RESEARCH

MARKET IN MINUTES

Cardiff Q1 2026 Office Market Overview

Offices - April 2026

savills

KEY STATS

89%
Q1 2026 Grade A and Prime take-up was 89% above the Q1 2025

21
Completed office transactions during Q1 2026 - 17% higher than Q1 2025

8,844
Largest deal in Q1 2026 was at 5 Callaghan Square by Ridge for a total of 8,844 sq ft

-3%
Total Prime supply decreased by 3% at the end of Q1 2026

Office market round-up

Take-up remains subdued

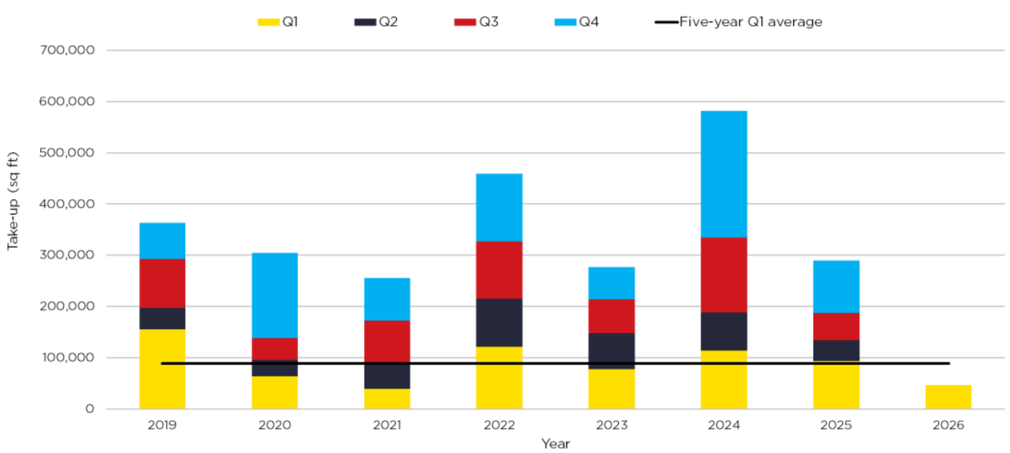
Take-up in Cardiff at the end of Q1 2026 totalled 46,392 sq ft and was achieved through 21 transactions, 17% higher than the number of transactions in Q1 2025 and on par with the five-year Q1 average. Although deal volumes were up, take-up was down by 51% on the same period in 2025 and down on the long-term averages.

Grade A/ Prime take-up totalled 15,057 sq ft, with only two deals in the quarter. Grade A/Prime take-up was 89% above the same period in 2025 and accounted for 32% of the total. This was 55% higher than the five-year Q1 average proportion of take-up.

FIGURE 1: Key Market Data

	Q1 2026	Comparison to Q1 2025	Comparison to Q1 2019
Take-up Q1 2026 (sq ft)	46,392	-51%	-70%
Grade A/ Prime Take-up Q1 2026 (sq ft)	15,057	+89%	-80%
Deal Count Q1 2026	21	+17%	-36%
Average Deal Size (Median)	1,418	-27%	-32%
Q1 2026 Supply (sq ft	1,601,324	+24%	+58%
Q1 2026 Grade A Supply (sq ft)	193,201	-46%	+2%
Prime Rent (£ per sq ft per annum)	£30	+7%	+20%

