

UK Cities



Q1 2026

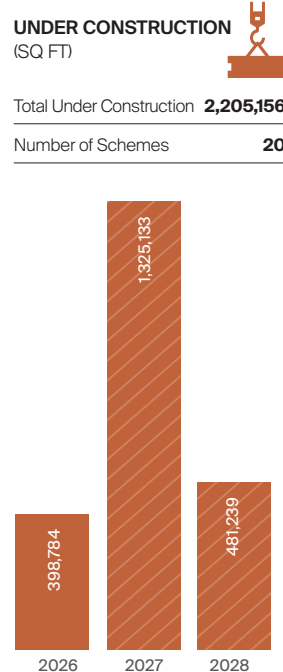
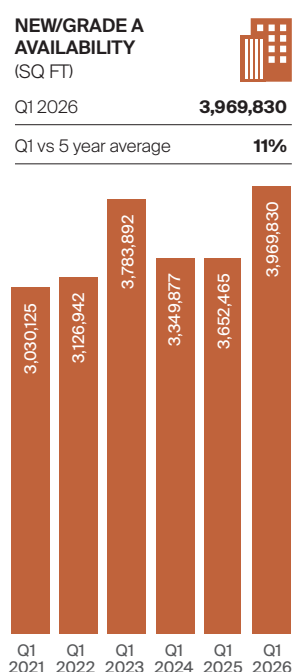
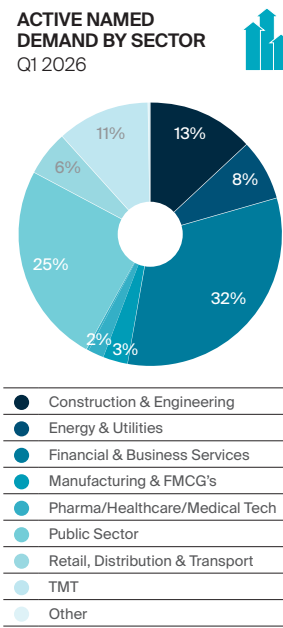
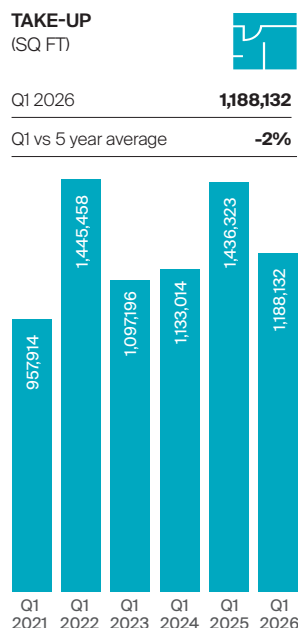
QUARTERLY OFFICE MARKET REVIEW

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Leasing Overview

- UK regional office markets made a solid start to the year, with 1.2m sq ft of take-up in Q1, broadly in line with the five-year average for the first quarter. A total of 256 deals were completed, including 10 transactions exceeding 20,000 sq ft, marking the most active start to a year since 2022.
- Demand was led by Financial and Professional Services, which accounted for 31% of take-up, followed by the Public Sector at 24%. Notably, the latter was responsible for two transactions in excess of 100,000 sq ft during the quarter.
- Looking ahead, the occupational market remains underpinned by a healthy pipeline of requirements, with 3.9m sq ft of active demand. Financial and Professional Services continue to dominate, accounting for 42% of requirements, while the Technology sector represents a further 12%.
- The flight to quality remains a defining theme across the regional markets. Grade A space accounted for 63% of total take-up, reflecting continued occupier preference for high-quality, modern and amenity-rich accommodation.
- Supply conditions were broadly stable, with new and Grade A availability holding at 4.1m sq ft. However, overall vacancy edged up slightly to 13.6%, compared with 13.5% a year earlier. Grade A vacancy increased modestly to 3.4%, although this still points to sustained competition for the best space.
- Development activity remains constrained. At the end of Q1, only 2.2m sq ft of speculative space was under construction, with delivery expected before 2029, limiting the volume of new supply entering the market in the near term.
- Against this backdrop, prime rents continue to strengthen. The average regional prime rent has reached £41.50 per sq ft, representing annual growth of 7%, with the strongest uplifts recorded in Birmingham (18%), Leeds (17%) and Bristol (8%).



Knight Frank View

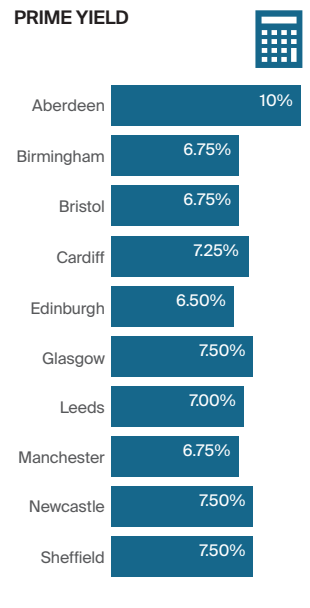
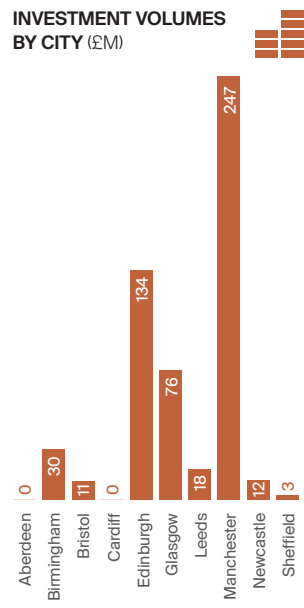
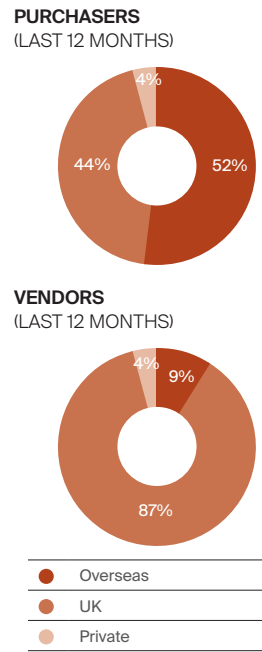
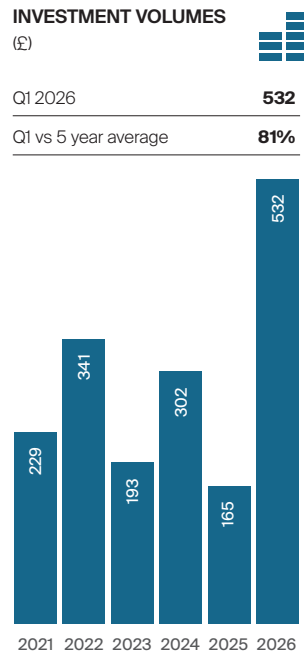


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The UK regional office market has made a measured start to the year, with early signs of improving occupier confidence despite ongoing uncertainty. Activity remains supported by a steady base of demand linked to lease events, alongside the gradual return of larger, more considered requirements. A clear theme remains the continued flight to quality, with occupiers prioritising best-in-class space that supports both workforce needs and wider business objectives. This is increasingly shaping market dynamics, as the gap between high-quality and secondary stock becomes more pronounced. Looking ahead, while demand remains resilient, constrained delivery of new space is likely to keep pressure on availability, reinforcing competition for the best assets and supporting further rental growth across the UK's core regional cities.

