

MEET THE AGENTS

'An opportunity for the brave'

Colette Flowerdew-Kincaid sits down with the agents at the heart of the South West property scene to get their views on the commercial property market as it stands, and what the future holds for this sector as it battles turbulent conditions and accelerated city centre demand

ANDY HEATH

partner, CSquared

As we all know it's a challenging environment with little commercial development happening due to rising construction costs, cost of debt and a lack of investor confidence. The more proactive clients are doing everything

they can to get to the point of starting on site such as demolition, enabling works and tying down construction costs so when the time comes to 'press the button' they are ready.

As with all markets, it's been a challenging few years. However, Bristol is one of the best placed markets in the UK to bounce back

and has huge potential which is backed up by the statistics.

Bristol has the lowest level of office construction compared with total size of office stock anywhere in the UK, creating opportunity for the brave. Furthermore, Oxford Economics predicts 2 per cent job growth in the city over the next two years, with only Edinburgh higher, and vacancies are now falling and take-up strengthened in the first quarter.

CHRIS MEREDITH

director and head of office agency in Bristol, Savills

There are five or so commercial sites in Bristol that are close to getting planning permission, but what we are seeing at the moment is a viability issue, due to yield making viability of these sites look challenging. As such, rents are being pushed upwards.

It is a bit of a balancing act, and anybody that needs 25,000 sq ft-plus is having to look long term. They would need to start this relocation journey two-to-three years ahead of their lease ending, so those kinds of occupiers are being forced to consider pre-lets, and this leads to a debate for the developer about whether 25,000 sq ft is big enough to commit to.

What we have seen though is that anyone who has committed to build speculatively has been successful in Bristol – they have been typically 50-60 per cent let by time of practical conclusion. Occupiers like the certainty of delivery, and we have seen that across the region with developments such as Swindon's One Newbridge Square, which people thought was brave at the time but has had some good traction.

CHRIS YATES

lead director for South West & Wales

industrial & logistics, JLL

The South West industrial and logistics market has witnessed a welcome return of



Roxi Foster

ROXI FOSTER

director of office advisory, Lambert Smith Hampton

Flight to quality remains a key trend in occupier demand for office space. These prime developments are focused on the strongest regional centres, meaning secondary towns and centres will struggle moving forwards. Another trend is the stronger performance of city centres versus out-of-town markets. Across key regional locations outside of London, 74 per cent of take-up through 2024 was within central business district locations.

Despite strong demand, there has been a lack of development. In recent years it has proved hard to fund developments and this is starting to show on the ground with no new builds under way in Bristol – the smallest development pipeline of any major UK market. The refurbished market is meeting demand for the time being but a lack of quality supply will impact on the city's ability to compete among the big six.



OREGA

WHY BUSINESSES IN THE SOUTHWEST ARE CHOOSING FLEXIBLE WORKSPACES.

By Sophie Turnbull, Commercial Director at Orega

The way businesses operate is evolving, as cities across the UK adapt to new workplace demands. Bristol itself has emerged as a hub for flexible office space, driven by its booming tech and science sectors. Flexspace has become integral to corporate property strategies now accounting for 10% of office take-up. According to Orega's survey, 52% of businesses not yet using flex space said they would consider it going forward.

Why Flex Space Is on the Rise

Companies are turning to flexible workspaces for their adaptability, cost-effectiveness, scalability and enhanced employee experience. At Orega's Bristol office on 33 Colston Avenue, we host professionals from recruitment, business services, engineering, legal, and tech sectors. Many highlight the benefits below:

1. Flexibility & Scalability

Businesses value the ability to expand without long-term lease constraints. Recruitment firm LHI Group, began with a small space at Orega Bristol in 2021. As their team grew, we adapted their layout to suit a more functional and collaborative environment enabling them to expand without relocating.

Similarly, UK law firm Dehns used flex space to launch a Bristol office with minimal risk. Starting with two employees, they seamlessly grew into three connected offices for a team of 15.

Many companies use flex offices as a temporary solution as hybrid working patterns settle down and while refining their long-term property strategies. The ability to downsize or scale up quickly is a critical in today's fluid work environment.

Others adopt flex space long-term to avoid the burdens of managing facilities, IT, cleaning, and health and safety – freeing up resources to focus on business growth.

2. Simplified Operations

Traditional leases often come with multi-year commitments and separate contracts for utilities, broadband, and services. Flex space eliminates this complexity. One all-inclusive 12-month agreement covers office use, internet, and amenities making it easier for businesses to reconcile and account. By streamlining administration, businesses can focus on their core operations.

3. Prime Locations & Connectivity

Bristol's strong business ecosystem and liveability make it an ideal base. Its mix of start ups, media firms, professional firms and green businesses has driven demand for centrally located, modern offices. Orega's office at 33 Colston Avenue offers a prestigious city-centre address with excellent transport links – ideal for companies that value visibility and accessibility.

