently large however and developers may kickstart schemes towards the end of 2019.

Supply to save the day?

With vacancy rates on the decline, largely as a result of the subdued development pipeline, the market may see a form of stability emerge. It is fair to say the market will continue to be supply-led rather than demand driven and the lack of supply will underpin many of the lettings this year. Alongside this, demand for larger units has also reduced the medium term supply.

Please see our Central London Development Pipeline publication for further detail on this topic.

Am I turning grey?

If supply is to be the defining factor keeping the market stable, we must keep an eye on the level of tenant-driven disposals and grey space in the market. Whilst there has not been a flood of space, there has been an increase. Perhaps the largest example is Pearson releasing 250,000 sq ft at 80 Strand, but this has not come to the market immediately.

The current state of the market is that landlord-refurbished space is letting more quickly than tenant disposals, a reflection of differences in size; however for the market for the market to remain stable this cannot necessarily continue. In a changing economic climate, it is likely that the size and number of tenant disposals will only increase. Nevertheless, with the pipeline so constrained, larger tenant space may provide a useful alternative to occupiers, despite a lower grade of space. Nevertheless, with the pipeline so constrained, larger tenant space may provide a useful alternative to occupiers, despite a relative lower quality.

Conclusion

It will be difficult to make any hard and fast predictions in 2019 with the conflicts of the current uncertain political backdrop and the consequences of a 'squeeze' in supply. Deals may continue to transact but may remain slow to conclude. Rents are likely to remain stable in most submarkets with buildings of varying sizes and quality performing differently as the somewhat unpredictable market performance continues.

Patrick O'Keeffe

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> The market will continue to be supply-led rather than demand driven and the lack of supply will help to underpin many of the lettings this year

Central London

Take-up
Take-up in Central London totalled 3.5 million sq ft for Q4 2018 taking the yearly total to 12.8 million sq ft. On a quarterly basis, Q4 take-up is 3% up on last quarter and 42% up on the long-term average. On an annual basis, take-up is 30% up on the long-term average.

There were four transactions above 100,000 sq ft in Q4 2018, the largest being WPP Group's acquisition of 1 Southwark Bridge Road, SE1. Other leasing deals in Q4 included Interpublic Group's acquisition of 180,000 sq ft at 135 Bishopsgate, EC2, taking the scheme to fully let; WeWork's acquisition of 160,000 sq ft at 5 Merchant Square, W2; and Jane Street Capital's acquisition of 150,000 sq ft at Premier Place, EC2.

The TMT & Creative sector made up the majority of take-up for Q4 at 22%, followed by Serviced Offices at 18%. The TMT & Creative sector was boosted by deals to WPP Group and Interpublic Group that made up 51% of the sector's take-up. WeWork made up the majority of serviced office take-up for Q4 at 43%; however Knotel, a flexible working startup, significantly increased their presence in the market, having recently overtaken WeWork by number of sites in New York. The Financial Services sector accounted for 14% of the quarter's take-up from deals at Premier Place, EC2 and 22 Bishopsgate, EC2.

Prelets totalled 770,000 sq ft in Q4 2018, taking the year's prelet total to 3.7 million sq ft, up 20% on the 2017 figure. Take-up for New Existing space totalled 970,000 sq ft for Q4 2018 and 3.1 million sq ft for 2018, up 36% on 2017. Second hand lettings made up the majority of activity accounting for 1.7 million sq ft, 5.8 million sq ft for the year and 42% up on 2017.

Availability and Development
Availability fell for the third consecutive quarter to 10.8 million sq ft, 7% down on Q3 2018 and 10% down on the 10-year average. Strong leasing activity and a continued lack of development supply caused the fall, despite rising tenant-offered space market-wide. The Central London vacancy rate fell to 5.59% for Q4, down from 6.00% in Q3 2018 and on the 10-year average, 6.13%.

There is a continued undersupply of development stock within the pipeline. Across Central London, there is 15.7 million sq ft under construction with 48% prelet (8.2 million sq ft available). Although completions are currently set to peak at their highest ever level in 2019 at 9.7 million sq ft of which 43% is prelet (5.6 million sq ft available), 2020 is currently set to see a distinct drop off in activity with 6.0 million sq ft currently under construction after this date, of which 56% is prelet (2.7 million sq ft available).

Although availability from development completions in Q4 2018 totalled 633,000 sq ft, only one development offered space in excess of 100,000 sq ft. Similar is true of the future pipeline with an increasingly limited set of options for tenants with larger space requirements. Under construction developments with a total office size over 100,000 sq ft are currently 59% prelet overall. Conversely developments below 100,000 sq ft are just 22% prelet, yet accounting for 2.7 million sq ft of the total pipeline.

Rental growth
Central London prime rents remained stable on last quarter, though 2% up on this time last year. City and West End prime rents are stable at £67.50 per sq ft and £115.00 per sq ft respectively. However, some fringe markets saw marginal rental growth over the quarter where a positive supply story has put upwards pressure on rents. Rent free periods were stable across all Central London submarkets at 24 months on a 10-year lease.

