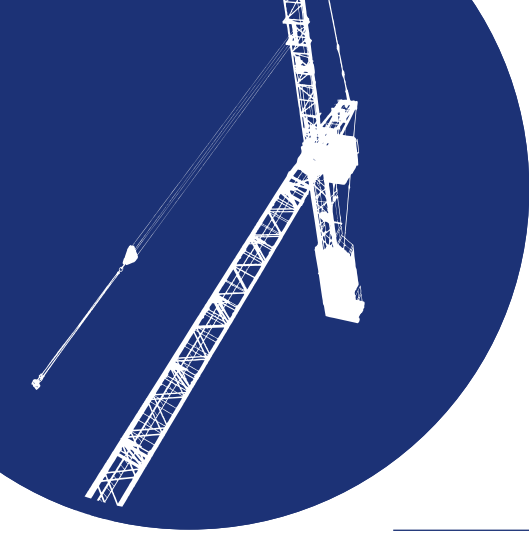


Drivers Jonas Deloitte.

London Offices Crane Survey
Sentiment remains positive





Market overview

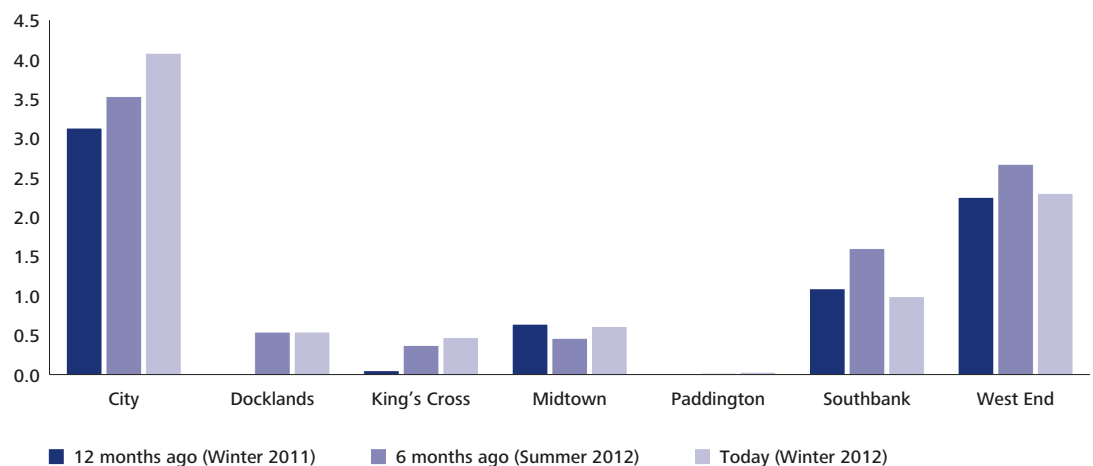
This latest Crane Survey records a pause in the large increases in construction activity we have been reporting over the last eighteen months. However, whilst lower than the last survey, the volume of new starts over the last six months suggests that developers and investors still have confidence in the returns available in the London office market.

2012 Winter – Office space under construction

	Total U/C (sq ft)		Let U/C (sq ft)		Available U/C (sq ft)	
City	4,081,000	▲	1,020,000	▲	3,061,000	▲
Docklands	540,000	—	250,000	—	290,000	—
King's Cross	474,000	▲	272,000	▲	202,000	▲
Midtown	607,000	▲	45,000	▲	562,000	▲
Paddington	31,000	—	31,000	—	0	—
Southbank	994,000	▼	106,000	▼	888,000	▼
West End	2,308,000	▼	476,000	▼	1,832,000	▼
Total	9,035,000	▼	2,200,000	▲	6,835,000	▼

Office space under construction

Million sq ft



With the volume of new starts matching the completion levels recorded since the last survey the total amount of space under construction has remained relatively flat; falling by just 2% to 9 million sq ft. This pause in activity will come as a relief to those who were concerned about the strong increases in development over the last couple of years – construction has quickly climbed from the all time low recorded two years ago to reach long-term average levels.

This should not, however, be seen as a reduction in confidence in the market: this report details 25 new starts, some way above the 10-year average of 18 per survey. Developers clearly remain focused on delivery of additional office space into the London market over the next 18 months and, indeed, our research suggests further new starts are imminent across central London.

The trend identified in the last survey, of refurbishments being favoured over ground-up new construction continues with 15 of the new starts being refurbishment projects. The average size of development started in this survey has fallen to 62,000 sq ft, 40% below the average size seen six months ago. Principally, this is a result of the number of refurbishment schemes recorded or conversely the low number of larger new builds starting, reflecting an appetite for less risk. Refurbishments now account for 25% of all space in development.

Helping sustain confidence in the development market is the continued flow of encouraging news detailing leasing activity at the schemes under construction. The data shows that 24% of the space under construction is already let prior to completion and we are monitoring a number of requirements that, once transacted, will further reduce the volume of floorspace available to let.

Despite these leasing deals on new space, total transactional activity remains low and whilst the general consensus is that the level of development activity is 'manageable' – i.e. not too high given the weak market conditions – there remains a very real concern about the depth and breadth of tenant demand. For every deal that completes there seems to be another that fades away. Corporates remain clearly focused on defensive balance sheet strategies: our latest CFO Survey shows that increasing cash flow, cutting costs and reducing leverage are now stronger priorities than at any time in the last three years. Delivering the right space at the right price, in the right location remains key.

Market by numbers

25 new construction starts

Total available space under construction down **- 4.2%**

9m sq ft of office space under construction

Construction activity up on a year by **26%**

25% of space being developed is refurbishment space

Completed office space in the past six months totals **1.7m sq ft**



The City

The City is one of only three markets to record an increase in construction activity over the last six months (the others being King's Cross and Midtown). The total level of office space now under construction has risen to 4.1 million sq ft, a 30% increase on the same point last year and the first time it has risen above four million sq ft since Q1 2009.

Construction levels have been bolstered over recent years by developers looking to refurbish existing buildings rather than demolish and rebuild. This route is often quicker and cheaper with sites with a frame that can be reused. This trend continues in this report with six of the nine new starts recorded this survey being refurbishments. These include QV Unit Trust's 187,000 sq ft at 71 Queen Victoria Street and its next door neighbour, CBRE Investors' 30,000 sq ft at 77 Queen Victoria Street, while, Great Portland Estates and Starwood Capital have started on the significant refurbishment of 80,000 sq ft at City Tower, 40 Basinghall Street. All of these are scheduled for completion in 2013. Of the current construction activity, refurbishment schemes now account for 14 of the 27 schemes being built in the City.

