VANTAGE POINT

GLOBAL TRENDS IN FLEXIBLE OFFICE

2025

CUSHMAN & WAKEFIELD

FOCUS ON

#1
GLOBAL THEMES

#2
AMERICAS

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APAC

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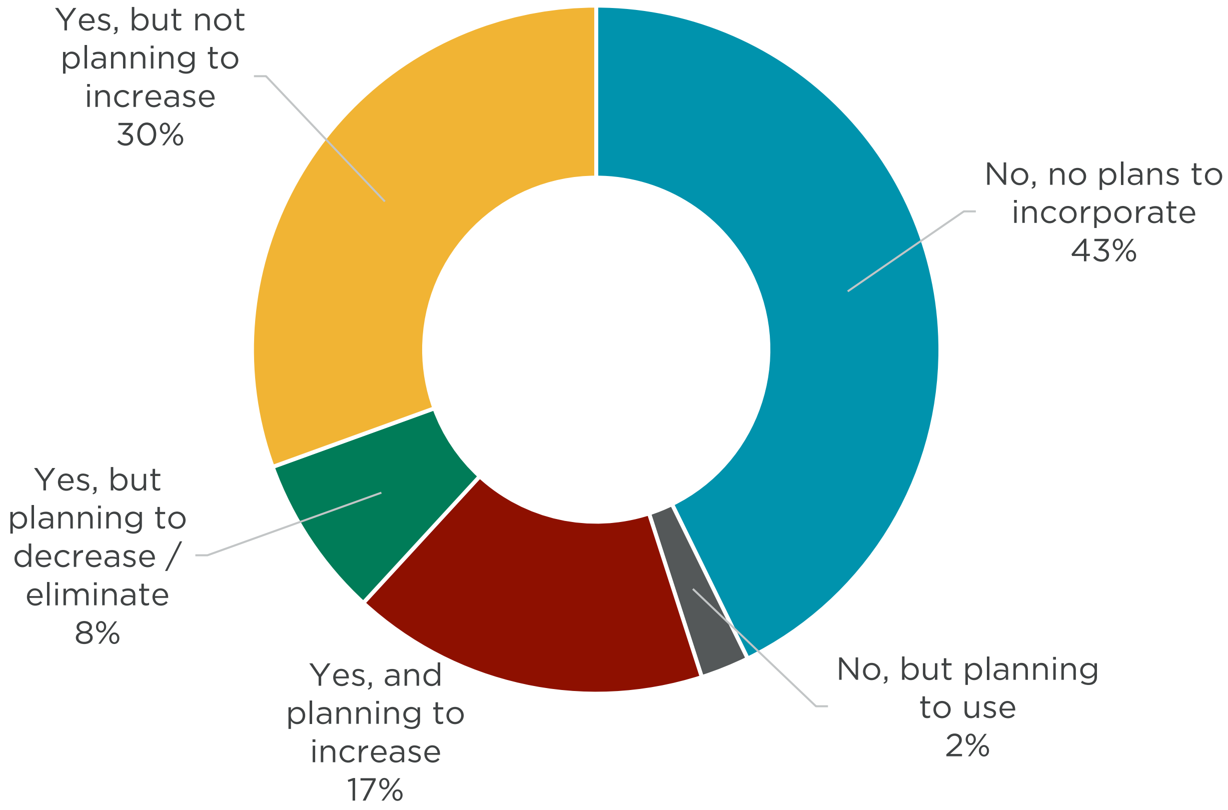
OUTLOOK

01

TRENDS ACROSS THE GLOBE

Flexible Office Remains Critical to An Occupier's Office Space Strategy

Does your company leverage Flexible Office Space?

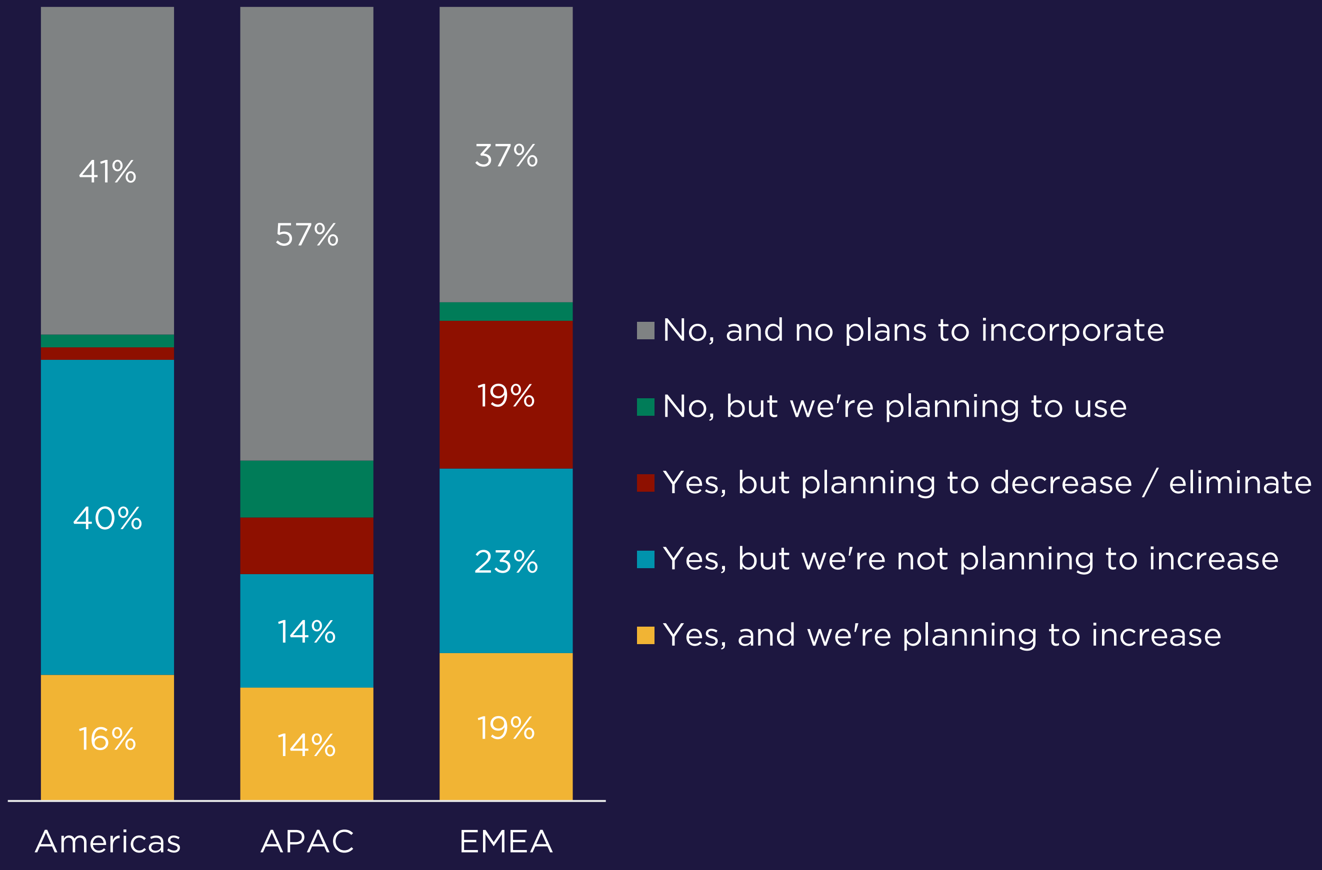


Source: Cushman & Wakefield Research & Cushman & Wakefield Total Workplace

- Based on Cushman & Wakefield/ CoreNet's 2025 survey of global occupier executives, more than half of survey respondents utilize flexible office as a part of their current space strategy.
- 55% of those surveyed use flexible office and of this group, 17% of occupier executives not only utilize flexible office solutions but they also plan to increase usage. Occupiers are leveraging flexible office space as a long-term strategy for their office space portfolio.
- 8% use flexible office but plan on decreasing or eliminating some of this use. As an occupier's office utilization strategy evolves, flexible office space allows them to make short-term space decisions quickly. This includes decreasing or increasing use as needed to better optimize their space allocation.

Use Differs by Global Region

But plans to increase use are similar

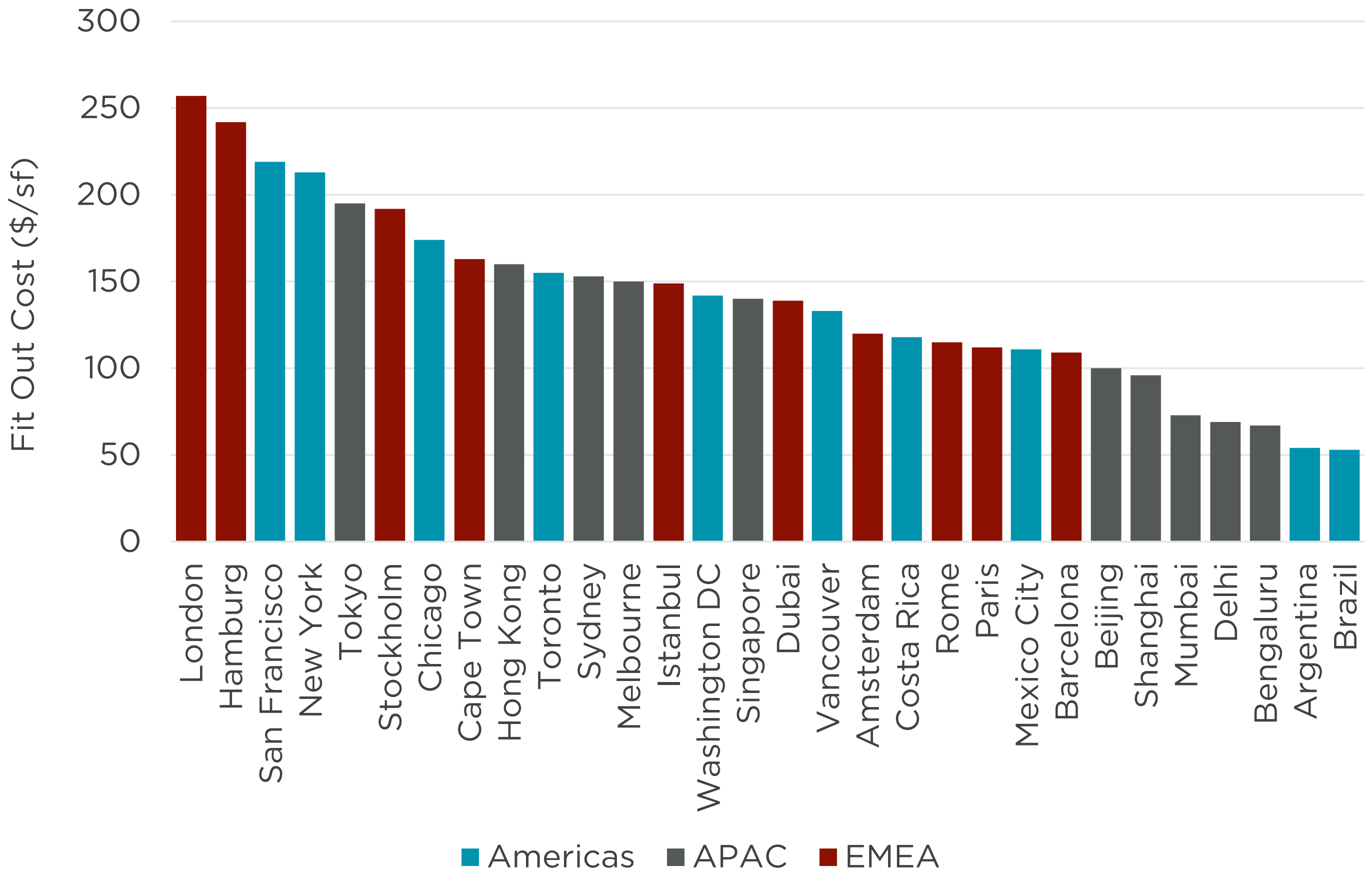


Source: Cushman & Wakefield Research & Cushman & Wakefield Total Workplace

- The majority of APAC occupiers who responded to the survey, 57%, do not use and don't have plans to incorporate flexible office into their space strategy. This aligns with use in a market like India, where robust growth in the flexible office sector is driven by international occupiers sourcing labor in the country.
- In the Americas, the majority of occupiers, 58%, said that they utilize flexible office solutions with 16% of those planning to further increase use.
- EMEA is the region with most active use with 61% of occupiers indicating they use flexible office space. However, they are currently going through a rebalancing phase as 19% plan to decrease use somehow and another 19% plan to increase it.
- Overwhelmingly what occupiers want is the ability to quickly pivot their space strategy as needed. Flexible office space gives occupiers this flexibility, allowing them to quickly adapt to changing trends.

