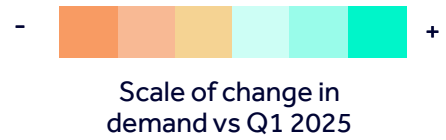


# Commercial Insights Tracker



# Key quarterly data



Leasing		
Demand and supply tracker – Q1 2026		
	Demand YOY change	Supply YoY change
Office	-3%	+7%
Industrial	+6%	+5%
Leisure	-11%	+9%
Retail	-9%	+6%

Investment		
Demand and supply tracker – Q1 2026		
	Demand YOY change	Supply YoY change
Office	-9%	+1%
Industrial	+13%	-2%
Leisure	-14%	-9%
Retail	-2%	0%

# Q1 2026 Overview

## Demand drops year-on-year for commercial property from high base

Three out of the four main commercial property sectors saw a yearly fall in demand in the first quarter. This decline was seen across both leasing and investment, amid speculation about interest rate hikes following the start of the war in Iran.

According to Rightmove's Commercial Insights Tracker for Q1 2026, the office sector saw a year-on-year decline in leasing demand of 3% and a fall in demand for investment of 9%, while leisure fell by 11% and 14% respectively. The equivalent figures for retail were falls of 9% and 2%.

Only the industrial and logistics (I&L) sector saw increases in demand, with leasing up by 6% and investment up 13%, compounding its stature as the biggest growth sector in commercial real estate in recent years.

"In terms of leasing for sheds across the UK over 100,000 sq ft (big box), Q1 2026 take-up totalled 7.6 million sq ft, which is 11% higher than the same quarter last year," said **Lewis Rapley, Logistics Research Associate, Commercial Research, at Savills.**

"It was also 16% higher than Q4 2025, which showed momentum continued into the new year. While the full impact of the war in Iran is still too early to tell, it is encouraging to see demand and viewings/enquiries remain robust."

**Vincent Scammell, Director of Sales and Operations at BizSpace**, a leading provider of flexible workspaces for SMEs across the UK, agreed. "Despite a more uncertain geopolitical backdrop weighing on some sectors, demand for industrial space continues to grow," he said.

"This reflects a longer-term shift, with SMEs prioritising operational resilience, supply chain flexibility and access to well-located space over long-term fixed commitments."

Scammell added: "We are also seeing rising demand from defence-adjacent sectors, particularly across heavy manufacturing, technology and R&D supply chains, supported by increased government defence spending across Europe. With urgency high, existing stock remains the only scalable solution."

# Q1 2026 Overview

However, this quarter's year-on-year drop in demand needs to be viewed in the context of strong 2025 figures in the offices, retail and leisure sectors, so the falls seen in Q1 are from a high base. Overall, demand to invest in commercial property as a whole, although down 5% year on year, is still 10% higher than at this time two years ago.

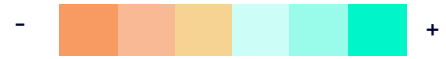
While offices recorded a 9% drop in investment demand, this was off the back of a record jump at the same time in 2025 according to Rightmove's figures. Demand to invest in office space was still 53% higher than at the same time two years ago. Both leisure and hospitality sectors' drops, meanwhile, were also off the back of strong demand. Both sectors were up against the same point two years ago.

"The uncertainty from the fallout of the war with Iran may have given both businesses and investors a reason to pause for thought," said **Andy Miles, Managing Director, Commercial, at Rightmove.** "At a time when many analysts are predicting two or even three increases to the Bank of England's base rate this year, decision making becomes difficult."

"Activity across our specialist operational real estate sectors was resilient in the first quarter of this year, supported by continued demand for businesses with strong fundamentals and sustainable underlying income," said **Darren Bond, Global Managing Director at Christie & Co.**