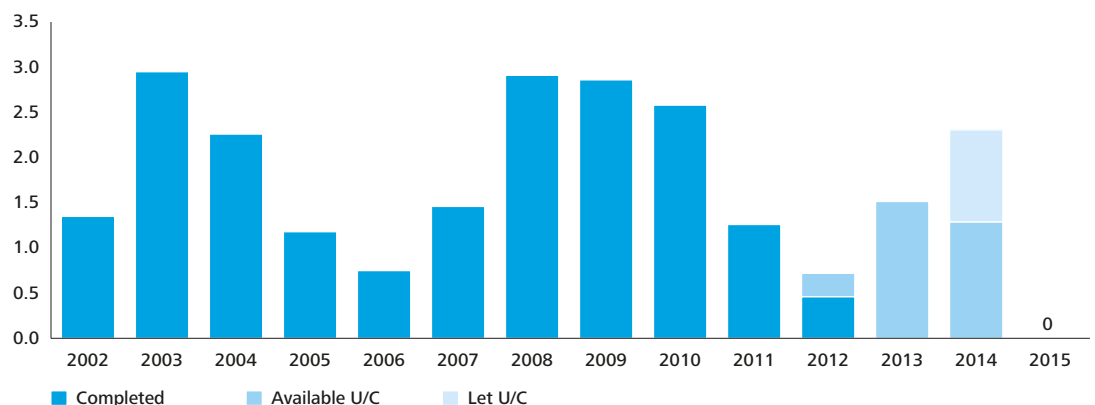
Despite being less numerous, new build schemes are generally larger and, indeed, the bulk of the floorspace that has started in this Crane Survey is attributed to three new build projects.

The largest of these is MGPA, CarVal and Quadrant's joint venture at Moorgate Exchange, 72 Fore Street, with 220,000 sq ft scheduled to complete at the start of 2014. Moorgate Property Unit Trust has started works on 138,000 sq ft at 8-10 Moorgate and Viridis Real Estate have commenced construction of 67 Lombard Street. The addition of these schemes in the pipeline brings the total volume of floorspace in new builds to just over 3 million sq ft of the 4.1 million sq ft currently being built.

While construction levels continue to increase, the decision to defer many scheme starts during 2009 and 2010 means that completions remain low. With just 458,000 sq ft delivered in the year so far, and with only 260,000 sq ft scheduled to finish before the end of December, 2012 is set to have the lowest level of office completions in the City in over 25 years. 2013 will see completions begin to increase again with 1.5 million sq ft scheduled to be delivered and in 2014 it will jump to over 2 million sq ft with the completion of 20 Fenchurch Street and The Leadenhall Building.

Development pipeline

Million sq ft

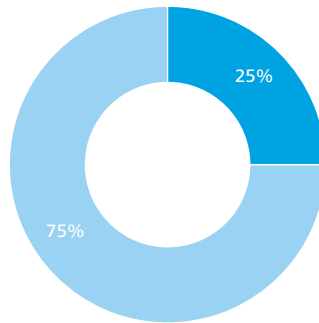


Of the five schemes that have finished in this survey, two have already been let. The Nationwide Building Society have taken the entire 49,000 sq ft at SEB Investment's refurbishment of 1 Threadneedle Street, while Odgers Berndtson have also taken the entire building at the Allied London & Aerium scheme, 20 Cannon Street. Since the last Crane Survey, Land Securities and Canary Wharf Group have achieved lettings at their 20 Fenchurch Street development to insurers Market International and RJ Kiln Group, who will occupy a combined 130,000 sq ft of space with further deals nearing completion.

However, while some landlords are letting space, others in the City are finding it more challenging in an environment where the traditional mainstay of demand, the financial sector, is largely in retreat. A large floorplate in a 'financial building' may now attract limited interest and so be priced competitively, whilst a smaller floorplate in an 'insurance building' may attract a rent that is 10-20% higher for space of a comparable quality. This difference in pricing makes it difficult to attach just one prime rent for the City.

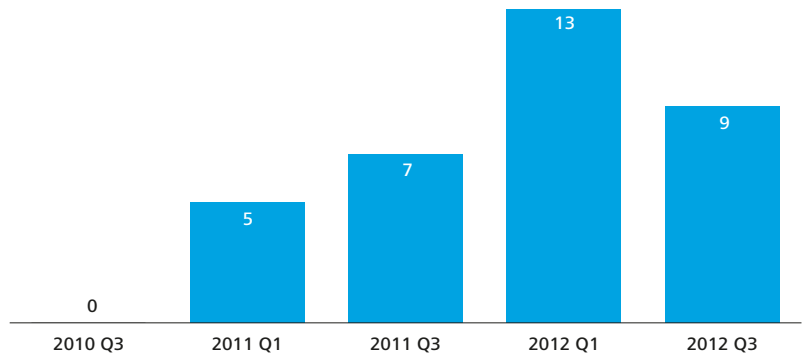
The 27 schemes currently under construction in the City are entering a market very different from just five years ago. The dynamics have shifted, from the type of tenant active in the market, the rate in which deals are undertaken, the amount of space required by these tenants and the location and specification of that space.

The City – volume under construction %



■ Let U/C ■ Available U/C

The City – Number of new starts per crane survey



Market by numbers

9 new construction starts

Total number of development schemes

27

4m sq ft of office space under construction

Construction activity up on a year ago by

30%

24% of space being developed is refurbishment space

Completed office space in the past six months totals

305k sq ft



West End

New construction activity in the West End has slowed over the summer with eight new starts totalling 271,000 sq ft representing the lowest volume in two years. This, coupled with a high volume in the past six months, means the total quantity of space under construction has fallen by 14% since the last survey to 2.3 million sq ft.

As in the City, refurbishments dominate with just three of the eight new starts being new builds. These ground-up schemes are being developed by experienced West End developers: Great Portland Estates at Walmar House on Regent Street, the Grosvenor Estate in a joint venture with Stow at 29-37 Davies Street, and British Land at 30 Brock Street.

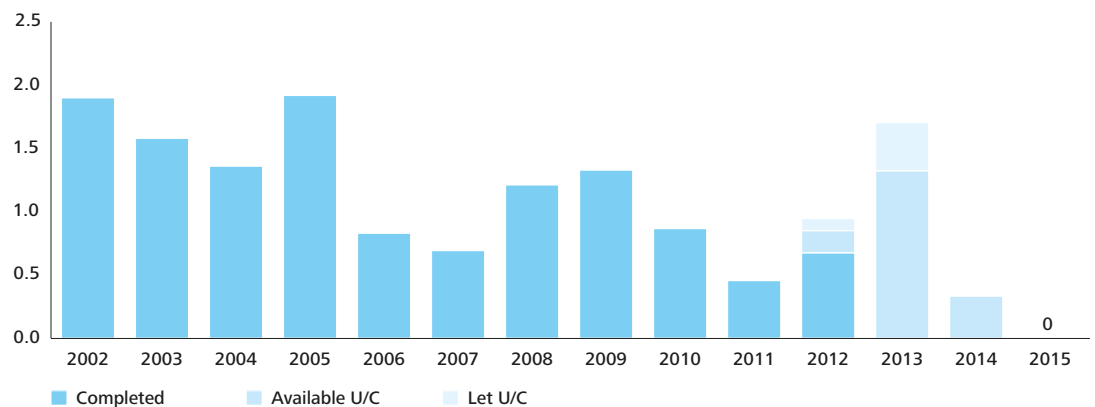
Eight schemes totalling 573,000 sq ft have completed since our last Crane Survey. Further letting success has been recorded in these finished buildings with the CDC Group joining Jimmy Choo as tenants at the Land Securities' refurbishment of 123 Victoria Street and Tag Worldwide leasing the whole of Prupim's 1 Poland Street. The West End market continues to see a diverse range of tenant types leasing space but, like other London sub-markets, transaction volumes remain some way down on the long term averages.

