

# Commercial Insights Tracker



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# How have we looked at the data?

- All data compares January 1st 2024 – March 31st 2024 with the same period a year ago
- **Demand definition:** all enquiries to commercial agents about listings for lease, or to invest in via Rightmove
- **Supply definition:** the number of available commercial real estate listings for lease or investment on Rightmove, adjusted to strip out the effect of any growth in our partner base
- **Colour key:** Teal colours represent areas with more growth in demand or available listings than a year ago, while red shaded areas represent less demand or available listings than a year ago
- The heat maps compare office leasing demand in Q1 2024 with the same period a year ago.

## About our report

- We acknowledge that some market participants will look at demand and supply differently, for example as an aggregate of active searches by tenant representatives, measured in square feet. We aim to provide an alternative lens that makes the best use of our unique dataset.

# Introduction



We're the UK's number one commercial real estate destination and our vision is to give everyone the belief that they can make their move.

Commercial real estate on Rightmove is seen by the largest and most engaged audience in the UK, and we've analysed millions of data points from this audience to bring you our very first Commercial Insights Tracker.

These high-level trends help us to see what's happening in the sectors and sub-sectors of the market.

We hope you find these insights useful to complement your own market data.

We welcome and appreciate feedback from you on this first edition of our report.

**Andy Miles, Rightmove's MD of Commercial Real Estate**

# Leasing market

# Data at a glance



Q1 2024		
Demand and supply tracker - leasing		
	Demand YOY change	Supply YoY change
Office	-5%	-2%
Industrial	+10%	+14%
Leisure	-6%	-5%
Retail	-9%	-7%

## Key takeaways

Industrial is the strongest performing sector, with a **10% increase** in demand

Retail is the weakest performing sector, with a **9% decrease** in demand

The **industrial sector** has seen the biggest improvement in available supply, with the level of listings 14% higher than Q1 **last year**



## QUARTERLY SPOTLIGHT

### Office Leasing

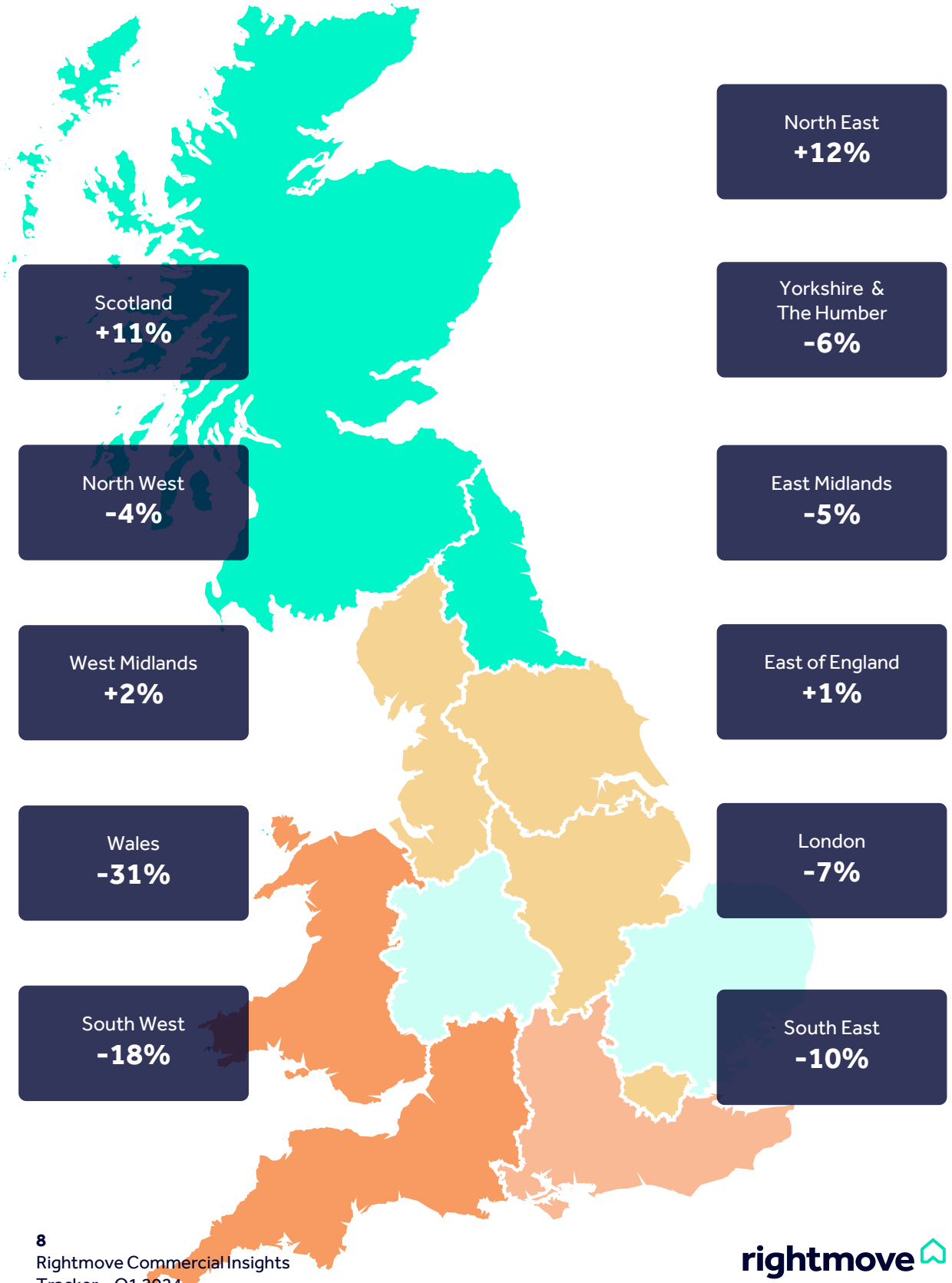
"Businesses are still grappling with the role of the office post-pandemic, with many businesses torn between balancing quality face time in the office with flexibility for employees.

