

# THE LONDON SOUTH BANK

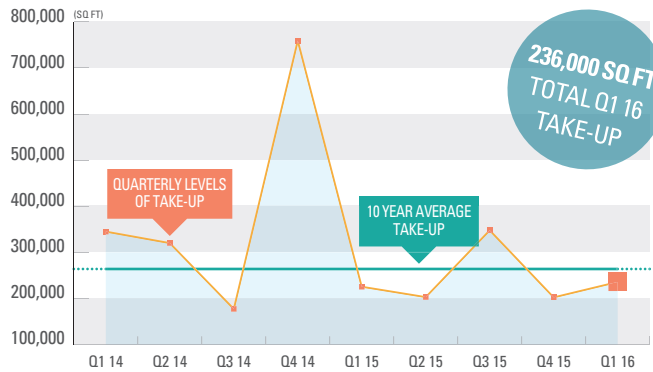
## OFFICE & RETAIL MARKETS Q1 2016



### LACK OF SUPPLY CONTINUES TO RESTRICT TAKE-UP IN SOUTH BANK. A BIG INCREASE IN SPECULATIVE CONSTRUCTION.

#### TAKE-UP

Take-up for the 1st Quarter totalled 235,751 sq ft, a slight increase (16.5%) on the previous quarter, but nonetheless below the ten year average of 297,370 sq ft. The largest Take-up transaction of the quarter was the 43,193 sq ft letting during construction to Zoopla at Columbia Threadneedle Investment's Courage Yard refurbishment, due to complete in the 2nd Quarter 2016.



Zoopla.co.uk  
Smarter property search

**43,193 SQ FT**  
LETTING AT 1 COURAGE YARD, SHAD THAMES, SE1

"The lack of supply in SE1 makes South Bank a challenging market for occupiers, and will continue to frustrate Take-up for the rest of the year.

Looking ahead, it will be fascinating to see how locations such as Bermondsey mature as occupiers look beyond London Bridge and Bankside, and how development around Vauxhall and Nine Elms expands the market west and south."

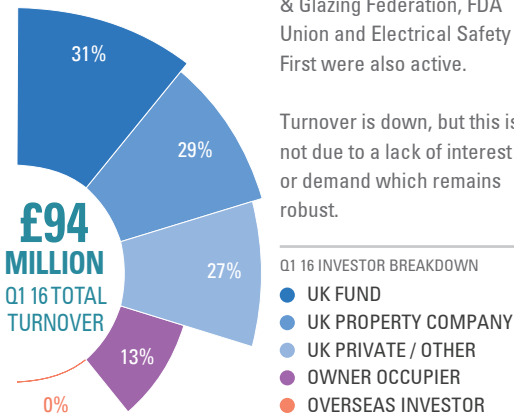
**Simon Smith,**  
Partner, Leasing & Development

#### INVESTMENT

LIQUIDITY OF STOCK CONTINUES TO HOLD BACK POTENTIAL SOUTH BANK INVESTORS

South Bank Investment in the 1st Quarter 2016 was an all UK event. Owner Occupier purchasers such as the Glass & Glazing Federation, FDA Union and Electrical Safety First were also active.

Turnover is down, but this is not due to a lack of interest or demand which remains robust.



#### AVAILABILITY

SUPPLY REMAINS EXTREMELY CONSTRAINED IN SOUTH BANK

Supply, with no completions and only 82,587 sq ft of commencements this quarter, remains extremely constrained in South Bank with Availability at just 2.7%. However, Speculative Construction will bring just under 1.66 million sq ft of office space back on the market over the next few years, with 763,712 sq ft of this being outside of SE1.



"Whilst Investment turnover is low, this is not due to a lack of interest or demand. More investors than ever have South Bank on their radar. Finding stock is the challenge and many are starting to look further afield, away from the more established riverside locations."

