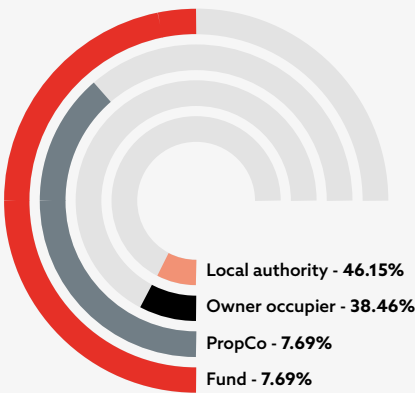
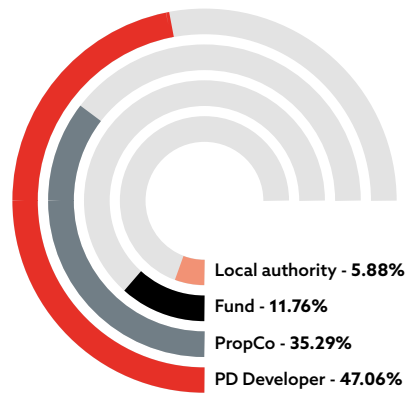


2024 Office Investment Market Snapshot – Surrey & Hampshire

2024 office vendor profile



2024 office buyer profile



Average discount to quoting price 2024



Average yield achieved



- 47% of investment transactions in Surrey & East Hampshire in 2024 were acquired with the intention of pursuing an alternative use, compared with 18% in 2023.
- Property companies and funds made up the majority of sellers each with 39% and 46% of disposals respectively coming from these sources. Owner occupiers and local authorities made up the remaining vendors.
- Developers were the most active buyers in 2024 with 47% of total transactions in this category, with property companies making up around 35% of total purchases. Investment funds made around 12% of the deal total, with one local authorities acquisition during 2024 (Victoria Gate, Woking).
- Average yield across all office transactions was 12.87%.
- Average price per sq ft for office transactions in 2024 was £152 psf.
- Average price for PD conversion was £127 psf.
- Prime office yields are 8.00% and secondary yields are 12%+.
- Total number of transactions decreased by almost 14% from 2023. Total investment volume increased by 21%, although this was heavily skewed as a result of XLB/Tristan Capital's £112 million acquisition of Cody Technology Park which was the biggest transaction of the year.
- Followed by 255 High Street purchased by Investec in Q2 for £19,035,000 reflecting 8.20% NIY, and Victoria Gate, Woking which was purchased with VP by Surrey County Council for £18,000,000 reflecting £270 psf.
- Almost 700,000 sq ft of office supply in Surrey and East/North Hampshire has been purchased over the past 2 years by developers seeking alternative uses.
- Average discount to quoting price was 24% in 2024, whereas in 2023 it was 9%.
- Average yields have also pushed out to 12.87%, discounted from 9.23% in 2023.
- Average capital values have significantly decreased by 42% to £152 psf compared to 2023.