Leasing in core Mayfair in particular continues to be slow with tenants looking to less expensive parts of the West End, with Noho and Victoria attracting letting success.

Whilst the delivery of new space over the last 18 months has been relatively low, 2013 will see 1.7 million sq ft complete: the highest level of development completions in over seven years. This reflects positive developer confidence in the market. However, it is likely that this delivery will temper rental growth – particularly at the top end of the market.

Development pipeline

Million sq ft

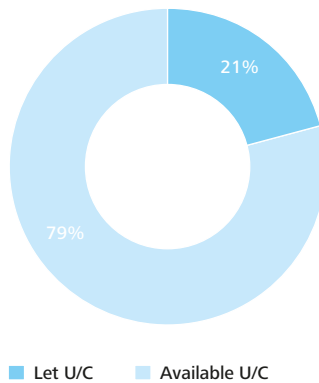


Capital values in the West End have recovered significantly over the last couple of years and indeed in certain areas are back to the pre-crash highs.

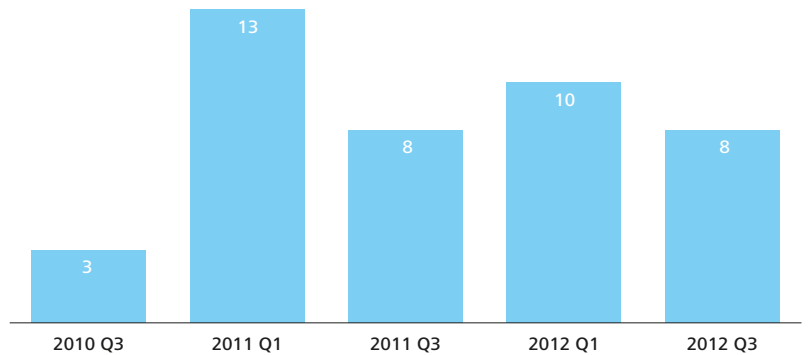
However, these values continue to be outstripped by the boom in prime residential values which are advancing at an even faster rate. Unsurprisingly, this has led to landlords, developers and speculators looking at the opportunity of replacing office space with higher value residential units. This is not a new concept but an increasingly more prevalent one given the strong values currently being achieved for residential. With the planning environment open to this change, we expect to see further instances of office conversions to residential use once leases have expired.

Despite a fall in construction volumes in this survey the current level of 28 schemes under development is up from the 23 recorded a year ago. However, 21% of this space is already let and we expect further leasing deals to complete prior to delivery. In short, we do not believe the market is significantly over-delivering despite the weak occupier market. Furthermore, we are monitoring a number of schemes that will start over the next few months, highlighting the widespread developer and investor confidence in this truly diverse market.

West End – volume under construction %



West End – Number of new starts per crane survey



Market by numbers

8 new construction starts

Total number of development schemes

28

2.3m sq ft of office space under construction

Construction activity up on a year ago by

2%

19% of space being developed is refurbishment space

Completed office space in the past six months totals

573k sq ft



Midtown

Midtown has recorded four new starts in this Crane Survey. There is now 607,000 sq ft under development across nine schemes. This reflects a 32% increase in volume since our last survey and brings construction activity up to the 10-year average level.

All four new schemes that have started are refurbishment projects, with a combined total of 244,000 sq ft. Refurbishments have become the dominant development in the Midtown market; of the nine sites only one is a new build. These schemes have relatively short programmes and so, at present, no new space is scheduled to be delivered post Q2 2013. Current schemes can satisfy a wide appeal: ranging from 20,000 sq ft at GE Capital's Lever House, 85 Clerkenwell Road, to 156,000 sq ft at London & Regional Properties' 10 Bloomsbury Way. The latter is widely rumoured to have attracted Saatchi & Saatchi in their closely watched quest for space following a lease expiry at their current headquarters on 80 Charlotte Street.

Indeed, take up levels remain robust in Midtown with media and technology tenants leading the charge: 29% of all space taken in the first nine months of the year are attributed to the TMT sector.

Particular success has been achieved at Prupim's 2 Waterhouse Square, completed at the end of 2011, where Skype have taken 88,800 sq ft alongside global PR firm Weber Shandwick who have recently signed up to take 63,800 sq ft in the building.

The Midtown market appears to offer opportunities for developers looking to start new schemes. There are no sites currently under construction and scheduled to be delivered in the latter half of 2013 or beyond, and there is a steady flow of registered occupier demand and a relatively low level of existing Grade A supply. In addition, developers are already looking to the arrival of Crossrail at Farringdon and Tottenham Court Road in 2018. This will make Midtown extremely accessible and undoubtedly further enhance its appeal. It is also worth noting that the market is not immune from the possibility of office to residential conversions akin to the West End market with strong demand for sites in the area.

Market by numbers

4 new construction starts

Average size of new start 61k sq ft

607k sq ft of office space under construction

Construction activity down on a year ago by -6%

9 schemes currently under development

Completed office space in the past six months totals 98k sq ft

Southbank



The Southbank office market has recorded just one new start this Crane Survey, adding to the two recorded at the beginning of the year.

In total there are now four schemes under construction, the latest addition to the pipeline being Dorrington Southsides' redevelopment of the former St Ives House, Lavington Street which will provide 50,000 sq ft in mid-2013. This joins Great Portland Estates' 240 Blackfriars Road, The Place and Archlane's 290,000 sq ft Sea Containers Upper Ground redevelopment.

The total volume of development now under construction totals 994,000 sq ft, a drop of 38% from our last survey as a result of a number of completions. The Shard delivered 589,000 sq ft of available office space in Q3 2012, Rockspring and Moorevale's Harlequin Building, Southwark Street provides 55,000 sq ft of available space and Allies & Morrisons' delivered 17,000 sq ft for their own occupation at Merchant House, also on Southwark Street.

The Southbank continues to gather pace with headline-capturing developments such as the mixed-use Shard and the residential scheme Neo Bankside, infrastructure improvements such as the Blackfriars Station development, the extension to the Tate Modern and many other significant changes underway. In particular, developers are showing a significant level of commitment to this market and it is expected that office occupiers will follow.

