

City of London sees Cat A+ transactions double in 12 months

2 years ago



The volume of transactions for landlord ‘fitted space’ in the City of London has doubled in the last 12 months, according to the latest research from [Savills](#) analysing sub-10,000 sq ft offices.

In this size band Savills says fitted space now accounts for 42% of all office leasing transactions (408,431 sq ft) in the City of London, compared to 21% (150,248 sq ft) of all activity in 2021*.

Fitted space, also known as Cat A+, is a landlord provision for “plug-and-play” office space that is ready for immediate occupation by a tenant. Savills says typically the space is fully furnished with installed facilities and IT services.

The firm reports a significant increase in demand for fitted space, being driven in part by occupier requests for flexibility and convenience, and more recently in a move by occupiers to mitigate the risks around increases in fit-out costs.

Jade Dedman, associate in the Central London office leasing team, comments: “Cat A+ has been growing in popularity in recent years and landlords are much more open to delivering this type of space as part of their leasing offer to prospective tenants. Taking away the cost and delivery risk from tenants, landlord fitted space has seen a significant increase in demand particularly in the smaller, sub-10,000 sq ft, office market.

“Our figures show that at present more than a third of occupiers searching for 10,000 sq ft or less across the City market are requesting to only view fitted options, with the remainder considering both. With the alternative option for occupiers being to take serviced or managed space, this route ensures occupiers can still have their ‘own’ space without the risks and resourcing demands of delivering their own fit out.”

Savills says buildings offering CatA+ options that have seen strong leasing activity include; 110 High Holborn, 14 Bonhill Street, Bridge House, 63 Queen Victoria Street, Camomile Court, Walsingham House,

88 Leadenhall Street, 10 Eastcheap, and 85 London Wall. Analysis shows the Business and Consumer services sector has taken the lion's share of activity at 25%, followed by Tech & Media which accounted for 13%.

*Savills data accounts for Landlord space only. If you incorporate Tenant controlled space, the percentage of 'fitted space' transactions in the City rises to 61% of all activity (555,265 sq ft)

To know more on CatA+ space click [here](#)