Capital Expenditures On Fit Outs Increase

Cost pressure to occupiers has risen globally

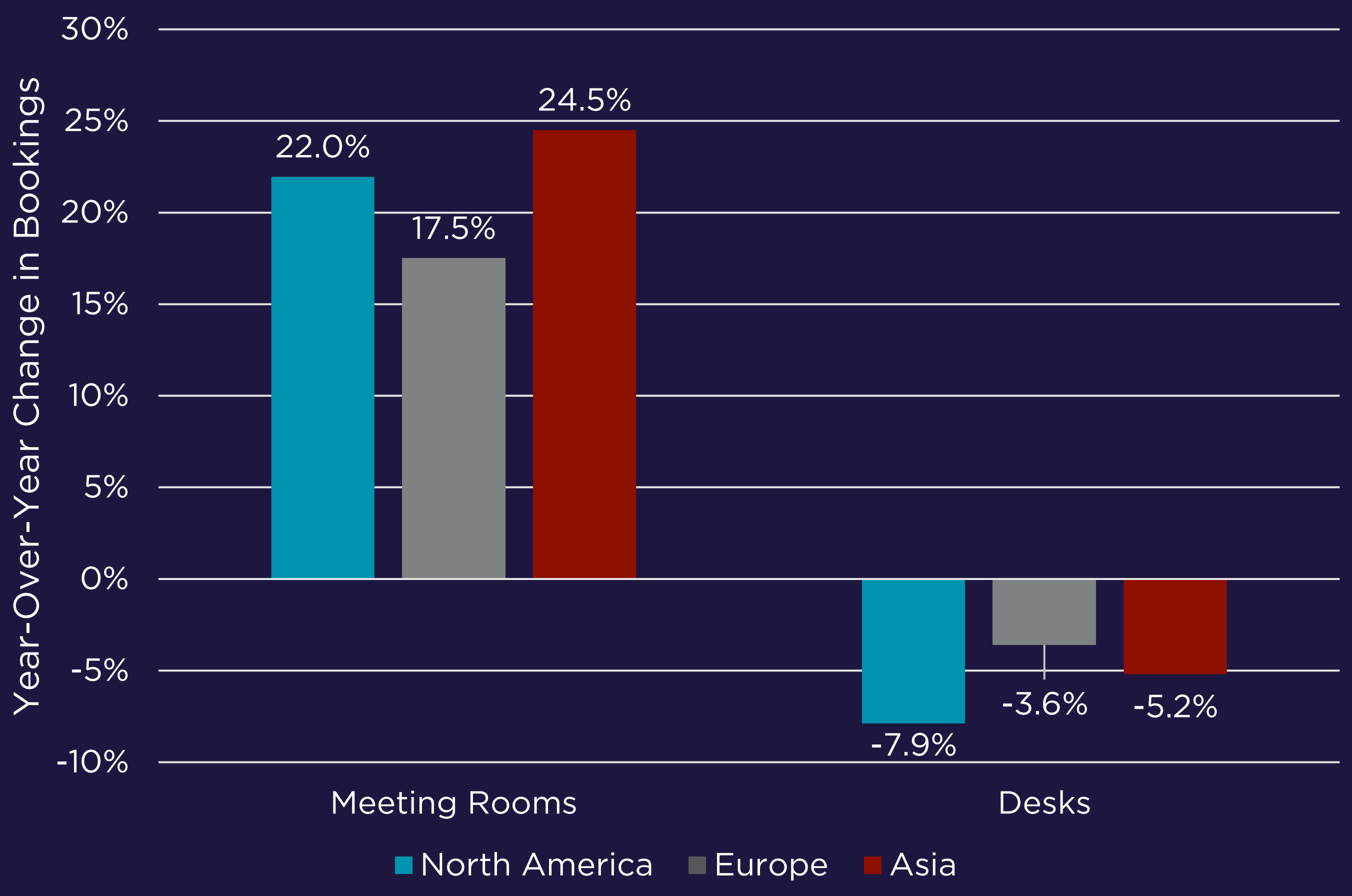


Source: Cushman & Wakefield Research

- Construction costs have increased globally, applying significant upward pressure to tenant capital expenditures for office improvements. Across major global markets, fit out costs can easily exceed $150 psf—not including furniture, fixtures, technology, and other costs—which can add a premium from 10-40% on top of fit out costs.
- Flexible office provides occupiers with space that is already fit out and furnished. Additionally, providers typically fit out office space with premium amenitization in mind.
- Flexible office allows occupiers and their employees to occupy space that is business ready from day one, with no down time to their business.

Collaboration Is a Key Office Purpose

Employees value collaboration when in person

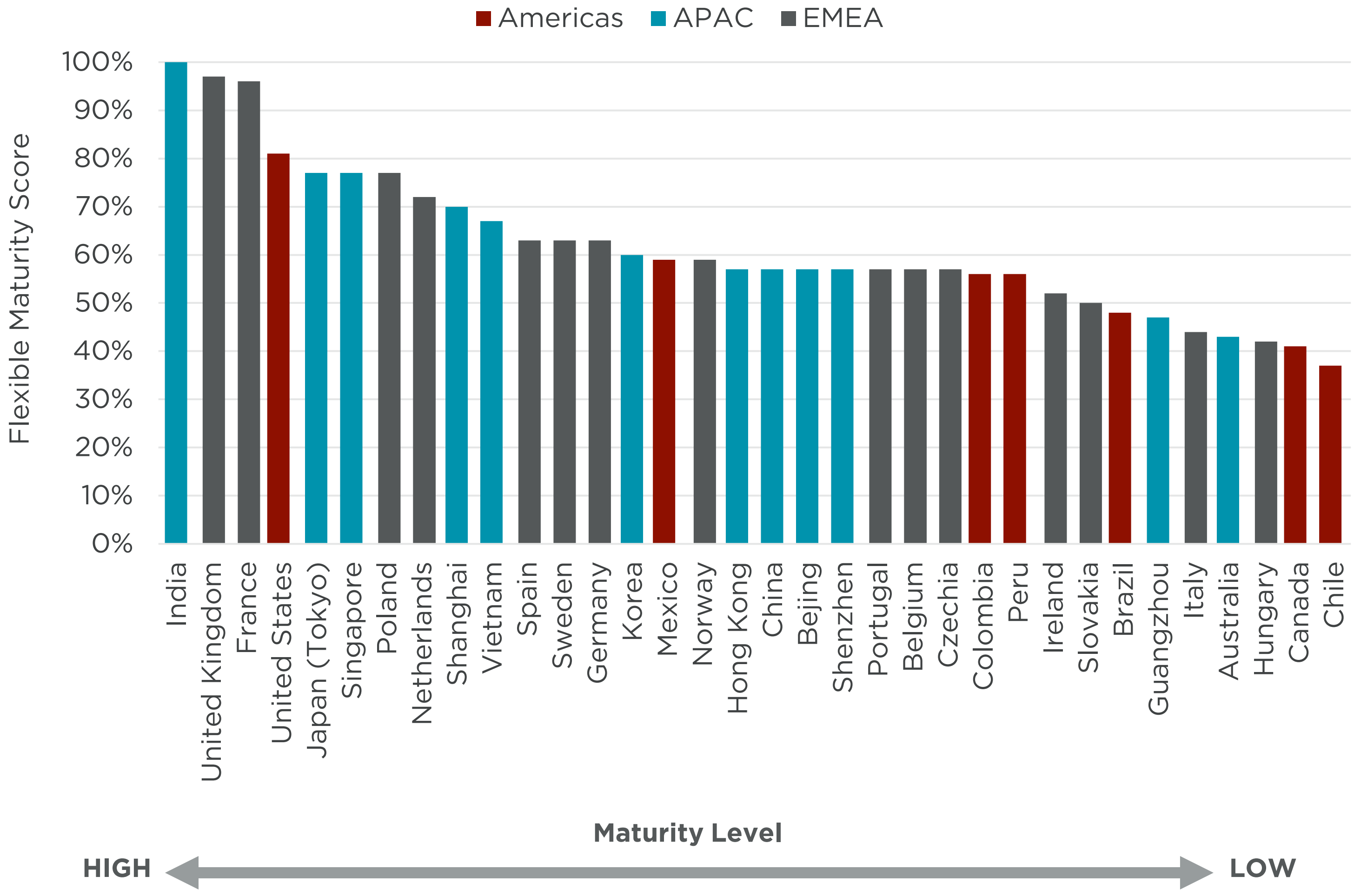


Source: Upflex

- As the purpose of the office evolves, so does user behavior in flexible office space. Based on Cushman & Wakefield's research[1], collaboration is seen as the main purpose for the office by employees. A recent 2025 Upflex analysis of nearly 9,000 users globally shows that this behavior is evident in the types of space users are choosing to book.
- Meeting room bookings have seen significant increases in all regions (North America +22.0%, Europe +17.4%, and Asia +24.5%) as the need for team-oriented and collaborative space increases.
- However, desks are still booked more frequently than meeting rooms (once per month versus once every 1.5 months), indicating that users still require individual spaces.

1. C&W Experience Per Square Foot™

Market Maturity Varies Across the World



Source: Cushman & Wakefield Research

- Flexible office space as a component of overall office space varies in maturity across global markets. Some mature office markets do not have a significant presence of flexible office space, while some emerging office markets have developed a strong presence of flexible office providers.
- In order to gauge market maturity, C&W scored several measures, including flexible inventory as a percent of total office space; the number of flexible providers in a market; leasing activity of flexible providers; the presence of emerging flexible agreement structures; and other variables.
- Notably, the U.S. was the only market in the Americas where the flexible office market is considered mature. Whereas several markets in APAC and EMEA scored in high across enough metrics to be considered mature.

Key Takeaways

Flexible office has emerged as a significant part of any occupier's short and long-term space strategy.

Although it is still developing in some markets across the globe, the prevalence of flexible office is evident. Providers, in partnership with owners, have developed strategies to provide occupiers with highly amenitized and flexible choices.

As workplace trends evolve, flexible office allows occupiers to increase or decrease use as needed.

Flexible office market maturity varies around the world and does not directly correlate to office market maturity.

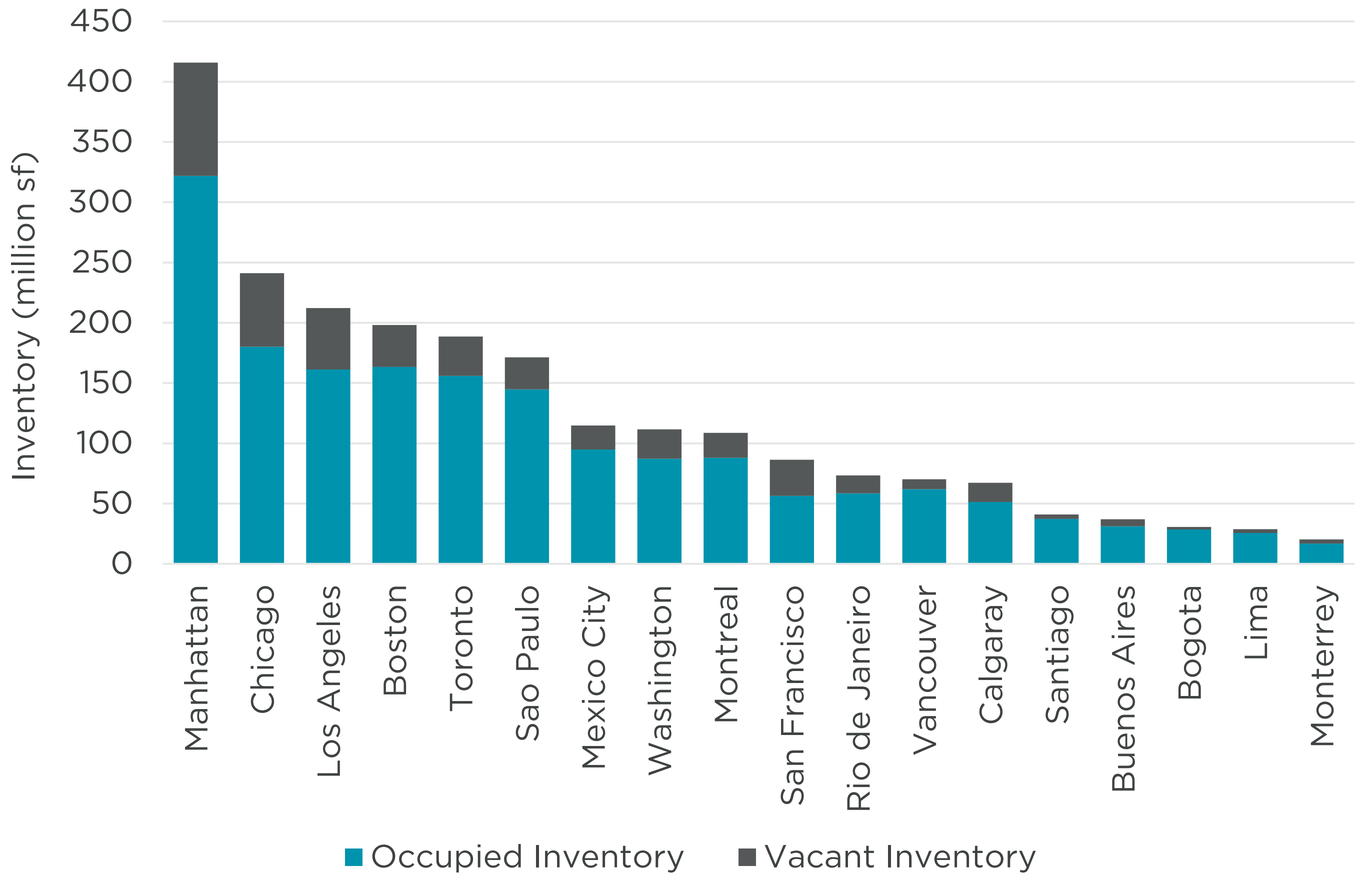
Flexible office allows occupiers to offset some of the increased cost to fit out space.