Market by numbers

1

new construction start

Total number of development schemes

4

994k sq ft

of office space under construction

Construction activity down on a year ago by

-9%

50k sq ft

size of new start

Completed office space in the past six months totals

661k sq ft



Other markets

King's Cross

The King's Cross office market continues to see new development activity. Three new starts over the last six months take the total amount of space under construction to 474,000 sq ft across seven schemes, an increase of 29% on our last Crane Survey.

P&O Estates (IPOE) and Henderson Global Investors have achieved letting success at their Regent Quarter scheme, leasing the latest phase of 84,000 sq ft to Macmillan Publishing Group. The development is scheduled to complete in stages from Q2 to Q3 2013. Argent's King's Cross Central scheme has kicked off two speculative builds since the last survey. The plots, named B2 and B4 Pancras Square, will deliver 55,000 sq ft and 130,000 sq ft respectively. This is a further step forward for the site, where pre-letting has already prompted two starts. Further activity is imminent with BNP Paribas and AXA due to start construction of BNP Paribas' new headquarters in the New Year and the rumoured deal to sign Google for its new "Googleplex" is also in the pipeline.

The market saw just one completion with Derwent London finishing their extensive 55,000 sq ft refurbishment at 4 & 10 Pentonville Road in Q3 2012, coinciding with a letting to Ticketmaster UK. The online ticket retailer took 47,700 sq ft on a 12-year lease.

Market by numbers: King's Cross

3 new construction starts

474k sq ft
of office space under construction

29% increase in construction volume in six months

64k sq ft
average size of new start

Docklands

There is one scheme under construction in the Docklands office market, Canary Wharf Group's 25 Churchill Place. The part-let building is scheduled for a 2014 completion. There is little sign of further development activity in Docklands and with large parts of the finance sector retrenching it is unlikely that there will be any significant speculative construction activity in the short-term. There is over one million sq ft on the market on the estate and further space available off market from occupiers.

One development that is clearly taking shape is the Crossrail station at Canary Wharf. This will greatly improve the capacity of the transport network serving Docklands and, once the line is open, is likely to be a catalyst to further phases of development activity across the market.

Works to position the Wood Wharf development are also underway with the consultation and masterplanning phases on-going and a planning application expected to be submitted in Q2 2013.

Paddington

Just the one scheme is under construction in the Paddington market, DF Estates and JC Decaux's 31,000 sq ft scheme at Summit House, Praed Street. The completion of this development in Q4 2012 will mark the end of a short period of activity in this market, with no new schemes expected to start imminently. Low letting activity has held back the pace of development in recent years and it is likely that pre-letting activity will be the driver of any further large-scale construction in the short-term.

Market by numbers: Docklands

0 new construction starts

540k sq ft
of office space under construction

0% change in construction volume in six months

1 scheme under construction

Market by numbers: Paddington

0 new construction starts

31k sq ft
of office space under construction

0% change in construction volume in six months

1 scheme under construction



Capital markets

The commercial property investment market in central London has maintained its attractiveness to both national and international investors throughout the year.

Buying activity has seen two distinct camps develop over the past few years. At the larger end acquisitions continue to be dominated by overseas purchasers seeking secure income on trophy assets. Much of this capital hails from Asia with Malaysian, Korean and Chinese investors coming to prominence in 2012 with acquisitions such as 10 Gresham Street by Kumpulan Wang Amanah Pencen (KWAP) for £200 million. North American and Middle Eastern investors have also remained active throughout the year, notably St Martins Property Corporation, Brookfield, Oxford Properties and Blackstone.

At the smaller end of the scale (sub £50 million), an increasing number of sales are attracting domestic buyers, with property companies, asset managers, UK institutions and private buyers all active. Deals that fall into this category include the purchase of 3-8 Whitehall Place by the Trust for London for £20 million and Crosstree Real Estates' purchase of 20 Golden Square, also for £20 million.

The Crane Survey results highlight the mix of investor/funder profiles of the current schemes. UK property companies continue to dominate current development, alongside the large overseas backers such as the Qatari National Bank, Oxford Properties and Blackstone. It is these groups of investors who are developing on a larger scale. At the opposite end of the scale, it is the UK institutions and smaller UK developers who are undertaking the refurbishment projects and the smaller new builds.

City

Investor appetite for properties in the City remains strong and demand for trophy assets continues from overseas buyers with interest in lots of circa £100 – £200 million. Foreign investment in development projects is also becoming more frequent. High profile schemes currently under construction with overseas backing include The Leadenhall Building, 122 Leadenhall Street (a British Land/Oxford Properties JV), 20 Fenchurch Street (Land Securities with investment from CIC) and 8-10 Moorgate (Mitsui). Further schemes are planned by Brookfield at 100 Bishopsgate, Principal Place and at London Wall Place in a JV with Oxford Properties.

The finished product remains highly sought after, with assets such as 5 Aldermanbury Square and Ropemaker Place currently being quietly marketed which fall into this category. Investors are assured of long-term income with none of the development risk. A strong covenant is vital in attracting purchasers of this type of product, alongside property location and lease terms.

Investors that are not risk averse continue to weigh up the options of development and investment. Adding value to a property and assessing the risk-return trade off is likely to become more prevalent for a wider audience than just domestic players as investors become more familiar and confident in the market. Co-investment/consortiums are likely to be another route that the capital-rich overseas purchasers continue to pursue.

West End

Investment in office properties in the West End is dominated by overseas purchasers with over £1.5 billion transacted in 2012 so far. One notable recent purchase was the acquisition of 23 Savile Row by Plaza Global Real Estate for £220 million with joint venture partners LaSalle Investment Managers.

However, construction is dominated by the UK property companies with 17 out of 28 schemes under development. In addition, property companies have been buying up space, transacting on £1 billion worth of deals in 2012. The West End continues to be the premier investment market attracting buyers from across the world, yet it is the UK property companies that are building the office space.

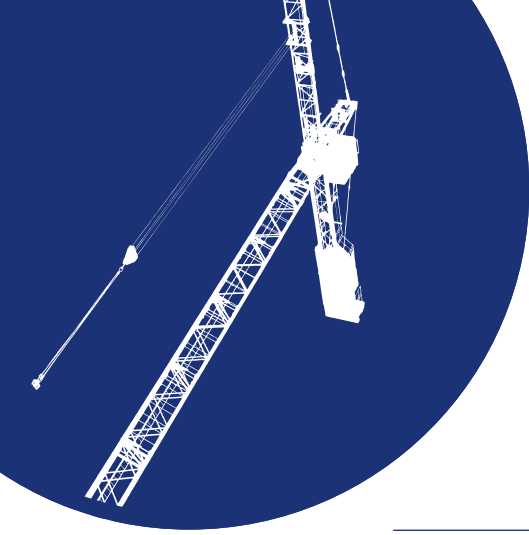
Investors are also purchasing office properties for another reason, namely conversion to residential. The rapid recovery in London's prime residential market over the past two years has exacerbated the pricing differential between the two property types, with the difference often being greatest in the West End. Where planning will allow, residential conversions therefore represent an attractive development opportunity.

