Adaptive Spaces

European Office Occupier Sentiment Survey 2026

REPORT

CBRE

Executive Summary

CBRE’s European Office Occupier Sentiment Survey 2026 captures the views of real estate decision-makers across Europe on their portfolio, workplace, and occupancy strategies. The findings point to a market at a critical inflection point: demand for quality office space is rising, but constrained capital, limited availability of modern space, and the compounding pressures of AI and net zero are increasing competition for the best buildings. Four key findings emerge from this year's survey.

01 Portfolios are being transformed around people and productivity

People come into the office to collaborate with colleagues and for a productive workspace. Those pull factors are reshaping strategy. Whether growing or shrinking their footprint, occupiers are converging on the same goal: more efficient portfolios built around optimising the experience for talent.

02 Financing portfolio transformations remains contested

Appetite for better space is outpacing the capital committed to deliver it, placing greater responsibility on landlords and flex space providers. Investment is concentrating into HQ buildings, with the remainder more likely to be maintained or divested of rather than transformed.

03 AI and sustainability are accelerating strategies

AI is expected to reduce space requirements while raising the bar for future portfolios, with greater emphasis on reconfigurable, collaborative, and amenity-rich workplaces. With net zero deadlines converging around 2030 and AI set to influence real estate decisions within the next two years, occupiers have a limited window to address both demands.

04 Rising occupier expectations meet rapidly shrinking supply

Occupiers are increasingly stringent about which amenities are dealbreakers, despite a declining willingness to pay a premium for them. The supply of modern office stock is heading for a ten-year low, just as a fast-growing AI sector competes for the same limited, talent-focused space.

01

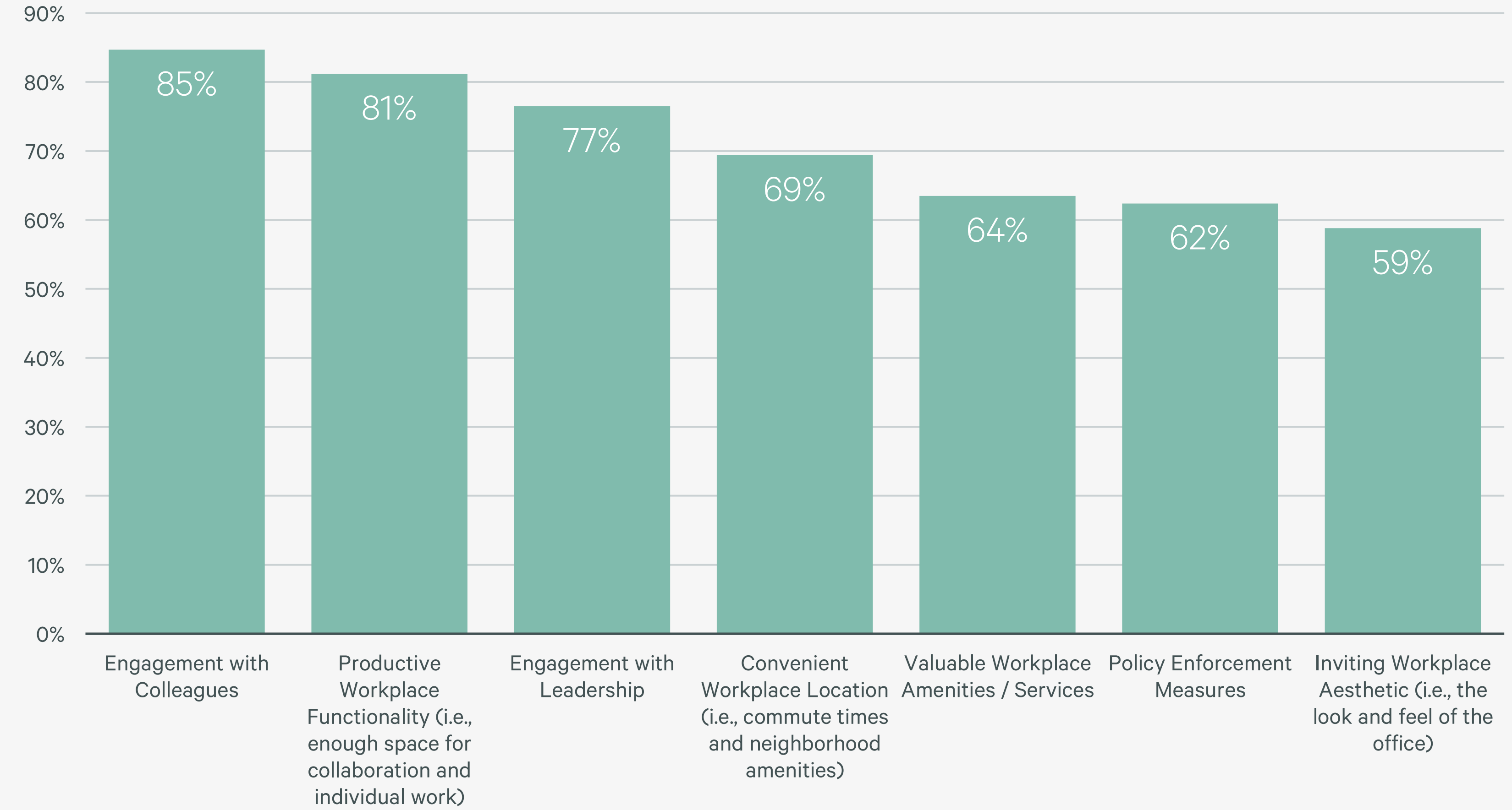
Transformed portfolios centred around people and productivity

The office justifies its role through people, place, and purpose

Employees want to come into the office to engage with their colleagues (85%), for a productive workspace that supports both collaboration and focused work (81%), to engage with leadership (77%), and because it is well-located (69%).

Policy enforcement measures still matter (62%) but are less relevant. Management mandates played a role in bringing employees back to underused offices, but as attendance patterns have become more established, success will depend on getting the fundamentals right: present colleagues, productive space, and a compelling/convenient location.

Workplace experiences that most strongly influence employees' willingness to come into the office



Source: CBRE European Office Occupier Sentiment Survey 2026

Growing occupiers are optimising strategies for collaboration, sustainability, and efficiency

The leading drivers of workplace strategy point towards the same goal: **leaner, more efficient, and capital-light portfolios.**

Split by whether occupiers are planning to grow or downsize their portfolio, two distinct strategies emerge. **Occupiers growing their footprint** are focused on enabling in-person collaboration (62%), sustainability (56%), and improving the experience for talent (50%).