02

AMERICAS

Americas Office Markets Face Challenges

Some markets struggle with large blocks of vacant space

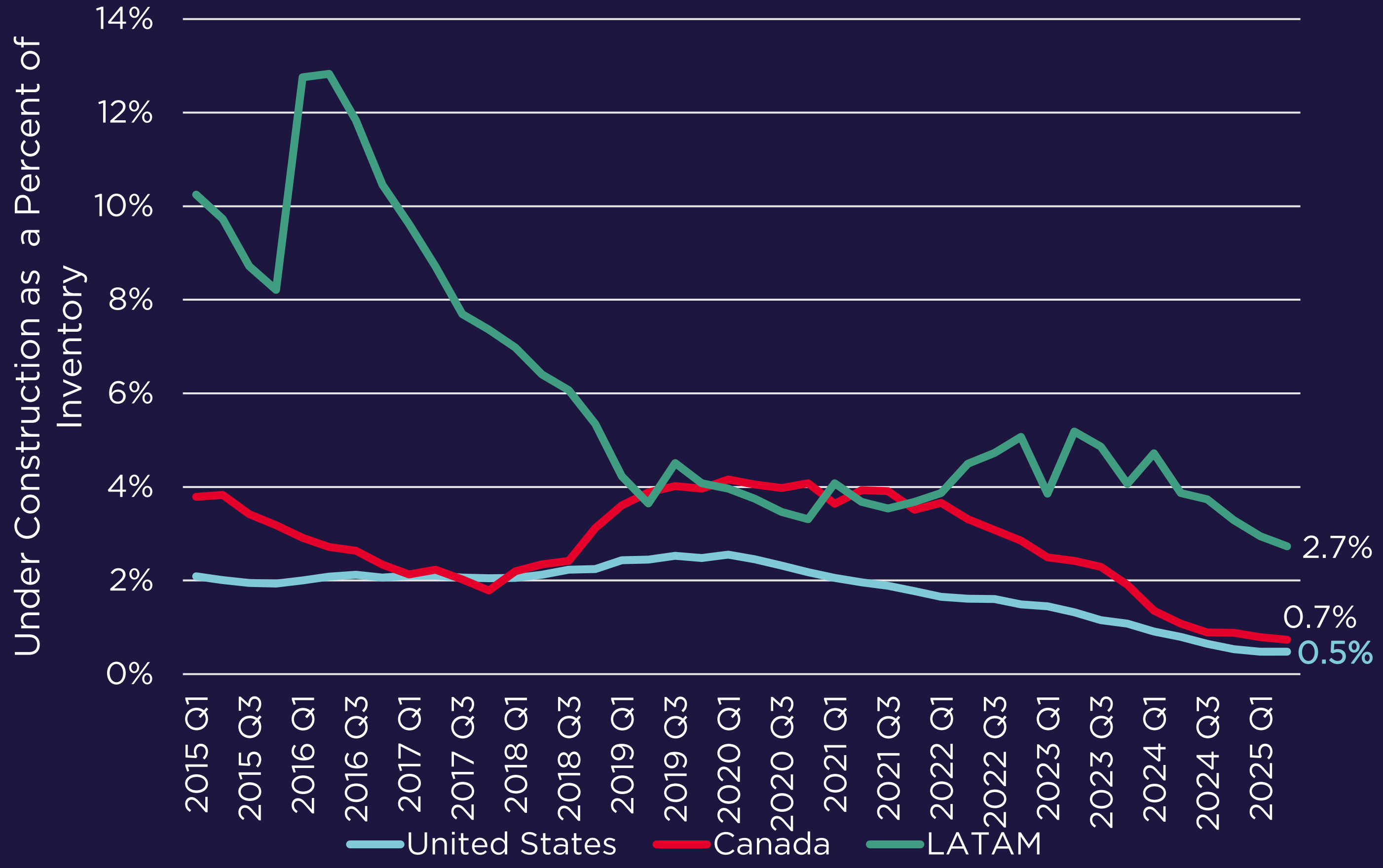


Source: Cushman & Wakefield Research

- Hurdles remain in major office markets in the Americas, where vacancy rates can exceed 30% in some markets.
- Some buildings that struggle with extremely high vacancy rates have found new life in repurposing through conversions to other property types.
- However, when a landlord wants to retain the original office purpose of the building, flexible office solutions provide owners an additional option to improve a property's occupancy.
- Flexible office also allows occupiers to easily offer different office solutions closer to home for their distributed workforce throughout the Americas.

Office Construction Pipeline Slowing

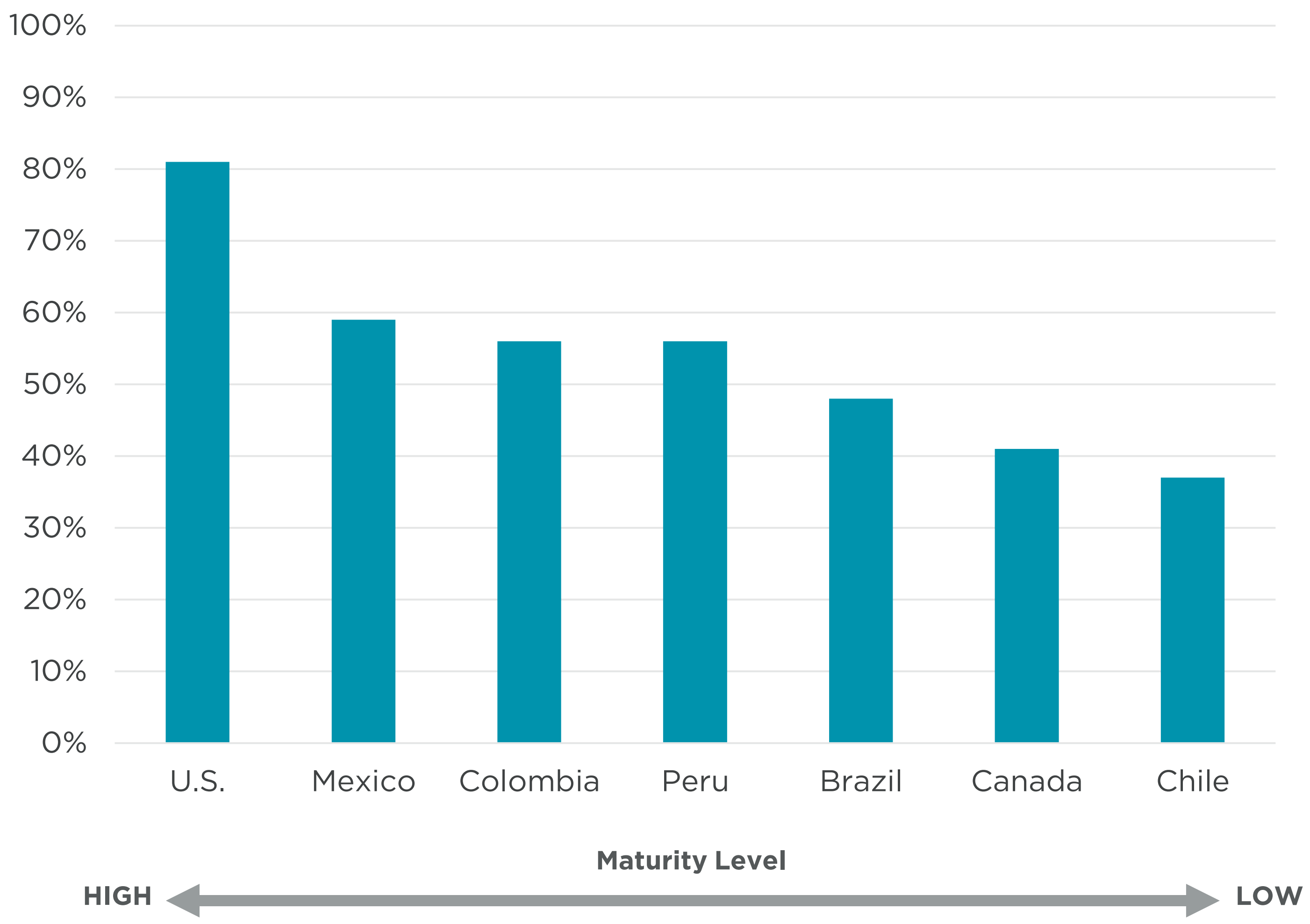
New office inventory will decline in the short term



Source: Cushman & Wakefield Research

- The office construction pipeline has shrunk over the last few years as some office markets grappled with increasing vacancy.
- Currently, there is a total of just under 44 million square feet (msf) of construction activity in the Americas, a quarter of the 176 msf from the recent peak in 2020 Q1.
- The decreasing inventory of new office space means that occupiers will have less options available for premium, class A space across the Americas. Flexible office may offer an attractive option since providers typically build out existing office space with amenities typically found in class A space.

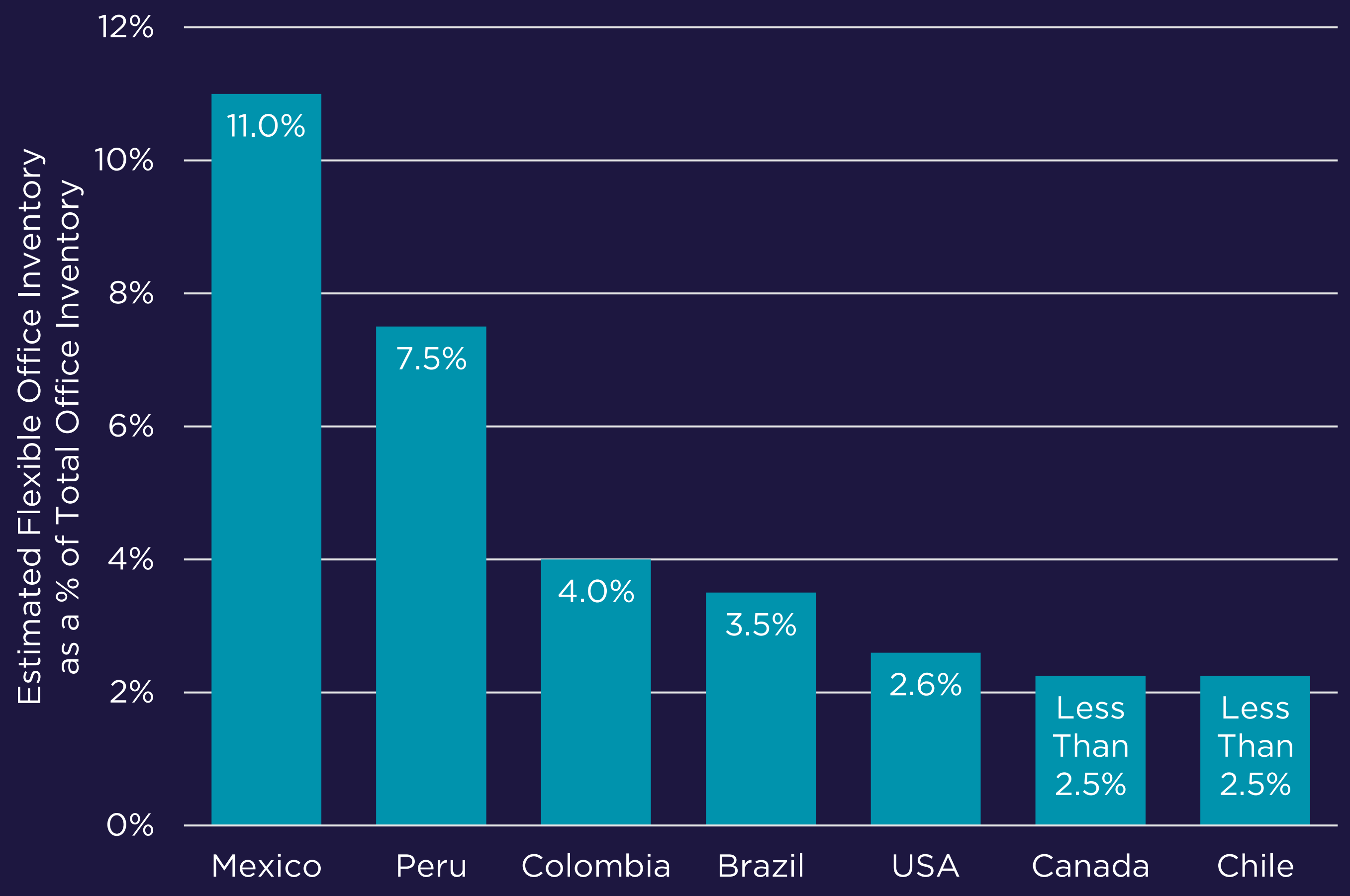
Americas Flexible Office Market Maturity



Source: Cushman & Wakefield

- In the absence of significant data availability in the flexible office sector across most markets in the Americas, C&W produced a scoring system to categorize performance. We compared nine areas and scored them based on how robustly flexible office was represented in that category.
- This covers the size and penetration of the flexible office market, leasing volumes and the number of large flexible workspaces over 50,000 sf., as well as other metrics.
- Not surprising, the U.S. scored higher than other markets in the Americas, indicating a higher level of flexible office maturity. Mexico, Colombia and Peru have a significant presence of flexible occupiers. While Brazil, Canada and Chile show a smaller flexible office market penetration.

Strong Presence of Flexible Office in the Americas

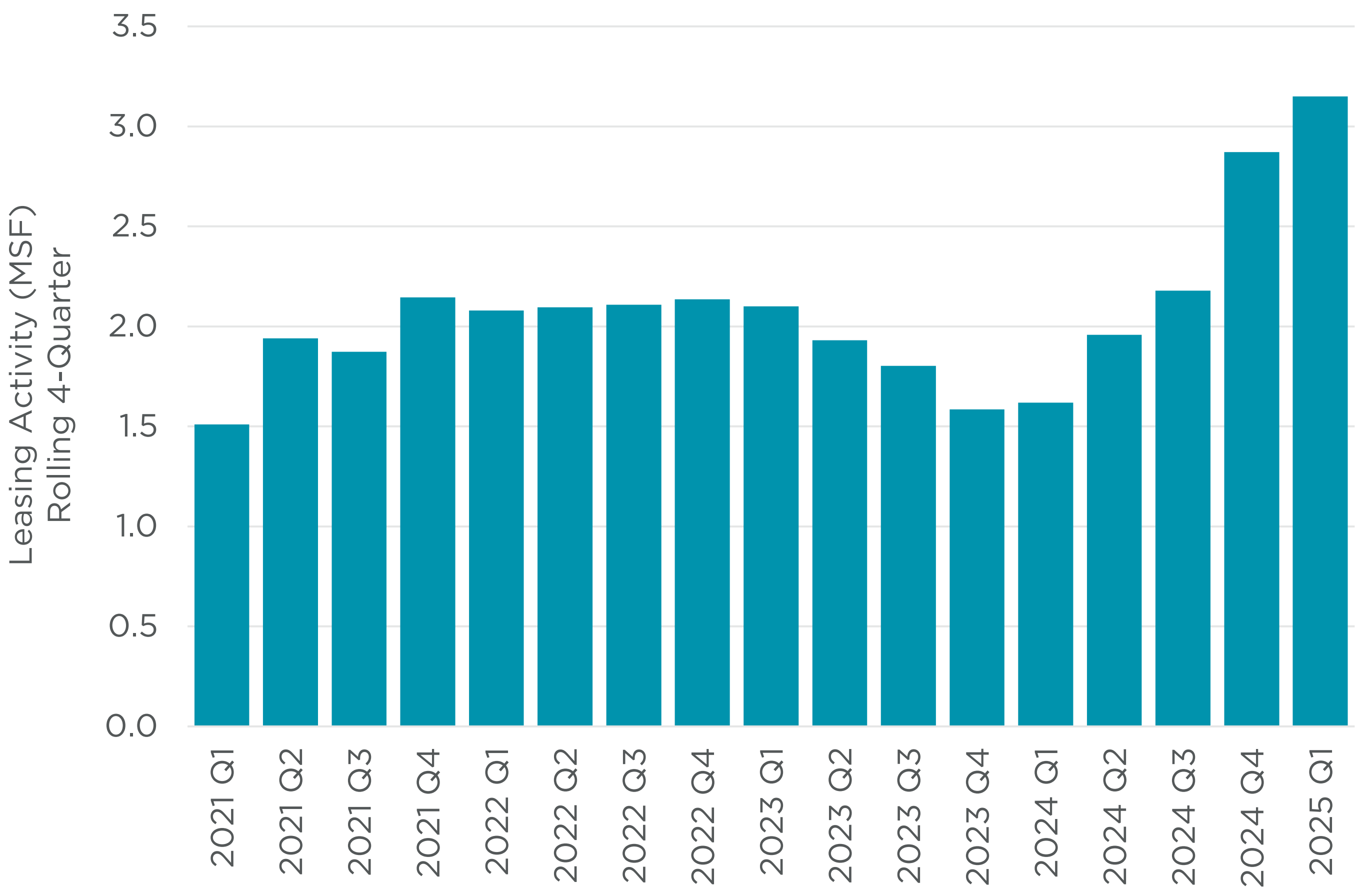


Source: Cushman & Wakefield Research

- The share of flexible office space across countries in the Americas is significant, especially in Mexico and Peru where it makes up more than 5% of the total office inventory.
- The number of operators in each country remains low, dominated by large global companies, with some local providers. However, in Mexico there are more than 50 providers in the market, and most are local companies with single locations. Only in the US is the presence of operators high, with over 100 companies ranging from local operators to global companies with multiple locations in multiple markets.
- Most countries have more than five operators occupying large blocks of space, 50,000 sf+, in a single location and they are generally large global companies. The footprints tend to be smaller in Chile and Peru with less than five large blocks of space occupied by a single operator.

