Beijing Grade-A Office Market Report

Knight Frank

Q3 2026

This report focuses on the Grade-A office market in Beijing, including information about supply and demand, rents, vacancy rates and the market outlook

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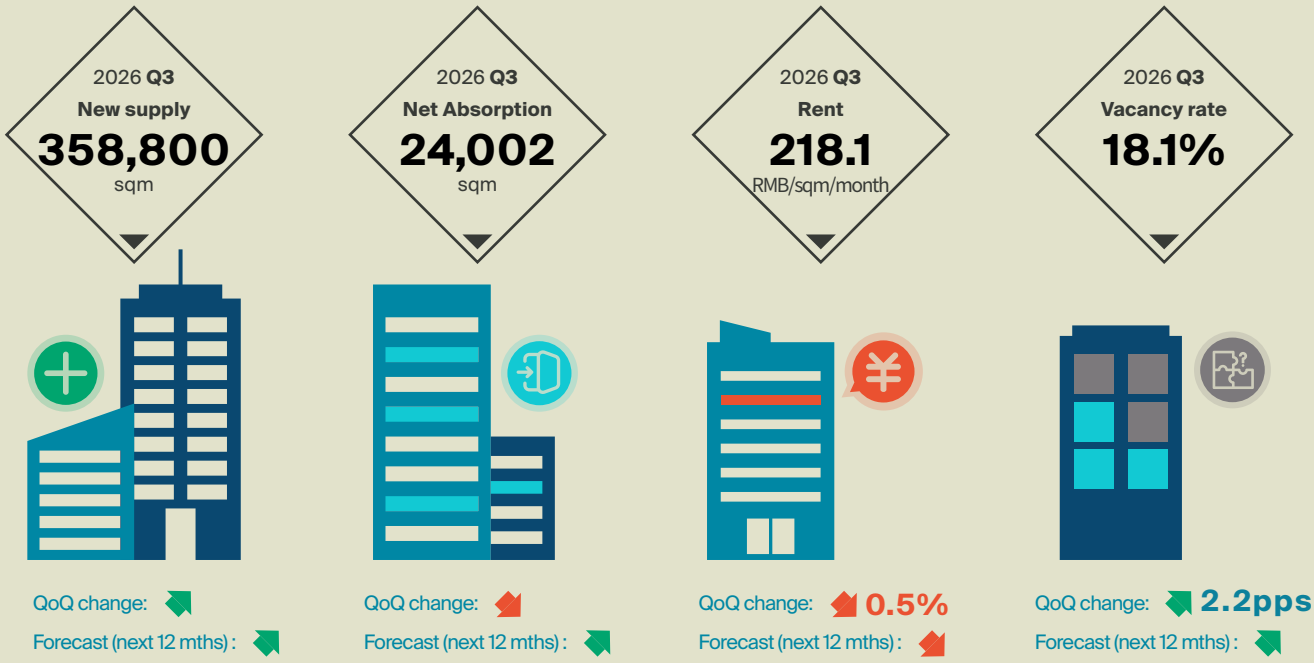


Market Overview

Market adjustment continues

In Q3 2026, Beijing's Grade-A office market continued to adjust. A concentrated wave of new supply, coupled with relatively modest demand, pushed the citywide average vacancy rate up by 2.2 percentage points quarter-on-quarter (QoQ) to 18.1%. The citywide average net effective rent fell by 0.5% QoQ to RMB218.1 per sqm per month, with the decline narrowing compared from the previous quarter. Quarterly net absorption stood at 24,002 sqm, with technology, finance, professional services and manufacturing remaining the main sources of demand.

Fig 1: Beijing Grade-A office market indicators[1]