KEY STATS THIS QUARTER

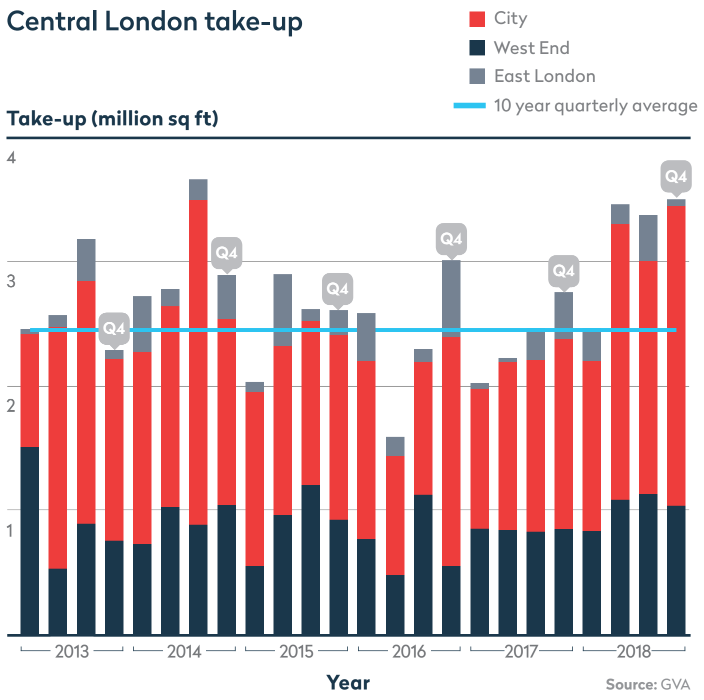
3.5 million
sq ft let. 42% up on the 10-year quarterly average

5.59%
vacancy rate

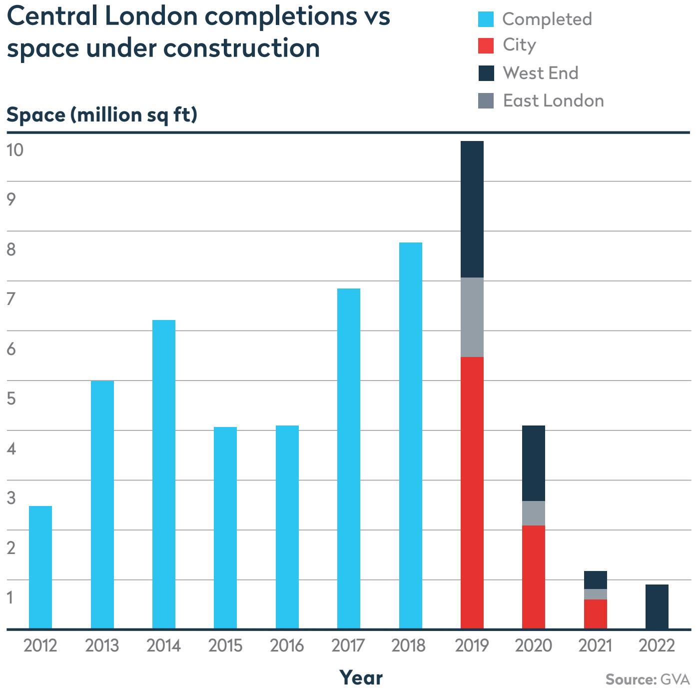
15.7 million
sq ft under construction. 48% prelet

"Although development completions in Q4 2018 totalled 633,000 sq ft, only one completion offered space in excess of 100,000 sq ft."

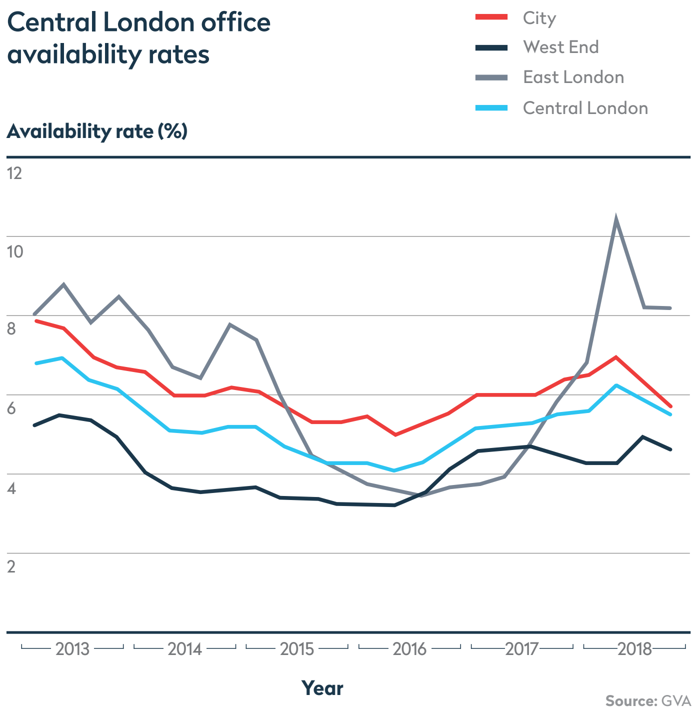
Central London take-up



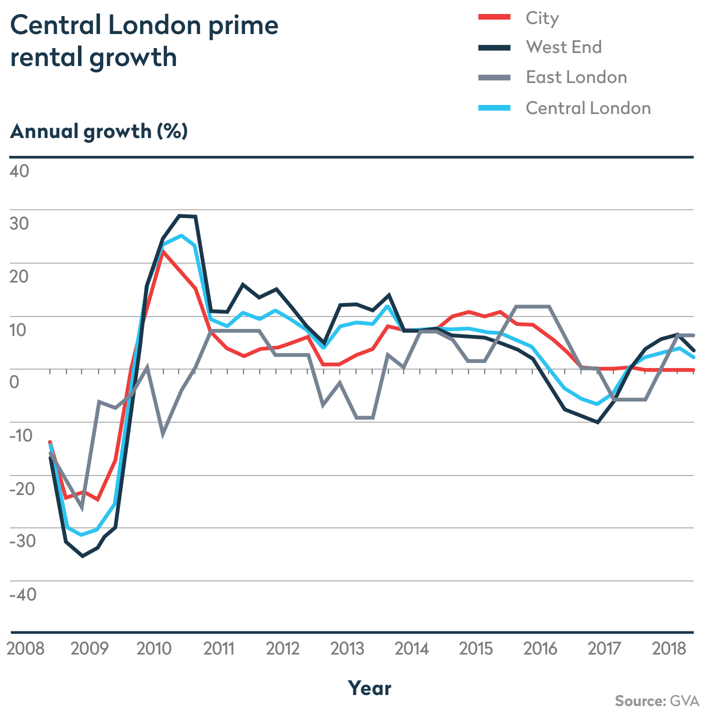
Central London completions vs space under construction



