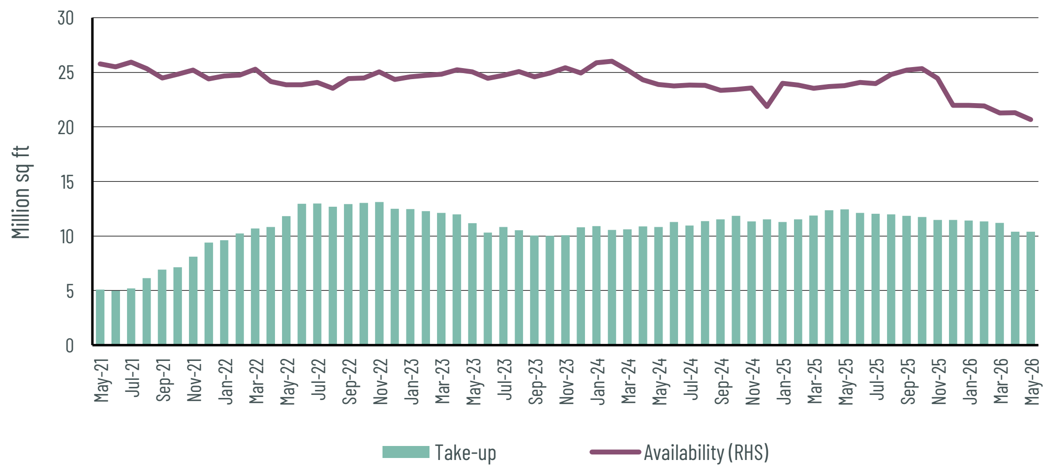
Take-up concentrates into fewer, larger deals

▼ 0.8m sq ft	▲ 20.3m sq ft	▲ 4.1m sq ft	▲ 6.6%	▼ £0.1bn
Take-up	Availability	Under Offers	Vacancy Rate	Investment

Arrows indicate change from previous month

- July saw the joint-lowest deal count of the past year at 40 transactions, but the highest average deal size at 19,000 sq ft.
- The City and the Docklands drove July's increase in under offers, reaching their highest levels since November 2025 and June 2016 respectively.
- Secondhand supply is down 16% year-on-year, and half of what remains sits in units below 20,000 sq ft.
- 18 developments and significant refurbishments have completed so far this year, totalling 3m sq ft.
- A total of 12.3m sq ft of space was under construction at the end of July across Central London, including 2.9m sq ft with an earliest possible completion date within the third quarter of 2026. Of the total space under construction, 31% was let or under offer at the end of the month.
- Despite a quiet July, rolling 12-month Central London investment volumes stand at £6.6bn, 1% above the same period last year.

FIGURE 1: Central London 12-month rolling take-up vs availability



Source: CBRE Research, July 2026

Take-up

Take-up fell by 37% month-on-month in July, back to a similar level to May of this year (+4%). Across Central London take-up totalled 758,800 sq ft in July, 19% below the long-term average of 942,000 sq ft. All of the main markets saw below average leasing activity in July except for Midtown. Midtown recorded its strongest month of 2026 at 179,300 sq ft, a 24% share of Central London take-up and its highest in at least a year. However, this was driven by the largest deal of the month which saw Mishcon de Reya take 160,600 sq ft at MidCity Place, 71 High Holborn, WC1.

The majority of space taken in July was of secondhand quality (62%), while take-up of newly completed and pre-let space accounted for 27% and 12% of the month's total take-up. Pre-letting activity was concentrated in the City and West End.

Throughout the month, 40 deals transacted, the joint-lowest monthly count of the past year, but the average deal size of 19,000 sq ft is the highest in that period. Over half (22) of the July deals were in the West End. The City saw 14 deals transact in July, with an average size of 24,100 sq ft.

The banking and finance and professional services sectors were the most active in July, accounting for 23% and 22% of all leasing activity. The banking & finance sector moved back ahead of the creative industries in the year-to-date for the first time since February, accounting for 22% of leasing activity against 21% respectively.

Availability

Availability increased for the first time since April, rising 1% month-on-month to end July at 20.3m sq ft. The July figure rose just 2% above the long-term monthly average but was 16% below the level recorded a year earlier.

Secondhand supply has fallen 16% year-on-year but remains dominant at 63% of total availability. Units below 20,000 sq ft accounted for 51% of secondhand space, while units of more than 100,000 sq ft accounted for just 5%.

New early marketed space (that is not yet ready to occupy but will become so within 12 months) rose 3% to 3.8m sq ft, a second consecutive monthly increase, and newly completed space rose 1% to 3.7m sq ft. The two now account for 19% and 18% of total availability, respectively.

At the end of July, 17 Central London units offered more than 100,000 sq ft of ready-to-occupy space, 12 of which were newly completed. The largest was The Dock Shed, Canada Water, SE16, at 180,900 sq ft.