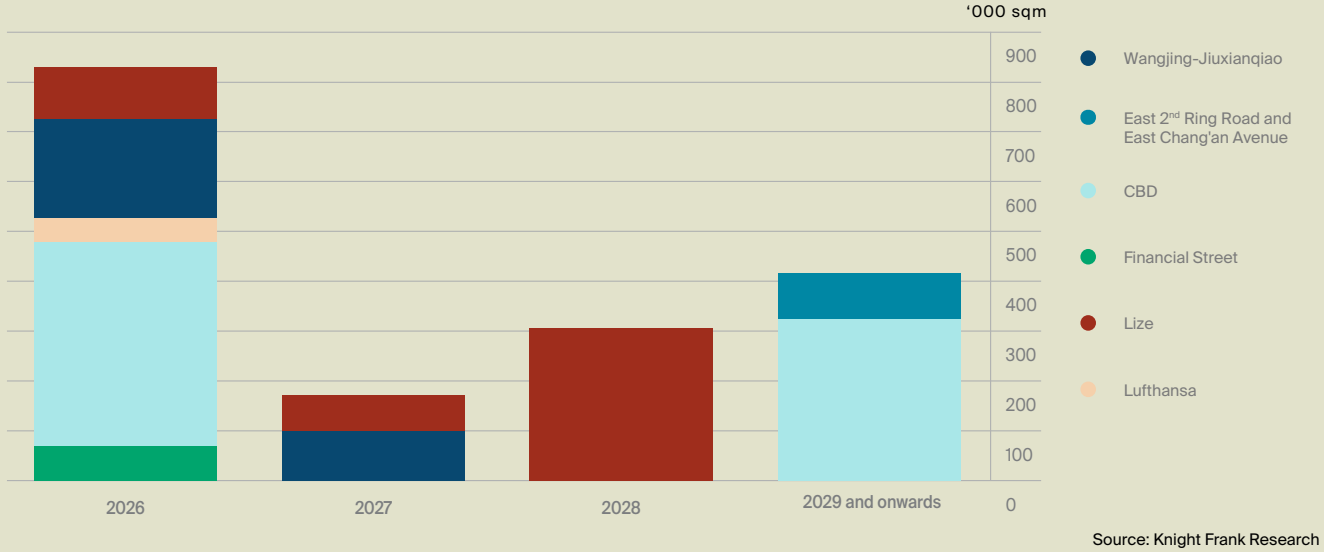


Source: Knight Frank Research

[1] Rent refers to average effective rent

[2] Historical data in this report have been revised following methodological adjustments and are not directly comparable with previously published figures

Fig 2: Beijing office development pipeline, 2026-2029 and onwards



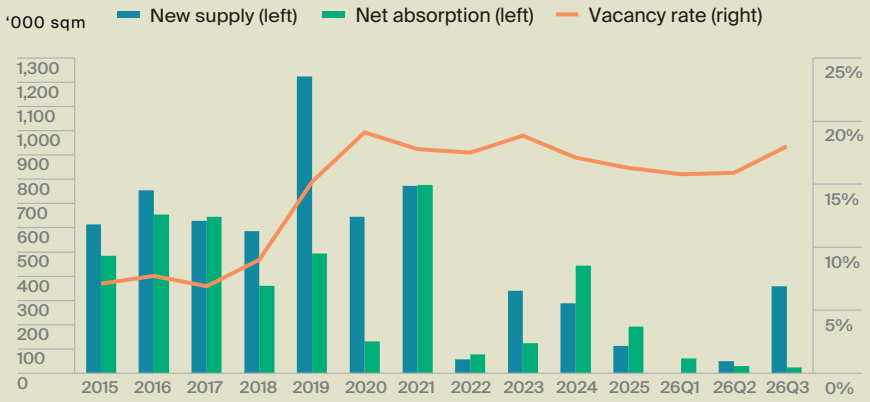
Source: Knight Frank Research

Supply and Demand

New supply pushes up vacancy

In Q3 2026, approximately 358,800 sqm of new Grade-A office supply was delivered in Beijing, mainly concentrated in the Central Business District (CBD), specifically comprising CBD Z5 Dajia Future Centre, Z6 Vision Place and the Z3 consortium project by CICC, GLP and Hongkong Land. With new supply significantly exceeding net absorption during the quarter, pushing the citywide average vacancy rate up to 18.1%, an increase of 2.2 percentage points QoQ. The CBD vacancy rate rose to 20.4%; the vacancy rate in Wangjing-Jiuxianqiao stood at 19.0%. Vacancy rates in Financial Street, Zhongguancun and Asian-Olympic stood at 10.1%, 5.6% and 21.6%, respectively, all declining QoQ.

Fig 3: Grade-A office supply, net absorption and vacancy rate



Source: Knight Frank Research

Net absorption stood at 24,002 sqm in Q3, with demand materialising more slowly than in Q2 and leasing activity mainly driven by relocations and expansions, becoming increasingly concentrated in high-quality buildings and submarkets with industry clusters. France's Publicis Groupe relocated to World Financial Centre, leasing approximately 6,000 sqm; StarRock Investment relocated to China World Tower A, leasing approximately 3,200 sqm; and AGIBOT expanded in Towers A and B of Raycom Infotech Park in Zhongguancun, taking approximately 6,300 sqm in total. As leasing requirements under negotiation gradually translate into transactions, net absorption is expected to recover in Q4, although the extent of the recovery will still depend on the pace at which large-space leasing transactions are concluded.

The rise in vacancy in Q3 was mainly supply-driven, rather than a broad-based weakening in demand. Supported by expansions by technology companies, Zhongguancun's vacancy rate fell by 2.6 percentage points QoQ; vacancy rates in Financial Street and Asian-Olympic also declined. By contrast, Lufthansa, East 2nd Ring Road and Lize faced relatively longer absorption periods, owing to a slow recovery in demand and an accumulation of existing space. Differences in submarket performance mainly depended on the timing of new supply, the local industry base and project quality.