Central London office availability rates



Central London prime rental growth



West End

Take-up

Take-up totalled 1.0 million sq ft for Q4 2018 in the West End, a decrease of 8% on Q3 2018, although mostly due to the large Facebook deal in King's Cross that boosted the Q3 figures. Overall, quarterly take-up was 27% above the 10-year average and 18% above the 5-year average. On an annual basis, the West End has performed well, recording 4.1 million sq ft of take-up for 2018, up 25% on the 10-year average.

The quarter saw exceptionally high take-up from the serviced office sector, totalling 410,000 sq ft, 39% of the quarter's take-up alone. The largest serviced office deals were WeWork's acquisition of 5 Merchant Square, W2 totalling 160,000 sq ft and the acquisition of 40,000 sq ft at Assembly, W6 by Spaces.

Mayfair and St James's take-up recorded almost 100,000 sq ft for Q4 2018, down on Q3 2018 by 10% but up on the 10-year average by 7%. There were few large deals recorded in the market for Q4 with the largest acquisition by Evercore acquiring 10,000 sq ft at 1 Stanhope Gate. Although Q4 had relatively few large deals, 2018 as a whole was the best year on record for Mayfair and St James's take-up at 520,000 sq ft, up 17% on 2017.

Continuing to perform well was the Hammersmith/White City submarket, recording 160,000 sq ft of take-up, 16% of the quarter's total and accounting for three of the top five West End deals overall. The association with the serviced office sector is clear with the sector making up 70% of the submarket's take-up from operators including Spaces, The Office Group and Soho Works. The largest deal of the quarter was at Westworks, W12, where Novartis acquired 50,000 sq ft.

Availability and Development

Lack of supply in the West End caused availability to fall 7% on Q3 to 3.9 million sq ft and reflecting a vacancy rate of 4.70%, below the 10-year average of almost 5%. Similar is true in Mayfair and St James's with availability falling 9% on Q3 to 900,000 sq ft, a vacancy rate of 4.8%.

Tenant offered space makes up an increasing proportion of West End availability, rising to 27% of all availability for Q4 (1.0 million sq ft), up from 23% in Q3 2018 (960,000 sq ft). Within the Mayfair/St James's submarket, tenant space makes up 23% of total availability.

Despite rising tenant offered space, the West End is starting to see a subdued development pipeline with only 760,000 sq ft projected for delivery by the end of Q2 2019, down 53% on last quarter. Further, the longer term pipeline is subdued with 2.7 million sq ft under construction projected for completion post 2020, currently 67% pre-let (2.0 million sq ft available).

In Mayfair and St James's, GPE's Hanover Square is the only development under construction with a total size over 100,000 sq ft, of which 44% is already pre-let by KKR. Demand for larger units is currently high in the West End, but is eating away at the already limited supply.

Rental growth

West End rents grew by 4% from Q4 2017 with the majority of rental growth in fringe locations, particularly surrounding King's Cross, Battersea and White City. West End prime rents are currently stable at £115.00 per sq ft and rent free periods are stable at 24 months on a 10-year term.

KEY STATS THIS QUARTER

1.0 million
sq ft let. 27% up on the 10-year quarterly average

4.70%
vacancy rate

5.4 million
sq ft under construction. 51% prelet

£115.00
per sq ft prime rent

Patrick O'Keeffe
Head of London Agency and Investment

City

Take-up

Take-up for the City totalled 2.4 million sq ft for Q4 2018, 70% up on the 10-year average and the highest recorded in the market since Q4 2013. There were three deals over 100,000 sq ft for the quarter that accounted for 22% of Q4 take-up. On an annual basis, take-up for 2018 has totalled 7.9 million sq ft, up 32% on the 10-year average.

The TMT & Creative sector made up the majority of take-up for the quarter at 27% due to the two largest deals of the quarter, followed by Financial Services at 18% due to Jane Street Capital's significant acquisition of Premier Place. Excluding deals above 100,000 sq ft, Professional Services took the majority of space at 16% in just one deal over 50,000 sq ft for the quarter. In comparison to previous quarters, serviced office operators took relatively little space at 235,000 sq ft, 10% of City take-up.

By submarket, City Core made up the majority of activity accounting for 37% of take-up (900,000 sq ft), up 25% on Q3 2018. This was followed by London Bridge which accounted for 19% of take-up at 460,000 sq ft, a considerable 229% rise on Q3 2018 but mostly due to larger deals at 1 Southwark Bridge Road and at 41-45 Blackfriars Road where WeWork acquired almost 100,000 sq ft. The Clerkenwell submarket continued to perform well with 210,000 sq ft let (74% Grade A), 5% up on Q3 2018.

Availability and Development

City availability fell for the third consecutive quarter to 5.3 million sq ft in Q4 2018, falling 10% on Q3 2018 and 21% on the 10-year average. The City vacancy rate now stands at 5.80%, considerably down from the 10-year average of 6.99%.

