THE CITY SPRINGS BACK TO LIFE WITH 1.71M SQ FT OF TAKE UP IN Q2 2013 – 
THE HIGHEST LEVEL SINCE 2010

- H1 take up of Central London offices highest level since Q3 2011-

Take up of office space in the City in Q2 2013 rose to 1.71m sq ft – the highest level since Q4 2010, when take-up reached 1.87m sq ft, according to new research by BNP Paribas Real Estate, the leading property adviser.

Positively, overall take up of Central London offices in the first half of 2013 rose 24% to 6.02m sq ft compared to H1 2012. Activity rose 31% to 3.08m sq ft in the second quarter of the year compared to Q2 2012.

In the Southbank, Q2 2013 office take up rose by 40% to 0.21m sq ft compared to Q1 2013, whilst the West End market remained stable at 0.77m sq ft. In Midtown, the market dropped back to a steady level at 0.30m sq ft, following unusually high take up in the first quarter of the year as Google secured its new King’s Cross HQ.

Prime rents continue to rise in several markets. For example in Holborn rents have risen to £57.50 per sq ft, in the Southbank rents rose to £50 per sq ft and in the City Fringe rents also rose to £50 per sq ft. Rents in excess of these levels are being secured for the very best buildings.

BNP Paribas Real Estate’s Central London MD, Dan Bayley, said: “It is great to see such a diverse range of occupiers securing space in the City core and fringes. The continuing growth of the TMT sector is also benefiting the City – and not just the northern fringes. The return of some conventional financial occupiers and new entrants from mutual societies, such as the Co-Op, are also contributing to these healthy figures and the outlook going forward.”

“The Southbank is becoming an increasingly significant market, with some important transactions in negotiation there. The completion of The Shard and the launch of refurbished space at London Bridge City will fill the gap left by reducing supply in other markets,” added Bayley.

BNP Paribas Real Estate’s head of West End, Nick Rock, concluded: “In the West End, a serious lack of grade A supply continues to cause the market to remain static. Looking ahead, we expect this issue to cause rents in the prime Mayfair and St James markets to rise further.”
About BNP Paribas Real Estate

BNP Paribas Real Estate, leading international real estate provider, offers to its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.

BNP Paribas Real Estate has local expertise on a global scale through its presence in 34 countries with more than 180 offices and 3,300 employees (17 wholly owned subsidiaries and 17 by its Alliance network, that represents today more than 3,000 people).

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For more information: www.realestate.bnpparibas.com

Press contact:

Alex Tucker, UK Press Officer – Tel: +44 (0) 207 338 4086 alex.tucker@bnpparibas.com