

BRIGHTON & HOVE OFFICE MARKET REPORT Q1 & Q2 2026

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Market Overview

Brighton & Hove's office market remained challenging during the first half of 2026. While headline take up improved, underlying demand remains relatively thin, with occupiers continuing to exercise caution and a vacancy rate of around 18% maintaining significant choice across the market.

Take up across Brighton & Hove totalled approximately 98,500 sq ft during the first half of 2026, up from around 74,400 sq ft during H1 2025. On the face of it, this represents an encouraging improvement. However, the headline figure masks a market which remains highly dependent on a relatively small number of larger transactions.

Approximately 38% of H1 take up relates to pre-lets at Sovereign House, a building undergoing a significant programme of works to bring it up to Grade A specification, with a further 20% attributable to serviced office operator PLATF9M's expansion at Tower Point. Outside of these transactions, activity has continued to be concentrated at the smaller end of the market, with demand primarily focused on strategically positioned office suites below 2,000 sq ft.

Occupier decision making remains cautious. Wider economic uncertainty, continuing geopolitical tensions, and a lack of clarity over the domestic economic outlook have encouraged many businesses to defer relocation

decisions and, where existing premises remain broadly suitable, renew or restructure their leases instead.

Availability has consequently remained stubbornly high, with approximately 682,000 sq ft of office accommodation available across Brighton & Hove and the vacancy rate remaining close to 18% throughout the first half of the year. This continues to provide occupiers with a wide choice of accommodation and considerable negotiating leverage.

For landlords, retaining existing occupiers should therefore remain a priority. Greater flexibility on rents, incentives and lease terms may prove commercially preferable to the risk of an extended void period and the associated rates, service charge and other holding costs.

Conversely, current conditions present genuine opportunities for those more risk-tolerant, with increased pressure on certain landlords generating a growing number of freehold opportunities for owner occupiers and investors willing to take a longer term view.



Key Market Themes

Headline take up masks **thin underlying demand**, with around 58% of H1 activity attributable to just three larger transactions.

Smaller suites continue to drive the market, with the majority of occupier demand focused on offices below 2,000 sq ft.

Vacancy remains high at around 18%, giving occupiers significant choice and strengthening their negotiating position.