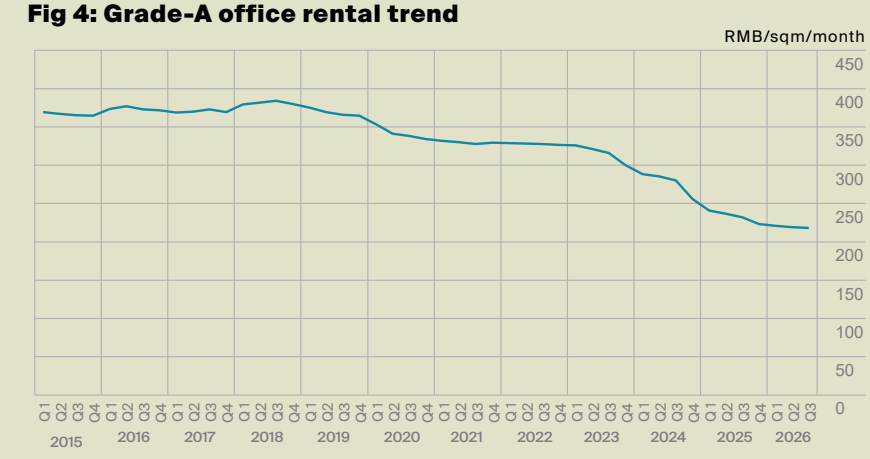
Rents

QoQ decline in average rent narrows

In Q3 2026, Beijing's average net effective rent for Grade-A offices stood at RMB218.1 per sqm per month, edging down by 0.5% QoQ, with the decline narrowing compared with Q2. New supply broadened tenants' options, and landlords generally offered rental discounts, rent-free periods, fit-out support and flexible lease terms to attract high-quality occupiers. The extent of rental adjustments varied across projects, mainly reflecting differences in building quality, vacancy levels and the timing of new supply.

Submarket performance continued to diverge. Driven by demand from the artificial intelligence value chain and embodied intelligence sector,

Fig 4: Grade-A office rental trend



Source: Knight Frank Research

Zhongguancun's average rent rose by 0.8% QoQ and its vacancy rate fell to 5.6%; Financial Street's vacancy rate remained relatively low at 10.1%, while Asian-Olympic and Lize saw relatively limited rental adjustments , supported by financial and technology demand, despite continued absorption pressure. The concentrated delivery of approximately 358,800 sqm of new supply pushed the CBD vacancy rate up to 20.4%, prompting existing projects to adjust pricing and commercial terms to compete for tenants; Wangjing-Jiuxianqiao, Lufthansa and East 2nd Ring Road faced a slow recovery in demand and pressure to absorb vacant space. In the short term, downward pressure on rents is expected to remain concentrated in projects facing substantial new supply or weaker demand from key industries.

Table 1: Major Grade-A office leasing transactions, Q3 2026

Submarket	Building	Tenant	Area (sqm)	Type
CBD	World Financial Centre	France's Publicis Groupe	6,000	Relocation
Zhongguancun	Raycom Infotech Park Tower B	AGIBOT	3,500	Expansion
Zhongguancun	Raycom Infotech Park Tower A	AGIBOT	2,800	Expansion
CBD	China World Tower A	StarRock Investment	3,200	Relocation

