



CoStar Data Show a Surge in Occupier Demand for Southbank East Offices

March 26, 2026

LONDON--(BUSINESS WIRE)--Mar. 26, 2026-- Southbank East has shifted back into positive absorption after two consecutive years of net demand losses, according to data from [CoStar](#), a global leading provider of online real estate marketplaces, information and analytics in the property markets.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20260326540657/en/>



In the fourth quarter of 2025, annual net absorption exceeded 200,000 sq ft, marking the strongest quarterly performance in more than a decade. Southbank East had previously experienced two years of declining

Demand losses have been reversed in Southbank East

demand, as a surge in new space deliveries towards the end of 2023 coincided with a slowdown in leasing volumes.

The submarket's vacancy rate reached a 12-year high of 11.5% at the beginning of 2025, rising from less than 2% in 2019.

"The increase has been driven by a wave of development completions, resulting in almost 1 million sq ft of new space delivered between 2020 and 2025, which is more than five times the amount delivered in the preceding five-year period," said Patrick Scanlon, senior director of market analytics at CoStar Europe. "Occupiers seeking larger floorplates are likely to find fewer options than expected in Southbank East, as the vacancy rate for floorplates larger than 15,000 sq ft is just 8.3%, compared with a London-wide vacancy rate of over 12%."

Despite more than 1.3 million sq ft of office space being delivered since 2020, with over 20% still available, current developments are showing improved performance, with around 25% of floorspace under construction pre-let, compared with just under 30% across Central London.

The full analysis can be found [here](#).

For more information about the company and its products and services, please visit www.costargroup.com.

About CoStar Group

CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces, and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group's major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia's leading property marketplaces. CoStar Group's industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible; STR, a global leader in hospitality data and benchmarking; Ten-X, an online platform for commercial real estate auctions and negotiated bids; and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group's websites attracted over 139 million average monthly unique visitors in the fourth quarter of 2025, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20260326540657/en/): <https://www.businesswire.com/news/home/20260326540657/en/>

Media Contact

Karolina Capova
Senior Media Relations Specialist
kcapova@costar.com

Source: CoStar Group