Flexible Office Sector Resiliency

Leasing by major providers is rebounding



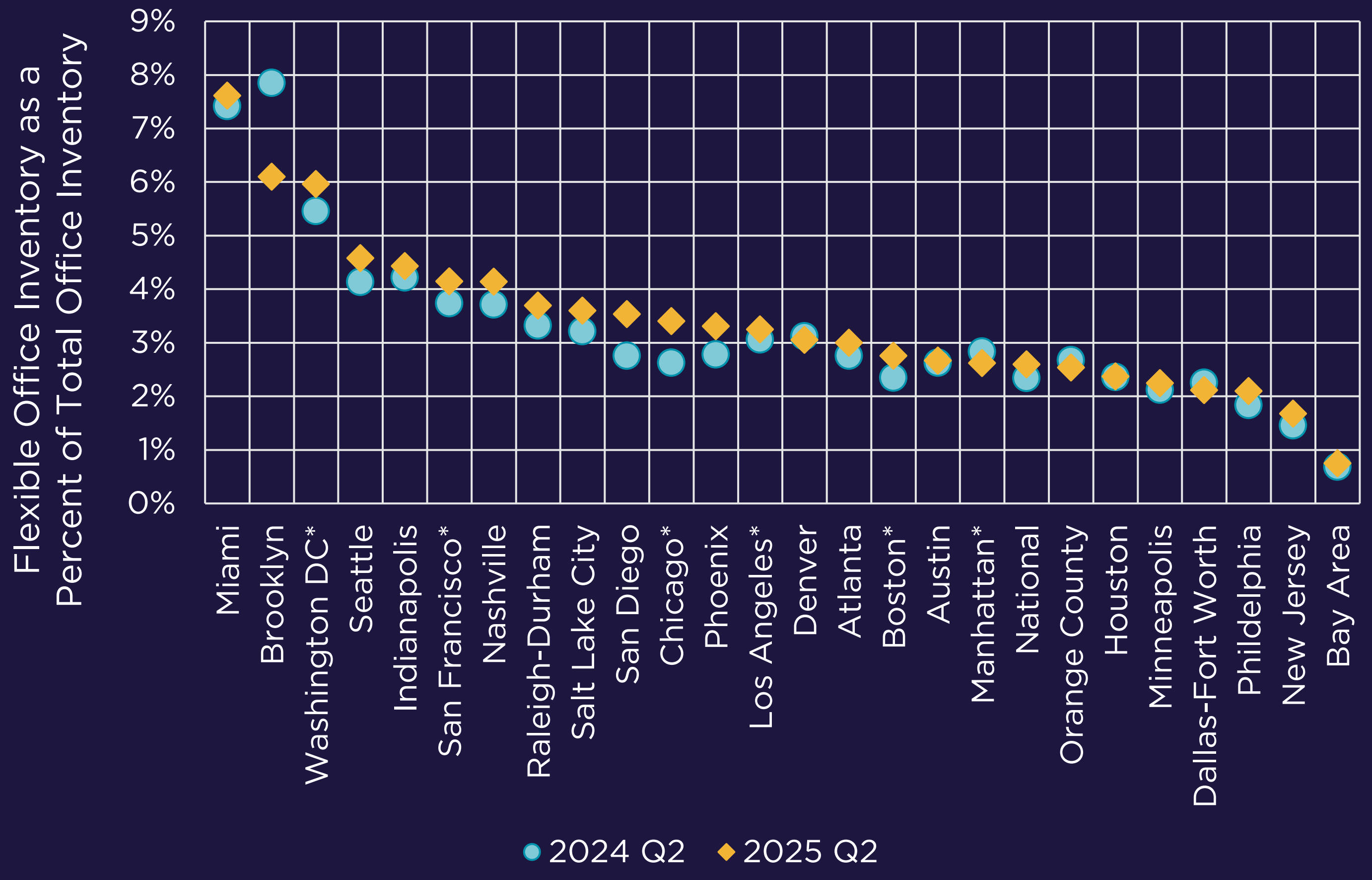
Source: Cushman & Wakefield Research; Leasing by top 50 providers

Spotlight on the U.S.

- After a pullback in activity during the pandemic, leasing by the top 50 providers in the U.S. has rebounded.
- The rise of hybrid work has made flexible office solutions more attractive to occupiers. This has presented a unique opportunity for providers to expand their offerings and take advantage of softer office leasing fundaments in markets across the country.
- Occupier interest in flexible office has led to some providers to opening more locations nationwide to meet increasing demand in secondary markets as well as some gateway markets.

Suburban Localization Expands

Tenants require flexible office offerings closer to where their employees live



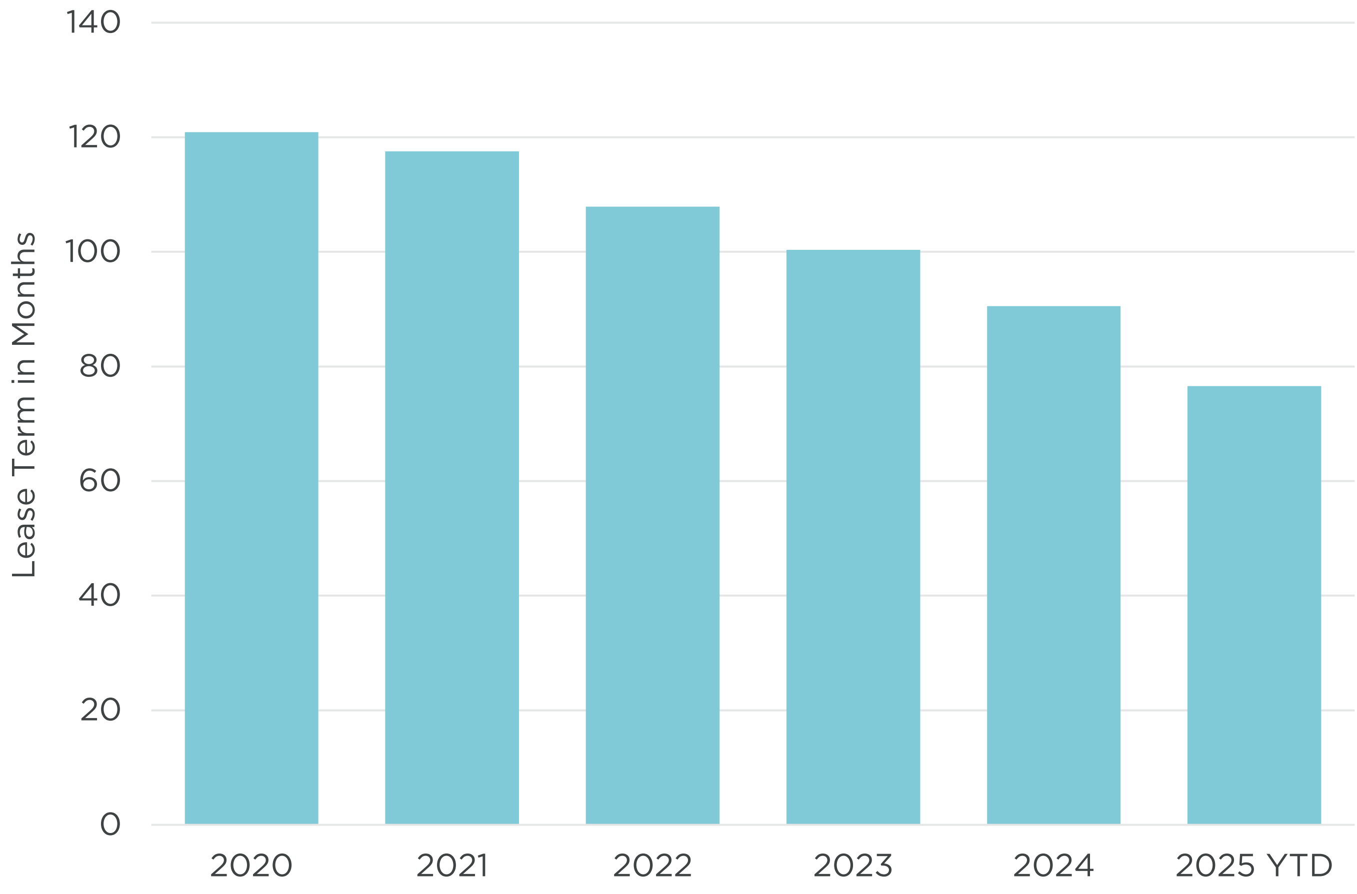
*Source: CoworkingCafe, Cushman & Wakefield Research; *Gateway Markets*

Spotlight on the U.S.

- Based on CoWorking Café data, flexible office inventory in the U.S. has increased 11%, year-over-year (YOY) as of 2025 Q2. When compared to C&W's office inventory, flexible office now accounts for 2.6% of total office inventory, up from 2.3% in 2024 Q2.
- Inventory growth has been strongest in tertiary markets, growing 10% YOY as of 2025 Q2. Notably, San Diego's inventory grew 27% YOY, with flexible office accounting for 3.5% of total office inventory, up from 2.8% in 2024 Q2.
- Occupiers offering flexibly are seeking locations closer to where their workforce lives. They have expanded into secondary markets that have experienced rapid population growth, particularly sunbelt markets like Miami, where flexible office currently accounts for 7.6% of total office inventory.

Owners and Providers Value Partnerships

Increasing choices in how providers and owners work together



Source: Cushman & Wakefield Research; Based on leasing activity by top 50 providers

Spotlight on the U.S.

- Providers have become adept at utilizing leases to build out their platforms. In the last five years average lease term has fallen 37% from 121 months in 2020 to the recent 77 months in 2025. The shorter lease terms allow providers the flexibility to pivot their offerings as needed, adding more locations and options for occupiers.
- In addition to evolving leasing trends, providers have increasingly formed joint venture partnerships with owners. Owners benefit from launching their proprietary brand for flexible office offerings managed by well known providers.
- Owners will continue to embrace nontraditional approaches to increasing occupancy in challenged office markets.

Beyond Amenities

Employee experience drives productivity and engagement

Experience	How to Maximize It
Energize The Workplace	Use lighting, color, natural elements, and ergonomic furniture to create an engaging atmosphere. Optimize space to ensure all areas are actively used.
Reflect Company Culture	Design the physical workplaces that visually and functionally support and enhance the company culture.
Provide Quiet Spaces	Offer a variety of enclosed or private areas that support focused, uninterrupted work and accommodate different work styles.
Minimize Noise	Enhance acoustics and manage sound levels to reduce distractions and support concentration in individual and shared spaces.
Support Private Conversations	Incorporate dedicated, sound-buffered spaces for phone and video calls to reduce disruptions and enhance comfort during virtual interactions.

Source: C&W Experience Per Square Foot survey results from Q1 2024 – Q4 2024; 15 companies

Spotlight on the U.S.

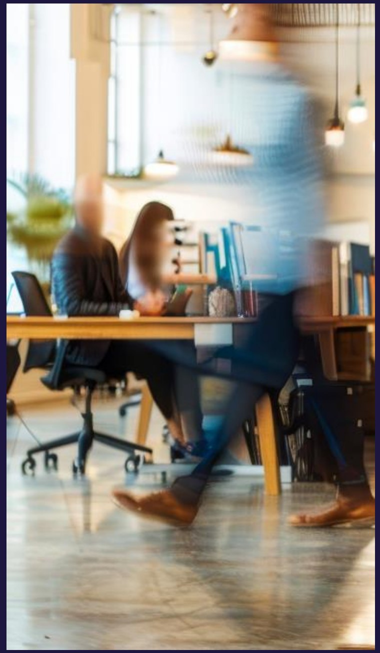
- Occupiers choose flexible office solutions that enhance their employee's workstyle preferences.
- Employees want spaces that allows them to collaborate with their colleagues but also allows them to have head down space where they can perform individualized work.
- Flexible office has always been at the forefront of employee workspace design, which has led to significant changes in traditional office layouts.
- Flexible office will continue to lead the way and optimize spaces that cater to different employee workstyles.

Key Takeaways

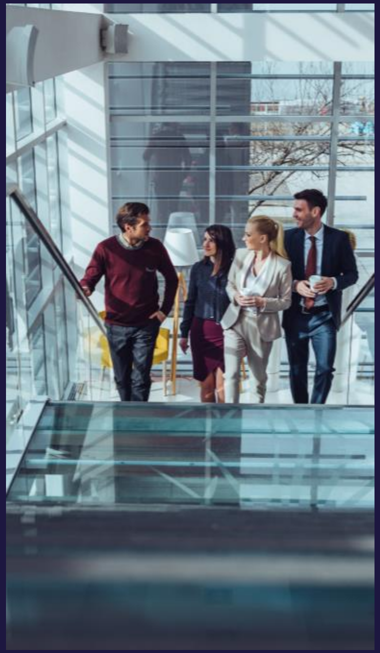
Flexible office provides occupiers and owners with multiple space solutions.

Occupiers have found that leveraging flexible office as a part of their office space portfolio allows them to make quick changes when needed. As return-to-office gains momentum, many occupiers have been able to use flexible office to fill in space gaps as more of their workforce is required to be in the office.

Owners have in turn developed partnerships with providers, which allows them to expand space options at their properties.



