



London Flexible Office Market Report

Q1, 2024



Contents

Market Analytics:

- London Summary
- Central London
- East London
- West London
- North London
- South London

About Rubberdesk



Growth of the Managed Office Drives Up New Supply

Despite 4% of available stock being rented in the last few months of Q4, overall supply across the Rubberdesk platform jumped a staggering 43% since the start of the year.

The growth was driven by substantial amounts of managed offices offered by traditional landlords. Offering services on top of space alone, landlords and management partners such as Kitt and Workplace Plus, fit out and package larger fully managed spaces. Offered on terms over 2-3 years, these offices have found traction with larger businesses who demand greater productivity and flexibility while still getting a bespoke product.

While desk rates have dropped 2% since the start of the year, prices have started to show resilience, up 2.6% to £625 since the end of Q3.

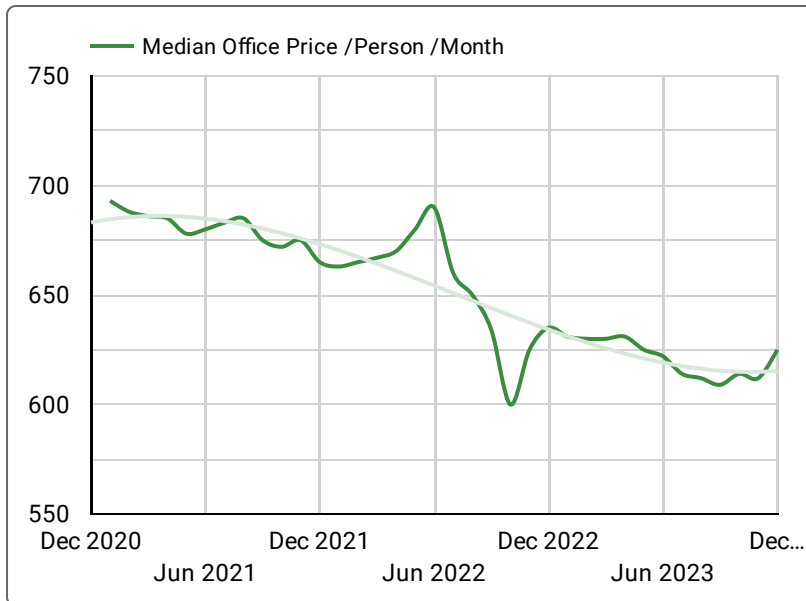
As ongoing inflation, low business sentiment and a challenging commercial real estate market continues to drag on the economy, we expect desk rates in London to remain steady with only minimal variance throughout the year.

Flex Office Space at a Glance

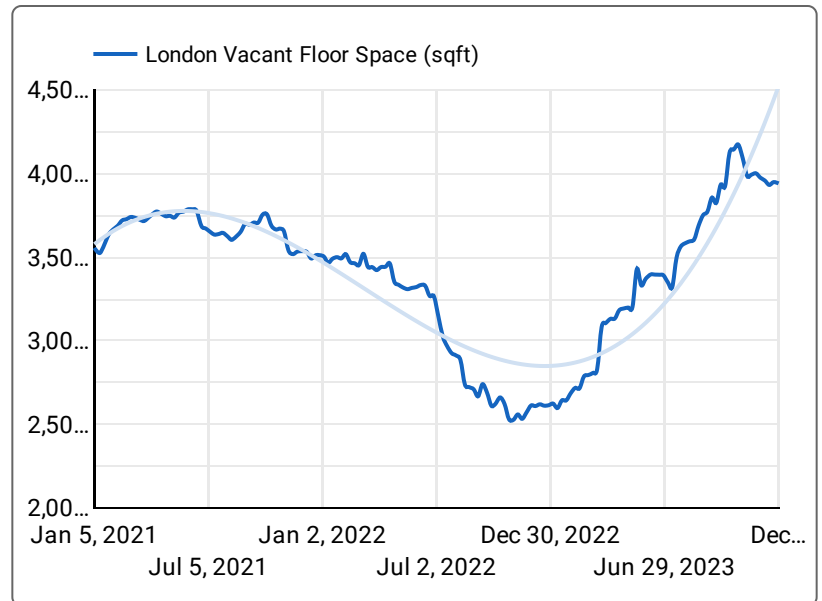
Vacant Offices	Vacant Space (sqft)
4,086	5,084,900
↓ -1.4%	↑ 0.5%
Vacant Workstations	Median Office Rate
101,698	£625
↑ 0.5%	↑ 2.6%

Relative to Sep 2023

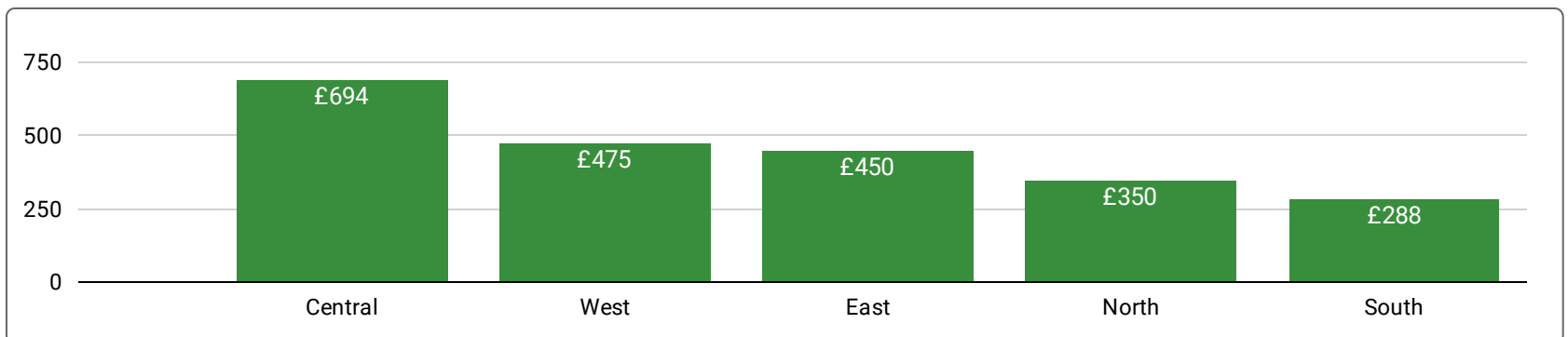
Median Office Rate /Person /Month & Trendline