Source: Knight Frank Research

Note: All transactions are subject to confirmation

Market Outlook

Improving office quality and space efficiency to shape future leasing trends

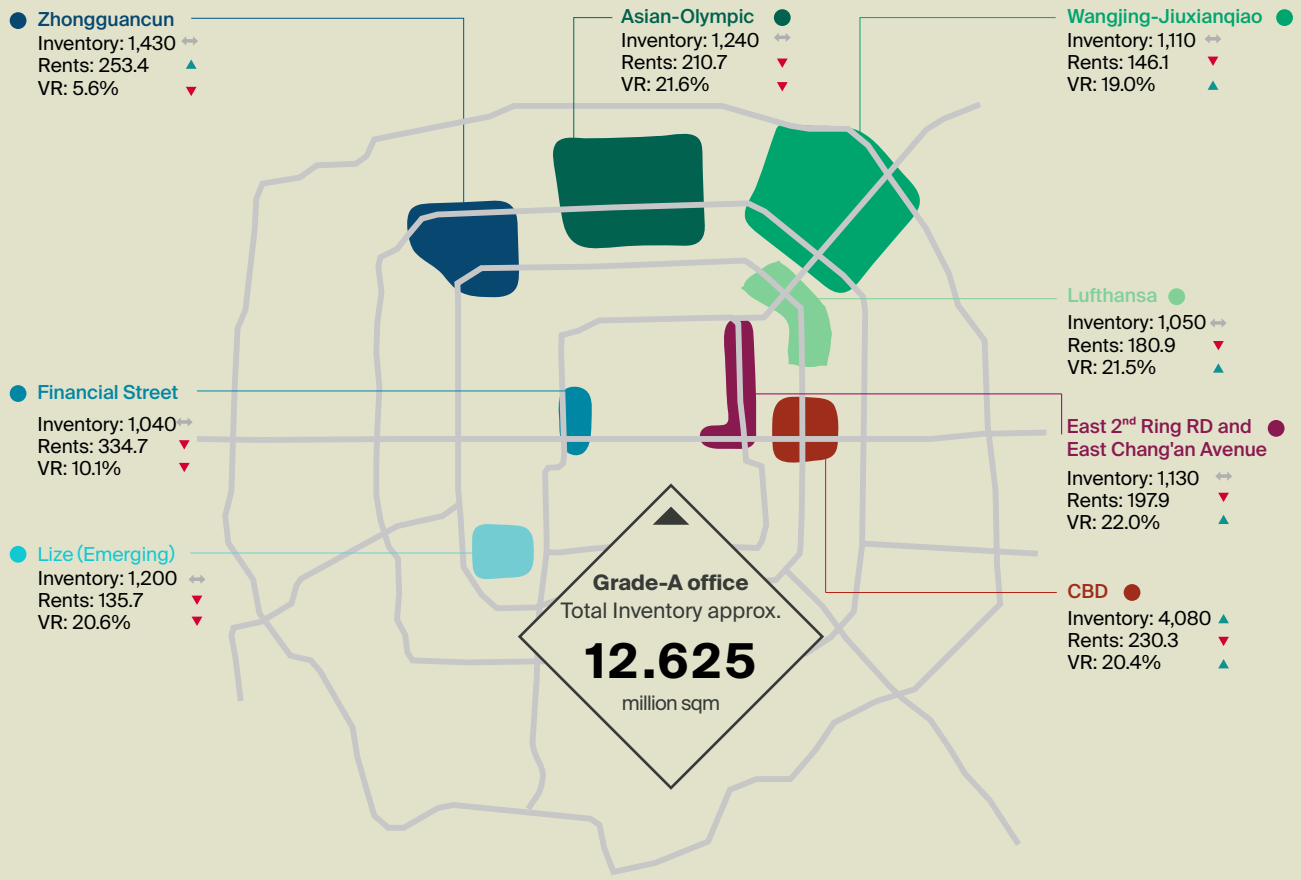
Looking ahead, the phased delivery of new projects will continue to increase available space, while absorption pressure will persist in the short term. Technology, finance, professional services and manufacturing are expected to remain the main sources of leasing demand, with net absorption potentially recovering as leasing requirements under negotiation gradually translate into transactions. Companies are likely to remain cautious in their location decisions, with leasing demand becoming increasingly concentrated in high-quality projects in established locations with higher-quality buildings and flexible commercial terms. Projects scheduled to enter the market in Q4 include the first stage of Taikoo Place Beijing in the Wangjing-Jiuxianqiao submarket, which is expected to bring nearly 180,000 sqm of new Grade-A office space to the market.

As companies balance cost control with the need for greater organisational collaboration, workplace strategies are expected to shift from simply reducing floor space towards optimising space utlisation and workplace quality. Future leasing decisions will place greater emphasis on flexible layouts, collaboration and social functions, employee experience and supporting services, making high-quality projects that accommodate changes in team size and diverse work settings more attractive. Meanwhile, landlords will also improve buildings' suitability for target tenants through space refurbishment, shared amenities and customised handover solutions.

Rents will continue to decline moderately in the short term, with landlords placing greater emphasis on differentiated pricing and customised leasing solutions to enhance project competitiveness. Submarket performance is likely to diverge further. Absorption pressure will be relatively pronounced in the CBD, where new supply is concentrated; while Zhongguancun is expected to demonstrate relatively stronger demand resilience, supported by innovative sectors such as the artificial intelligence value chain and embodied intelligence. Looking ahead, building quality, the strength of local industry base and flexibility in tenant-leasing strategies will be key factors determining t absorption and projects' market competitiveness.

Beijing Grade-A office market dashboard Q3 2026

Beijing Grade-A office inventory, rents and vacancy rates of major business districts



Source: Knight Frank Research
Note: unit for market inventory – 1,000 sqm; rents using average effective rent at RMB/sqm/month; VR refers to average vacancy rate
The Tongzhou and Yizhuang areas is not included in the current office stock reported by Knight Frank
Historical data in this report have been revised following methodological adjustments and are not directly comparable with previously published figures

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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