Flexible office remains a key option for occupiers across the Americas.



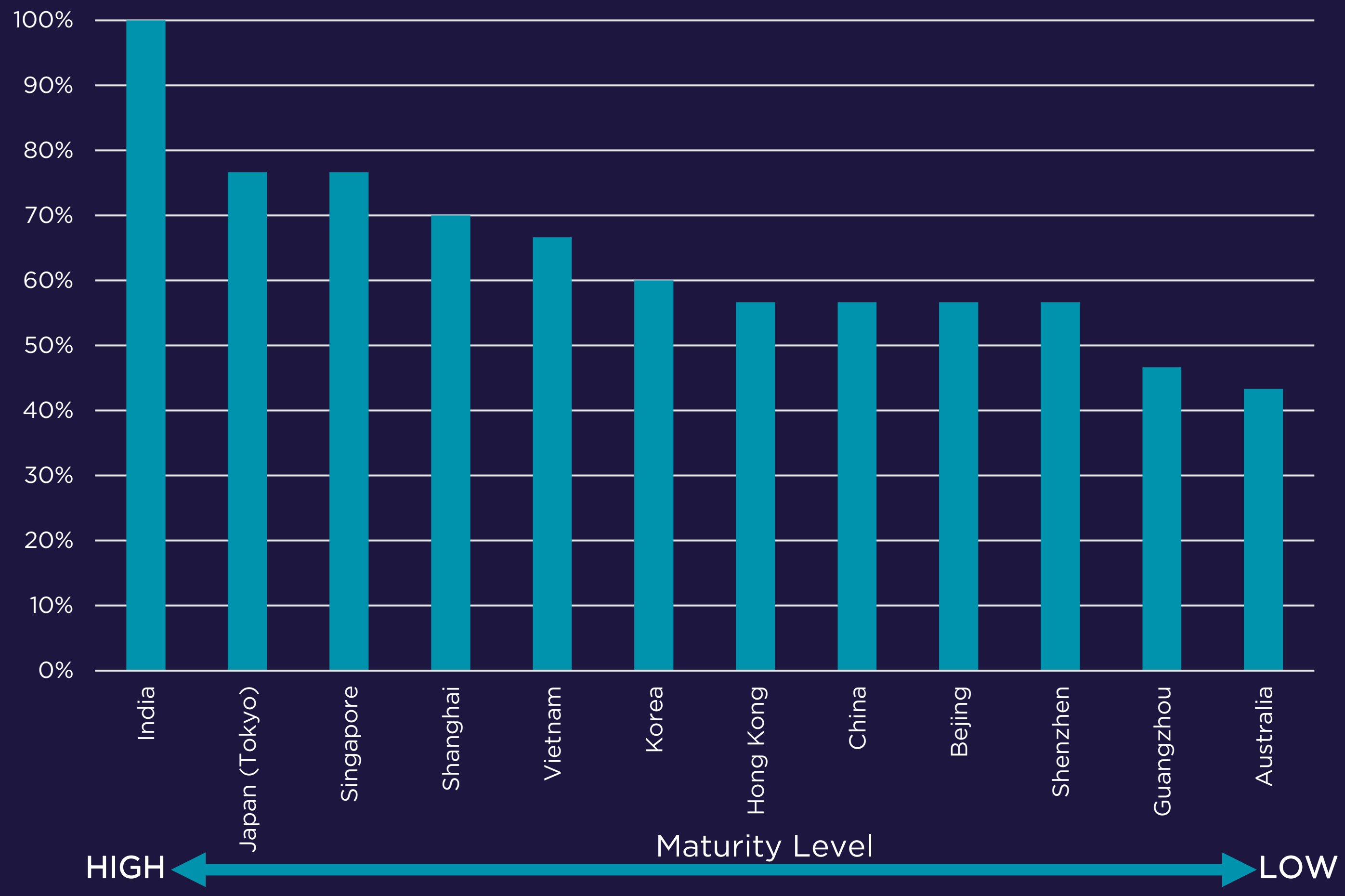
Owners will continue to leverage flexible office partnerships to increase office occupancy.

Providers will continue to expand strategically into markets where occupier demand is robust.

03

APAC

APAC Market Maturity



Source: Cushman & Wakefield

- Based on Cushman & Wakefield's assessment of the flexible office sector in markets across APAC, the strength of the market in India is evident.
- India demonstrates robustness across all measures when comparing inventory, leasing activity, the presence of flexible office providers, among other measures.
- The flexible office market is also significantly mature in Japan (Tokyo) and Singapore.
- While the flexible office sector in Guangzhou and Australia is still developing; it is more mature in all other countries in APAC.

Sustained Demand and Robust Growth

India remains the largest flexible office market in APAC and continues to grow rapidly

85 msf
of Flex Stock as of 2025

33.5 msf
space leased by flex operators in last 3 years

500,000+
flex seats leased in last 3 years

350 – 500 Seats
avg take-up for managed office* transactions in last 3 years

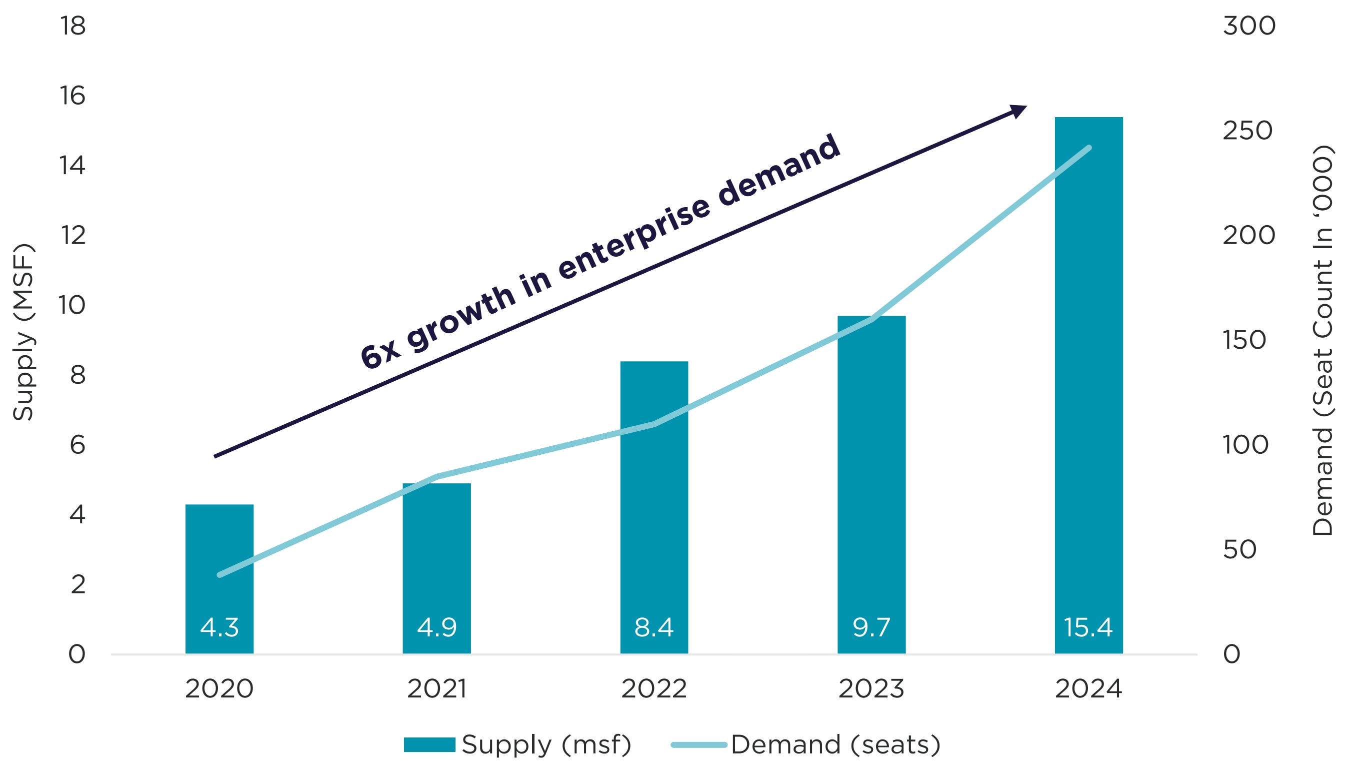
*Data comprises of all grades. *Office transactions with minimum 100 seats. Last 3 Years = 2022, 2023, 2024*

Spotlight on the India

- Flex office space accounted for 15% of new office leasing in 2024.
- The flex segment is expected to grow steadily over the next 1–2 years, driven by rising demand for managed office solutions, with occupiers prioritizing flexibility as a key factor.
- Flex stock is expected to surpass 100 million sq ft by 2026, as operators expand aggressively to cater growing enterprise demand.

Strong Post-Covid Surge

Flex supply grows over 3x since pandemic



Data comprises of all grades.

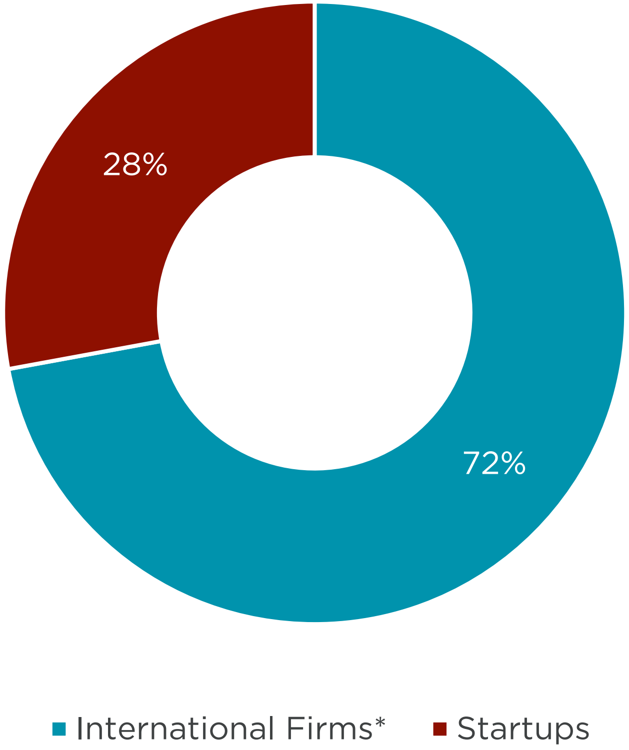
Spotlight on India

- Flex space demand surged nearly 6x since 2020, fueled by cost savings, shorter lease commitments, and the rising need for adaptable workspace solutions.
- In 2024, the enterprise leasing recorded a 51.3% YoY increase, reflecting continued occupier preference for managed office solutions.
- Annual uptake by operators has tripled in five years, reaching 15.4 msf in 2024, (from 4.3 msf in 2020).
- Operators are increasingly focusing on quality, either by acquiring new assets or significantly upgrading older stock.
- With a significant surge in GCCs and other new companies entering India – the focus is shifting towards immediate, effective and flexible solutions which in turn is giving a fillip to the enterprise demand for flex spaces.

Larger Confidence in Flex

Global and domestic enterprises turn to flex models

Occupier Categorization within flex seat absorption - 2024



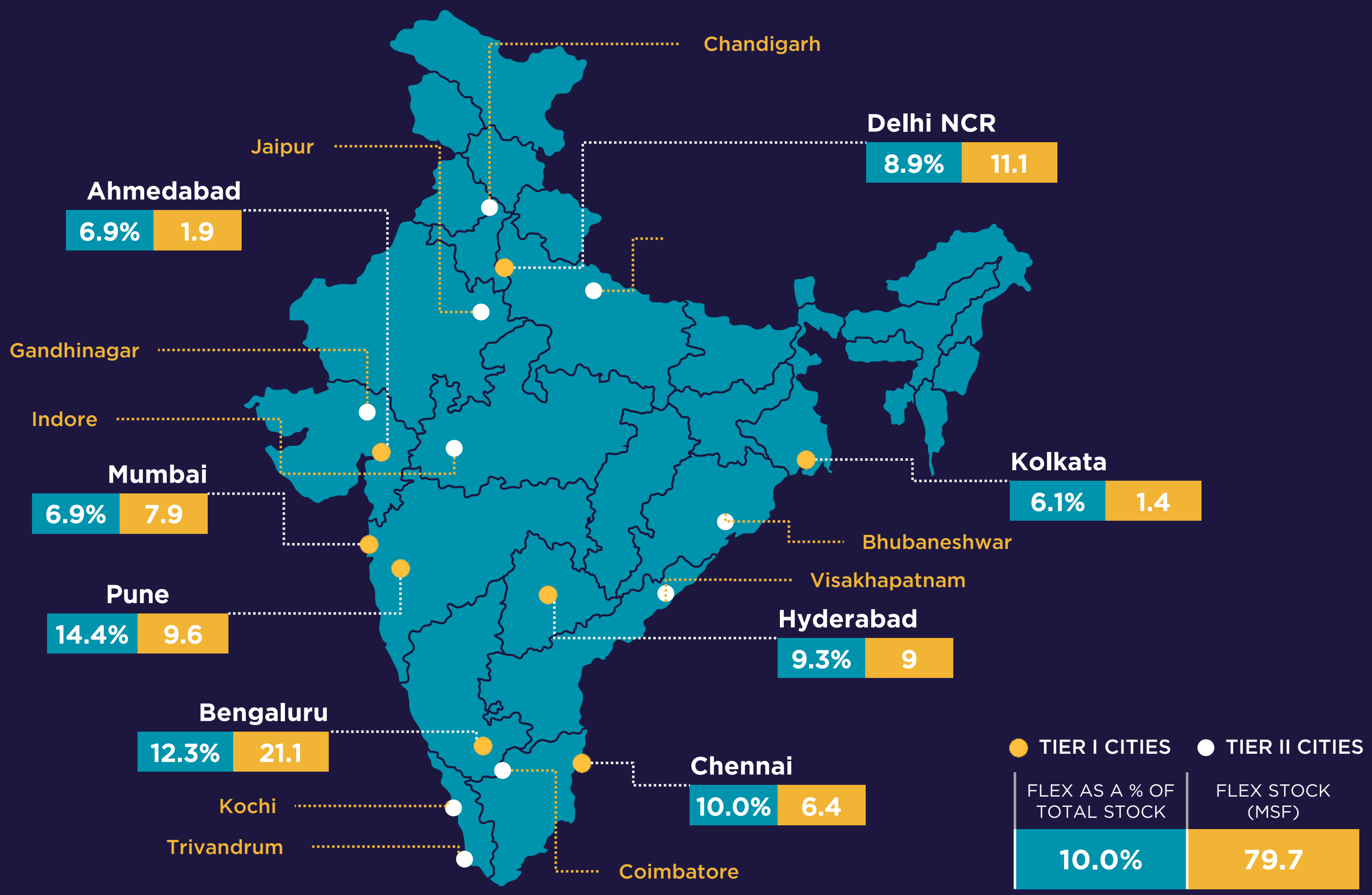
*Data comprises of all grades. *Includes firms with Multi-country presence.*

Spotlight on India

- Over half of the flex seats absorbed in 2024 were taken by international companies indicating the strong preference for flexible and scalable workspace solutions.
- Post covid, an average of 70–80% of total flex demand was driven by the managed office/enterprise solutions significantly taking over the traditional coworking demand.
- Companies are increasingly opting for flex spaces to stay agile—prioritizing the freedom to scale rapidly when needed, while retaining the flexibility to adapt as headcount plans evolve.
- Large enterprise deals, with take-up of 500+ seats have led flex demand over the last 2 years.

