



## Press Release

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### **BNP Paribas Real Estate: Central London office take-up for 2011**

There was a significant fall in the take-up of office space in central London during 2011 when compared to 2010, according to statistics revealed by international property adviser, BNP Paribas Real Estate.

During 2011 a total of 9 million sq ft of office space was taken by occupiers, compared to 14.41 million sq ft in 2010.

In Q4 of 2011 2.27 million sq ft of office space was let in the core London markets (West End, Midtown, City and Docklands). The City market remained subdued with take-up of less than one million sq ft, below the quarterly five year average of 1.3 million sq ft. The figures for Q4 were substantially down on the same period in 2010 which saw office transactions totalling 4.18 million sq ft.

Despite the lack of market activity, prime rents across the capital remained stable having increased steadily over the past twelve months due to the shortage of top quality accommodation particularly in the West End and the Midtown area.

This was typified in the West End where the market, in terms of transactions, has been weak throughout 2011 but rents have increased during the year due to increasing competition for Grade A space. The recently announced pre-let by Great Portland Estates of over 60,000 sq ft at 33 Margaret Street to Savills illustrates the underlying strength of the West End market.



# BNP PARIBAS REAL ESTATE

Dan Bayley, Central London managing director at BNP

Paribas Real Estate, says: “2011 was notable for the lack of activity by the financial services sector, particularly in the City. However, there was an increase in activity by technology and telecommunications businesses and much of this was in areas not normally associated with the TMT sector.

“If you look at the 25 largest deals in the City during Q4, only one transaction involved a pure financial business and there was not a single deal involving a lawyer. In contrast there was strong demand from the TMT sector, accountants and serviced office providers. The share of take-up in central London by the TMT sector has increased from 11% in 2010 to 16% in 2011. The pre-letting of close to 200,000 sq ft at the Leadenhall Building to Aon was also a sign of confidence in the continuing importance of London to international occupiers.

“The migration of some occupiers away to areas that they might not previously have considered has partially been caused by the shortage of Grade A office accommodation in the West End. This is an ongoing issue that will not be resolved in the immediate future.”

<b>TAKE-UP (M SQ FT)</b>	<b>Q1 2011</b>	<b>Q2 2011</b>	<b>Q3 2011</b>	<b>Q4 2011</b>	<b>2011 Totals</b>
<b>West End</b>	0.74	0.7	0.67	0.79	2.9
<b>City</b>	1.05	0.87	1.20	1.08	4.2
<b>Midtown</b>	0.4	0.36	0.31	0.28	1.35
<b>Docklands</b>	0.02	0.04	0.37	0.12	0.55
<b>Total</b>	2.21	1.97	<b>2.55</b>	<b>2.27</b>	<b>9.00</b>
<b>RENTS (£/SQ FT)</b>	<b>Q1 2011</b>	<b>Q2 2011</b>	<b>Q3 2011</b>	<b>Q4 2011</b>	
<b>West End</b>	92.50	100.00	100.00	100	
<b>City</b>	54.50	54.50	54.50	54.50	54.50
<b>Midtown</b>	50.00	50.00	52.50	52.50	52.50
<b>Docklands</b>	36.50	37.50	40.00	40.00	40.00

## About BNP Paribas Real Estate

BNP Paribas Real Estate is a leading international real estate provider, 1<sup>st</sup> in Continental Europe in terms of results according to the Property Week annual ranking 2011 (and the 2<sup>nd</sup> player in Europe.). It 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 29 countries (15 wholly owned subsidiaries and 15 alliances) across Europe, India and Middle East with 3,300 employees in about 150 offices. BNP Paribas Real Estate is a subsidiary of BNP Paribas.

For more information: [www.realestate.bnpparibas.com](http://www.realestate.bnpparibas.com)

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