

South East & Greater London Offices



2025

A spotlight on Offices and Life Sciences

knightfrank.com/research



Foreword

The South East office market has entered 2025 with encouraging momentum, but also with a measure of intensified scrutiny. On the ground, there is a clear message from occupiers and investors alike: quality is the target, but the bar is set higher than ever.

Leasing activity over the past year has been brisk, with volumes underpinned by a narrowing pool of assets. We are witnessing growing bifurcation, with occupiers decisive when the product is right but disengaged when it's not. The standout deals, particularly those exceeding 20,000 sq ft, are demonstrative of pent-up demand from corporates who have been deferring decisions but are now ready to commit, provided the space supports a renewed future-fit workplace.

Legacy stock is increasingly out of favour, with one-third of vacant space no longer aligned to modern occupier expectations. Without repositioning, much of it risks long-term structural vacancy. Increasingly, landlords are exploring refurbishment and repositioning strategies to bridge the widening gap between supply and demand. However, despite rental uplifts, elevated construction and borrowing costs, and a softening in yields continue to challenge development viability, affecting both speculative and pre-let projects

From an investor's perspective, the market presents a more measured picture. While volumes are down, activity continues. Deals that are progressing tend to share key characteristics: strong leasing profiles, ESG credentials, and enduring location fundamentals. Although decision-making timelines are lengthy and due diligence is more rigorous, interest in prime South East assets persists, particularly among



Simon Rickards
Partner, Head of
National Offices
Capital Markets



Roddy Abram
Partner, South East
& Greater London
Offices

equity-rich buyers looking to capitalise on current cyclical opportunities.

Prime pricing has stabilised, reflecting renewed confidence in market fundamentals. However, this resilience is largely confined to top-tier assets. Unless significantly discounted or offering a clear repositioning strategy, secondary stock is struggling to attract serious interest. Investors are rightly scrutinising capex requirements, obsolescence risk, and tenant covenant strength more closely. Even so, the volume of under-offer deals and newly marketed assets suggests a market in pause rather than decline. There is capital ready to deploy, but it is being applied with greater selectivity and caution.

Overall, the year ahead is shaping up to be a year of two speeds. For landlords and vendors with high-quality, well-located, future-proofed assets, the market is responsive and rewarding. However, for others, success will depend on adaptability and a willingness to meet the market where it is, not where it used to be.

Property Perspectives



The Occupier Perspective: Navigating Cost, Responsibility and Strategic Priorities.

Office occupiers in the UK are balancing a complex array of considerations as they reassess space requirements. While cost remains a critical factor, decision-making is increasingly shaped by broader strategic priorities such as employee well-being, environmental targets, and long-term flexibility. These shifting priorities are not just influencing but driving market behaviours across the South East.

Cost pressures continue to dominate corporate real estate strategies.

Cost remains the foremost consideration for occupiers, with labour representing the most significant component of business expenditure. Recent policy changes, such as the introduction of new labour laws and the increase in employer national insurance contributions, have only heightened financial pressures. As profit margins narrow, many organisations are making difficult headcount decisions, leaving future space requirements unclear.

Despite this backdrop, active occupiers have been increasingly willing to absorb higher rents and service charges in pursuit of best-in-class offices. Demand for premium space has proven resilient, leading to prime rents rising by an average of 2% over the past year, with some centres seeing double digit growth.

Appetite for better workspaces among businesses is strong.

As organisations reassess space requirements, upgrading spaces has become a key objective. This ongoing ‘flight to quality’ spans the occupier spectrum, and has meant that New and Grade A space consistently accounts for around 80% of total leasing activity annually. This is the highest percentage across the UK markets and evidences the role of best quality real estate to the operational strategy of organisations.

As organisations reassess their space requirements, upgrading the space they retain has become a key objective.

Flexibility is now a fundamental requirement.

Flexibility has become non-negotiable. With hybrid schedules evolving, occupiers are exploring flexible options for supplemental space, regional hubs, or touchdown locations. Growth in demand for flexible solutions has increased operator leasing activity. Flex operators account for 5% of total market activity over the past five years, up from 1-2% annually prior to this.

Where traditional space is sought, lease flexibility is equally being factored into negotiations. Occupiers increasingly seek shorter lease terms, break options, and room for scaling, both up and down. The average weighted lease length for the South East in 2024 was 6.9 years, down from 9 years a decade ago. Hybrid portfolio strategies and flex offerings is now an established component of the occupier acquisition process.

ESG remain central to decisions.

With real estate accounting for approximately 40% of the UK’s carbon emissions, energy consumption and operational efficiency are becoming central to achieving net zero and broader carbon reduction targets. Our recent survey found that 93% of occupiers believe their organisation’s ESG commitments will directly influence their real estate decisions over the next three years.

As more companies adopt transition plans and are required to disclose environmental performance, demand for highly energy-



efficient, low-impact office space is set to rise. This growing focus on sustainability will bring greater scrutiny to energy usage, transparency around carbon footprints, and measurable progress across key ESG metrics.

Supply shortages are accelerating the need for earlier engagement.

A key challenge facing occupiers is the acute shortage of suitable office space. Although total vacancy has risen, the availability of new and Grade A space remains stubbornly low. In fact the gap between total and Grade vacancy is now the widest for 11 years.

Faced with rising competition for quality space, occupiers are adapting timelines, with many initiating searches two years in advance, doubling the traditional planning horizon. This shift is evidenced in the rise of pre-let transactions, with space let ahead of development completion accounting for 17% of total take-up in 2024. This is the highest level since 2000.

Central locations remain highly desirable, while vibrant business parks retain appeal.

Occupiers continue to gravitate towards city and town centres, with

access to transport links, amenities, and talent pools, increasingly viewed as essential to achieving broader business goals.

Noteworthy examples of occupiers transitioning from out-of-town campuses to central hubs include Johnson & Johnson which signed for nearly 100,000 sq ft at Legal & General Investment Management’s Tempo building in 2024, consolidating staff from its High Wycombe campuses to Maidenhead town centre. The new space targets an EPC ‘A’ rating and BREEAM ‘Outstanding’ certification, and is rich in amenities thus showcasing the clear ‘flight to quality’ trend.

Business parks are certainly not off the occupier’s radar. Those prioritising placemaking and community, such as Chiswick Park and Green Park, leverage design, vibrancy, convenience, and a focus on experience. These locations are particularly well-suited to larger footprint or campus-style requirements. BAE Systems’ acquisition of 155,250 sq ft across two buildings at Green Park, is demonstrative of this. Notably, six of the ten largest leasing transactions over the past 12 months have completed in out-of-town locations.

Conclusion: A New Era of Occupier Strategy

The South East office market is undergoing a period of transformation, driven by a convergence of financial pressures, cultural change, technological innovation, and shifting strategic priorities. While cost consciousness remains a key consideration for occupiers, there is growing recognition that quality, flexibility, user experience, and sustainability have become essential components of modern workspace strategy and not optional add-ons.

Successfully navigating this evolving landscape requires a careful balance: embracing flexible models without compromising on quality, and investing in workspaces that not only meet operational demands but also inspire collaboration, enhance connectivity, and support performance. The office has moved beyond its traditional role as a purely functional asset—it is now a critical enabler of culture, productivity, and long-term value.

The Landlord Perspective: Balancing Innovation, Expectation, and Viability

The South East and Greater London office markets are experiencing structural change and growing polarisation. While vacancy rates are increasing overall, there is a shortage of high quality space, particularly in “momentum” locations, where demand is highest.



In this shifting environment, landlords and developers are needing to navigate a more complex and challenging landscape. Occupier criteria are increasingly fluid, shaped by new ways of working and growing expectations around sustainability and flexibility. At the same time, rising construction costs and stricter regulations are putting pressure on both new developments and refurbishment plans. Clear strategic positioning is required, with those able to anticipate change and respond decisively well positioned to unlock value in the next chapter of the market.

Occupier Expectations: Flexibility, Amenity, and User Experience

The shape of occupier demand in the office market has shifted, reflecting how organisations have reimagined the role of the workplace in a hybrid-first world. Today, businesses are looking for more than just space. They are seeking

The shape of occupier demand in the office market has shifted, reflecting how organisations have reimagined the role of the workplace in a hybrid-first world.

flexibility, choice, and environments that support productivity, culture, and wellbeing. Consequently, the definition of a successful office has changed. Companies want spaces that adapt to evolving needs, minimise upfront costs, and offer the ability to scale or reshape as needed.

In response, examples of delivering fully fitted suites, typically between 2,000 and 6,000 sq ft, are growing alongside traditional leases. Landlords are also partnering with serviced office providers to offer more flexible, plug-and-play options. Additionally, amenity provision has become more targeted and practical. Gimmicks have gone, with features like high-quality end-of-trip facilities, wellness areas, hospitality-style lobbies, and tech-enabled collaboration spaces most in demand.

Does the ‘green agenda’ still factor?

While the precise timeline for full compliance with the Minimum Energy Efficiency Standards (MEES) remains uncertain, the direction of market sentiment is clear: sustainability is a fundamental consideration. Occupiers are placing increasing value on environmentally certified and energy-efficient buildings, not only as part of ESG commitments but also as a core component of talent attraction, brand alignment, and operational performance.

The pathway to a sustainable building is not without challenges. Rising construction and materials costs mean that capital expenditure must be closely aligned with the building’s intrinsic quality and its ability to meet future tenant expectations.

Digital Infrastructure: The Hidden Amenity

Hybrid working has reshaped what occupiers expect from office space. Digital connectivity is becoming a baseline requirement. Offices now must support seamless collaboration between people working on-site and those joining remotely. That means strong, reliable digital infrastructure, high-speed networks, and flexible layouts that adapt to changing tech needs.

