

City investment volumes rise 55% to £572 million in January, making it the best start to the year since 2016

2 years ago



Commercial investment volumes into the City of London in January reached £572.2 million, a 55% increase on the volume recorded for the whole of the final quarter of 2022, and the best January turnover since 2016, says [Savills](#).

The international real estate advisor says that January 2023's volume is 80% up on January 2022 and 13% above the 10-year average for the month (£507.61 million). It reports that eight deals transacted during the month and that it is tracking a further 16 assets currently under offer worth a combined £1.67 billion, with a further £3.3 billion of assets available in the market. The largest deal of the month was Chinachem Group's acquisition, advised by Savills, of the long leasehold interest in 1 New Street Square, EC4 for £349.5 million, reflecting a net initial yield of 4.71%.

Felix Rabeneck, director in the City investment team at Savills at Savills, comments: "This has been the strongest start to the year in the City for eight years, as improving investor sentiment combined with more market data points has helped narrow the gap between vendors' and buyers' pricing expectations. The deals we've seen demonstrate London's position as a top-tier global city for international investors and provide much needed clarity as to where prime pricing may land, which should encourage other buyers. That being said, we do anticipate that certain investors will remain cautious as the impact of Q4 valuations and upcoming debt events are felt by some."

[Read Savills February 2023 City Investment Watch here](#)