

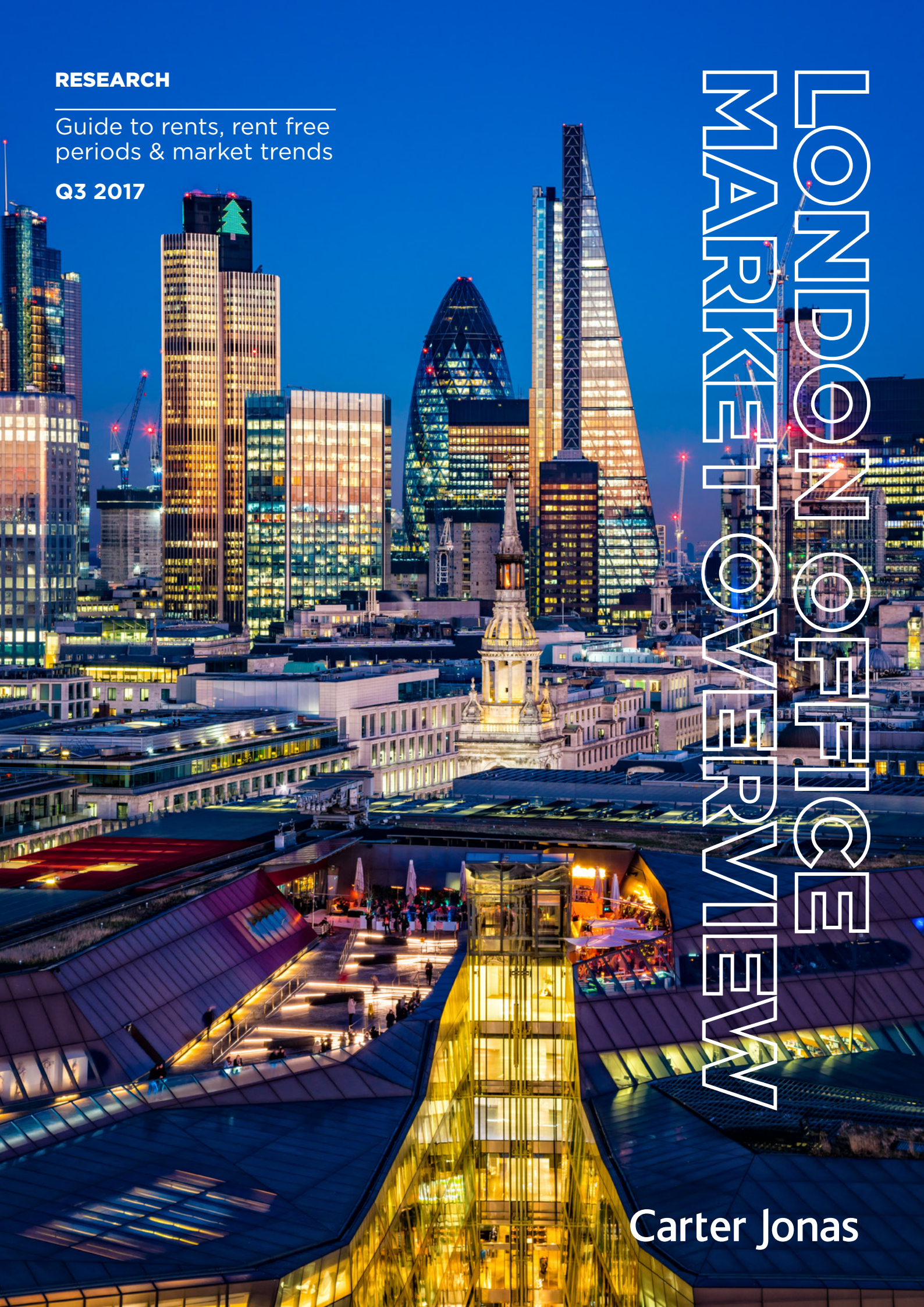
RESEARCH

Guide to rents, rent free periods & market trends

Q3 2017

LONDON OFFICE MARKET OVERVIEW

Carter Jonas



THE TENANT ADVISOR'S VIEW

“ DURING THE THIRD QUARTER OF THE YEAR CONDITIONS IN THE LONDON OFFICE MARKET HAVE CONTINUED TO MOVE IN FAVOUR OF TENANTS AS RENTS THROUGHOUT MANY PARTS OF LONDON HAVE DECLINED, AND RENT FREE PERIODS INCREASED, AS THE MARKET ADJUSTS TO A LOWER LEVEL OF DEMAND, POST BREXIT VOTE.”

The London office market is not, however, in free-fall. Some very large lettings have completed in Q3, including music streaming business Spotify's leasing of 104,000 sq ft at The Adelphi Building in Midtown and Deutsche Bank's pre-letting of 469,000 sq ft at 21 Moorfields in the City. The technology and serviced office provider business sectors have been the prime drivers of demand during the third quarter of the year. Co-working space provider WeWork, for example, has leased over 435,000 sq ft in three buildings since July.

In many areas of London the supply of vacant office space remains tight, and tenant choice limited, which is underpinning the market and has prevented a sharp correction in rents. Supply is, however, set to rise over the next 12-18 months in sub-markets such as the City and Docklands as new developments begin to reach completion and as second hand stock comes to the market as some tenants trade up in to new space or adopt new agile working practices to reduce their property footprint.

BREXIT EFFECT

Post Brexit vote, the City of London and Docklands office sub-markets continue to be the most vulnerable because of their exposure to the banking and financial services sectors. The investment banks have reportedly put in place contingency plans, pending the outcome of the Brexit negotiations, to relocate their Euro - clearing operations to EU financial centres such as Frankfurt, Paris, Dublin and Amsterdam. However, banks such as JP Morgan and Citi Group have stated publicly

that only a small proportion of their London workforce will be required to relocate.

RENTS, RENT DISCOUNTS & RENT FREE PERIODS