"There's been a small drop in overall office space available for lease this quarter compared to the same time last year, whilst demand has also dropped. Our data suggests one notable driver of this drop in demand is offices in business parks. By contrast, serviced offices seem to be holding up more strongly for demand.

"Whilst there appears to be cooler demand compared to last year in areas of London and the South, demand appears to be holding up more strongly in areas of Scotland and the North East."

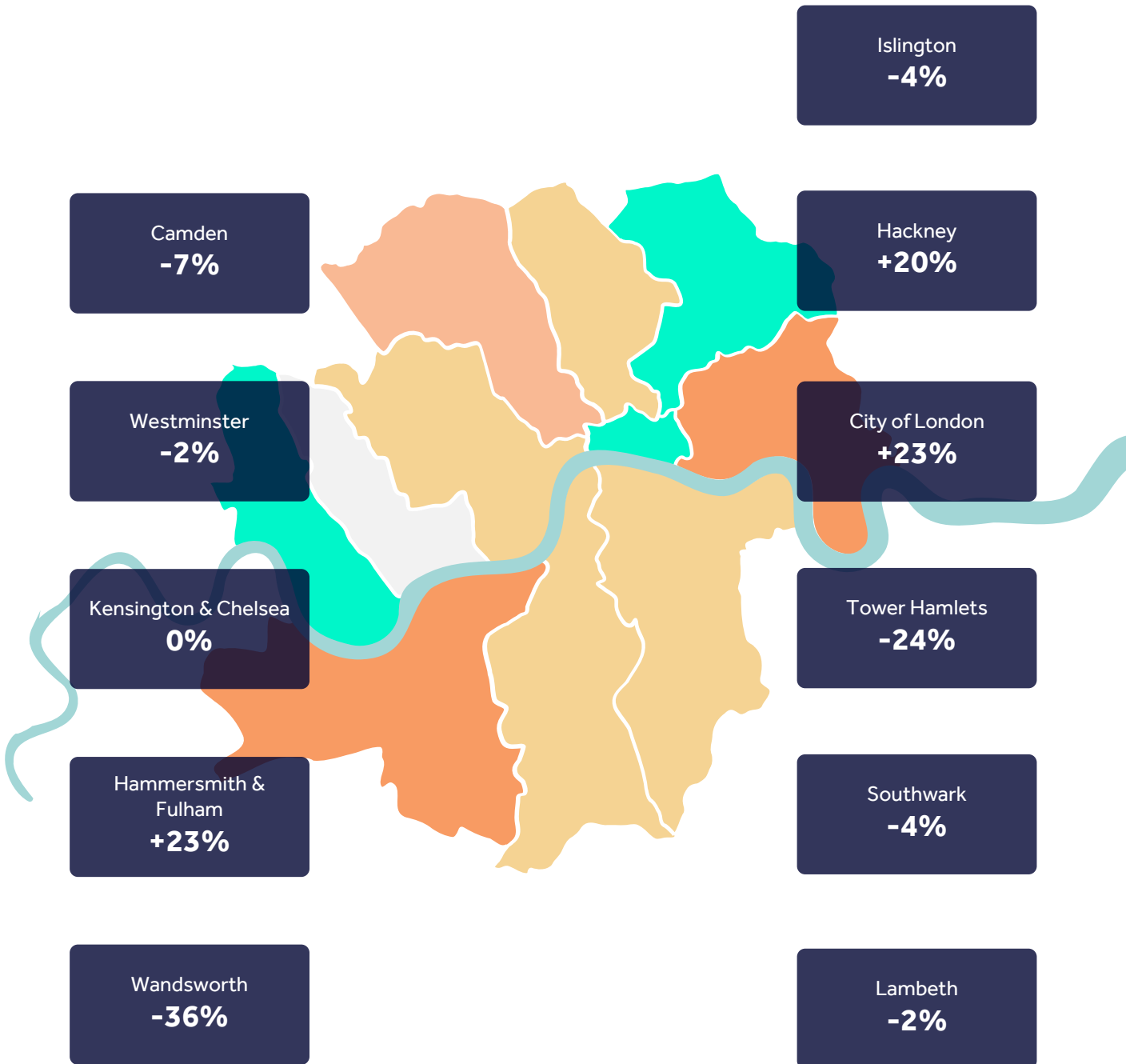
**Andy Miles, Rightmove's MD of Commercial Real Estate**

