London Offices Spotlight

Q3 2025

A quarterly snapshot of the London office market.

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London Overview

2.7 m sq ft
Take-up

23.9 m sq ft
Availability

9.0 %
Vacancy rate

10.2 m sq ft
Active Requirements

£1.6 bn
Investment volumes

11.7 m sq ft
Under Construction (Spec)

Key Themes

1.

Softer leasing activity in Q3 but space under offer rises to 3.3m sq ft.

2.

Constrained development pipeline continues to impact occupier decision-making.

3.

Investment volumes fall but deals under offer rise to £2.9bn.

Submarket Key Indicators

Submarkets	New/Refurb Vacancy Rate	Vacancy Rate	Prime Rent	Quarterly Change	Rent Free Periods (Months)
Aldgate/Whitechapel	5.3%	12.0%	£57.50	◀▶	27
City Core	4.3%	7.5%	£100.00	◀▶	24-27
Clerkenwell/Farringdon	8.6%	15.1%	£92.50	◀▶	24
Midtown	2.3%	5.9%	£85.00	◀▶	27
Southbank Core	6.9%	10.0%	£90.00	◀▶	24-27
Vauxhall/Battersea	18.1%	19.2%	£60.00	◀▶	24-27
Canary Wharf	5.3%	11.4%	£57.50	◀▶	27-30
Rest of Docklands	5.4%	6.9%	£32.50	◀▶	30
Stratford	21.2%	29.8%	£48.50	◀▶	27
Bloomsbury	3.4%	7.3%	£82.50	◀▶	24-27
Fitzrovia	6.3%	11.8%	£95.00	◀▶	24
King's Cross/Euston	6.4%	7.0%	£90.00	◀▶	24-27
Knightsbridge/Chelsea	12.5%	15.6%	£102.50	◀▶	24-27
Marylebone	5.0%	7.5%	£110.00	◀▶	24
Paddington	3.4%	5.6%	£85.00	◀▶	24-27
Soho	2.9%	4.2%	£100.00	◀▶	24
Strand/Covent Garden	8.6%	10.5%	£90.00	◀▶	24-27
Victoria	3.3%	4.0%	£92.50	◀▶	24-27
West End Core	3.1%	4.7%	£182.50	◀▶	21
White City	11.%	17.6%	£57.50	◀▶	24-27