At the same time, as workplaces become more technology-driven, the demands on buildings have grown. The need for high-performance video conferencing, smart systems, and data-heavy tools has significantly raised expectations for power supply, connectivity, and in-suite fit-outs. Building requirements now include robust electrical capacity, backup systems, and future-proofed digital infrastructure.

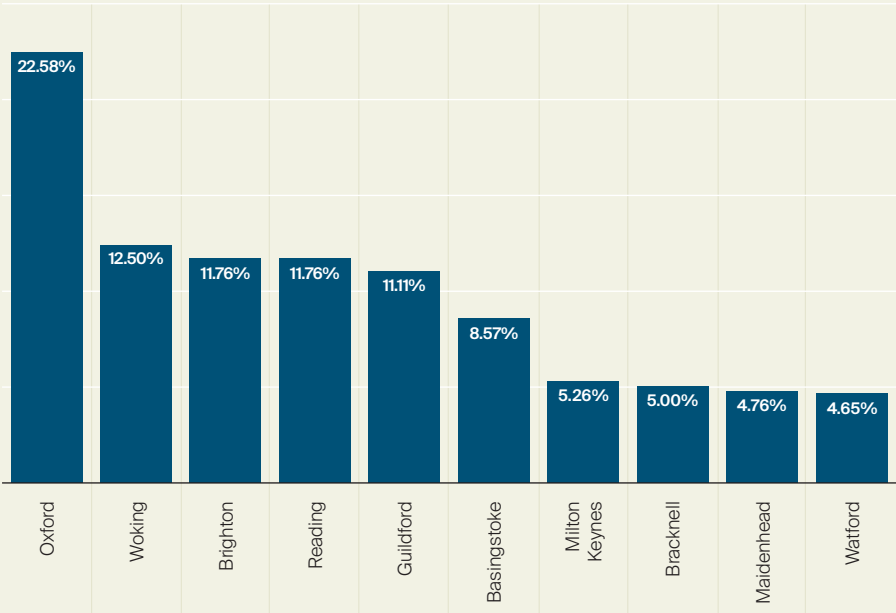
Landlords are also using smart building technologies as a differentiator. These include tools like usage analytics, energy management platforms, and AI-powered systems that offer real-time insights into how a building performs. From improving energy use to supporting health and wellbeing, these technologies play a crucial role in delivering efficient, comfortable, and work-optimised buildings.

The viability challenge continues.

Amid this changing landscape, capitalising on opportunities increasingly hinges on viability. In the past, a clear supply-demand imbalance would have supported development feasibility and prompted a swift response. Today, the picture is more complex. High construction costs, elevated interest rates, and more stringent pre-let requirements have introduced significant financial pressures, making it harder to justify speculative new-build projects without a strong business case.

As occupiers continue to right-size, demand has shifted from large, single-anchor leases to multiple smaller tenants. Thresholds that trigger new development, once around 30%, have now risen to approximately

RENTAL GROWTH % y-on-y



Source: Knight Frank Research

50%. At the same time, viable new developments typically require headline rents up to and exceeding £60 per sq ft. These conditions have raised the bar for feasibility, limiting new construction to only the most robust, well-located markets.

By contrast, comprehensive refurbishment projects generally remain viable at lower rental thresholds—in the £40s per sq ft—while offering shorter delivery timelines and reduced risk. Crucially, refurbishments also better align with occupier sustainability goals by retaining core structures and reducing embodied carbon.

As a result, while selective new development is still achievable in strong markets, the broader trend is shifting toward refurbishment-led strategies that balance commercial viability with evolving occupier expectations.

Development sets a new tone.

Where new development has been completed, those schemes have helped set a new rental tone. For example, developments like Tempo and Station Hill have achieved headline rents above £50 per sq ft, an encouraging indicator of achievable

rental uplift and underlying occupier confidence.

Concluding

While office stock levels in the South East have seen a modest decline, this shift marks evolution, not a sustained wholesale contraction. The value of office space is no longer defined by square footage alone but by its quality of experience.

Landlords focusing on quality over quantity recognise that occupiers are taking less space but expecting more from it. Flexibility is now essential, with demand growing for shorter leases, adaptable layouts, and move-in-ready fitted suites overarched with sustainability.

Rising in importance is a strong digital foundation. Offices must now be built for hybrid working and equipped with the technology and infrastructure to support smart systems, seamless connectivity, and long-term operational resilience.

The path ahead demands investment and adaptability, with success in creating spaces that meet evolving occupier needs without losing sight of market realities.

The Investors Perspective: Opportunities in a shifting market

Investors targeting South East office markets continue to adapt to elevated borrowing costs and ongoing structural changes. Despite these challenges, the current market is increasingly revealing strategic opportunities. Targeted reinvestment and innovation are emerging as key strategies for navigating this landscape. As the market continues to evolve, a clearer picture of long-term value is beginning to take shape.

Evolving Investment Priorities Amid Market Uncertainty

In the face of ongoing market uncertainty, investment strategies have become more discerning and focused. The emphasis has shifted towards securing strong risk-adjusted returns while actively mitigating exposure to asset obsolescence. Investors are increasingly prioritising locations that demonstrate resilient and consistent occupier demand and favouring prime assets that offer long-term relevance and adaptability. This has led to a more targeted approach.

Asset Quality: The Defining Factor

Asset quality has become the leading criterion in investment decision-making. ESG-compliant buildings, or those capable of achieving compliance through a cost-effective and transparent path, have become essential. In today’s market, BREEAM ‘Excellent’ and EPC A-rated properties are often regarded as baseline requirements. Conversely, assets that fall short of modern environmental standards, particularly in peripheral locations, are experiencing a marked decline in investor interest.

Hybrid Working: Shaping Demand and Location Preferences

Hybrid working trends continue to play a pivotal role in shaping perceptions of demand risk across the office sector. While remote

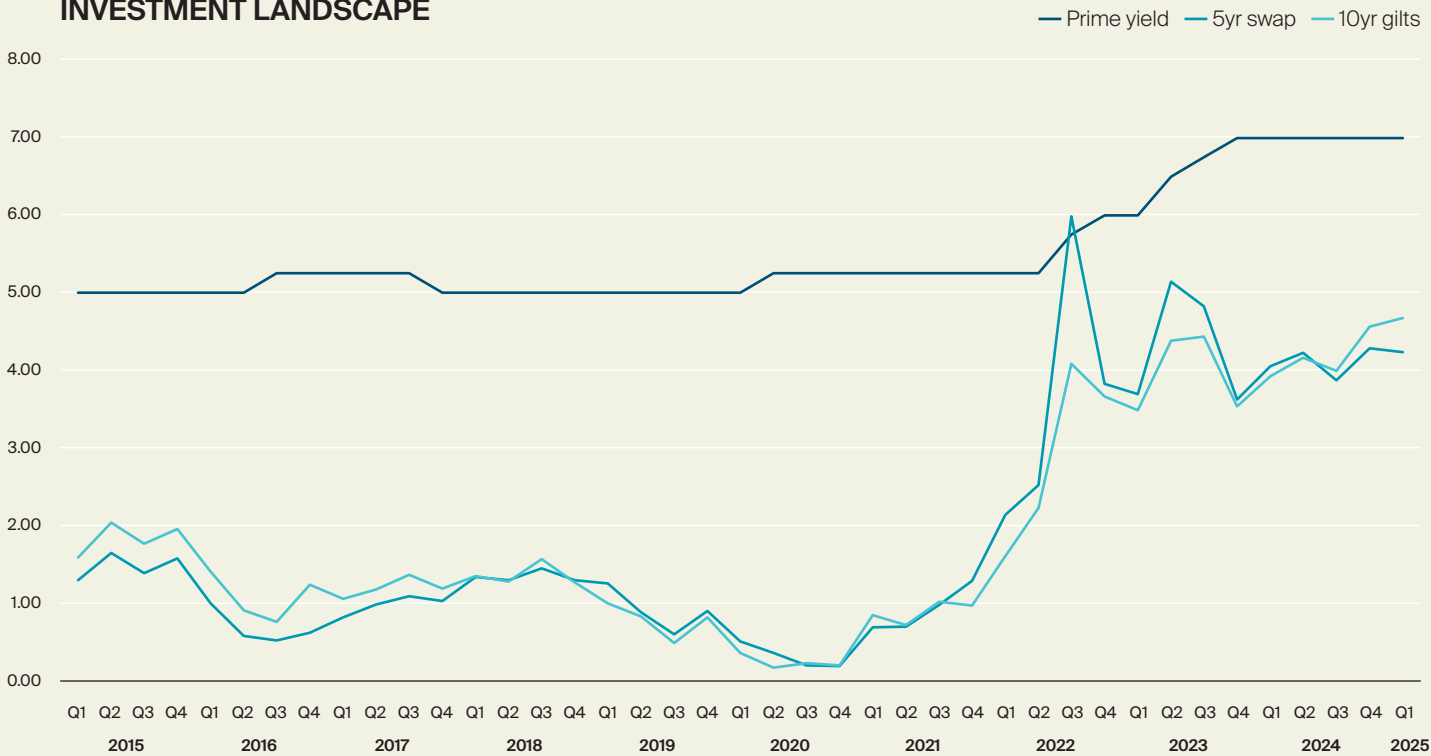
Investors are targeted on locations that demonstrate resilient and consistent occupier demand.

work remains a core feature of occupational behaviour, there’s a noticeable shift back towards more regular office attendance. In response, investors are recalibrating priorities, placing greater emphasis on towns and cities that combine strong transport connectivity with vibrant urban environments. These locations are increasingly seen as resilient, offering secure tenant covenants, access to a broad and diverse talent pool, and alignment with the evolving workplace strategies of occupiers.

Capital Expenditure: Strategic Restraint or Value Creation?