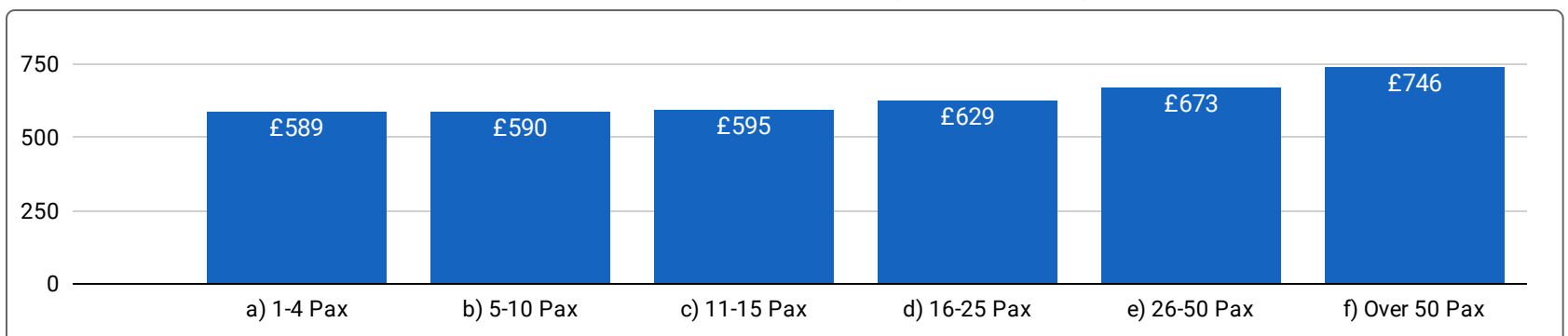
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Location



Median Office Rate /Person /Month by Office Capacity



Central London: New Supply up 51% in 2023, Rates Stabilise

London's largest region, Central London encompasses Victoria in the West to King's Cross in the North and Southwark in the South giving businesses the widest variety of office space including size, quality, and price points of anywhere in Europe.

After 5 consecutive quarterly declines, desk rates in London gained 1.6% to £694 per desk thanks to high-demand areas like Mayfair and Holborn which both climbed 11% to £1,022 per and £725 per desk respectively. Desk rates in Fitzrovia retreated for a second quarter, down 7.3% to £662 per desk while King's Cross slid 6.6% to £639 per desk. With continued demand for Marylebone, desk rates were up 4% to £780 per desk.

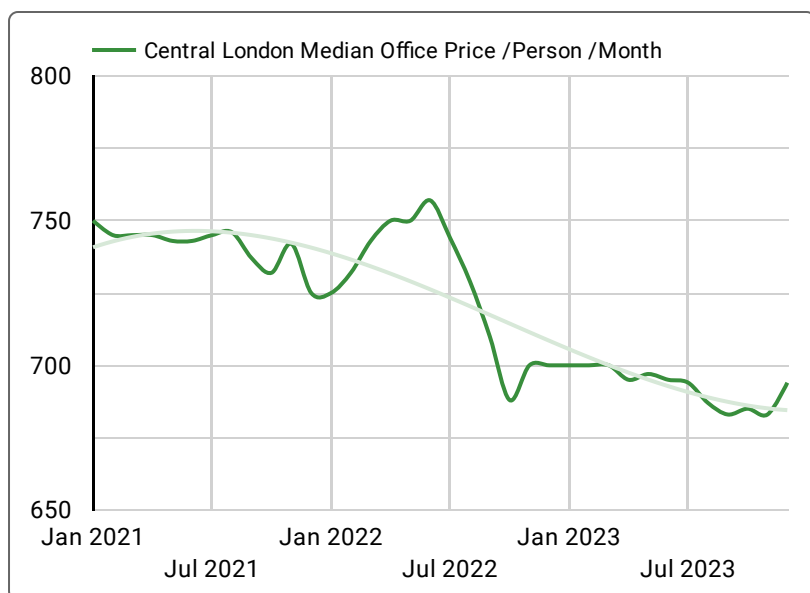
With close to 4 million sq. ft. of available flexible office space in Central London, up 51% year over year, and a greater range of enterprise offices for teams of 26 or more there's more choice for larger spaces from traditional serviced office providers as well as new fully managed floors that provide more privacy and longer terms. While desk rates for smaller offices saw a 4% increase to £699 per desk, rates for larger offices was up 5% to £770 per desk.

Flex Office Space at a Glance

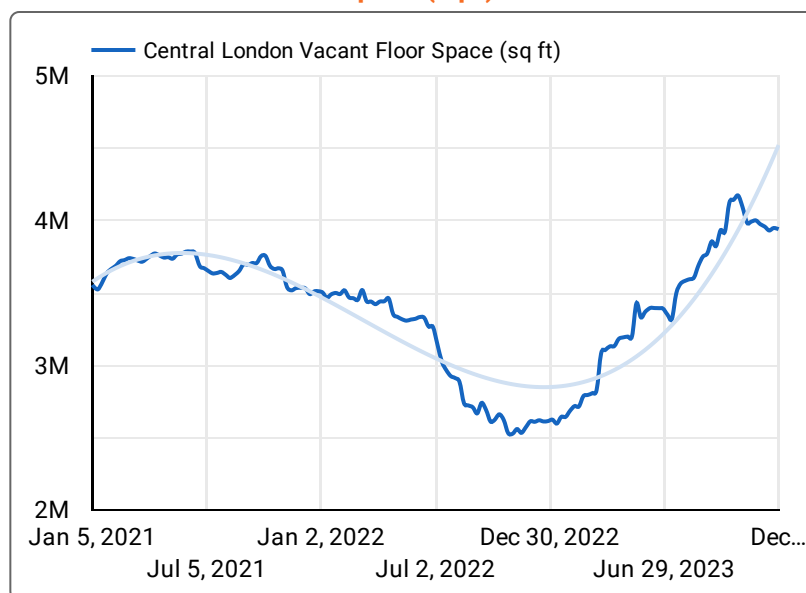
Vacant Offices	Vacant Space (sqft)
3,041	3,941,400
↓ -1.0%	↑ 0.2%
Vacant Workstations	Median Office Rate
78,828	£694
↑ 0.2%	↑ 1.6%

