

EDINBURGH
OFFICE PROPERTY
FOCUS Q3 2020

Ryden

OFFICE TAKE UP & DEALS



308,636 sq ft

Office floor space transacted

↑ 119% (Q3 2019)



28 deals

↓ 12.5% (Q3 2019)

1 deal completed over
10,000 sq ft

TOTAL SUPPLY

Total supply **1,760,376** sq ft

↑ 29% (Q3 2019)

PRIME HEADLINE RENT

£35

per sq ft

INVESTMENT DEALS



1

Investment
deals over
£1 million

↓ 75% (Q3 2019)



£133m

Amount transacted
in deals over £1 million

↑ 12.6% (Q3 2019)

PRIME INVESTMENT YIELD



5%

↑ (4.75% in Q3 2019)

KEY INVESTMENT DEAL

- Aegon HQ, Edinburgh Park
- Vendor - M&G Real Estate. Purchaser - Roebuck Asset Management on behalf of Hyundai Asset Management (South Korean)
- Let for 16 years to Scottish Equitable plc, with annual RPI rental indexation. Price/Yield - £133m/4.85%

KEY EDINBURGH OFFICE DEAL



The Haymarket

280,000 sq ft

Let to Baillie Gifford

EDINBURGH OFFICE AGENCY AND INVESTMENT TEAM



PETER I'ANSON
PARTNER

peter.i'anson@ryden.co.uk
0131 473 3233



IAIN TAYLOR
ASSOCIATE

iain.taylor@ryden.co.uk
0131 473 3264



CAMERON WHYTE
ASSOCIATE

cameron.whyte@ryden.co.uk
0131 473 3230



FORD SWANSON
INVESTMENT PARTNER

ford.swanson@ryden.co.uk
0131 473 3236



The headlines for Edinburgh's office market in Q3 2020 appear compelling against the backdrop of the Covid-19 pandemic. Baillie Gifford's pre letting at the Haymarket (represented by Ryden) accounts for the vast majority of take-up, and without this, the figure is running in line with Q2 2020, when the UK was in the grip of full lockdown restrictions. The market remains a challenge; however, lease restructure continues with 160,447 sq ft transacted during Q3.

Supply has increased since the previous quarter, mostly attributable to the release of Drummond House (243,000 sq ft) at South Gyle with the RBOS bringing forward a significant purchase opportunity in the key West Edinburgh market.

PETER I'ANSON
Partner, Ryden



ABOUT US

Ryden is the largest independent commercial property advisor headquartered in Scotland with 44 partners and 120 staff across offices in Edinburgh, Glasgow, Aberdeen, Leeds, London and Manchester.

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