Investors are increasingly cautious about engaging with assets requiring substantial refurbishment unless an articulated value-add opportunity justifies the upfront commitment. However, in supply-constrained locations, a more nuanced approach is emerging. Selective repositioning strategies are being deployed, where targeted refurbishment is not simply a defensive measure to preserve value but a proactive means of unlocking rental uplifts and enhancing overall returns. In this context, capital expenditure is viewed as a strategic lever that can significantly elevate an asset’s performance and long-term competitiveness.

INVESTMENT LANDSCAPE



Limited Supply Driving Focus on Prime Assets

Current supply dynamics are playing a pivotal role in reshaping investor strategies across the office sector. High-quality, well-located assets are becoming increasingly scarce as new development pipelines face constraints. Consequently, landlords of prime offices, particularly in core submarkets are achieving premium rents. This sustained supply-demand imbalance reinforces the appeal of Grade A stock as a stable, income-generating investment.

At the same time, investors are broadening focus beyond established prime assets to target areas of structural undersupply, where demand for modern office space remains strong despite limited availability. These locations present compelling opportunities for rental growth and long-term capital appreciation. In parallel, repositioning and repurposing strategies are gaining traction, with investors exploring older or underutilised buildings that offer potential for comprehensive refurbishment or adaptive reuse. By upgrading these assets to align with evolving occupier expectations, investors are unlocking latent value.

Pricing Divergence Reshaping Strategy

A growing pricing divergence between best-in-class and legacy office stock is increasingly shaping investment strategies across the market. Values for outdated or non-compliant assets continue to decline, while demand for high-quality, ESG-aligned buildings remains strong and assets command a premium. Investors aligning portfolios with modern, sustainable offices are better placed to capture future outperformance amid evolving occupier expectations and rising regulatory standards.

Successive interest rate cuts has sparked early indications of renewed investor confidence. Prime office yields have stabilised within the 7.00% to 7.50% range, attracting capital from investors prepared to navigate short-term volatility in pursuit of secure, long-term income. This shift reflects a broader strategic realignment, with income return re-emerging as the primary performance driver in a market characterised by modest capital growth expectations.

Conclusion: Selectivity, Sustainability, and Strategic Vision

As the South East office market continues to evolve in response

to economic pressures, shifting occupier behaviours, and tightening ESG compliance, investors are increasingly required to adopt a more refined and forward-looking approach. The themes of 2024 - selectivity, resilience, and value creation through repositioning - mark a shift towards an investment landscape driven less by broad market momentum and more by asset-specific fundamentals.

Prime assets in supply-constrained, high-demand locations remain highly sought after, while older stock must undergo targeted investment or face obsolescence. The stabilising interest rate backdrop is helping to restore investor confidence and reinforce income return as the core performance metric.

Looking ahead to 2025, the South East office market offers significant potential for investors who are agile, data-driven, and strategically aligned with evolving occupier needs. Those with a clear focus and the ability to move quickly will be best placed to navigate continued transformation and seize the next wave of opportunity.



Interview with Nick Blevins

Partner, Head of Life Sciences
& Innovation Agency



Q1: HOW WOULD YOU ASSESS THE GROWTH PROSPECTS OF THE UK LIFE SCIENCES SECTOR OVER THE NEXT FIVE YEARS?

A: The outlook is mixed.

In the short term, the sector is pausing for evaluation. Venture capital has significantly pulled back, especially for early-stage companies, which form the backbone of the UK market. Series A to Series B businesses are finding it difficult to raise funds, leading to frequent leadership changes and prolonged decision-making cycles, which in turn hinder growth. Investors are happy to invest at Seed or following exciting phase two clinical data that investors can see a clear path to market for.

Long-term, however, the fundamentals are strong. The UK continues to produce world-class science. US investors are becoming more engaged with the UK market, and domestic institutional investors, such as M&G and Aviva, are beginning to allocate capital to the sector. The core elements needed for long-term growth are firmly in place. Additionally, the Mansion House discussions should result in a significant increase.

Q2: ARE THERE PARTICULAR SEGMENTS WITHIN LIFE SCIENCES ATTRACTING MORE INVESTMENT OR INTEREST?

A: Yes, certain subsectors are seeing notable interest.

Neurology is currently attracting strong investor attention, particularly in London. AI-driven platforms with a biological focus are also gaining traction. Oncology remains a consistent area of strength in Cambridge.

Conversely, cell and gene therapy, which saw a surge of enthusiasm in 2021 and 2022, is now facing significant challenges due to high production costs and complexity, making commercialisation difficult.

Q3: HOW DOES THE UK COMPARE TO OTHER GLOBAL HUBS LIKE THE US OR CHINA?

A: The UK is the leading life sciences hub in Europe and remains globally competitive.

There has been a noticeable trend of academics relocating from East Coast US institutions to the UK, drawn by the comparatively stable research environment. Cambridge and Oxford are frequent destinations for this incoming talent.

Q4: ARE COMPANIES DRAWN TO PLACES LIKE OXFORD AND CAMBRIDGE BECAUSE OF TALENT?

A: While talent is important, it is the intellectual property that primarily attracts companies.

Most of the activity in Oxford, Cambridge, and similar locations stems from university spinouts originating from institutions like Oxford, Cambridge, Imperial, and UCL. Talent availability does add value, and UK-based scientists are often more cost-effective. For example, a scientist in Cambridge may cost a third of one in Boston.

Q5: WHAT ROLES DO OTHER SOUTHEAST LOCATIONS LIKE STEVENAGE OR WHITE CITY PLAY?

A: White City has seen strong activity due to spinouts from Imperial College but has become vulnerable in the current venture capital climate, with rising vacancy levels. We are however confident established markets like this will quickly benefit from a stabilization of the environment.

Stevenage was once seen as a potential growth centre due to its connection to GSK and the presence of an incubator, but it hasn't progressed as strongly as hoped.

Ultimately, Oxford, Cambridge, and select parts of London remain the principal anchors for life sciences in the Southeast.

Q6: HAS THE STRUCTURE OF DEMAND FOR LAB SPACE CHANGED OVER TIME?

A: Yes, significantly.

The assumption five years ago was that large lab floor plates, around 20,000 square feet, would be in high demand. The strongest demand now lies in smaller units, particularly those under 10,000 square feet in London, which better suited university spinouts and early-stage businesses. That being said as investor become more confident we expect the middle of the market to improve.

Q7: OUTSIDE OF LAB SPACE, WHAT INFRASTRUCTURE MATTERS MOST TO LIFE SCIENCES OCCUPIERS?

A: Transport connectivity is a major factor.

For example, the Cambridge to King's Cross rail line supports strong collaboration between AI-focused firms in London and biotech players in Cambridge.

In contrast, Oxford is still largely car-reliant, with most science parks located outside the city and accessible primarily via shuttle or private vehicle.

Proximity to research institutions and hospitals, such as Addenbrooke's or the Francis Crick Institute, is also a critical driver of location decisions.

Q8: IS ACCESS TO HIGHER POWER FEEDS FEATURING INTO OCCUPIER REQUIREMENTS?

A: Yes, both in the short and long term.

At present, most developments have adequate power, but concerns are growing about long-term capacity. Some landlords are reserving future grid capacity, which could become a regulatory issue.

There is also growing awareness that over-specifying lab buildings leads to unnecessary energy use. Smarter building design and potentially the use of battery storage will be important solutions.

Q9: WHAT'S THE CURRENT POSITION OF THE DEVELOPMENT PIPELINE ACROSS THE SOUTHEAST?

A: Lab space is approaching a short-term oversupply. However, this is likely to balance out over the next two to three years.

In contrast, office space is significantly under-supplied, especially in Oxford, where most developments have focused exclusively on lab facilities.

Looking ahead, the key question is whether developers will be willing to commit to new projects that would complete in 2027 or later.

Q10: FINALLY, WHAT KIND OF GOVERNMENT POLICY WOULD BEST SUPPORT THE SECTOR?

A: The top priority is unlocking capital.

The Mansion House reforms could be transformative if they successfully encourage pension funds to invest in life sciences. Currently, UK firms often receive far less funding than their US counterparts, even when the underlying science is comparable.

In addition, there is a need to better leverage the UK's world-class institutions, such as the Crick, the UK Biobank, and the NHS. These institutions attract global interest, but the UK often fails to secure the associated R&D activity or job creation.