The Central London vacancy rate rose by 17 bps to 6.6% in July, just above the long-term average level (6.5%).

Under Offers

Under offers increased by 2% month-on-month across Central London in July, driven mostly by an increase in the amount of pre-let space under offer (65%). This was largely due to 221,100 sq ft at One St Martin's Le Grand, EC1 having gone under offer during the month.

Total newly completed space under offer remained elevated compared to its trend level (+48%) at 784,100 sq ft across Central London. Totalling 2.1m sq ft at the end of the month, the amount of secondhand space under offer was also above its long-term average by 10%.

The City saw under offers increase by 9% from the previous month to reach 1.7m sq ft, its highest since November 2025 and 42% of the Central London total. The Docklands also saw an increase of 2% to 750,000 sq ft, the highest level since June 2016. The three other main markets saw under offers decrease month-on-month.

Of the top ten largest under offers, seven were for new or under construction space, an indication that quality continues to dictate where deals are being done.

FIGURE 2: Central London key deals

Occupier	Sq ft	Market	Address
Mishcon de Reya	160,600	Midtown	MidCity Place, 71 High Holborn, WC1
Morningstar	75,900	City	One Millennium Bridge, EC4
Oracle	62,100	City	One Exchange Square, 175 Bishopsgate, EC2

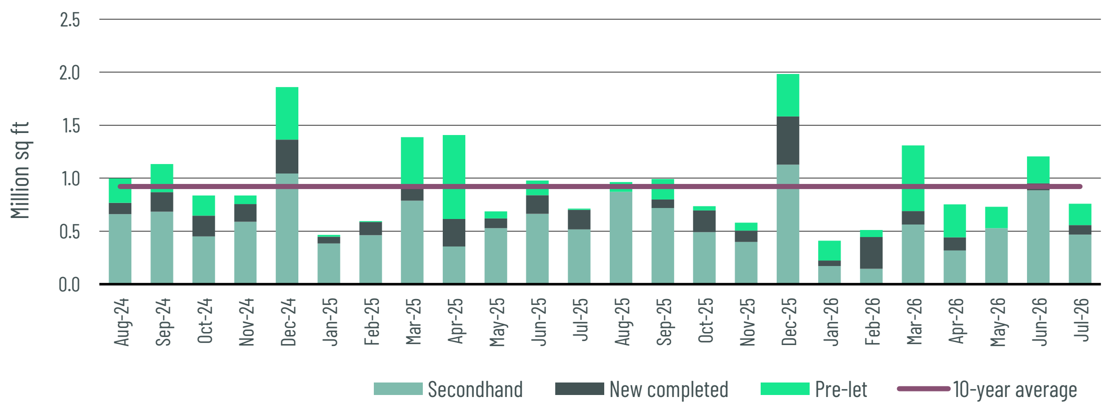
Source: CBRE Research, July 2026

FIGURE 3: Central London key under offers

Occupier	Sq ft	Market	Address
PwC	326,600	Docklands	One Eden, 33 Canada Square, E14
Macfarlanes	221,100	City	One St Martin's Le Grand, EC1
Lockton	216,400	City	The Mark, 47/50 Mark Lane, EC3

