AVISON YOUNG

The Big Nine

Quarterly regional office leasing and investment review.

Taylor & Bond, Baldwin Street, Bristol

OCCUPIER SNAPSHOT

Occupier analysis

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	12 MONTH FORECAST
Q3 '26 TAKE-UP (SQ FT)	1.7M	▷	△
VACANCY RATE	10.3%	△	△
AVERAGE PRIME RENT (PSF)	£42.61	△	△
UNDER CONSTRUCTION (SQ FT)	2.5M	△	▷

LARGEST DEAL

55,167 sq ft

DWP | Faber, Sunderland

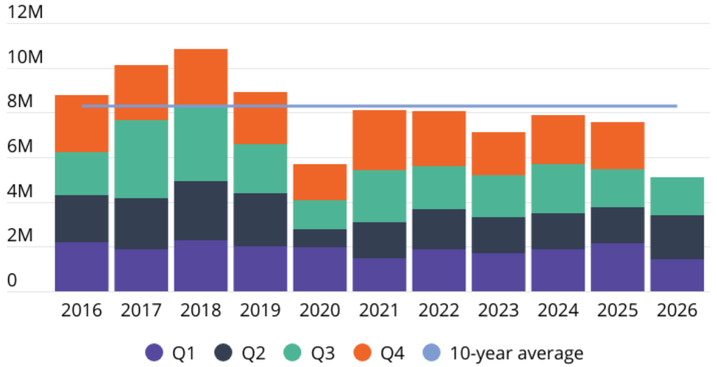
TOP 3 HIGHLIGHTS

Despite encouraging economic indicators, including stronger than expected GDP growth and rising business activity, this momentum has yet to translate into stronger occupier demand across the Big Nine. Take-up reached 1.7m sq ft in Q3 2026, down 13% on Q2 and 17% below the 10-year quarterly average.

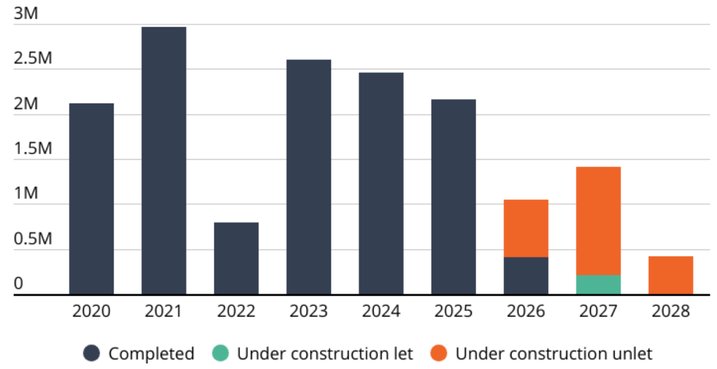
Despite this, the outlook for demand remains robust. Alongside an improving economic backdrop, employment growth across the key regional cities is forecast to average 1.7% growth per annum over the next five years, outperforming the UK average of 1.3%. Growing investment in Artificial Intelligence (AI), alongside the devolution agenda should support occupier demand over the medium term.

A key constraint for occupiers, however, is the limited availability of space capable of meeting evolving occupier requirements across the Big Nine, particularly buildings offering large, efficient floorplates with excellent digital connectivity. While 2.5m sq ft is currently under construction, encouragingly up 9% year-on-year, annual deliveries remain well below historic levels.

2026 ANNUAL TAKE-UP 7% BELOW 2025



SPACE UNDER CONSTRUCTION UP 9% YOY



INVESTMENT SNAPSHOT

Investment analysis

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	12 MONTH FORECAST
Q3 '26 INVESTMENT VOLUME		
£344m	△	△
PRIME YIELD		
7.22%	△	△
OVERSEAS BUYER SHARE		
22%	▽	△

DEALS TABLE

ADDRESS	PRICE	NET INITIAL YIELD	PURCHASER
2 Snowhill, Birmingham	£88M	10.4%	Forma & Patron Capital
Priory Court & The Lewis Building, Birmingham	£60M	11.6%	Martley Capital
4 Hardman Square, Manchester	£20.3M	Undisclosed	MDPI