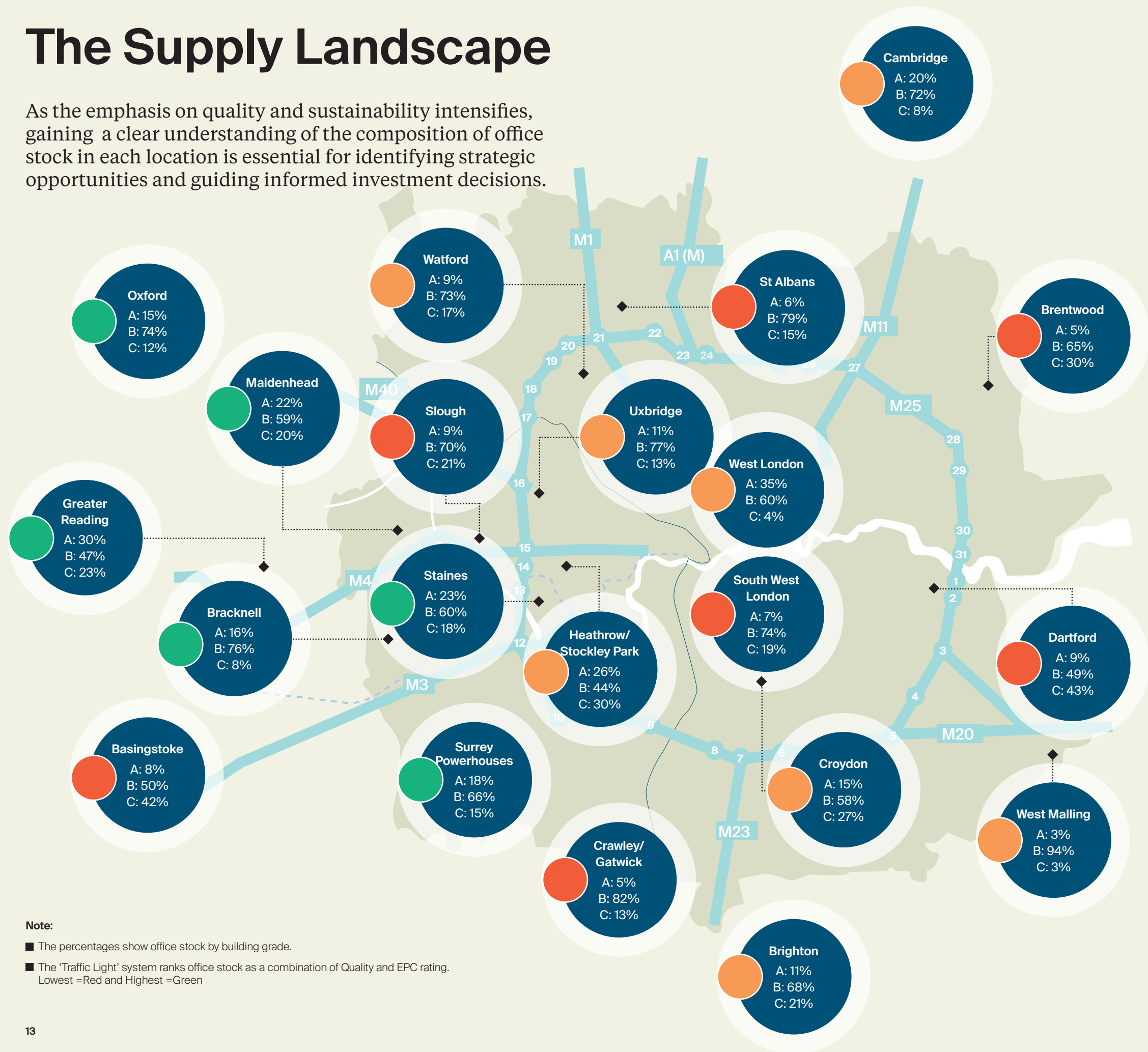
One positive example is the Crick Institute's approach, which offers companies access to its science in exchange for local investment. We need more of that model to ensure global companies not only use UK data but also invest in UK infrastructure and talent.

The Supply Landscape



The Supply Landscape

As the emphasis on quality and sustainability intensifies, gaining a clear understanding of the composition of office stock in each location is essential for identifying strategic opportunities and guiding informed investment decisions.



Note:

- The percentages show office stock by building grade.
- The 'Traffic Light' system ranks office stock as a combination of Quality and EPC rating. Lowest =Red and Highest =Green

A SUPPLY SQUEEZE AHEAD?

With supply low, tenant demand targeted and the development pipeline weak, are we entering a period of stock shortage?

SPECULATIVE DEVELOPMENT BY DELIVERY DATE

SQ FT	2025	2026	2027
West London	611,968	148,674	-
Cambridge	41,393	-	421,288
Oxford	42,960	-	-
South West London	171,687	-	-
Watford	38,305	-	-
Brighton	50,407	-	-
Maidenhead	30,006	68,114	-
Total	986,726	216,788	421,288

TOTAL STOCK BY EPC RATING

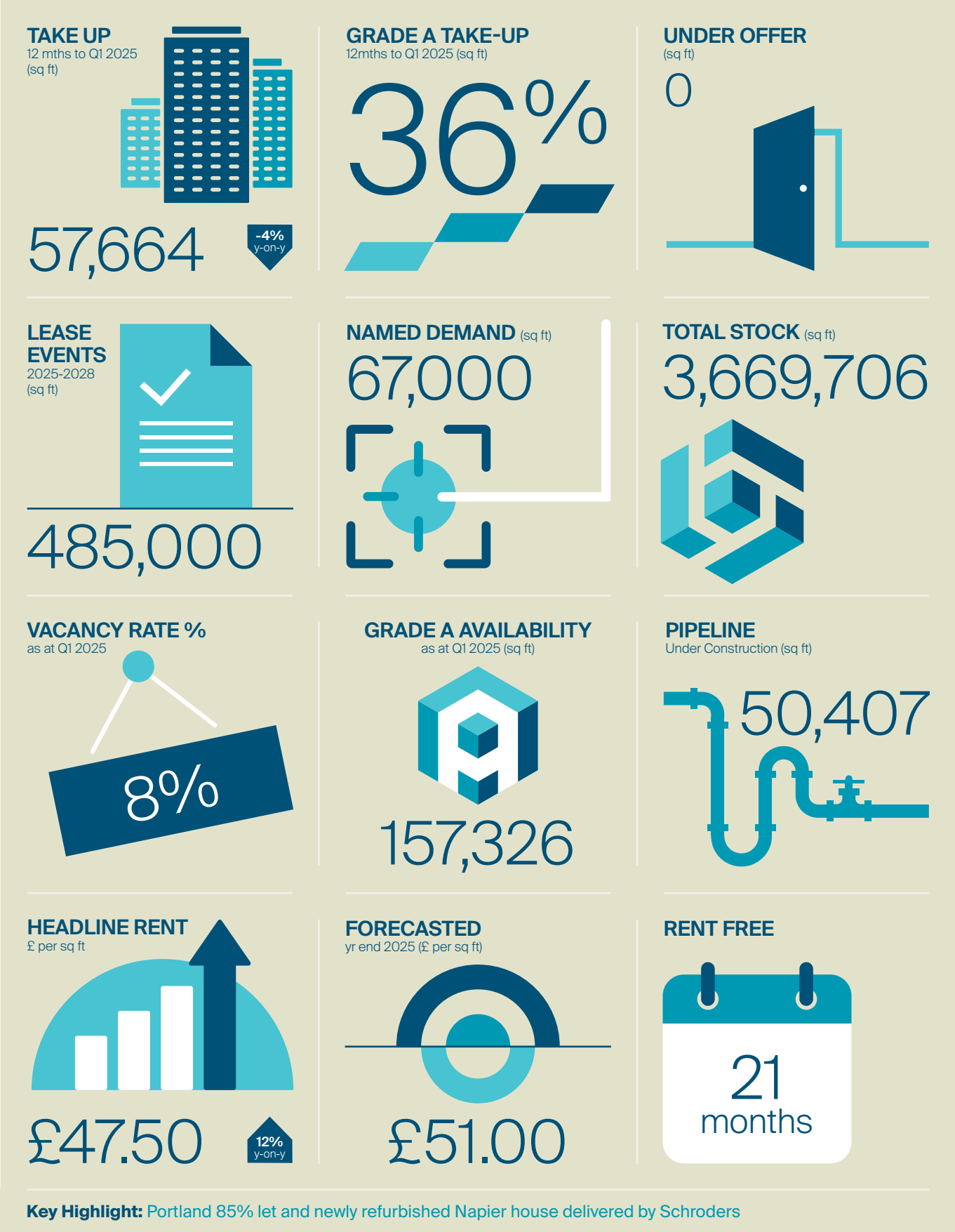
	EPC A/B	EPC C	EPC D OR LOWER
West London	33%	33%	34%
Cambridge	42%	29%	29%
Oxford	49%	27%	24%
Greater Reading	49%	30%	21%
South West London	34%	31%	35%
Surrey Powerhouses	50%	19%	31%
Basingstoke	30%	31%	39%
Heathrow/Stockley Park	26%	27%	47%
Slough	26%	35%	39%
Watford	48%	31%	21%
Bracknell	49%	25%	26%
Croydon	40%	29%	31%
Crawley/Gatwick	35%	40%	25%
Brighton	32%	33%	35%
Maidenhead	56%	29%	15%
Uxbridge	45%	20%	35%
Staines	57%	20%	23%
St Albans	35%	22%	43%
Dartford	23%	38%	39%
West Malling	56%	28%	16%
Brentwood	32%	32%	36%