Pre-let space under construction

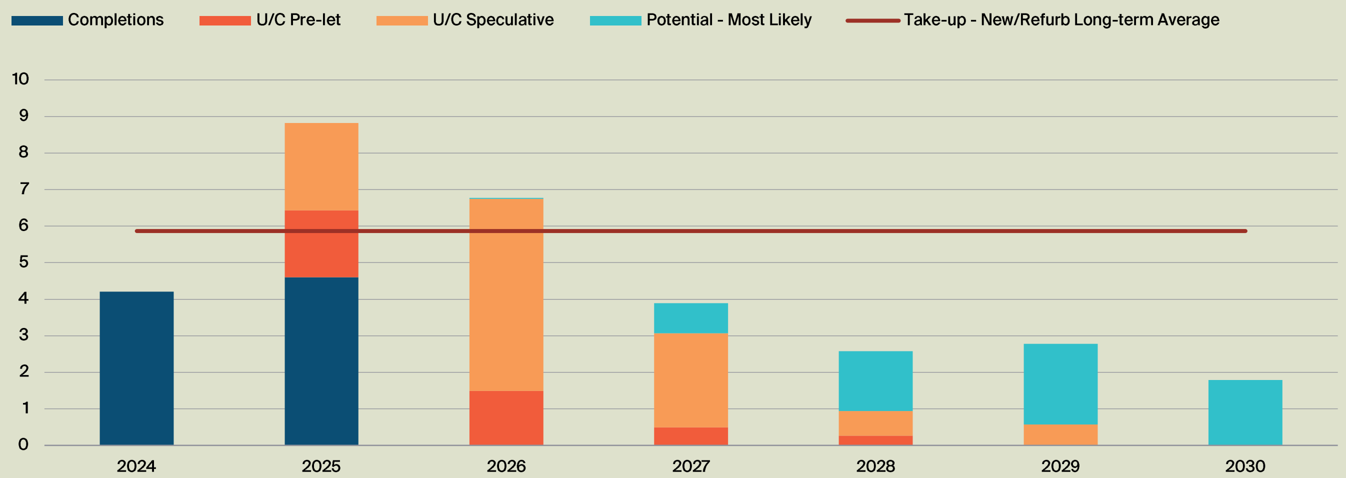
21.3%
City & Southbank ▼

0.0%
Docklands & Stratford ◀▶

35.0%
West End ▲

London - Development Pipeline

m sq ft



Source: Knight Frank Insight

City & Southbank Overview

LEASING MARKET						% Change		Long-term average
m sq ft, % of stock	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Take-up	1.78 m	2.10 m	1.48 m	2.09 m	1.57 m	-25.0%	-12.2%	1.55 m
Availability	12.43 m	13.49 m	12.76 m	12.64 m	13.54 m	7.1%	8.9%	9.88 m
Total Under Offer	2.15 m	1.52 m	2.59 m	1.53 m	1.99 m	30.1%	-7.4%	-
Vacancy Rate*	8.9%	9.6%	9.0%	8.8%	9.4%	0.6%	0.5%	7.5%
New/Refurb Vacancy Rate	5.1%	5.6%	4.9%	4.9%	5.5%	0.6%	0.4%	3.9%
Active Requirements	5.65 m	4.78 m	5.10 m	4.49 m	6.12 m	36.1%	8.3%	4.50 m

* difference from previous quarter/year

KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
Fox Court, 14 Grays Inn Road, WC1	101,778	InfinitSpace	Confidential
Bow Bells House, 1-11 Bread Street, EC4	68,447	Bristows	Confidential
The Gherkin, 30 St Mary Axe, EC3	64,280	BMS Group	£84.00
The Northcliffe, 26-30 Tudor Street, EC4	55,864	RWE AG	£74.06
Exchange House, 12 Primrose Street, EC2	51,831	MSCI	£87.50

Knight Frank deals

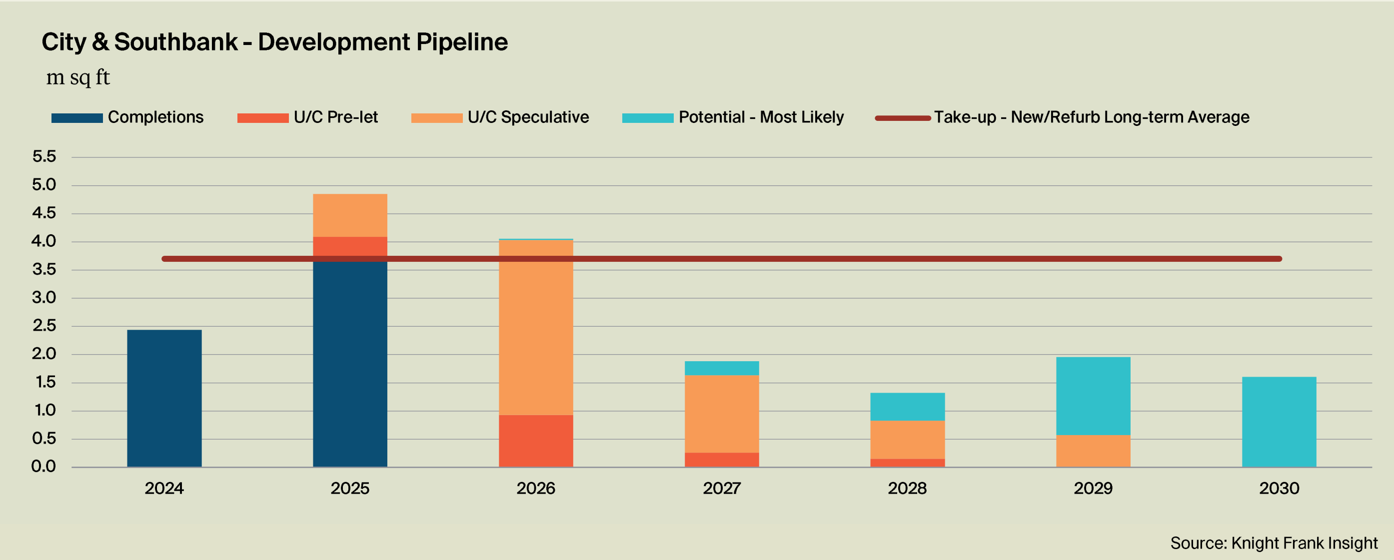
INVESTMENT MARKET						% Change		Long-term average
£bn, % per annum	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Turnover	0.52 bn	0.73 bn	0.97 bn	1.11 bn	0.40 bn	-64.2%	-23.3%	1.72 bn
Availability	2.35 bn	1.28 bn	1.99 bn	1.56 bn	1.28 bn	-17.6%	-45.4%	2.75 bn
Under Offer	0.49 bn	0.94 bn	0.56 bn	0.99 bn	1.79 bn	80.7%	262.5%	1.39 bn
Yield*	5.25%	5.25%	5.25%	5.25%	5.25%	0.00%	0.00%	4.46%