There is 8.0 million sq ft currently under construction in the City due for delivery by 2021, of which 45% is currently prelet (4.4 million sq ft available). Longer term, there is a reduced level of supply however with only 2.6 million sq ft under construction projected to complete post 2020, of which 45% is prelet (1.5 million sq ft available). Buildings with a total size over 100,000 sq ft are currently 49% prelet and space in such buildings is disappearing quickly with 470,000 sq ft taken up in Q4 2018 alone. In comparison, space in buildings smaller than 100,000 sq ft is only 29% prelet.

Completions added 280,000 sq ft to the market in Q4 2018; a 78% majority of completion availability was for space in buildings smaller than 50,000 sq ft however. The larger completions included 55 Gresham Street and The Ray but both were fully prelet in Q3 2018. Bigger businesses are increasingly having to plan ahead in order to satisfy their space requirements. Smaller businesses can react later on.

Rental growth

Rents in the City fell marginally 0.5% from 2017 to 2018. City Core rents currently stand at £67.50 per sq ft, down from £70.00 per sq ft this time last year. However, there is marginal improvement in some City Fringe submarkets including Clerkenwell where rents rose to £70.00 per sq ft for Q4 2018, up from £67.50 per sq ft the quarter preceding. Rent free periods are stable at 24 months on a 10-year term.

KEY STATS THIS QUARTER

2.4 million
sq ft let. 70% up on the 10-year quarterly average

5.80%
vacancy rate

8.0 million
sq ft under construction. 45% prelet

£67.50
per sq ft prime rent

Jeremy Prosser
Head of City Agency

East London

Take-up

Q4 2018 take-up in East London fell to 42,000 sq ft, considerably down on Q3 2018 but the annual total for the market was an improvement on previous years. In 2018 East London take-up totalled 838,000 sq ft, a 23% increase on 2017 yet still below the 10-year average by 6%. The largest deal for the year was BCG Partners' acquisition of 130,319 sq ft at 5 Churchill Place, closely followed by CMA's acquisition of 105,830 sq ft at The Cabot, 25 Cabot Square, E14, where GVA advised.

In line with the quarterly figures, the Government and Services sector made up the majority of take-up for the year totalling 240,000 sq ft, equating to 29%. Financial Services and Business Services made up 17% and 16% of the year's take-up respectively, the former largely due to a single large deal to BCG Partners at 5 Churchill Place, E14, and the latter due to a culmination of deals sub 100,000 sq ft.

Second hand space made up the majority of take-up for 2018 accounting for 60% of all lettings. This was largely the result of significant acquisitions of tenant offered space including Boston Consulting's acquisition of 58,000 sq ft at 25 Canada Square from sublessor Citi and Herbert Smith Freehills' acquisition of 38,000 sq ft at 40 Bank Street from sublessor Shell.

Availability and Development

Availability in East London remained largely stable for Q4 totalling 16 million sq ft, giving a vacancy rate of 8.29%. This is above the 10-year average of 6.64%.

The East London development pipeline currently comprises 2.3 million sq ft of which 46% is prelet (1.2 million sq ft available), albeit the majority of prelet space is made up from large International Quarter schemes in Stratford that do not generally commence speculatively. The largest schemes under construction are at 5 Bank Street (420,000 sq ft available) and Wood Wharf (470,000 sq ft available), the latter of which comprises three buildings.

Rental growth

East London Grade A rents increased marginally by0.6% on the previous year, the highest rental growth of any Central London submarket. Rental growth was predominantly the result of an increase in Canary Wharf rents to £42.50 per sq ft, up from £40.00 per sq ft in Q4 2017. East London rent free periods are currently stable at 24 months on a 10-year term.

KEY STATS THIS QUARTER

42,000
sq ft let. The lowest quarterly figure since Q2 2017.

8.29%
vacancy rate

2.3 million
sq ft under construction. 46% prelet

£42.50
per sq ft prime rent

Alasdair Gurry
Director

Midtown

Take-up

Take-up for the Midtown market totalled 510,000 sq ft for Q4 2018, in line with Q3 2018 but 44% up on the 5-year average. 2018 take-up totalled 1.5 million sq ft, broadly in line with 2017. Q4 2018 saw three deals over 50,000 sq ft transact including at Athene Place to Deloitte Digital, The Farmiloe Building to Live Nation and 8 Salisbury Square to Gartner. The majority of take-up was from the Consumer & Private Services sector accounting for 24% of take-up, very closely followed by the TMT & Creative sector accounting for 23%. Serviced offices accounted for around 50,000 sq ft and 9% of the quarter's take-up, considerably down from Q3's 150,000 sq ft.

Unlike other markets, the majority of take-up was for new or under construction Grade A space accounting for 72% of the total, up from just 60% in Q3 2018. There were just two prelets at Premier Place and the Farmiloe Building, which together accounted for 150,000 sq ft of take-up. Both prelets were located in the Clerkenwell submarket, in line with trends from earlier in the year.

Availability and Development

Availability increased slightly to 1.1 million sq ft in Q4 2018, up from 974,000 sq ft in Q3 2018, a vacancy rate of 2.3%. The Midtown development pipeline currently comprises 960,000 sq ft of which 46% is prelet (520,000 sq ft available). A 66% majority of space under construction is due to be delivered in 2019 with the remainder, due for delivery in 2020, currently 74% prelet. The distinct drop off in development activity post 2019 will see Midtown supply severely constrained without the inclusion of additional developments between now and 2020.

Midtown completions totalled 130,000 sq ft for Q4 2018, the largest being The Ray, Farringdon Road totalling 89,000 sq ft and fully prelet to LinkedIn.

