TOTAL OFFICE OCCUPANCY COSTS REMAIN STABLE IN SOUTHAMPTON

Total office occupancy costs along the M27 corridor remained stable in the second half of 2013, according to new research by BNP Paribas Real Estate, the leading international property adviser.

The report, which focuses on a high level view of rents, rates and service charges for Grade A offices across the region, highlighted that costs remained stable: in Southampton rates are £31.75 per sq ft, in Portsmouth rates are £27.50 per sq ft and in Bournemouth rates are also £27.50 per sq ft.

Steve Williams of BNP Paribas Real Estate’s Southampton office comments: “Incentives for office lettings remain high, however with tenant demand improving and large amounts of the city centre stock being acquired for redevelopment, we expect to see incentives begin to reduce in 2014.

Since the government released the new legislation changes, allowing conversion of office buildings to residential use through permitted development, we have seen a large amount of the vacant secondary office stock in the city centre, circa 225,000 sq ft, permanently leave the market.”

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About BNP Paribas Real Estate

BNP Paribas Real Estate, one of the leading international real estate providers, offers 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 40 countries with more than 180 offices and 3,300 employees (18 wholly owned and 22 by its Alliance network that represents today more than 3,000 people). BNP Paribas Real Estate is a subsidiary of BNP Paribas.

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