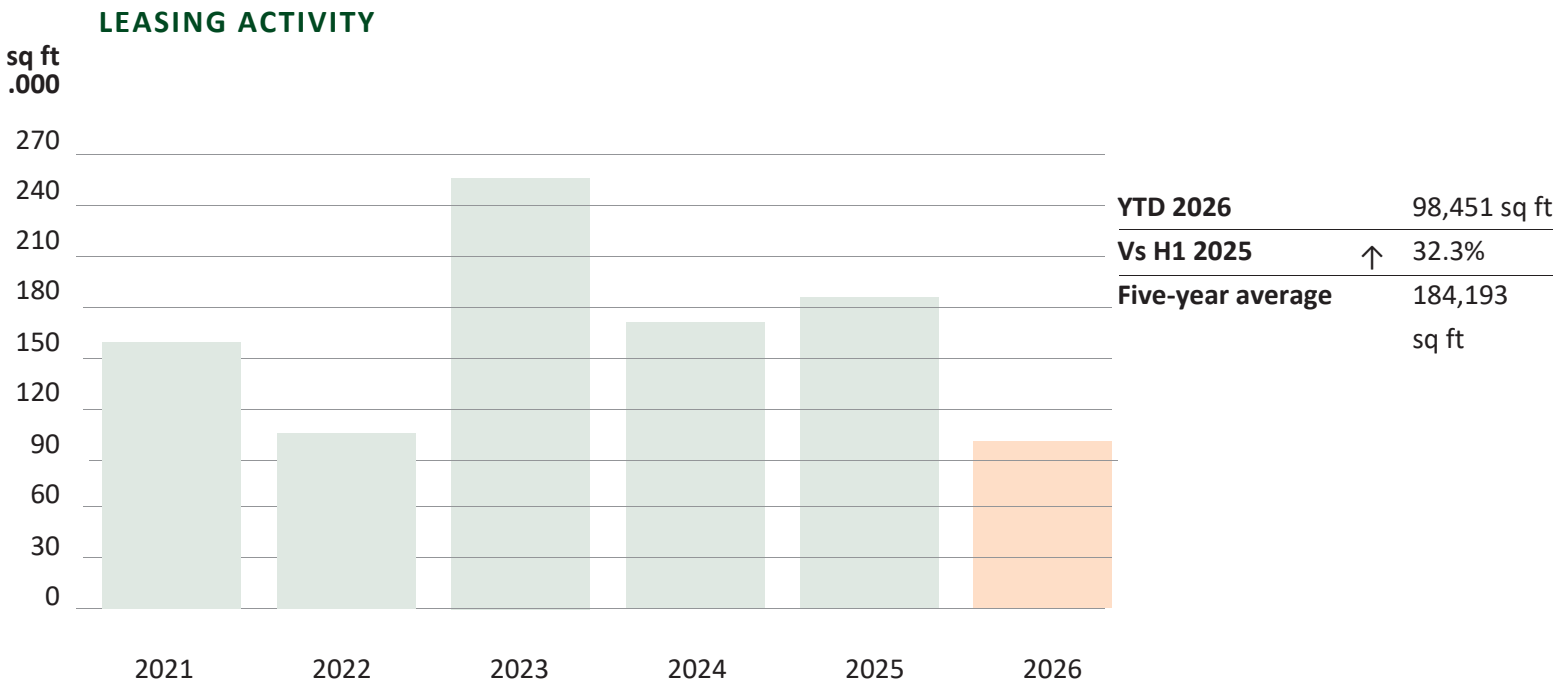
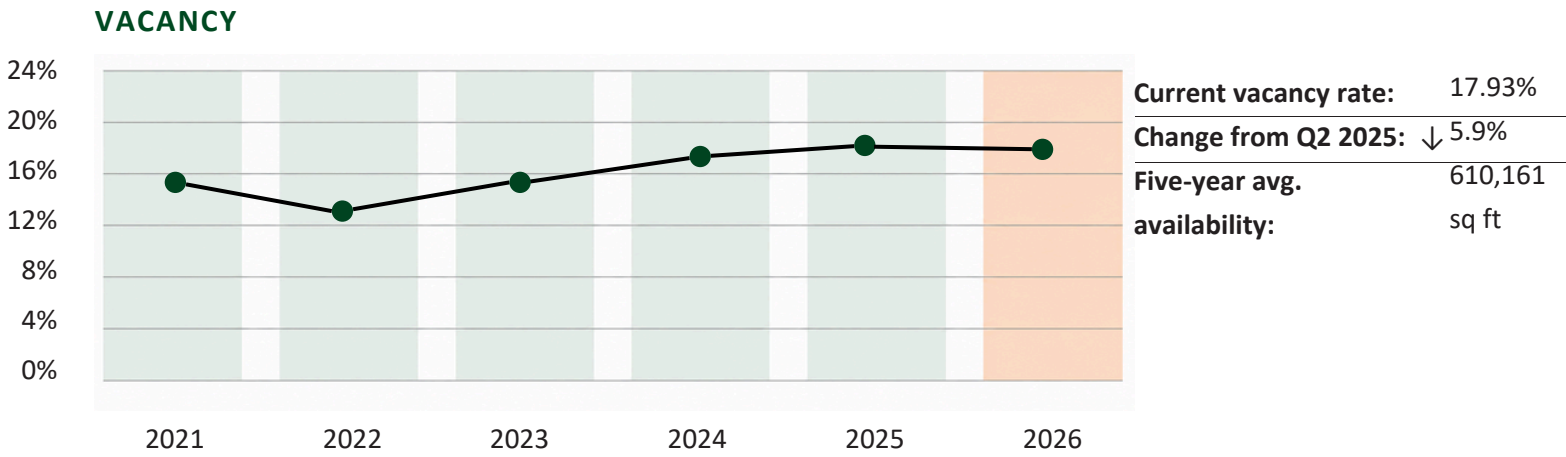
Occupiers remain cautious and increasingly favour renewals, with many businesses choosing to restructure existing leases rather than commit to relocation.

Brighton & Hove

KEY OBSERVATIONS

- **The balance between take-up and new space entering the market was effectively flat during H1 2026**, with 98,451 sq ft of take-up set against 96,902 sq ft of new space brought to market. This resulted in a positive balance of just **1,549 sq ft, equivalent to approximately 0.04% of total office stock**, helping to explain why vacancy remained broadly unchanged.
- **This represents an improvement on recent years**, when the equivalent balance was approximately **-36,000 sq ft in 2025 and -145,000 sq ft in 2024**.
- **Central Brighton accounted for approximately 78% of H1 take up**, with 76,755 sq ft transacted within the city's core office areas. This continues to demonstrate occupiers' preference for central locations, particularly where accommodation is refurbished or capable of meeting modern specification requirements.
- **Larger requirements remain notably scarce.** Excluding the Sovereign House pre-lets and PLATF9M's expansion at Tower Point, only four lettings above 3,000 sq ft completed during the first half of the year, reinforcing the continued dominance of smaller occupiers within the market.
- **Sovereign House demonstrates continued demand for best-in-class space.** Following its acquisition by local developer ZAKE in 2025, the c.78,000 sq ft Church Street building is being repositioned to provide Grade A offices with a new roof terrace, café, gym and wellness facilities. The scheme has already secured significant pre-lets, including **19,432 sq ft to William Reed and 17,954 sq ft to MBP**, despite otherwise subdued market conditions.
- **A growing number of freehold opportunities are emerging**, both openly marketed and off-market, as some landlords reassess their exposure to older or underperforming office assets.