Rental growth

Holborn prime rents were £65.00 per sq ft for Q4 2018, in line with Q3 2018 and this time last year. Bloomsbury prime rents currently stand at £80.00 per sq ft in line with Q3 2018 but up from 2017 rental levels of £75.00 per sq ft. Rent free periods are currently stable at 24 months on a 10-year term.

KEY STATS THIS QUARTER

510,000
sq ft let. 44% up on the 5-year quarterly average

2.30%
vacancy rate

960,000
sq ft under construction. 46% prelet

£65.00
per sq ft prime rent

Charlie Walker
Associate

GVA advised Southwark Council on the £89 million acquisition of Courage Yard, SE1; a 2.2 acre mixed use campus next to Shad Thames and Tower Bridge

Investment market – in brief

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Near record turnover
Despite the continued noise surrounding Brexit, the London investment market remains resilient as year-end volumes reach a near record high of £18.3bn, the third highest annual investment turnover on record. The investment market continues to be driven by larger transactions (£250m+) which accounted for over 44% of all investment volumes in 2018. Overseas buyers continue to look past London's potential position in Europe and instead see London as a safe location for investment, boosted by a surprisingly resilient occupational market, cheap currency and relatively attractive yields in comparison to other Tier 1 global cities.

Korean Capital
South Korea's healthy syndication market continues to drive investment in London. These buyers accounted for 20% of investment volumes in the final quarter and 16% in 2018, representing the most active investor group. Key transactions for Q4 included the acquisition of two WeWork buildings at One Poultry in the City and 125 Shaftsbury Avenue, these were purchased by KB Securities and Hana Alternatives for £285m (4.57% NIY) and £267m (4.56% NIY) respectively. Hana Alternatives also purchased the DfE Sanctuary Buildings in Victoria for £285m (4.20% NIY) and Kiwoom AM made their debut asset purchases of Cannon Green for £120m (5.00% NIY).

Return of the REIT and Funds
Whilst overseas investor appetite for 'best in class' long income investments is showing no sign of subsiding, domestic investors have recently become more active, particularly the Funds and REITs. In Q4, British Land purchased four strategically located buildings for their new co-working brand 'Storey', whilst in Southwark Landsec returned to the City market after a 3.5 year break, with the purchase of 25 Lavington Street, SE1 for £87.1m. Out of the UK Funds, M&G have been the most active, with over half a billion pounds worth of acquisitions across five transactions in 2018. Orchard Street, L&G and Aberdeen Standard Investments have also been repeat buyers across various submarkets in 2018.

Unstuck stock
Last quarter we commented on various 'sticky' assets which failed to sell over the course of the summer. However many of these sold in the final quarter, typically as vendors adjusted their pricing aspirations to meet buyers expectations. In the final quarter, all six of the London Amundi portfolio assets were sold. In addition, 125 Old Broad Street, 95 Queen Victoria Street, London Wall Buildings and Austin Friars House all sold after previous abortive negotiations.

Unstuck Stock pricing schedule

Property	Asking Price	Dealing Price	Difference	Months on market	Buyer
125 Old Broad Street, EC2	£400m	£385.0m	-4%	8 months	City Developments Ltd
1-5 London Wall Buildings, EC2	£90m	£97.1m	+8%	10 months	Angelo Gordon
11 Westferry, E14	£86.2m	£80.0m	-7%	6 months	London & Oxford
8 Fenchurch Place, EC3	£78.6m	£74.0m	-5%	6 months	Balder Group
95 Queen Victoria Street, EC4	£80m	£72.5m	-9%	14 months	J Safra Sarasin
23 Austin Friars, EC2	£41.5m	£39.0m	-6%	7 months	Soor Capital
46-48 Grosvenor Gardens, SW1	£17.6m	£16.0m	-9%	5 months	Grosvenor

Investment commentary

Transaction volumes

Transaction volumes reached £4.3 bn for Q4 2018, 21% up on the 10-year average. This took the annual figure to £18.3 bn, up 28% on the 10-year average and the highest yearly volume for transactions since 2013. Q4 2018 saw an increase in number of deals to 66, the largest number of deals recorded in three years but there was a decrease in size of deals with no transactions recorded over £500m for Q4. The largest deal for the quarter was the acquisition of 30 Gresham Street by Wing Tai for £411m, a NIY of 4.25%.

City investment volume for Q4 2018 reached £2.7 bn, up 40% on the 10-year quarterly average. Annual investment volumes reached £10.9 bn for 2018, up 41% on the 10-year average and the highest level on record for the City. An increase in deals over £1bn has resulted in an excellent year-end figure. In line with Central London, a decrease in average deal size for Q4 has been buffered by an increase in the number of deals to 37 in Q4 2018.

Overseas investors further dominated investment in the City accounting for 74% of total investment for Q4 2018 alone. A constrained development pipeline has led to a return in interest from other investor types looking for value-add opportunities. Further, long lease sites that retain income and capital growth potential are still of interest, a key example being M&G's acquisition of 1 Southwark Bridge Road for £115m, 5.9% NIY and leased by WPP Group.

West End investment volumes reached £1.5 bn for Q4 2018, a relatively poor quarter for the market with volumes down 3% on the 10-year average, although up 50% on Q4 2017 when investment volumes dropped below £1 bn. The largest deal of the quarter was the acquisition of Sanctuary Buildings, SW1 by Hana Financial Group for £285m, a NIY of 4.2%, leased to the government for 15 years. There were 25 West End deals in the quarter, slightly below the 10-year average of 30 deals and signifying an increase in average deal size.

