London Offices Spotlight

Q4 2025

A quarterly snapshot of the London office market.

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London Overview

3.3 m sq ft
Take-up

23.0 m sq ft
Availability

8.6 %
Vacancy rate

11.4 m sq ft
Active Requirements

£3.3 bn
Investment volumes

10.9 m sq ft
Under Construction (Spec)

Key Themes

1.

2025 take-up reached 12.1m sq ft, 8.2% above the long-term average.

2.

London vacancy has fallen by 40bps to 8.6% and could drop to 7.6% - the long-term average – if space under offer completes.

3.

Investment volumes see best quarter since Q1 2022, with further momentum likely with £3.1bn under offer.

Submarket Key Indicators

Submarkets	New/Refurb Vacancy Rate	Vacancy Rate	Prime Rent	Quarterly Change	Rent Free Periods (Months)
Aldgate/Whitechapel	5.3%	11.2%	£57.50	◀▶	27
City Core	3.7%	6.2%	£102.50	▲	24-27
Clerkenwell/Farringdon	10.1%	16.3%	£92.50	◀▶	24
Midtown	4.0%	6.6%	£85.00	◀▶	27
Southbank Core	7.7%	9.6%	£90.00	◀▶	24-27
Vauxhall/Battersea	17.8%	18.8%	£60.00	◀▶	24-27
Canary Wharf	4.9%	9.7%	£57.50	◀▶	27-30
Rest of Docklands	4.8%	6.0%	£32.50	◀▶	30
Stratford	20.2%	28.7%	£48.50	◀▶	27
Bloomsbury	4.7%	8.4%	£82.50	◀▶	24-27
Fitzrovia	8.0%	13.3%	£97.50	▲	24
King's Cross/Euston	5.8%	6.2%	£95.00	▲	24-27
Knightsbridge/Chelsea	11.9%	14.8%	£102.50	◀▶	24-27
Marylebone	3.8%	5.6%	£115.00	▲	24
Paddington	3.7%	5.3%	£85.00	◀▶	24-27
Soho	4.3%	5.5%	£100.00	◀▶	24
Strand/Covent Garden	7.9%	10.4%	£92.50	▲	24-27
Victoria	3.6%	4.3%	£92.50	◀▶	24-27
West End Core	3.8%	5.6%	£185.00	▲	21
White City	9.1%	14.1%	£57.50	◀▶	24-27