Evolving Geography of Flex Demand

Tier I cities continue to lead, Tier II markets are gaining momentum



**Note – Data as of Q2 2025*

Spotlight on India

- Flex sector in India remains concentrated within the top eight cities accounting for the bulk of the activity.
- Bengaluru leads with ~30% of total flex inventory in the country, reflecting its strong appeal among enterprises, followed by Delhi NCR, Mumbai & Hyderabad. Bengaluru also leads the demand with an avg of 1/3rd annual enterprise transactions in the country.
- Occupiers are increasingly targeting smaller cities to access talent and benefit from cost advantages. With real estate markets in Tier II cities remaining fragmented, flexible workspace operators are seizing the opportunity by leveraging their local expertise to fill this gap.
- Developer-backed operators such as BuzzWorks (Brigade Group), CoWrks (Brookfield Properties), and M|X spaces (RMZ Corp) are leveraging flex solutions to address vacancy challenges and drive client retention.
- Flex operators are also adopting cross-border models— for instance, Smartworks has leased centres in Singapore to ensure seamless workspace continuity as their clients expand internationally.

Key Takeaways

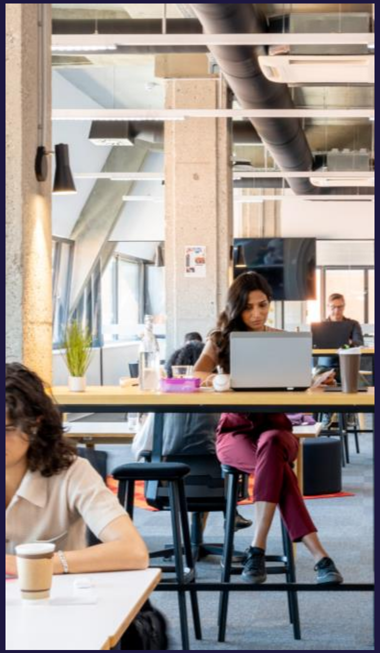
Most markets across APAC have emerging levels of maturity.

Demand for flexible office space is shaping the office sector in India, accounting for an impressive 15% of total leasing in 2024.

Occupiers are beginning to venture outside of Tier I markets, chasing opportunities in smaller markets.

The flexible office inventory in India is expected to surpass 100 msf by 2026.

Focus on quality is evident as operators acquire new space or upgrade older stock.



Tier I markets will continue to lead growth as the top eight cities drive activity.

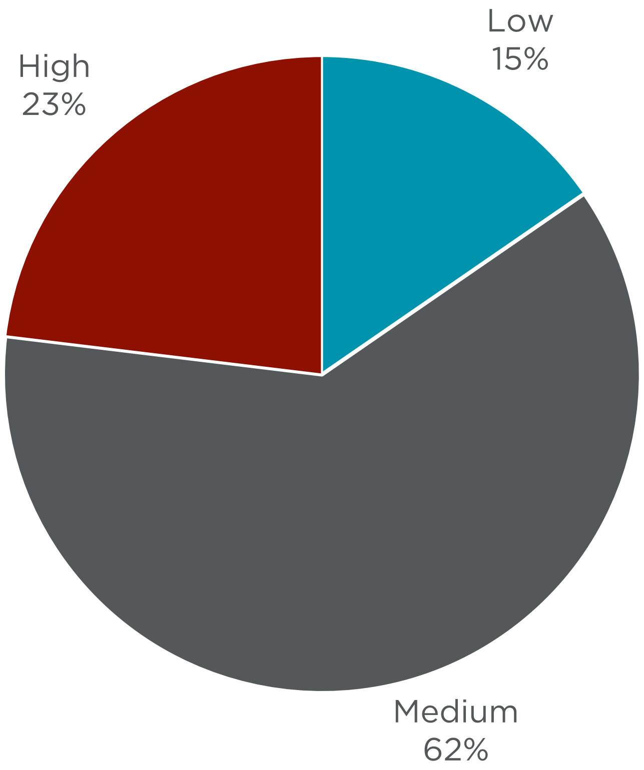
04

EMEA

Tenant Experience Drives Demand

Flexible offices provide occupiers with spaces that enable collaboration, individual work and, above all, flexibility

Flexible Workspace Operators Delivering Wider Amenity for Building Owners across EMEA Markets



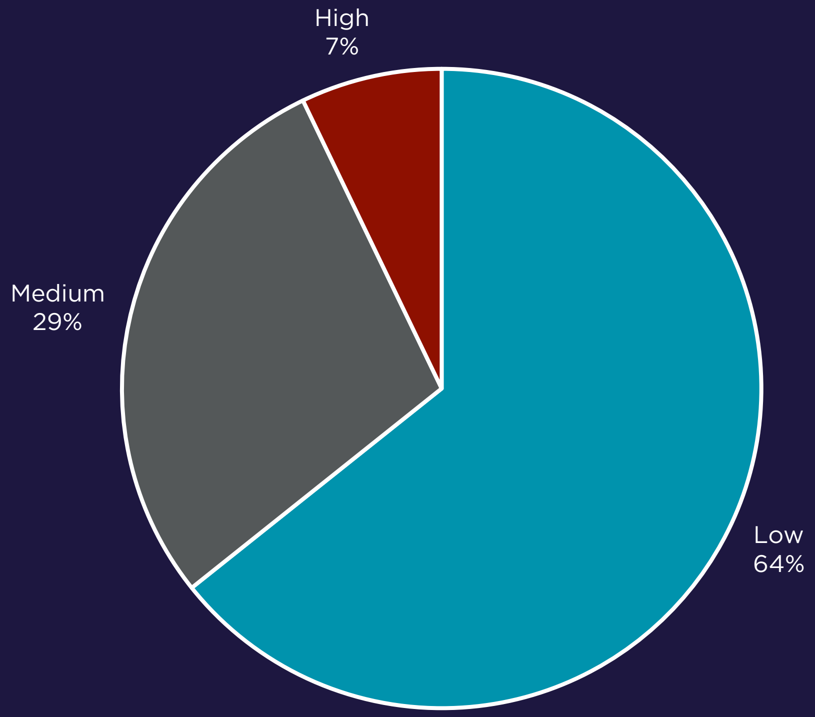
Source: Cushman & Wakefield

- Flexible workspace within high quality buildings offer a range of experience benefits to both their tenants and the surrounding ecosystem.
- Smaller companies within flexible workspace are able to boost their profile and brand by being located in better quality buildings than they would otherwise be able to access, providing benefits to staff attraction, retention as well as being able to access the significant suite of amenities offered in these locations.
- Access to flexible workspace also improves the experience of occupiers within their building by providing access to on-demand expansion space, meeting rooms, events areas and other amenity offers that firms may not wish to maintain themselves but frequently need.
- These benefits to tenants are being increasingly recognized across EMEA, with 85% of markets reporting medium or high levels of flexible workspace providers delivering wider amenity for building owners.

Flexible Office Leasing Evolves

Providers have developed more solutions that may not include leasing space directly

Prevalence of Management Agreements or Hybrid Lease vs. Traditional Leases across EMEA Markets



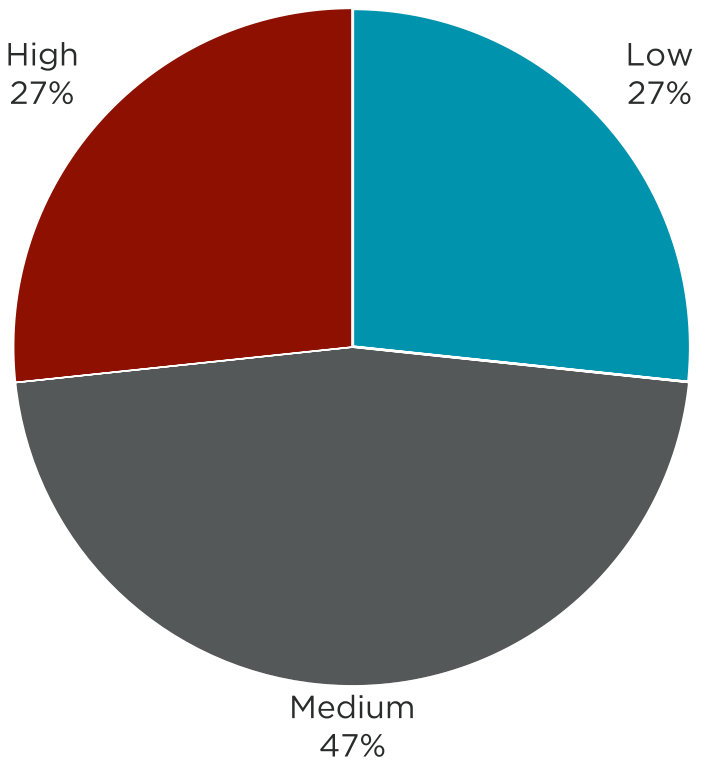
Source: Cushman & Wakefield

- Management agreements – where the landlord and flex operator share the risk of the success of the space – can benefit both landlords and operators. They are becoming more common in more mature markets across EMEA with 36% reporting medium to high levels of management agreements but have an inconsistent presence as a whole.
- Landlords typically retain more control over the space in management agreements, meaning they can ensure it supports other tenants within the building, as well as acting as an incubator to deliver new future occupiers. They can also change operators or the use of the space more easily versus a traditional lease, enabling more effective curation of their property's ecosystem.
- Operators benefit from lower barriers to entry, with landlords often fitting out the space, as well as having greater buy-in in the operation of the space from the landlord as a result.
- There remain challenges however, in particular around the lack of standardization in these agreements that means they are often complex and take significant time to negotiate.

Emergence of Managed Spaces

Quicker, simpler and now getting larger – managed solutions are becoming more popular

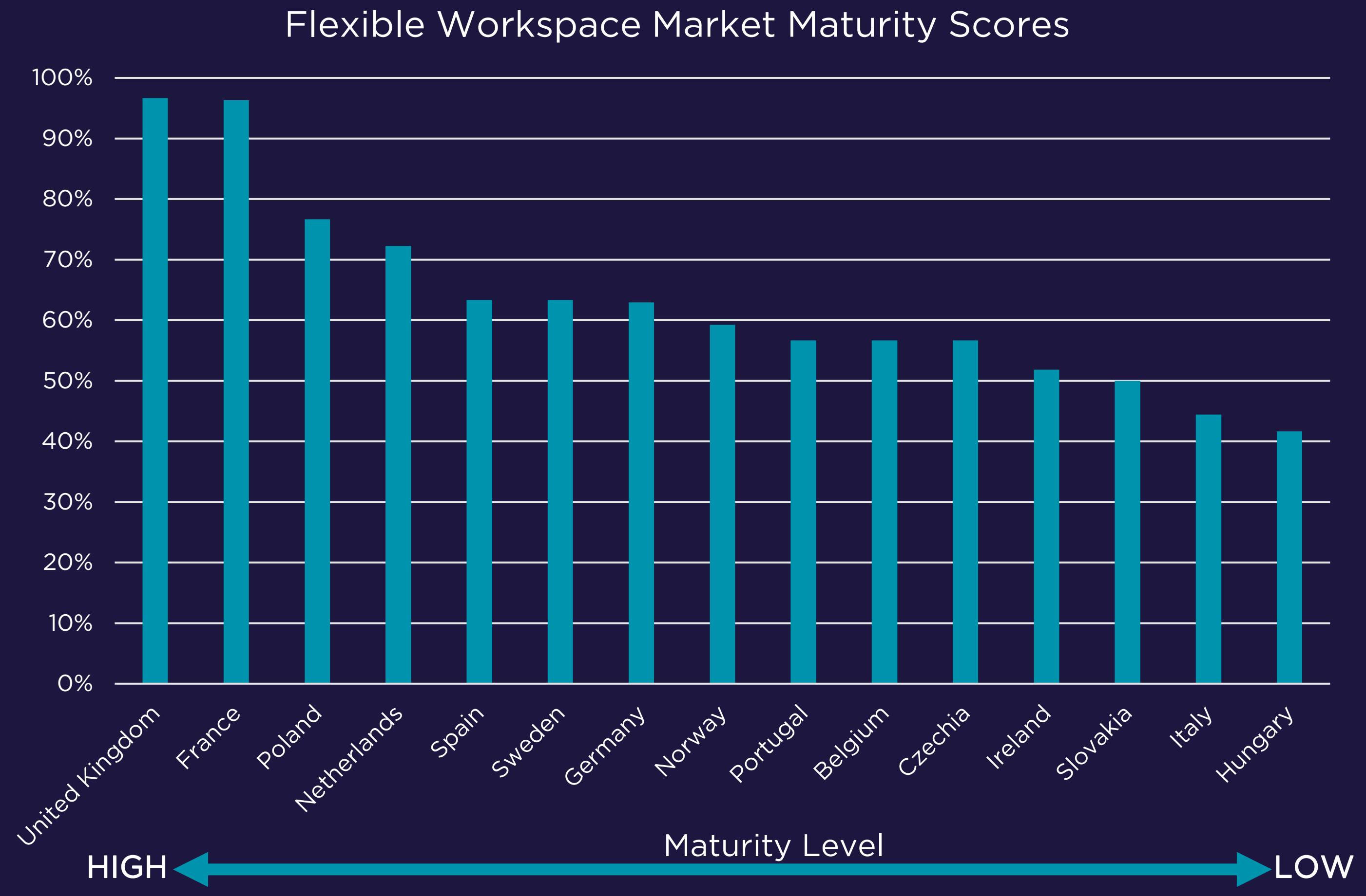
Growth of Managed Space across EMEA Markets



Source: Cushman & Wakefield; Percentages may not sum to 100% due to rounding.