Investment Overview

- Office investment volumes across the UK regional cities rose sharply in Q1, with £531m of office stock transacted, the highest quarterly total in the past 12 months.
- A total of 33 deals were completed during the first quarter, well above the five-year quarterly average of 23. Notably, the first-quarter total was the most active since Q2 2022.
- Average deal size increased to £16.1m, the highest level for three years.
- Significantly, two deals over £50m completed. These were Bank of New York Mellon's acquisition of 4 Angel Square for £114m and Melford Capital's purchase of Waverley Gate in Edinburgh for £77m.
- Moving forward, momentum is expected to build into 2026, with approximately £740m of assets under offer at quarter-end and a further £800m currently being marketed.
- The buyer pool remains narrow but expanding. Private equity investors and UK-based property companies are the most active participants, together accounting for around 57% of total investment volumes in Q1. Over the coming year, this base is expected to broaden as overseas capital and UK institutional investors return to the market, attracted by the relative value and long-term, income-secure returns offered by regional office assets.
- Prime office yields across the UK regional cities remained stable in 2025, ranging from 6.50% in Edinburgh to 10.00% in Aberdeen. These levels continue to offer a substantial premium to risk-free benchmarks, with the 10-year gilt hovering around 4.8–4.9% as investors price in persistent inflation risks and a cautious Bank of England policy path.
- Compared with London, where yields stand at approximately 5.25% in the city and 3.75% in the West End, the relative value outside the capital is increasingly compelling. As borrowing costs ease and a broader pool of active capital returns to the market, liquidity across the regional office sector is expected to improve through 2026.



Knight Frank View



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Regional office investment made a strong start to the year, with activity picking up after a more subdued period. Transaction volumes increased accordingly, supported by a greater number of deals and the re-emergence of larger lot sizes, signalling improving investor confidence. There are early signs of momentum, with a growing pipeline of assets under offer and set to come to market. While the buyer pool remains relatively narrow, it is gradually broadening as investors respond to improved pricing clarity and perceived value. Looking ahead, as borrowing conditions stabilise and more capital returns to the market, liquidity is expected to improve. Regional offices continue to offer attractive income-led opportunities, which should support a more sustained recovery over the coming year.

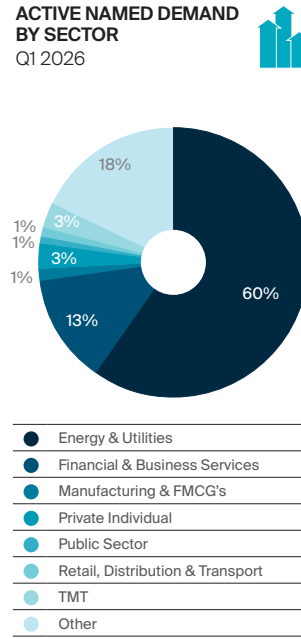
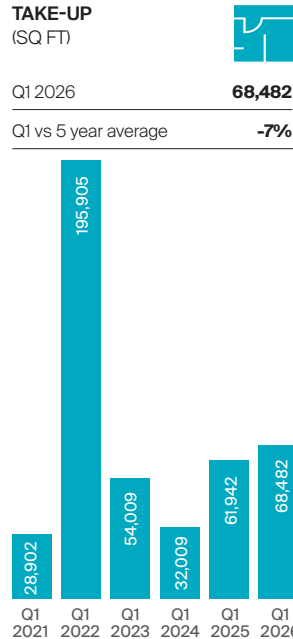


Leading Markets

Aberdeen

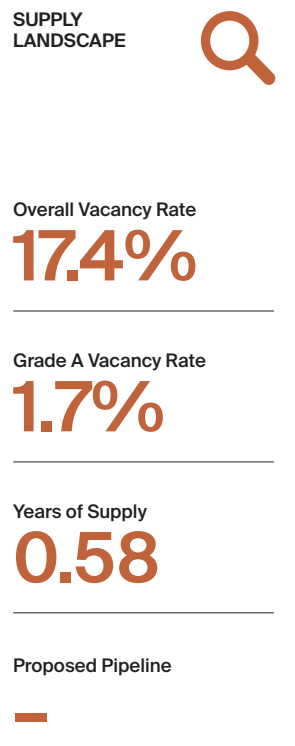
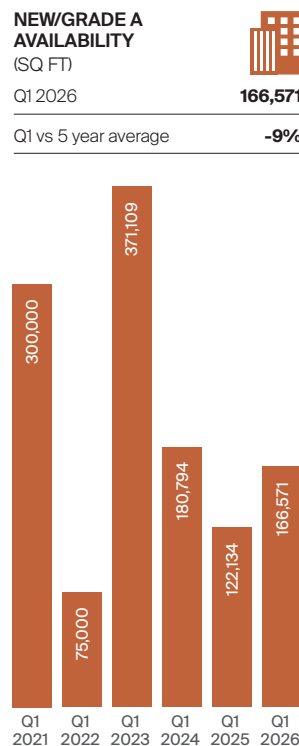
Demand

- Leasing activity strengthened in Q1, with take-up rising to 68,482 sq ft, a 34% increase on Q4 2025 and the strongest start to a year since 2022.
- A total of 13 deals were completed during the quarter, down from 17 in Q4, with larger transactions supporting take-up. Two deals exceeded 10,000 sq ft, including Apache North Sea Ltd's 31,180 sq ft commitment at Hill of Rubislaw.
- Looking ahead, the market remains well supported by occupier demand. Active requirements total 372,900 sq ft, indicating continued appetite and positive momentum that will carry into 2026.



Supply

- Supply dynamics remained tight. New and Grade A availability rose to 166,571 sq ft in Q1, up 36% year on year but still 31% below the five-year average, underlining the slow replenishment of quality stock.
- The development pipeline remains at a standstill, with no space under construction at the end of 2025. This absence of future supply will constrain choice for occupiers seeking new Grade A accommodation and continue to place upward pressure on prime rents.
- Grade A vacancy tightened marginally to 1.7%, down from 1.8% in Q4, but remains above the 1.2% recorded 12 months ago. Even so, the market remains exceptionally tight by historic standards, suggesting potential rental growth.