The areas of Central London that have, since the Brexit vote, witnessed the greatest declines in landlord's advertised rents for prime located new Grade A space are the St James's and Mayfair areas of the West End and the City of London - down 8% and 7% respectively since Q3 2016. Across most parts of London it is possible to negotiate discounts of 3.0 - 7.5% off landlord's advertised rents.

However, there are some areas of London where advertised rents for new Grade A office space have risen, including Bloomsbury and Soho - up 22% and 2.8% respectively since Q3 2016. These rent increases are not, however, representative of the wider London office market and are a direct result of public realm and transport infrastructure regeneration initiatives, including Crossrail, and the development of state-of-the-art Grade A office buildings that are setting new rent benchmarks.

In most areas of Central London rent free periods have continued to increase during Q3 to the extent that there is almost complete harmonisation between the various sub-markets. Rent free periods across the capital are, for a five year lease, now typically 9 - 12 months and 20 - 24 months for a ten year lease. It is likely that the trend towards longer rent free periods will continue until demand picks up - which is unlikely to be until the terms of Brexit have been agreed.



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SHORTER LEASES

Businesses that offer co-working and serviced office space, which can be leased on a daily, weekly or monthly contract, are increasing their share of the London office market at the expense of landlords of 'conventional' office space that typically require leases of 5 - 10 years. However, in a world of uncertainty occupiers are demanding shorter leases and as a consequence of weaker demand and increased competition for tenants, many landlords of conventional office space are now offering more flexible leasing packages.

THE SEARCH FOR BETTER VALUE

The areas of London that offer the best value office space, in terms of rent, business rates, and service charge occupancy costs, continue to be Docklands, Stratford and the City of London*. The choice of available space in Stratford is, however, quite limited, in contrast to the City of London and Docklands.