4. High-Quality Work Environments

Post a £1.25 million refurbishment, Orega Bristol offers upgraded breakout areas, private phone booths, quiet zones, and soft seating to support both collaboration and focused work. Enhanced showers and bathroom facilities promote active commuting, while robust IT infrastructure ensures seamless operations.

Dehns praise the polished, professional environment that reflects their brand and supports client-facing work.

5. Comfort & Community

Today's employers know that attracting staff back to the office takes more than providing desks. Natural light, climate control, and modern conveniences – like touchscreen coffee machines – enhance day-to-day experience.

Community events and networking opportunities are another draw. Local pop-ups, exclusive discounts, and social events build connections between tenants. In a city like Bristol – where collaboration across sectors drives innovation – these interactions add real business value.

6. Sustainability Matters

Environmental responsibility is increasingly central to corporate values. Many flexible workspace providers – including Orega – prioritise sustainability, as businesses look to reduce their carbon footprint, aligning with Bristol's reputation as a leader in environmental innovation.

7. Premium Service & Support

Flex space is often likened to hospitality for its high level of service. Orega's seamless onboarding process includes customization, branding support, and advanced IT setup. On-site managers provide daily operational assistance.

Clients note the professionalism of the front-of-house service, enhancing the experience for visiting clients. With cleaning, maintenance, coffee, and water handled, businesses fully focus on what they do best.

The Future of Flex in Bristol

Flexible workspaces offer the agility, simplicity, and quality that modern businesses demand. As hybrid working continues to shape the future of work, flex space is poised for even greater growth in Bristol and beyond.

Considering locating into flexible office space in the Bristol area? Please contact hello@orega.com or call 0800 840 5509

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the larger box transactions during H1 2025, buoyed by an uptick in demand from key sectors including food retail (with the likes of Waitrose and M&S committing to space), defence-related contracts, third-party logistics (notably those related to ecommerce and national scale infrastructure projects) and temperature-controlled storage.

There are challenges to the sector, including notably the volatility of global trade with the imposed US tariffs, stubbornly high construction costs which continue to impinge on development viability and tax hikes on UK businesses that have resulted in higher labour cost and threaten to reduce investment. This is balanced against the opportunity that this landscape has conversely created, including nearshoring helping to combat supply chain disruption, a reduction in speculative development that is keeping a degree of control on market supply and pick up in demand from key sectors aligned with the government's infrastructure plan, such as defence.

TOM MORRIS

managing director, CBRE

If I had to pinpoint three core priorities right now, they would be the public sector, operational real estate, and the living sector.

Local authorities are under immense pressure and need the support of the property industry to manage their assets more effectively – not just commercial holdings, but their broader estates.

Operational real estate is another area of growing importance. Our clients are increasingly looking to diversify their portfolios and explore new revenue streams, whether in healthcare, education, hotels, or other specialist sectors. This shift is reshaping how we as a region and industry think about value and performance in property.

And finally, the living sector is where we're seeing some of the most exciting

ADRIAN ROWLEY

head of agency, Alder King

The South West and South Wales commercial property markets have demonstrated robust performance through the first half of 2025, with significant demand continuing from core business sectors including defence, security, energy and logistics.

In the office sector, demand remains strongest for grade-A space that offers superior quality and amenities. However, there has also been increased take-up of secondary office space, particularly in locations where new-build office development has been absent for many years.

The retail sector presents a mixed picture, while out-of-town retail experiencing significant repositioning, with space increasingly being converted for alternative uses. A good example of this is the University of Gloucester's city campus which is transforming the former 215,000 sq ft Debenhams department store.



Adrian Rowley

momentum. From build-to-rent (BTR) and Purpose-Built Student Accommodation (PBSA) to co-living and mainstream housing, demand continues to outstrip supply. Bristol,

in particular, is on the cusp of a major transformation, with the Temple Quarter regeneration offering a once-in-a-generation opportunity.

GEORGE HOOTON

director, Hootons

While the core principles of our business – providing a personal

and responsive service – have remained largely unchanged, both client expectations and the regulatory landscape have evolved significantly in recent years.

There is now a much greater emphasis on data. Agents are increasingly required to collect, analyse, and securely store information to support decision-making and win instructions, often using more sophisticated systems than ever before.

Compliance has also come into sharper focus, especially with the fairly recent introduction of the Digital Markets, Competition and Consumers Act, and the tightening of Anti-Money Laundering (AML) and GDPR regulations.

And of course, we can't ignore the growing role of artificial intelligence. From identifying and fielding leads to enhancing customer service and generating standardised reports, AI has the potential to reshape many areas of agency practice.

I believe the South West commercial property market is reasonably well-positioned for steady growth, supported by underlying occupier demand, constrained supply of quality stock, and major infrastructure projects.



George Hooton