Momentum Markets



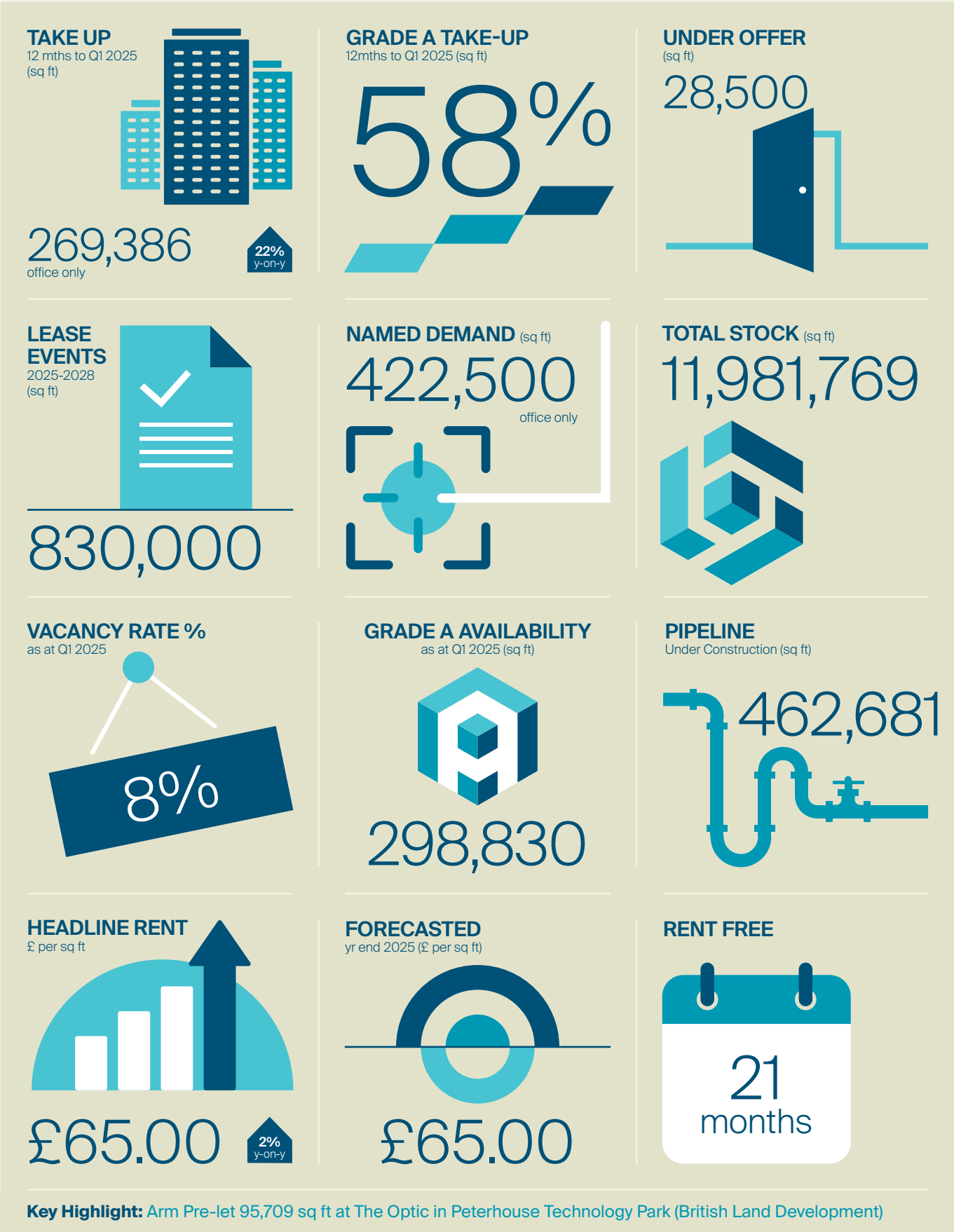
Brighton

Brighton stands out as a vibrant and appealing office market, supported by consistent demand and a constrained supply of quality space. Its two top-ranked universities—the University of Brighton and the University of Sussex—contribute to a diverse, highly skilled talent pool that feeds directly into the local economy. A well-established innovation pathway, including initiatives like the Sussex Innovation Centre, helps drive sustained growth in tech and knowledge-based industries. This dynamic environment makes Brighton a magnet for forward-thinking businesses and entrepreneurs.



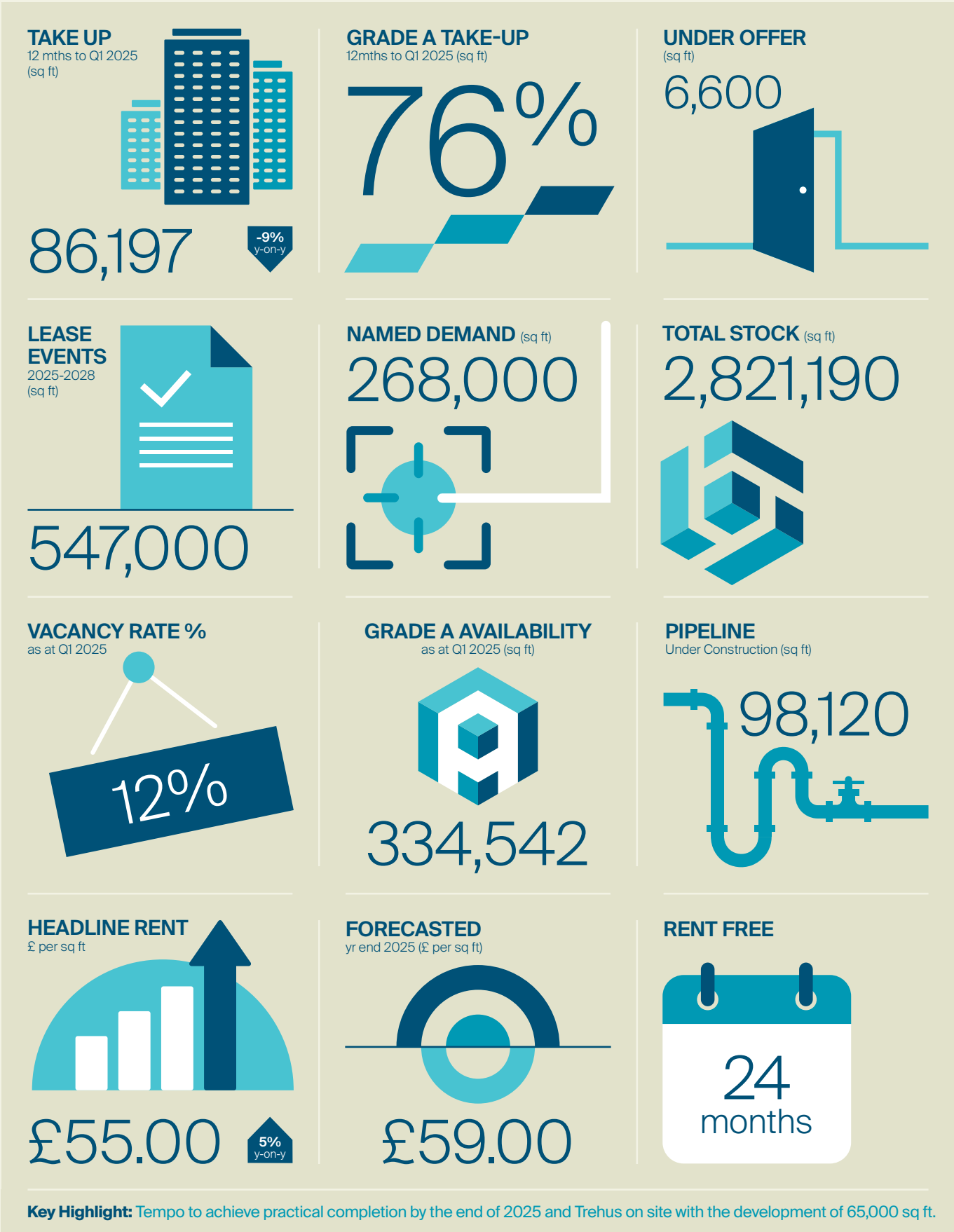
Cambridge

Cambridge is a leading global innovation hub, driven by its world-renowned university and a rapidly growing Life Sciences sector. As part of the UK's Life Science 'Golden Triangle', the city has seen rising demand for R&D space. Beyond Life Sciences, Cambridge hosts a diverse mix of industries, including technology, financial services, and other science-based sectors. Many companies originated as university spin-offs, while global corporations have been drawn to the city by its exceptional talent pool and strong research foundations. This blend firmly positions Cambridge as a key centre of innovation and growth.