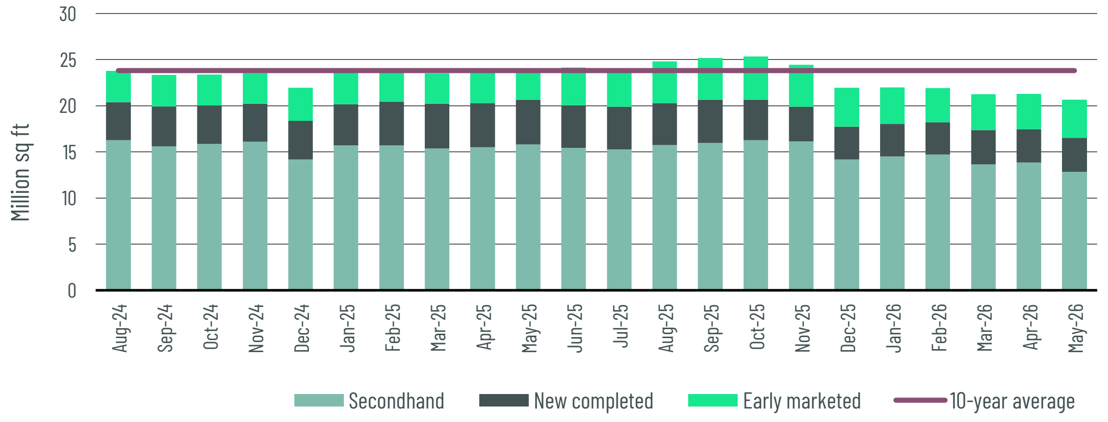
Source: CBRE Research, July 2026

FIGURE 4: Central London take-up



Source: CBRE Research, July 2026

FIGURE 5: Central London availability

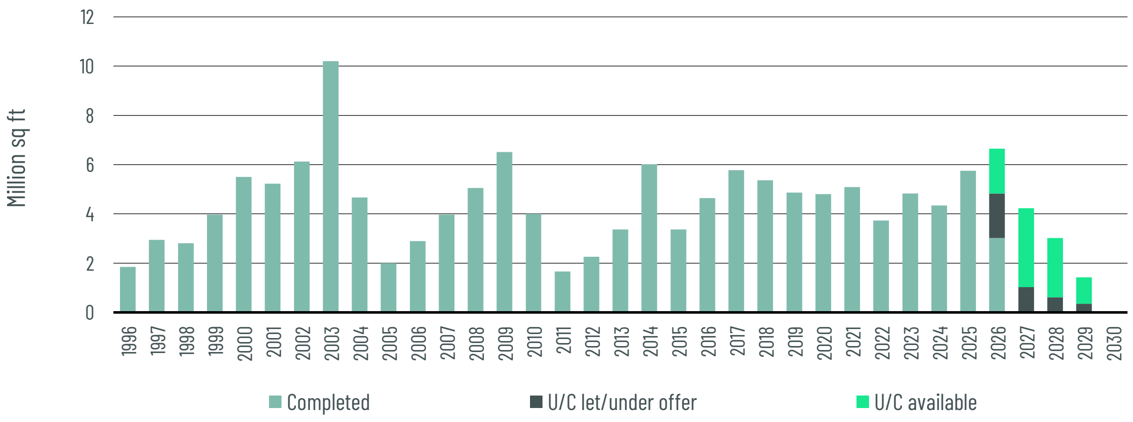


Source: CBRE Research, July 2026

FIGURE 6: Central London under offers

Source: CBRE Research, July 2026

FIGURE 7: Central London development pipeline



Source: CBRE Research, July 2026

Investment

Central London investment volumes reached £125m in July, an 89% decrease on the previous month and 85% below the ten-year monthly average of £0.8bn. Year-to-date, the Central London office market has recorded £3.2bn of investment, 19% below the figure for the same period last year. In the 12 months to end-July 2026, investment volumes reached £6.6bn, 1% above the total for the same period last year.

A total of five deals transacted in July, bringing the year-to-date total to 66. No deals over £100m transacted this month, meaning the total number of deals over this lot-size remains at 11 for the year-to-date.

Over the last 12 months overseas investors have been responsible for 49% of total volumes. European and North American buyers remain the most active overseas groups, representing 21% and 16% of total investment volumes.

FIGURE 8: Central London key investment transactions

Address	Capital value	Market	Purchaser
51 Eastcheap, EC3	£70m	City	Blacksands Investments and/or nominees
Tapestry, 51-52 Frith Street, W1D	£20m	West End	ACAI Group

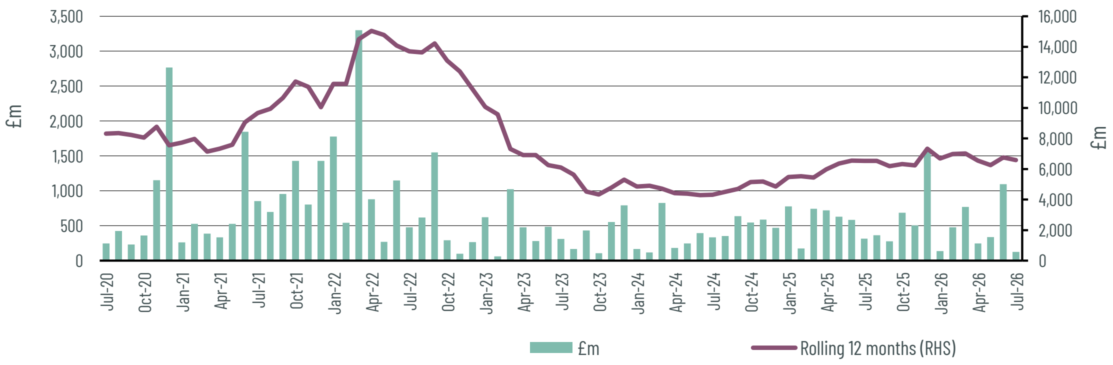
Source: CBRE Research, July 2026

FIGURE 9: Central London investment transactions

	Rolling 12 months 01/08/25 - 31/07/26	Rolling 12 months (% of total)	Jul-26	Jun-26	May-26	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2
UK Purchasers	£3,076m	47%	£55m	£837m	£237m	£1,077m	£381m	£1,358m	£451m	£820m
Overseas Purchasers	£3,204m	49%	£70m	£252m	£82m	£577m	£1,004m	£1,290m	£332m	£1,092m
Unknown	£295m	4%	£0m	£5m	£17m	£23m	£0m	£99m	£174m	£18m
Total	£6,575m		£125m	£1,095m	£336m	£1,676m	£1,385m	£2,747m	£957m	£1,930m