Pre-let space under construction

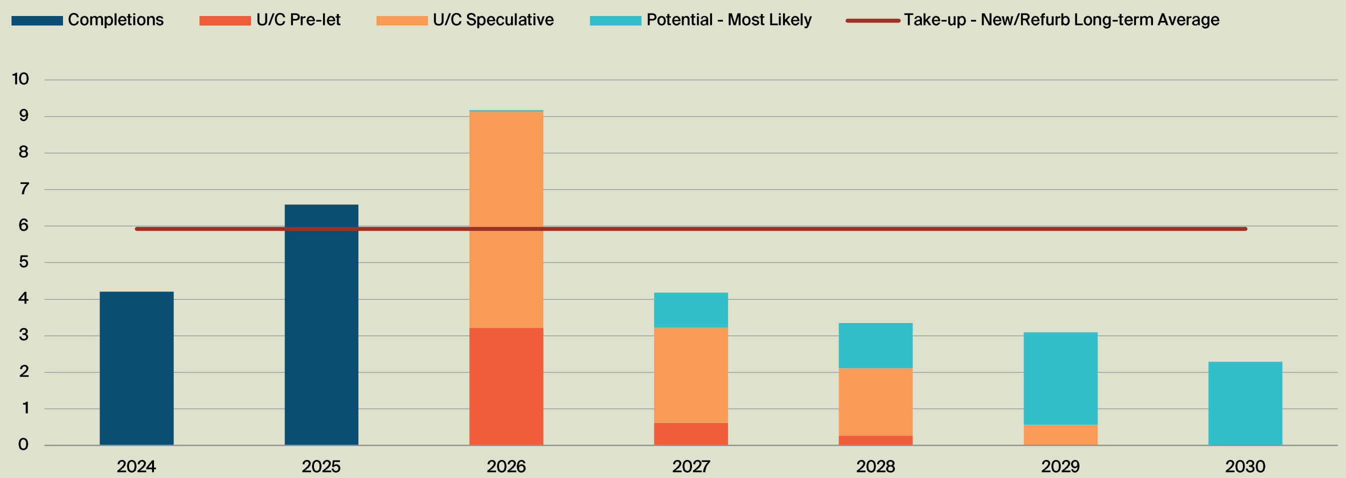
26.2%
City & Southbank
▲

0.0%
Docklands & Stratford
◀▶

34.8%
West End
▲

London - Development Pipeline

m sq ft



Source: Knight Frank Insight

City & Southbank Overview

LEASING MARKET

m sq ft, % of stock	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	% Change 3M	% Change 12M	Long-term average
Take-up	2.10 m	1.48 m	2.09 m	1.57 m	2.02 m	28.9%	-3.9%	1.55 m
Availability	13.49 m	12.76 m	12.64 m	13.54 m	12.84 m	-5.2%	-4.8%	10.07 m
Total Under Offer	2.15 m	1.52 m	2.59 m	1.53 m	2.17 m	41.8%	0.9%	-
Vacancy Rate*	9.6%	9.0%	8.8%	9.4%	8.9%	-0.5%	-0.7%	7.6%
New/Refurb Vacancy Rate	5.6%	4.9%	4.9%	5.5%	5.8%	0.3%	0.2%	4.0
Active Requirements	4.78 m	5.10 m	4.49 m	6.12 m	7.56 m	23.5%	58.1%	4.59 m

* difference from previous quarter/year

KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
One Exchange Square, 175 Bishopsgate, EC2M	152,128	Gibson, Dunn & Crutcher LLP	£101.00 - £112.50
One Exchange Square, 175 Bishopsgate, EC2M	102,828	FTI Consulting	£80.00 - £92.50
St Martins Court, 10 Paternoster Row,EC4M	101,707	London Stock Exchange Plc	Confidential
One Leadenhall, EC3V	91,929	Ripple	£125.00-£150.00
One Exchange Square, 175 Bishopsgate, EC2M	83,346	Pacific Life Re Limited	£94.00 - £95.00

Knight Frank deals

INVESTMENT MARKET

£bn, % per annum	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	% Change 3M	% Change 12M	Long-term average
Turnover	0.73 bn	0.97 bn	1.11 bn	0.40 bn	1.79 bn	350.4%	147.1%	1.67 bn
Availability	1.28 bn	1.99 bn	1.56 bn	1.28 bn	1.15 bn	-10.4%	-10.4%	2.69 bn
Under Offer	0.94 bn	0.56 bn	0.99 bn	1.79 bn	1.20 bn	-32.8%	28.3%	1.35 bn
Yield*	5.25%	5.25%	5.25%	5.25%	5.25%	0.00%	0.00%	4.49%