Relative to Sep 2023

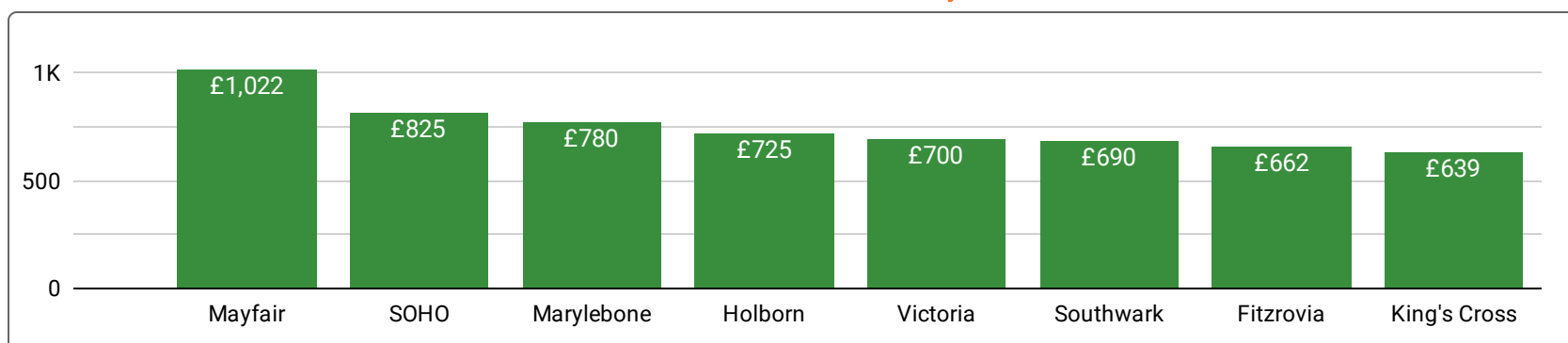
Median Office Rate /Person /Month & Trendline



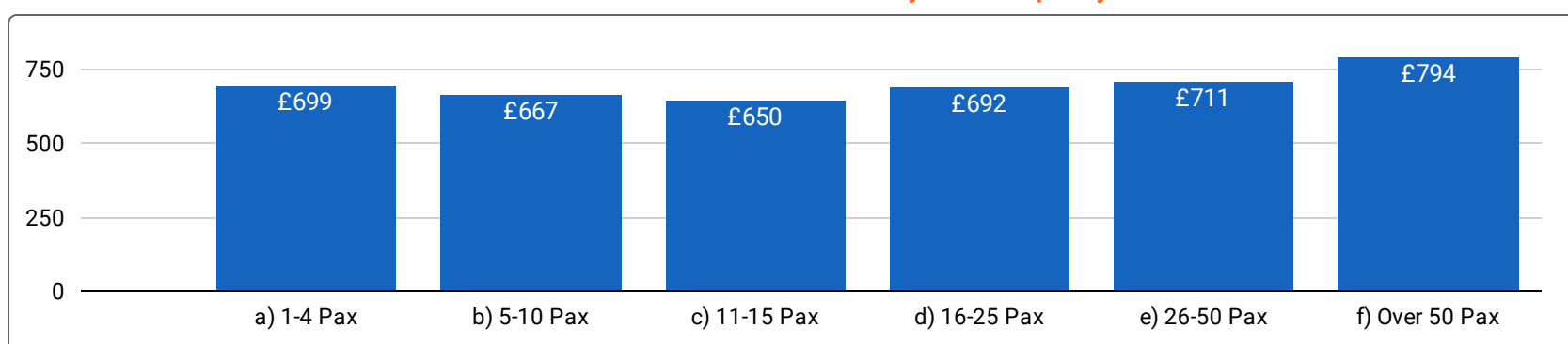
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Location



Median Office Rate /Person /Month by Office Capacity



East London Sees 14% Yearly Increase in New Inventory

As London's second largest region by available inventory, desk rates in East London remained flat at \$450 per desk despite a 2.4% decline in overall supply. However, not all regions are created equal, and rates in Shoreditch and Wapping at £628 and £721 per desk remain on par with Central London.

For businesses looking for value, Whitechapel and Spitalfields continue to shine with median desk rates at £489 and £466 per desk. Meanwhile, Canary Wharf has seen a bit of a resurgence as desk rates returned to pre-pandemic levels at £450 per desk.

After dropping mid year, prices for smaller offices of 1 to 10 people gained lost ground with 1-4 person offices increasing 21% to £425 per desk while offices for 5-10 people was up 9% to £380 per desk. While mid-sized offices for 16-25 staff fell 9.1% to £450 per desk, rates for enterprise offices of 50 or more saw a 1% increase to £550 per desk.

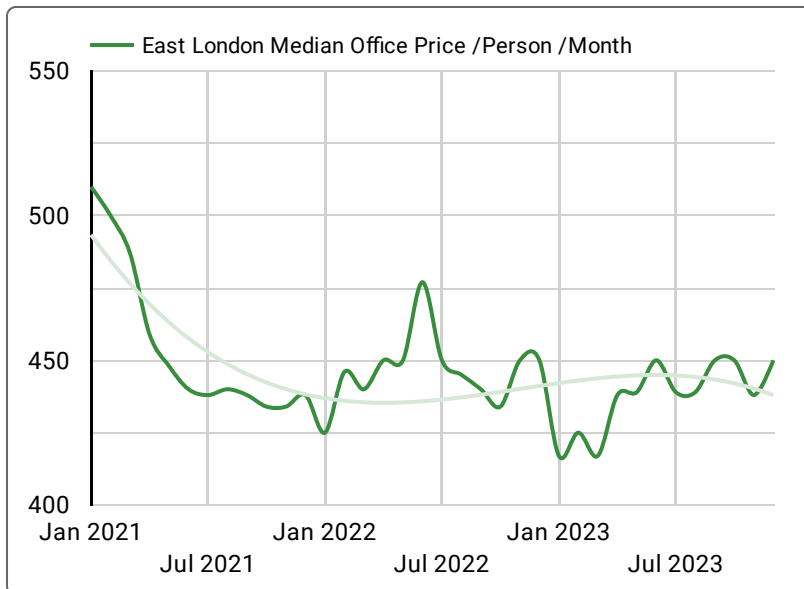
Finally, despite a 2.4% decrease since Q3, East London saw a 14% overall gain in availability to 527,950 square feet of office space since the start of the year.