Knight Frank View



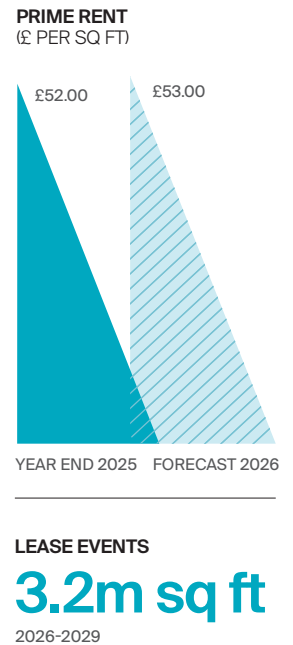
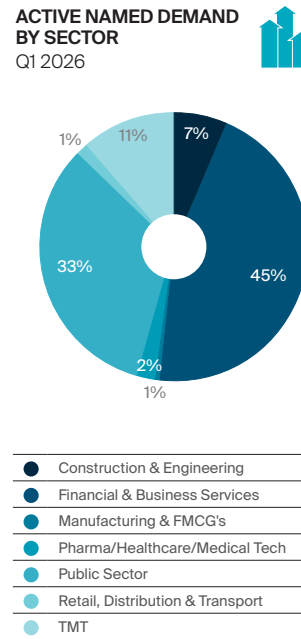
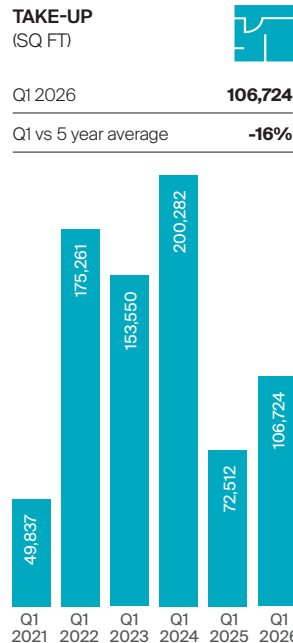
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Aberdeen's office market recorded take up of 68,482 sq ft in Q1 2026, providing a steady opening to the year. Thirteen transactions were completed during the quarter, with eight involving either fully fitted offices or suites where landlords are delivering CAT B accommodation. This reflects trends seen throughout 2025, as occupiers continue to favour space that is ready for immediate use. Demand is being driven by a desire for simplicity, cost certainty and quicker occupation, with many businesses opting to avoid the time, disruption and cost associated with undertaking their own fit out works. As a result, a well-presented, well-fitted space remains particularly attractive across the Aberdeen office market.

Birmingham

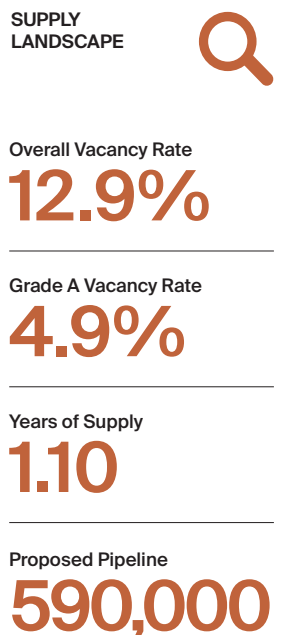
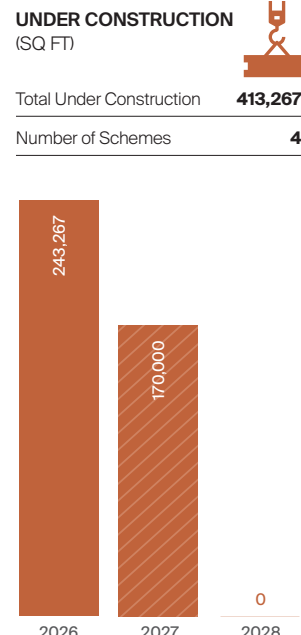
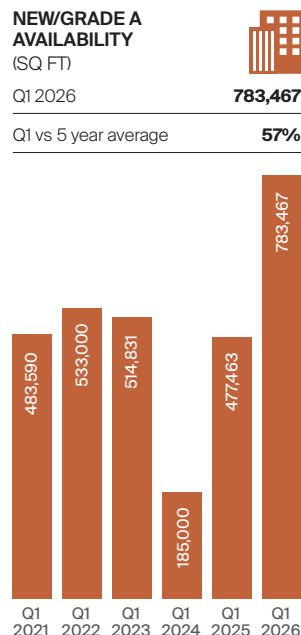
Demand

- Leasing activity was slow in Q1 2026, with quarterly take-up totalling 106,724 sq ft. This represented a 63% decline when compared to Q4 2025 and was 40.8% below the five-year quarterly average of 147,844 sq ft.
- A total of 24 deals were completed during the quarter, down from 27 in Q4, but still marking the strongest start to a year since 2022. The largest transaction was Eversheds' 45,690 sq ft letting at 3 Chamberlain Square.
- Occupier demand remains resilient, with active requirements totalling 665,000 sq ft. This provides a solid underpinning for leasing activity through the remainder of the year.



Supply

- Supply conditions have eased slightly. New and Grade A availability increased to 783,467 sq ft in Q1 2026, representing a 64% rise over the past 12 months.
- Development remains active, with 413,267 sq ft currently under construction across Birmingham. However, delivery timescales mean that prime and near-term options remain limited for occupiers seeking high-quality accommodation.
- The vacancy rate edged up to 4.9% in Q1, from 4.7% in the previous quarter, but remains low by historical standards and continues to support rental growth prospects.



Knight Frank View



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2026 has started strongly, with take-up and deal volumes broadly in line with the five-year average and more than double Q1 2025. Eversheds' commitment at Paradise, setting a new headline rent of £52.00 psf, is a clear endorsement of the market and reinforces the focus on best-in-class space.

Professional and legal occupiers drove activity, with Grade A space accounting for around 76% of take-up. Demand for CAT B fitted suites has also strengthened, particularly at the smaller end, reducing availability and putting upward pressure on rents.

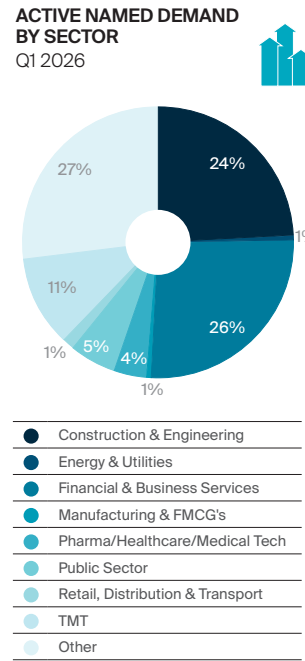
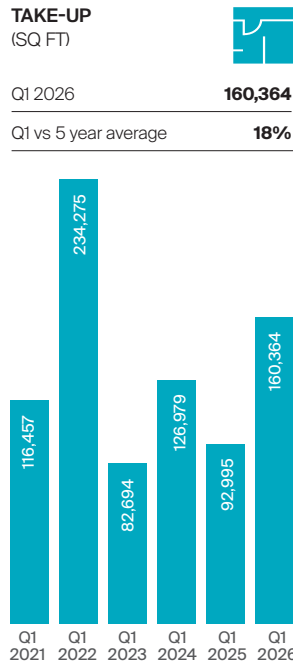
We have also seen a rise in renewals and regears, with occupiers using rent reviews and break options to capture rental growth.

