

BRIGHTON & HOVE OFFICE MARKET RESEARCH Q3 & Q4 2024

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Brighton & Hove Office Market

OCCUPIER MARKET OVERVIEW

The Brighton & Hove office market saw 177,000 sq ft of take-up in 2024. Whilst activity was strong in the first half of the year, momentum slowed significantly following the announcement of the General Election. The uncertainty led to a noticeable drop in occupier enquiries across all sectors, including offices, resulting in a quieter Q3. However, post-election, confidence began to return, and Q4 saw a steady increase in leasing activity.

Total take-up for the second half of the year reached 86,000 sq ft (40,000 sq ft in Q3 and 46,000 sq ft in Q4), compared with 91,000 sq ft in the first half - a 5.5% decrease. Whilst the drop in activity reflected mid-year market caution, the improved performance in Q4 suggested a gradual recovery.

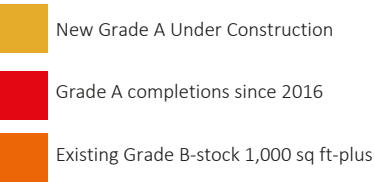
Despite the mid-year slowdown, a clear trend emerged of occupiers seeking higher quality office space to support the growing return-to-office movement. Companies were particularly focused on upgrading to efficient, modern buildings that would help attract employees back to the workplace. However, the availability of prime space remained constrained, with only around 5% of stock benefiting from an EPC A rating. This reinforced demand for high-performance buildings, whilst properties with lower EPC ratings became increasingly less desirable.

busiest quarter for take-up, with 48,500 sq ft leased, Q3 followed with 40,000 sq ft, reflecting the more cautious market conditions during the election period. Activity in Q4 picked up, but overall, the latter half of the year remained slightly behind the first half.

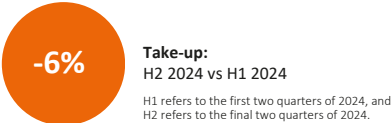
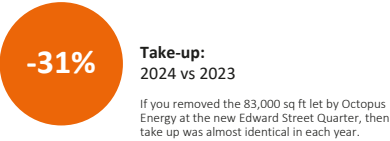
Looking ahead, the return of post-election confidence suggests a more positive outlook for 2025, with occupiers likely to re-engage in decision making and leasing activity as economic conditions are anticipated to stabilise.

In terms of rental trends, Grade B quoting rents remained relatively static, with limited rental growth and, in some cases, reductions in achieved rents. While Q2 was the

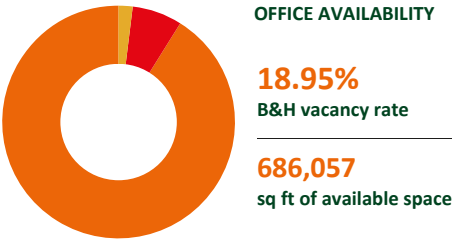
OFFICE STOCK CLASSIFICATION



SNAPSHOT



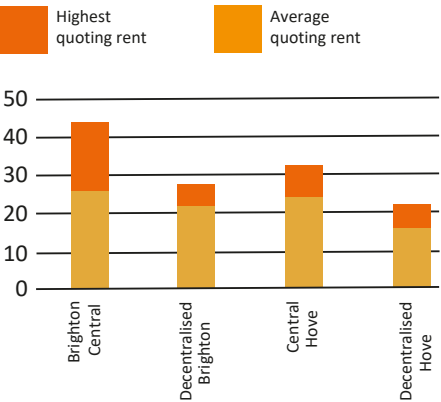
OFFICE AVAILABILITY



Outlook for 2025

- So far in 2025 the early signs are positive, with the busiest start to the year we have known for several years.
- A growing trend of local businesses taking a back to the office approach, resulting in more activity in the market.
- Tight supply of Grade A and continued demand for such space will likely see further letting at £40 psf and above.
- Project completion of Hove Central, brought forward by Moda Living. Comprising 24,000 sq ft of Grade A space in a mixed use scheme – the first of its kind in Hove for a long time.
- Vacancy rate to fall, albeit very gradually (1% – 3%).
- Increasingly, landlords of tired Grade B/C space being left with properties that are unappealing to the market, both in terms of spec and falling below MEES, thus essentially unlettable.

