

# INVESTMENT MARKET UPDATE OFFICE FOCUS

2025 REVIEW

20% SOUTH EAST /  
GREATER LONDON  
MARKET SHARE IN 2025

**allsop**

# Allsop National Office Investment

2025

**£12.90M**  
**AVERAGE**  
**DEAL SIZE**

**£232M**  
OF TRANSACTIONS

**20%**

SOUTH EAST / GREATER  
LONDON OFFICE INVESTMENT  
MARKET SHARE

(BASED ON C.£1.12 BN TOTAL TRANSACTION VOLUME)

**£34.25M**  
ACQUIRED THE  
LARGEST SOUTH EAST  
HQ OFFICE INVESTMENT

**18**  
TRANSACTIONS

**UNRIVALLED**  
DOMESTIC & OVERSEAS  
HNW CLIENT LIST

# Allsop's National Office Snap Shot

## Who is Buying

**French SCPI Capital:** Remains the most active cross-border buyer group, targeting well-let core+ stock with yields of 7.50%.

**Middle Eastern UHNW and Israeli Capital:** Focused on long-income opportunities, especially where asset quality and tenant covenant are strong.

**Domestic Private Investors and PropCos:** Active in both the South East and regional cities, particularly for value-add and multi-let assets in established markets.

**Opportunistic Private Buyers:** Focused on discounted or repositioning opportunities, especially where refurbishment or change of use can unlock value.

## Who is Selling

**UK Institutions:** Continuing to rebalance portfolios, with a focus on disposing of non-core or secondary assets.

**Receivers/Administrators:** Distressed sales are emerging, particularly for assets with high vacancy or significant capex requirements.

**Private Investors:** Some are taking profits on resilient assets, while others are exiting legacy stock facing obsolescence or high refurbishment costs.

**Off-market deals remain prevalent**, especially for larger lot sizes, with many of these transactions conducted on a one-to-one basis.

## Direction of Travel

**2025 was a year of cautious optimism, underpinned by a clear flight to quality.** Investors are prioritising prime, ESG-compliant assets in locations with resilient occupier demand.

With the uncertainty surrounding 'The Budget' at the back end of 2025 somewhat alleviated, and the Bank of England opting to cut the base rate in the December, there is ground for further optimism. With a further base rate cut expected in February this year, investor liquidity / demand will continue to grow as the arbitrage between yields and debt is leveraged.

 **High-quality, well-located stock** is increasingly scarce, with new development pipelines constrained, supporting premium rents for Grade A assets.

 The **pricing gap** between best-in-class and legacy stock is widening, with secondary yields now between **10.00%** and **12.50% NIY** (softer for larger lots), while prime yields have stabilised at **7.25%–7.50%**.

 Businesses are once again viewing office environments as **essential hubs for collaboration and culture**, with nearly three-quarters of occupiers relocating within the same city choosing to **increase their office space** in 2025.

 **Asset quality and ESG compliance** are now **baseline requirements**, with 'Excellent' and EPC A/B ratings expected as standard.

 **Out-of-town**, poor-quality assets requiring near-term capex have seen the greatest pricing softening, with **investor interest increasingly** dictated by lot size and micro-location.

 **Income return** is re-emerging as the **primary performance** driver, with modest capital **growth expectations**.

 The market is expected to remain highly selective, with a **growing divergence** between best-in-class and legacy stock **shaping investment strategies**.

# Allsop's 2025 National Office Investment Transactions

| South East Office Portfolio - 6 Offices |             | Disposal |
|---|-------------|----------|
| <b>OFF<br/>MARKET</b>                   |             |          |
| Transaction Date:                       | Under Offer |          |
| Price:                                  | £39.0m      |          |
| NIY:                                    | 11.90%      |          |
| Cap Val (per sq ft):                    | £194        |          |
| Tenancy Details:                        | Multi-let   |          |
| AWULT:                                  | 2.5 years   |          |