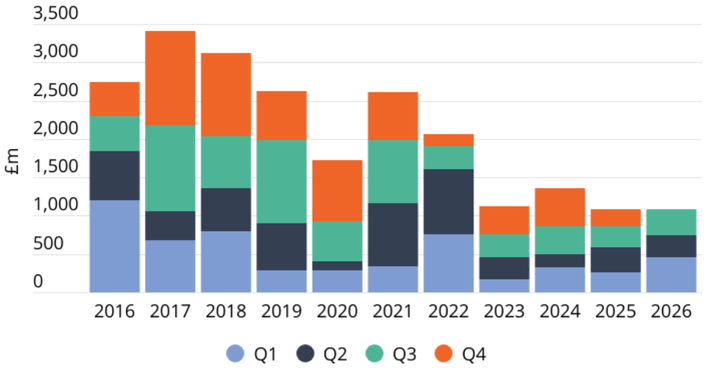
TOP 3 HIGHLIGHTS

Investment activity across the Big Nine strengthened in Q3 2026, with volumes reaching £344m, up 22% on Q2. This brought investment during the first nine months of the year to £1.1bn, 25% ahead of the same period in 2025, putting 2026 on course for its strongest annual performance since 2022 and signalling a gradual recovery in regional investment activity.

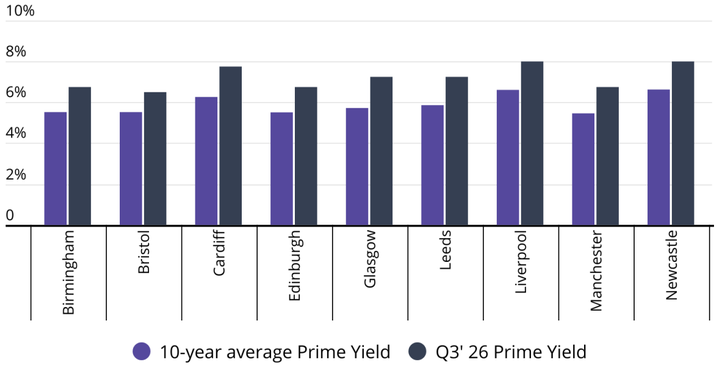
However, the outlook has become more challenging following the Bank of England's decision to raise Bank Rate from 3.75% to 4.0% in response to renewed inflationary pressures. Higher borrowing costs could temper the recovery in investment volumes, particularly for debt dependent buyers.

Prime pricing remained stable in Q3, with the average Big Nine prime yield holding at 7.22%, compared with a long-term average of 5.81%. While this reflects the higher interest rate environment, the elevated yield spread relative to historic levels presents an attractive entry point, particularly for assets offering secure income and strong rental growth prospects.

2026 INVESTMENT ON TRACK TO HIT FOUR-YEAR HIGH



ELEVATED PRIME YIELDS STRENGTHEN REGIONAL INVESTMENT CASE



BIRMINGHAM SNAPSHOT

Birmingham

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
288,156	△	△
VACANCY RATE		
11.7%	▽	▽
RENTS (PSF)		
£52.00	△	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
10 Brindleyplace, B1	£33.00	54,030	Solicitors Regulation Authority
Mailbox, B1	Turnover rent	47,170	Chadwick Business Centres
Multistory, B4	£36.00 (Unrefurbished)	25,855	Bath Spa

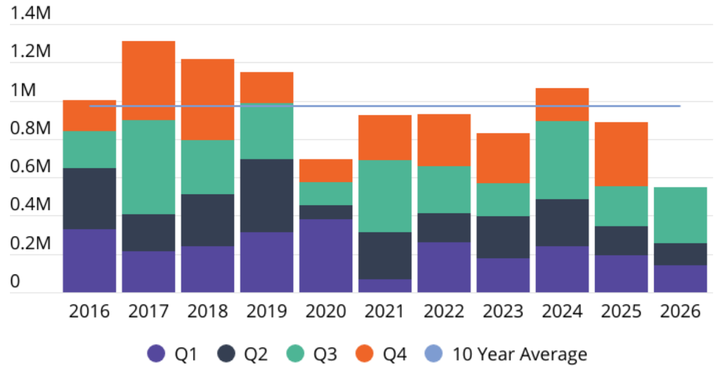
TOP 3 HIGHLIGHTS

Q3 take-up is 151% up on Q2 and 19% above the 10-year average reaching 288,156 sq ft. Annual take-up is now 99% of the level recorded at the same point last year. Government and services continue to require significant floorplates, with the sector accounting for 43% of total take-up.

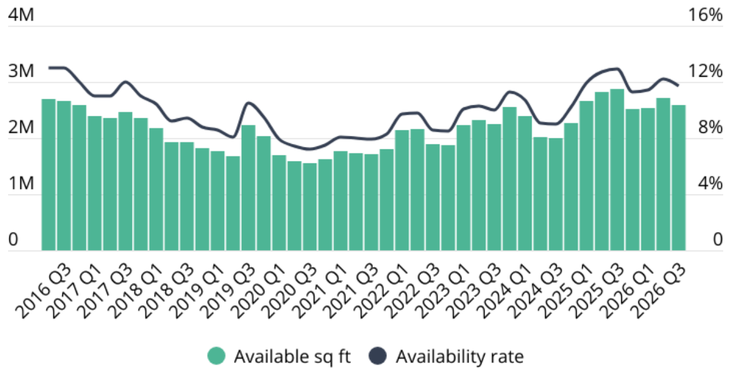
Vacancy fell 50 bps to 11.7%, the joint highest level of vacancy across the Big Nine. In contrast, however, Grade A vacancy remains constrained at just 1.7%, highlighting the continued flight to quality evident across the market. With just under 400,000 sq ft currently under construction, this will provide a much-needed boost to Grade A supply across the market.

Prime rents have risen 14.3% year-on-year to £52.00 psf, the highest annual increase across the Big Nine. Strong levels of demand for best-in-class space will continue to place upward pressure on prime rents going forward.

TAKE-UP (SQ FT)



VACANCY RATE (%)



BRISTOL SNAPSHOT

Bristol

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)	173,246 ▽	▷
VACANCY RATE	9.2% ▽	▷
RENTS (PSF)	£55.00 △	△

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
Queens Quay, BS1	£45.00	30,274	Arden University
Welcome Building, BS2	£55.00	26,303	Hargreaves Lansdown
Armada House, BS1	£26.50	13,174	Patch Places

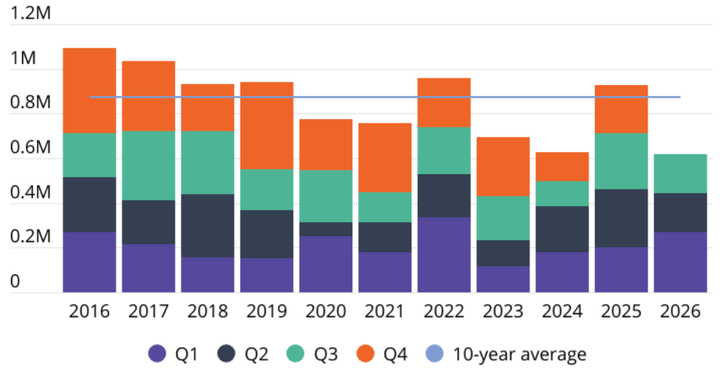
TOP 3 HIGHLIGHTS

Take-up reached 173,246 sq ft in Q3, 19% above the 10-year average and consistent from Q2. Bristol's year-to-date take-up stands at 87% of the level recorded at the same point in 2025. This consistent take-up is being driven by Professional and Financial Services, both accounting for 22% each of space acquired in Q3.

Vacancy remained stable in Q3 at 9.2%. Grade A vacancy remains low at just 1.8%, reflecting the ongoing flight to quality as occupiers prioritise best-in-class space. As a result, secondary stock is coming under pressure, and refurbishment may therefore offer a more viable route to repositioning assets.

Prime rents in Bristol are now the highest across the Big Nine, rising to £55.00 psf in Q3, reflecting quarterly growth of 5.8% and annual growth of 10.0%. With only 86,300 sq ft of new space due to complete over the next two years, limited development will maintain upward pressure on prime rents.

TAKE-UP (SQ FT)



TOP TENANT SECTORS (%)



CARDIFF SNAPSHOT

Cardiff

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
71,844	△	▽
VACANCY RATE		
14.4%	△	△
RENTS (PSF)		
£33.50	△	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
3 Callaghan Sq, CF10	£24.00*	7,243	Acuity Law
Pascal Close , CF3	£19.00	6,980	NuVolt
1-2 Callaghan Sq, CF10	Undisclosed	6,058	The Church In Wales

* Quoting rent

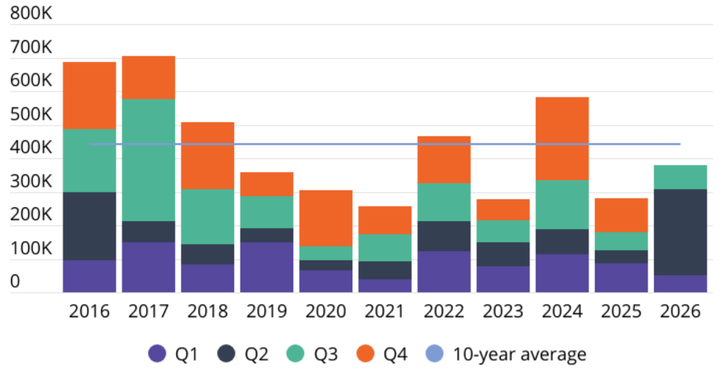
TOP 3 HIGHLIGHTS

Take-up slowed sharply in Q3, with no transactions above 10,000 sq ft contributing to volumes of 71,844 sq ft, 35% below the 10-year quarterly average and 72% lower than Q2. However, following a strong second quarter, year-to-date take-up reached 378,051 sq ft, 112% ahead of the same period in 2025.

Office vacancy continued on an upward trend by reaching 14.4%, up 479 bps year-on-year. This was driven primarily by an increase in secondhand supply. In contrast, best-in-class vacancy remained severely constrained at 0.4%, one of the lowest levels of Grade A supply across the Big Nine.

Prime rents held firm at £33.50 psf in Q3, representing 11.7% annual growth, while rent-free incentives remained unchanged at 18 months for a 10-year lease.

TAKE-UP (SQ FT)



VACANCY RATE (%)



EDINBURGH SNAPSHOT

Edinburgh

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)	152,178 △	△
VACANCY RATE	6.6% △	▽
RENTS (PSF)	£46.00 ▷	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
3 Redheughs Avenue, EH12	Undisclosed	42,970	Barclays
126 George Street, EH2	£22.88	19,319	The Secretary of State
133 Fountainbridge, EH3	£42.00	7,513	Flexitricity

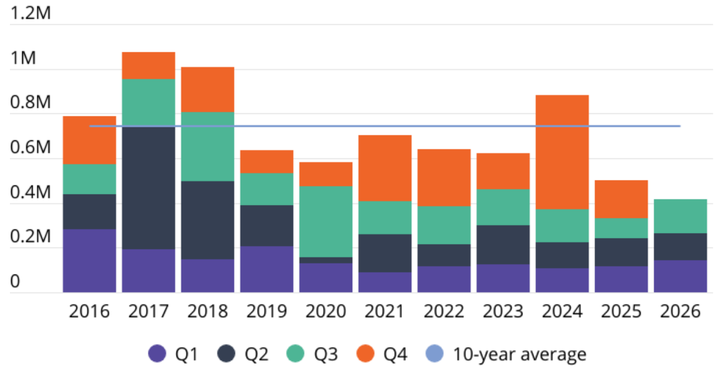
TOP 3 HIGHLIGHTS

Take-up reached 152,178 sq ft in Q3, up 23% on Q2 but 16% below the 10-year average. This increase was primarily driven by Financial Services taking 41% of Q3 take-up, underlining Edinburgh's status as Scotland's key financial hub. Edinburgh continues to outperform 2025 with year-to-date take-up 27% ahead of the same period last year.

