RESEARCH

MARKET IN MINUTES

Cambridge Q3 2026 Office Market Overview

Offices - October 2026

savills

KEY STATS

Q1-Q3 2026 take-up was in line with the 5 Yr Average

93%
The out-of-town market accounted for 93% of Q1-Q3 2026 take-up

11
There were eleven office transactions over 5,000 sq ft in Q1-Q3 2026

-3%
Office supply has fallen by 1% from end 2025

Office market round-up

Subdued activity in Q3 2026

Office take-up in Cambridge reached 267,000 sq ft in Q1-Q3 2026, representing a 16% decrease on Q1-Q3 2025 and 2% below the five-year half-year average.

The lower levels of take-up recorded can be attributed to a notably subdued Q3, with only two transactions completing, totalling 3,000 sq ft. There was however, 40,000 sq ft of laboratory related take-up recorded in the third quarter.

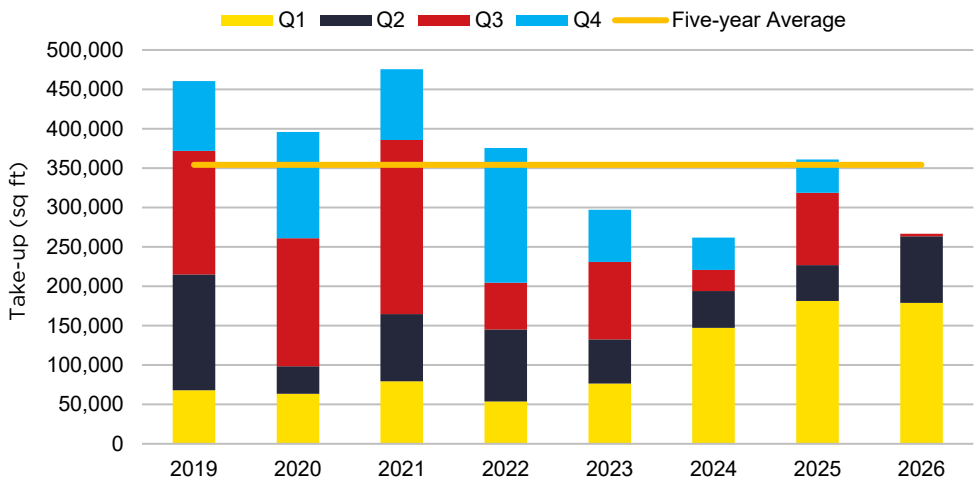
Whilst take-up volumes were lower in the third quarter, there has been healthy levels of larger leasing activity in the first half of the year, with 11 transactions recorded over 5,000 sq ft, which was the highest total in four years for this stage of the year.

FIGURE 1: Key Market Data

	Take-Up (Sq Ft)	Grade A Take-Up (Sq Ft)	Supply (Sq Ft)	Grade A Supply (Sq Ft)	Prime Rent (£ per sq ft)
Q1-Q3 2026	267,000	110,000	887,000	255,000	£65.00
2025	361,000	193,000	910,000	390,000	£65.00
Five-year average	354,000	206,000	879,000	447,000	

The out-of-town market has experienced the bulk of leasing activity in 2026, with this segment of the market accounting for 93% of take-up.