Flex Office Space at a Glance

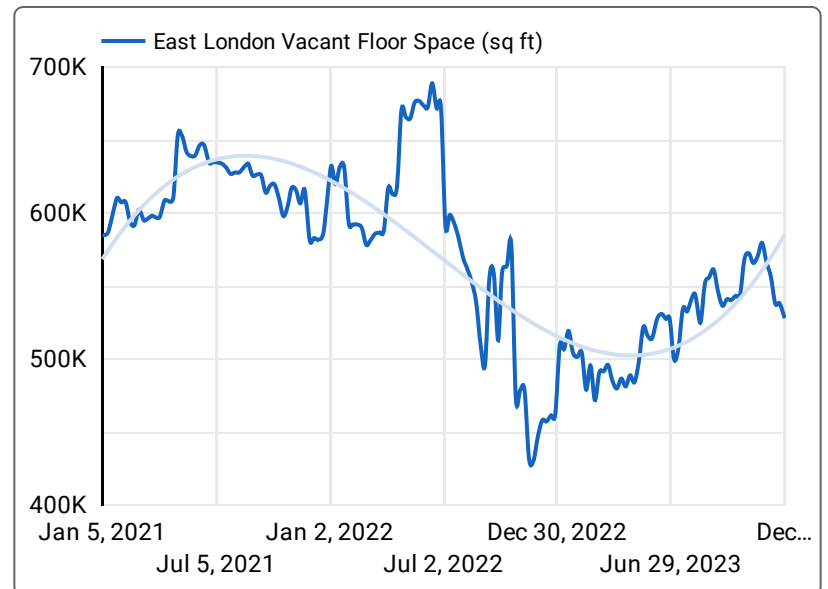
Vacant Offices	Vacant Space (sqft)
404	527,950
↓ -6.3%	↓ -2.4%
Vacant Workstations	Median Office Rate
10,559	£450
↓ -2.4%	0.0%

Relative to Sep 2023

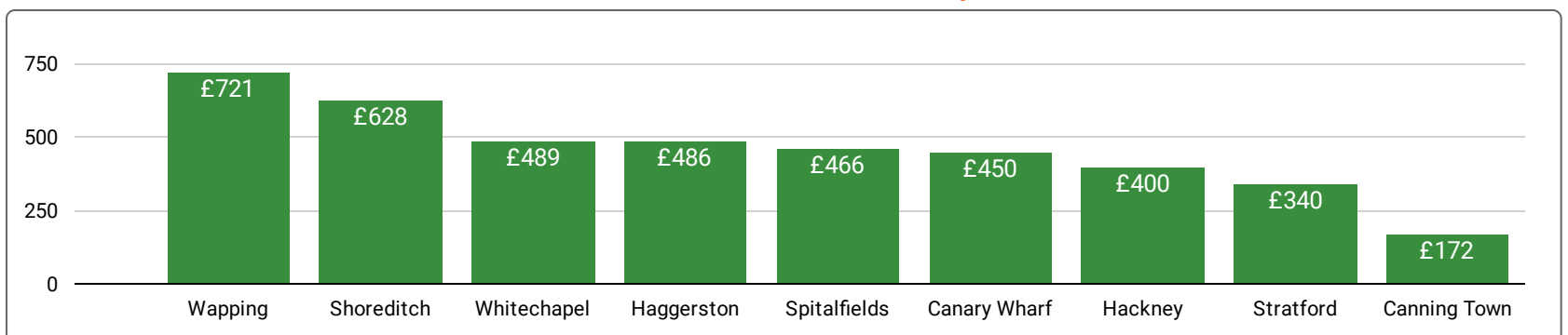
Median Office Rate /Person /Month & Trendline



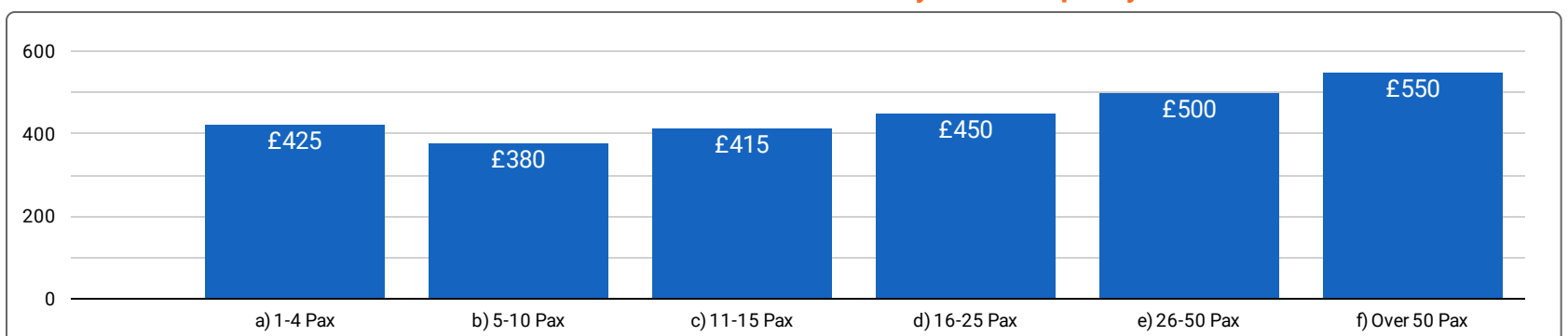
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Location



Median Office Rate /Person /Month by Office Capacity



West London Desk Rates Jump 10% for Small Teams

While prices are down across many areas of London, rates in West London have been relatively immune.

After seeing a 45% increase in much needed supply in Q1, available inventory in West London fell 2% from Q3 to 337,300 sq ft. Desk rates which had been on an upward trend through the first 3 quarters of 2023 fell 2% to end the year at £475 per desk, down from £484 in Q3.

Hillingdon and Ealing saw a modest 7% increase in rates to end the year at £333 and £300 per desk. On the other end, Fulham and Kensington & Chelsea helped bring the median rate down as desk rates fell 13% and 9% to £477 and £500 per desk respectively while Hammersmith at the top end remained flat at £544 per desk.