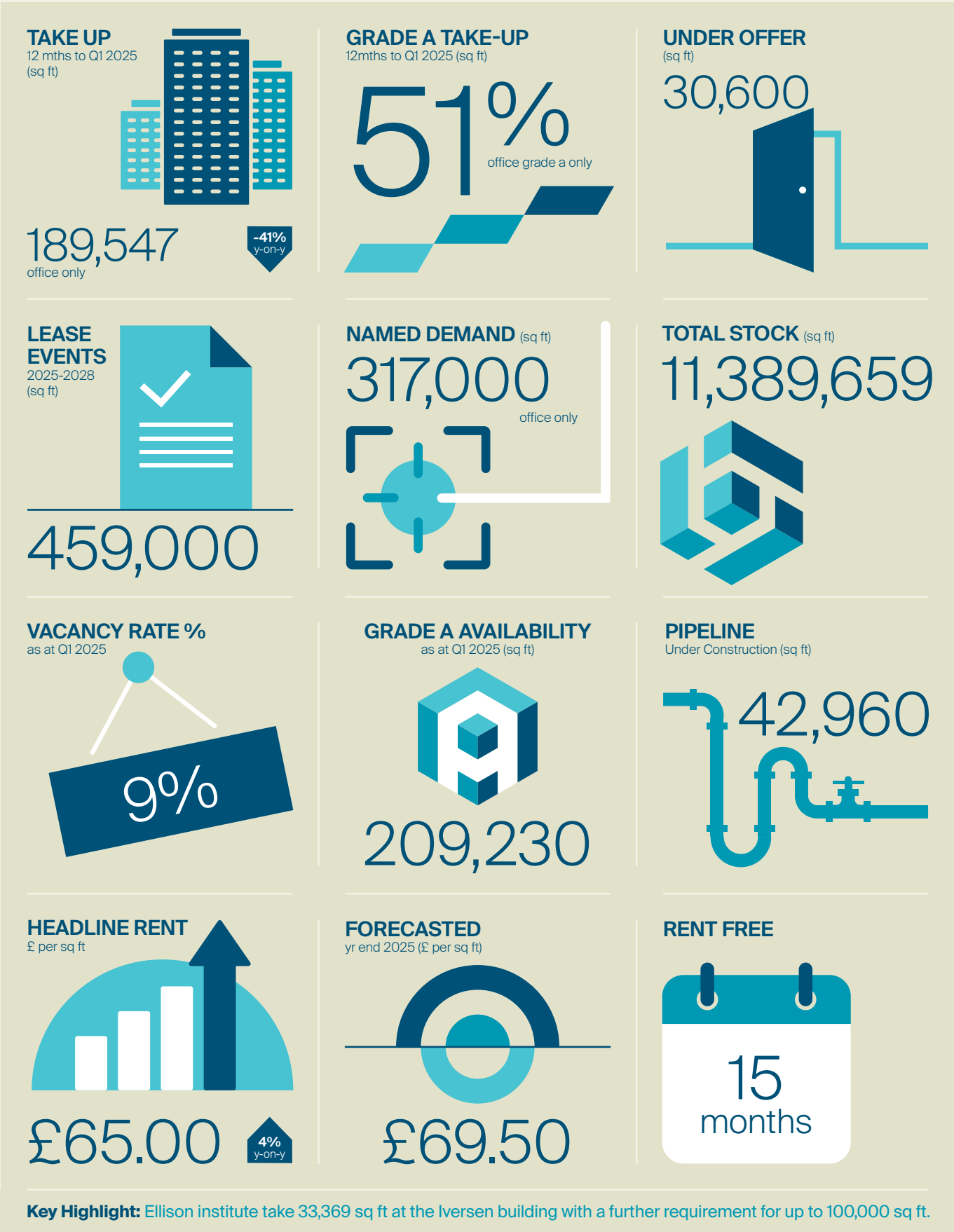
Maidenhead

Maidenhead offers excellent connectivity, with direct train links to London in 17 minutes and easy access to the M4, making it ideal for businesses seeking access to a broad workforce. The town also excels in lifestyle and wellbeing, with developments like Chapel Arches, One Maidenhead, and Tempo delivering modern office space, housing, retail, and leisure. These amenities support talent attraction and retention.



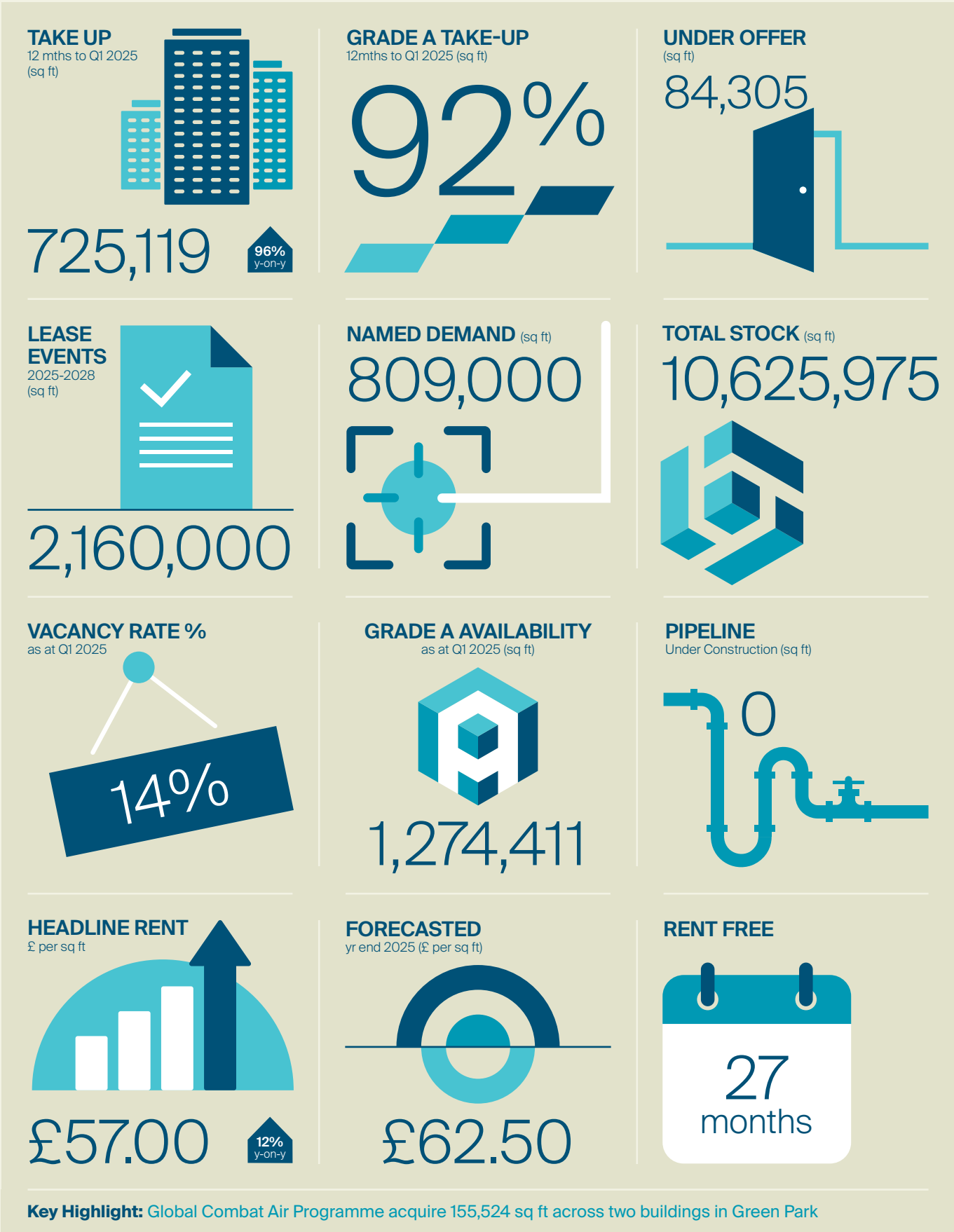
Oxford

Oxford, home to a top three global university, is a cornerstone of the UK's Golden Triangle and hosts 50% of the country's Life Sciences activity. Its innovation ecosystem blends biotechnology, chemistry, and healthcare with advanced engineering, deep tech, and IT, creating a dynamic fusion of science and technology. Cutting-edge university research is supported by numerous science parks and incubators, fostering entrepreneurship.



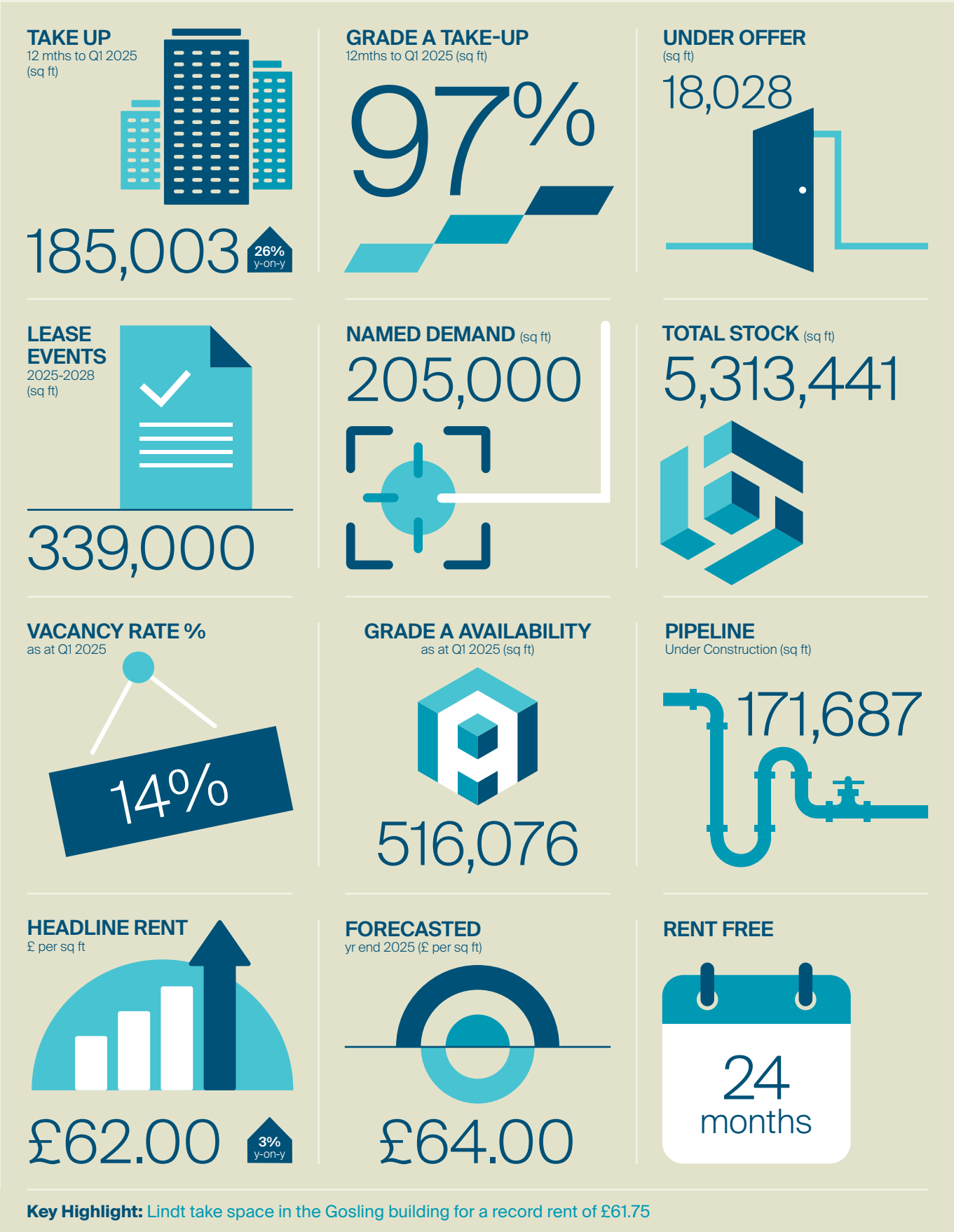
Reading

Reading benefits from a strong educational foundation that supports both established and emerging knowledge-intensive sectors. Ranked 6th for the proportion of working-age residents with high-level qualification, the town also benefits from the research-driven University of Reading, known for its strengths in climate, food science, business, and agriculture. This ensures a steady pipeline of skilled talent. Affordable living encourages graduates to stay, while growing interest from Pharmaceutical, Healthcare, and MedTech firms strengthens Reading's role as a key innovation hub.