By submarket, Victoria recorded the largest quarterly volume with £414 m of investment in five deals, followed by Covent Garden that recorded £267m of investment but due solely to a single deal at 125 Shaftesbury Avenue, WC2, acquired by KB Securities at a NIY of 4.56%. The Fitzrovia submarket recorded the largest number of deals for the quarter with six deals, although investment volumes only reached £178m with just one deal over £50m. Mayfair and St James's recorded £152m of investment in two deals, the larger being the acquisition of 33 Jermyn Street, SW1 by Motcomb Estates for £132m.

West End overseas investment made up 55% of volumes recording £799m. Domestic investment reached £385m for Q4 at 27%, up from only 10% in Q3 2018.

Yields

Yields were stable for Q4 2018 at 4.25% in the City and 3.50% in the West End.

KEY STATS THIS QUARTER

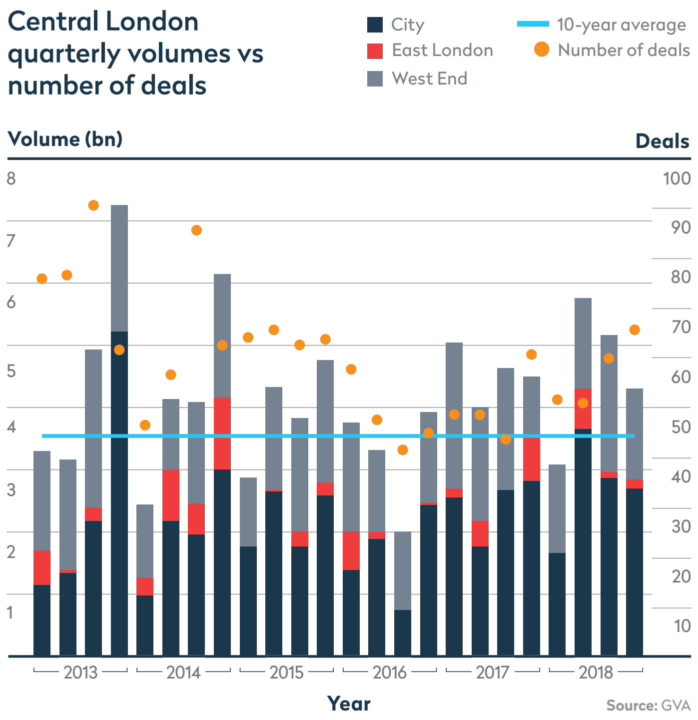
£4.3 billion
transaction volumes. 5% down on Q4 2017 but 21% up on the 10-year average

3.50%
West End prime yield

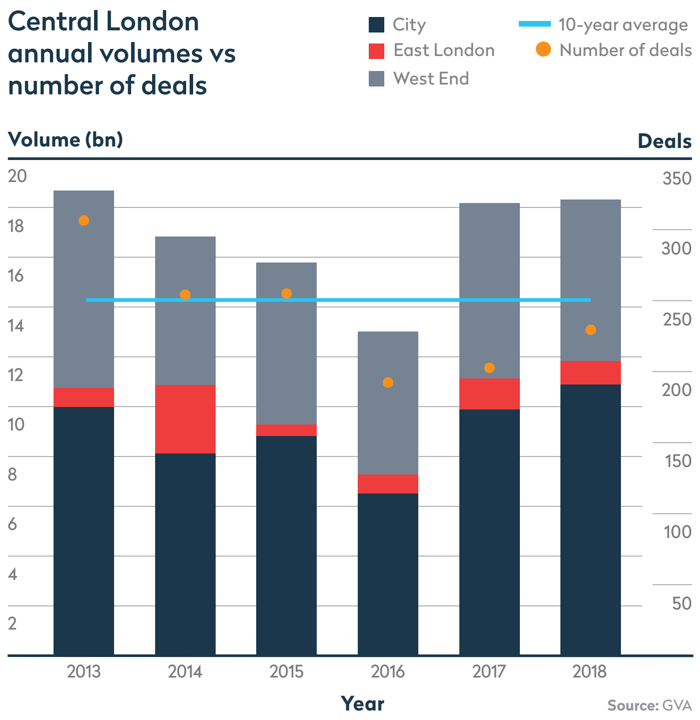
4.25%
City prime yield

Avi Orenstein
Associate

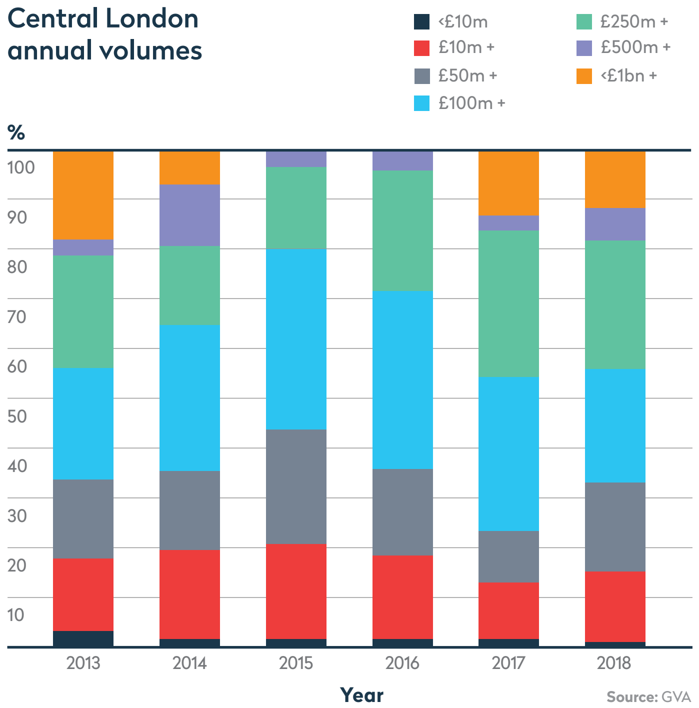
Central London quarterly volumes vs number of deals



