

Central London investment booms as City and West End Q1 volumes climb 540% and 267% YOY respectively

4 years ago



Appetite for Central London offices boomed in the first quarter of the year, with £3.3 billion transacted in the City, 27% higher than the previous record in Q1 2007 and a year-on-year increase of 540% on Q1 2021.

Meanwhile, £1.91 billion of stock has sold in the West End, a 60% increase on the five-year average and up 267% on Q1 2021, says Savills.

Each market was boosted by a major single deal completing in Q1: the City from the freehold interest in UBS's headquarters at 5 Broadgate being acquired by LaSalle Investment Management on behalf of NPS for £1.21 billion (the second largest single asset transaction on record in the City), and the West End from Google's acquisition of Central St Giles for £762 million.

According to Savills, a further £2.31 billion of stock is under offer in the City, including seven deals of over £100 million, and £1.76 billion of assets in the West End; all expected to complete in the coming months.

The international real estate advisor says that West End activity was dominated by domestic buyers (by number) in Q1, accounting for 60% of transactions over the quarter, while the City continued to attract international investors, with the size of assets available proving particularly appealing to global capital in the face of geopolitical and inflationary headwinds.

Stephen Down, head of Central London investment at Savills, comments: "Q1 investment in Central London is nothing short of stellar as investors enjoyed a return to more normal trading conditions. The volume of stock under offer as we go into Q2 is positive, though the increased cost of finance and macro-political uncertainty is having a greater impact on buyer decisions in London just as it is around the globe."

Read Savills April [City Investment Watch here](#) and the [West End Investment Watch here](#)



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