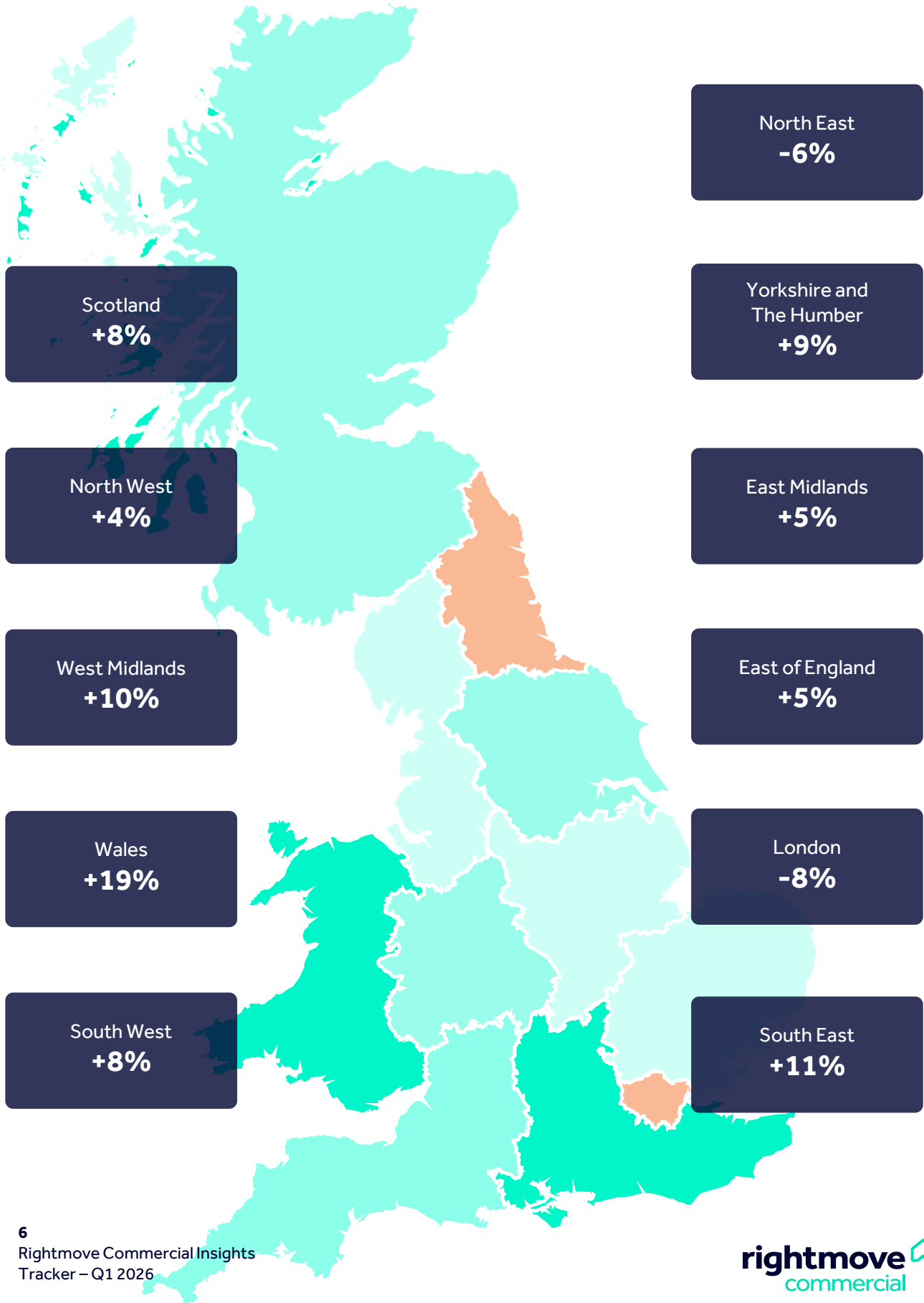
"While decision-making is being shaped by interest rate expectations and cost pressures, well-priced opportunities continue to be attractive, particularly where businesses are well run and performance is clearly evidenced. As we move further through the year, realism on pricing and clarity around business sustainability will remain key to maintaining momentum across these markets."

