

a

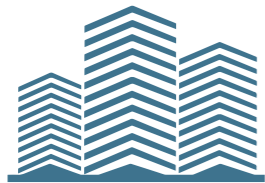
INVESTMENT
MARKET UPDATE

NATIONAL OFFICES

AUTUMN 2024

allsop

Sector Overview



Whilst investment volumes remain subdued - So far in 2024 **c.25% of all commercial transactions** have been in the **office sector**



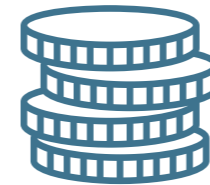
Strong demand for **Grade A accommodation** continues to drive leasing activity and rental growth across key regional markets



Increase in regional office deals **exceeding £50m**, highlighting **growing confidence** valuations are beginning to bottom out



Positive sector fundamentals as **employers continue to drive staff back to the office**



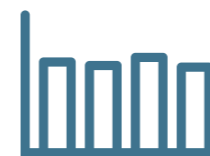
UK Funds remained the **biggest sellers**, whilst overseas HNW's and UK Prop Co's are dominating the acquisition market



There continues to be **limited future supply** of best-in-class accommodation, further **driving rental growth**



We expect to see a continuation of the significant price disparity between prime and secondary offices - with the secondary market dominated by buyers seeking alternative uses



Prime yields have remained stable at **6.75%**

Ongoing & Recent Transactions

BEST IN CLASS SOUTH EAST OFFICE
CURRENTLY MARKETING



22 Mount Ephraim, Royal Tunbridge Wells

<p>Vendor: Private Prop Co Net Initial Yield: 7.50% WAULT: 7 years</p>	<p>Description: High quality purpose-built HQ office totalling 38,200 sq ft, entirely let to Cripps LLP providing 7 years unexpired. Tenure: Freehold</p>	q.£10.35M
---	---	-----------


VALUE-ADD OFFICE
DISPOSAL – UNDER OFFER



The Shipping Building, Hayes

<p>Vendor: Receivers Net Initial Yield: 13.1% WAULT: 1.4 years</p>	<p>Description: Comprehensively refurbished Grade A office building providing a total floor area of 101,684 sq ft located in a key West London office sub market. Tenure: Long Leasehold tenure of 999 years from 06/11/2015</p>	c.£10M
---	--	--------

LONG INCOME OFFICE
ACQUISITION



Collegelands, Glasgow

<p>Client: Overseas HNW Vendor: Abrdn Net Initial Yield: 7.50% WAULT: 12 years</p>	<p>Description: High quality office building totalling 90,528 sq ft (NIA) single-let to Glasgow City Council. The lease is subject to 5 yearly uncapped RPI uplifts (annually compounded) with a tenant option to extend for a further 25 years. Tenure: Heritable Interest (Scottish Freehold)</p>	£32M
--	---	------

OFFICE TO RESIDENTIAL
ACQUISITION



Great West Road, London

<p>Client: Signal Capital / Sheen Lane Vendor: Dell Technologies (owner occupier)</p>	<p>Description: Significant office redevelopment providing 164,000 sq ft of vacant office accommodation over a 3.9 acre site. Tenure: Freehold</p>	£22.2M
---	--	--------

Allsop National Investment THE LAST TWELVE MONTHS

THE LAST TWELVE MONTHS

ALLSOP 'ADVANTAGE'

40+

TRANSACTIONS

OVER
£500M

OF TRANSACTIONS

208

COUNTRIES OR
TERRITORIES REACHED

DEDICATED

SECTOR SPECIALISTS IN
EACH KEY MARKET

£5M - £50M

LOT SIZES TRADED

50,000+

REGISTERED HIGH
NET WORTH INVESTORS

USP

UNITED SALES PROCESS
WITH HYBRID AUCTION
DISPOSAL METHOD

OVER
250 YEARS

COMBINED
MARKET EXPERIENCE

£12.5M

AVERAGE
LOT SIZE

**ALL
SOLD**

ENERGY, EXPERTISE
& EXCEPTIONAL
CONTACTS

**GLOBAL
PARTNERSHIPS**

WITH MILLENNIUM GROUP
AND CITI PRIVATE BANK

**OPEN,
FRIENDLY
& HONEST**

BUSINESS APPROACH

Allsop National Investment Team

We **know** the buyers



Jeremy Hodgson
Partner
07850 976 116
jeremy.hodgson@allsop.co.uk



Scott Tyler
Senior Partner
07787 501 732
scott.tyler@allsop.co.uk



Alex Butler
Partner
07801 219 888
alex.butler@allsop.co.uk



Dale Johnstone
Partner
07788 554 555
dale.johnstone@allsop.co.uk



James Salmon
Partner
07720 400 306
james.salmon@allsop.co.uk



Richard Gale
Partner
07527 388 024
richard.gale@allsop.co.uk



Richard Brooke
Partner
07721 993 652
richard.brooke@allsop.co.uk



Liam Stray
Senior Associate
07956 981 575
liam.stray@allsop.co.uk



Lottie Hayward
Senior Associate
07817 549 237
lottie.hayward@allsop.co.uk



Archie Stead
Senior Associate
07525 824 606
archie.stead@allsop.co.uk



Henry Kilmister
Senior Associate
07733 469391
henry.kilmister@allsop.co.uk



Andrew Wise
Associate
07535 045 149
andrew.wise@allsop.co.uk



Freddie Foley
Senior Surveyor
07765 982 637
frederick.foley@allsop.co.uk



Oliver Dixon
Surveyor
07341 635 082
oliver.dixon@allsop.co.uk



Betsy Rowett
Graduate
07586 105 855
betsy.rowett@allsop.co.uk

For market intelligence and advice on buying and selling commercial investments, get in touch.



Bringing property
& people together

Services

Asset Management

Auctions

Build to Rent

Business Rates

Development Agency & Advisory

Investment Sales & Acquisition

Lease Advisory

Letting & Management

Office Leasing (Central London)

Receivership

Student Housing

Valuation

Contacts

Head office:

33 Wigmore Street, London W1U 1BZ
Tel: +44 (0)20 7437 6977

City office:

2 Copthall Avenue, London EC2R 7DA
Tel: +44 (0)20 7588 4433

Leeds office:

8th Floor, Platform, New Station Street,
Leeds LS1 4JB
Tel: +44 (0)113 236 6677



allsop.co.uk