However, demand for office space in these three locations, each of which will be connected to Crossrail, is likely to increase as the December 2019 deadline for completion of the Crossrail project draws closer, which will significantly reduce journey times and boost accessibility, east - west, across the capital.

FUTURE MARKET TRENDS

The post-Brexit vote economic uncertainty, an increase in office vacancy levels as new developments reach completion, and the increased availability of second hand space as tenants trade up into new space is not expected to result in a sharp fall in office rents. The latest IHS Markit survey shows that the rate of new job creation in London is at its fastest rate in over a year which is likely to underpin demand for office space.

The more likely scenario, therefore, is a continued decline in rents of up to 11% (see Table 1), and an increase in rent free periods, over the next 18-24 months with the City and Docklands sub-markets being the most affected. The next few years should therefore present those tenants that are seeking to relocate, or are facing a rent review, break option or lease renewal, with a good opportunity to secure a more competitive rent discount and rent free period letting package than could have been negotiated pre-Brexit vote, with an increased likelihood of securing more tenant-friendly lease terms, including shorter leases and more frequent break options.

*See Carter Jonas Rent and Rent Free Period Guide.

GRADES OF OFFICE ACCOMMODATION

For marketing purposes office accommodation is generally categorised into Grades which are defined as follows:

Grade A

New or newly refurbished office space where the building specification includes suspended ceilings and fully accessible raised floors for data/telecoms cable management, passenger lift and air conditioning facilities.

Grade B

Office space that may only incorporate under floor or perimeter trunking for data/telecoms cable management, rather than fully accessible raised floors, and/or air cooling facilities, instead of an air conditioning system that dehumidifies, filters and draws fresh air into the building. Grade B space also tends to be of a generally lower quality building specification.

"Refitted"

Office space that is 'as new', having been completely refitted throughout, to include new fixtures and fittings to the common parts and reception area, new building services – including air conditioning and passenger lift facilities, electrical, plumbing and lighting systems, and new raised floors, suspended ceilings and sanitary ware. The specification of works will comply with the latest health and safety legislation and may also include re-cladding the exterior of the building.

"Refurbished"

Space is defined as office accommodation where the landlord has redecorated and recarpeted the available office space (but not necessarily the common parts) and overhauled, but not renewed, the building services, such as the air conditioning and passenger lift facilities.

Table 1

Typical Current and Forecast Rents For New and Refitted Grade A Space

Source: Carter Jonas Research

Location	£ per sq ft per annum		
	Q3 2017	Q3 2018	Q3 2019
Mayfair/St James's - Prime	£115.00	£107.50	£102.50
Marylebone	£85.00	£82.50	£80.00
Soho	£92.50	£90.00	£87.50
Fitzrovia	£82.50	£80.00	£77.50
Victoria	£75.00	£72.50	£68.50
Paddington	£65.00	£62.50	£60.00
Holborn	£67.50	£65.00	£62.50
Bloomsbury	£82.50	£82.50	£80.00
King's Cross	£82.50	£80.00	£78.50
Covent Garden	£77.50	£75.00	£72.50
City - Prime	£65.00	£62.50	£58.50
Clerkenwell & Shoreditch	£65.00	£62.50	£58.50
Southwark	£67.50	£65.00	£62.50
Spitalfields	£65.00	£62.50	£60.00
Aldgate East	£55.00	£52.50	£50.00
Hammersmith	£57.50	£55.00	£52.50
Canary Wharf	£47.50	£45.00	£42.50
Stratford	£47.50	£45.00	£43.50

OVERVIEW SUB-MARKET

THE VARIOUS SUB-MARKETS THAT FORM THE LONDON OFFICE MARKET EACH HAVE VERY DIFFERENT SUPPLY, DEMAND, RENT AND RENT FREE PERIOD DYNAMICS.