Key office developers (by amount of space under construction)

- 1 British Land
- 2 Canary Wharf Group
- 3 Land Securities
- 4 Great Portland Estates
- 5 Argent Group
- 6 Qatari National Bank
- 7 Blackstone
- 8 Archlane Ltd
- 9 Oxford Properties
- 10 Exemplar

Key office developers (by amount of space under construction and available to let)

- 1 Canary Wharf Group
- 2 Land Securities
- 3 British Land
- 4 Qatari National Bank
- 5 Archlane Ltd
- 6 Exemplar
- 7 Great Portland Estates
- 8 AXA Real Estate Investment Managers
- 9 Sellar Property Group
- 10 Argent Group



Outlook

The London office development market continues to perform well in the face of significant headwinds from the UK and European economies. Leasing activity remains some way below long-term average levels but tenants continue to take enough space to spur confidence in additional development and for rents to rise slowly in certain sub-markets.

Overall construction volumes may have remained static since the last survey but the 25 new starts recorded reflect the positive sentiment and availability of funds for delivering office schemes.

The record low level of development starts over 2009 and 2010 have meant that the delivery of new space has also been at a 25-year low over the last two years. This has allowed the availability of new office space to reduce and prime rents to pick up from their 2009 low. The latest survey shows how the increasing shortage of new space and the attractiveness of some of the new schemes has led to 'early-let' leasing activity on the buildings currently under construction. Over the last 12 months the proportion of the development pipeline that is let has leapt from just 3% to 24%. This, along with the requirements active in the market, gives us confidence that the current levels of construction activity are 'manageable' even in this low growth environment.

The research for this latest survey also identified a number of schemes across central London that could soon be close to joining the committed pipeline, extending the delivery schedule out to 2015. This would be good news for tenants who are looking for certainty of delivery of space to move into. Yet there remain questions as to how many speculative schemes will indeed get started in the next 12 months.

One thing has been very clear over the last year: occupiers' requirements are changing. They are increasingly showing a propensity to look outside what many would consider their traditional market locations. The City, once the preserve of the banks and other parts of the financial services industry, is seeing an increasing volume of technology occupiers drawn by affordable, flexible and well specified space.

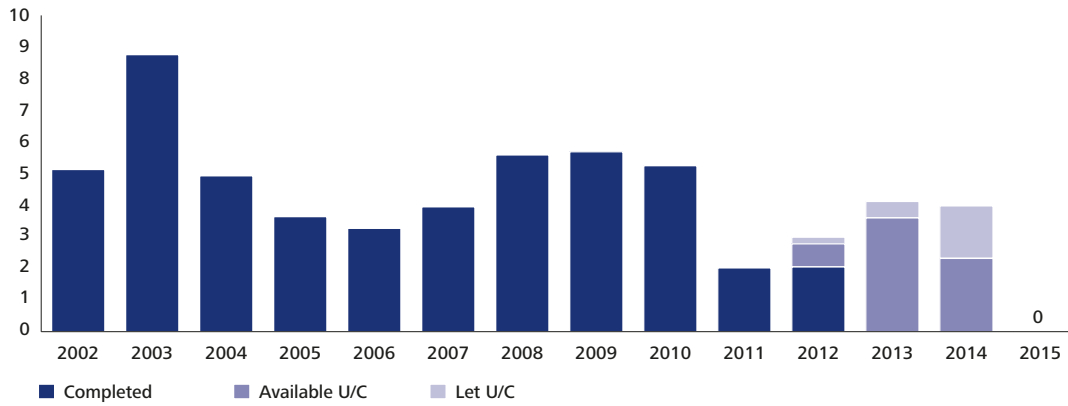
The insurance sector remains active but as well as those staying in their core EC3 locations there are a number looking to the wider City market to satisfy their requirements. The well publicised march of the TMT sector, in particular digital media, is also beginning to encroach on the edges of the City as their requirements grow. But the City is not the only market that is seeing change: Victoria is fast morphing from a public sector enclave into an established market for corporates with significant letting success in recent months, Midtown is attracting traditional Soho occupiers, while the public sector, media and global banks will sit side by side in the new market being created at King's Cross.

The key question for most developers and investors is how demand will shape up over the months ahead. Take-up in 2012 is likely to struggle to reach 2011 levels which fell below the long-term average. The closely watched Deloitte CFO Survey suggests that this is unlikely to change into 2013 with corporate UK remaining focused on defensive rather than expansionary policies. More positively, the results also show that companies' balance sheets generally look healthy and financing costs are expected to stay low, but until macro uncertainties subside it is unlikely this will turn into widespread growth in capital spending and the associated demand for real estate.

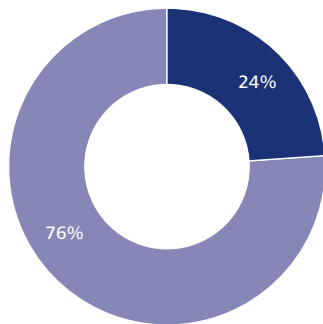
So development strategies should remain focused on the sectors that are expanding and the locations that suit the demands of today's active occupiers. Efficient, appropriately specified, attractively designed and correctly priced new real estate will continue to attract those tenants that have active requirements.

Central London development pipeline

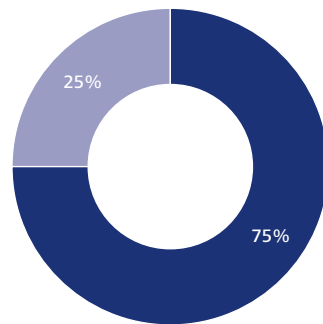
Million sq ft



Central London – under construction %

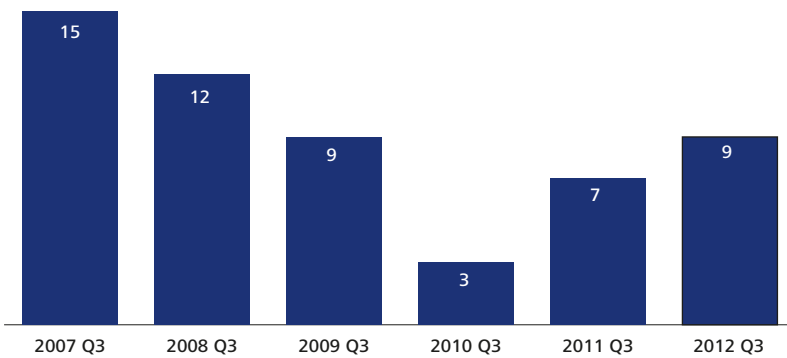


Central London – New build vs refurbishments %



■ Let U/C ■ Available U/C ■ New build ■ Refurbishment

Central London: Total volume of office space under construction (million sq ft)