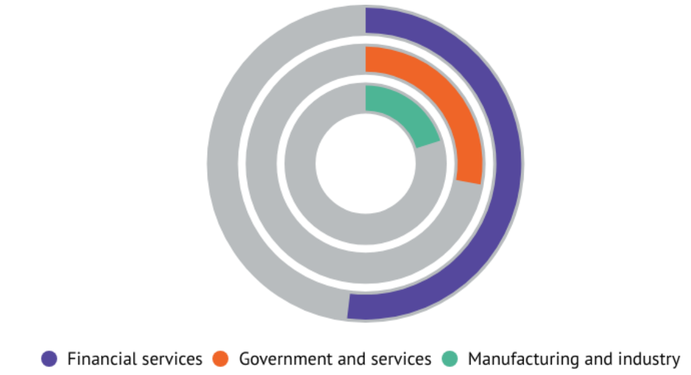
Overall vacancy continued on a downward trend, falling from 7.3% to 6.6% in Q3. This level of vacancy is the lowest across the Big Nine. Grade A vacancy stands at just 0.9%. With no schemes due for completion until 2028, next year will continue to be characterised by a lack of best-in-class space.

Prime rents remained at £46.00 psf, unchanged since 2024, despite falling levels of vacancy. Out-of-town (OOT) prime rents rose to £32.50 psf, the second highest across the Big Nine OOT markets, reflecting robust demand from occupiers looking out of the city centre to fulfil their property requirements.

TAKE-UP (SQ FT)



TOP TENANT SECTORS (%)



GLASGOW SNAPSHOT

Glasgow

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)	148,411 ▽	▽
VACANCY RATE	11.7% △	△
RENTS (PSF)	£41.50 ▷	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
123 St Vincent Street, G2	£38.00	29,714	Vodafone
103 Waterloo Street, G2	£29.00	18,262	Johnston Carmichael
60 York Street, G2	£26.00	10,900	NFU

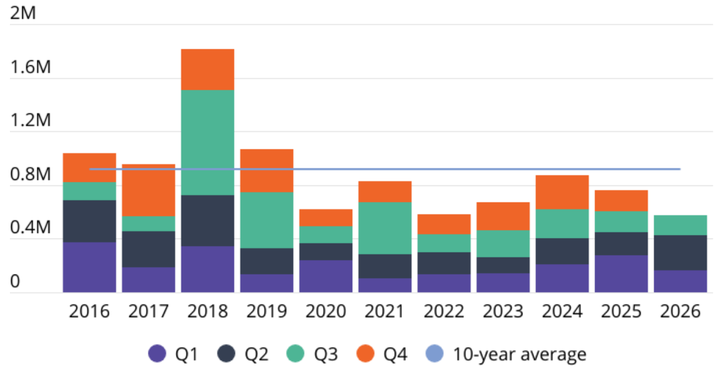
TOP 3 HIGHLIGHTS

Take-up remained subdued in Q3, in line with the wider Big Nine trend, reaching 148,411 sq ft. This brought year-to-date volumes to 575,119 sq ft, 5% below the same period last year and 17% below the 10-year average for the first three quarters of the year.

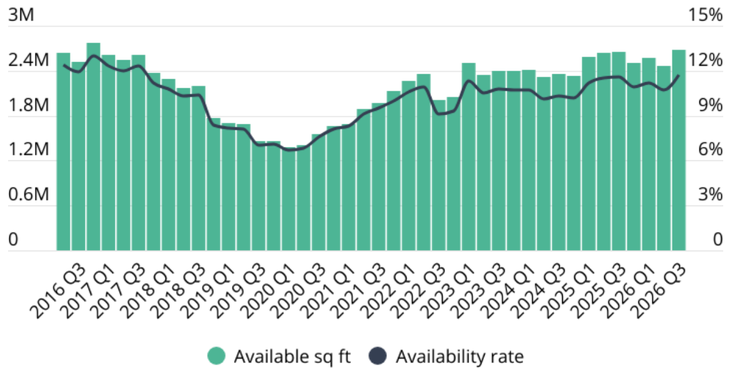
Vacancy rose to a new high of 11.7%, up 92 bps quarter-on-quarter. However, Grade A vacancy remains relatively constrained at 2.6%, with the completion of 95,000 sq ft at 45 Waterloo Street next year set to provide additional high-quality supply.

Prime city centre rents remained stable at £41.50 psf, unchanged year-on-year, while rent-free incentives also held firm at 12 months on a 10-year lease.

