WeWork continue leasing spree

- Take-up in 2016 got off to a solid start with January take-up reaching 564,000 sq ft. The largest deal of the month was WeWork's 106,800 sq ft acquisition of 2 Eastbourne Terrace in Paddington.
- This marks WeWork's 10th Central London deal in two years bringing space acquired by the Serviced Office provider to 677,800 sq ft. Last year take-up by this sector accounted for a 9% share of total demand, up significantly on the five year average (2010-14) of 3%.
- The vacancy rate continues on its downward trend reaching 4.15% in January or 9.13m sq ft of supply, from 4.33% at the end of 2015 (9.53m sq ft).
- January saw two deals in excess of £100/sq ft at 3 St James's Square, SW1. Silver Ridge Asset Management and Astorg Partners paid £160.00/sq ft and £140.00/sq ft, respectively.
- North Oxford Street East saw a rent of £92.50/sq ft achieved at 30 Market Place, W1 matching the 2013 record set in the submarket.
- In the 'Techbelt' The Bower, Old Street, EC1 continues to push the rental tone with £67.50/sq ft achieved. At the Steward Building, E1 Bacardi have paid £69.50/sq ft.
- Occupiers search for choice and value will continue to push to the boundaries of Central London in 2016 and in turn drive rental growth.
- In response to the tight supply story, we estimate 2016 completions will total 7.75m sq ft, one fifth of which is already committed. Significant schemes to complete this year include, Nova South, SW1 (Q2), Verde, SW1 (Q3), One Angel Court, EC2 (Q4) and Creechurch Place, EC3 (Q4).

Key January leasing deals

<table>
<thead>
<tr>
<th>PROPERTY</th>
<th>SQ FT</th>
<th>TENANT</th>
<th>RENT EPSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Eastbourne Terrace, W2</td>
<td>106,800</td>
<td>WeWork</td>
<td>£46.30</td>
</tr>
<tr>
<td>8 Finsbury Circus, EC2</td>
<td>74,110</td>
<td>Rathbone Brothers</td>
<td>£70.00</td>
</tr>
<tr>
<td>3 St James's Square, SW1</td>
<td>1,810</td>
<td>Silver Ridge Asset Management</td>
<td>£160.00</td>
</tr>
<tr>
<td>3 St James's Square, SW1</td>
<td>2,196</td>
<td>Astorg Partners</td>
<td>£140.00</td>
</tr>
<tr>
<td>The Bower, Old Street, EC1</td>
<td>12,260</td>
<td>Stripe</td>
<td>£67.50</td>
</tr>
</tbody>
</table>

Source: BNP Paribas Real Estate

January Stats ... At a Glance

- **Total supply**: 9.13m sq ft
  - 44% on LT ave

- **Vacancy rate**: 4.15%
  - -328bps on LT ave

- **January Take-up**: 0.56m sq ft

- **Top rent**: £160.00/sq ft

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