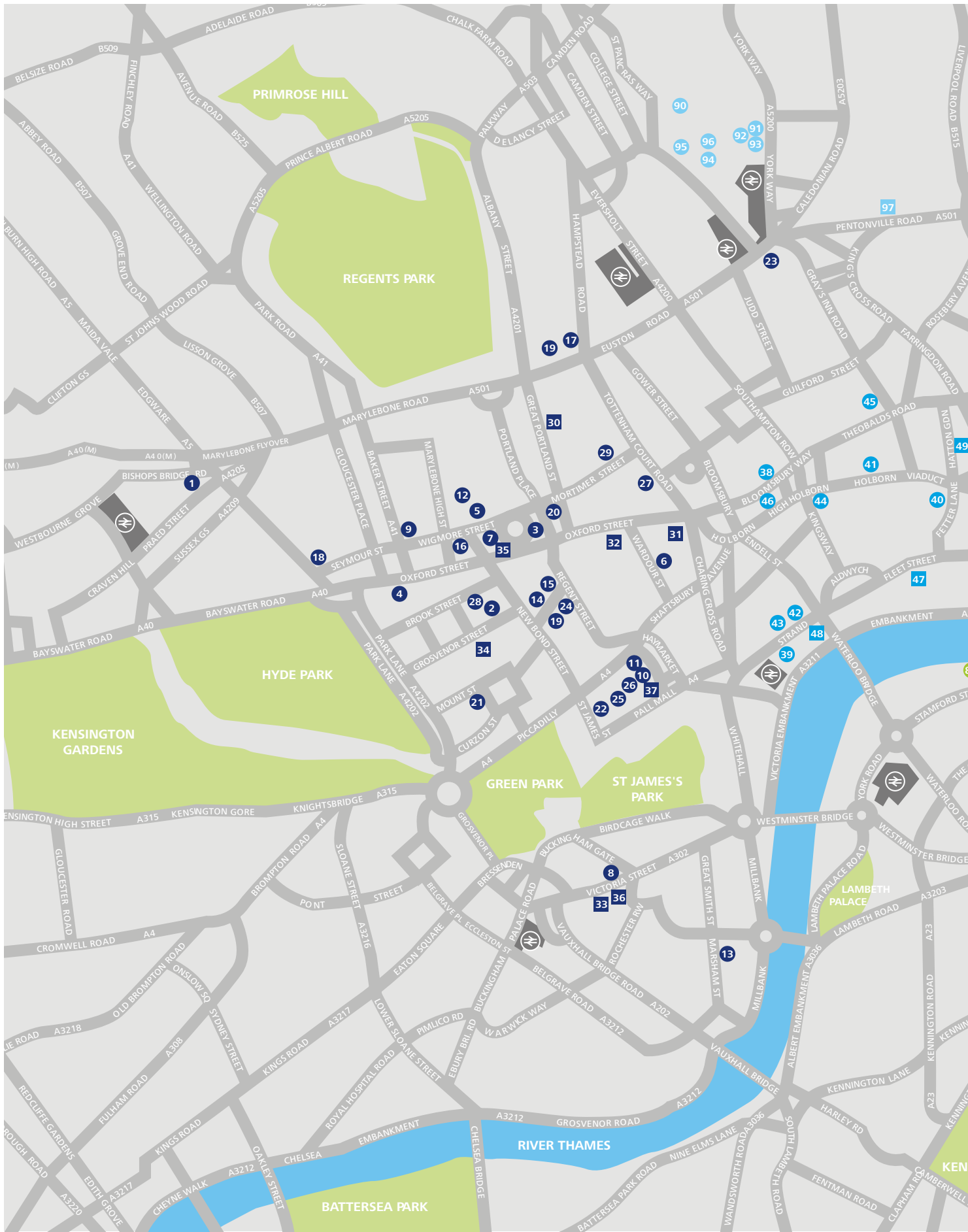


Development table

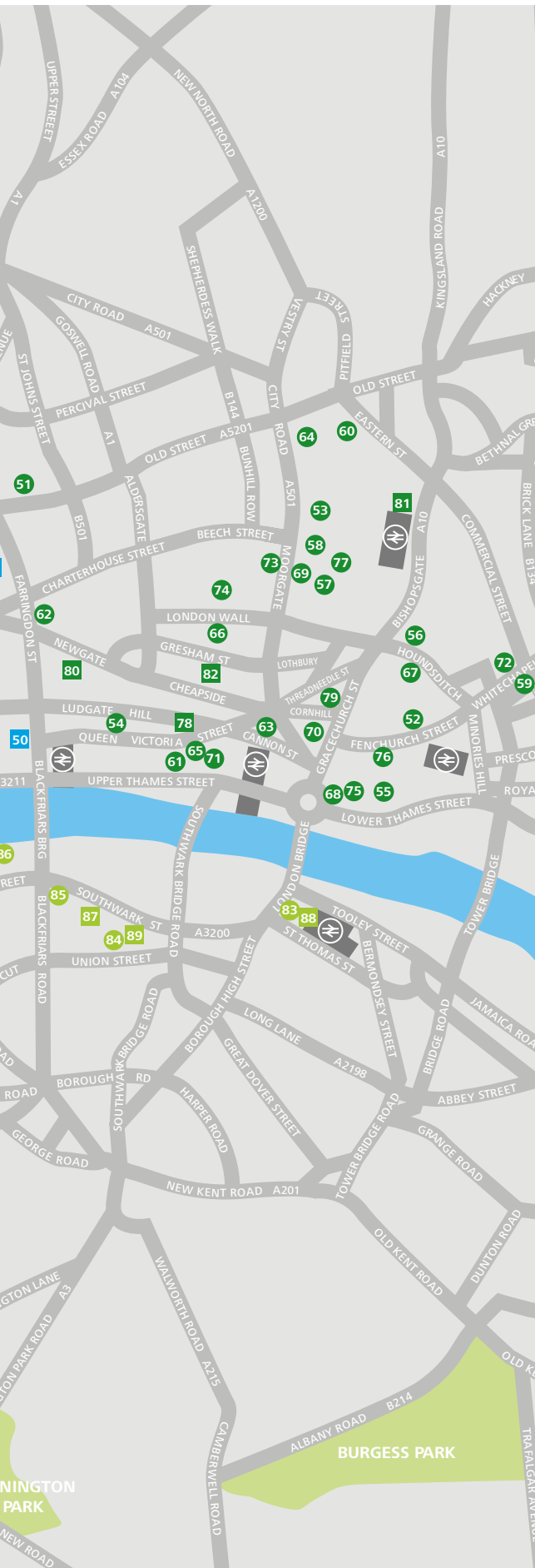
No.	Scheme	Postcode	Developer	Tenant	Completion date	Total space sq ft	Space available sq ft	
Paddington – Under Construction								
1	Summit House, Praed Street	W2	DF Estates/JC Decaux	JC Decaux	Q4 2012	31,000	0	
						Total	31,000	–
Paddington – Completed								
						Total	0	0
West End Under Construction								
2	14 Grosvenor Street	W1	RMPI Ltd		Q4 2012	13,000	13,000	
3	33 Margaret Street	W1	Great Portland Estates	Savills	Q4 2012	96,000	–	
4	Park House, Oxford Street	W1	Qatari National Bank		Q4 2012	163,000	163,000	
5	5 Welbeck Street	W1	Standard Life		Q1 2013	27,000	27,000	
6	76-88 Wardour Street	W1	Walbrook Land and Legal & General		Q1 2013	33,000	33,000	
7	1a Wimpole Street	W1	Royal London Asset Management		Q1 2013	61,000	61,000	
8	62 Buckingham Gate	SW1	Land Securities		Q2 2013	255,000	255,000	
9	10 Portman Square	W1	British Land		Q2 2013	114,000	114,000	
10	Trafalgar House, 11 Waterloo Place	SW1	Crown Estates		Q2 2013	20,000	20,000	
11	1 Eagle Place, 200 Piccadilly	SW1	Stanhope/Crown Estates/Hoop		Q2 2013	58,000	58,000	
12	17-23 Bentinck Street	W1	Howard de Walden Estates		Q2 2013	35,000	35,000	
13	1 Page Street	SW1	Derwent London	Burberry	Q2 2013	127,000	–	
14	33 Maddox Street	W1	Joint London Holdings		Q2 2013	12,000	12,000	
15	8-10 Hanover Street	W1	Morgan Capital Partners		Q2 2013	25,000	25,000	
16	95 Wigmore Street	W1	Great Portland Estates		Q3 2013	111,000	111,000	
17	10 Brock Street, Regent's Place	NW1	British Land	Debenhams	Q3 2013	319,000	146,000	
18	Marble Arch House, Edgware Road/Seymour Street	W1	British Land/Portman Estate		Q3 2013	60,000	60,000	
19	30 Brock Street, Regents Place	NW1	British Land		Q3 2013	21,000	21,000	
20	Walmart House, 288-300 Regent Street	W1	Great Portland Estates		Q3 2013	50,000	50,000	
21	30 Berkeley Square	W1	Phillips de Pury		Q3 2013	52,000	–	
22	23 King Street	SW1	Standard Life		Q3 2013	45,000	45,000	
23	101 Euston Road	NW1	Romulus	Undisclosed tenant	Q4 2013	28,000	15,000	
24	10 New Burlington Street	W1	Exemplar/Crown Estate		Q4 2013	97,000	97,000	
25	5 St James Square	SW1	Exemplar		Q4 2013	15,000	15,000	
26	6 St James Square	SW1	Exemplar		Q4 2013	115,000	115,000	
27	1-2 Stephen Street (Phase 1)	W1	Derwent London	BrandOpus LLP	Q4 2013	23,000	8,000	