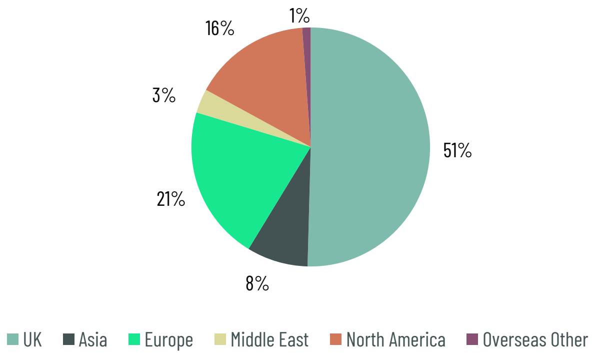
Source: CBRE Research, July 2026

FIGURE 10: Central London investment transactions



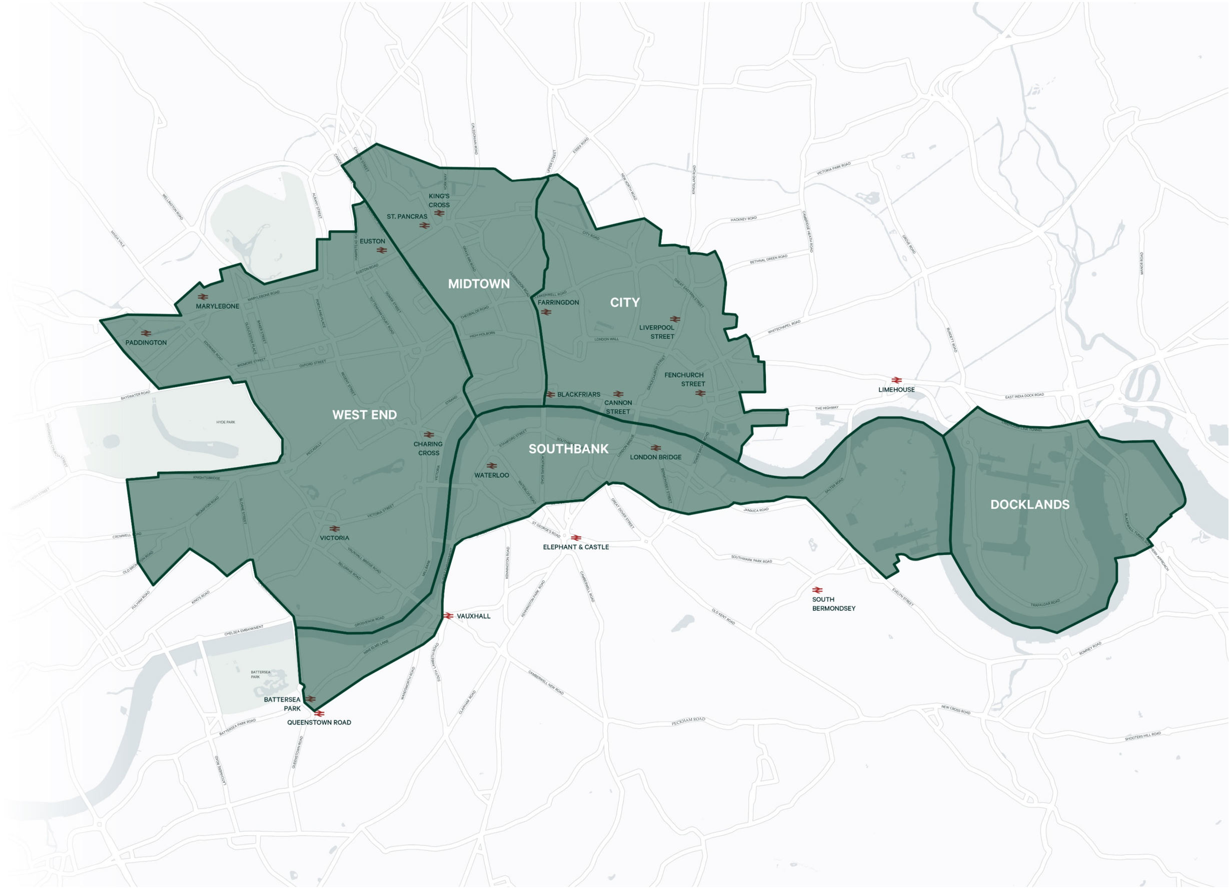
Source: CBRE Research, July 2026

FIGURE 11: Central London investment by purchaser (excl. 'Unknown'), 12 months to July 2026



Source: CBRE Research, July 2026

Market Area Overview



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