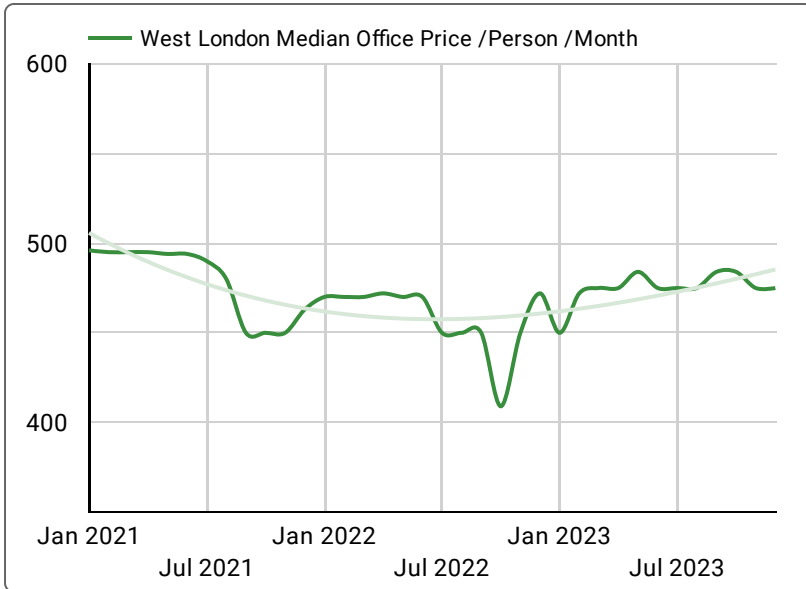
Smaller offices for teams of 5-10 saw the largest rate increases, up 10% to £444 as inventory fell 11% for these offices. Larger offices for teams of 26-50 remained the most expensive at £534 per desk, despite a 11% increase in available supply.

Flex Office Space at a Glance

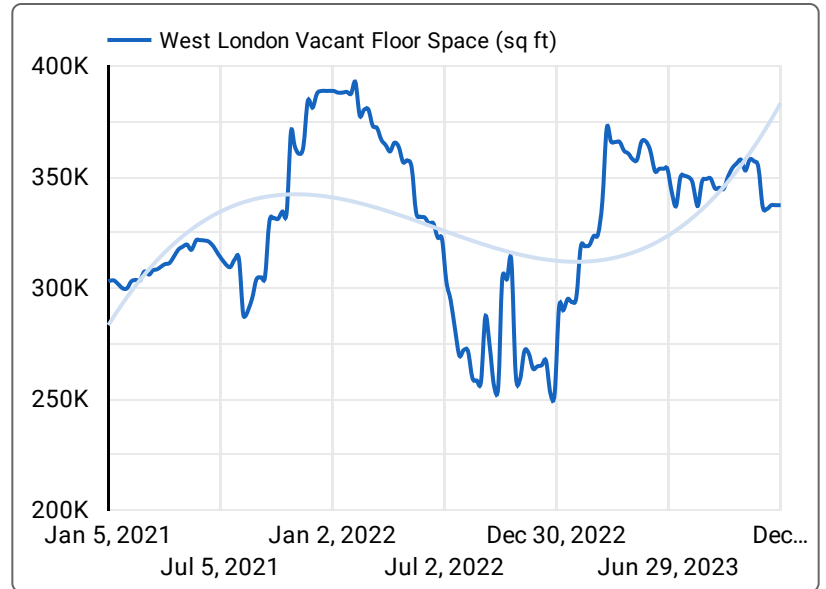
Vacant Offices	Vacant Space (sqft)
313 ↓ -4.3%	337,300 ↓ -2.1%
Vacant Workstations	Median Office Rate
6,746 ↓ -2.1%	£475 ↓ -1.9%

Relative to Sep 2023

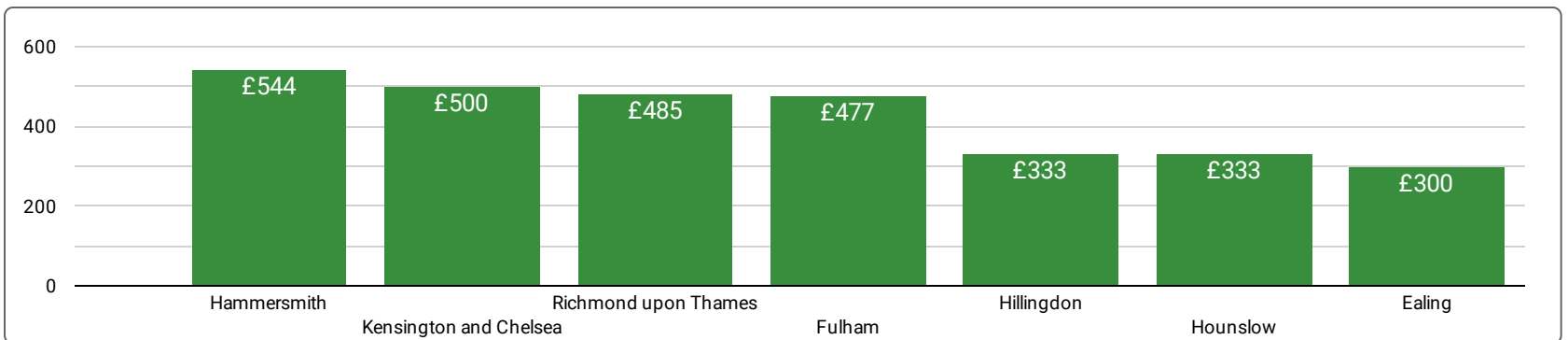
Median Office Rate /Person /Month & Trendline