CITY



CITY FRINGE NORTH



- Landlord's advertised rents in the City have typically declined by £2.50 - £7.50 per sq ft per annum since Q3 2016 for new and refitted Grade A space, and by up to £3.50 per sq ft per annum for refurbished space.
 - Rent free periods are now 23 - 25 months for a 10 year lease and 11-13 months for a 5 year lease, in contrast to rent free periods of 17 - 22 month and 8 - 11 months, respectively, during Q3 2016.
 - City rent, business rates and service charge office occupancy costs are among the lowest in Central London*.
 - The combination of lower office overheads, relative to other sub-markets, a broader choice of available office space, and the completion of the Crossrail project in 2019 are factors that are likely to underpin demand for City office space, as occupiers from higher cost locations in the West End and Midtown continue the trend of migrating east in the search for better value. Bupa is one such example and is relocating its global HQ from Bloomsbury, WC1, to 56,000 sq ft at Angel Court, EC2.
 - Angel Court, EC2 - the 300,000 sq ft Angel Court office development, located in the Bank conservation area, has secured a string of lettings since completion in February 2017. The building is now over 50% let and demonstrates that the City office market is far from dead, despite the risks of some banking jobs being relocated to other EU financial centres, post-Brexit.
 - In a vote of confidence in the City of London office market, the start of two new office developments has been announced recently:
 - 80 Fenchurch Street, EC3 - 240,000 sq ft - completion scheduled for H2, 2019
 - 60 London Wall, EC2 - 325,000 sq ft - completion scheduled for Q1, 2020
- The total rent, business rates, and service charge occupancy costs of new Grade A office space in areas such as Clerkenwell and Shoreditch are typically £97.00 per sq ft per annum - see map overleaf - in contrast to new Grade A space located in more central, established, business districts such as Holborn and the City of London, which have better quality public realms and public transport connectivity, and where office occupancy costs are each circa £104.50 per sq ft per annum.
 - It remains to be seen whether occupiers that might have at one time confined their property search for office space to the north City fringe, may now switch their attention to the City and Midtown, given that the cost of new office space in these two sub-markets is moving towards parity with those in locations such as Farringdon, Clerkenwell and Shoreditch.
 - The 'Shoreditch factor' may play its part in maintaining the attraction of the north City fringe with technology, creative and media companies - the ready availability of co-working space, the proximity to businesses that specialise in funding 'tech' start-ups and the opportunity to socialise with like-minded people in local bars and clubs.

KEY CITY LETTINGS:

21 Moorfields, EC2
469,000 sq ft pre-let to Deutsche Bank

The River Building, EC4
40,356 sq ft to media company, Kobalt Music

2 Finsbury Avenue, EC2
29,000 sq ft to co-working space provider, Central Working

20 Old Bailey, EC4
• 57,491 sq ft to law firm Withers
• 61,615 sq ft to Metro Bank

KEY CITY FRINGE NORTH LETTINGS:

The Stage, Great Eastern Street, EC2
240,000 sq ft pre-let to co-working space provider, WeWork

Saffron House, 6-10 Kirby Street, Farringdon, EC1
• 57,491 sq ft to law firm Withers
• 61,615 sq ft to Metro Bank

*See Carter Jonas Rent and Rent Free Period Guide.



CITY FRINGE EAST



- The 'gentrification' of the areas of east London located within walking distance of the City core, such as Spitalfields and Aldgate East, is continuing to attract investment in new commercial development in the area.
- The regeneration of Aldgate East and Whitechapel continues - construction of a new 320,000 sq ft 18 storey office tower, at 1 Braham Street, E1 above Aldgate East tube station, aimed at the technology and media sector, is shortly to commence.
- Rents for new Grade A office space in Aldgate East are typically £50.00 - £55.00 per sq ft per annum in contrast to Spitalfields, located closer to the City core, where rents are £62.50 - £67.50 per sq ft per annum.
- The various residential tower blocks that are being developed in and around Aldgate and Aldgate East are likely to boost the population of young professionals in the area. Recognising this change in demographics, WeWork, and competitor Mindspace, have invested in developing new co-working space in the area.