* percentage point difference from previous quarter/year

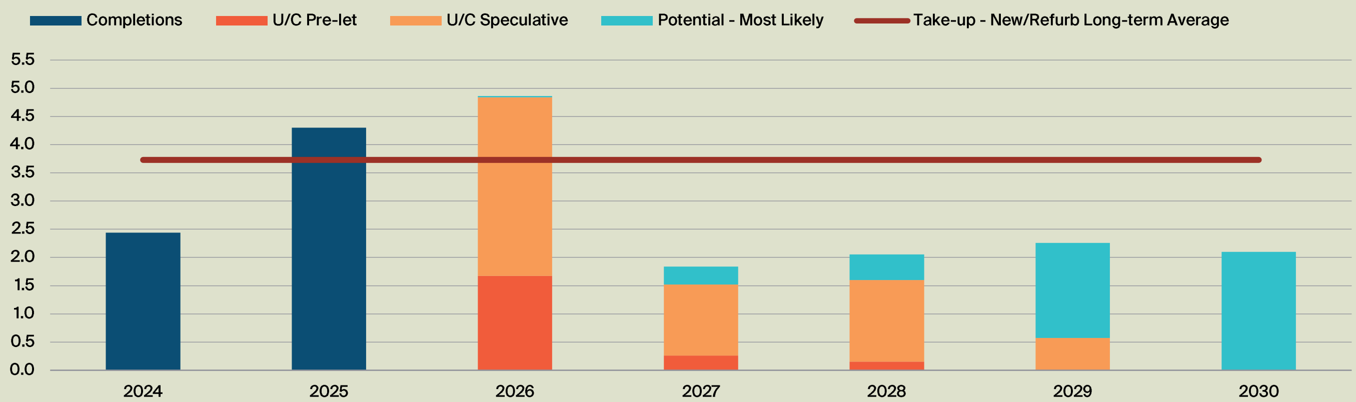
KEY INVESTMENT DEALS

Building	Price (m)	Capital value (PSF)	Yield	Purchaser
70 St Mary Axe, EC3A	£331m	£1,049	5.85%	Capreon Hayfin Capital Management LLP
London Fruit & Wool Exchange, E1	£315m	£983	6.00%	Norges Bank
Holborn Place, EC1N	£275m	£953	-	PSP Investments (increased existing stake)
Park House, EC2M	£186m	£957	5.72%	Enka Properties (UK) Limited
Worship Square, EC2A	£178m	£1,276	6.00%	Hines

Knight Frank deals This table contains information published by third parties, for which we cannot be responsible.

City & Southbank - Development Pipeline

m sq ft



Source: Knight Frank Insight

Docklands & Stratford Overview

LEASING MARKET						% Change		Long-term average
m sq ft, % of stock	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	3M	12M	
Take-up	0.08 m	0.17 m	0.37 m	0.30 m	0.44 m	46.8%	475.1%	0.19 m
Availability	3.74 m	3.87 m	3.21 m	3.28 m	2.91 m	-11.2%	-22.1%	2.77 m
Total Under Offer	0.18 m	0.24 m	0.36 m	0.28 m	0.45 m	60.7%	150.0%	-
Vacancy Rate*	14.6%	15.2%	12.6%	12.8%	11.4%	-1.4%	-3.2%	11.0%
New/Refurb Vacancy Rate	8.0%	7.9%	7.2%	7.3%	6.8%	-0.5%	-1.2%	4.9%
Active Requirements	0.46 m	0.45 m	0.28 m	0.52 m	0.07 m	-87.2%	-85.4%	0.49 m

* percentage point difference from previous quarter/year

KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
1 Canada Square, E14	300,000	Visa	N/A
1 Stratford Place, E20	20,487	AXA Insurance UK PLC	N/A
1 Westferry Circus, E14	19,453	The University of Wales Trinity Saint David	£32.50
1 Canada Square, E14	18,533	Begbies Traynor	£58.50
Sierra Quebec Bravo, 189 Marsh Wall, E14	15,502	iFAST Global Bank Limited	£36.00

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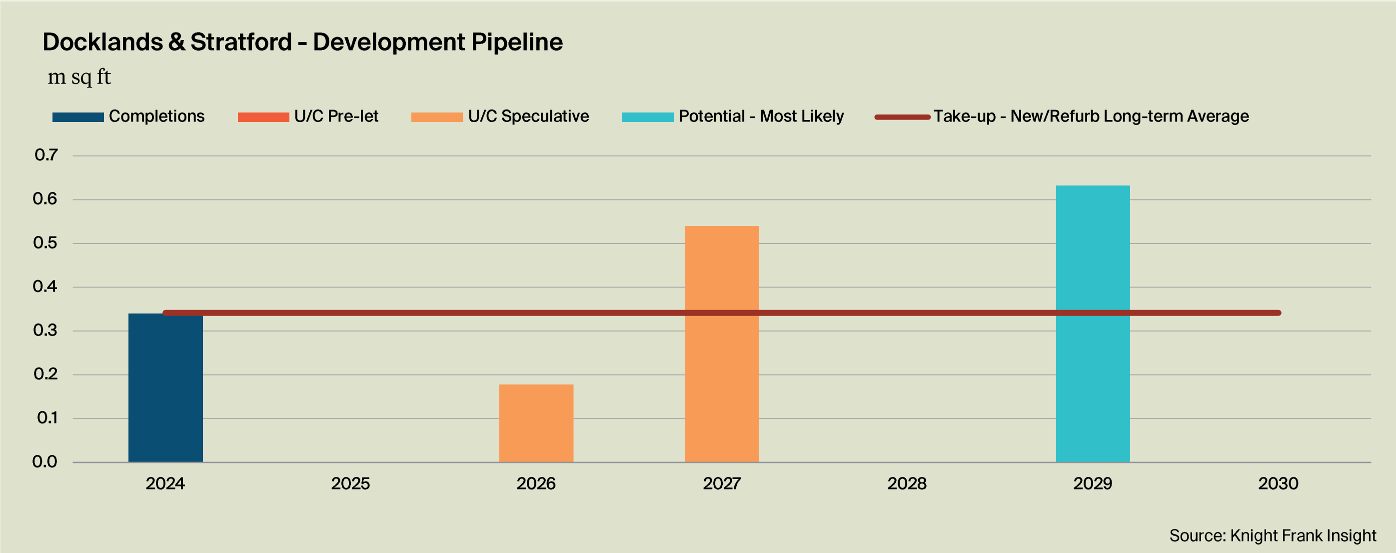
INVESTMENT MARKET						% Change		Long-term Average
£bn, % per annum	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	3M	12M	
Turnover	0.00 bn	0.00 bn	0.00 bn	0.00 bn	0.00 bn	0.0%	-	0.11 bn
Availability	0.27 bn	0.00 bn	0.00 bn	0.00 bn	0.33 bn	-	23.1%	0.07 bn
Under Offer	0.00 bn	0.27 bn	0.28 bn	0.01 bn	0.00 bn	-100.0%	-	0.03 bn
Yield*	7.50%	7.50%	7.50%	7.50%	7.50%	0.00%	0.00%	5.50%