Looking ahead, underlying demand remains positive and, as supply tightens, we expect take-up to strengthen further through 2026

Bristol

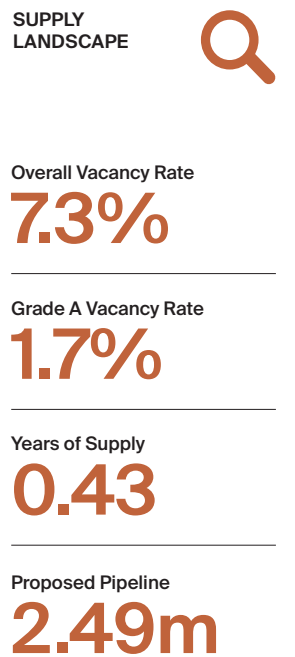
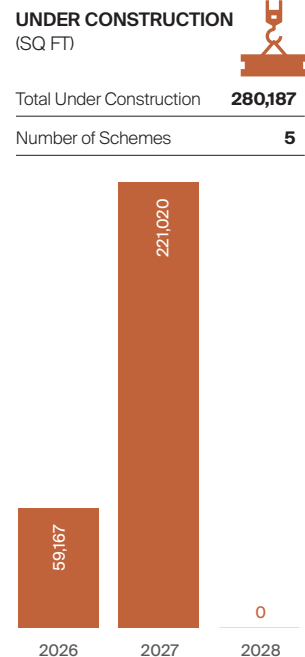
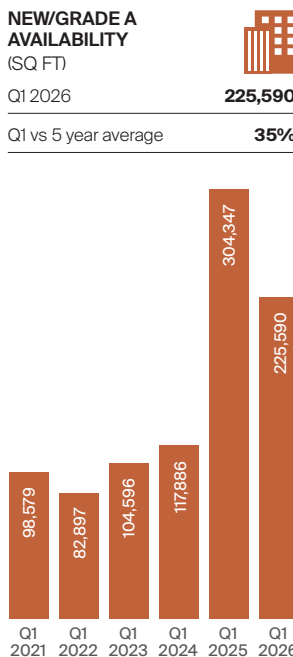
Demand

- Leasing activity eased in Q1 2026, with take-up totalling 160,364 sq ft. This was marginally below Q4 2025, down 2.6%, but was 20% ahead of the five-year quarterly average.
- Activity was led by the 68,500 sq ft letting to Graphcore at 1 St George's Square. A total of 22 deals were completed during the quarter, down from 32 in Q4. Despite this, Q1 2026 marked the strongest start to a year since 2022.
- Occupier demand remains robust, with active requirements of 747,100 sq ft. This points to a strong underlying appetite and provides confidence that leasing momentum will be sustained through the remainder of the year.



Supply

- Despite New and Grade A availability increasing to 225,590 sq ft during the quarter, this represents a 25.9% reduction on levels recorded 12 months ago, highlighting the continued contraction of high-quality stock.
- While the development pipeline has become more active, with 280,187 sq ft currently under construction in Bristol, delivery timelines mean that near-term choice remains limited for occupiers seeking prime specification space.
- The vacancy rate remained unchanged at 1.7% in Q1, reinforcing the tight supply environment and continuing to place upward pressure on rents.



Knight Frank View



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Q1's largest transaction was Graphcore's 68,504 sq ft letting at Weybourne's One Georges Square. Strong competition for prime space saw Graphcore secure the building ahead of solicitors TLT, setting a new city headline rent of £52.00 psf.

Demand for landlord-delivered CAT A+ space remains a key market driver, accounting for 23% of transactions, including Tekever's 12,589 sq ft letting at Assembly A.

On the supply side, BlackRock's 160,000 sq ft refurbishment of Portwall Place, due for completion in late 2027, alongside schemes such as EMBARQ, 1 Friary, Canons Wharf and Kiln, reflects continued confidence in the market.

Looking ahead, we expect prime rents to reach £55.00 psf by the end of 2026. Viewing activity has strengthened considerably, supporting a positive outlook for H1. However, a shortage of Grade A supply is likely to drive increased pre-let activity as occupiers look to secure best-in-class space ahead of lease events.

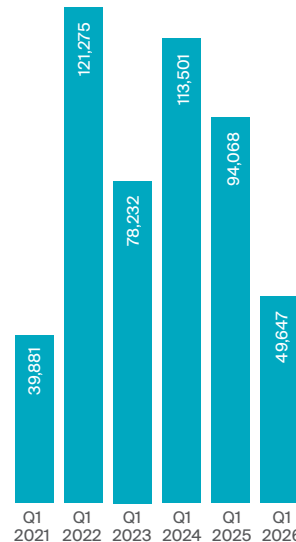
Cardiff

Demand

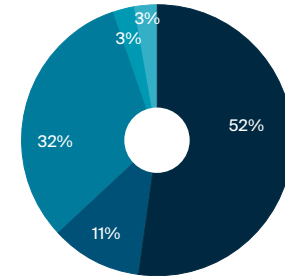
- Leasing activity proved slow in Q1 2026, with quarterly take-up totalling 49,647 sq ft. This represented a 52% decline against Q4 2025 and was 47% below the five-year quarterly average.
- A total of 24 deals were completed during the quarter, up slightly from 22 in Q4. However, there were no transactions above 10,000 sq ft, with the largest letting being the 8,844 sq ft commitment by Ridge at 5 Callaghan Square.
- Despite subdued leasing activity, occupier demand remains evident, with active requirements totalling 360,000 sq ft. This should provide some support for transactional activity as the year progresses.

TAKE-UP (SQ FT)

Q1 2026 **49,647**
Q1 vs 5 year average **-40%**



ACTIVE NAMED DEMAND BY SECTOR (Q1 2026)



- Financial & Business Services
- Pharma/Healthcare/Medical Tech
- Public Sector
- Retail, Distribution & Transport
- TMT

PRIME RENT (£ PER SQ FT)



LEASE EVENTS

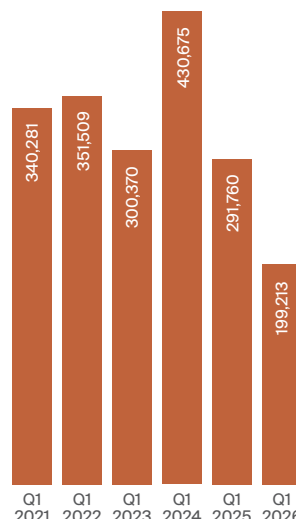
1.2m sq ft
2026-2029

Supply

- Supply conditions continued to tighten in Q1. New and Grade A availability fell to 193,201 sq ft during the quarter, representing a 33.8% reduction over the past 12 months.
- There is currently no development pipeline in Cardiff, with no new space under construction. As a result, occupiers seeking high-quality accommodation face increasingly limited choice.
- The vacancy rate declined to 1.6% in Q1, down from 1.7% in the previous quarter, reinforcing the supply-constrained nature of the market. This has continued to underpin rental growth, with prime rents rising to £30.00 per sq ft, a year-on-year increase of 7.1%.