- For growing companies used to flexible workspaces, the business case for managed spaces is clear.
- These companies are typically smaller in size, need more space and want their own office through which to imbibe their culture. However, they often lack the time, knowledge and resources to be able to navigate leasing negotiations, fit outs, service provisions and other technical elements of office relocations and management.
- As such, managed spaces are appealing, providing turnkey solutions for such occupiers, with quick and simple access to much needed space – hence why 73% of EMEA markets report medium to high growth levels for managed spaces.
- Delivery models can be tricky, with the structure of agreements between landlords, operators and the tenant still evolving, however the increasing sizes of managed space deals – from 5,000 sq ft to 10,000 sq ft to even 30,000 sq ft – suggests they are a popular solution for a growing number of firms.

European market maturity



Source: Cushman & Wakefield; depth of market maturity score in each country varies based on data availability.

- Data in the flexible office market is notoriously hard to come by, even in well-established localities. To gauge the maturity of markets across EMEA, we have therefore produced a scoring system that categorizes performance across 10 areas in order to provide a point of comparison across 14 countries.
- This covers the size and penetration of the flexible office market, 2024 take-up levels of operators and the number of large flexible workspaces over 5,000 sqm. In addition, the count of operators and the dominance of the top providers are also considered, along with the prevalence of management agreements, managed spaces and data transparency within the market.
- The findings highlight that the UK and France have the highest levels of market maturity, scoring 97% and 96% respectively. Poland (77%), Netherlands (72%), Spain (63%), Sweden (63%), and Germany (63%) also reported scores in excess of 60%.
- The results highlight the strong potential for further growth of flexible workspaces across the EMEA markets, with trends in more mature locations able to provide a blueprint for the scaling up of other areas.

Flexible workspace solutions

Top three solutions peeking occupier discussions

Solution Type	Description	Contract Length	Providers
Aggregator Platform App	Membership / subscription or pay-as-you-go with platform provider. Meeting rooms, co-working and private offices. A marketplace to browse, compare, and book workplaces on demand, whether for an hour, a day, or longer.	From 1 month	Desana, Upflex, LiquidSpace
Serviced Offices	All inclusive monthly cost. Contracted with the office provider. Private offices, self-contained part or full floors. Immediate move in, customisable, easy to scale, onsite support team, reception services, cleaning, utilities, IT support. Private, fully furnished workspaces with access to shared amenities.	From 3 months	IWG, Wework, Fora, Landmark, Industrious
Managed Offices	All inclusive cost. Contracted with the landlord and managed services provider. Single or multiple floors. Customised workspaces from the outset, IT setup, remote support team and selected managed services which align with serviced offices.	From 18 months	Instant, Knotel, KITT

Source: Cushman & Wakefield

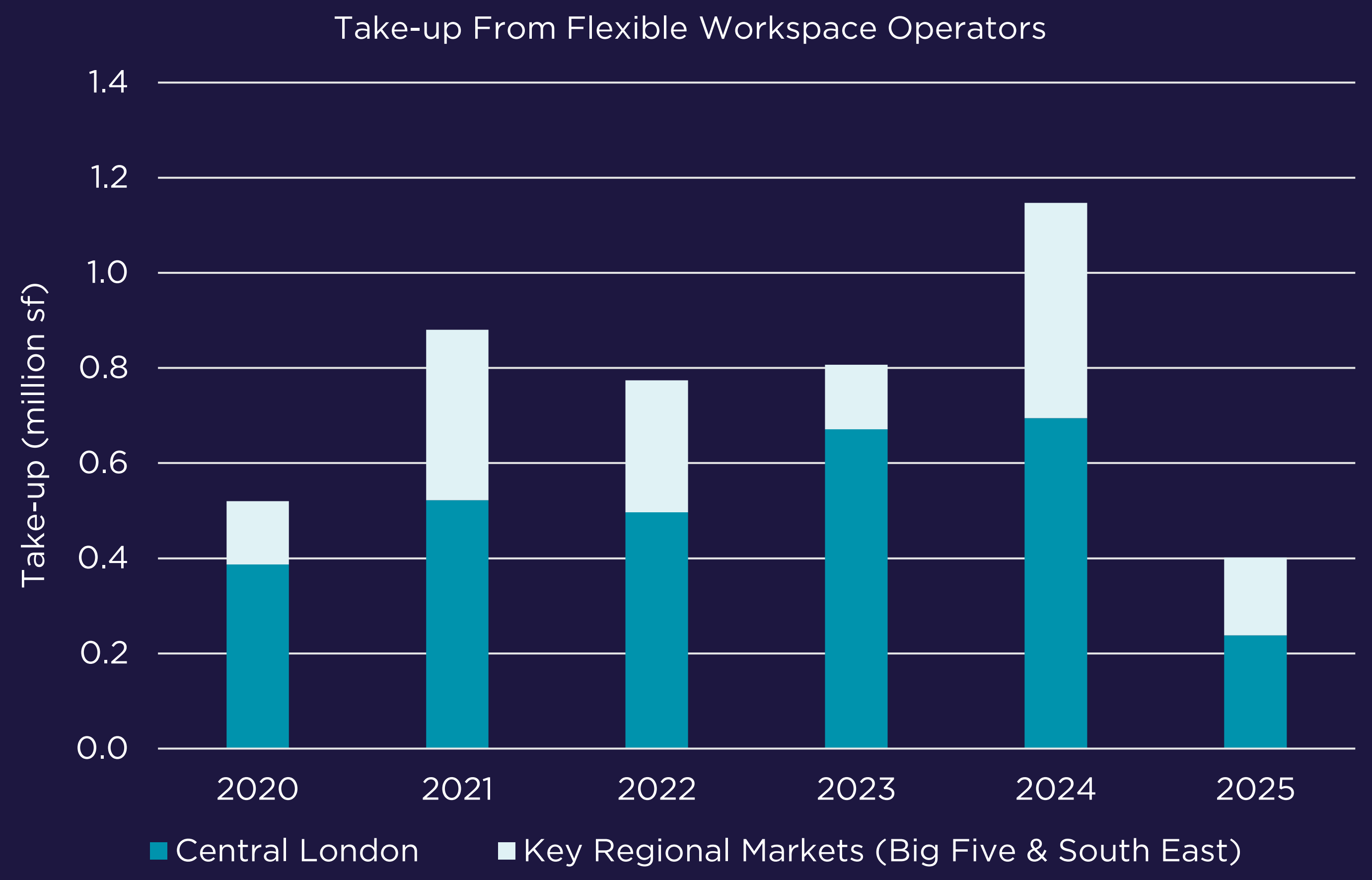
Spotlight on U.K.

The flexible office market offers a spectrum of workspace solutions to suit different occupier needs, from agile, short-term co-working setups to fully serviced and bespoke managed offices. There is an increased demand to incorporate more than one flex solution to meet with real estate demands.

- **Aggregator platforms** offer the lowest privacy but maximum flexibility, catering to freelancers, Hybrid workers, distributed teams, scaleups and Large corporates through hot desks, meeting rooms by way of simple app-based bookings.
- **Serviced offices**, ideal for most occupiers from SMEs, large corporates, enterprise HQs, project teams, and satellite teams, provide move-in ready space with shared amenities and the ability to scale quickly, offering a mid-to-high privacy rating.
- **Managed offices** are playing an increasingly prominent role in the UK flexible office market in 2025. Providing the highest levels of privacy and customisation, making them well-suited to enterprise HQs and medium to large corporates with fixed growth plans.

UK Offices: A Flexible Future?

Take-up from **flexible workspace providers** has been expanding at pace.



Source: Cushman & Wakefield

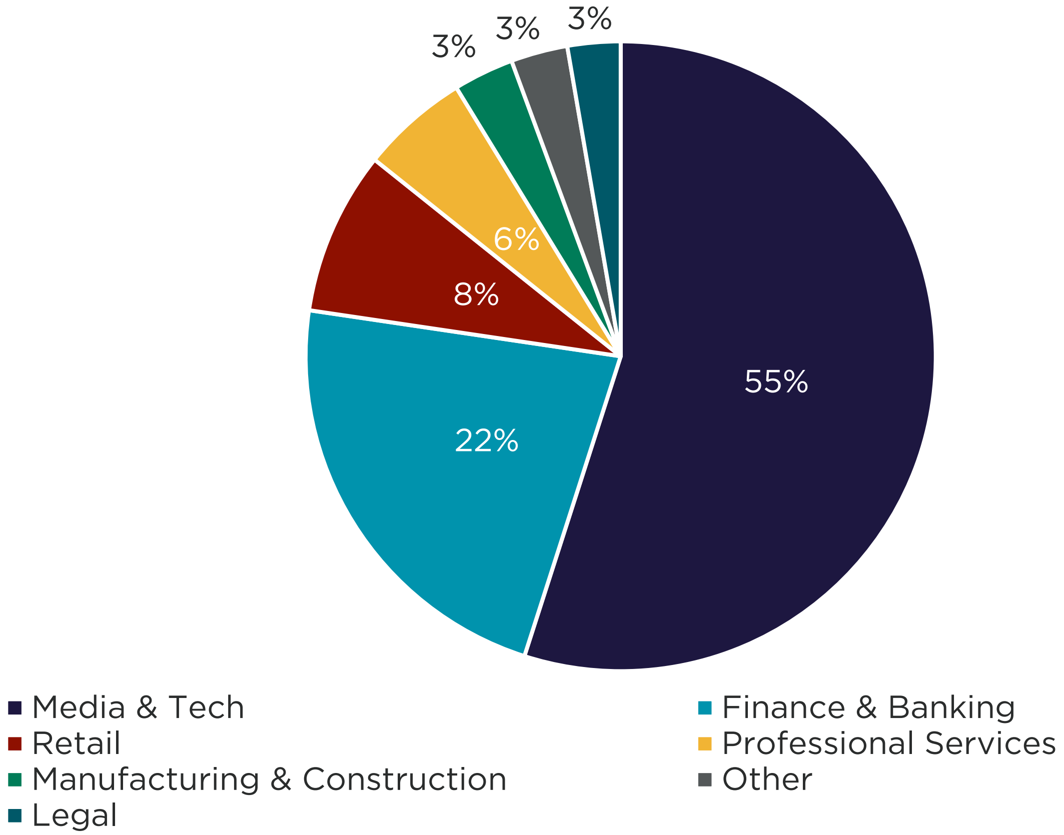
Spotlight on U.K.

- Take-up by flexible workspace operators reached a record 1.1 million sq ft in 2024 across Central London, the South East, and the Big Five regional office markets.
- The increased presence of flexible workspace operators was especially evident in the regional markets, where operators acquired 468,600 sq ft across 20 transactions, which was more than triple the 136,000 sq ft recorded in 2023.
- Flexible workspace operators have taken 402,100 sq ft across Central London and the Key Regional Markets so far in 2025. While this represents just 35% of the record-high total set in 2024, it is broadly in line with the 6-month average over the last five years.

Changing Sources Of Demand

Flexible Workspaces are attracting a wider range of occupiers

Percentage of Flexible Office Take-up by Sector, H1 2025



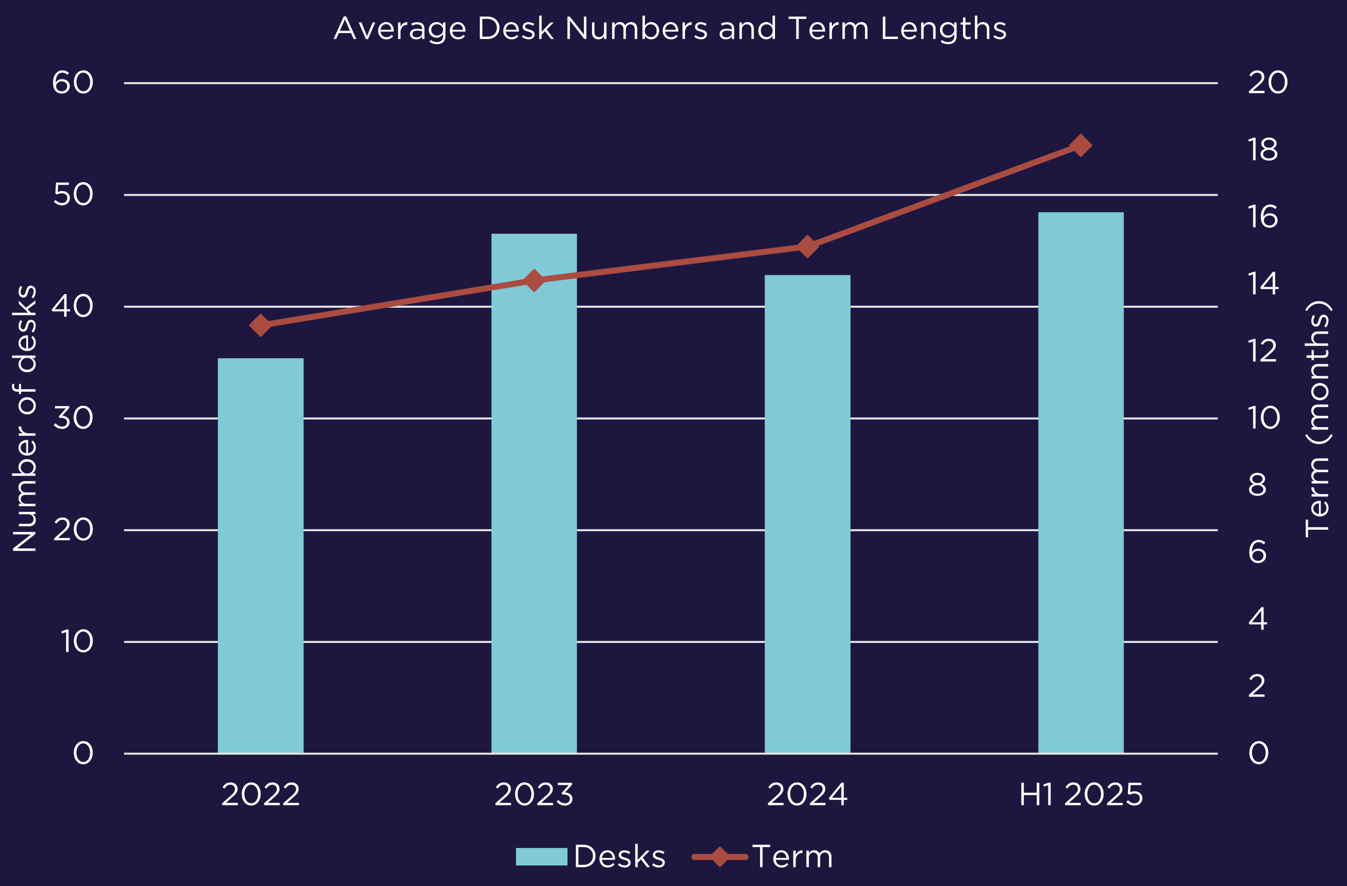
Source: Cushman & Wakefield Flexible Office Advisory

Spotlight on U.K.