* percentage point difference from previous quarter/year

KEY INVESTMENT DEALS

Building	Price (m)	Capital value (PSF)	Yield	Purchaser
110 Cannon Street & Martin House, EC4	£72.00	£681.00	6.79%	Private (Middle Eastern)
140 Aldersgate Street, EC4	£50.50	£543.00	8.25%	JP Morgan Chase
36 Queen Street, EC4	£44.13	£943.00	6.15%	Grupo Metropolis
Row One, 46-48 Park Street, SE1	£42.50	£168.00	-	Cheyne Capital/Stanhope
12 Moorgate, EC2	£34.50	£1,113.00	3.41%	Fortinet

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



Docklands & Stratford Overview

LEASING MARKET						% Change		Long-term average
m sq ft, % of stock	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Take-up	0.02 m	0.08 m	0.17 m	0.37 m	0.30 m	-18.4%	1745.1%	0.19 m
Availability	3.78 m	3.74 m	3.87 m	3.21 m	3.28 m	2.2%	-13.2%	2.71 m
Total Under Offer	0.18 m	0.24 m	0.36 m	0.28 m	0.41 m	46.4%	127.8%	-
Vacancy Rate*	14.8%	14.6%	15.2%	12.6%	12.8%	0.2%	-2.0%	10.8%
New/Refurb Vacancy Rate	7.8%	8.0%	7.9%	7.2%	7.3%	0.1%	-0.5%	4.8%
Active Requirements	0.43 m	0.46 m	0.45 m	0.28 m	0.52 m	88.7%	20.1%	0.51 m

* percentage point difference from previous quarter/year

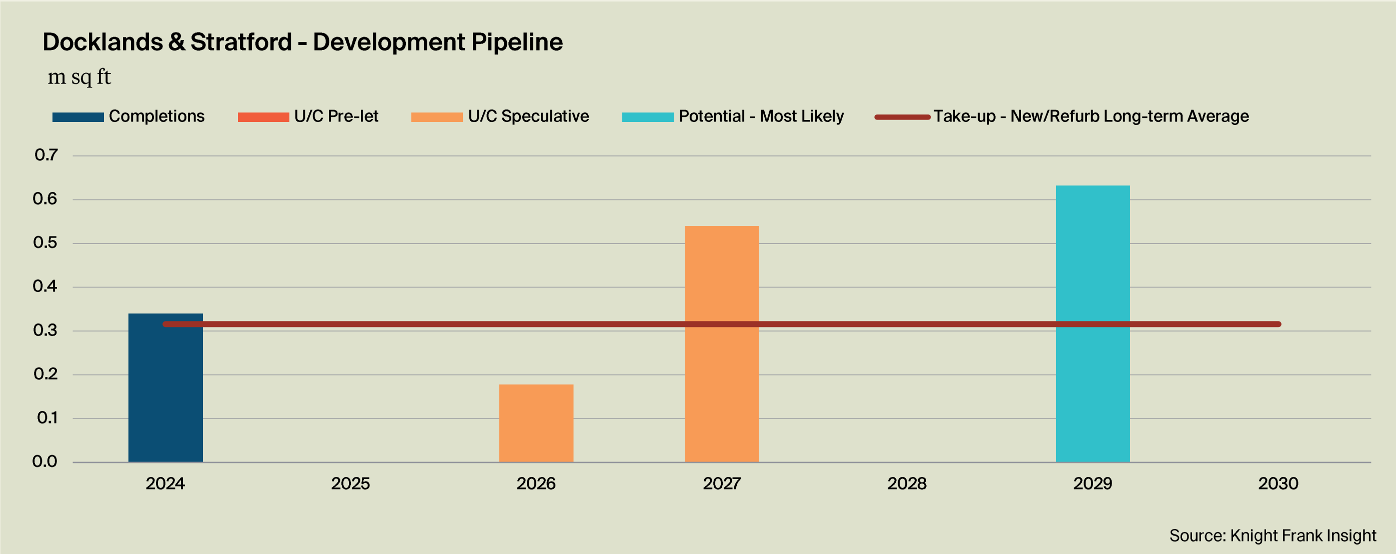
KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
40 Bank Street, E14	170,894	HSBC	Confidential
1 Canada Square, E14	51,240	UCL	£60.00-70.00
1 Canada Square, E14	29,161	BBVA	£57.50
The Columbus Building, 7 Westferry Circus, E14	15,000	Confidential	Confidential
Sierra Quebec Bravo, 189 Marsh Wall, E14	9,500	Swatch Group	Confidential

Knight Frank deals

INVESTMENT MARKET						% Change		Long-term Average
£bn, % per annum	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Turnover	0.00 bn	0.00 bn	0.00 bn	0.00 bn	0.00 bn	0.0%	-	0.13 bn
Availability	0.09 bn	0.27 bn	0.00 bn	0.00 bn	0.00 bn	-	-100.0%	0.06 bn
Under Offer	0.00 bn	0.00 bn	0.27 bn	0.28 bn	0.01 bn	-96.4%	-	0.03 bn
Yield*	7.50%	7.50%	7.50%	7.50%	7.50%	0.00%	0.00%	5.43%