FIGURE 2: Market Take-Up



Source: Savills Research

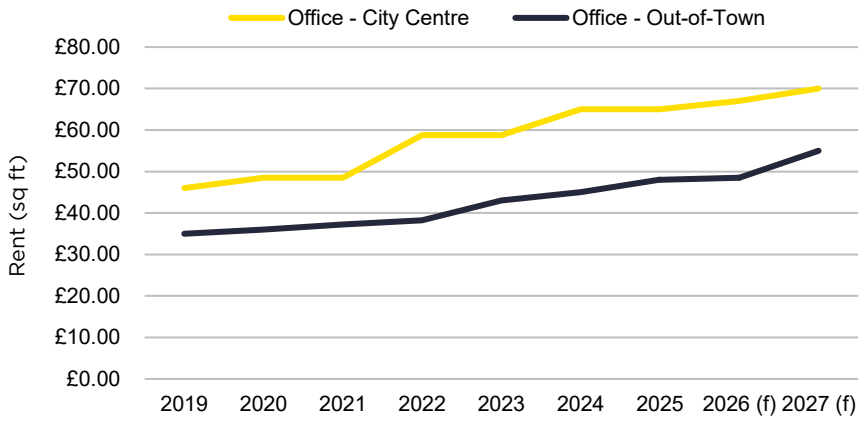
Venture capital funding rebounds

Despite lower levels of office take-up in Q3, the short to medium term prospects for an uptick in transactional activity have been boosted by an increase in venture capital being deployed into the Cambridge market.

There has been £1.3 billion invested into companies who are headquartered in the Cambridge market area as of October, which has already surpassed the previous three annual totals. AI-related companies have received the highest volume of venture capital when compared to other sectors, with £545 million being deployed into these businesses.

The volume of active requirements has increased over the last quarter, driven by a combination of new market entrants and previously dormant searches returning to the market. This points to an improvement in occupier confidence and a more constructive demand outlook. Accordingly, we expect leasing activity to accelerate over the coming quarters, supporting stronger take-up levels into year-end and the start of 2027.

FIGURE 3: Prime Rental Levels



Source: Savills Research

New developments will set new rental tones

Prime headline rents remained static in Q3 2026.

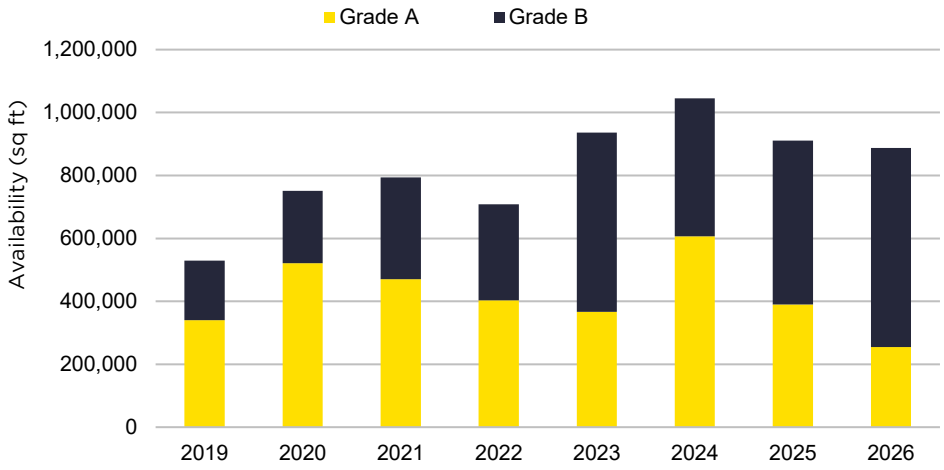
The new development under construction in both the city centre and out of town markets will be able to facilitate new rental tones being established for these submarkets, with an expectancy that prime rents will exceed £70 per sq ft in the city centre from 2027 onwards.

Grade A supply falls to lowest level in over five years

Total office supply currently stands at 888,000 sq ft, reflecting a 3% decrease since the end of 2025. Notably the volume of available of grade A space has continued to dwindle, with only 255,000 sq ft available which is the lowest total recorded in the last five years.

There are four grade A buildings which can offer over 20,000 sq ft across both the city centre and out-of-town submarkets, the largest being 10 Station Road, where 40,000 sq ft is available. The development pipeline is, however responding to the shortage of available grade A space, with four schemes under construction. Notably the largest being Botanic Place which comprises 325,000 sq ft and is the largest speculative office development across the regional office market.

FIGURE 4: Market Availability



Source: Savills Research

> Cambridge office demand remains resilient and selective, with sustained activity from science, technology and innovation occupiers. Decision-making is taking longer and demand is increasingly focused on best-in-class, amenity-rich space.
>
> **Mark Taylor, Agency**

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