UK Office Rents: Benchmarking 165 Centres

The UK Office Rents report is a national guide to prime rents. It provides comparisons of the rental levels currently achievable (ERVs) and the incentives on offer in over 165 major towns and cities of England, Wales, Scotland and Northern Ireland.

With unrivalled national coverage this report provides vital tools for corporate and landlord clients alike.
Definitions

Rental Measures
The rental information included in the UK Office Rents Benchmark is based on headline rents and a separate assessment of rent free periods. No account has been made in the net effective calculation for fit-out periods. Extended rent-free periods, phased-rents, payment of fitting-out costs or ‘take-backs’ (involving the acquisition by a landlord or a tenant’s existing space) are specifically excluded.

Achievable rental levels provide an indication of market rents in all centres at the end of the survey period. They represent our view of the highest rent likely to be achieved taking into account current quoting rents and other market evidence. However, they can only provide a general guide to comparing rental values.

Office Rents
Rental information is based on evidence known to Jones Lang LaSalle and the agents participating in this survey. The rental values of all property types are on the assumption of a letting on an institutional form of lease in new or refurbished office space of over 500 sq m (5,400 sq ft) net completed during the survey period in a prime town centre or campus location (e.g. business parks). However, in the case of Uxbridge, Stockley Park has been excluded.

Limitations of Rental Information
The rental information presented in this guide is intended to provide a benchmark for comparison of top rental levels between individual centres. It does not seek to be applicable to all grades of space.

Application

Jones Lang LaSalle’s UK Office Rents report offers an unrivalled office rental data set. Covering 165 centres across the UK, the report touches on the major regional trends and values in an easily digestible format. Full analysis of the numbers and trends would not be appropriate in such a publication but armed with such a breadth of information we can advise our clients in a variety of ways.

A Summary
For each market we collect:
Achievable rent
Achieved rent
Rent free periods (from and to)
Derived net effective rents (from, to, average)
A three year forward looking view on market conditions

Our Corporate Clients
The information behind these graphs can form the foundation of any portfolio benchmarking analysis by establishing rental levels in towns, cities and regions that can be compared against existing holdings. It can be used to target locations that may offer greater value and when utilised with our demographic and GIS capabilities we can model, for instance, employee catchments against office values.

Our landlord/developer clients
Landlords can compare their passing rents against achievable rents for any location and use the information to better judge disposal and acquisition strategies – areas of mispricing, for instance. The information can also inform asset valuation and development appraisals.
UK Office Rents Contour Map
Achievable Rents and Average Net Effectives Q1 2010: Centres 1-85

<table>
<thead>
<tr>
<th>Location</th>
<th>Achievable Rent</th>
<th>Average Net Effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>£0 - £4.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£5.00 - £9.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£10.00 - £14.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£15.00 - £19.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>£20.00 - £24.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&gt;£25.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Average Net Effective
- Achievable Rent
Achievable Rents and Average Net Effectives Q1 2010: Centres 86-165

<table>
<thead>
<tr>
<th>Location</th>
<th>Achievable Rent</th>
<th>Average Net Effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gillingham</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Purley</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Carmarthen</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Southend-on-Sea</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Carlisle</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Worthing</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Gloucester in</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Bradford</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Stockton-on-</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Andover</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Yeovil</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Canterbury</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Plymouth</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>South Shields</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Sonthorpe</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Newcastle -</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Doncaster</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Sutton Coldfield</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Portsmouth</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Southend-on-Sea</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Grimsby</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Sunderland</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Belfast</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Hamilton</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Blackburn</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Middlesbrough</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Romford</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Peterborough</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Dudley</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Newport</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Bridgend</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Mansfield</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Cheltenham</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Clevedon</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Paisley</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Stoke on Trent</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Dunfermline</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>York</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Redditch</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Oldham</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Normanton</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Northampton</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Livingston</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Wigan</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Preston</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Perth</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Norwich</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Ipswich</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Bury</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Burnley</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Barnsley</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Fareham</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Banbury</td>
<td>£0</td>
<td>£12.00 - £14.00</td>
</tr>
<tr>
<td>Wembley</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Wakefield</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Hull</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Telford</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Shrewsbury</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Inverness</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Haywards Heath</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Dundee</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Swansea</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Swindon</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Trowbridge</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Sutton</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Chorley</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Halifax</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Bolton</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Stirling</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Stevenage</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Sidcup</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Nuneaton</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Hove</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Bury St Edmunds</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Sale</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Worcester</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Wolverhampton</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
<tr>
<td>Poole</td>
<td>£0</td>
<td>£14.50 - £16.49</td>
</tr>
</tbody>
</table>
Rental Growth Q1 2009 - Q1 2010: Centres 1-83