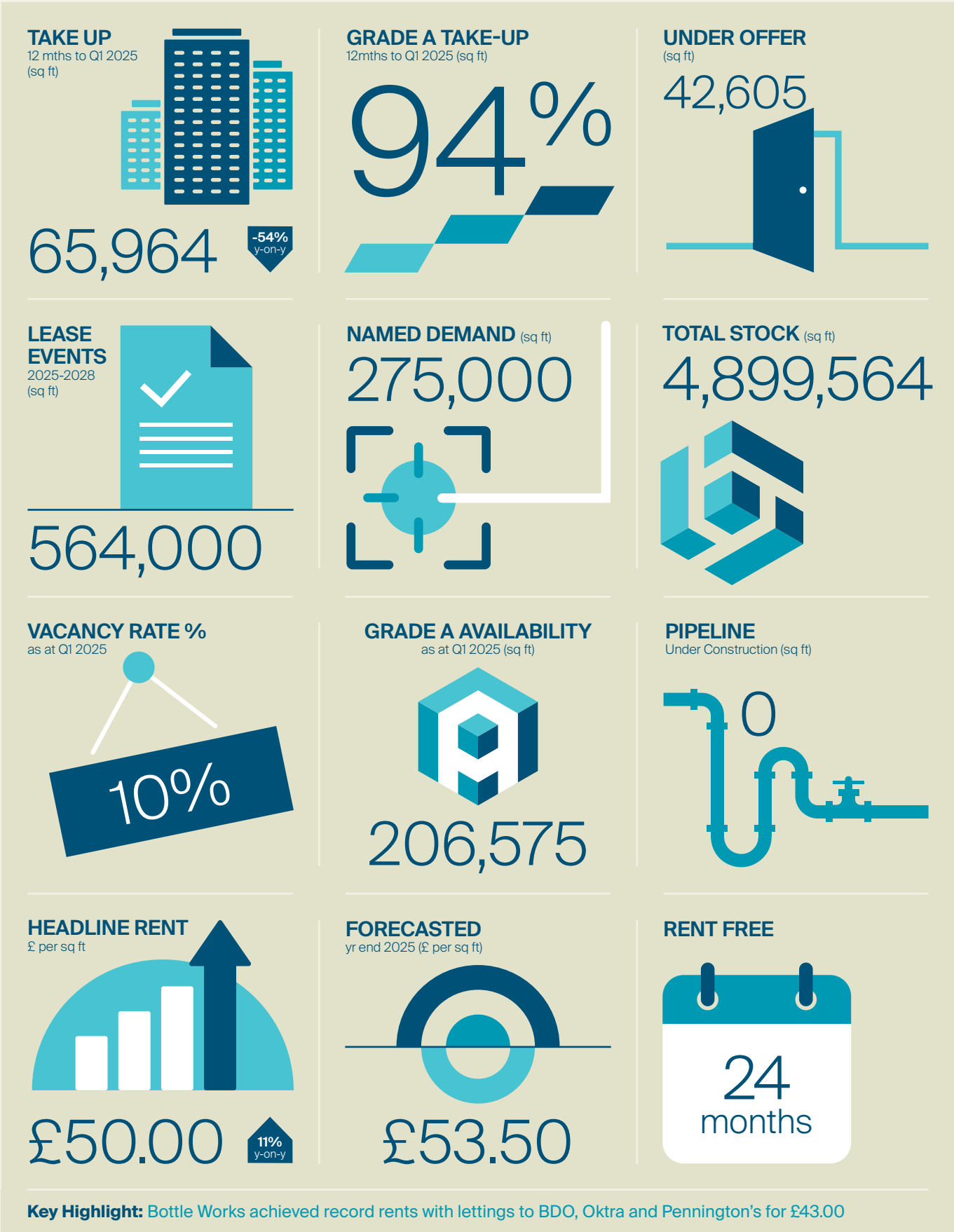
South West London

South West London offers excellent connectivity and a strong mix of residential and commercial appeal. Established office hubs like Wimbledon, Richmond, and Putney continue to attract businesses with their vibrant amenities and transport links. Meanwhile, areas such as Clapham, Kingston, and Twickenham are seeing increased activity, driven by regeneration, growing professional populations, and competitive rents, positioning the region as a dynamic and expanding business environment.



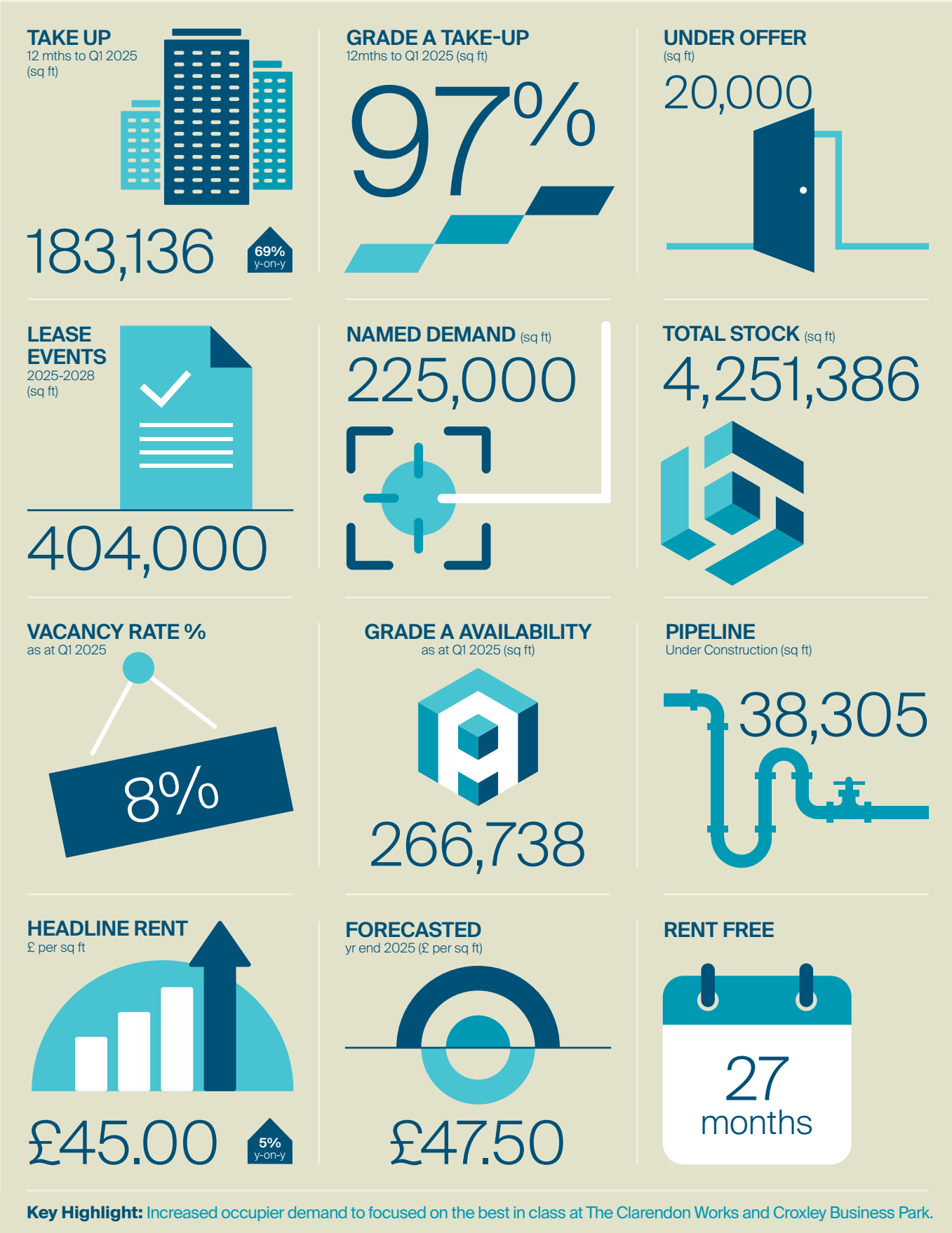
Surrey Powerhouse

Education is the backbone of Surrey's leading office markets, offering occupiers access to a highly skilled talent pool. Surrey University's top ranking in information technology and systems directly supports the region's active TMT sector, supplying a capable workforce. Guildford and Woking, are both well connected towns and also benefit from ongoing investment in local amenities.



