Birmingham Office Market Update

Overview

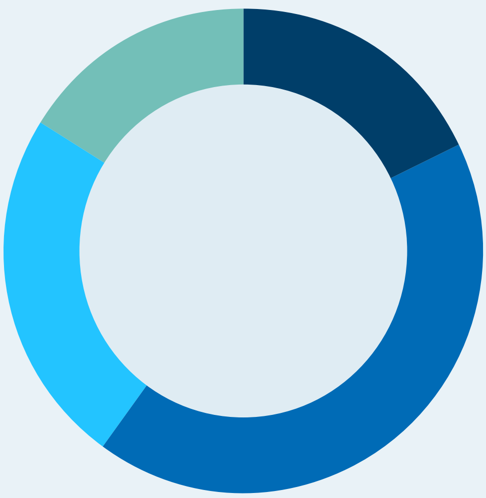
Office take-up in the central Birmingham market totalled **178,654 sq ft across 33 transactions** during Q3 2025. When combined with the **182,794 sq ft transacted across 38 deals** in the first half of the year, **total take-up for 2025 now stands at 361,448 sq ft from 71 transactions**. Although take-up during the first half of the year was relatively subdued compared to historic averages, underlying market sentiment has remained positive. The increase in completed transactions during Q3 reinforces expectations that activity will continue to strengthen into Q4, with full-year take-up anticipated to align closely with the five-year average.

178,654 sq ft
across 33 transactions during Q3 2025

182,794 sq ft
transacted across 38 deals in the first half of the year

361,448 sq ft
total take-up for 2025 from 71 transactions

Transaction Analysis



Breakdown of Q3 number of transactions:

18%
of deals were between **0 – 1,000 sq ft**

42%
of deals were between **1,000 – 5,000 sq ft**

24%
of deals were between **5,000 – 10,000 sq ft**

16%
of deals were between **10,000 – 23,000 sq ft**

This reflects steady demand from small to mid-sized occupiers alongside a number of larger, high-value lettings that continue to drive headline activity. A significant component of lettings up to 5,000 sq ft were for fully fitted space.

Selected Transactions – Q3 2025

Three Chamberlain Square
22,648 sq ft
Forvis Mazars LLP

19 Cornwall Street
22,231 sq ft
Squire Patton Boggs

Two Chamberlain Square
11,764 sq ft
Fieldfisher LLP

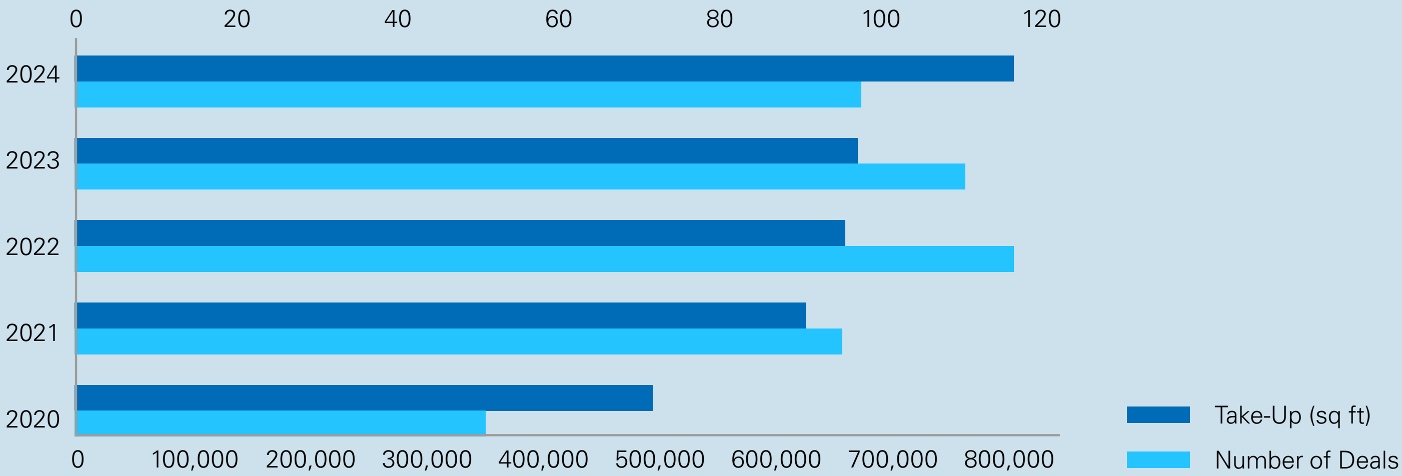
Collectively, these three transactions accounted for **32%** of total quarterly take-up, highlighting the ongoing demand for high-quality, centrally located office space among professional and corporate occupiers.

Beyond the city centre, **The Birmingham Centre for Anatomy, Surgical & Clinical Skills** secured **50,954 sq ft** at the Birmingham Health Innovation Campus. Although not included in the core figures above, this major deal underlines the continued expansion of Birmingham's life sciences sector and its growing contribution to the regional economy.

32%
of total quarterly take-up

50,954 sq ft
secured at Birmingham Health Innovation Campus

Historical Annual Take-Up Comparison



As we move into the final quarter of 2025, the Birmingham office market continues to demonstrate resilience and positive momentum. Several sizeable deals are expected to complete before year-end, boosting take-up levels and sustaining strong occupier sentiment — particularly within the best-in-class and sustainably refurbished space segments.

NEWMARK

The Paradise development has now reached full occupancy (remaining voids under offer), leaving no remaining supply available until Phase 3 comes forward. The next significant new-build addition to the city's Grade A stock will be **1 Beorma Place, Digbeth**, which is set to deliver **156,000 sq ft in early 2027**. No new development starts were recorded in Q3, further emphasising the acute shortage of new-build Grade A space in the city centre. This continued supply constraint is anticipated to keep rental values on an upward trajectory and intensify competition for premium accommodation.

With limited new-build activity, refurbishment-led schemes remain crucial in meeting occupier demand for sustainable, design-led workplaces. Notable completions scheduled for 2025 include **35 Newhall Street (Valeo Real Estate)** – 55,000 sq ft; **Multistory (Railpen)** – 85,000 sq ft, and **King Edward House (Urbana Partners)** – 78,550 sq ft. While these projects will help alleviate short- to medium-term supply pressures, the pipeline remains constrained, reinforcing the need for additional core development to meet projected future demand.

Prime Grade A rents reached **£46.50 per sq ft** in Q3, achieved at Three Chamberlain Sq — setting a new benchmark for the Birmingham market. With supply continuing to tighten and occupier appetite for premium space remaining robust, rents are forecast to exceed this by year-end. Overall headline rental growth is anticipated to reach around 9% during 2025, with potential for new record levels to emerge earlier than expected.

9% Anticipated overall headline rental growth in 2025

As occupiers increasingly recognise the scarcity of top-tier office space — and as inward investment into the city continues to build — Birmingham's office market is well positioned for another year of strong performance, rising rental values, and sustained demand for high-quality accommodation.

Get in touch

Charlie Toogood
Partner
Head of National Office Agency
m. +44(0)7956 842846
Charles.Toogood@nmrk.com

Disclaimer & Copyright