- Cardiff
- Cambridge
- Bury St Edmunds
- Bury
- Bury St Edmunds
- Bromley
- Brighton
- Bournemouth
- Barnsley
- Aylesbury
- Amersham
- Aldershot
- Worcester
- Redhill
- Grimsby
- Enfield
- Chester
- Chesil
- Halifax
- Bolton
- Edinburgh
- Livingston
- Reading - Town Centre
- York
- Paisley
- Huddersfield
- Stockley Park
- Middlesbrough
- Doncaster
- Warrington
- South Shields
- Scunthorpe
- Stockton-on-Tees
- Andover
- Wimbledon
- Milton Keynes
- Bracknell
- Carlisle
- Stockport
- Basingstoke
- Windsor
- Maidenhead
- Southend-on-Sea
- Motherwell
- Slough
- Crawley
- Tonbridge
- Sutton
- Chorley
- Wakefield
- Hull
- Hammersmith
- Aberdeen
- Bridgend
- Clevedon
- Hamilton
- Blackburn
- Brimingham
- Basildon
- Staines
- Glasgow
- Uxbridge
- Wemby
- Woking
- St Albans
- Sheffield
- Bath
- Avington
- Newport
- Croydon
- Southampton
- Plymouth
- Northampton
- Brentford
- Hounslow
- Stratford
- Swindon
- Sunderland
- Belfast
- Bradford
- Gateshead
- Canterbury
- Leatherhead
Rental Growth Q1 2009 - Q1 2010: Centres 84-165
d
Derby
Newcastle-under-Lyme
Banbury
Swansea
Luton
Hemel Hempstead
Maidstone
Bristol
Fareham
Ealing
Chiswick
Yeovil
Worthing
Wolverhampton
Wokingham
Winchester
Wigan
Watford
Warwick
Tunbridge Wells
Taunton
Sutton Coldfield
Stoke on Trent
Stirling
Stevenage
St Helier
Solihull
Sidcup
Shrewsbury
Salford
Sale
Rugby
Rugby
Romford
Richmond
Redditch
Reading Out Of Town
Purley
Preston
Portsmouth
Pole
Peterborough
Perth
Oxford
Oldham
Nottingham
Norwich
Norwich
Newcastle
Manchester
Liverpool
Leicester
Leeds
Kingston-upon-
Jersey
Ipswich
Inverness
Hove
High Wycombe
Heathrow
Haywards Heath
Harrow
Guildford
Gloucester Out of town
Gloucester in town
Gillingham
Galway
Farnborough
Exeter
Dunfermline
Dundee
Dudley
Douglas
Dartford (Out of Town)
Coventry
Colchester
Chelmsford
Cheltenham
Camarthen

1 Rental Growth (particularly in Derby), is due largely to the addition of new schemes, rather than a recovery in market fundamentals.
Top 10 Achievable Rents

<table>
<thead>
<tr>
<th>Area</th>
<th>Q1 2010 £ psf</th>
<th>% change 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derby</td>
<td>£16.50</td>
<td>22.2</td>
</tr>
<tr>
<td>Newcastle-under-Lyme</td>
<td>£11.00</td>
<td>4.8</td>
</tr>
<tr>
<td>Banbury</td>
<td>£14.00</td>
<td>3.7</td>
</tr>
<tr>
<td>Swansea</td>
<td>£14.50</td>
<td>3.6</td>
</tr>
<tr>
<td>Luton</td>
<td>£18.50</td>
<td>2.8</td>
</tr>
<tr>
<td>Belfast</td>
<td>£12.00</td>
<td>-14.3</td>
</tr>
<tr>
<td>Bradford</td>
<td>£10.00</td>
<td>-16.7</td>
</tr>
<tr>
<td>Gateshead</td>
<td>£11.60</td>
<td>-17.1</td>
</tr>
<tr>
<td>Canterbury</td>
<td>£11.00</td>
<td>-21.4</td>
</tr>
<tr>
<td>Leatherhead</td>
<td>£19.50</td>
<td>-22.0</td>
</tr>
</tbody>
</table>

Regional Perspective: Average Rents & Rent Free

<table>
<thead>
<tr>
<th>Area</th>
<th>Average Rent Q1 2010 £ psf</th>
<th>Average Rent Free Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>£16.85</td>
<td>17</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>£12.00</td>
<td>8</td>
</tr>
<tr>
<td>North East</td>
<td>£14.53</td>
<td>30</td>
</tr>
<tr>
<td>North West</td>
<td>£16.30</td>
<td>26</td>
</tr>
<tr>
<td>Yorkshire &amp; The Humber</td>
<td>£13.64</td>
<td>25</td>
</tr>
<tr>
<td>East Midlands</td>
<td>£14.17</td>
<td>17</td>
</tr>
<tr>
<td>West Midlands</td>
<td>£15.74</td>
<td>20</td>
</tr>
<tr>
<td>East of England</td>
<td>£15.82</td>
<td>14</td>
</tr>
<tr>
<td>London (non-central)</td>
<td>£25.00</td>
<td>23</td>
</tr>
<tr>
<td>South East</td>
<td>£20.36</td>
<td>22</td>
</tr>
<tr>
<td>Wales</td>
<td>£13.70</td>
<td>10</td>
</tr>
<tr>
<td>South West</td>
<td>£15.56</td>
<td>14</td>
</tr>
</tbody>
</table>

2 Official Government Office Regions (ONS, 2010)
UK Office Rents Benchmark – June 2010

OnPoint reports from Jones Lang LaSalle include quarterly and annual highlights of real estate activity, performance and specialised surveys and forecasts that uncover emerging trends.

www.joneslanglasalle.co.uk

Acknowledgements: We gratefully acknowledge the help and assistance of the following firms and organisations in the preparation of this material: