

Central London Office Investment Climbs 45% as Return to Workplace Drives Investor Focus on Prime Assets

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Recent research by [BPS London](#) has revealed that investment into Central London office space has climbed by 45.1% annually, as investors increasingly target prime commercial assets within the capital amid the continued return to the workplace.

BPS London analysed commercial property investment data across the UK, comparing total investment volumes and transaction levels to understand how investor appetite has shifted across the office sector.

The research shows that the office sector has been one of the strongest performing commercial property asset classes over the last year, with total investment increasing by 18.8%, rising from £7.46bn in 2024 to £8.86bn in 2025.

This rate of growth places offices ahead of industrial investment, which increased by 16.6% over the same period, while retail and leisure investment declined sharply, falling by -25.1%. Only the living and mixed-use sector recorded stronger growth, increasing by 32.1%.

However, this strong performance has been driven largely by the resurgence of Central London offices in particular. The analysis by BPS London shows that investment into Central London office space climbed by 45.1% year on year, rising from £4.79bn to £6.95bn. In contrast, office investment across the rest of the UK fell by -28.5%, highlighting the extent to which London is driving the resurgence being seen across the sector.

According to BPS London, this divergence reflects the continued return to the workplace across the capital,

where office attendance has recovered more strongly and consistently than elsewhere in the UK, reinforcing investor confidence in London's long-term occupational demand.

At the same time, transaction levels across the office sector have declined by -6.9%, despite the increase in total investment volumes. This indicates that investors are becoming increasingly selective, focusing on fewer, higher-quality buildings capable of meeting modern occupier expectations, rather than targeting secondary stock that no longer aligns with workplace requirements.

BPS London and Purestone Capital recently acted on this opportunity, [completing the acquisition of a core West End office building on Tottenham Court Road in Fitzrovia](#). The joint venture between the two private investors marks the first acquisition for their value-add investment platform, with plans to reposition the building to deliver best-in-class workspace aligned with modern occupier expectations.

The acquisition also forms part of a wider strategy to identify and upgrade well-located London office assets, as demand continues to strengthen for high-quality workspace that supports the evolving needs of today's workforce.

Commenting on the findings, Mahir Vachani, Director at BPS London Developments, said: "The office sector has been one of the standout performers over the last year, but what's particularly notable is that this recovery is being driven almost entirely by Central London.

What we're seeing is a clear link between the return to the workplace and renewed investor confidence in the capital, with London leading the recovery in physical office attendance, which has given investors greater confidence in the long-term fundamentals of its commercial property market.

At the same time, investors are becoming far more selective. There is a growing focus on acquiring and upgrading buildings that can genuinely meet the expectations of today's workforce, rather than simply acquiring space for the sake of it.

Our recent acquisition on Tottenham Court Road reflects this approach and we see significant opportunity in repositioning well-located buildings to deliver the type of high-quality workspace that businesses now require."

Data Tables and Sources

- Commercial investment data sourced from [PropertyData \(2024 vs 2025\)](#).
- [View full data tables and sources online here.](#)