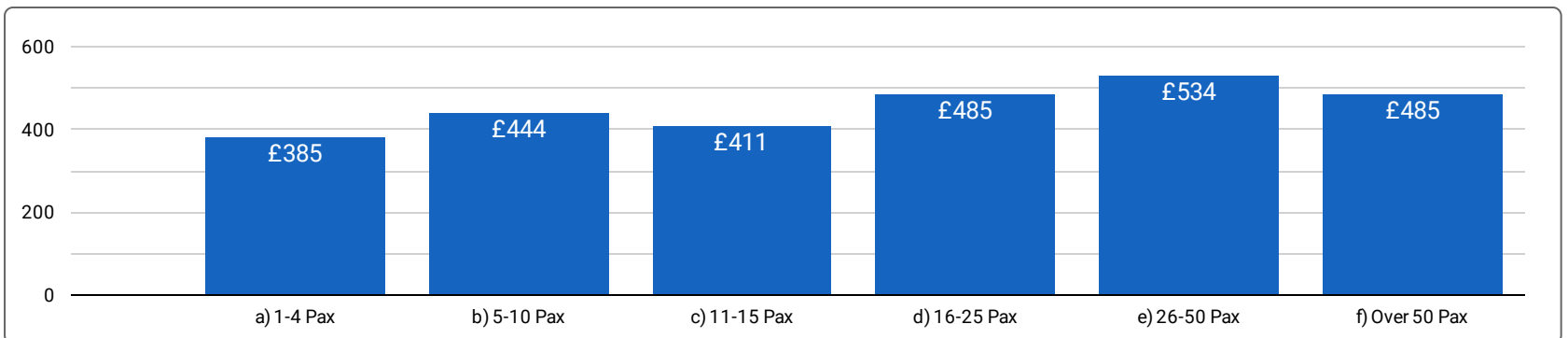
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Region



Median Office Rate /Person /Month by Office Capacity



North London: Rates Hit All-time Low as Supply Surges

Consisting of over 200 offices, the North London region covers the entire mix of office sizes from over fifty 1-4 person offices to larger enterprise offices for 50 to 190 staff that include multiple meeting rooms at rates from £110 per desk for those on a budget to upwards of £600 per desk for spaces closer to the city.

Like other regions across London, we've seen a surge in office spaces in the North London region added to the platform, with available space increasing 11% during Q4 and 31% since the start of the year.

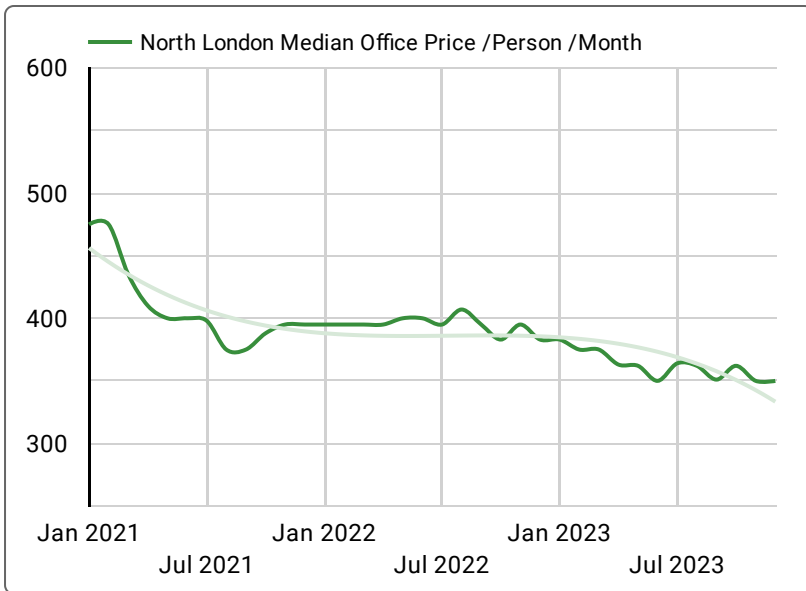
With prime locations like King's Cross close to Central London, North London provides the best of both worlds for businesses looking to be close to the city without the same budget. Desk rates in Hackney and Haringey for example range from £550 to £375 per desk while offices in Islington have a median desk rate of £350. Harrow and Brent in North West London offer the most economical options for businesses to set up a secondary office for teams of 1 to 70 at a median rate of £125.

Flex Office Space at a Glance

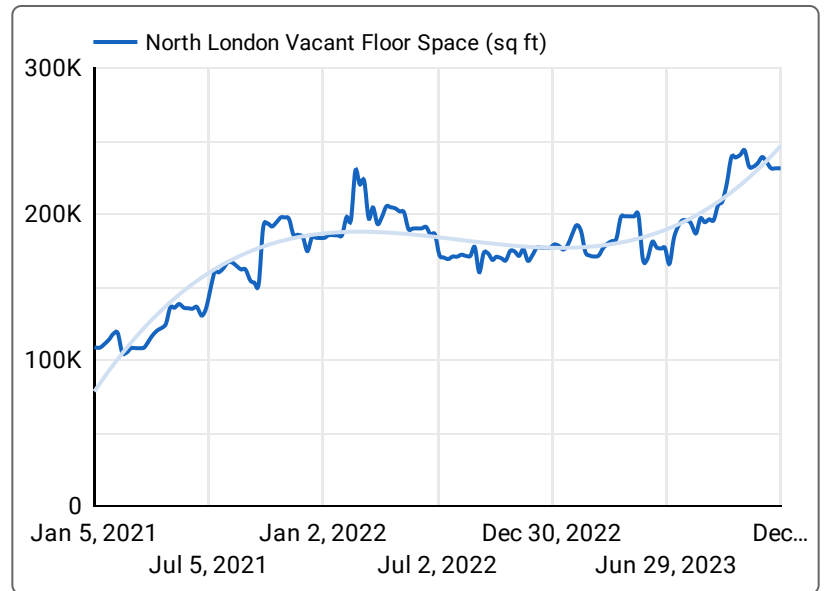
Vacant Offices	Vacant Space (sqft)
218	231,300
↑ 3.8%	↑ 10.8%
Vacant Workstations	Median Office Rate
4,626	£350
↑ 10.8%	↓ -0.3%