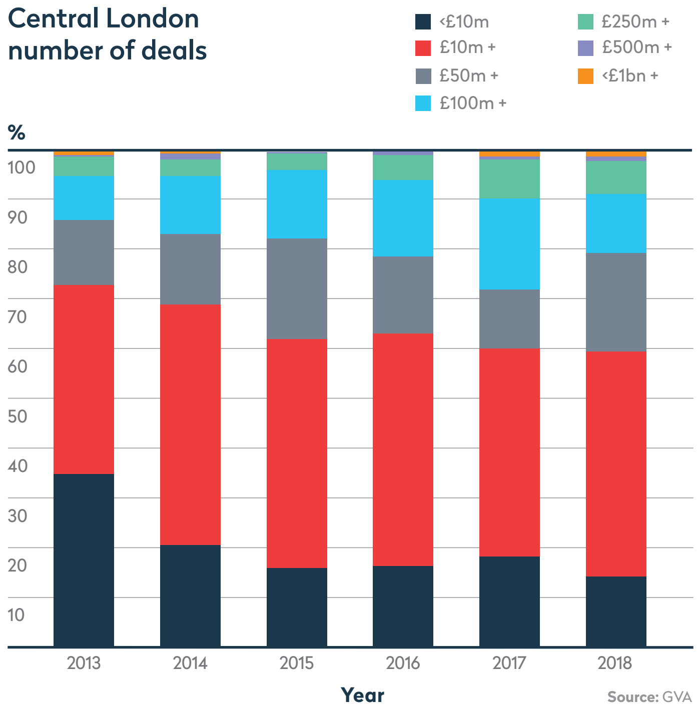
Central London annual volumes vs number of deals