NEW/GRADE A AVAILABILITY (SQ FT)

Q1 2026 **193,201**
Q1 vs 5 year average **-38%**



UNDER CONSTRUCTION (SQ FT)

Total Under Construction **0**
Number of Schemes **0**



SUPPLY LANDSCAPE

Overall Vacancy Rate
13.6%

Grade A Vacancy Rate
1.6%

Years of Supply
0.52

Proposed Pipeline
281,066

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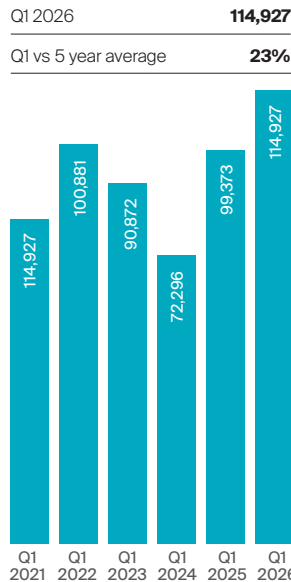
The Cardiff Market continues to see a tightening of supply, with occupiers focusing on 1 Central Square and Callaghan Square, where deals have taken out much of the prime space in the last year. Grade A supply is at a five-year low, and rents are increasing, reaching £33.50 per sq ft in Q2. There are no new buildings under construction, and newly refurbished space is limited. Viability challenges with build-and-finance costs persist for new space, and the 'supply squeeze' is set to continue. Enabling works have begun on Cardiff CrossRail - the brand-new tramway enhancing connectivity between Central Station and Cardiff Bay that is set for completion in 2028.

Edinburgh

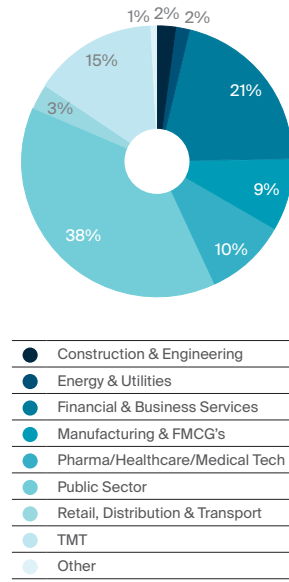
Demand

- A steady start to the year in Edinburgh, with quarterly take-up totalling 114,927 sq ft. This was marginally down on Q4 2025 but 17% below the five-year quarterly average.
- Activity was led by the 36,209 sq ft letting to Ernst and Young at Haymarket Square. In Q1, 33 deals were completed during the quarter, almost double the total for Q4 2025.
- Occupier demand remains resilient, with active requirements standing at 708,050 sq ft, providing a solid underpinning for leasing activity as the year progresses.

TAKE-UP (SQ FT)



ACTIVE NAMED DEMAND BY SECTOR (Q1 2026)



PRIME RENT (£ PER SQ FT)



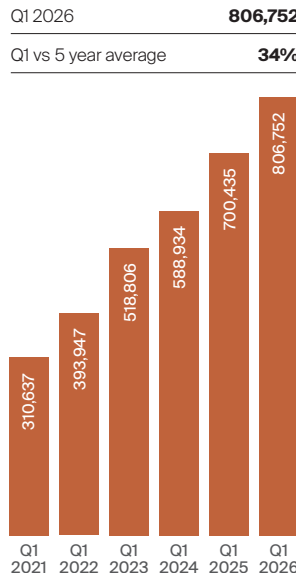
LEASE EVENTS

1.3m sq ft
2026-2029

Supply

- Supply conditions remained balanced, with New and Grade A availability increasing to 806,752 sq ft in Q1 2026. This represents a 7.6% rise over the past 12 months.
- There is currently no development pipeline in Edinburgh, with no space under construction. As a result, longer term constraints on new supply remain, particularly for high quality accommodation.
- The Grade A vacancy rate stood unchanged at 7.7% in Q1, indicating a solid supply backdrop compared with recent years, but one that remains sensitive to shifts in demand.

NEW/GRADE A AVAILABILITY (SQ FT)



UNDER CONSTRUCTION (SQ FT)



SUPPLY LANDSCAPE

Overall Vacancy Rate

11.8%

Grade A Vacancy Rate

7.7%

Years of Supply

1.47

Proposed Pipeline

922,000

Knight Frank View



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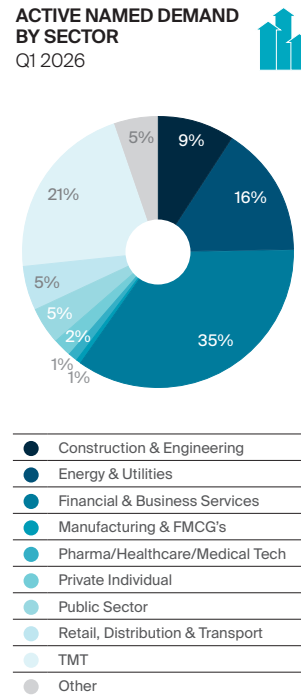
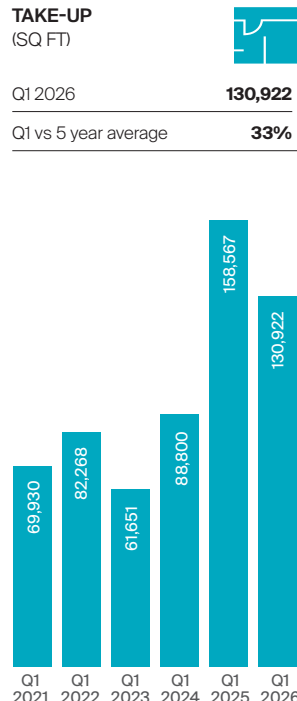
After a positive start to the year, leasing activity has slowed in March, reflecting wider geopolitical uncertainty, the Easter holiday period and pre-election caution ahead of the Scottish elections in May. That said, overall Q1 take up was healthy and marked an improvement compared to the end of 2025. Demand was notably boosted by EY's sub lease of 36,000 sq ft at Baillie Gifford's building in Haymarket, which set a new headline rent of £49.50 per sq ft earlier than anticipated in 2026.

We are also seeing a lengthening in deal times from initial enquiry to completion, a trend emerging across several UK markets. In Edinburgh, activity has softened within the traditional 2,500-5,000 sq ft size band. While new build development remains largely inactive, several significant refurbishment projects are now progressing, including the Cube and Exchange Plaza.