- Originally, flexible offices were positioned as short-term, low-commitment office space with a focus on cost efficiency and short lead times for occupation. Early in the market's maturity, flexible workspaces were mainly targeted at:
  - Start-ups and early-stage tech companies
  - Creative and digital agencies, as well as other freelancers
  - Project or overflow teams from larger firms.
- However, demand has shifted over time to encompass a wider range of occupiers, with high-quality flex space now more attractive given the post-COVID focus on employee experience and the rise of hybrid working.
- Larger corporate occupiers now utilise flexible office space for not only project teams, but also satellite offices or interim space during large-scale office refurbishments.
- While the Media & Tech sector continues to lead, the Finance & Banking sector's position as the second-highest in take-up in H1 2025 highlights the growing appeal of flexible workspace across a broader range of sectors.

Increasing Requirements

Occupiers are requiring more space, for longer.



Source: Cushman & Wakefield Flexible Office Advisory

Spotlight on U.K.

- A broader range of firms are demanding flexible office space has resulted in requirement sizes steadily increasing – especially from larger occupiers.
- Between 2022 and 2025, the average number of desks per transaction increased by 37% to 48.5 desks, while occupiers also extended their average term length by 42% to 18.1 months.
- To service this demand, flexible workspace operators, developers, and landlords are increasingly positioning themselves to deliver larger-format flexible office spaces with coordinated amenities.

THE RISE OF 'BRANDLORDS'

Owners and developers are placing an increasing emphasis on their own flexible workspace offerings.

Great Portland Estates

operates 582,000 sq ft of flexible workspace through its "Fully Managed" portfolio. This equates to 25% of their current footprint.

GPE are pursuing significant growth in flex to reach 1M sq ft, which is being implemented through organic conversions of existing assets and strategic acquisitions. GPE is investing heavily in refurbishing existing properties to create high-quality, amenity-rich Fully Managed spaces.

Storey

British Land's flexible workspace brand, operates 343,000 sq ft across its core campus locations and from September 2025 this increases to 378,000 sq ft.

The brand emphasizes a collaborative approach and includes two Storey Clubs for British Land occupiers to use. Prioritizing simplicity and transparency over traditional landlord-tenant relationships; the Storey brand extends to the design and atmosphere of the workspaces, including interior design elements and signage.

Myo

Landsec's flexible workspace brand, has 235,000 sq ft operational today with a further 135,000 sq ft under construction or in detailed design.

It complements the Landsec workplace offer by giving occupiers access to smaller space solutions in Landsec-quality buildings, which historically couldn't be accommodated within the traditional portfolio.

Source: Cushman & Wakefield, British Land, Landsec, GPE

Spotlight on U.K.

- Brandlords are landlords and developers that operate their own branded flexible workspace offerings. Actively managing the spaces, in premium locations, to cater to the growing demand for flexible lease terms, ready to occupy and adaptable workspaces
- Providing both traditional and flexible office space benefits Brandlords by helping to de-risk vacancy and appeal to a wider range of occupiers, specifically those demanding shorter lease terms and greater flexibility.
- For Brandlords, operating flexible workspace offers the potential to capture rental premiums because of the additional services and amenities flexible spaces can offer. British Land's 2024 Strategic Report noted that 134,000 sq ft of Storey leases were completed at rents approximately 30% above traditional levels.

Key Takeaways

The EMEA flexible office market is varied in terms of the maturity and offers within different localities. This presents a considerable opportunity for growth, with the successes of more mature locations able to be replicated in budding markets.

Occupiers are evidently enticed by the convenience, quality, and flexibility that these workspaces provide and – as occupational costs rise and uncertainty remains high – these factors are likely to continue to work in favor of the EMEA flex market.

The benefit of the experience extends beyond the office, offering added value to occupiers.

Management agreements can provide a win-win solution for operators and landlords.

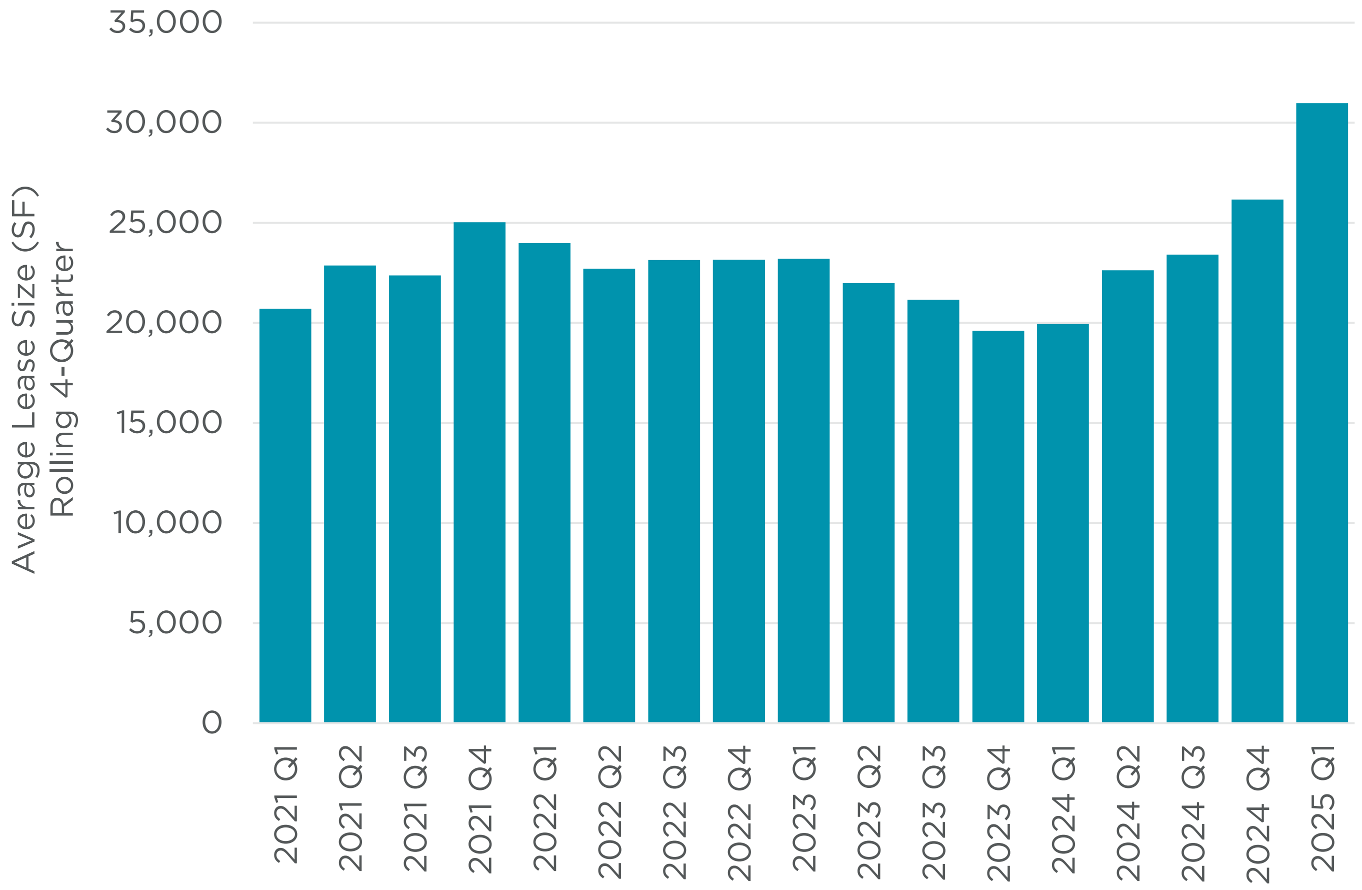
Companies are entertaining managed spaces for convenience and simplified solutions.

05

OUTLOOK

Americas: U.S. Gains Momentum

Providers are leasing more space in response to demand from occupiers



Source: Cushman & Wakefield Research; Leasing by top 50 providers

- Return to office mandates in the U.S. continue to gain traction, impacting occupier space requirements.
- Some occupiers shrunk their footprints as remote work increased. However, as they call workers back for more in-person work, some companies have realized that they are short on space.
- Flexible office allows companies to fill the gap between expectations and reality. It's both a short-term solution and a part of a longer-term strategy.
- Occupiers will continue to leverage flexible office solutions which provide:
  - Flexible lease terms so that occupiers can quickly pivot if needed.
  - Spaces that allow employees to feel embraced by the company culture, can easily collaborate with colleagues and perform individual tasks.
  - Mitigation of fit out costs which drive capex costs higher.

APAC: INDIA OUTLOOK

Continued growth and expansion

The flex space industry is maturing with improved transparency, financial discipline, and governance. Three operators have gone public, with more IPOs expected, signaling strong institutional validation. Flex operators, once seen primarily as capital providers, are now valued for their tenure flexibility and adaptability - making them increasingly attractive to high growth and new-age companies seeking rapid expansion.

Flex is no longer just a stop-gap solution. It's now a strategic enabler for high-growth and new-age firms seeking speed-to-market. Average transaction sizes are stabilizing around 350–450 seats, with shorter-term commitments helping occupiers achieve their rapidly evolving business goals.

The return-to-office trend is accelerating occupiers' need for immediate, flexible workspace solutions, particularly among MNCs.

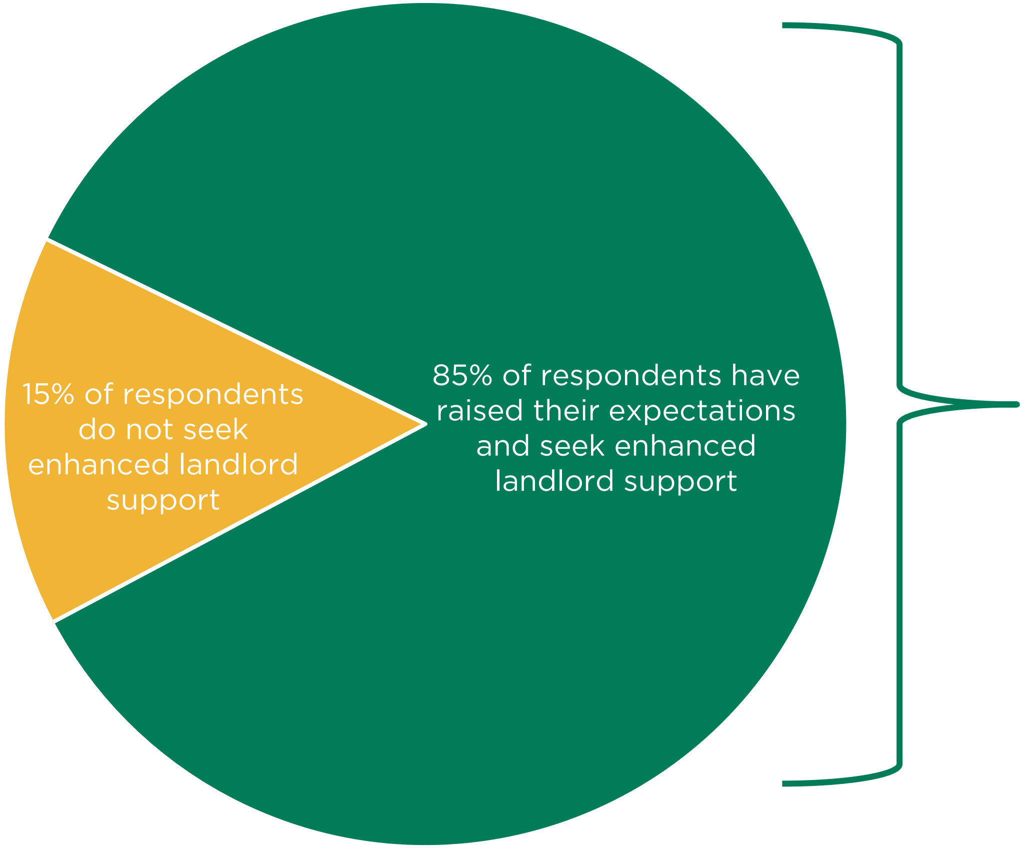
As flex operators mature, they are expanding across regions to offer pre-arranged spaces in new markets, enabling seamless global scaling for loyal clients and strengthening long-term retention.

Over the next 3–5 years, we anticipate sector consolidation, with dominant players securing market share leadership, while niche and regional providers continue to cater to specialized requirements and underserved pockets.

Source: Cushman & Wakefield

EMEA

Rising Expectations and Willingness to Invest in Landlord-Provided Support



46%

of occupiers seeking enhanced support are prepared to pay a premium for better amenities/services

Source: Cushman & Wakefield: What Occupiers Want 2025

- As with the US, return to office mandates across Europe are increasing, bringing with them greater demand for office space over the medium term.
- Occupiers nonetheless remain cautious and cost conscious, bringing an increased interest in flexible leasing terms – including flexible workspace solutions. This positions the flex sector as a key component of company growth, managing the risk of expansion without compromising on the upside.
- Consequentially, deal sizes across EMEA are growing (along with the sector as a whole) with larger companies making greater use of amenity-rich workspaces alongside smaller firms.
- The flex sector is driving the front edge of office experience. As data from Cushman & Wakefield's leading *What Occupiers Want 2025* survey highlights, 85% of occupiers are looking to their landlords to help them provide better workplaces – and many are prepared to pay a premium for this. As such, collaborative approaches between flex operators and landlords are set to flourish further in mutually beneficial relationships across EMEA as markets continue to mature.

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About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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