FIGURE 2: Market Take-up



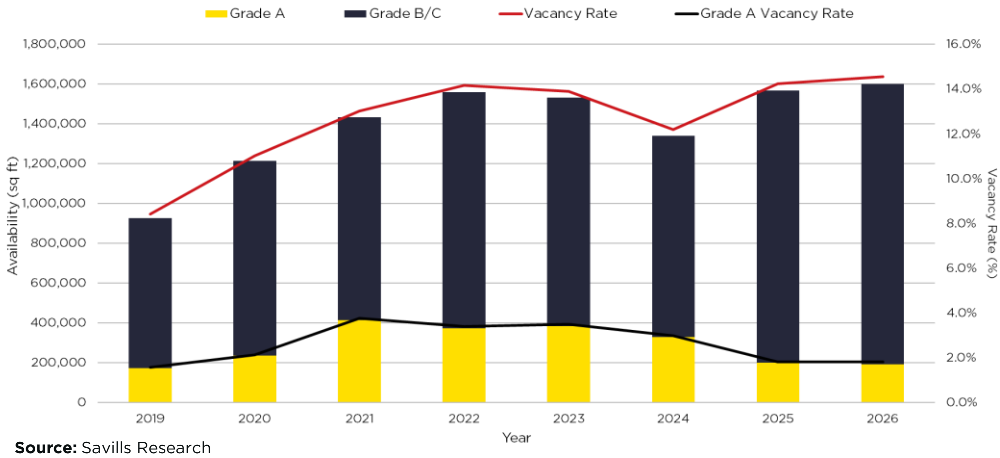
Source: Savills Research

Uptick in availability, but Grade A remains limited

Availability at the end of Q1 2026 totals 1.6 million sq ft, reflecting an increase of 2% on the previous quarter. This means that the overall vacancy rate has increased marginally by 30 basis points (bps) to 14.5%. Secondary stock accounts for 88% of the total.

Grade A availability totals 193,201 sq ft, a further decrease of 3% on the previous quarter. The Grade A vacancy rate has remained the same as the previous quarter and stands at 1.8%.

FIGURE 3: Market Availability



Source: Savills Research

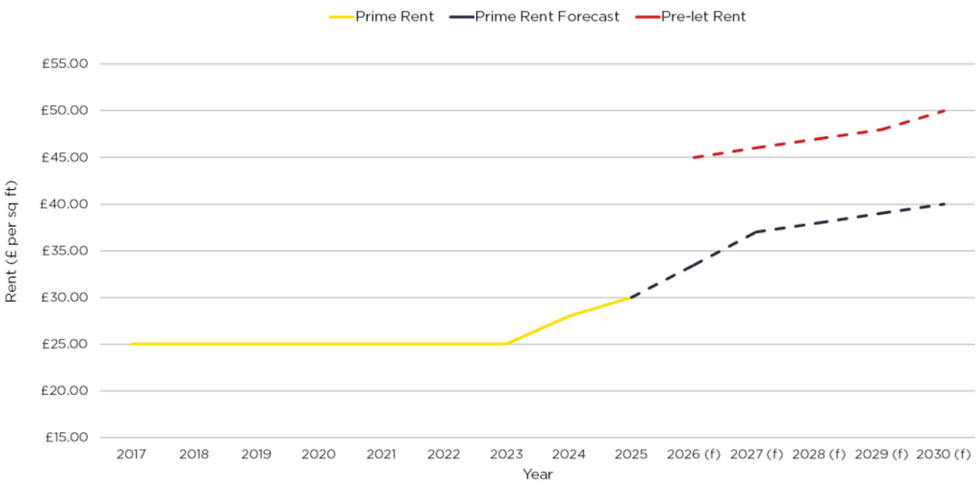
Property, development and construction companies take the lead

The 'Property company, development and construction' sector was the most active in Q1 2026, leasing a combined 13,714 sq ft across seven transactions, which was the highest number of quarterly transactions since 2007.

The sector accounted for 30% of the total, with the largest transaction being CTQ Ventures Ltd, acquiring 3,802 sq ft at 32 Windsor Place.

'Business & Consumer' and 'Professional' were also active in the first quarter of the year with both sectors accounting for 20% of the total. They leased 9,627 sq ft across three transactions, and 9,464 sq ft across two transactions, respectively.

FIGURE 4: Market Rents



Source: Savills Research

Sedgwick acquired the largest letting of the 'Business and Consumer Services' sector, acquiring 6,213 sq ft at Coal House. Meanwhile, the 'Professional' sector's largest transaction came from Ridge, who took 8,844 sq ft at 5 Callaghan Square.

Headline rent

There was no increase in Prime headline rent in Q1 2026. However, an increase was recorded in Q2 2025, when rents reached £30 per sq ft at One Central Square and Hodge House, representing an increase of 20% on historical rental levels.

This was a significant increase for the market, which has seen increased rental growth over the past year. Savills forecasts that Prime rents could reach £35 per sq ft in 2026/2027 and exceed £39 per sq ft for refurbished space by 2029, a further increase of 30%.

Looking ahead, a rent in excess of £45 per sq ft for a secured pre-let of a new build office is also forecast by 2030, if not before.

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>
> **Gary Carver, Director**

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