



THE SMART PREMIUM



Estimating the return on investment in
Digital Connectivity and **Smart Technology**
in **Commercial Real Estate**

DATA DRIVEN BY WIREScore



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00 EXECUTIVE SUMMARY



As **office-focused** work charges toward another technology-driven evolution, **Cushman & Wakefield** has conducted a detailed study exploring the benefits of investing in both **digital connectivity** and **smart technology** in the workplace.



Drawing on **10 years of leasing data** combined with **WiredScore's certification** records, our modelling found that a WiredScore certification is associated with a potential average **rental premium of 4.1%**, subject to other market and building characteristics.



This sits alongside a range of **detailed analyses** delving into the drivers of office rental premiums, examining the value proposition from the **occupier perspective** as well as the influence of specific building features on pricing.



While the **rental premiums** associated with investment in **digital connectivity** and **smart technology** are real, it is important to acknowledge that their scale varies depending on the **age, sector, and location** of the office – as well as the targeted occupier base.



Landlords and developers should consider allocating technology budgets at the early stages of the design process, with **Cushman & Wakefield's Project Management** team estimating that technology budgets typically range from £0.50–£1.20 per sq ft at RIBA Stage 1.

01 INTRODUCTION

OFFICES ARE CHANGING. AS NEW WAYS OF WORKING SHIFT HOW OFFICES ARE DESIGNED AND USED, THE RELATIVE VALUES ASCRIBED TO THE OFFICE AS AN ASSET CLASS ALSO ADJUST. THIS SHIFT IN VALUES FROM THE OCCUPIER SIDE IS MOST EXPLICIT IN RENTS.

The last five years have seen the strongest and most sustained rental growth in the Central London market of any period in the last 20 years, with 21 out of 23 submarkets reporting record high rents in 2025. This not only reflects the increased value being placed on offices by tenants, but also the rising expectations of what they'll get back from their investment.

RENTAL PREMIUMS

CUSHMAN & WAKEFIELD HAS CONDUCTED DEEP ANALYSIS INTO THE DRIVERS BEHIND THIS RENTAL GROWTH TO IDENTIFY THE PUSH FACTORS FROM THE OCCUPIER PERSPECTIVE AND THE PULL FACTORS FROM BUILDINGS DRIVING THESE RECORD RENTS.

Much of the conversation comes down to the purpose of the office. The emergence of hybrid working has put a significant focus on in-person collaboration and engagement within the workplace, meaning more high-quality interaction spaces are needed rather than rows of desks.

In addition, cutting down commute times has been a significant priority for staff and therefore employers – particularly as top talent is in short supply. As a result, high-quality space in well-connected locations has seen strong rental growth over the last three years, growing the existing rental premium this market segment commanded.

Buildings have also improved – driven by occupiers' demand for quality and developers' commitment to providing the best space. Modern offices are now more sustainable, more efficient, better lit, and offer a wider range of amenities.

Buildings benefitting from more of these features typically achieve higher premiums. This emerged from our recent study of the presence of 15 features – including gyms, cafes, event spaces, terraces, self-contained receptions, sustainability credentials and transport accessibility – in deals that achieved above prime rents in the City Core between 2020 and 2025 Q2. We identified that buildings achieving a premium of 0-10% above the prime rent at the time met 6.7 metrics on average. For deals where the rents exceeded 10% above prime, 9.4 metrics were satisfied on average.

This analysis also found that different features were more or less important for achieving rental premiums. Alongside the age of the building, sustainability credentials and transport accessibility consistently ranked among the most common provisions, followed by building height. One area that has not yet been explored is digital infrastructure and technology.



DIGITAL INFRASTRUCTURE

AS OFFICES CONTINUE TO EVOLVE, SO TOO WILL THE DRIVERS OF VALUE WITHIN THEM. ONE OF THE CLEAREST EXAMPLES OF THIS IS TECHNOLOGY.

Technology and offices are intrinsically linked, influencing how we work, what we do and where we do it. This relationship has explicit impacts on workplace design and employee experience – both of which have risen up the agenda for firms of all sizes.

Hybrid working is the most recent example of this, enabling the employee to be dislocated from the office at scale. This has brought with it changes in the way offices are used to focus on collaboration, creativity and serendipity alongside spaces for quiet individual work. Hybrid work has also exacerbated the reliance on technology. Constant, high quality connectivity is essential to enabling successful hybrid working. It has also brought smart building systems to the fore, flexing services and provisions to respond to changing demand, optimising energy use and reducing waste.

Even as the significant shifts from this trend continue to ripple out, the rise of Artificial Intelligence promises to send dramatic waves through the world of workplaces. What shape this latest evolution takes remains to be seen; however, it will undoubtedly add a new dimension to how workplaces evolve.