Relative to Sep 2023

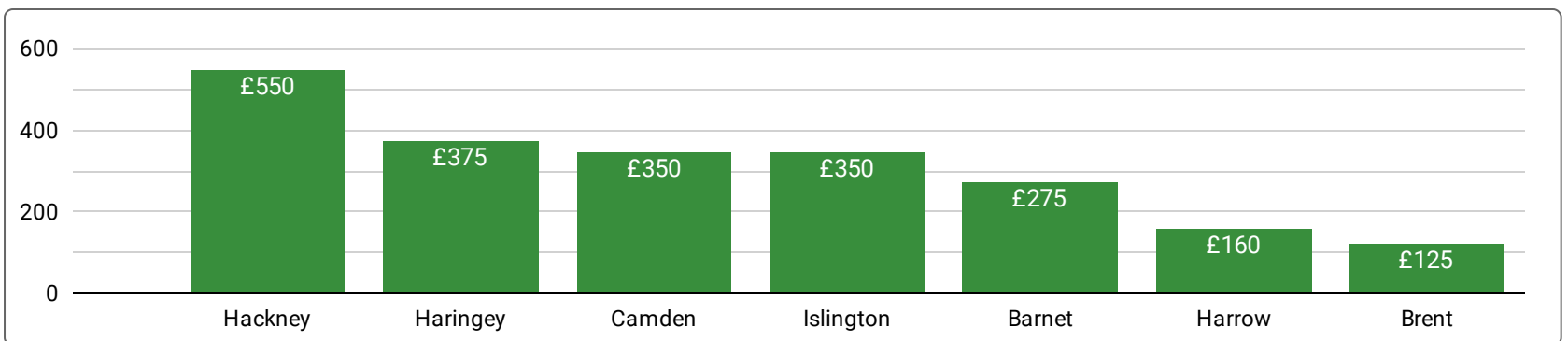
Median Office Rate /Person /Month & Trendline



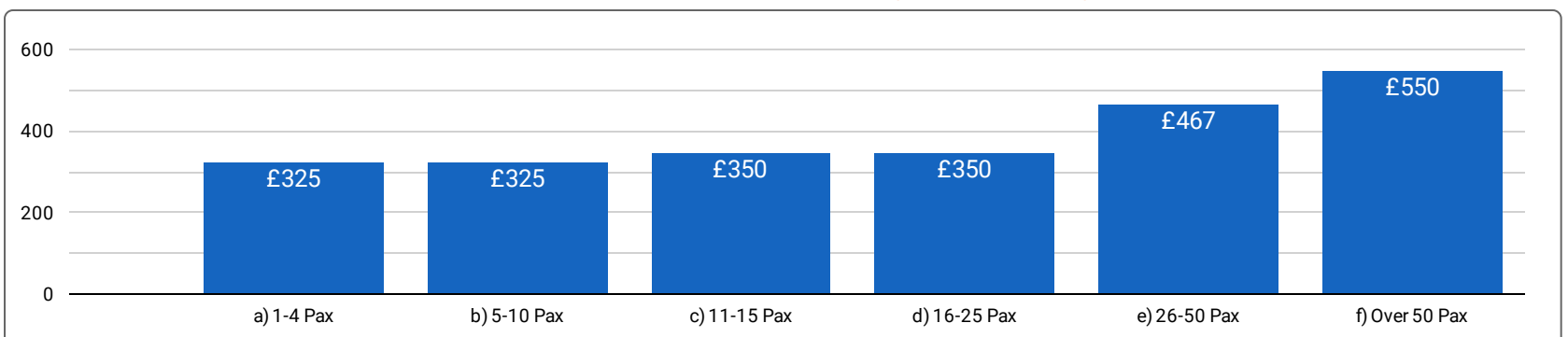
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Location



Median Office Rate /Person /Month by Office Capacity



Desk Rates Rise in South London: Still Most Affordable

With median desk rates in South London rising 15% to £280 per desk, London's vast South region still provides a variety of options for businesses looking to rent office space on a short term basis. While larger offices for teams of 15 or more staff are hard to come by, there is a wide variety of spaces for teams of 2 to 15 in in the boroughs of Wandsworth, Kingston upon Thames and Merton.

For smaller teams, Wandsworth & Putney have offices available for £425 per desk, while Merton has multiple options available for £225 per desk with access to the city via Merton Road and Wimbledon stations.

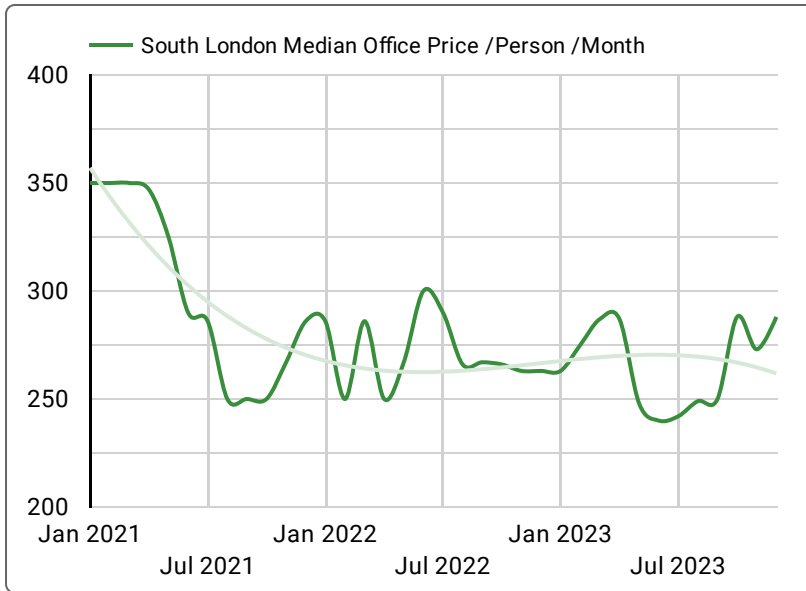
Further South West, desk rates for office space in Kingston upon Thames range from £127 for a 15 person office to £350 per desk for a 5-10 person office.