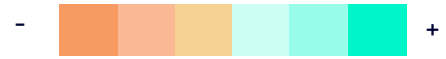
# Leasing trends



Scale of change in demand vs Q1 2025

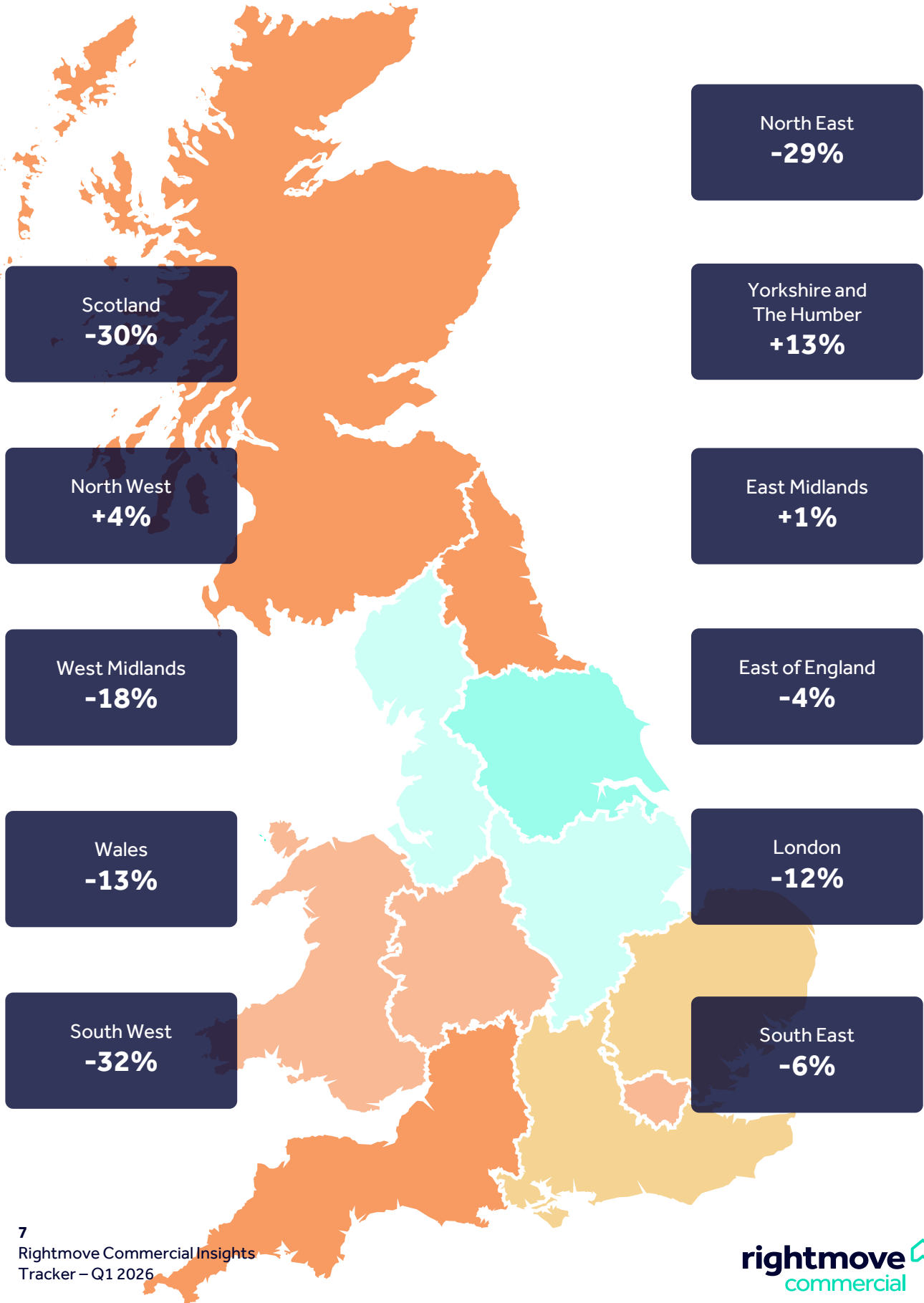
# Industrial demand

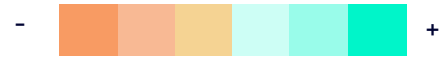




Scale of change in demand vs Q1 2025

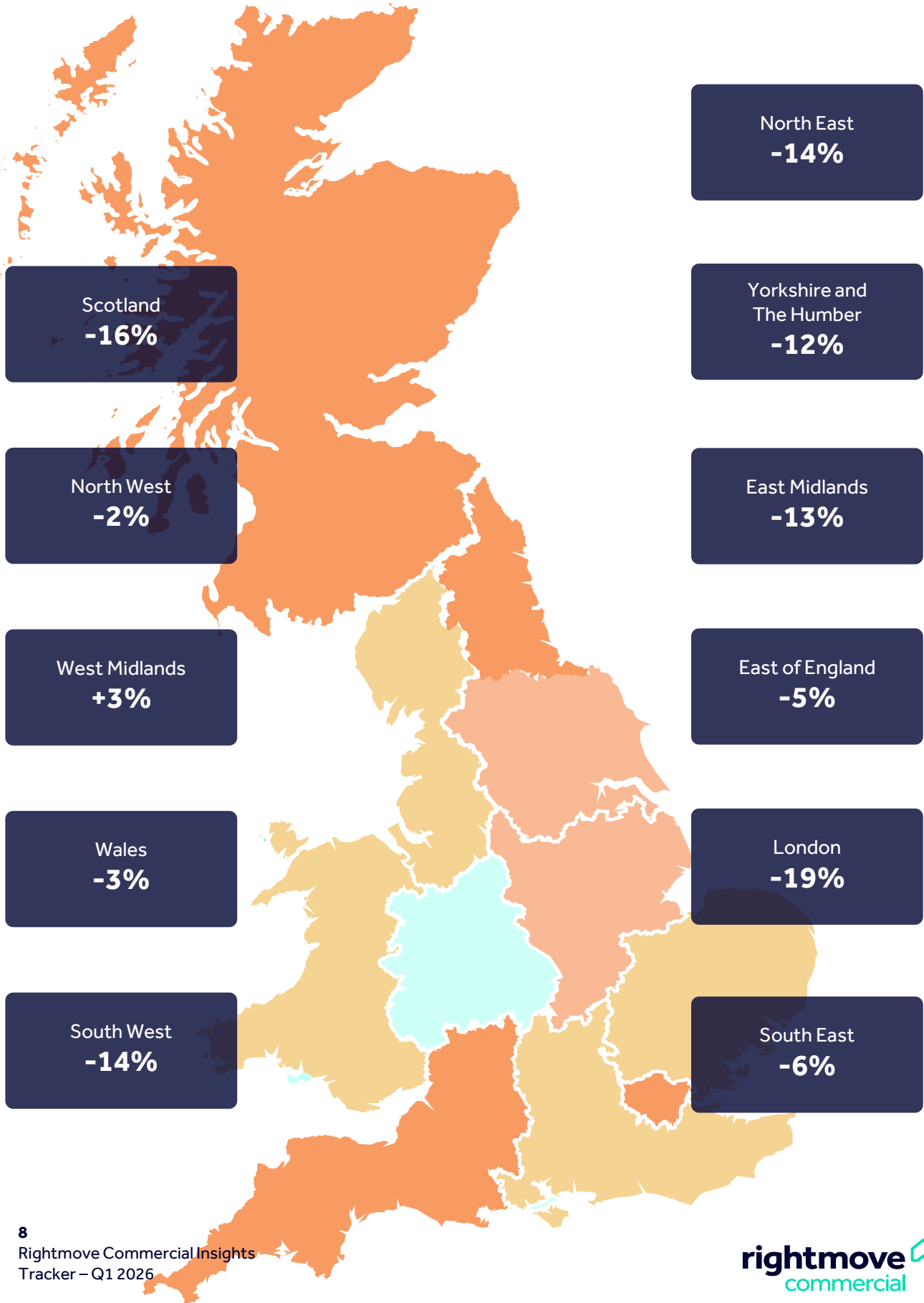
# Leisure demand

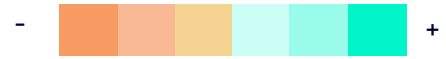




Scale of change in demand vs Q1 2025

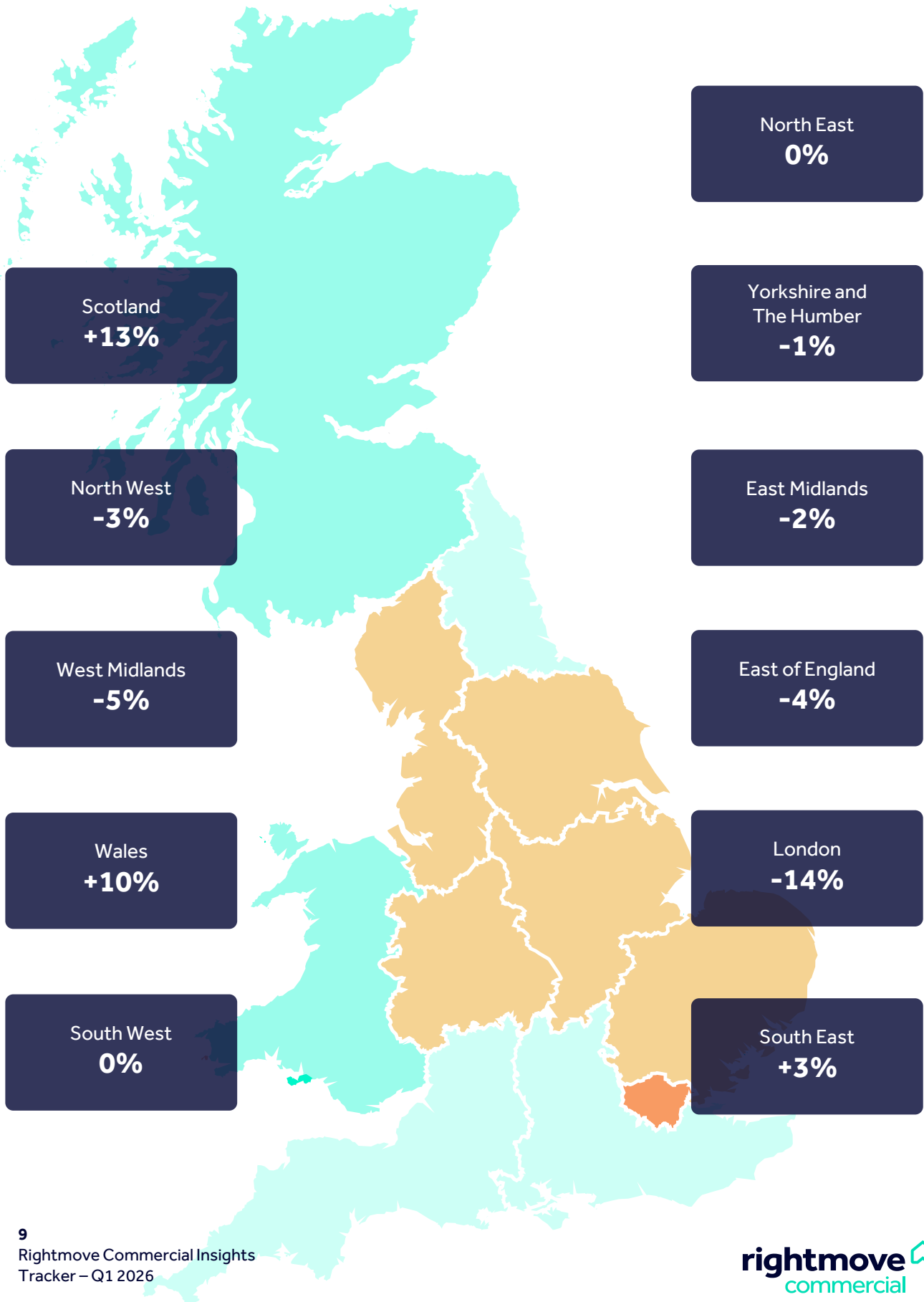
# Retail demand

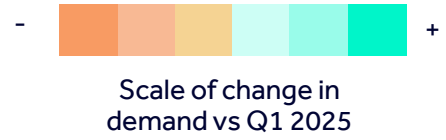




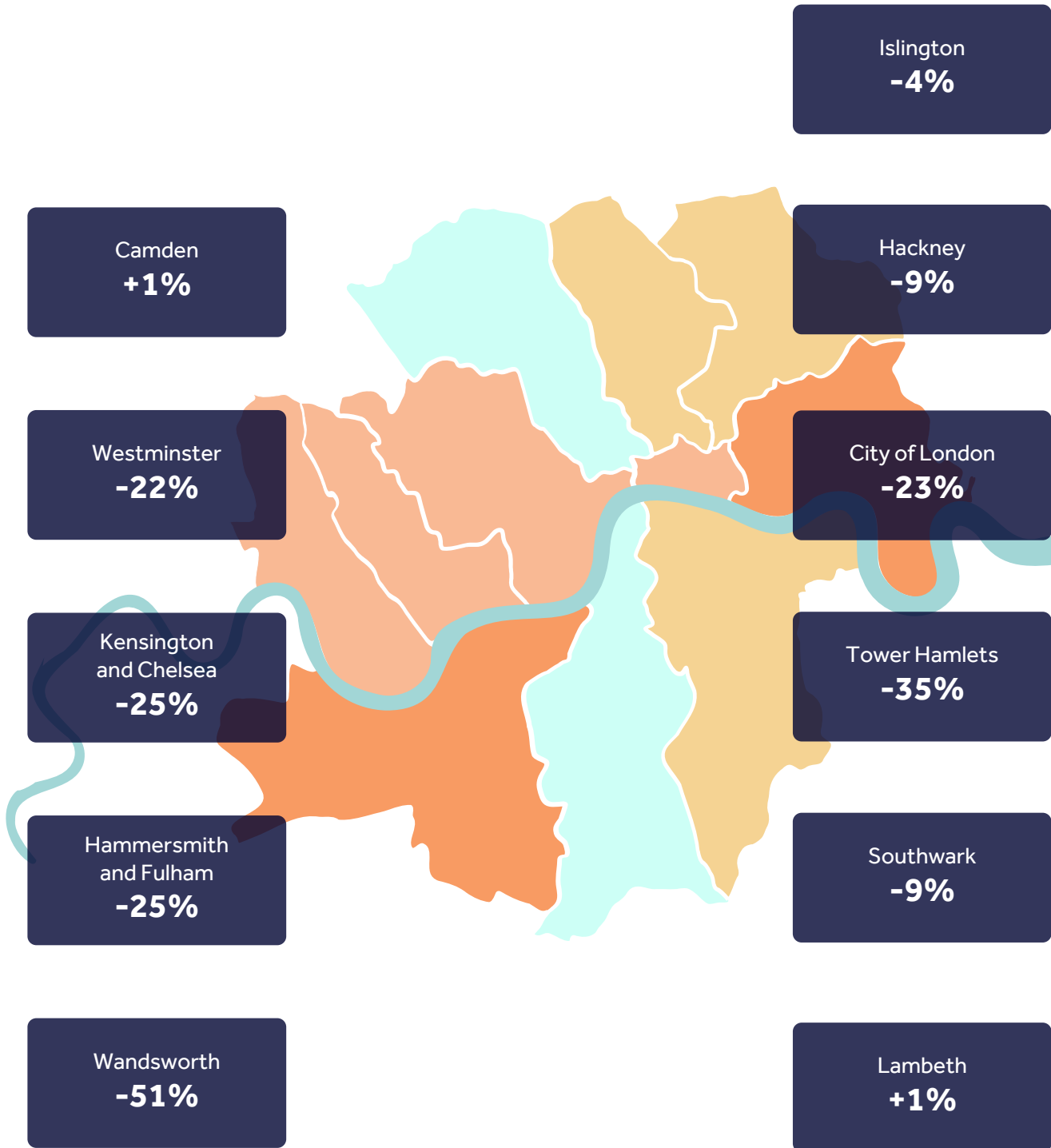
Scale of change in demand vs Q1 2025

# Office demand

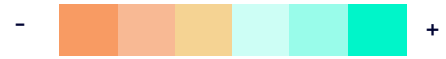




# London office demand

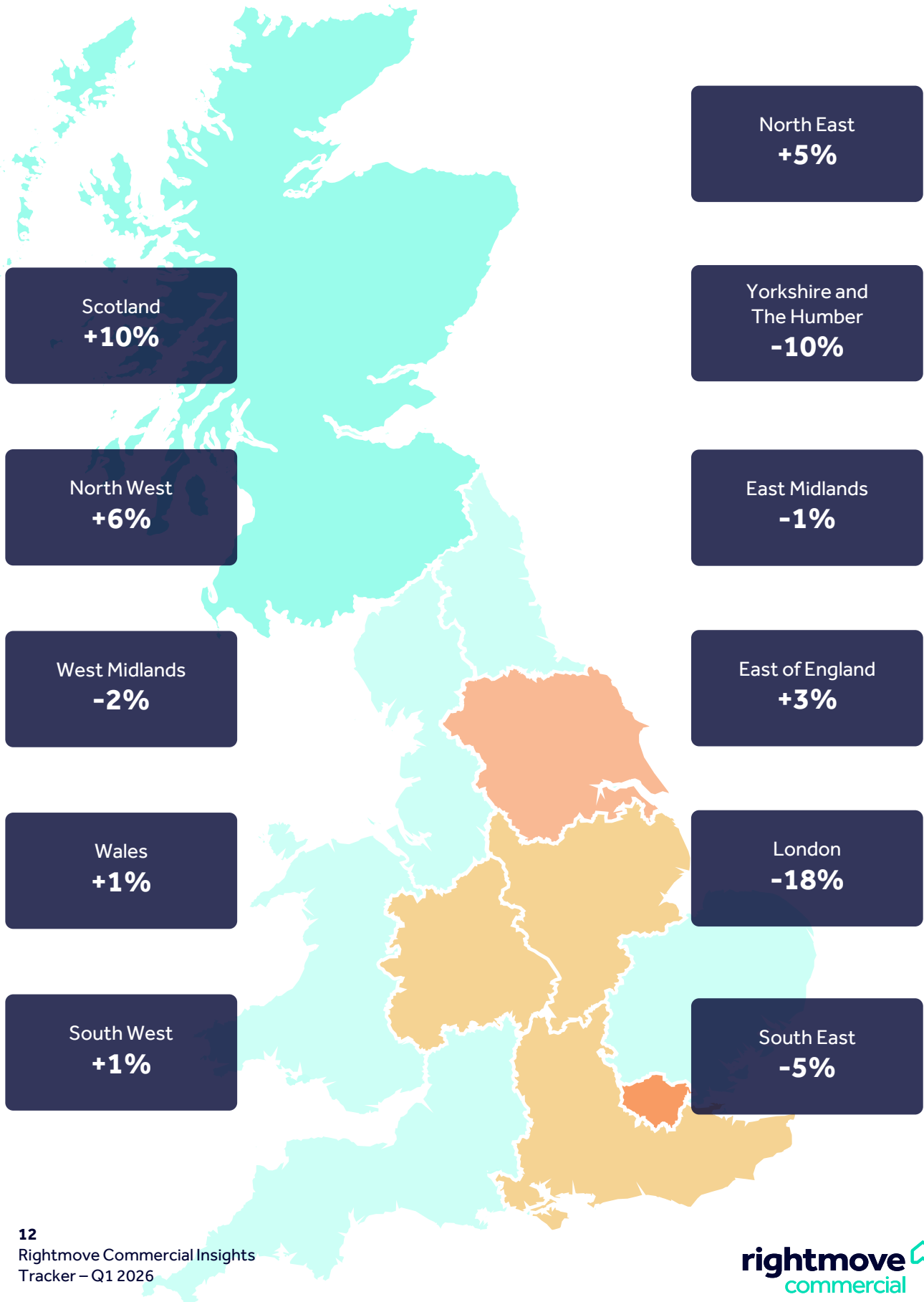


# Investment trends



Scale of change in demand vs Q1 2025

# Investment demand



# About the Commercial Insights Tracker

- All data compares January 1<sup>st</sup> 2026 – March 31<sup>st</sup> 2026 with the same period a year ago
- **Demand definition:** Enquiries to commercial agents about listings for lease, or to invest in via Rightmove
- **Supply definition:** the number of available commercial real estate listings for lease or investment on Rightmove, adjusted to strip out the effect of any growth in our customer base
- **Sectors used to compile data:** Office, Industrial, Leisure and Retail. Unless stated that it's an overall number
- **Colour key:** Teal colours represent areas with more growth in demand or available listings than a year ago, while red shaded areas represent less demand or available listings than a year ago
- We acknowledge that some market participants will look at demand and supply differently, for example as an aggregate of active searches by tenant representatives, measured in square feet. We aim to provide an alternative lens that makes the best use of our unique dataset