

11th January 2010

Take-up in Midtown up 40%

Office take-up in Midtown in Q4 09 rose 40% on Q3 from 480,000 to 674,000 sq ft driven by deals on new and newly refurbished space such as 272 High Holborn and 40 Holborn Viaduct, according to our latest Midtown research. The availability rate also fell for the first time in two years by 0.9% points to 10.2% or 4.3m sq ft and is again at a rate lower than City (13.9% or 9.4m sq ft) or West End markets (10.5% or 7.2m sq ft).

In the largest deal of the quarter, the University of the Arts London took 75,000 sq ft of newly refurbished space at 272 High Holborn, WC1. The largest deals on new space were both at 40 Holborn Viaduct, EC1, where Capgemini and GDF took just over 49,000 and just under 36,000 sq ft respectively. Underlining the diversity of occupier that helps sustain the Midtown market, take-up by both banking and finance, as well as internet and IT sectors, doubled in the quarter.

Julian Hind, Head of Leasing, Sales & Development at Farebrother said "Take-up of 2.2m sq ft in 2009 exceeded our forecast. We predict that take-up will rise to 2.4m sq ft in 2010 and although supply will rise too, particularly in the first half of the year, to 700,000 sq ft as developments reach completion, but with no scheduled development in 2011 in Midtown, landlords should prioritise refurbishments to fill the gap."

ENDS

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Farebrother are property advisers and chartered surveyors offering a full range of property services in the Centre of London, specialising in Midtown and Southbank. Founded in 1799, the Practice acts for funds, estates, property companies, occupiers and private individuals, including Scottish Widows, PRUPIM, The Governing Body of Rugby School and Delancey.

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