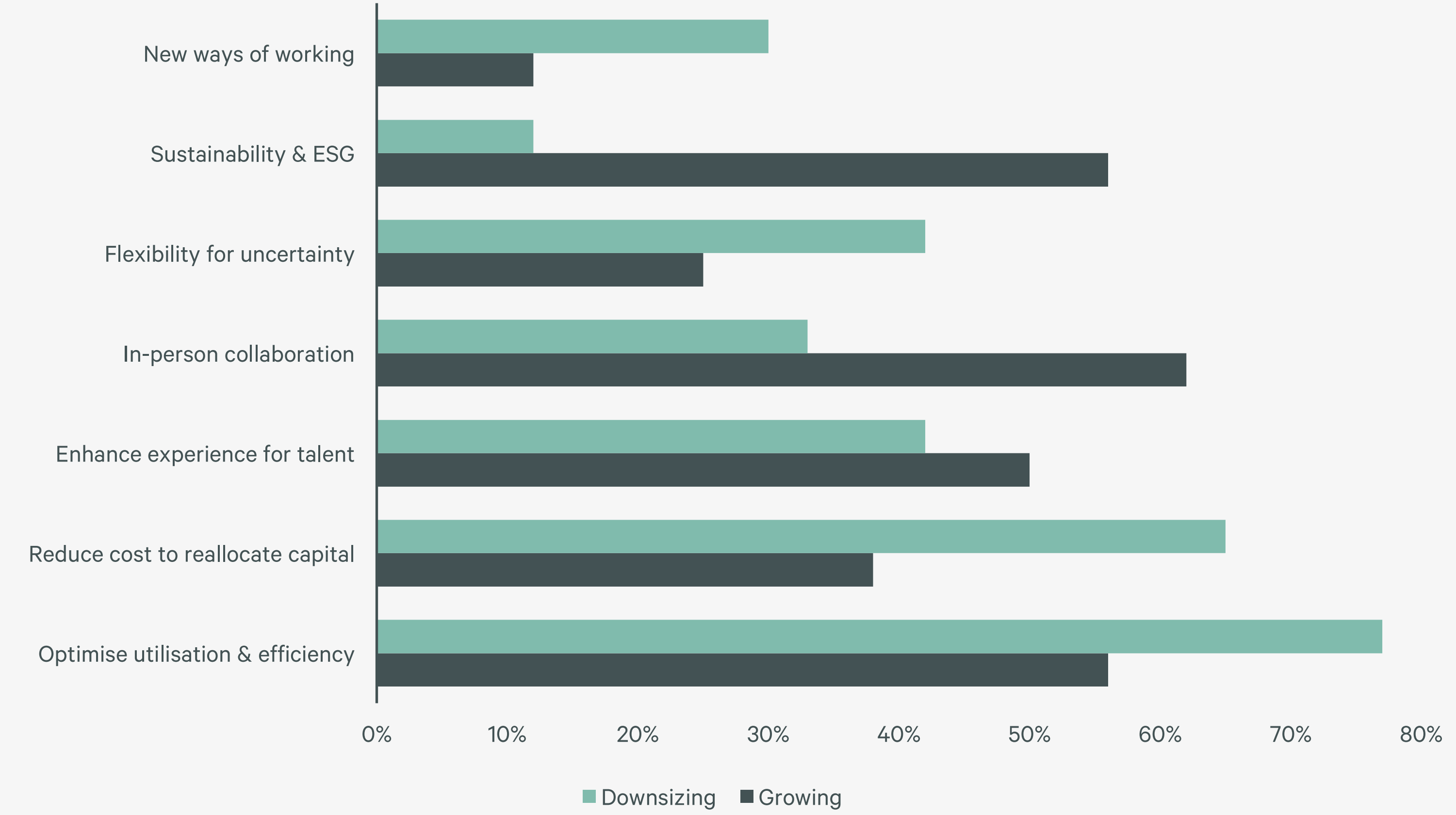
In contrast, **occupiers downsizing their footprint** are targeting efficiency improvements (77%) and cost reductions (65%), with flex space part of their solution (42%).

Whether occupiers are growing or downsizing, enhancing the employee experience remains a key consideration, reinforcing demand for well-connected, amenity-rich offices.

65% of occupiers are planning to relocate part of their office portfolio in the next three years to execute these strategies.

Objectives driving workplace strategy over the next three years

Bars show the sample split by whether occupiers are growing or downsizing their footprint



Source: CBRE European Office Occupier Sentiment Survey 2026

02

AI and sustainability are accelerating strategies

AI will reshape demand towards better space, even if it results in less space overall

AI will accelerate the transformation of portfolios as occupiers' strategic focus on optimising experience, amenities, and location for talent is compounded as AI takes on the more predictable, lower value work.

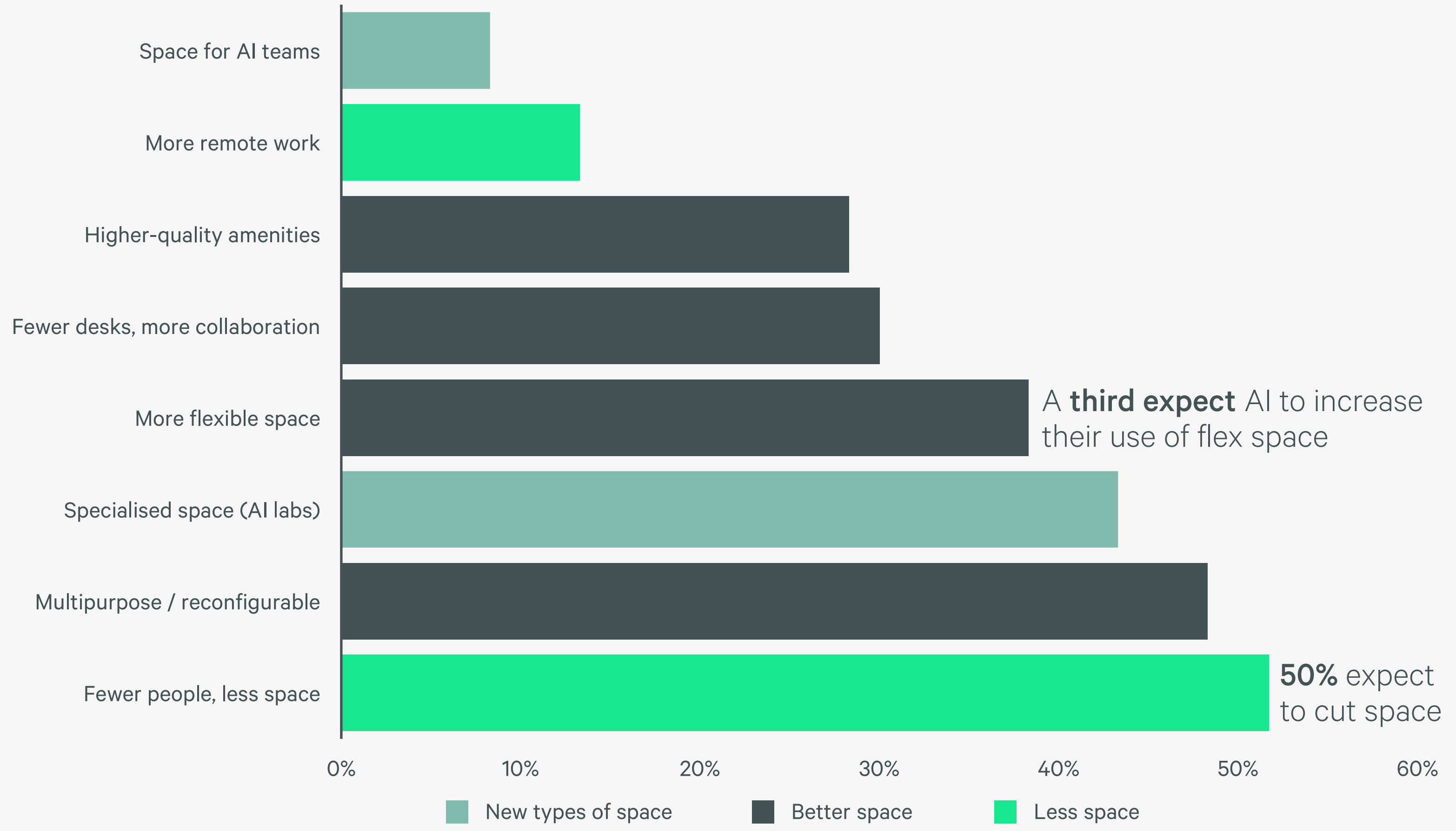
AI is expected to raise the quality of space required with nearly half expecting to need more multipurpose and reconfigurable layouts (48%), specialised areas such as AI labs (43%) and greater flexibility overall (38%).

Half of occupiers expect to need fewer people and less office space because of AI (52%). However, the history of rapid and broadly applicable technological improvements suggests that **headcount concerns are likely to be overstated in the early stages** of implementation, and workers will pivot to perform more valuable tasks.

Individual task space is likely to shrink. What will grow in importance is space for collaboration and experimentation, as roles are reskilled and reimagined around high-value judgement and oversight. In this environment, floorplates that can be reorganised efficiently around fluctuating team structures will prove their resilience.

AI should also sharpen the accuracy of space planning. The cost to occupiers of getting headcount forecasts wrong is already significant, and better data and AI driven forecasting tools stand to improve the accuracy of these predictions, giving occupiers greater confidence in sizing their portfolios correctly.

Expected AI-driven workplace changes



Source: CBRE European Office Occupier Sentiment Survey 2026

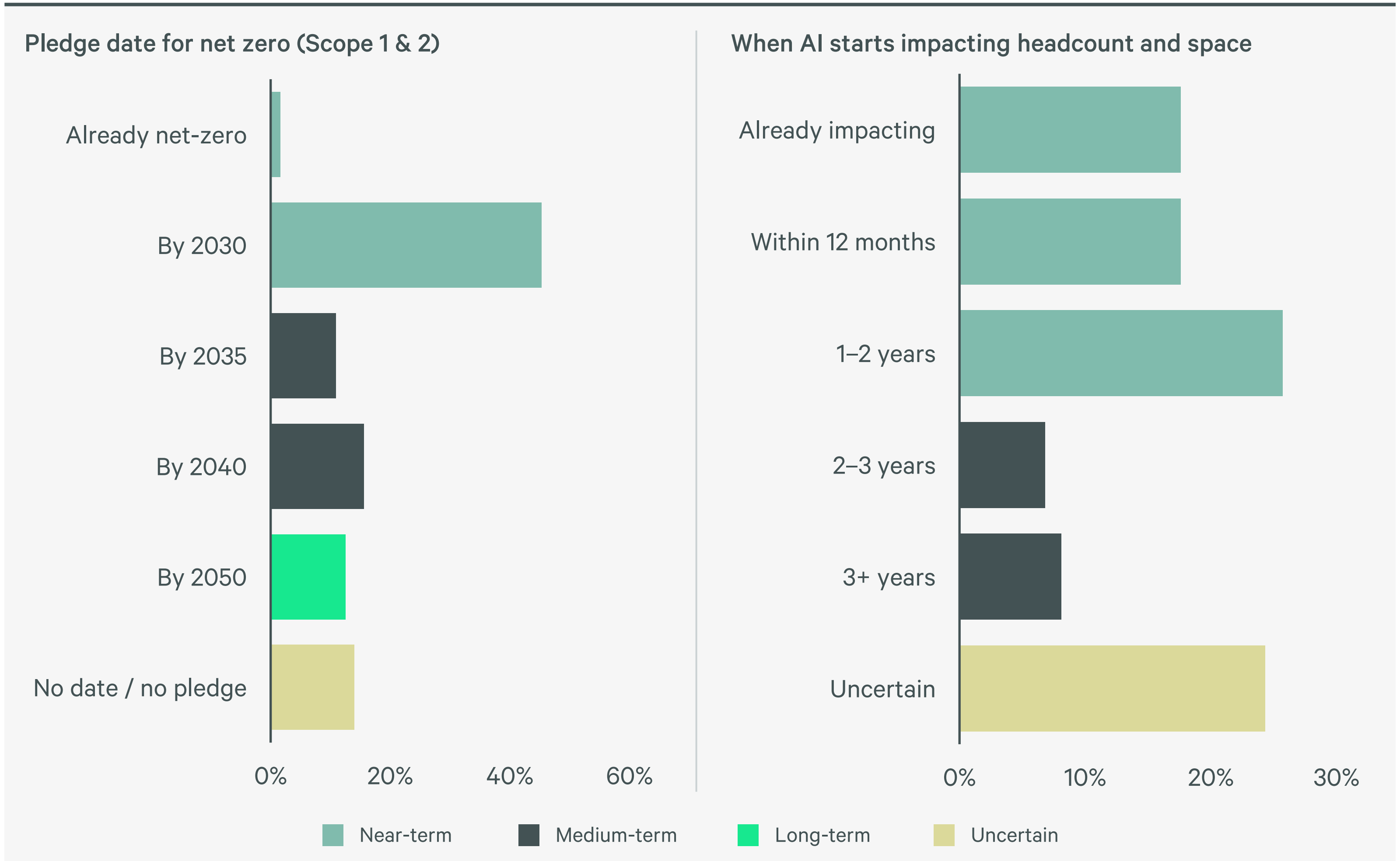
As occupiers adapt to AI, they are building net zero-ready portfolios at the same time

Net zero requirements are concentrated around 2030, with 45% of occupiers targeting this deadline, up from 37% in 2024. At the same time, the impact of AI is expected to be felt soon, with 61% anticipating it will influence their space requirements within the next two years.

The significant changes and improvements to portfolios necessitated by these factors are compressed into a single tight replacement cycle across the next few years.

Offices that are not sustainable or on a credible retrofit path face obsolescence risk well before their structural life ends.

Together, the two pressures point in the same direction: sharper bifurcation between sustainable, adaptable, well-located stock and assets that do not meet these requirements.



Source: CBRE European Office Occupier Sentiment Survey 2026

03

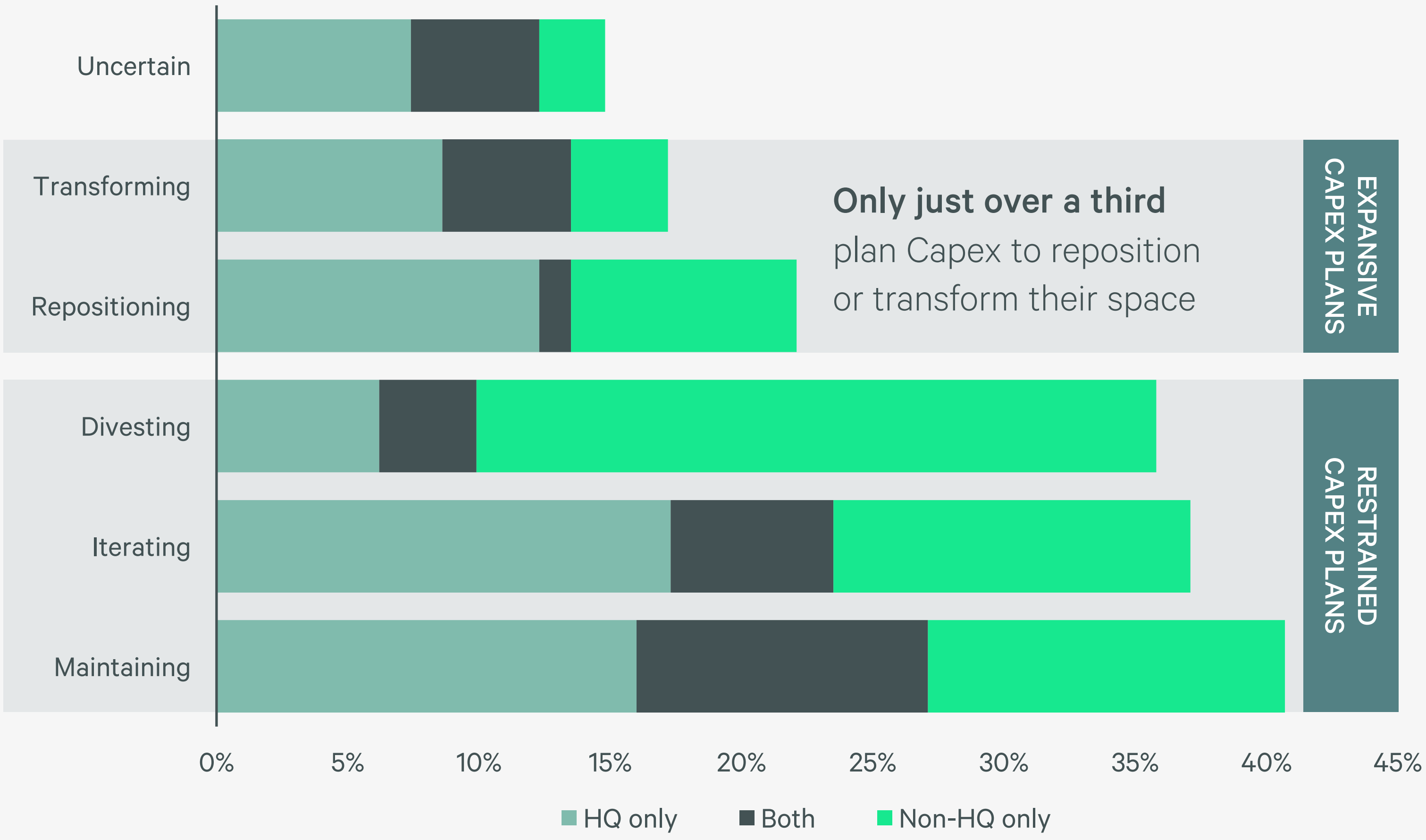
Financing the portfolio transformation

Occupiers want transformed space, but most are not planning to pay for it directly

Occupiers' workplace strategies, response to AI and net zero goals call for transformed offices. The appetite to commit capital to deliver it is limited. **Only a third of occupiers plan CapEx to reposition or transform their offices,** while close to 80% are focused on maintaining, making limited changes, or divesting from their existing portfolio. The difference will sit with landlords, who will be asked for fit-out contributions and flexible terms to keep buildings occupied through lease events.

Splitting by HQs and non-HQs shows a clear picture, with divesting three times more common across non-HQs. Secondary portfolios look set to shrink rather than be upgraded, concentrating both occupier CapEx and landlord opportunity into a smaller set of flagship buildings.

Appetite for real estate CapEx investment over next three years



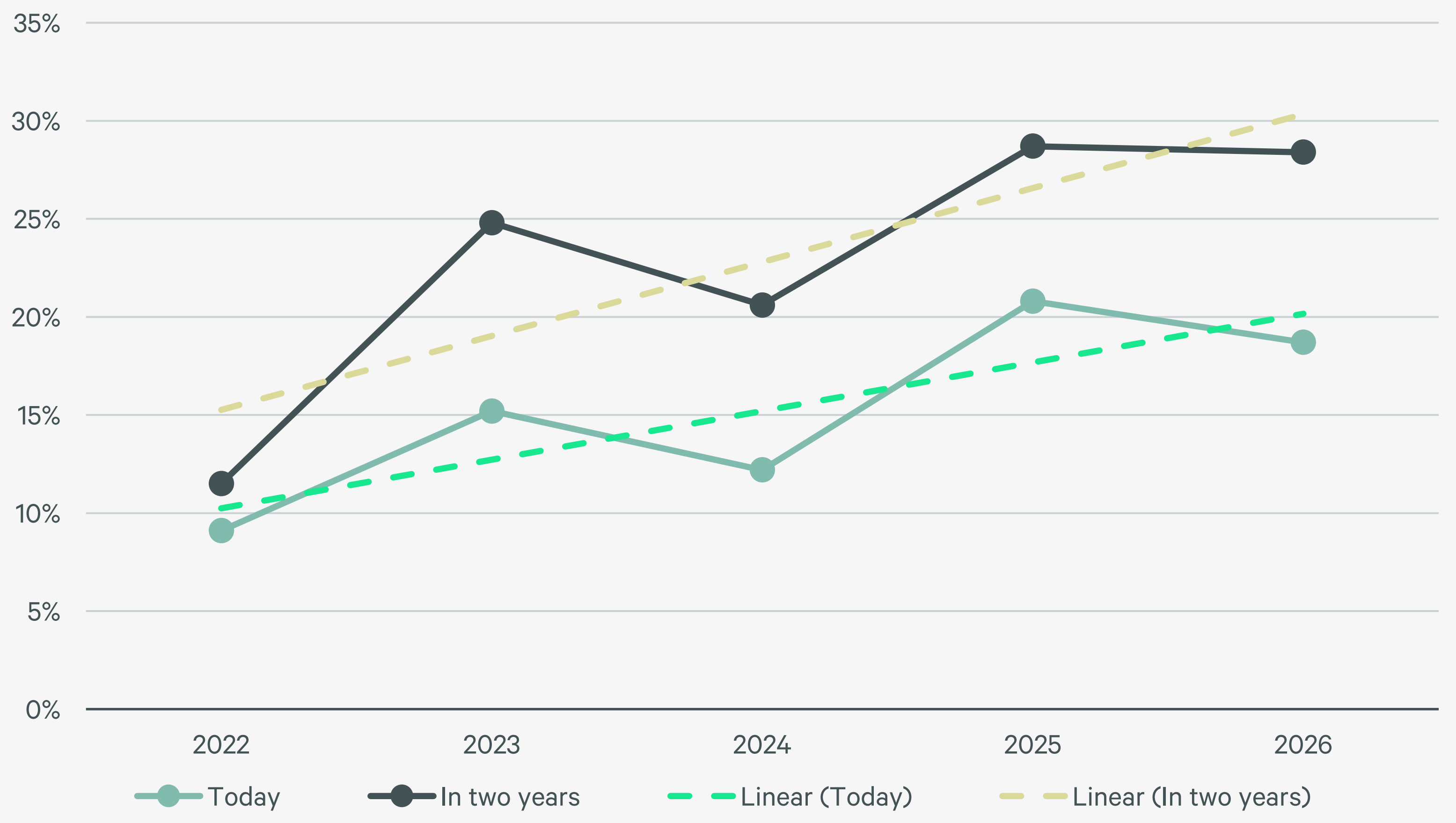
Source: CBRE European Office Occupier Sentiment Survey 2026

Flex is the occupier's route to capital-light, improved space

The share of portfolios in flex office space has doubled since 2022, despite declining slightly this year, and occupiers continue to target 28% within two years. The gap between flex in portfolios and desired flex in two years has grown over time, as occupiers increasingly see the value of flex space within their strategies.

CapEx strategies are the dominant driver for the use of flex office space and have been consistently for five years, with reducing CapEx now cited by 55% of occupiers. Flex is one of the mechanisms occupiers are using to execute their talent strategies for improved experience, amenities, and collaborative layouts, without consuming CapEx. For landlords and operators, that points towards durable demand for blended core-plus-flex product, and a disintermediation risk for those who are not offering flexible spaces.

Average share of portfolio in flex space: today and in two years



Source: CBRE European Office Occupier Sentiment Survey 2026

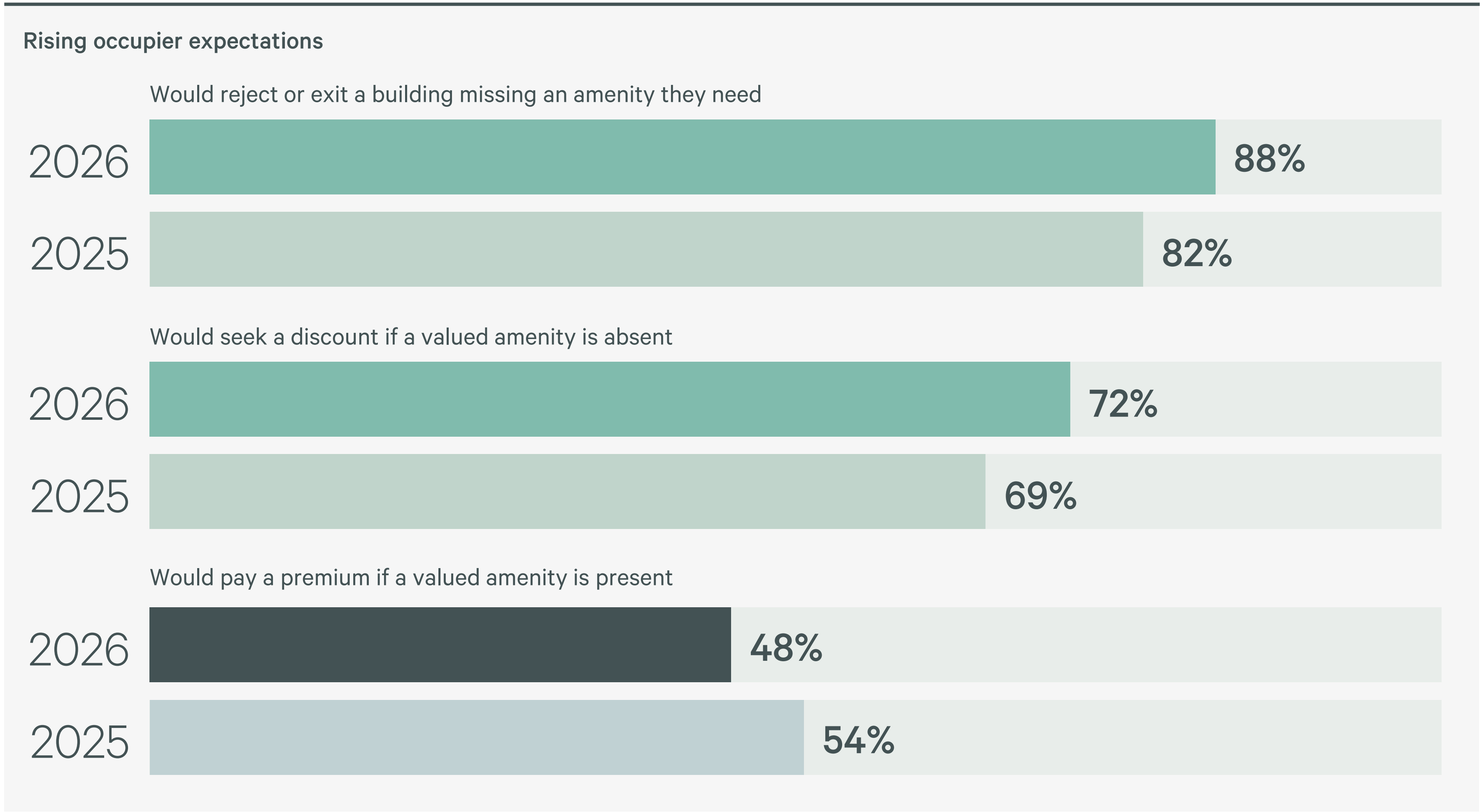
04

Rising occupier expectations meet rapidly shrinking supply

Occupiers' approach to their requirements is becoming more stringent

Nearly nine in ten occupiers now regard at least one amenity as so essential they would walk away from a building without it, up from 82% a year ago.

Yet the share willing to pay a premium has fallen from 54% last year to 48% in 2026. The threshold for an office to be considered viable is rising, while the pricing upside for landlords narrows.



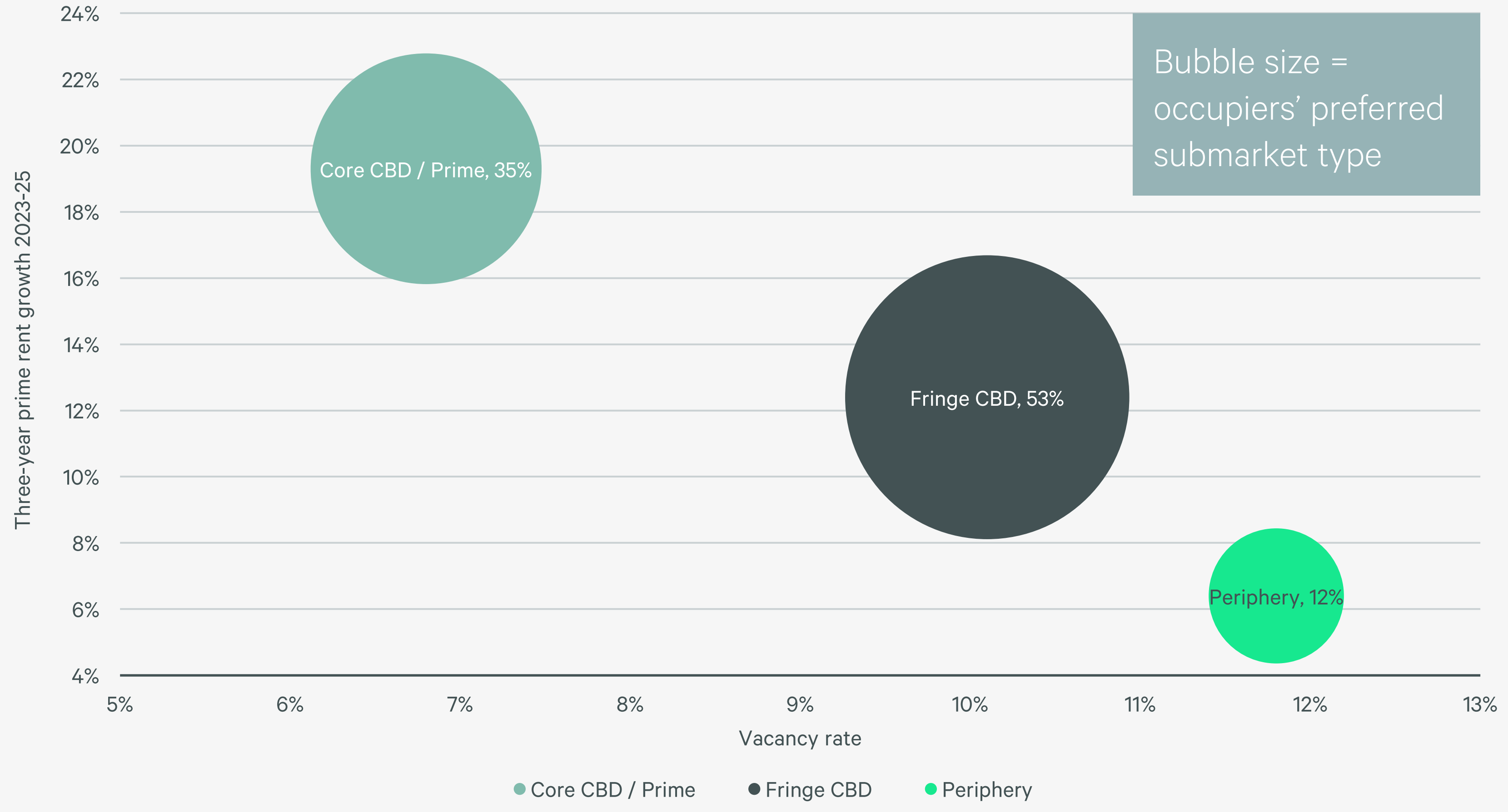
Source:
CBRE European Office Occupier Sentiment Survey 2026,

Despite stringent requirements and cost sensitivity, occupiers are focused on central locations

Central locations, both core and fringe CBD submarkets, continue to be preferred. Faced with a trade-off between lower occupancy costs and a better employee experience, occupiers are choosing the latter.

Where cost sensitivity does influence decisions, demand tends to shift towards fringe CBD submarkets rather than away from the centre altogether. These locations have seen lower rental growth over the past three years, broadly in line with inflation, which has improved their affordability relative to the core CBD while still allowing occupiers to retain a central footprint.

Rental growth, vacancy, and occupiers' stated preferences per submarket type



Source:
CBRE European Office Occupier Sentiment Survey 2026, CBRE Research

Note:
Rental growth aggregates are weighted by 5-year rolling investment volumes

And they will be competing for limited space with a new, rapidly growing sector

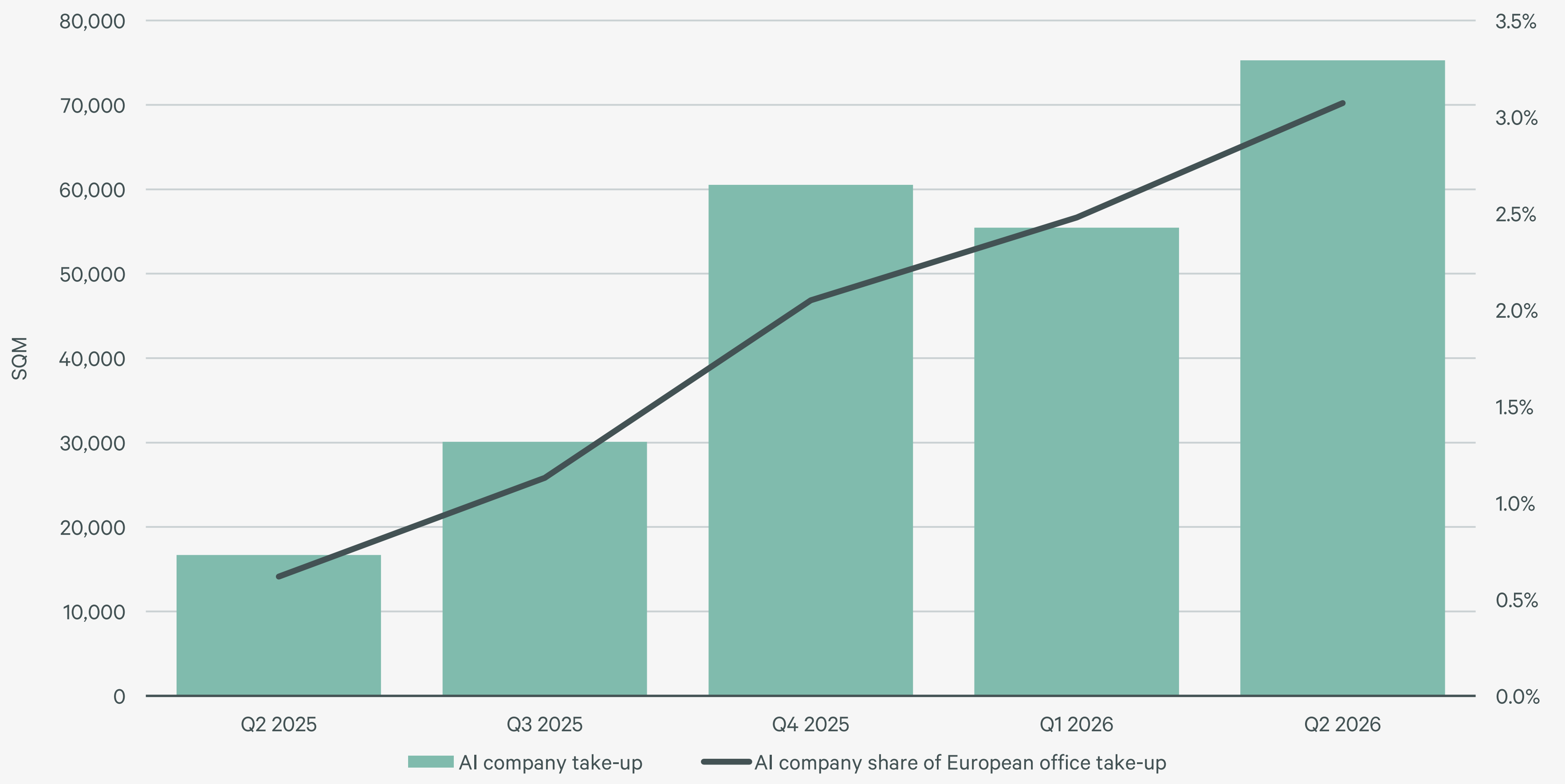
AI companies are committing to prime, centrally-located office space.
Their attendance policies vary, from startups in-office five days a week, to more established labs asking for 3 days. But the direction is clear, the companies building this new technology believe in the productive potential of collaborative, culture-building offices and are voting with their wallets.