QUOTING RENTS (£ PSF)



Top 8 Deals



Part 1st Floor & 6th Floor, Plus X Innovation Hub, Brighton
9,273 sq ft
Let to a health & beauty retailer



2nd Floor, The Portland Building, Church St, Brighton
7,800 sq ft
Let to a marketing agency



2nd Floor, Ridgeland House, 165 Dyke Road, Hove
7,247 sq ft
Let to a pharmaceutical's distributor



2nd Floor, One Gloucester Pl, Brighton
7,213 sq ft
Let to an events company



1st Floor, City View, Stroudley Rd, Brighton
6,083 sq ft
Let to a marketing agency



Ground Floor West, Telecom House, Brighton
5,819 sq ft
Let to a charity group



4th Floor, International House, 78-81 Queens Road, Brighton
5,175 sq ft
Let to a fashion retailer



4th Floor, Aspect House, 83-85 Queens Road, Brighton
3,958 sq ft
Let to an insolvency practitioners

Key Trends

SURGE IN NEW SPACE TO THE MARKET

The Brighton & Hove office market saw a sharp rise in availability towards the end of 2024, with 130,000 sq ft of new office space introduced in Q4 alone. By year-end, total availability had reached 686,000 sq ft - the highest level recorded since before the Covid-19 pandemic.

This increase was largely driven by the introduction of 10 Middle Street, which added 30,000 sq ft of Grade A office space. Additionally, Victory House at Trafalgar Place brought a further 18,000 sq ft to the market.

Despite the slowdown in new office development, steady, if not buoyant take-up is expected to reduce availability over the coming quarters. Looking ahead, the only new build office scheme set for completion in 2025 is the Hove Central development on Sackville Road.

OCCUPIER TRENDS & DEAL SIZES

As is typical of Brighton's diverse market, occupiers ranged from professional services and medical businesses to charities and jewellery brands.

The largest letting in the second half of the year was The Body Shop's 9,000 sq ft deal at Plus X Innovation Hub, a clear statement of intent under new ownership. Meanwhile, Inizio Evoque took 7,800 sq ft at the Portland Building, highlighting continued demand for new build Grade A office space.

RENTAL TRENDS

At the end of Q4, the average quoting rent in Central Brighton stood at £27.30 per sq ft, reflecting a 3.3% increase from £26.44 per sq ft a year earlier. While this represents some rental growth, it remains relatively modest in the context of broader economic uncertainty and subdued leasing activity in the second half of the year.

This trend has been mirrored across the city's other core office locations, including Decentralised Brighton, Central Hove, and Decentralised Hove, where quoting rents have remained largely static. In these areas, landlords have generally been sensitive to pushing rents higher, recognising that occupiers remain cost-conscious and increasingly selective in their space requirements.

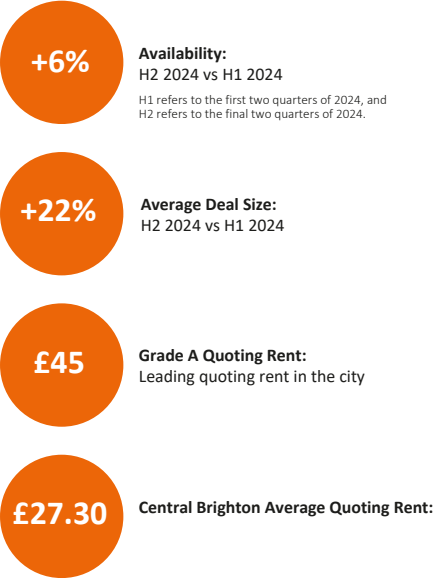
The average deal size increased from 2,700 sq ft in H1 to 3,300 sq ft in H2, indicating that while fewer deals were completed in the latter half of the year, those that did transact were for larger spaces.

FLIGHT TO QUALITY CONTINUES

A key trend throughout 2024 was the growing demand for higher-quality office space. Many businesses have adopted a hybrid approach, with employees in the office at least three days per week, leading occupiers to favour well-designed, amenity-rich offices over purely functional or economical options.

Despite the lack of significant rental growth, demand for high-quality office space has kept prime rents resilient, particularly for Grade A stock with strong ESG credentials. However, for lower-specification space, incentives such as rent-free periods and flexible lease terms have played a more prominent role in securing deals, reflecting a market where occupiers continue to prioritise value and quality over price alone.

SNAPSHOT



Key New Availability



10 Middle Street, Brighton
2,500 - 30,000 sq ft
£45 psf quoting



Ground & Part 1st Floor,
Victory House, Brighton
5,000 - 18,000 sq ft
£45 psf quoting



1st Floor, Exion 27,
Crowhurst Road, Brighton
12,500 sq ft
ROA



Various Floors, Telecom House,
Brighton
2,000 - 12,500 sq ft
£17.50 psf quoting



Atlas Chambers, 33 West St,
Brighton
7,000 sq ft
£30 psf quoting



Ground Floor, City View,
Stroudley Rd, Brighton
5,500 sq ft (Tenant Space)
£29 psf passing



3rd Floor, 19A Portland Street,
Brighton
5,500 sq ft
£25 psf quoting



Ground Floor Rear, City Gate,
Dyke Road, Brighton
3,500 sq ft
£23.50 psf quoting

Tenant Success Story

JEWELLERS ACADEMY

At the end of 2024, we were pleased to complete the letting of a character property in the heart of The Lanes to Jewellers Academy. They secured 2,500 sq ft of vacant space and swiftly transformed it into a thriving creative hub.