Glasgow

Demand

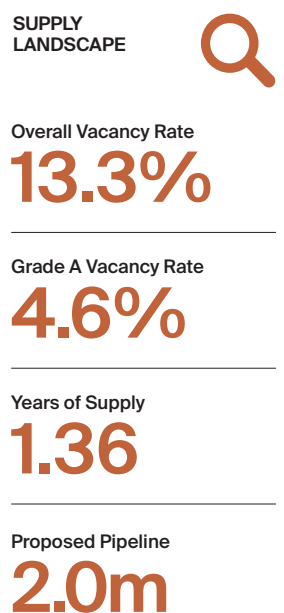
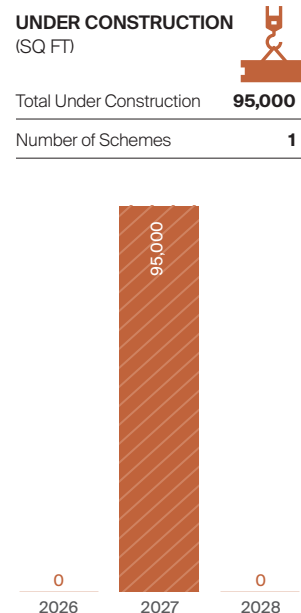
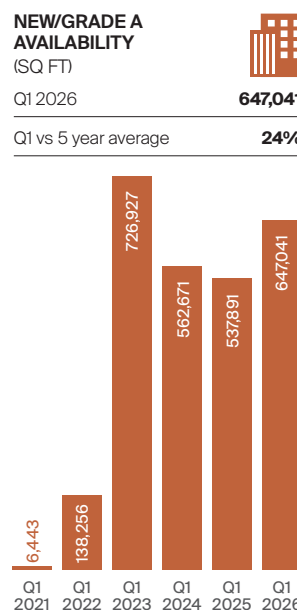
- Leasing activity strengthened in Q1 2026, with quarterly take-up totalling 130,992 sq ft. This represented a 7% increase on Q4 2025 and was 10% above the five year quarterly average.
- Activity was led by the 23,914 sq ft letting to Centrica at 2 Atlantic Square. In Q1, 38 deals were completed during the quarter, three more than the quarterly average.
- Occupier demand remains supportive, with active requirements totalling 644,900 sq ft, providing a solid pipeline for further leasing activity during the remainder of the year.



LEASE EVENTS
1.7m sq ft
2026-2029

Supply

- New and Grade A availability decreased by 27% during the first quarter to 647,401 sq ft. Even so, levels have risen by 20% over the past 12 months.
- Development activity remains limited, with 95,000 sq ft currently under construction, indicating that while choice has risen in the short term, longer term supply remains constrained.
- The vacancy rate declined to 5.9% in Q1, from 6.4% in Q4 2025, indicating a tightening occupational market despite the recent rise in availability.



Knight Frank View



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Market sentiment in Glasgow continues to improve, underpinned by tightening Grade A supply, with availability falling to 823,081 sq ft and vacancy compressing to 5.9%. Occupiers remain highly focused on quality, ESG-led buildings, and increasingly favour fitted or CAT A+ space to mitigate capital and fit-out cost pressures. Activity in Q1 was driven by a broad range of sectors, with notable lettings to Centrica, Tesco, Scottish Ministers and Softcat highlighting both indigenous and inward investment demand. However, constrained new supply and rising construction costs remain key challenges. Refurbishments and amenity led upgrades are therefore critical to unlocking demand. Prime rents remain firm with incentives stabilising. Infrastructure investment and policy clarity ahead of the UK and Scottish elections will be important in sustaining confidence through 2026.

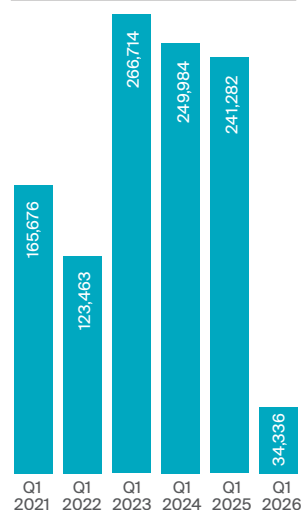
Leeds

Demand

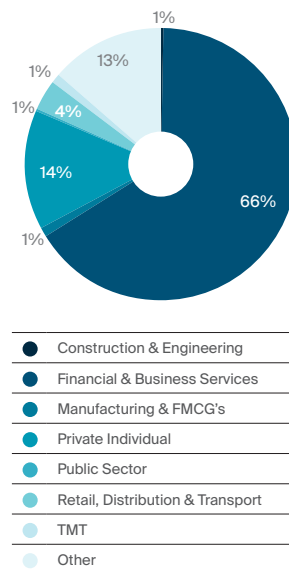
- Leasing activity proved slow in Q1 2026, with quarterly take-up totalling 34,336 sq ft. This is 81% below the five year quarterly average.
- During the first quarter, 19 deals were completed, nine less than in Q4 2025 and the fewest since Q2 2021.
- Nonetheless, the demand pipeline is supportive of an imminent turnaround in Q2. At quarter end, active requirements totalled 452,000 sq ft, providing a solid foundation for an upturn in leasing activity.

TAKE-UP (SQ FT)

Q1 2026 **34,336**
Q1 vs 5 year average **-81%**



ACTIVE NAMED DEMAND BY SECTOR (Q1 2026)



PRIME RENT (£ PER SQ FT)



LEASE EVENTS

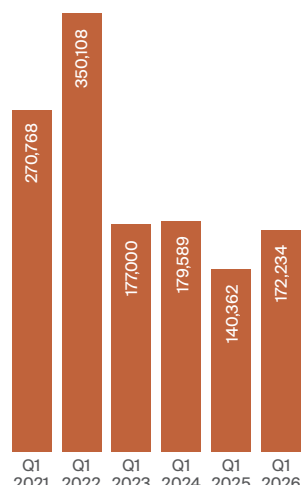
2.1m sq ft
2026-2029

Supply

- New and Grade A availability remained stable during the first quarter at 172,234 sq ft. Although this represents a year-on-year rise, the Q1 2026 total is 31% below the five year average.
- Whilst the development pipeline appears healthy, the majority of space is already let. At Q1, 666,928 sq ft was under construction, but only 140,845 sq ft remains available.
- The vacancy rate rose to 7.6% in Q1, up from 6.4% in Q4 2025. However, Grade A availability remained stable, indicating the increase was driven by lower-quality space returning to the market.

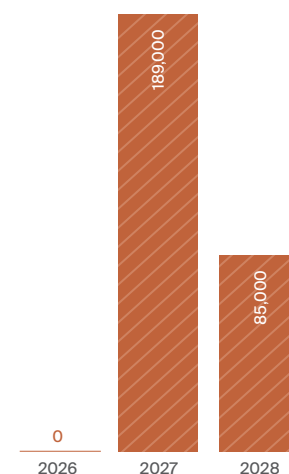
NEW/GRADE A AVAILABILITY (SQ FT)

Q1 2026 **172,234**
Q1 vs 5 year average **-16%**



UNDER CONSTRUCTION (SQ FT)

Total Under Construction **274,000**
Number of Schemes **3**



SUPPLY LANDSCAPE

Overall Vacancy Rate
10.4%

Grade A Vacancy Rate
1.4%

Years of Supply
0.27

Proposed Pipeline
2.3m

Knight Frank View



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Looking through 2026, Leeds' pulling power should not be underestimated. While activity this quarter appears subdued, it does not reflect the full picture. Larger inward movers are already targeting the city, with several significant transactions expected later in 2026, which should support a return to more typical activity levels.