**Alastair Hilton,**  
Partner, Investment

#### RETAIL

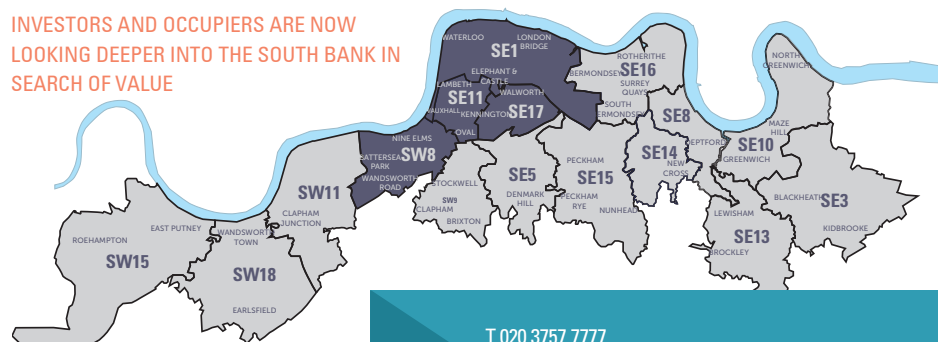
PUBLIC REALM IMPROVEMENTS AROUND WATERLOO

The development of Southbank Place, Leake Street Arches and the potential redevelopment of the Waterloo International Terminal (WIT) will improve the public realm and the connections in and around Waterloo Station.

Our full report expands on this. Speak to us for details.

#### EXTENDED BOUNDARY

INVESTORS AND OCCUPIERS ARE NOW LOOKING DEEPER INTO THE SOUTH BANK IN SEARCH OF VALUE



**3**  
NEW MIXED DEVELOPMENT SCHEMES AROUND WATERLOO STATION

**NEED MORE DETAIL?**

Our full report incorporating detailed transactional data and comprehensive commentary on the overall performance of the South Bank Leasing, Development, Investment and Retail markets is available via our Leadership Team. Please contact us to request your copy and to discuss your interest in more detail.

T 020 3757 7777

TEAM@UNIONSTREETPARTNERS.CO.UK  
WWW.UNIONSTREETPARTNERS.CO.UK

# UNION STREET PARTNERS CAN WE HELP YOU?



## SIMON SMITH

Leasing & Development

M 07736 880 316

SS@UNIONSTREETPARTNERS.CO.UK



## RUPERT COWLING

Leasing & Development

M 07736 880 317

RC@UNIONSTREETPARTNERS.CO.UK



## GUY BOWERING

Leasing & Development

M 07831 185 728

GB@UNIONSTREETPARTNERS.CO.UK



## VINCENT CHEUNG

Leasing & Development

M 07736 880 310

VC@UNIONSTREETPARTNERS.CO.UK



## JULES HIND

Leasing & Development

M 07976 839 011

JH@UNIONSTREETPARTNERS.CO.UK



## MARK ANSTEY

Leasing & Development

M 07841 684 901

MA@UNIONSTREETPARTNERS.CO.UK



## NEIL DAVIES

Retail & Leisure

M 07581 004 167

ND@UNIONSTREETPARTNERS.CO.UK



## ALISTAIR SUBBA ROW

Strategic Property Advice

M 07973 841 691

ASR@UNIONSTREETPARTNERS.CO.UK



## MARK FISHER

Investment

M 07899 895 710

MF@UNIONSTREETPARTNERS.CO.UK



## ALASTAIR HILTON

Investment

M 07515 922 350

AH@UNIONSTREETPARTNERS.CO.UK



## ALEX LEWIS

Lease Advisory, Valuation, Rating

M 07931 548 073

AL@UNIONSTREETPARTNERS.CO.UK



## MALCOLM BRACKLEY

Lease Advisory, Valuation, Rating

M 07967 821 210

MB@UNIONSTREETPARTNERS.CO.UK

## NEED MORE DETAIL?

WE WOULD BE HAPPY TO PROVIDE YOU WITH THE FULL SOUTH BANK MARKET REPORT FOR THE 1ST QUARTER 2016.

Our full 16 page report, incorporating detailed transactional data and comprehensive commentary on the overall performance of the South Bank Leasing, Development, Investment and Retail markets, is available on request.

Please use one of the contact details to the left to request your copy and to discuss your interest in more detail.

### UNION STREET PARTNERS

ONE AMERICA STREET  
LONDON SE1 ONE

T 020 3757 7777

TEAM@UNIONSTREETPARTNERS.CO.UK

[UNIONSTREETPARTNERS.CO.UK](http://UNIONSTREETPARTNERS.CO.UK)

Union Street Partners is a joint venture company between Farebrother and Tuckerman. It provides a specific and bespoke Real Estate service for the South Bank, a market which has undergone an unprecedented transformation and which is now firmly established as one of Central London's most important business districts. The Practice's most services include Office and Retail Leasing & Development, Lease Advisory, Business Rates, Valuation and Investment advice.

### WORKING IN PARTNERSHIP



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