GLASGOW OFFICE PROPERTY FOCUS Q3 2019

CITY CENTRE OFFICE TAKE UP & DEALS

- **Office floor space transacted**: 352,419 sq ft
  - **Increase**: 244% (Q3 2018)
  - **Upward trend**: (Q3 2018)

- **Deals**: 26 deals
  - **Downward trend**: 13% (Q3 2018)
  - **Completed deals over 10,000 sq ft**: 1 deal

TOTAL SUPPLY AND VACANCY RATE

- **Total supply**: 6,443 sq ft
  - **Downward trend**: 80% (Q3 2018)

- **Vacancy rate**: 0.04%
  - **Downward trend**: 81% (Q3 2018)

NEW BUILD GRADE A STOCK

- **81%** (Q3 2018)

INVESTMENT DEALS

- **Investment deals over £1 million**: 4
  - **Upward trend**: 33% (Q3 2018)

- **Amount transacted in deals over £1 million**: £62.38m
  - **Upward trend**: 4% (Q3 2018)

PRIME INVESTMENT YIELD

- **5.25%**
  - **5.25% in Q3 2018**

KEY INVESTMENT DEAL

- **123 St Vincent Street - 134,517 sq ft landmark building**
- **Tenants** include KPMG, Secretary of State for Communities and Local Government and Hutchinson 3G.
- **WAULT** in excess of 5 years to expiry and c. 3 years to breaks.
A strong quarter of take up for Glasgow city centre on the back of the JP Morgan transaction at One Central, Argyle Street. It was, however, the only deal over 10,000 sq ft.

The market sentiment remains positive for the Grade A office sector of which the existing stock is all but depleted. There are strong prospects for further pre-letting activity in the three new buildings now under construction in the city centre, Cadworks, 2 Atlantic Square and 177 Bothwell Street (c.500,000 sq ft in total, c.381,000 sq ft still available).

Tim Jacobsen
Partner, Ryden