3%

AI company leasing now represents 3% of European office take-up and the share is growing rapidly

Source: CBRE Research

European office take-up by AI companies and share of total



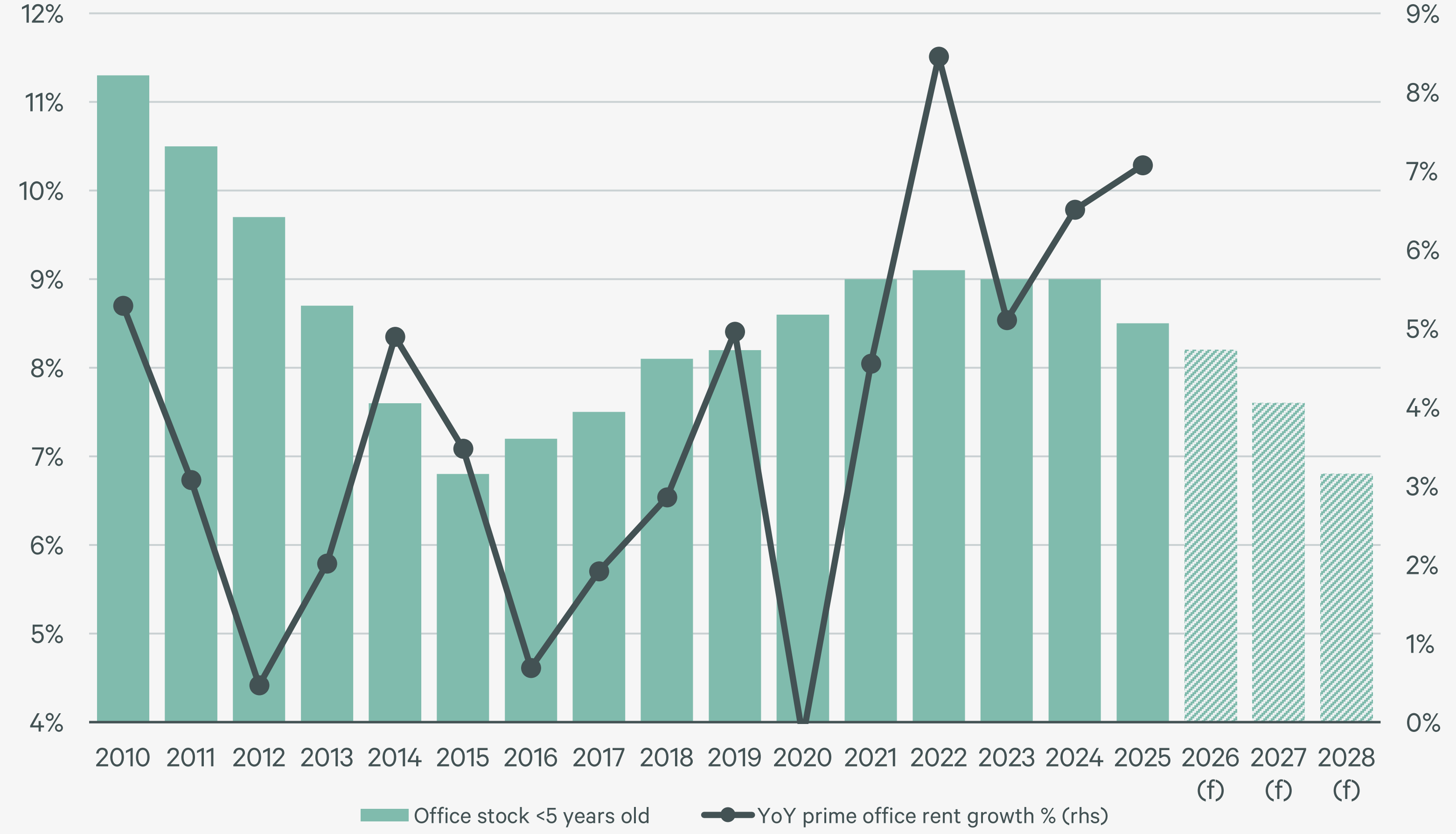
The supply of new and nearly new space is declining

The share of European office stock less than five years old, which could be assumed to meet almost all current occupier requirements, peaked at just over 11% in 2010 as the pre-GFC building cycle completed, before falling to a low point in 2015.

Even as the share of this modern stock rose through the early 2020s, demand still outstripped supply, and prime rent growth averaged over 6% between 2021 and 2025. Based on office developments currently under construction and forecast to complete within the next three years, the share of modern office stock will fall back to 6.8% by 2028, its lowest level in over a decade.

The amount of space in the market that could help occupiers deliver the transformed portfolios needed for their strategic goals is tightening, with clear implications for further increases in prime office rental growth.

Rolling percentage of European office stock that is <5 years old & prime office rent growth



Source: CBRE Research
Note: 20 major European markets

05

Conclusions

Conclusions for occupiers

Portfolios are being transformed around people and productivity. AI and net zero are accelerating that shift. Capital to fund it is contested and the best space is increasingly scarce. Four moves to stay ahead:

01

Design for what draws people to the office; collaboration with colleagues and leaders plus productive spaces that enable their workstyles

02

Sequence your net zero and AI spend early; others will be making similar plans.

03

Build resilience into the portfolio: agile lease terms and flexible options for contractual room to move, and configurable layouts so space adapts as needs change, without a heavy fit-out commitment.

04

Secure new space early: the stock your strategy needs shrinks to a ten-year low by 2028.

Conclusions for investors

Demand bifurcation towards centrality and quality is clear, occupiers are rapidly adapting to AI and net zero and supply continues to tighten. Four ways to lean into these trends.