As dependence on AI workflows builds, so too will dependency on connectivity – beyond even that driven by hybrid working. Rising dependency also presents a greater vulnerability to nefarious digital actors. Secure, resilient connectivity has never been more important.

Digital infrastructure refers to the underlying network within a building that enables fast, reliable internet access throughout, from fibre backbones to in-building mobile coverage. It plays a critical role in supporting modern ways of working, enabling smart technologies, and ensuring buildings are future-proof and remain functional, efficient, and competitive over time.

Workplace strategies are already responding to rising employee expectations and operational requirements of constant connectivity as well as increased security precautions – **but is this translating into value?**

TO ANSWER THIS QUESTION – WHETHER WELL-DIRECTED INVESTMENT IN CONNECTIVITY AND SMART TECHNOLOGY WITHIN AN OFFICE DELIVERS RETURNS THROUGH IMPROVED RENTAL VALUES – CUSHMAN & WAKEFIELD HAS CONDUCTED A DETAILED STUDY EXPLORING BOTH DIGITAL INFRASTRUCTURE AND SMART BUILDING SYSTEMS IN THE WORKPLACE TO UNDERSTAND HOW TECHNOLOGY IS DRIVING VALUE WITHIN THE OFFICE SECTOR.

Combining 10 years of Central London office leasing data with WiredScore and SmartScore certification records provides a comprehensive and robust dataset to analyse this topic. These certifications focus on connectivity and smart building management systems respectively.

While not every building with high levels of digital connectivity or smart enablement holds a WiredScore or SmartScore certification, and therefore the certifications are not a perfect proxy, they nonetheless offer a strong and consistent benchmark for assessing a building’s digital and smart capabilities, against which rental performance can be meaningfully analysed.

INTRODUCTION TO WIREScore

WiredScore is a certification company for digital connectivity and smart technology in real estate. It works with landlords, developers and investors worldwide to ensure their buildings meet rising tenant expectations for resilient connectivity and smart-enabled services.

Cushman & Wakefield is an investor in WiredScore.

WIREScore CERTIFICATION

Assesses a building’s digital connectivity. It examines the quality and resilience of internet and mobile services, the robustness of the underlying infrastructure, and the building’s readiness to adapt to future technologies. Key areas include high-speed internet provision, mobile coverage, infrastructure resilience, digital services, and security safeguards.

SMARTScore CERTIFICATION

Measures how well **a building’s smart systems** deliver user experience, sustainability, and operational efficiency. It assesses occupier-facing functionality such as app-based services, automation, and personalised controls, alongside the strength of the building’s technological foundations, data governance, integration of systems, and cybersecurity.

02 MEASURING THE RENTAL PREMIUM

TO QUANTIFY THE IMPACT ON RETURNS OF INVESTMENT IN DIGITAL INFRASTRUCTURE AND BUILDING TECHNOLOGY, WE CONDUCTED REGRESSION ANALYSIS USING WIREScore AND SMARTScore CERTIFICATIONS AS PROXIES FOR SUCH INVESTMENT, AND RENTS AS THE DEPENDENT VARIABLE TO MEASURE THE RETURN ON INVESTMENT.

MODEL SPECIFICATION

Between 2016 and 2025, we identified 708 transactions in WiredScore-certified buildings and a further 63 deals in SmartScore-certified buildings which completed after the certification date. These were then compared with 3,614 other leases completed in non-certified buildings during the same period and submarkets.

The model controlled for several key factors that commonly influence rents, including building quality, submarket, transaction year, lease size, lease length and incentives. Other relevant variables, such as building height or proximity to transport networks, were not included due to data limitations.

By including these control variables, the model effectively compared WiredScore-certified buildings with non-certified buildings of a similar quality, in the same submarket, at the same point in time, and with comparable lease characteristics.

This allowed us to isolate and estimate the effects of digital connectivity and smart technology investment on rental values, rather than simply capturing the premium commanded by the best buildings in the market.

Further details on the specification of the model used can be found in the appendix.

RENTAL IMPACT

ESTIMATING THE PREMIUM ASSOCIATED WITH DIGITAL CONNECTIVITY AND SMART TECHNOLOGY

WE FIRST TESTED WHETHER OUR MODEL ESTIMATED A PREMIUM FOR ANY LEVEL OF WIREScore OR SMARTScore CERTIFICATION. OUR MODEL ESTIMATED THAT INVESTMENT IN DIGITAL INFRASTRUCTURE CONSISTENT WITH A WIREScore ACCREDITATION RESULTS IN AN ESTIMATED 4.1% RENTAL PREMIUM, AND LEASES IN BUILDINGS WITH BOTH INVESTMENT IN DIGITAL INFRASTRUCTURE AND SMART TECHNOLOGY CONSISTENT WITH BOTH WIREScore AND SMARTScore ACCREDITATIONS ARE ASSOCIATED WITH A HIGHER UPLIFT OF 7.3%.