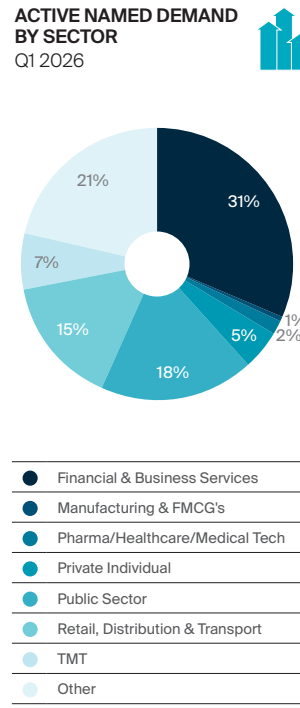
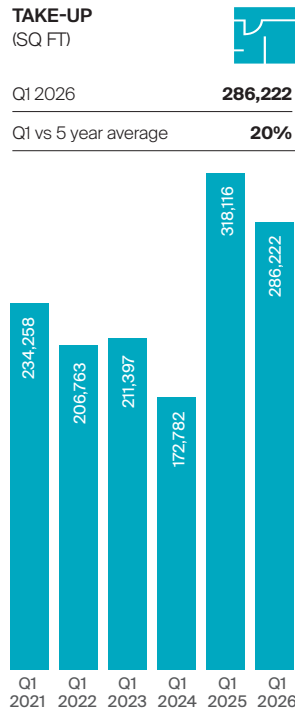
Occupiers will continue to prioritise cost control while economic uncertainty persists. Nevertheless, demand for high quality office space remains firm. This is increasingly being met by developers and landlords with an understanding of the city, delivering best in class workplaces that support recruitment, retention and organisational culture.

Within this context, Prescient Capital and Network Rail are progressing. 31 Wellington Street and Prince's Exchange, which are due for completion in Q3 2027 and will provide 150,000 sq ft in total.

Manchester

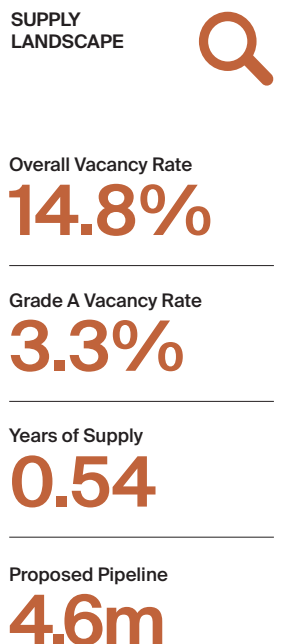
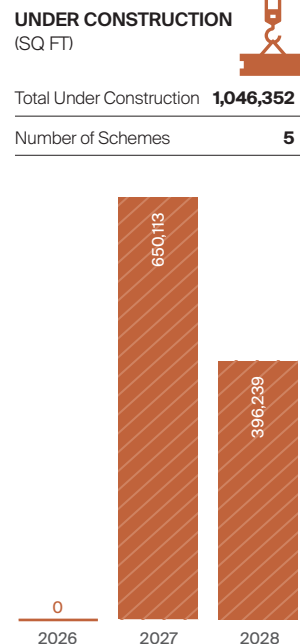
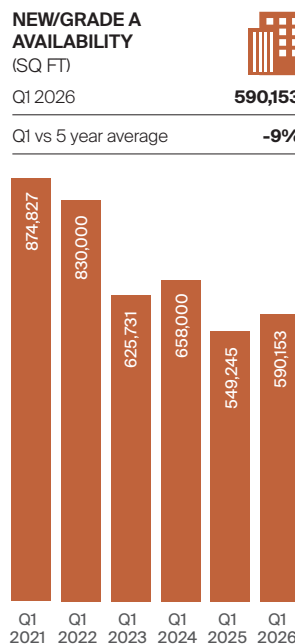
Demand

- A steady start to the year in Manchester, with quarterly take-up totalling 286,222 sq ft. This is on par with the Q4 2025 total and is 3% above the five year quarterly average.
- During the first quarter, 51 deals were completed, the same as in Q4 2025 and consistent with the five year quarterly average.
- Looking ahead, the demand pipeline is supportive of strong leasing momentum in 2026. At quarter end, requirements totalled 1.1m sq ft, providing a solid foundation for consistent leasing activity.



Supply

- New and Grade A availability remained stable during the first quarter at c.590,000 sq ft. Although this represents a year-on-year rise, the Q1 2026 total is 14% below the five year average.
- The proposed development pipeline remains healthy at 4.6m sq ft, although only 1m sq ft is actually under construction.
- The vacancy rate rose to 11.8% in Q1, up from 10.4% in Q4 2025. However, Grade A vacancy rate remained stable at 3.3%, indicating the increase was driven by lower-quality space returning to the market.



Knight Frank View



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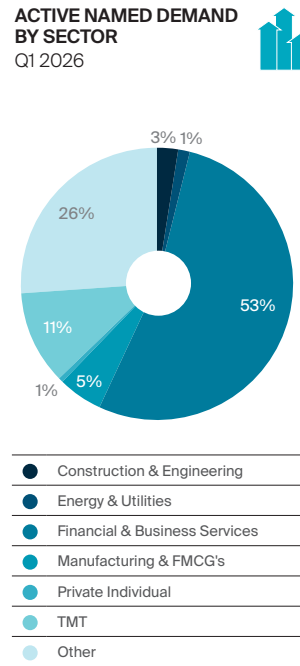
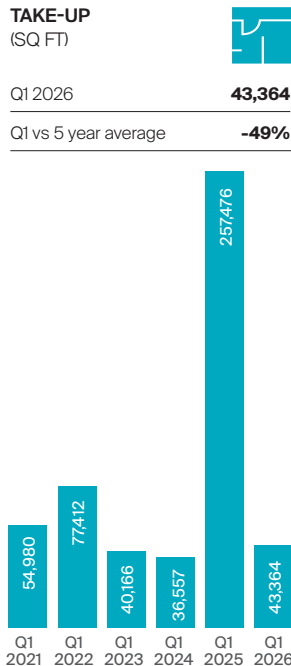
Manchester has seen a steady start to the year, with activity settling back to more typical levels after an exceptionally strong opening to 2025. While headline volumes are slightly lower, the underlying picture is one of a market that continues to function well, supported by a broad mix of occupiers.

There is still a clear flight to quality, with well-located, refurbished space attracting the most interest, alongside growing demand for fitted offices that allow businesses to move quickly and with minimal upfront cost. At the same time, the strength of smaller deals reflects sustained confidence among SMEs, which remain a vital driver of the city's office market.