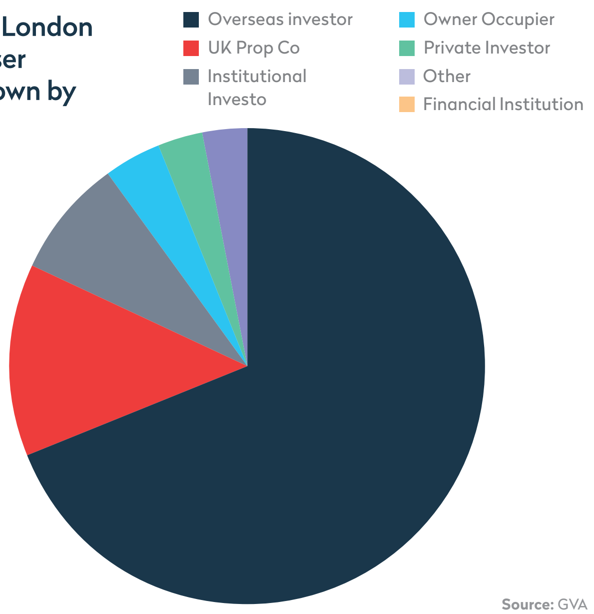
Central London annual volumes



Central London number of deals

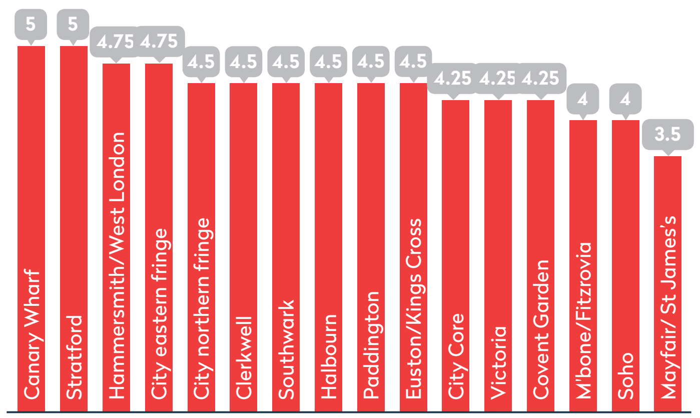


Central London purchaser breakdown by volume



Source: GVA

Central London yields



Source: GVA

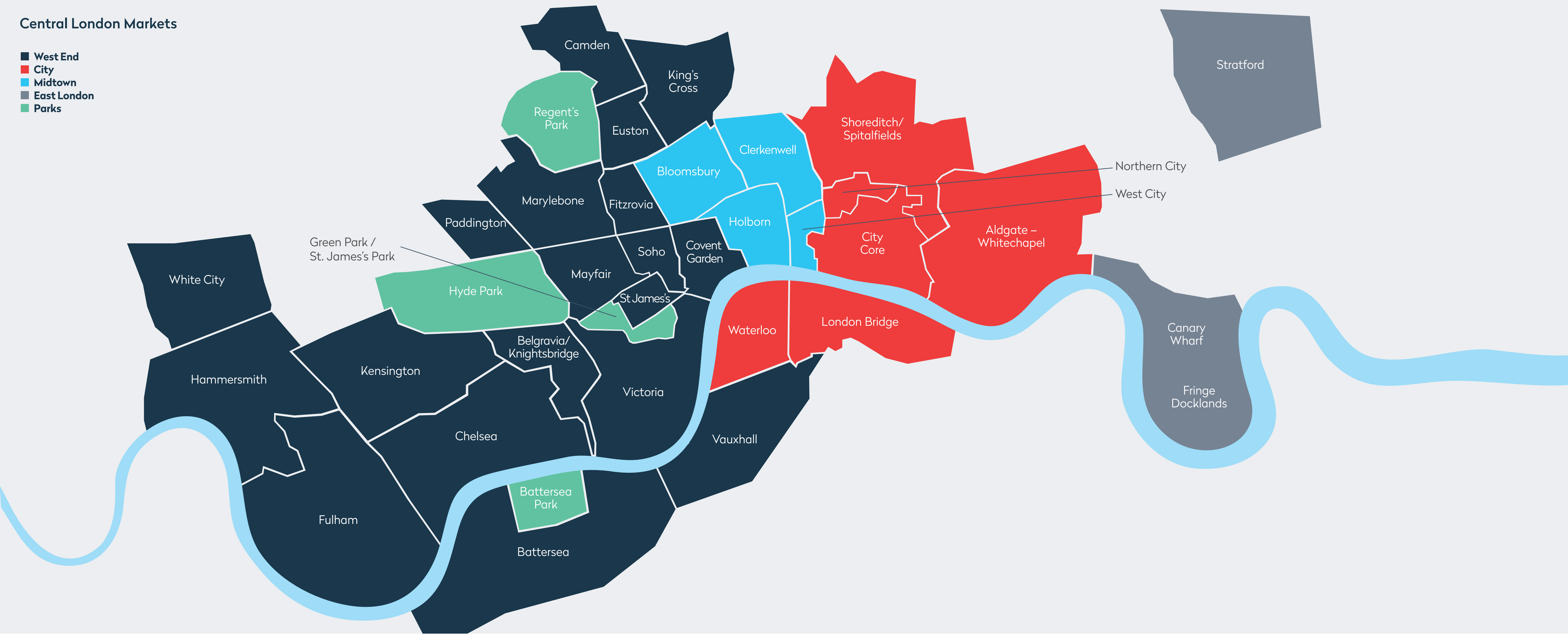
Largest investment deals of Q4 2018

Address	Price (£m)	Yield (%)	Month	Purchaser
30 Gresham Street, EC2	411	4.25	Nov-18	Wing Tai Properties Ltd
125 Old Broad Street, EC2	385	4.6	Oct-18	City Developments Ltd
Sanctuary Buildings, SW1	285	4.2	Nov-18	Hana Financial Group
125 Shaftesbury Avenue, WC2	267	4.56	Oct-18	KB Securities
Southbank Central, SE1	256	5.51	Dec-18	Starwood Capital

Largest International Investors by Country 2018

Country	Volume (£m)	Number of Deals
South Korea	£2,828	9
Hong Kong	£2,372	14
Singapore	£1,556	6
USA	£1,201	11
Germany	£948	7

GVA advised Hines on the acquisition of 354-358 Oxford Street, W1;
a prime retail and residential development site above Bond Street station



West End	Prime headline rent (£ per sq ft)	Rent free period (months)	Business rates (£ per sq ft)	Total occupancy costs (£ per sq ft)
Battersea PS	£60.00	24	£15.25	£85.50
Belgravia / Knightsbridge	£92.50	24	£39.50	£142.25
Camden	£60.00	24	£26.75	£97.00
Chelsea	£95.00	22	£37.00	£142.25
Covent Garden	£85.00	24	£30.00	£125.25
Euston	£75.00	24	£27.75	£113.00
Fitzrovia	£82.50	24	£33.75	£126.50
Fulham	£47.50	24	£20.00	£77.75
Hammersmith	£55.00	24	£21.00	£86.25
Kensington	£72.50	22	£44.00	£126.75
King's Cross	£80.00	24	£31.50	£121.75
Mayfair	£115.00	24	£48.75	£174.00
Mayfair/St James's "super-prime"	£170.00	20	£51.00	£231.25
North of Oxford St	£85.00	24	£39.50	£134.75
Paddington	£75.00	24	£26.75	£112.00
Soho	£97.50	24	£41.50	£149.25
St James's	£115.00	24	£46.50	£171.75
Vauxhall	£58.00	24	£15.25	£83.50
Victoria	£77.50	24	£33.50	£121.25
White City	£55.00	24	£8.50	£73.75

City	Prime headline rent (£ per sq ft)	Rent free period (months)	Business rates (£ per sq ft)	Total occupancy costs (£ per sq ft)
City Core	£67.50	24	£25.75	£103.50
Aldgate/Whitechapel	£57.50	24	£20.00	£87.75
EC3	£67.50	24	£26.50	£104.25
London Bridge	£63.00	24	£26.00	£99.25
Northern City	£65.00	24	£19.75	£95.00
Shoreditch/Spitalfields	£65.00	24	£18.00	£93.25
Waterloo	£67.50	24	£22.75	£100.50

Midtown	Prime headline rent (£ per sq ft)	Rent free period (months)	Business rates (£ per sq ft)	Total occupancy costs (£ per sq ft)
Bloomsbury	£80.00	24	£30.25	£120.50
Clerkenwell	£70.00	24	£23.25	£103.50
Holborn	£65.00	24	£27.75	£103.00
West City	£67.50	24	£25.75	£103.50

East London	Prime headline rent (£ per sq ft)	Rent free period (months)	Business rates (£ per sq ft)	Total occupancy costs (£ per sq ft)
Canary Wharf	£42.50	24	£12.75	£65.50
Other Docklands	£32.50	24	£10.00	£52.75
Stratford	£45.00	24	£8.50	£63.75

If you'd like to talk to one of our team to discuss property services or any market leading research, please get in touch.

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