With an R^2 of 0.601, the model demonstrates strong explanatory power, accounting for approximately 60% of the variation in rents within the lease sample.

Overall, these results support the conclusion that the investment in digital infrastructure and smart technologies results in a positive impact on rental values beyond other market and building characteristics.

ESTIMATED RENTAL PREMIUMS ASSOCIATED WITH WIREScore & SMARTScore CERTIFICATION

VARIABLE	COEFFICIENT	STATISTICALLY SIGNIFICANT?
WiredScore Premium	4.1%	Yes
WiredScore & SmartScore Premium	7.3%	Yes
R^2	0.601	

VARIATION IN PREMIUMS BETWEEN
DIFFERENT WIREScore LEVELS

IN ADDITION TO ANALYSING WIREScore AS A SINGLE
CERTIFICATION VARIABLE, WE ALSO RAN REGRESSIONS USING
SEPARATE DUMMY VARIABLES FOR EACH WIREScore LEVEL
(CERTIFIED, SILVER, GOLD, AND PLATINUM).

This provided us with a more granular view of the market’s
valuation of investment in digital connectivity.

ESTIMATED RENTAL PREMIUMS ACROSS
WIREScore CERTIFICATION LEVELS

VARIABLE	COEFFICIENT	STATISTICALLY SIGNIFICANT?
WiredScore Platinum Premium	5.1%	Yes
WiredScore Gold Premium	3.3%	Yes
WiredScore Silver Premium	3.6%	Yes
WiredScore Certified Premium	2.3%	No
R ²	0.601	

Our regression model estimated that
WiredScore Platinum certification is
associated with the highest rental premium
at 5.1%, followed by Gold (3.3%) and Silver
(3.6%) which both had a similar level of
impact. The uplift estimated for WiredScore
Certified was 2.3%, but this result was not
statistically significant, indicating that there
was not enough evidence present in the
lease sample to indicate that this result
reflects a precise effect.

Overall, the results indicate variation in
rental premiums across WiredScore tiers,
with Platinum, Gold and Silver levels
showing clear and measurable benefits,
with our model not providing statistically
significant evidence that the Certified level
delivers a consistent uplift, likely due
to the small number of leases occurring
at the Certified tier.

Overall, the findings suggest that the impact
on rental values varies depending on the
level of investment made in a building’s
digital infrastructure.

03 CASE STUDIES

40 LEADENHALL



Source: M&G Real Estate

AT M&G, WE ARE COMMITTED TO CREATING SUSTAINABLE, HIGH-PERFORMING BUILDINGS THAT PUT PEOPLE FIRST. TECHNOLOGY IS A KEY ENABLER IN DELIVERING THIS VISION—ENHANCING OCCUPIER EXPERIENCE, DRIVING OPERATIONAL EXCELLENCE, AND FUTURE-PROOFING OUR ASSETS.

KEY STATS

WiredScore &
SmartScore Platinum

86%
PRE-LET

FIRST PRE-LET
31 MONTHS
BEFORE PC DATE

TENANTS INCLUDE

- Kirkland & Ellis
- Chubb
- Sompo

One of our landmark developments is **40 Leadenhall**, a 900,000 sq ft prime Grade A office building in the heart of the City of London. From the outset, our focus was on delivering an intelligent building that meets the evolving needs of occupiers and asset managers alike. This meant investing in robust digital infrastructure and smart technologies that elevate everyday experiences while enabling greater energy efficiency and operational performance.

To validate our approach and benchmark against global best practice, we partnered with **WiredScore** and pursued **WiredScore and SmartScore certification**. These certifications provide independent assurance of a building's digital and smart capabilities. For tenants, they signal that the building aligns with expectations around connectivity, user experience, and sustainability. For investors, they demonstrate that the asset is resilient, future-ready, and positioned to deliver long-term value.

40 Leadenhall exemplifies our commitment to innovation, sustainability, and people-centric design—setting a new standard for intelligent buildings in London and beyond.

AARON POPE

Head of Offices Asset Manager,
M&G Real Estate



25 BAKER STREET



Source: Cushman & Wakefield

FOR US AS A REIT, THE VALUE IS SIMPLE. CERTIFICATIONS DE-RISK OUR PORTFOLIO. THEY GIVE TENANTS CONFIDENCE. THEY HELP REAL ESTATE TEAMS MAKE QUICK CALLS WITHOUT GETTING LOST IN THE WEEDS WHEN CHOOSING THEIR NEW HOME. MOST IMPORTANTLY, THEY MEAN OUR BUILDINGS, LIKE 25 BAKER ST. W1 , ARE ENABLED AND FUTURE READY IN A WAY THAT ISN'T JUST SMOKE AND MIRRORS.