| Quilter HQ, Southampton  |            | Acquisition |
|--|------------|-------------|
|  |            |             |
| Transaction Date:  | Exchanged  |             |
| Price:   | £27.3m     |             |
| NIY:   | 8.30%      |             |
| Cap Val (per sq ft):   | £252       |             |
| Tenancy Details:   | Single-let |             |
| AWULT:   | 10.7 years |             |

| The White Building, Reading  |           | Acquisition |
|--|-----------|-------------|
|  |           |             |
| Transaction Date:  | Exchanged |             |
| Price:   | £13.25m   |             |
| NIY:   | 15.71%    |             |
| Cap Val (per sq ft):   | £138      |             |
| Tenancy Details:   | Multi-let |             |
| AWULT:   | 2.2 years |             |

| Reckitt HQ, 6 Roundwood Avenue, Stockley Park  |               | Acquisition |
|--|---------------|-------------|
|  |               |             |
| Transaction Date:  | December 2025 |             |
| Price:   | £20.51m       |             |
| NIY:   | 9.00%         |             |
| Cap Val (per sq ft):   | £369          |             |
| Tenancy Details:   | Single-let    |             |
| AWULT:   | 10 years      |             |

| Building One Abbey View, St Albans  |               | Acquisition |
|---|---------------|-------------|
|  |               |             |
| Transaction Date:   | December 2025 |             |
| Price:  | £8.69m        |             |
| NIY:  | 8.55%         |             |
| Cap Val (per sq ft):  | £456          |             |
| Tenancy Details:  | Multi-let     |             |
| AWULT:  | 3.4 years     |             |

# Allsop's 2025 National Office Investment Transactions

| The Work of Art Portfolio - Package of 3 Greater London Offices |               | Disposal |
|---|---------------|----------|
| <b>OFF<br/>MARKET</b>   |               |          |
| Transaction Date:   | November 2025 |          |
| Price:  | £42m          |          |
| Av. NIY:  | 8.42%         |          |
| Av. Cap Val (per sq ft):  | £295          |          |
| Tenancy Details:  | Multi-let     |          |
| AWULT:  | 2 years       |          |

| Elekta HQ, Crawley   |            | Acquisition |
|--|------------|-------------|
|  |            |             |
| Transaction Date:  | July 2025  |             |
| Price:   | £34.25m    |             |
| Av. NIY:   | 8.66%      |             |
| Av. Cap Val (per sq ft):   | £308       |             |
| Tenancy Details:   | Single-let |             |
| AWULT:   | 12 years   |             |

| The Shipping Building, Hayes  |              | Disposal |
|---|--------------|----------|
|  |              |          |
| Transaction Date:   | October 2025 |          |
| Price:  | £8.1m        |          |
| NIY:  | n/a          |          |
| Cap Val (per sq ft):  | £80          |          |
| Tenancy Details:  | Multi-let    |          |
| AWULT:  | 1 year       |          |

  

| The Entertainer HQ, Teal House, Amersham   |                | Disposal |
|--|----------------|----------|
|  |                |          |
| Transaction Date:  | September 2025 |          |
| Price:   | £4.525m        |          |
| NIY:   | 9.95%          |          |
| Cap Val (per sq ft):   | £203           |          |
| Tenancy Details:   | Single-let     |          |
| AWULT:   | 5 years        |          |

| 7 Park Square, Leeds  |            | Acquisition |
|---|------------|-------------|
|  |            |             |
| Transaction Date:   | July 2025  |             |
| Price:  | £5.543m    |             |
| NIY:  | 7.79%      |             |
| Cap Val (per sq ft):  | £305       |             |
| Tenancy Details:  | Single-let |             |
| AWULT:  | 5 years    |             |

  

| The Yard, Maidenhead  |           | Acquisition |
|---|-----------|-------------|
|  |           |             |
| Transaction Date:   | June 2025 |             |
| Price:  | £6.15m    |             |
| NIY:  | 9.33%     |             |
| Cap Val (per sq ft):  | £337      |             |
| Tenancy Details:  | Multi-let |             |
| AWULT:  | 4.2 years |             |

# Allsop's 2025 National Office Investment Transactions

| QWest Great West Road, Brentford   |            | Disposal |
|--|------------|----------|
|  |            |          |
| Transaction Date:  | April 2025 |          |
| Price:   | £10.25m    |          |
| NIY:   | 9.50%      |          |
| Cap Val (per sq ft):   | £215       |          |
| Tenancy Details:   | Multi-let  |          |
| AWULT:   | 2 years    |          |

| One Suffolk Way, Sevenoaks  |            | Disposal |
|---|------------|----------|
|  |            |          |
| Transaction Date:   | April 2025 |          |
| Price:  | £6.1m      |          |
| NIY:  | 8.28%      |          |
| Cap Val (per sq ft):  | £380       |          |
| Tenancy Details:  | Multi-let  |          |
| AWULT:  | 4.8 years  |          |

| Capital Court, Uxbridge  |            | Acquisition |
|--|------------|-------------|
|  |            |             |
| Transaction Date:  | March 2025 |             |
| Price:   | £7.65m     |             |
| NIY:   | 11.93%     |             |
| Cap Val (per sq ft):   | £134       |             |
| Tenancy Details:   | Multi-let  |             |
| AWULT:   | 4.5 years  |             |

| Greenwood House, Chelmsford  |            | Acquisition |
|--|------------|-------------|
|  |            |             |
| Transaction Date:  | March 2025 |             |
| Price:   | £5.6m      |             |
| NIY:   | 10.88%     |             |
| Cap Val (per sq ft):   | £108       |             |
| Tenancy Details:   | Multi-let  |             |
| AWULT:   | 0.7 years  |             |

| St Johns Place, High Wycombe  |            | Disposal |
|---|------------|----------|
|  |            |          |
| Transaction Date:   | March 2025 |          |
| Price:  | £5.575m    |          |
| NIY:  | 10.85%     |          |
| Cap Val (per sq ft):  | £217       |          |
| Tenancy Details:  | Multi-let  |          |
| AWULT:  | 3.3 years  |          |

| B4 Dorking Business Park, Dorking  |            | Acquisition |
|--|------------|-------------|
|  |            |             |
| Transaction Date:  | March 2025 |             |
| Price:   | £3.3m      |             |
| NIY:   | 10.45%     |             |
| Cap Val (per sq ft):   | £255       |             |
| Tenancy Details:   | Multi-let  |             |
| AWULT:   | 3.3 years  |             |

| Clapham North Arts Centre, Clapham  |               | Acquisition |
|---|---------------|-------------|
|  |               |             |
| Transaction Date:   | February 2025 |             |
| Price:  | £16m          |             |
| NIY:  | n/a           |             |
| Cap Val (per sq ft):  | £421          |             |
| Tenancy Details:  | Multi-let     |             |
| AWULT:  | 1 year        |             |

| 290-298 Mare Street, Hackney  |              | Disposal |
|---|--------------|----------|
|  |              |          |
| Transaction Date:   | January 2025 |          |
| Price:  | £7.555m      |          |
| NIY:  | 7.36%        |          |
| Cap Val (per sq ft):  | £373         |          |
| Tenancy Details:  | Multi-let    |          |
| AWULT:  | 2 years      |          |

# Allsop National Investment

## THE ALLSOP ADVANTAGE

**208**

COUNTRIES OR  
TERRITORIES REACHED

OVER  
**250 YEARS**  
COMBINED  
MARKET EXPERIENCE

MARKET LEADERS IN THE  
**£10-£50M  
MARKET**  
WITH AN UNRIValed  
HNW INVESTOR CLIENT LIST

**GLOBAL  
PARTNERSHIPS**  
WITH CITI PRIVATE BANK  
AND MILLENNIUM GROUP

**80,000+**  
REGISTERED  
INVESTORS

Driven by insight.  
Delivered by people.  
Powered by AI.

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We **know** the buyers



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Energy, Expertise and  
Exceptional contacts.

Bringing property  
& people together

## Services

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Lease Advisory  
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