TAKE-UP (SQ FT)



VACANCY RATE (%)



LEEDS SNAPSHOT

Leeds

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
197,626	▽	▽
VACANCY RATE		
11.3%	△	△
RENTS (PSF)		
£46.00	▷	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
Capitol House, LS27	approx. £25.00	48,750	Bank of England
ABC Building, LS11	£24.00	19,517	Klipboard
No. 1 Whitehall Riverside, LS1	£30.00	9,807	Homes & Communities Agency

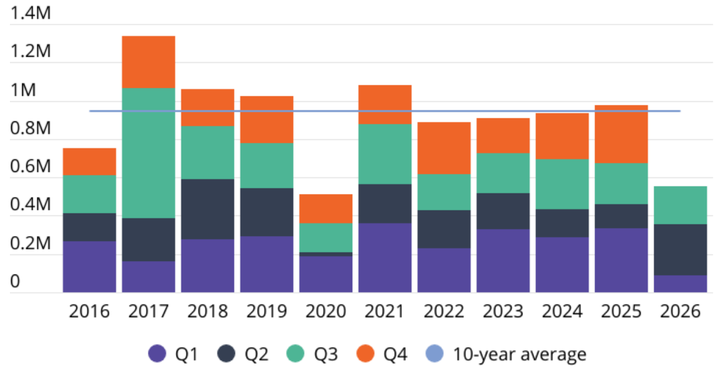
TOP 3 HIGHLIGHTS

The Bank of England's 48,750 sq ft letting of Capitol House provided a welcome boost to Q3 take-up which reached 197,626 sq ft. This brings 2026 volumes year-to-date to 554,429 sq ft which is down 18% on the same period last year.

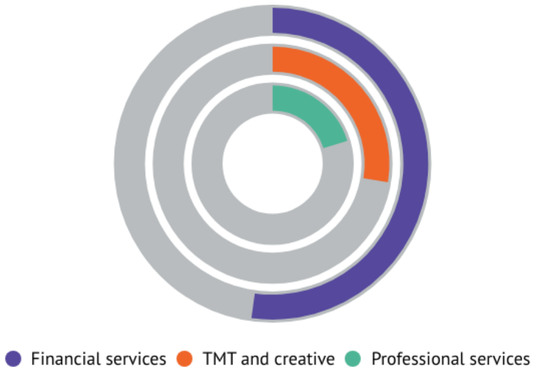
Vacancy increased by 42 bps over the quarter to 11.3%. Further rises are anticipated with the completion of 120,000 sq ft at 2 Wellington Place in Q4 and 70,000 sq ft of remaining space at Princes Exchange which is due for completion in Q3 2027.

Prime rents stand at £46.00 psf, a rental tone which has held for five quarters. With the delivery of new-quality space to the market, this will drive rental growth over the next 12-months. Rent-free periods stand at 12-months on a 10-year lease.

TAKE-UP (SQ FT)



TOP TENANT SECTORS (%)



LIVERPOOL SNAPSHOT

Liverpool

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
49,211	▽	△
VACANCY RATE		
7.1%	△	△
RENTS (PSF)		
£29.50	▷	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
No. 5 St Paul's Square, L3	£26.00	9,426	MSB Solicitors
Cotton Exchange, L3	£15.00	4,919	Cusco Construction Limited
The Port of Liverpool Building , L3	£12.00	4,678	Liverpool Business College

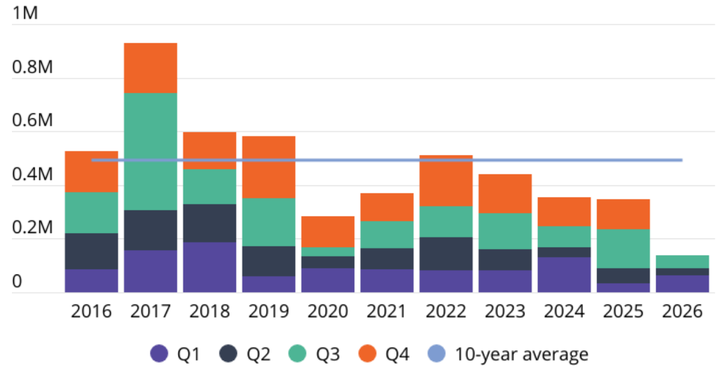
TOP 3 HIGHLIGHTS

Take-up improved in Q3, driven by city centre transactions, reaching 49,211 sq ft, 90% above a subdued Q2 but remaining significantly below the 10-year quarterly average of 122,000 sq ft. This brought year-to-date volumes to 138,999 sq ft, 41% below the same period last year.