01

Lean into the scarcity of quality; modern stock hits a decade-low by 2028 while standards rise.

02

Design and manage assets for the flexibility occupiers need, as they target 28% of their portfolios in flex space. Then price that adaptability into higher rents and stronger returns.

03

Follow demand to fringe CBD submarkets, where occupiers are aiming to secure space that enables their strategies at a lower cost than in the best locations.

04

Underwrite for net zero and AI; space that cannot adapt risks becoming obsolete.

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About the survey

About the survey

94

Total responses

FIGURE X:
Respondents by sector (%)

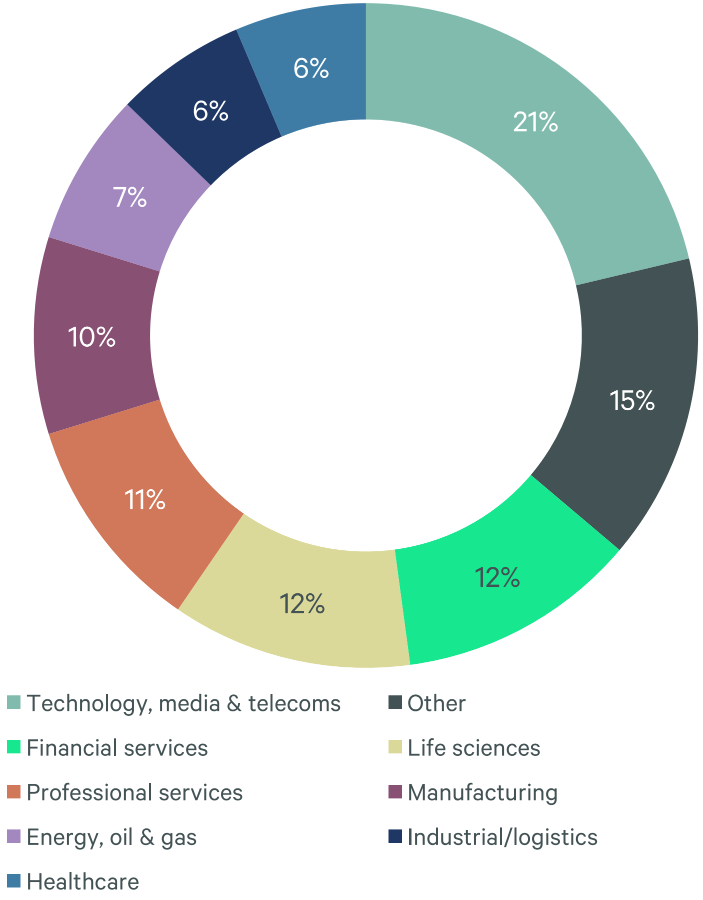


FIGURE X:
Respondents by company size (%)

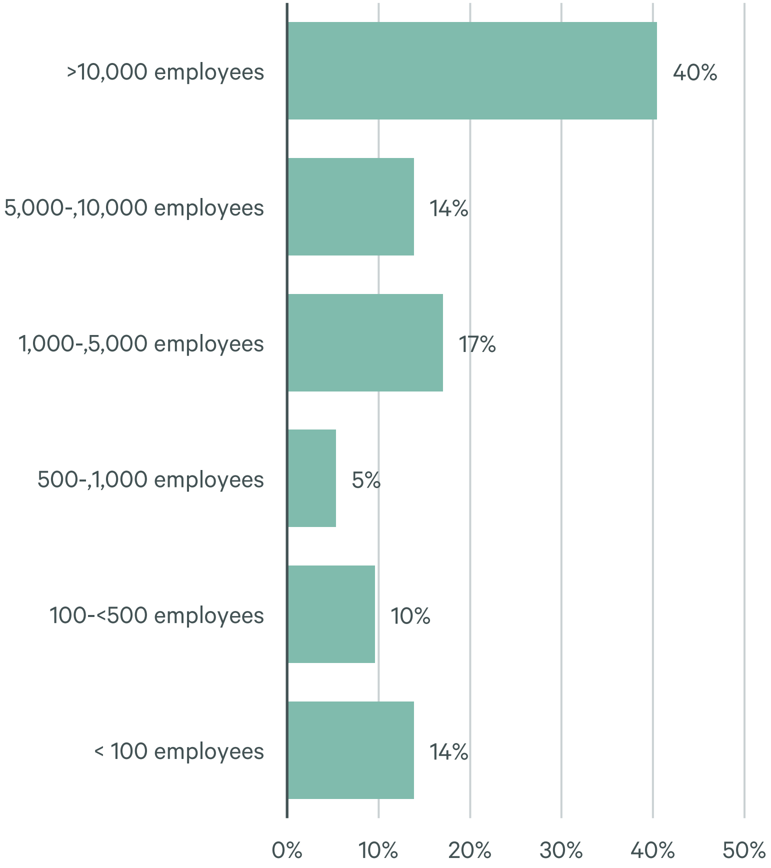
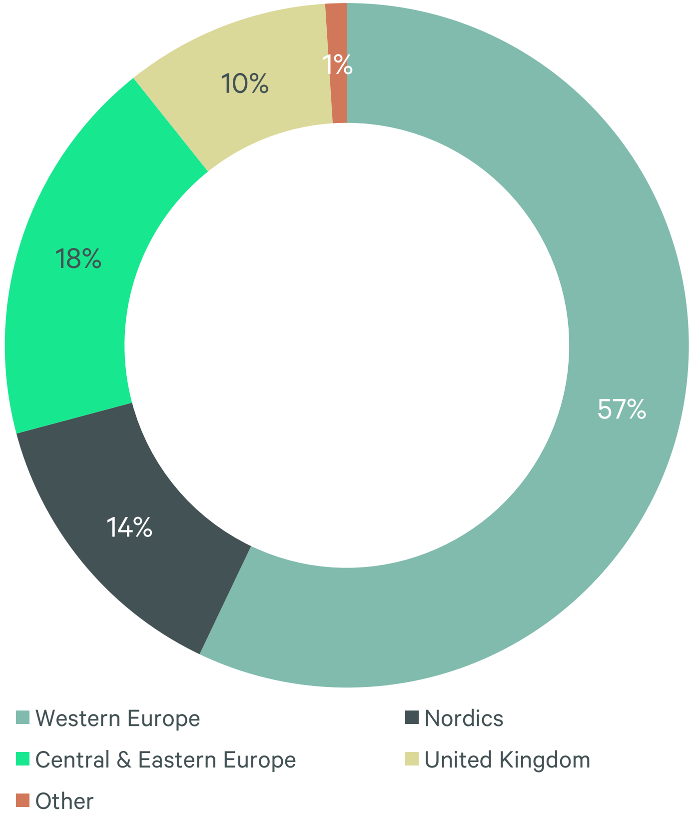


FIGURE X:
Portfolio exposure by region (%)



Source: CBRE Office Occupier Sentiment Survey 2026

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