KEY CITY FRINGE EAST LETTINGS:

The Relay Building, 1 Commercial Street, E1
30,000 sq ft to co-working space provider, Mindspace

Shoreditch Exchange, Hackney Road, E2
143,000 sq ft to co-working space provider, WeWork

WEST END



- The 'super-prime' office market (confined mainly to the areas around St James's Square and Berkeley Square) - which saw rents rise to over £150 per sq ft per annum for new Grade A space during 2015 has suffered a reversal of fortunes since then with rents having fallen to, typically, £115-£125 per sq ft per annum.
- Rents for prime located, new and refitted Grade A space, in Mayfair and St James's - in areas such as Grosvenor Street and Jermyn Street are typically £95 - £110 per sq ft per annum.
- Soho, has, by contrast, seen rents for new Grade A space increase over the last few years - a direct result of limited supply and regeneration initiatives, including the development of the Crossrail station at Tottenham Court Road, and the construction of new office buildings such as 30 Broadwick Street that have set new rent benchmarks of £90.00 - £100.00 per sq ft per annum.
- Because of the patterns of property ownership, and restrictive planning policies designed to preserve the historic streetscapes that characterise many parts of the W1 postcode area, larger, taller scale office development has been confined to peripheral locations such as Paddington and Victoria which are both dominated by larger, taller, buildings offering floorplates typically in excess of 10,000 sq ft.
- Paddington is already benefitting from the vastly improved connectivity that the Crossrail project will bring when it becomes fully operational in Q4, 2019. British Land's 4 Kingdom Street, comprising 147,000 sq ft, which completed in April is already 89% let or under offer.

KEY WEST END LETTINGS:

80 Charlotte Street, Fitzrovia, W1
123,500 sq ft to management consultancy, The Boston Consulting Group

7 Cork Street, Mayfair, W1
36,500 sq ft to HSBC Bank

30 Broadwick Street, Soho, W1
14,570 sq ft to innovation company, BCG Digital Ventures

151-153 Wardour Street, Soho, W1
18,900 sq ft to serviced office provider, The Office Group

8 St James's Square, SW1
11,000 sq ft to private equity firm Onex

4 Kingdom Street, Paddington, W2
42,400 sq ft let to software company Finastra



MIDTOWN



- The various districts – King’s Cross, Bloomsbury, Holborn and Covent Garden – that form the ‘Midtown’ office market all have very low office vacancy rates, especially when compared with the neighbouring City of London sub-market.
- King’s Cross - in a move that underscores London as the pre-eminent European technology hub, Google has confirmed that it is to start construction of its new £1 billion London HQ in 2018, comprising 870,000 sq ft and capable of accommodating a headcount of up to 5,000.
- Covent Garden - US investment company, Blackstone, has recently announced that it has let the last available floor, comprising 23,400 sq ft, at the Adelphi Building to Japanese beauty company, Shiseido Group. The 330,000 sq ft Art Deco building has attracted a series of new tenants in recent months – a significant number having relocated from the West End, where rents and business rates costs are higher. The latest example of migration from the West End being music streaming company Spotify, which has taken 104,000 sq ft at the building.
- During Q3, 2016 rents for new Grade A space in Bloomsbury were typically £65.00 - £70.00 per sq ft per annum. By contrast, betting company, William Hill, is reported to have agreed a rent of over

£82.50 per sq ft per annum on 30,000 sq ft at the recently developed The Avenue building, located at Tottenham Court Road, to accommodate the firm’s new technology and online marketing hub. The rent reflects public realm and infrastructure regeneration initiatives in the area, including the construction of Tottenham Court Road Crossrail station.