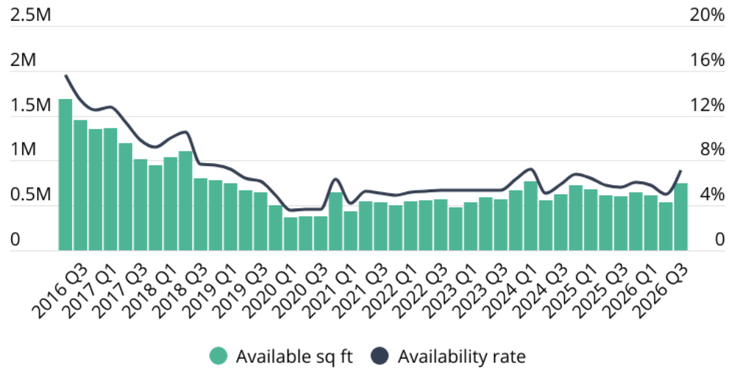
The largest transaction of the quarter was MSB Solicitors' 9,426 sq ft letting at No. 5 St Paul's Square. Professional Services continue to underpin demand, accounting for 27% of take-up over the past 12 months.

Vacancy increased for the first time in two years, rising to 7.1%. This was driven primarily by the addition of circa 100,000 sq ft of Grade B space at Martins Bank Building. Prime rents remained stable at £29.50 psf, unchanged year-on-year.

TAKE-UP (SQ FT)



VACANCY RATE (%)



MANCHESTER SNAPSHOT

Manchester

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
407,961	△	▽
VACANCY RATE		
10.2%	▽	▽
RENTS (PSF)		
£48.00	△	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
Scotscroft Towers, M20	£34.00	36,922	Siemens PLC
Centenary House, M50	£12.50	31,250	AM London
Washington House, WA3	£17.00	25,000	UBC

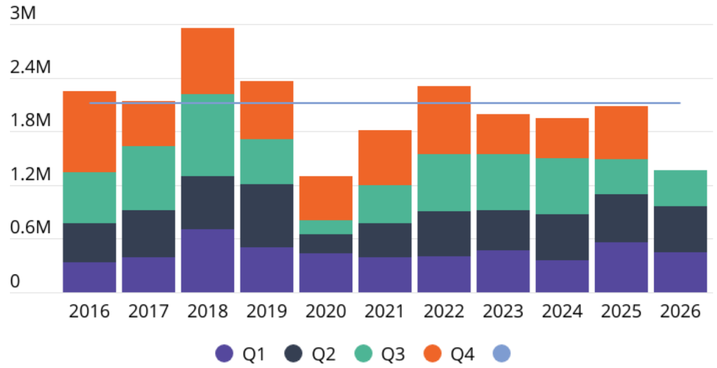
TOP 3 HIGHLIGHTS

Take-up reached 407,961 sq ft in Q3, across Manchester City Centre, South Manchester, Salford Quays and Warrington, down 21% on Q2 and 23% below the 10-year average. Manchester's year-to-date take-up stands at 89% of the same point in 2025. Q4 will need to produce 375,000 sq ft to break the 1m sq ft barrier and 475,000 sq ft to reach the city centres 1.1m sq ft five-year annual leasing average.

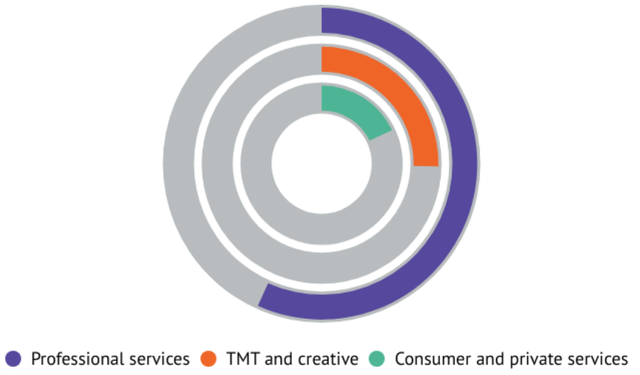
Vacancy fell 250 bps to 10.2%, with Grade A vacancy constrained at 2.6%. Meanwhile, devolution and Number 10 in the North are increasing confidence in the city and will support occupier demand. We estimate 1m sq ft of space is currently under construction (new-build and Grade A refurbishment). Whilst the highest across the Big Nine, levels are below historic averages.

