

# Greater London & South East Market Watch

Offices - UK Commercial - January/2026

## KEY STATS

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11  
Submarkets achieved record rents

11%  
Total Supply is 11% below end-2024 level

78%  
Grade A space accounted for 78% of take-up

£64.50  
The new prime rent for the region

## Supply At The Lowest Level Ever Recorded With Take-Up Reaching 2.5 Million sq ft

### Summary:

Take-up reached 2.5 million sq ft at the end of 2025. While this was below the levels recorded in 2024, activity was supported by a notable uptick in transactions within the 20,000 to 39,999 sq ft size band, with corporate occupiers remaining active across the region. Supply stood at 11.8 million sq ft, down 11% on 2024 and representing the lowest total level on record.

### Take-up

There was a strong start to 2025, with Q1 take-up standing 30% above the five-year average at 932,000 sq ft. GCAP's leasing of 450 South Oak Way and 350 Brook Drive in Green Park exceeded 155,500 sq ft, marking the first deal over 100,000 sq ft since 2023. However, the Autumn budget slowed

### KEY STATISTICS

	Data	Change from 2024
Total Market Take-Up (sq ft)	2.54 million	-10%
Prime and Grade A Take-Up (sq ft)	1.97 million	-8%
Total Market Supply	11.8 million	-11%
Prime Rent (£ per sq ft)	£64.50	+1%
Development Pipeline (Under Construction) (sq ft)	667,000	-

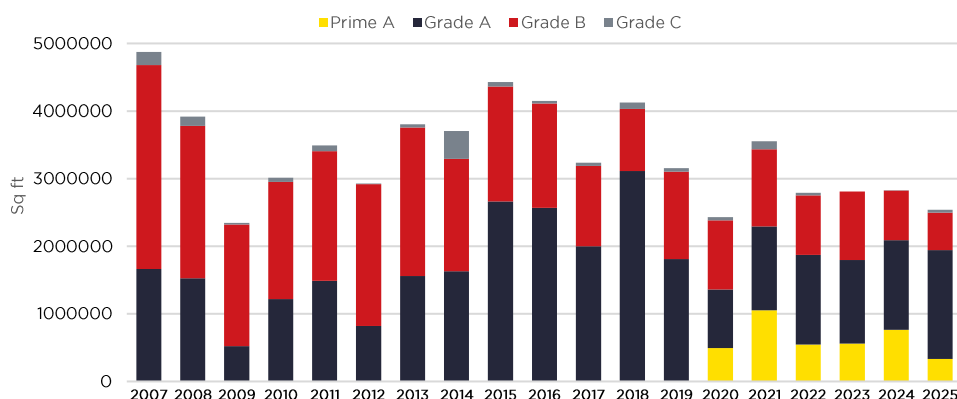
Source: Savills Research

occupier decision making, resulting in weaker leasing activity during the second half of the year. Take up in Q4 2025 totalled 521,000 sq ft, which was 43% below the five-year average. A number of corporate

transactions that were expected to conclude in Q4 2025 took longer than expected to transact, which should boost take-up in the first quarter of 2026. This delay contributed to lower take up in the Western Sector, which ended 52% below the level recorded in Q4 2024. Overall, take-up for the wider Greater London & South East region reached 2.5 million sq ft by year end, 10% below the 2024 total.

Despite the lower levels of take-up recorded, corporate demand remained resilient. There was an uptick in activity in the larger size bands this year, with deals in the 20,000–29,999 sq ft size band 15% above the five-year average, and in the 30,000–39,999 sq ft size band, 67% above the five-year average. The continued economic uncertainty resulted in a reduction in lettings recorded in the 5,000–9,999 sq ft size band, with the number of

### GREATER LONDON AND SOUTH EAST OFFICES TAKE-UP (2007-2025)



Source: Savills Research



Take-up in the South East and Greater London was down in 2025, however, the resilience and strength of demand from all size ranges, bar the 100,000 sq ft + bracket, was clearly evident.

**Andrew Willcock**  
Head of Greater London & South East Agency

deals recorded 17% below the five-year average.