* percentage point difference from previous quarter/year



West End Overview

LEASING MARKET						% Change		Long-term average
m sq ft, % of stock	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Take-up	1.21 m	1.11 m	0.90 m	1.07 m	0.84 m	-21.6%	-30.4%	1.05 m
Availability	7.42 m	6.68 m	7.14 m	7.41 m	7.10 m	-4.2%	-4.2%	6.03 m
Total Under Offer	1.05 m	0.66 m	0.87 m	0.91 m	0.91 m	0.0%	-13.3%	-
Vacancy Rate*	7.8%	7.0%	7.5%	7.7%	7.4%	-0.3%	-0.4%	6.6%
New/Refurb Vacancy Rate	5.5%	4.8%	5.4%	5.7%	5.4%	-0.3%	-0.1%	3.0%
Active Requirements	2.06 m	1.65 m	2.04 m	1.92 m	1.93 m	-6.0%	-6.0%	2.09 m

* difference from previous quarter/year

KEY LEASING DEALS

Building	Sq ft	Occupier	Rent (PSF)
The Elephant, 318 Oxford Street, W1	52,173	General Atlantic	£165.00
Maple House, 149 Tottenham Court Road, W1	39,084	UCL	Confidential
50 George Street, W1	33,515	Sarasin & Partners	£120.00
The Acre, 90 Long Acre, WC2	32,551	The Seven Stars	Confidential
UK House, 2-4 Great Titchfield Street, W1	29,654	Pinterest	£100.00

Knight Frank deals

INVESTMENT MARKET						% Change		Long-term average
£bn, % per annum	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	3M	12M	
Turnover	0.80 bn	1.23 bn	1.57 bn	0.89 bn	1.17 bn	32.2%	46.6%	1.22 bn
Availability	1.09 bn	1.40 bn	2.27 bn	2.39 bn	2.54 bn	11.7%	120.3%	1.79 bn
Under Offer	0.98 bn	0.79 bn	1.04 bn	1.14 bn	1.21 bn	16.9%	57.1%	0.88 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
102 Petty France, SW1	£245.00	£700.00	7.52%	The Arora Group
Notting Hill Gate Estate, W11	£125.00	£854.00	7.03%	MaGo
100 Regent Street, W1	£95.00	£1,778.00	6.40%	The Crown Estate
101 New Cavendish Street, W1	£91.00	£900.00	7.11%	Ares
149-152 Oxford Street & 59 Berwick Street, W1	£63.00	£1,921.0	-	Private

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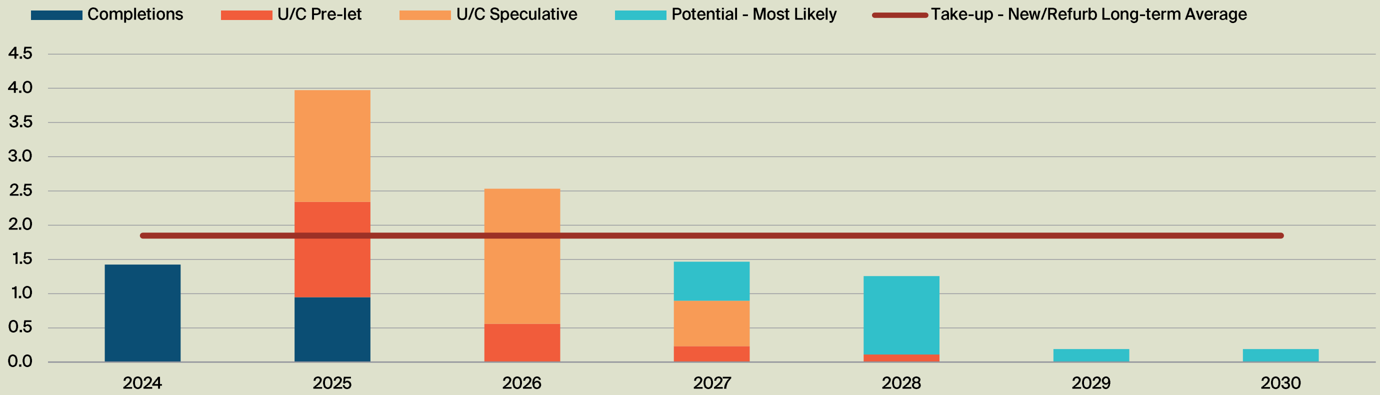
West End - Development Pipeline

m sq ft



Source: Knight Frank Insight

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

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