Flex Office Space at a Glance

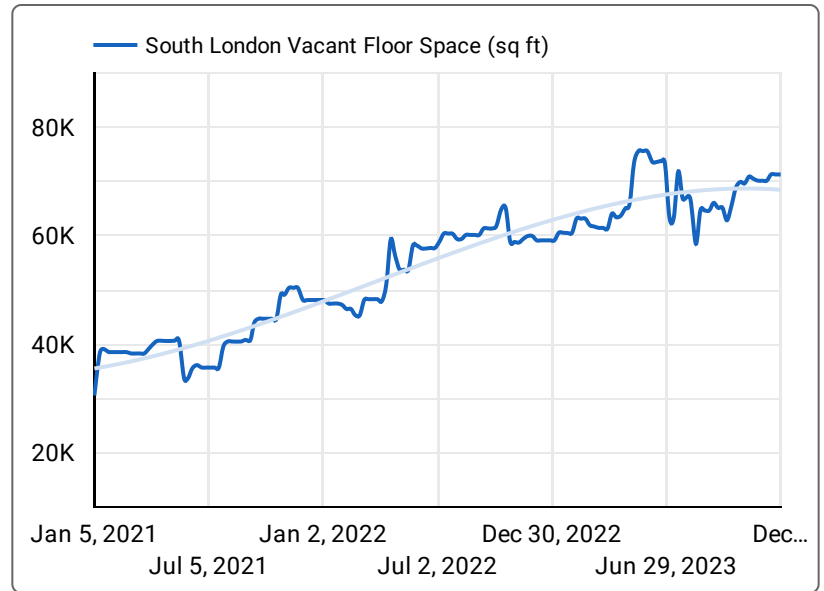
Vacant Offices	Vacant Space (sqft)
146 ↓ -7.6%	71,300 ↑ 9.4%
Vacant Workstations	Median Office Rate
1,426 ↑ 9.4%	£288 ↑ 15.2%

Relative to Sep 2023

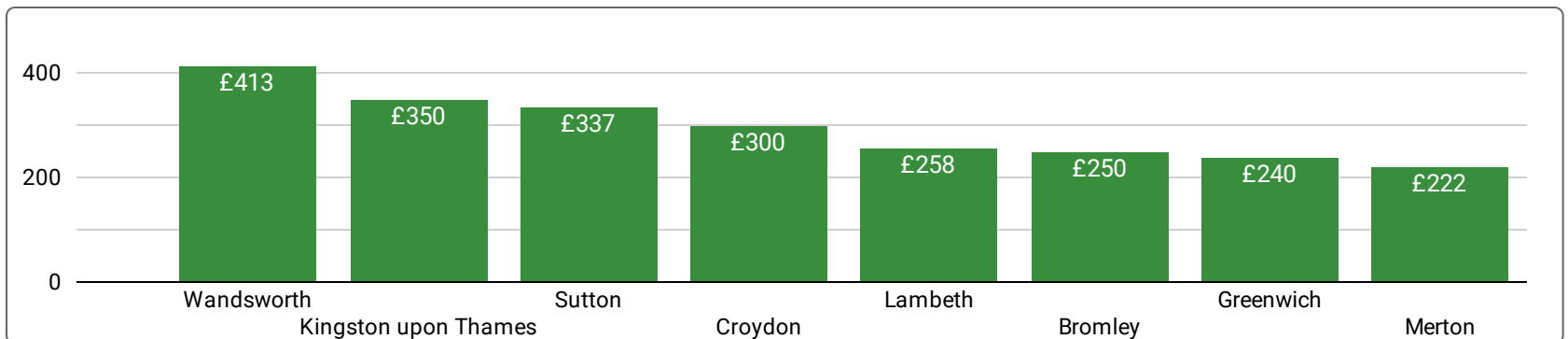
Median Office Rate /Person /Month & Trendline



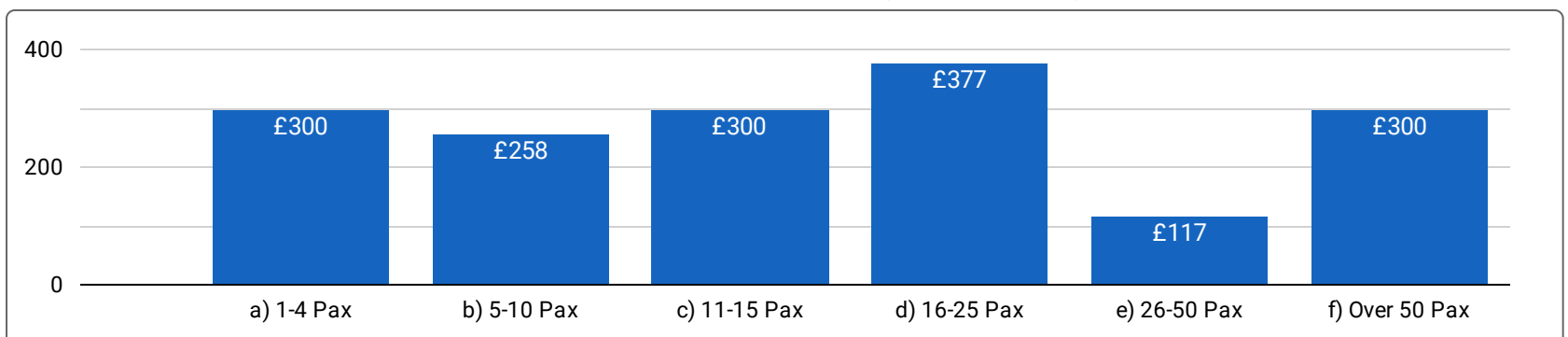
Vacant Flex Space (sqft) over Time



Median Office Rate /Person /Month by Region



Median Office Rate /Person /Month by Office Capacity



About Rubberdesk

Rubberdesk is the flexible office marketplace with thousands of fully furnished and all-inclusive offices and coworking spaces available for rent by the month or year.

With offices in Australia, UK, and Ireland, our proprietary platform and industry insights from dedicated flex space specialists, we help tenants cover the whole Flex market to find the best space for their business.

All for free and without obligation.



Your next steps...

01. Focused Brief

We'll turn your office space needs into a clear and actionable brief.

We'll listen to what your business needs and the results you want for your office investment.

You'll save time and focus only on the offices that tick all the right boxes.

You'll save money and get the features your business needs.

02. Covered Market

Rubberdesk covers the whole Flex space market, with live availability.

We'll give you a bespoke shortlist of the offices that best meet your brief.

When you're ready, we'll arrange inspections and get detailed proposals.

You'll save time and inspect only the most appropriate offices for your business.

03. Informed Decision

With up-to-date market analytics and custom proposals that meet your brief, you can make an informed decision.

You'll be ready to negotiate the terms that give your business the best outcome for your investment.

Your Rubberdesk Flex Specialist will help achieve your best outcome.

All for free and without obligation.