KEY STATS

WiredScore & SmartScore Platinum

100% PRE-LET FIRST PRE-LET 30 MONTHS BEFORE PC DATE

TENANTS INCLUDE

- Cushman & Wakefield
- Pimco
- Moelis & Company
- Investcorp

At 25 Baker St., we have achieved a Platinum WiredScore and SmartScore certification. For our new occupiers, these certifications reduced the time they needed to spend on tech scrutiny, they instilled confidence and trust in our digital team but most importantly, they contributed towards giving them a home they can flourish in.

WiredScore and SmartScore are the compass, not the destination. They won't make your building connected or smart by magic, but they stop you selling style without substance. And in a market where tenants are spoiled for choice, the building with purpose will always outperform the one that's just a shiny facade, hoping no one looks too closely.

MICHAEL SIMONS Associate, Digital & Data, Derwent London

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CONSIDERATIONS FOR LANDLORDS & DEVELOPERS

THROUGH THE RENTAL PREMIUMS IDENTIFIED BY THE REGRESSION ANALYSIS OUTLINED IN THE PREVIOUS SECTION, THESE FINDINGS DEMONSTRATE THE INVESTMENT CASE FOR DIGITAL CONNECTIVITY AND SMART TECHNOLOGIES IN OFFICES.

While the rental premiums associated with investment in digital connectivity and smart technology are real, it is important to acknowledge that their scale varies depending on the age, sector, and location of the office – as well as the targeted occupier base. As such, building owners need to consider the characteristics and location of the building when formulating the technology element of design and asset management budgets.

Another important consideration is the stage of the design process at which technology budgets are incorporated. **Feedback from Cushman & Wakefield's Project Management team indicates that, depending on the level of technology-enabled experience the owner seeks to deliver, technology budgets typically range from £0.50–£1.20 per sq ft at RIBA Stage 1.**

If these requirements are not accounted for early in the process, significant and project-specific cost increases may arise at a later stage. To mitigate this risk, we recommend that building owners and developers consider and allocate technology budgets from the outset of the design process. WiredScore and SmartScore certifications can serve as a roadmap for guiding and prioritising such technology investments.

05 CONCLUSION

THE ANALYSIS PRESENTED IN THIS REPORT DEMONSTRATES THAT FUTURE-PROOFING OFFICE ASSETS WITH STRONG DIGITAL FOUNDATIONS IS NOT ONLY BEST PRACTICE, BUT ALSO DELIVERS MEASURABLE RETURNS THROUGH HIGHER RENTAL PREMIUMS.

Whilst building owners and developers need to consider the characteristics and location of their asset before deciding on what level of technology-enabled experience to deliver, incorporating digital and technological solutions early in the design process can unlock tech-driven value and ensure assets remain competitive in an ever-evolving office market.

Cushman & Wakefield provide precise, market-leading consultations on occupier expectations of commercial property across sectors, as well as achieving technical specifications that can support this such as WiredScore and SmartScore certification. Get in touch to find out how we can apply our expertise to futureproof your portfolio.

This analysis was possible through the provision of data and information from Wiredscore:

WiredScore and SmartScore certifications give landlords and developers a recognised framework for delivering technology-enabled workplaces, while providing an independent benchmark valued by tenants and investors. Certification signals a commitment to resilient connectivity, sustainability and occupier experience — qualities that differentiate assets in competitive leasing markets. Start your digital journey at www.wiredscore.com.

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are illuminated from within, with many windows glowing with warm light. The sky is a deep blue with some light clouds. The perspective creates a sense of height and scale.

06

APPENDIX

The impact of digital connectivity and smart technology investments was estimated using an Ordinary Least Squares (OLS) regression framework, with achieved rent (£ per sq ft) as the dependent variable. The key independent variables were dummy indicators for whether a lease occurred in a building with WiredScore and/or SmartScore certification. Control variables included building quality, submarket location, transaction year, lease size, lease length, and whether the lease included an incentive.

This allowed us to isolate the effect of WiredScore certification itself, rather than simply capturing the premium commanded by the best buildings in the market.

We took the natural logarithm of rents, lease size, and lease length to improve interpretability (allowing coefficients to be read as percentage changes) and to reduce the influence of extreme values by compressing the scale of high observations. Additionally, we removed extreme outliers from the dataset to prevent anomalous transactions from disproportionately skewing the results.

Better never settles



THE SMART PREMIUM



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.