* percentage point difference from previous quarter/year



West End Overview

LEASING MARKET m sq ft, % of stock	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	% Change 3M	% Change 12M	Long-term average
Take-up	1.11 m	0.90 m	1.07 m	0.84 m	0.85 m	0.4%	-23.6%	1.04 m
Availability	6.68 m	7.14 m	7.41 m	7.10 m	7.27 m	2.3%	8.9%	6.14 m
Total Under Offer	1.05 m	0.66 m	0.87 m	0.91 m	0.75 m	-17.6%	-28.6%	-
Vacancy Rate*	7.0%	7.5%	7.7%	7.4%	7.5%	0.1%	0.5%	6.7%
New/Refurb Vacancy Rate	4.8%	5.4%	5.7%	5.4%	5.5%	0.1%	0.7%	3.1%
Active Requirements	1.65 m	2.04 m	1.92 m	1.93 m	1.96 m	1.6%	19.1%	2.07 m

* difference from previous quarter/year

KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
1 Hanover Street, W1S	123,968	Ares Management Limited	£179.50 (blend)
Whiskey Sierra, 20 Whitfield Street, W1T	42,099	Dr. Martens	£97.50 (blend)
9 Cavendish Square, W1G	29,069	Engineers Gate	£57.50 - £130.00
Endeavour House, 189 Shaftesbury Avenue, WC2H	26,521	Runway East Limited	£61.50
Paddington Square, 31 London Street, W2	25,072	Centrica Plc	£85.00

Knight Frank deals

INVESTMENT MARKET £bn, % per annum	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	% Change 3M	% Change 12M	Long-term average
Turnover	1.23 bn	1.57 bn	0.89 bn	1.17 bn	1.46 bn	24.8%	18.5%	1.19 bn
Availability	1.40 bn	2.27 bn	2.39 bn	2.54 bn	1.91 bn	-24.8%	74.9%	1.80 bn
Under Offer	0.79 bn	1.04 bn	1.14 bn	1.21 bn	1.85 bn	52.5%	88.4%	0.91 bn
Yield*	3.75%	3.75%	3.75%	3.75%	3.75%	0.00%	0.00%	3.58%

* percentage point difference from previous quarter/year

KEY INVESTMENT DEALS

Building	Price (m)	Capital value (PSF)	Yield	Purchaser
1 Newman Street, W1D	£250m	£2,052	4.48%	RLAM
Standbrook, Old Bond Street, W1S	£119m	£5,023	3.96%	Aberdeen
EDGE, 125 Shaftesbury, WC2H	£110m	£430	-	Japanese Joint Venture
33 St James's Square, SW1Y	£94m	£2,275	-	3RE Capital Ventures/Aermont Capital LLP