Newcastle

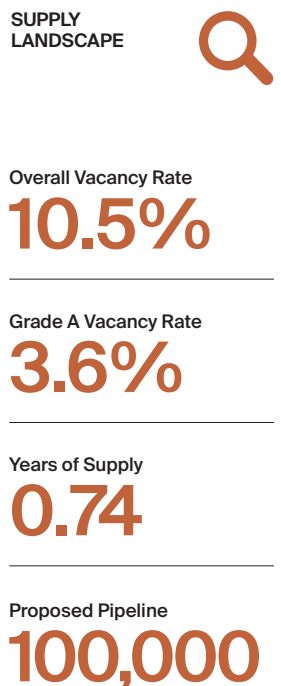
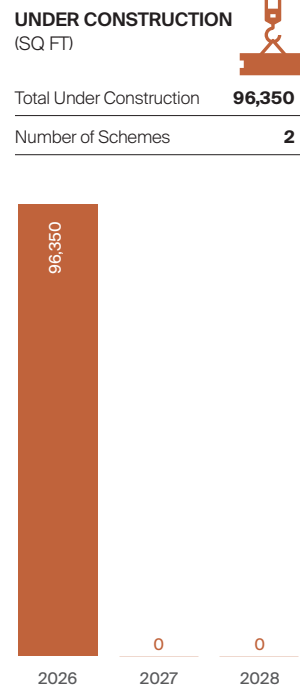
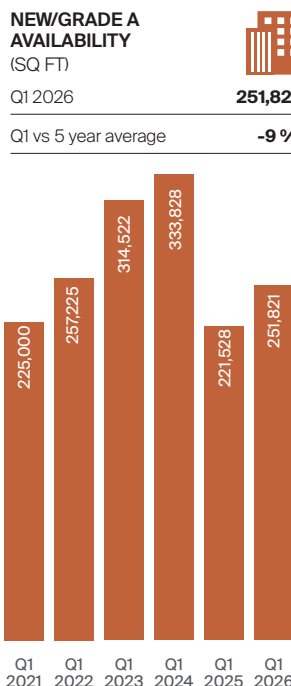
Demand

- Leasing activity remained subdued in Q1 2026, with quarterly take-up totalling 43,364 sq ft. This marked a 25.1% decline when compared to Q4 2025 and was 49.0% below the five-year quarterly average of 85,019 sq ft.
- While overall volumes were weaker, transactional activity broadened. Twelve deals were completed during the quarter, up from eight in Q4 2025 and broadly in line with the quarterly average. Notably, however, no transactions exceeded 10,000 sq ft, underlining the absence of larger occupier commitments.
- Despite low take-up in Q1, occupier demand remains evident. Active requirements total 455,500 sq ft, which will support future market activity.



Supply

- New and Grade A availability increased to 251,821 sq ft, representing a 13.7% rise over the past 12 months, although the availability of best-in-class space remains limited and continues to align with occupier demand.
- Development activity remains limited, with 96,350 sq ft currently under construction. This modest pipeline is unlikely to materially alter near-term supply dynamics, particularly given ongoing demand for high-quality accommodation.
- Reflecting this, the new and Grade A vacancy rate increased to 3.6% in Q1, up from 3.1% in Q4, while active 20,000–50,000 sq ft requirements are supporting competitive tension and keeping vacancy low by historic standards.



Knight Frank View



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While overall take-up in Q1 was below the previous quarter, demand strengthened at the start of the year, supported by improving occupier sentiment and a clear uplift in enquiry levels, particularly for requirements above 5,000 sq ft.

Take-up continues to be driven by flight-to-quality activity, with occupiers upgrading from secondary stock to best-in-class space. Demand for fully and part-fitted suites remains robust, although activity is largely focused on requirements below 2,500 sq ft. Sentiment softened slightly toward the end of the quarter amid geopolitical uncertainty, with some occupiers adopting a more measured approach.

Supply remains exceptionally tight, with a shortage of Grade A and high-quality fitted space, particularly for larger floorplates. This is driving competitive tension and upward pressure on rents, with a limited prime development pipeline expected in the near term.

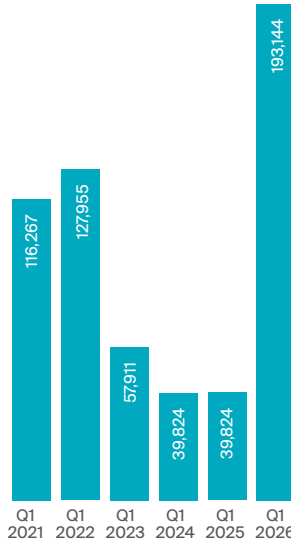
Sheffield

Demand

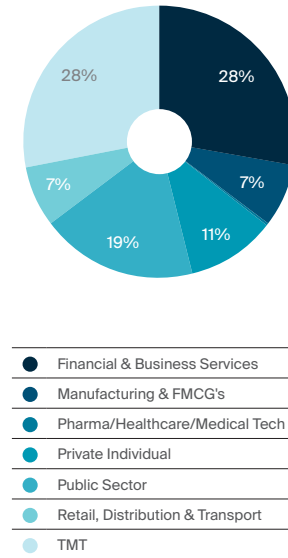
- Sheffield recorded a sharp uptick in take-up in Q1 2026, with 193,144 sq ft of office space transacted. This represented a significant increase on Q4 2025, when take-up totalled 27,845 sq ft, equating to a circa 593% quarter-on-quarter rise.
- A total of 19 deals were completed during the quarter, up from 10 in Q4 2025 and broadly in line with the long term quarterly average. Activity was underpinned by the Department for Work and Pensions' 108,000 sq ft letting at 1 West Bar Square, which materially boosted take-up volumes.
- Future demand remains healthy, with 234,200 sq ft of requirements active.

TAKE-UP (SQ FT)

Q1 2026 **193,144**
Q1 vs 5 year average **102%**



ACTIVE NAMED DEMAND BY SECTOR (Q1 2026)



PRIME RENT (£ PER SQ FT)



LEASE EVENTS

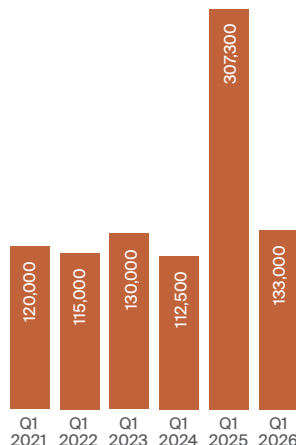
0.7m sq ft
2026-2029

Supply

- The uplift in demand has translated into significantly tighter supply conditions. New and Grade A availability fell sharply to approximately 133,000 sq ft in Q1, down from 307,300 sq ft a year earlier.
- As a result, New and Grade A vacancy declined to 1.48% in Q1 2026, from 3.21% at the end of 2025, reflecting a pronounced tightening in supply.
- There is currently no office space under construction in Sheffield, which is expected to constrain availability further and limit occupier choice in the short to medium term.

NEW/GRADE A AVAILABILITY (SQ FT)

Q1 2026 **133,000**
Q1 vs 5 year average **-17%**



UNDER CONSTRUCTION (SQ FT)

Total Under Construction **0**
Number of Schemes **0**



SUPPLY LANDSCAPE

Overall Vacancy Rate

8.7%

Grade A Vacancy Rate

1.5%

Years of Supply

0.45

Proposed Pipeline

100,000

Knight Frank View



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Sheffield has made a very strong start to the year, with momentum clearly building and confidence returning to the market. A number of significant deals have set the tone, particularly in prime city centre locations, reinforcing the appeal of high-quality space to major occupiers.

What stands out is the growing pressure on the best stock. Availability of Grade A space in the core is becoming increasingly limited, and with further deals already progressing, that squeeze is only set to intensify. While there is new development planned, much of it is still some way off, leaving the market in a position where demand is outpacing supply. As a result, we are starting to see upward pressure on prime rents, which reflects a more competitive and improving leasing environment across the city.

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