Availability & Supply Trends



Key New Availability
Q1 & Q2 2026



Sovereign House, Church Street, Brighton
3,746 - 37,446 sq ft
£45 - £50 psf quoting



51 Old Steine, Brighton
4,421 sq ft
£16.96 psf quoting



Aspect House, Queens Road, Brighton
4,003 sq ft
£32 psf quoting



94 Gloucester Road, Brighton
3,684 sq ft
£19 psf quoting



Frederick House, Frederick Place, Brighton
3,588 sq ft
£30 psf quoting



41 New England Street, Brighton
2,480 sq ft
£25 psf quoting

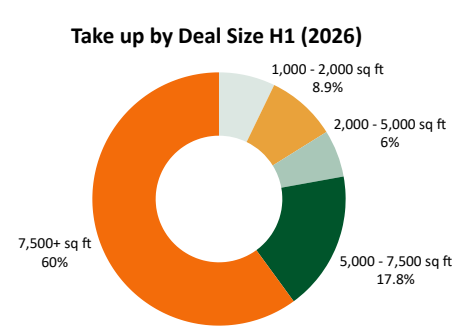


13-16 Vine Street, Brighton
2,390 sq ft
£27.20 psf quoting



Lees House, Dyke Road, Brighton
2,381 sq ft
£35 psf quoting

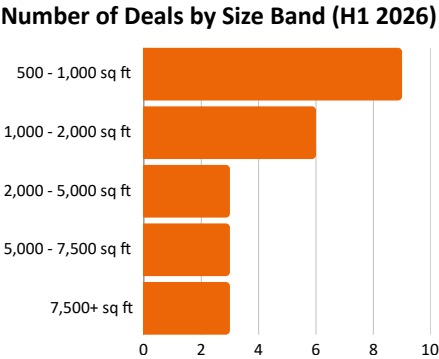
Take Up Trends



OCCUPIER TRENDS

The first half of 2026 highlights the contrast between transaction volumes and overall take up. While approximately 60% of floorspace transacted was accounted for by just three deals above 7,500 sq ft, the underlying market continues to be driven by smaller occupiers, with 63% of all transactions completing below 2,000 sq ft.

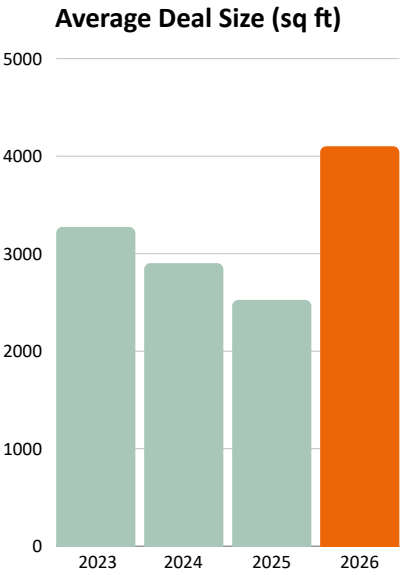
The concentration of larger transactions has pushed the average deal size to just over 4,000 sq ft, significantly above recent years. However, this should not be interpreted as evidence of a widespread return in larger corporate requirements, with the Sovereign House pre-lets and



PLATF9M's expansion at Tower Point accounting for the majority of this activity.

Outside these transactions, occupier requirements remain relatively modest and highly selective. Demand continues to favour well located, refurbished or fitted offices which provide flexibility, strong amenity and minimise upfront capital expenditure.

Larger or poorer quality floorplates remain more challenging. Landlords may increasingly need to consider subdivision, refurbishment, fitted solutions or more flexible lease structures to attract the limited pool of active occupiers.



MARKET HEADLINES

- 98,451 sq ft of take up recorded in H1 2026, up 32.3% on H1 2025.
- 60% of take up was accounted for by just three transactions above 7,500 sq ft.
- 63% of transactions were below 2,000 sq ft.
- Average deal size increased to approximately 4,100 sq ft, driven by a small number of major transactions.
- Only six of 24 deals exceeded 5,000 sq ft.
- Demand remains focused on well located and good quality accommodation available on flexible terms.