KEY MIDTOWN LETTINGS:

The Adelphi, John Adam Street, WC2
104,000 sq ft to music streaming service, Spotify

90 High Holborn, WC1
20,625 sq ft to University College London

The Avenue, 1 Bedford Avenue, WC1
30,000 sq ft to betting company, William Hill

The Cursitor Building, Chancery Lane, WC2
10,812 sq ft to health assessment specialist, Preventicum

MidCity Place, 71 High Holborn, WC1

- 42,580 sq ft to telecoms company, Atos
- 77,796 sq ft to digital innovation company, Verizon

SOUTH BANK



- The South Bank office market – comprising Waterloo, Southwark and London Bridge – continues to have some of the lowest levels of office vacancy of any of the London office sub-markets. As a consequence, rents have broadly remained static since the Brexit vote – in contrast to other sub-markets such as the City fringe, where rents for new and refitted Grade A space have typically fallen by £2.50 - £5.00 per sq ft per annum, and by up to £7.50 per sq ft per annum in the City since Q3 2016.
- The Shard – office space being offered by the landlord at the Shard is now almost fully let. Rents of over £90.00 per sq ft per annum have been achieved on the upper floors of the building and mid/late £60’s per sq ft per annum on the lower floors.
- Elizabeth House, York Road – the timing of commencement of the proposed redevelopment of Elizabeth House, located next to Waterloo Station, has still yet to be confirmed by the new owner, HB Reavis. The current planning consent for the scheme incorporates 753,000 sq ft of office space and 192,000 sq ft of residential accommodation. The development would be a welcome addition to the stock of office space at Waterloo which has, over the last 10 or so years, been depleted by higher value residential and hotel development.

KEY SOUTH BANK LETTINGS:

South Bank Central, Stamford Street, SE1
15,500 sq ft to Racing Post

The Shard, London Bridge Street, SE1
29,820 sq ft to outsourcing firm, Mitie



DOCKLANDS & STRATFORD



- The Docklands and Stratford office sub markets continue to offer the lowest rent, business rates and service charge occupancy costs of all the established London office sub markets – see map overleaf.
- The Crossharbour district of Docklands offers the lowest cost space – rents are typically £32.50 - £38.50 per sq ft per annum for refurbished air conditioned space.
- Transport connectivity to both Stratford and Docklands is set to be given a significant boost once Crossrail comes fully into service at the end of 2019 – Bond Street, W1 to Canary Wharf and Stratford will be just 13 and 15 minutes respectively.
- Wood Wharf is a 22 acre site adjoining Canary Wharf which will comprise 3,200 homes, up to 2 million sq ft of office space and 335,000 sq ft of shops, restaurants and community uses. The first phase of office development, No's 15 and 20 Water Street, comprising over 400,000 sq ft in total, is due to complete during H2 2020.
- Stratford is continuing to cement its reputation as a hub for government agencies – The British Council having signed a pre-let agreement for 85,000 sq ft on Building S9 at The International Quarter. HM Revenue & Customs is also reported to be close to agreeing terms to pre-let 300,000 sq ft at Westfield's Stratford City site.
- Unlike Docklands, Stratford suffers from a severe shortage of available new and refurbished Grade A office space which is limiting tenant

choice. This issue is gradually being addressed – construction of Building S5 at the International Quarter, which has been majority pre-let to the Financial Conduct Authority, is scheduled to complete in April 2018 where circa 75,500 sq ft will be available to let.

KEY STRATFORD LETTINGS:

Here East, Queen Elizabeth Olympic Park, E20
22,000 sq ft to fashion retailer, Matchesfashion.com

Building S9, International Quarter, E20

- 109,700 sq ft to charity, Cancer Research UK
- 85,000 sq ft to government agency, The British Council

WEST LONDON

- 12 Hammersmith Grove, W6 has seen a spate of letting activity over the last 6 months. The new 170,000 sq ft Grade A building has just secured WeWork which is leasing 52,837 sq ft – its first co-working hub located outside the established Central London business districts.
- White City – is fast rivalling Hammersmith for the title 'capital of the West London office market'. The redevelopment of the BBC TV Centre campus at Wood Lane, comprising up to 2.2 million sq ft, has already attracted several new tenants including, most recently, telecoms company OneWeb which is taking 30,000 sq ft.