Prime rents rose 7% year-on-year to £48.00 psf, with predictions of £55.00+ psf to be achieved within the next 12 months. The highest out-of-town prime rent in the Big Nine rose 21% to £34.00 psf. Rental growth across both markets contrasts with below average overall take-up, suggesting occupier demand for the best space remains resilient despite lower total leasing activity.

TAKE-UP (SQ FT)



TOP TENANT SECTORS (%)



NEWCASTLE SNAPSHOT

Newcastle

Q3 2026
THE BIG NINE

	ANNUAL CHANGE	QUARTERLY CHANGE
TAKE-UP (SQ FT)		
207,573	△	▽
VACANCY RATE		
8.6%	▽	▽
RENTS (PSF)		
£32.00	▷	▷

DEALS TABLE

ADDRESS	RENT (PSF)	SQ FT	TENANT
Faber, Sunderland, SR1	£24.00*	55,167	DWP
One Trinity Gardens, NE1	£27.00*	44,000	Confidential
Deltic House, NE28	£10.00*	14,000	JCT600

* Quoting rent

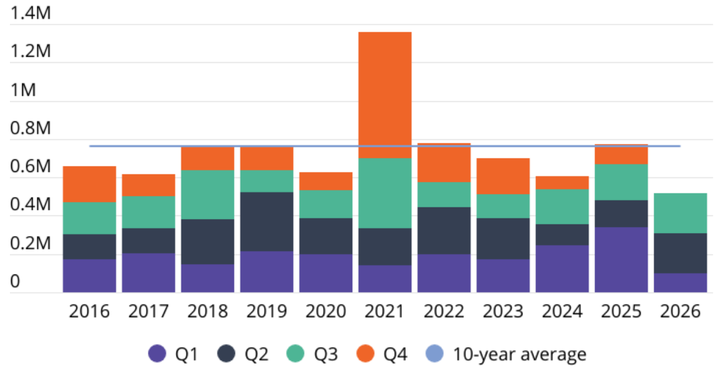
TOP 3 HIGHLIGHTS

A flurry of larger deals boosted Q3 take-up to 207,573 sq ft, up 9% on the 10-year quarterly average. Six deals above 10,000 sq ft completed during the quarter, compared with a long-term average of four, led by DWP's acquisition at Faber, Sunderland, ahead of their relocation from Wear View House in 2027.

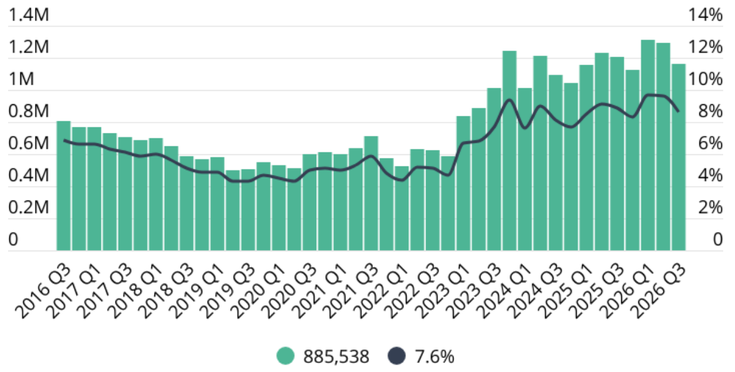
Larger transactions were predominantly focused on out-of-town locations, which accounted for the majority of Q3 activity. This partly reflects the limited choice of high-quality space in the city core, where Grade A vacancy stands at just 0.3%, the lowest level across the Big Nine.

Prime rents remained stable at £32.00 psf, while rent-free incentives were unchanged at 20 months on a 10-year lease.

TAKE-UP (SQ FT)



VACANCY RATE (%)



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