Top 8 Deals

Q1 & Q2 2026



Sovereign House, Church Street, Brighton
19,432 sq ft (Pre-let)
Occupier: William Reed



Tower Point, North Road, Brighton
19,631 sq ft
Occupier: PLATF9M



Sovereign House, Church Street, Brighton
17,954 sq ft (Pre-let)
Occupier: MBP



Princes House, Queens Road, Brighton
5,197 sq ft
Occupier: Bupa



Lanchester House, Trafalgar Place, Brighton
5,167 sq ft
Occupier: Avalara



The Old Casino, Fourth Avenue, Hove
3,487 sq ft
Occupier: Shore Events

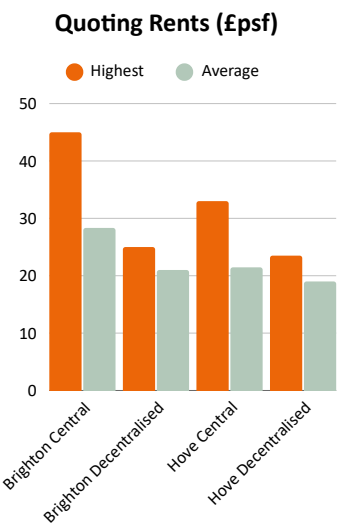


Napier House, Trafalgar Place, Brighton
2,896 sq ft
Occupier: Ampa Group



Blenheim House, Church Street, Brighton
2,830 sq ft
Occupier: TBC

Rental Trends



SNAPSHOT

£20 psf

Gap between the highest quoted rents in central Brighton (£45 psf) and decentralised Brighton (£25 psf), Q2 2026.

£45 psf

Highest Achieved Headline Rent: 2026

RENTS & INCENTIVES

Headline rental values across Brighton & Hove remained relatively resilient during the first half of 2026, despite subdued underlying demand and continued elevated vacancy. However, the market is increasingly polarised.

Sovereign House provides the clearest evidence at the top end of the market. Following its comprehensive repositioning, the building has secured significant pre-let activity, including the MBP transaction at a commencing rent understood to be around £45 per sq ft, rising during the term to £50 per sq ft.

This should not, however, be interpreted as broad-based rental growth. Evidence at these levels remains concentrated within a small number of high specification schemes, while secondary offices continue to face pressure on rents, incentives and marketing periods.

With vacancy remaining close to 18%, occupiers retain considerable negotiating leverage. Landlords are therefore increasingly competing through rent free incentives, fitted accommodation, break options and other flexible lease terms rather than headline rent alone.

SUPPLY SNAPSHOT

17.93%
Vacancy rate - Q2 2026

96,902 sq ft
New space brought to market - H1 2026

23.75%
Grade A accommodation as % of total available stock - Q2 2026.

Overall supply remained broadly unchanged during H1, with new space entering the market almost exactly matching the 98,451 sq ft of take up recorded.

INCENTIVES & LEASE TERMS

- Incentives remain an important feature of larger transactions.
- Occupiers continue to seek flexibility through break options and shorter commitments.
- Fitted and CAT A+ accommodation is increasingly attractive where it reduces upfront expenditure.
- Landlords offering flexible terms are generally better placed to minimise void periods.

Key Insight

“The market is increasingly polarised: best-in-class space can still command premium rental levels, while secondary accommodation must compete increasingly on flexibility, incentives and cost.”

Brighton Office Agency Team

CONCLUSION

The Brighton & Hove office market enters the second half of 2026 in a challenging and increasingly polarised position. Headline take up improved during H1, although activity was heavily influenced by a small number of major transactions and underlying demand remains concentrated within smaller office suites.

Vacancy remains close to 18%, providing occupiers with substantial choice and negotiating leverage.

For further insight, or to discuss how these trends may impact your property decisions, please contact a member of Flude's Brighton Office Agency team.



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About Us

Flude Property Consultants is an independent, RICS-regulated firm of Chartered Surveyors providing commercial property advice across Sussex and Hampshire.

From offices in Brighton, Chichester and Portsmouth, our services include property agency, lease advisory, business rates, property management, valuation, investment and development consultancy.

Our teams combine detailed local market knowledge with first-hand transactional evidence, enabling us to provide informed advice on demand, supply and values throughout the region.

Flude is consistently recognised by leading industry data providers including CoStar and EG Radius for its commercial agency activity across the South Coast.

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TOP AGENCY

**2026
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