28	29-37 Davies Street	W1	Grosvenor Estates/Stow		Q1 2014	23,000	23,000	
29	Fitzroy Place, Mortimer Street	W1	Exemplar/Aviva Investors/ Kaupthing Bank		Q1 2014	310,000	310,000	
						Total	2,308,000	1,832,000
West End Completed								
30	160 Great Portland Street	W1	Great Portland Estates	Double Negative	Q2 2012	87,000	–	
31	25 Soho Square	W1	Aviva Investors		Q2 2012	45,000	45,000	
32	1 Poland Street	W1	Prupim	Tag Worldwide	Q2 2012	23,000	–	
33	123 Victoria Street	SW1	Land Securities	Jimmy Choo/CDC Group	Q2 2012	198,000	119,000	
34	50 Grosvenor Hill	W1	Grosvenor Estates		Q2 2012	20,000	20,000	
35	One Chapel Place	W1	Welput/Grafton		Q3 2012	26,000	26,000	
36	1 Howick Place	SW1	Terrace Hill/Doughty Hanson		Q3 2012	142,000	142,000	
37	Carlton SW1	SW1	West Midlands Pension Fund		Q4 2012	32,000	32,000	
						Total	573,000	384,000
Midtown Under Construction								
38	24-28 Bloomsbury Way	WC1	WPP Group	WPP Group	Q4 2012	45,000	0	
39	55 Strand	WC2	Aviva Investors		Q4 2012	23,000	23,000	
40	New Fetter Place East & West	EC4	Kirkbi AS Real Estate		Q4 2012	93,000	93,000	
41	280 High Holborn	WC1	Hines		Q4 2012	65,000	65,000	
42	1 Southampton Street	WC2	Aviva Investors		Q4 2012	40,000	40,000	
43	6 Agar Street	WC2	Legal & General		Q4 2012	55,000	55,000	
44	Africa House, 64-78 Kingsway	WC2	Freshwater		Q1 2013	110,000	110,000	
45	Lever House, 85 Clerkenwell Road	EC1	GE Capital Real Estate		Q2 2013	20,000	20,000	
46	10 Bloomsbury Way	WC1	London & Regional Properties		Q2 2013	156,000	156,000	
						Total	607,000	562,000
Midtown Completed								
47	40-43 Fleet Street	EC4	C Hoare & Co Bank	C Hoare & Co Bank	Q2 2012	19,000	0	
48	Wellington House, 125-130 Strand	WC2	Duchy of Lancaster		Q3 2012	33,000	33,000	
49	Gretton House, 28-30 Kirby Street	EC1	Seven Capital		Q3 2012	24,000	24,000	
50	6 New Bridge Street	EC4	Hawkmoor Estates		Q3 2012	22,000	22,000	
						Total	98,000	79,000
City Under Construction								
51	Buckley Building, 49 Clerkenwell Green	EC1	Derwent London		Q4 2012	85,000	85,000	
52	8 Fenchurch Place	EC3	AREA Property Partners/PMB Holdings		Q4 2012	95,000	95,000	
53	26 Finsbury Square	EC2	Metropolitan Properties subsidiary of Freshwater		Q4 2012	80,000	80,000	
54	1-3 St Paul's Churchyard	EC4	AXA Real Estate Investment Managers		Q1 2013	60,000	60,000	
55	30-40 Eastcheap	EC3	Aviva Investors		Q1 2013	20,000	20,000	