CO-WORKING SPACE

Occupier demand for co-working space has risen significantly over the last few years fuelled both by the growth in “tech” and creative start-up businesses and advances in mobile telecoms and data technology which enables users to operate their businesses anywhere where Wi-Fi is available. The co-working space concept is particularly well suited to technology, creative and media occupiers which thrive on the sharing of information and ideas.

Trends are beginning to emerge that demonstrate that some small and mid-size businesses are moving away from leasing 'conventional' office space, where landlords typically require a minimum 5 year lease commitment, in favour of leasing co-working space on a daily, weekly or monthly contract and where reception, secretarial and bookkeeping business support services are an integral part of the accommodation package.

DEVELOPING A CUSTOMER - FOCUSED LEASING CULTURE

As the serviced and co-working office sector, with its emphasis on customer service, increases its market share, the “conventional” leasing market is slowly beginning to realise that if it is to compete it must reform and similarly adopt a more customer-focussed leasing and property management culture. The rewards for landlords are potentially very significant with increased tenant retention and, therefore, better financial returns.

Typical Costs of New Office Space – Key European Cities

	Prime office rent	Service charges	Real estate taxes	Total Occupancy costs
Dublin	€60-65/sq ft pa (€646 -700/sq m pa)	€5.00 - 8.00/sq ft pa (€54 -86/sq m pa)	€5.00 - 6.00/sq ft pa (€54 -65/sq m pa)	€70- 79/sq ft pa (€753 -850/sq m pa)
Amsterdam	€380/sq m pa	€50 /sq m pa	Negligible	€430 /sq m pa
Paris	€500 - 750/sq m pa	€40 - 100 /sq m pa	€18/sq m pa	€558 - 868 /sq m pa
Frankfurt	€335 - 465/sq m pa	€55 - 90 /sq m pa	Included in service charges	€390 - 555 /sq m pa
Munich	€265 - 435/sq m pa	€45 - 75 /sq m pa	Included in service charges	€410 - 510 /sq m pa
Brussels	€275/sq m pa	€30-65/sq m pa	€20-30/sq m pa	€325 - 370 /sq m pa
Luxembourg	€ 560/sq m pa	€30-65/sq m pa	€20-30/sq m pa	€610 - 655/sq m pa

THE TENANT ADVISORY TEAM

Our tenant representation services include:

- Office search & relocation management
- Relocation budgeting & planning
- Lease & rent review negotiation
- Repairs/dilapidations cost assessment & negotiation
- Building, air conditioning & passenger lift surveys
- Business rates analysis & appeal
- Service charge audit

For more data on the Central London office market, office availability, rents and rent free periods and information on budgeting and planning for a lease renewal, rent review or office relocation please contact one of the team.

OUR EXPERIENCE

Lease negotiations and relocations 10,000 sq ft+

43,000 sq ft

UK Payments Administration
2 Thomas More Square, E1

37,000 sq ft

Frank Hirth
236 Gray's Inn Road, WC1

28,000 sq ft

Warner Bros/Shed Media
85 Grays Inn Road, WC1

23,000 sq ft

Nursing & Midwifery Council
Two Stratford Place, E20

17,500 sq ft

Hackett Limited
The Clove Building, SE1

16,000 sq ft

Circle Housing
Two Pancras Square, N1

15,000 sq ft

Hitachi Rail Europe
40 Holborn Viaduct, EC1

11,000 sq ft

Salamanca Group
50 Berkeley Street, W1

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Carter Jonas

TYPICAL COSTS FOR NEW/REFITTED MID-RISE GRADE A OFFICE SPACE OVER 5,000 SQ FT

Q3 2017

Costs = £ per sq ft per annum
 Rent Free Periods = Months
 Business rates cost estimates include the Crossrail levy but take no account of any transitional relief that may be available

