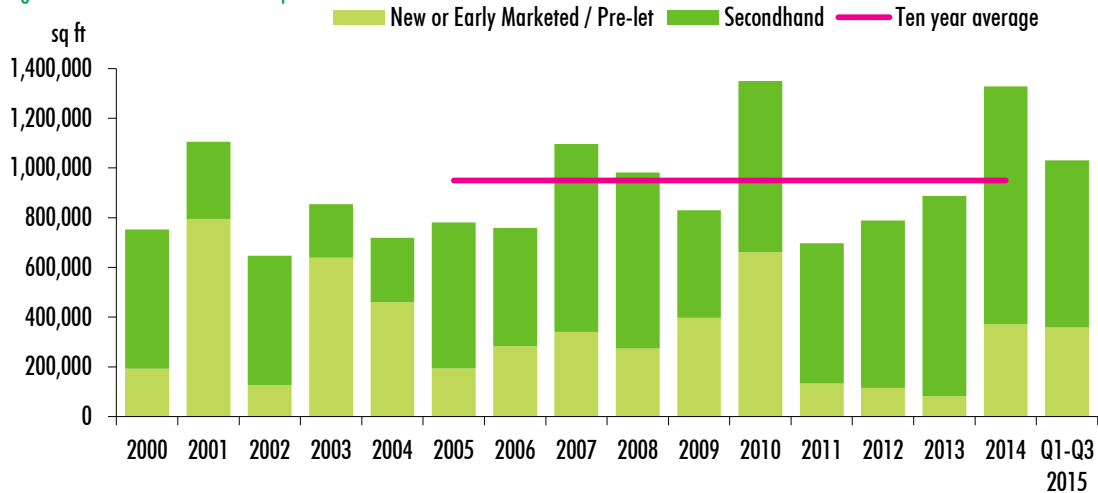


Manchester Office, Q3 2015

Second city strength soars skywards as supply slips

Figure 1: Manchester Office Take-up



Source: CBRE / Manchester Office Market Forum, Q3 2015

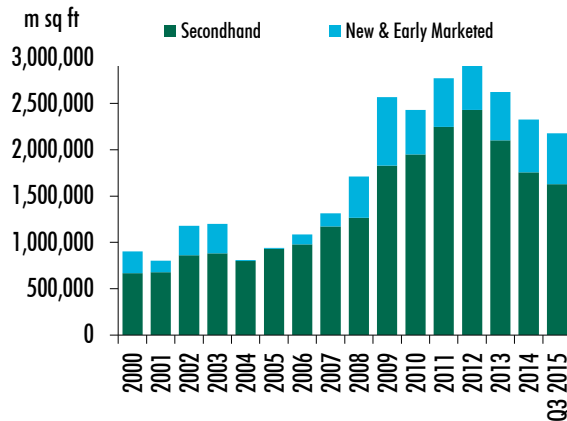
- Take-up has surpassed the ten year average before the final quarter with a total of 1,031,470 sq ft leased already in the first nine months of 2015.
- Q3 leasing activity totalled 374,461 sq ft, higher than both Q1 and Q2 and 52% above the ten year quarterly average.
- Demand in Manchester city centre has principally been centred around the professional and business services sectors. However, the emergence of creative industries firms has become the third most prevalent sector this year, with the largest deal this year belonging to information assurance firm, NCC Group.
- Total available supply at the end of the third quarter stood at 2.18m sq ft. This represents a 13% fall on the total availability at the same period in 2014, and continues the decline in supply since the high of 2012.
- Prime rents climbed in Q3 to £33.00 per sq ft, setting a record high for Manchester having jumped £1/sq ft per year in both 2013 and 2014.

Table 1: Key office transactions Q1-Q3 2015

Address	Tenant	Size (per sq ft)
The XYZ Building, Spinningfields	NCC Group	60,246
No. 8, First Street	Gazprom	51,200
No 1, Spinningfields	PriceWaterhouseCoopers	49,406
No 1, First Street, Manchester	Ford Credit	45,000
Arndale House, Corporation Street	Freshfields Bruckhaus Deringer LLP	42,739

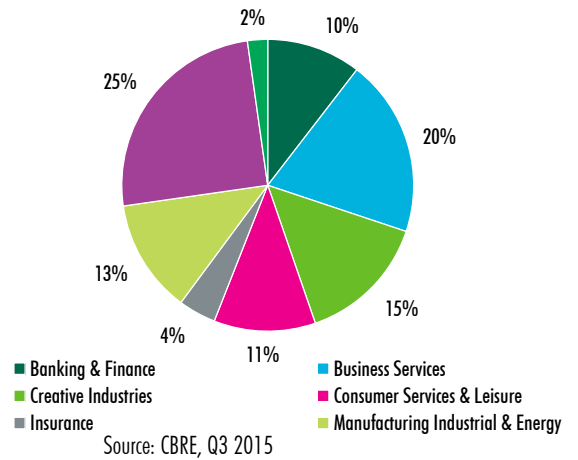
Source: CBRE, Q3 2015

Figure 2: Manchester Availability



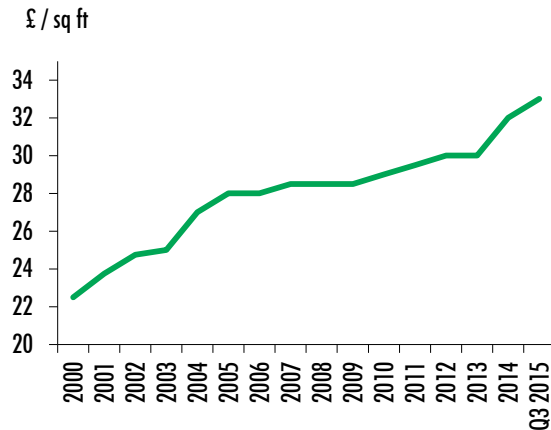
Source: CBRE, Q3 2015

Figure 3: Manchester Take-up by Business Sector, YTD 2015



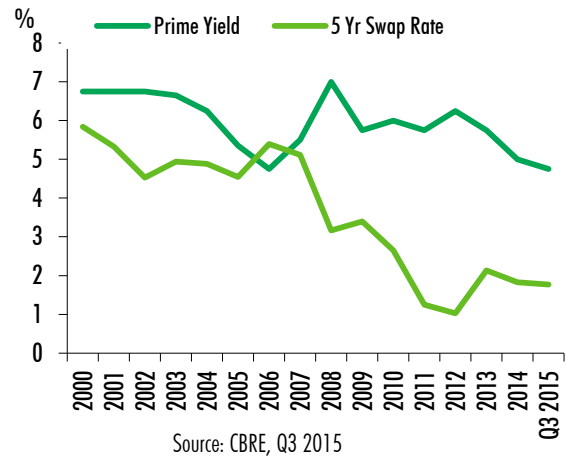
Source: CBRE, Q3 2015

Figure 4: Manchester Prime Rents



Source: CBRE, Q3 2015

Figure 5: Manchester Prime Yields v Swap Rate



Source: CBRE, Q3 2015

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