# Regional office demand





# London office demand



# Sector summaries

## Office

- The number of businesses looking for office space is 5% lower than after the first quarter of last year. Demand is higher than pre-pandemic 2019, but lower than 2021-2023
- The number of available office spaces to lease is 2% lower than at this time last year, and has remained relatively stable since October 2023

## Industrial

- Demand for industrial space is up by 10% compared to Q1 2023, fuelled by a record January and February
- The number of available listings in this sector is now +14% higher than this time last year

## Leisure

- Demand is 6% lower than the first quarter of last year. Enquiries ticked up from February into March
- The number of available listings in this sector is 5% below this time last year

## Retail

- Demand for retail spaces to lease is down by 9% on Q1 2023, the most of any sector in the leasing market
- The number of available listings in this sector is 7% below Q1 2023



# Investment market

# Data at a glance



Q1 2024		
Demand and supply tracker - Investment		
	Demand volumes YOY change	Supply YoY change
Office	-4%	+3%
Industrial	+8%	+12%
Leisure	+8%	+5%
Retail	-3%	+4%

## Key takeaways

Industrial and leisure are the strongest performing sectors, with an **8% increase** in demand

Office is the weakest performing sector, with a **4% decrease** in demand

“The industrial and leisure sectors are seeing more demand from those looking to invest in commercial real estate compared to last year. However, despite the rise in demand, the number of industrial units to invest in has still outpaced the growth in number of people enquiring.

“Our data suggests light industrial units and distribution warehouses are two of the biggest contributors to more supply in the industrial sector overall this quarter.”

**Andy Miles, Rightmove’s MD of Commercial Real Estate**

# Sector summaries

## Office

- Demand is down by 4% compared with Q1 2023, the most out of any sector, and well below the record of this time in 2021. Demand has gradually declined since the start of the year
- The number of available office listings for investment is 3% higher than Q1 last year

## Industrial

- Demand for industrial space is up by 8% compared to Q1 2023, the joint highest of the four key sectors
- The number of available listings in this sector is now 12% higher than Q1 last year

## Leisure

- Demand is up by 8% in the leisure investment sector compared with Q1 2023, the joint-highest in the investment market alongside industrial
- The number of available listings is now 5% higher than at this time last year, and has remained relatively steady throughout 2024

## Retail

- Demand in the retail investment sector is down by 3% compared to the beginning of last year, the weakest demand stats of the four sectors
- The number of available listings in this sector is up by 4% compared to Q1 2023





# End