MIDTOWN

KING'S CROSS £123.50

Rent	£82.50
Business Rates	£31.00
Service Charge	£10.00
Total Occupancy Cost	£123.50

Typical Rent Free Periods

5 year lease	8-11
10 year lease	19-23

COVENT GARDEN £118.50

Rent	£77.50
Business Rates	£31.00
Service Charge	£10.00
Total Occupancy Cost	£118.50

Typical Rent Free Periods

5 year lease	8-11
10 year lease	17-22

HOLBORN £104.50

Rent	£67.50
Business Rates	£27.00
Service Charge	£10.00
Total Occupancy Cost	£104.50

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

BLOOMSBURY £122.50

Rent	£82.50
Business Rates	£30.00
Service Charge	£10.00
Total Occupancy Cost	£122.50

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

WEST END

MAYFAIR & ST JAMES'S £177.00

Rent	£115.00
Business Rates	£50.00
Service Charge	£12.00
Total Occupancy Cost	£177.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	19-24

VICTORIA £119.00

Rent	£75.00
Business Rates	£33.00
Service Charge	£11.00
Total Occupancy Cost	£119.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	21-24

MARYLEBONE £134.00

Rent	£85.00
Business Rates	£39.00
Service Charge	£10.00
Total Occupancy Cost	£134.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

FITZROVIA £127.00

Rent	£82.50
Business Rates	£33.50
Service Charge	£11.00
Total Occupancy Cost	£127.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

PADDINGTON £100.25

Rent	£65.00
Business Rates	£24.25
Service Charge	£11.00
Total Occupancy Cost	£100.25

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

SOHO £142.50

Rent	£92.50
Business Rates	£39.00
Service Charge	£11.00
Total Occupancy Cost	£142.50

Typical Rent Free Periods

5 year lease	8-12
10 year lease	20-24

CITY FRINGE NORTH £97.00

Rent	£65.00
Business Rates	£21.00
Service Charge	£11.00
Total Occupancy Cost	£97.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

CITY FRINGE EAST

SPITALFIELDS £98.00

Rent	£65.00
Business Rates	£23.00
Service Charge	£10.00
Total Occupancy Cost	£98.00

Typical Rent Free Periods

5 year lease	10-12
10 year lease	22-24

ALDGATE EAST £84.00

Rent	£55.00
Business Rates	£19.00
Service Charge	£10.00
Total Occupancy Cost	£84.00

Typical Rent Free Periods

5 year lease	10-12
10 year lease	22-24

STRATFORD £69.00

Rent	£47.50
Business Rates	£12.00
Service Charge	£9.50
Total Occupancy Cost	£69.00

Typical Rent Free Periods

5 year lease	10-13
10 year lease	21-25

CITY

CITY PRIME £102.00

Rent	£65.00
Business Rates	£27.00
Service Charge	£10.00
Total Occupancy Cost	£102.00

Typical Rent Free Periods

5 year lease	10-12
10 year lease	23-26

CITY SECONDARY £92.00

Rent	£60.00
Business Rates	£22.00
Service Charge	£10.00
Total Occupancy Cost	£92.00

Typical Rent Free Periods

5 year lease	10-12
10 year lease	23-26

SOUTH BANK £100.25

Rent	£67.50
Business Rates	£22.75
Service Charge	£10.00
Total Occupancy Cost	£100.25

Typical Rent Free Periods

5 year lease	9-11
10 year lease	19-23

WEST LONDON

HAMMERSMITH £87.00

Rent	£57.50
Business Rates	£20.50
Service Charge	£9.00
Total Occupancy Cost	£87.00

Typical Rent Free Periods

5 year lease	9-12
10 year lease	20-24

SUBMARKETS

- West End
- Midtown
- City
- City Fringe North
- City Fringe East
- South Bank
- Docklands & Stratford