No.	Scheme	Postcode	Developer	Tenant	Completion date	Total space sq ft	Space available sq ft
56	63 St Mary Axe	EC3	Rockspring Property/National Pension Scheme of Korea		Q1 2013	80,000	80,000
57	Scotia House, 33-37 Finsbury Square	EC1	Meritcape/Bank of Nova Scotia		Q1 2013	47,000	47,000
58	Finsbury Circus House, 10 South Place	EC2	Union Investment Real Estate/CORE		Q1 2013	145,000	145,000
59	61-75 Alie Street	E1	Barratt East London		Q1 2013	12,000	12,000
60	18-30 Leonard Street	EC1	London Square Developments		Q2 2013	24,000	24,000
61	36-39 Queen Street	EC4	London & Oriental		Q2 2013	46,000	46,000
62	Sixty London, Holborn Viaduct	EC1	AXA Real Estate Investment Managers/Favermead		Q3 2013	210,000	210,000
63	103 Cannon Street	EC4	Walbrook Land		Q2 2013	12,000	12,000
64	5-11 Worship Street	EC2	Highgate Properties		Q2 2013	15,000	15,000
65	77 Queen Victoria Street	EC4	CBRE Investors		Q2 2013	30,000	30,000
66	City Tower, 40 Basinghall Street	EC2	Great Portland Estates/Starwood Capital		Q2 2013	80,000	80,000
67	6 Bevis Marks	EC3	AXA Real Estate Investment Managers/CORE/MGPA		Q3 2013	160,000	160,000
68	Monument Place, 24 Monument Street	EC3	Rockspring Property		Q3 2013	75,000	75,000
69	3-10 Finsbury Square	EC2	Pembroke Real Estate		Q4 2013	151,000	151,000
70	67 Lombard Street	EC3	Viridis Real Estate		Q4 2013	87,000	87,000
71	71 Queen Victoria Street	EC4	QV Unit Trust		Q4 2013	187,000	187,000
72	1 Commercial Street	E1	Redrow		Q4 2013	73,000	73,000
73	8-10 Moorgate	EC2	Moorgate Property Unit Trust		Q1 2014	138,000	138,000
74	Moorgate Exchange, 72 Fore Street	EC2	MGPA/CarVal/Quadrant		Q1 2014	220,000	220,000
75	20 Fenchurch Street	EC3	Land Securities/Canary Wharf Group	Markel International/RJ Kiln Group	Q2 2014	675,000	546,000
76	Leadenhall Building, 122 Leadenhall Street	EC3	British Land/Oxford Properties	Aon	Q3 2014	574,000	383,000
77	5 Broadgate	EC2	British Land/Blackstone	UBS	Q4 2014	700,000	-
					Total	4,081,000	3,061,000
City Completed							
78	20 Cannon Street	EC4	Allied London/Aerium	Odgers Berndtson	Q2 2012	40,000	0
79	1 Threadneedle Street	EC2	SEB Investment	Nationwide Building Society	Q3 2012	49,000	0
80	St Pauls House, 8-12 Warwick Lane	EC4	Beltrane Asset Management		Q3 2012	36,000	36,000
81	199 Bishopsgate	EC2	British Land/Blackstone		Q3 2012	135,000	135,000
82	1 King Street	EC2	UBS Global Asset Management		Q4 2012	45,000	45,000
					Total	305,000	216,000
Southbank Under Construction							
83	The Place, London Bridge	SE1	Sellar Property Group/Qatar National Bank		Q2 2013	430,000	430,000
84	The Crane Building, 22 Lavington Street	SE1	Dorrington Southside		Q2 2013	50,000	50,000
85	240 Blackfriars Road	SE1	Great Portland Estates/Ropemaker Properties	United Business Media	Q1 2014	224,000	118,000
86	Sea Containers, Upper Ground	SE1	Archlane Ltd		Q1 2014	290,000	290,000
					Total	994,000	888,000
Southbank Completed							
87	Merchant House, 89 Southwark Street	SE1	Allies & Morrison	Allies & Morrison	Q2 2012	17,000	0
88	The Shard, London Bridge	SE1	LBQ Consortium/Sellar Property Group		Q3 2012	589,000	589,000
89	Harlequin Building, 65 Southwark Street	SE1	Rockspring Property/Moorevale		Q3 2012	55,000	55,000
					Total	661,000	644,000
King's Cross Under Construction							
90	Western Transit Shed	N1	Argent Group	Hoare Lea/Argent Group	Q4 2012	55,000	17,000
91	D4 (The Stables), Regent Quarter	N1	P&O Estates (IPOE)/Henderson Global Investors	Macmillan Publishing Group	Q2 2013	9,000	0
92	D2 (Printworks), Regent Quarter	N1	P&O Estates (IPOE)/Henderson Global Investors	Macmillan Publishing Group	Q2 2013	38,000	0
93	Dance Studio, Regent Quarter	N1	P&O Estates (IPOE)/Henderson Global Investors	Macmillan Publishing Group	Q3 2013	37,000	0
94	B2, Pancras Square	N1	Argent Group		Q4 2013	55,000	55,000
95	B3, Kings Cross Central	N1	Argent Group	Camden Council	Q2 2014	150,000	0
96	B4, Pancras Square	N1	Argent Group		Q2 2014	130,000	130,000
					Total	474,000	202,000
King's Cross Completed							
97	4 & 10 Pentonville Road	N1	Derwent London	Ticketmaster UK	Q3 2012	55,000	7,300
					Total	55,000	7,300
Docklands Under Construction							
98	25 Churchill Place	E14	Canary Wharf Group	European Medicines Evaluation Agency	Q1 2014	540,000	290,000
					Total	540,000	290,000
Docklands Completed							
						0	0
					Total	0	0

Red text indicates new starts this survey.



○ Under construction □ Complete



Definitions

Time period: Q2 – Q3 2012

Size minimum: 10,000 sq ft

Construction type: New build construction or significant/comprehensive refurbishment – work to have started, demolition stages not included

Market boundary: As defined by market specialists



Matthew Elliott
City Agency
020 7303 3592
matthewelliott@djdeloitte.co.uk



Stephen Peers
West End Agency
020 7303 3260
speers@djdeloitte.co.uk



Jamie Olley
City Investment
020 7007 4451
jholley@djdeloitte.co.uk



Jonathan Evans
West End Investment
020 7303 3143
jonevans@djdeloitte.co.uk



Anthony Duggan
Head of Research
020 7303 3134
aduggan@djdeloitte.co.uk



Shaun Dawson
Research
020 7303 0734
sdawson@djdeloitte.co.uk



Jon Milward
Development
020 7303 3843
jmilward@djdeloitte.co.uk

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Drivers Jonas Deloitte is a trading name of Deloitte LLP, the United Kingdom member firm of DTTL.

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. We would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. We accept no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2012 Deloitte LLP (trading as Drivers Jonas Deloitte). All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Designed and produced by The Creative Studio at Deloitte, London. 23489A

Member of Deloitte Touche Tohmatsu Limited