There has been a consolidation of activity on a submarket basis in the Greater London & South East region, with the top ten markets recording the most take-up, remaining broadly consistent over the last five years. Take-up in Reading was 52% above the five-year average, supported by requirements for out-of-town, single-let buildings with high security specifications from defence and manufacturing occupiers. Uxbridge also performed strongly, with take-up 76% above the five-year average, while a flurry of deals in St Albans pushed activity to 334% above the five-year average.

Notable transactions in 2025 included GCAP taking 155,500 sq ft across two buildings in Green Park, Reckitt Benckiser acquiring 55,000 sq ft at 6 Roundwood Avenue, Stockley Park in Uxbridge, and a new regional headline rent achieved in Richmond, where Inforcer leased 9,000 sq ft at the Prime office building Explore.

The Greater London & South East region has a broad occupier base. Manufacturing & Industry accounted for the largest proportion of take-up, representing 20.3% of total space let. This includes a range of subsectors, including pharmaceutical, fast-

moving consumer goods, manufacturing and, notably, defence companies. In 2025, the UK government spent the equivalent of 2.3% of GDP on defence, a level of investment that is expected to continue supporting elevated take-up from technology, defence and manufacturing occupiers into 2026. Property Company, Development & Construction was also a growth sector in 2025, accounting for 17.8% of space let, up from 9.7% in 2024.

Looking forward, Savills expects strong levels of take-up in Q1 2026, supported by a number of transactions that were previously under offer and have carried over into the start of the year. Requirements in Q4 2025 were 67% above the level recorded in Q4 2024, and total annual requirements in 2025 were 18% above those recorded in 2024, indicating a strengthening pool of demand heading into 2026.

**Supply**

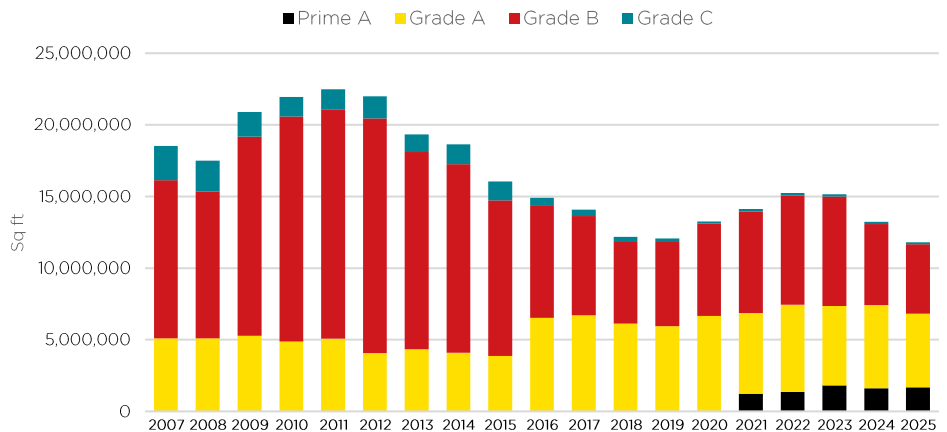
Levels of supply fell to the lowest level ever recorded in 2025, standing at 11.8 million sq ft at year-end, representing an 11% decline compared with the end of 2024. Grade A and Prime space totalled 5.2 million sq ft and 1.7 million sq ft respectively and, combined, accounted for 61% of total supply, with the largest concentration located in the Western Corridor.

With only one speculative development under construction in the region — Trehus in Maidenhead, which is due to complete in 2026 — supply levels are expected to erode further and continue to fall to record lows across the market area. This is likely to place additional pressure on Grade A availability and create opportunities for refurbished Grade A buildings to capture unmet demand, driving rental growth.

**Rental Levels**

In 2025, 11 submarkets achieved record rents against a backdrop of a limited development pipeline and diminishing supply. A new regional record rent of £64.50 per sq ft was set in Richmond, with Inforcer taking 9,000 sq ft at Explore. Following a strong year of leasing activity, St Albans and Watford saw headline rents increase by 4% and 2% respectively, reaching £44.00 and £45.00 per sq ft. This was driven by corporate occupiers relocating from out-of-town locations into Prime or refurbished Grade A buildings in well-positioned town centre locations. This trend is expected to continue, with the flight-to-quality being sustained and driving further rental growth across the region.

**GREATER LONDON AND SOUTH EAST OFFICES SUPPLY (2007-2025)**



Source: Savills Research



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