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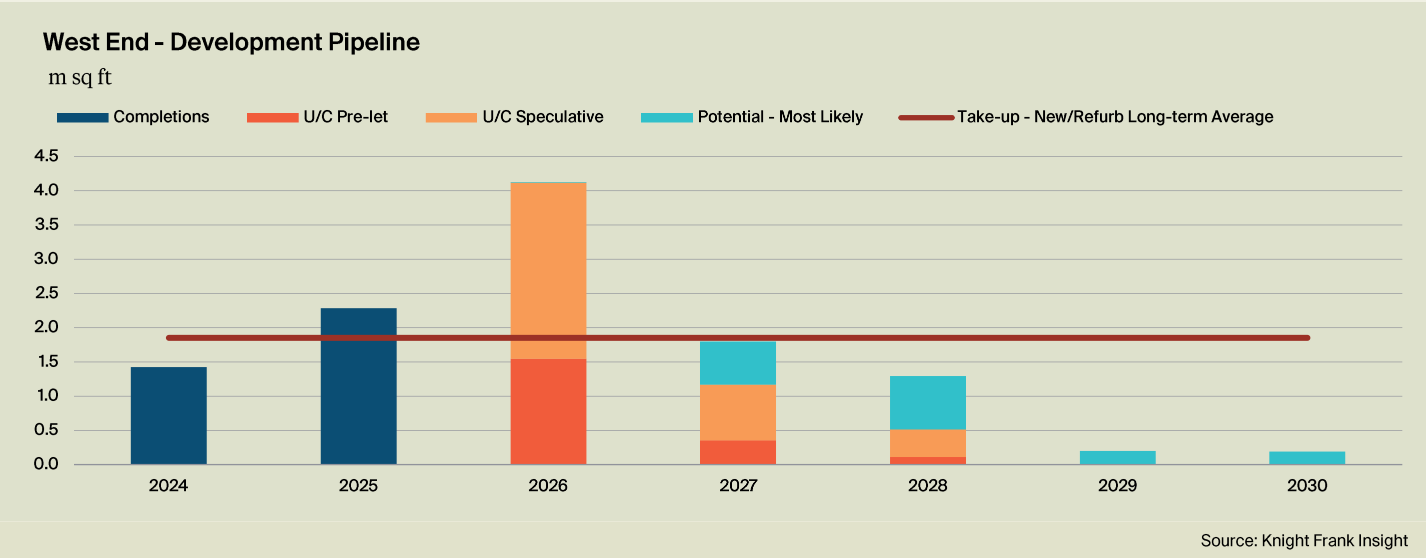

We like questions. If you've got one about our research,
or would like some property advice, we would love to hear from you.

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General Note
This report has been prepared by Knight Frank Insight, the research and consultancy division of Knight Frank. Knight Frank Insight gratefully acknowledges the assistance given by the London office teams in the compilation and presentation of this material. Certain data sourced from LOD. All graph data sourced by Knight Frank.

Technical Note
The following criteria have been adopted in the preparation of this report.

i. All floorspace figures quoted in this report refer to sq ft net.

ii. Take-up figures refer to space let, pre-let, or acquired for occupation during the quarter.

iii. Availability refers to all space available for immediate occupation, plus space still under construction which will be completed within six months and which has not been let.

iv. Availability and take-up are classified into three grades: New/refurbished: Space under construction which is due for completion within six months or space which is currently on the market and is either new or completely refurbished.
Second-hand A Grade: Previously occupied space with air-conditioning.
Second-hand B Grade: Previously occupied space without air-conditioning.

v. Demand figures quoted in this report refer to named requirements for over 10,000 sq ft.

vi. Under construction figures quoted in this report refer to developments of over 20,000 sq ft which are currently underway. They do not include properties undergoing demolition.

vii. Investment figures quoted in this report refer to accommodation where the majority of income/potential income is from office usage and comprises transactions of £1 m and above.

viii. The data includes standing investments, site purchases and funding transactions.

ix. This report is produced to standard quarters.
Quarter 1: January 1 – March 31,
Quarter 2: April 1 – June 30,
Quarter 3: July 1 – September 30,
Quarter 4: October 1 – December 31