We recently caught up with Jessica Rose, founder of Jewellers Academy, who previously operated her studio in Hatton Garden. Following the impact of Covid, she set her sights on Brighton as the ideal new home for her business. To learn more about their work, [visit their website](#).

BEFORE



AFTER



"Our goal is to have a creative hub for jewellers and creatives in Brighton where people can learn, create and enjoy the process of jewellery making."

Quick Q&A With the Founder

Tell us about your business!

"We are called Jewellers Academy Brighton and are a thriving jewellery school based in central Brighton. We help people of all levels learn to make jewellery, from complete beginners through to professional jewellers."

We have over 50 different classes to choose from including short taster classes on how to make a silver ring for a fun activity through to year-long diploma programmes for anyone wanting to train as a jeweller or to start or grow a jewellery business."

We also offer 'Make Your Own Wedding Ring' classes and private tuition tailored to whatever the student would like to learn. It is a wonderful space to be creative and make handmade jewellery in."

What attracted you to the property and the location?

"Middle street is so central and was the ideal location for us. It's moments away from the pier and the sea, my favourite part about Brighton! Then a short walk from the train station for our travelling students."

It was also a nice big space which has allowed us to have multiple studios with a range of classes running each day. Having a lift in the building is ideal from an access perspective and the space has lots of nice natural light and some friendly landlords which makes it a perfect spot for us."

In the Pipeline

HOVE CENTRAL: A PREMIER MIXED-USE DEVELOPMENT COMING SUMMER 2025

Set for completion in Summer 2025, Hove Central has transformed the skyline in and around Sackville Road with a dynamic mixed-use development. Led by national developer Moda Living, the scheme will deliver 564 build-to-rent apartments, offering residents access to premium amenities, including an on-site gym, cinema room and private dining space.

The development will also feature extensive public gardens, a central boulevard leading to a large public square, office accommodation, workspaces, shops, and cafés, creating a vibrant community hub. Sustainability is a key focus, with the development targeting BREEAM 'Excellent' and EPC 'A' ratings to ensure high environmental performance.

Office Space Availability

Hove Central offers a variety of Grade A office spaces designed to accommodate diverse business needs:

- Block A:** Features six levels of office space, totaling approximately 23,750 sq ft. Mostly comprising 4,300 sq ft floor plates.
- SME Spaces** in Block A: Provides smaller units ideal for small to medium-sized enterprises, as well as alternative uses falling within Use Class E including health, leisure and medical. Totalling approximately 4,400 sq ft across ground, first and second floor.

- Block C:** Comprises a total area of approximately 5,000 sq ft arranged over the ground floor. The space is currently sub-divided into 5 separate units, ranging from circa 750 - 1,500 sq ft, but it would be possible to combine multiple units to suit individual requirements.

For detailed information on available office spaces and other commercial leasing opportunities, please visit the [Hove Central property listing on our website](#).



Residential concierge



View of the scheme from Poynter Road



Designed to improve health and well-being



WiredScore Gold for reliable and speedy internet throughout



The clubhouse features roof space with view of the city



Car parking with electric charging points



Three new green spaces to relax with over 80 mature trees



5 minutes walk from Hove Station



BREEAM excellent & Energy Performance Certificate A rating



LED lighting installed throughout the office building



WiFi connection throughout the common areas



High speed modern elevators providing step free access



Secure underground bike parking plus access to local share scheme



High quality showers and changing rooms



Grade A offices indicative layout plan

Schedule of Commercial Spaces



Grade A Offices

Block A

- 1st Floor - 4,301 sq ft
- 2nd Floor - 4,311 sq ft
- 3rd Floor - 4,310 sq ft
- 4th Floor - 4,273 sq ft
- 5th Floor - 4,285 sq ft
- 6th Floor - 2,279 sq ft

Grade A Block A Total - 23,759 sq ft

Block D

Ground Floor - 6,578 sq ft - **Under Offer**

Other Offices / Use Class E

Block A

- Ground Floor - 1,023 sq ft
- 1st Floor - 1,943 sq ft
- 2nd Floor - 1,404 sq ft

Total - 4,371 sq ft

Block C

- Ground Floor, Unit A - 1,609 sq ft
- Unit B - 742 sq ft
- Unit C - 798 sq ft
- Unit D - 882 sq ft
- Unit E - 894 sq ft

Total - 4,925 sq ft

Brighton Office Agency Team

CONCLUSION

This report offers an analysis of recent market activity and trends in the Brighton & Hove office market during the second half of 2024 providing comparisons with historical uptake and availability.

For further insights, please feel free to reach out to any member of the Flude office agency and research team.



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