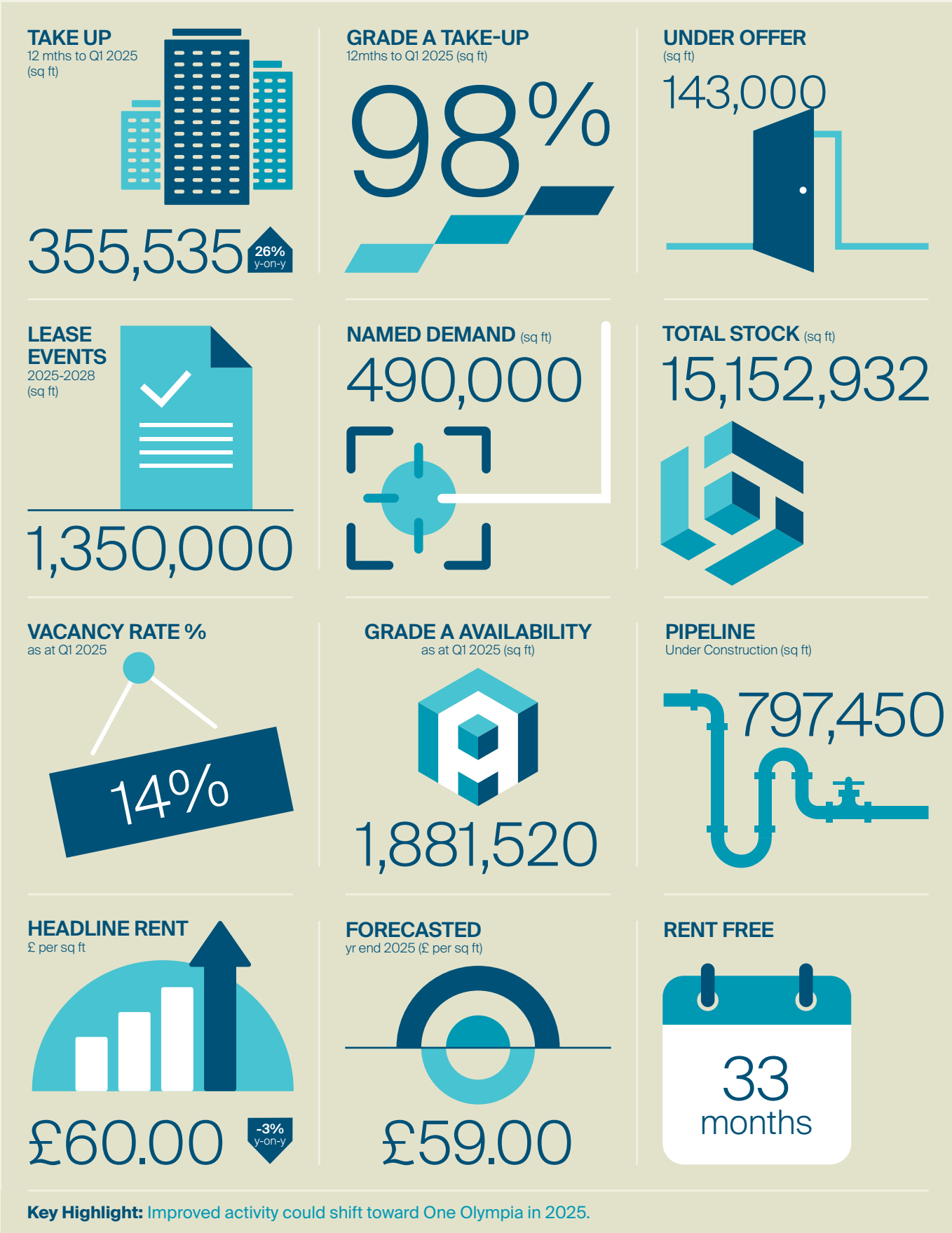
Watford

Watford has seen significant regeneration, enhancing its appeal as a business hub near London. Its strong connectivity and growing amenities attract companies seeking high-quality yet affordable office space. New developments, such as Regal London's mixed-use scheme on Clarendon Road, reflect confidence in the market. Watford hosts a diverse range of major occupiers, including TK Maxx's European headquarters, KPMG, PwC, and Ralph Lauren highlighting Watford's commercial strength.



West London

West London's key strength lies in its exceptional lifestyle offering and connectivity. Alongside Westfield, areas like Chiswick High Road and Ealing Broadway further enhance the appeal, with the mixed-use redevelopment of Kensington Olympia in particular, reflecting strong investor confidence. The area enjoys superior transport links, including the Elizabeth Line, London Underground, Overground, and the M4, making it highly accessible for commuters and cyclists alike.



South East & Greater London Offices



Roddy Abram
Partner
Head of South East & Greater London Offices
+44 7899 001 028
roddy.abram@knightfrank.com



Jack Riley
Partner
South East & Greater London Offices
+44 7867 002 484
jack.riley@knightfrank.com



Andy Nixon
Partner
South East & Greater London Offices
+44 7973 924 947
andy.nixon@knightfrank.com



Ashley Drewett
Partner
South East & Greater London Offices,
Lease Advisory
+44 7799 478 834
ashley.drewett@knightfrank.com



Andrew Wood
Partner
South East & Greater London Offices,
Tenant Representation
+44 7800 500 752
andrew.wood@knightfrank.com



Tom Slater
Senior Surveyor
South East and Greater London Offices
+44 7870 803314
tom.slater@knightfrank.com

Capital Markets



Simon Rickards
Partner
Head of South East & Greater London
Office Investment
+44 7787 844 384
simon.rickards@knightfrank.com



Mark Routledge
Partner
Capital Markets
+44 7788 454 118
mark.routledge@knightfrank.com



Henry Wyld
Partner
Capital Markets
+44 7774 833 478
henry.wyld@knightfrank.com



Charles Hobart
Partner
Capital Markets
+44 7825 608 962
charles.hobart@knightfrank.com



Tom Coaker
Associate
Capital Markets
+44 7894 814 327
tom.coaker@knightfrank.com



Amelia Cobb
Senior Surveyor
Capital Markets
+44 7870 509 458
milly.cobb@knightfrank.com

Capital Markets



Francesca Ixer
Surveyor
Capital Markets
+44 7790 974 574
francesca.ixer@knightfrank.com

Life Sciences



Nick Blevins
Partner,
Head of Life Sciences and Innovation
+44 7885 271302
nick.blevins@knightfrank.com

Cambridge



Iain Keys
Partner, Office Head
Cambridge
+44 7890 942 687
iain.keys@knightfrank.com

Insight



Darren Mansfield
Partner
Commercial Insight
+44 7469 667 194
darren.mansfield@knightfrank.com



Jodie Gibson
Analyst
+44 20 7861 1024
jodie.gibson@knightfrank.com



Numaan Iqbal
Data Analyst
+44 208 176 9767
numaan.akbariqbal@knightfrank.com

Technical Note

- ◆ Knight Frank defines the M4 market as extending from Hammersmith, west to Newbury, incorporating Uxbridge and High Wycombe to the north and Staines and Bracknell to the south. Reading is also included.
- ◆ The M3 market incorporates the main South West London boroughs and encompasses Leatherhead, Guildford and Basingstoke extending north to the M4 boundary described above. Farnborough and Camberley are also included.
- ◆ The figures in this report relate to the availability of built, up-and-ready office/B1 accommodation within the M25 market. Vacant premises and leased space which is being actively marketed are included.
- ◆ All floorspace figures are given on a net internal area basis (as defined by the RICS).
- ◆ A minimum 10,000 sq ft (net) cut-off has been employed throughout. Major and minor refurbishment have been treated as new and second-hand respectively. Data is presented on a centre and quadrant basis. Classification by centre relates to the locational details contained within the marketing material for available properties. Classification in this manner is clearly somewhat arbitrary.
- ◆ Vacancy rate data is based on a total M25 stock measure of 121m sq ft (net), an M4 market stock of 66m sq ft (net) and an M3 market stock of 39m sq ft (net). Please note that a revision to total market office stock figures was applied in Q1 2017 to reflect 'change of use' permitted through the Town and Country Planning Order 2015.
- ◆ Second-hand floorspace has been sub-divided into A and B grade accommodation, reflecting high and low quality respectively. Whilst subjective, this categorisation is based on an assessment of each property's age, specification, location and overall attractiveness.
- ◆ The South East is defined as the market area shown in the map on pages 6/7. The market statistics quoted as 'South East' or 'South East Study Area' are inclusive of Cambridge, Oxford and Brighton.
- ◆ Pre-let = The letting of proposed schemes not yet under construction and those let during the construction process.
- ◆ All data presented is correct as at 31st March 2025.

Knight Frank Commercial Research provides strategic advice, consultancy services and forecasting to a wide range of clients worldwide including developers, investors, funding organisations, corporate institutions and the public sector. All our clients recognise the need for expert independent advice customised to their specific needs. Important Notice: This general document is provided strictly on the basis that you cannot rely on its contents and Knight Frank LLP (and our affiliates, members and employees) will have no responsibility or liability whatsoever in relation to the accuracy, reliability, currency, completeness or otherwise of its contents or as to any assumption made or as to any errors or for any loss or damage resulting from any use of or reference to the contents. You must take specific independent advice in each case. It is for general outline interest only and will contain selective information. It does not purport to be definitive or complete. Its contents will not necessarily be within the knowledge or represent the opinion of Knight Frank LLP. Knight Frank LLP is a property consultant regulated by the Royal Institution of Chartered Surveyors and only provides services relating to real estate, not financial services. It was prepared during the period of June 2020. It uses certain data available then, and reflects views of market sentiment at that time. Details or anticipated details may be provisional or have been estimated or otherwise provided by others without verification and may not be up to date when you read them. Computer-generated and other sample images or plans may only be broadly indicative and their subject matter may change. Images and photographs may show only certain parts of any property as they appeared at the time they were taken or as they were projected. Any forecasts or projections of future performance are inherently uncertain and liable to different outcomes or changes caused by circumstances whether of a political, economic, social or property market nature. Prices indicated in any currencies are usually based on a local figure provided to us and/or on a rate of exchange quoted on a selected date and may be rounded up or down. Any price indicated cannot be relied upon because the source or any relevant rate of exchange may not be accurate or up to date. VAT and other taxes may be payable in addition to any price in respect of any property according to the law applicable. © Knight Frank LLP 2023. All rights reserved. No part of this presentation may be copied, disclosed or transmitted in any form or by any means, electronic or otherwise, without prior written permission from Knight Frank LLP for the specific form and content within which it appears. Each of the provisions set out in this notice shall only apply to the extent that any applicable laws permit. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934 and trades as Knight Frank. Our registered office is 55 Baker Street, London W1U 8AN, where you may look at a list of members' names. Any person described as a partner is a member, consultant or employee of Knight Frank LLP, not a partner in a partnership.