

UK Commercial Property Auction Data Report

May 2026

The Acuitus cPad report reviews activity in the UK commercial real estate auction market. The report is produced by Acuitus Research and is powered by analysis of the long-running cPad data series. These reports provide a comprehensive analysis of key performance metrics, sale trends across asset types, the geographical preferences of investors, and movements in yields.

The latest sales data for this Q1 2026 review has been provided by The Essential Information Group. It is a subset of commercial property auction sales and focuses solely on investment-grade assets and income-producing property with development potential.

Q1 2026 introduction

The UK commercial property auction market started 2026 with exceptional momentum, delivering the strongest first-quarter sales volume on record and reinforcing the market's growing role as a price discovery and capital recycling mechanism for a broad range of investors.

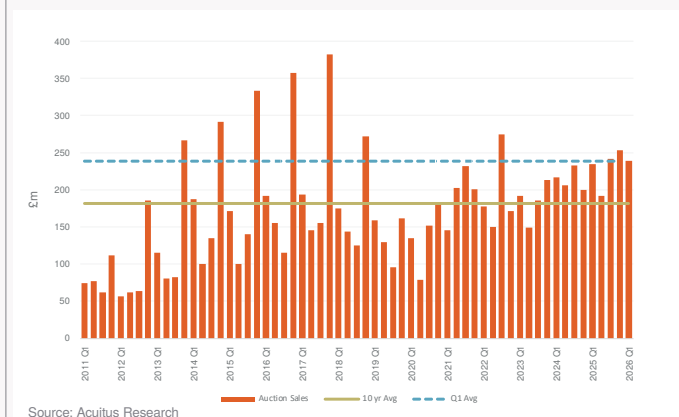
Record opening quarter

The first quarter of 2026 generated total sales of £239.2m across 396 lots, making it the highest Q1 by value on record, ahead of the previous Q1 peak of £234.2m in 2025 and 48% above the long-run average for the first quarter. This performance suggests that the strong activity levels seen through 2025 have carried into the new year, supported by healthy investor demand for income-producing and value-add opportunities.

Sales rates also recovered strongly in the quarter: rebounding to 81.6%, which is marginally above the long-run average of 80.9%, although still slightly below the pre-registration level of 83.8%. This indicates a healthier balance between supply and demand than was evident at points during late 2025, particularly for assets that were priced in line with current investor requirements.

Average lot size remained elevated for the second successive quarter at £604,000, just above the long-run average of £600,000. Larger lots continued to be prominent with assets above £1m accounting for 16% of lots sold by number and 50% of total sales value, equivalent to £120.7m.

Quarterly sales volume £m 2011–2026 Q1



Sector analysis

Retail: reduced dominance but still the largest sector

Retail assets accounted for 48.5% of first-quarter sales, equivalent to £116m. While retail remained the largest sector by value, this represented a notable fall from the previous quarter's 58.7% share, underlining the market's continuing diversification away from its historic reliance on retail stock.

However, the reduction in retail's share of sale activity should not necessarily be read as signalling weaker demand. Rather, it appears to reflect a wider spread of product coming to market and a greater willingness from investors to allocate capital across a broader range of sectors where pricing, lease profile, and asset management potential remain attractive.

Alternatives: record value sold

Alternative assets accounted for 27.7% of activity in Q1 2026, with £66.2m of sales which was the highest value of alternatives ever sold in an auction sale quarter. The category was led by restaurants & cafés which accounted for 40% of alternative sales followed by pubs & bars (13%), hotels (9%), medical facilities (9%) and care homes (7%).



Freehold public house investment

Camberwell SE5.
Sold for above the guide price of £950,000-£1m.

This strength reflects continued investor appetite for operational and mixed-use property where income resilience, longer leases, or alternative-use potential can support value. It also reinforces the extent to which the auction market has broadened beyond conventional retail and secondary high street stock into a more varied cross-section of commercial property.

Office: sharper activity and firmer pricing

The office sector accounted for 14.2% of activity, or £33.9m across 37 lots, representing a meaningful increase in market presence during the quarter. In the final quarter of last year, office spot yields moved in sharply to 8.27% from 12.11% which would suggest that demand for offices is growing with pricing reflecting that.

This shift may indicate that better quality offices, or offices with clearer repositioning angles, are attracting renewed investor demand. As noted in our 2025 annual review, the office market remains selective and highly dependent on specification, location, alternative-use potential, and the level of capital expenditure required.

Geography and yields

London accounted for 35% of total sales by value in Q1 2026, with just under £83.8m of transactions. Although this was not a quarterly record for London, it continues the capital’s strong weighting within the auction market and Q1 sales were above the four-year average of 33.1%.

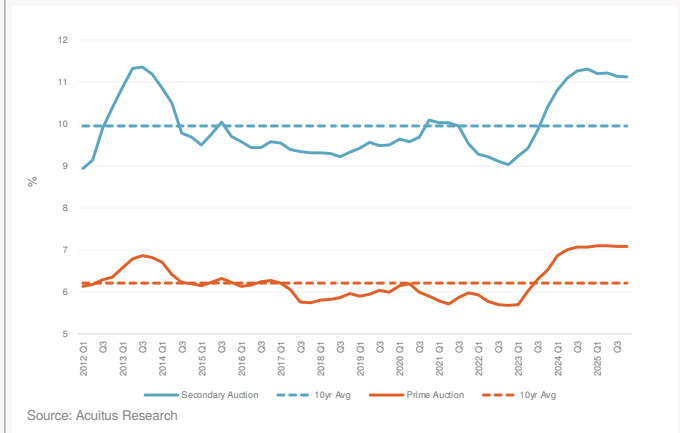
Sales rates were supported particularly by industrial assets, where the success rate reached 89.3%, and by alternatives at 83.7%. This pattern points to continued demand for assets offering either strong occupational fundamentals or secure income characteristics, especially where investors can still identify re-rating or asset management potential.

Most sectors saw spot yields harden during the quarter. The cPad All-Property spot yield moved to 8.65% from 9.42% in Q4 2025, Retail to 8.69% from 9.31%, London to 7.31% from 7.91%, rest of UK to 9.36% from 10.15%, Prime to 6.96% from 7.05%, and Secondary to 10.99% from 11.68%.

By contrast, rolling average yields (RAY+) remained relatively stable, with the cPad All-Property RAY at 8.89% against 8.88% in Q4 2025. Retail RAY moved in to 8.93% from 9.07%, Prime edged down to 7.03% from 7.08%, while Secondary weakened marginally to 11.20% from 11.13%.

One of the more interesting signals from the quarter is that shorter-income assets may be finding greater acceptance among investors. The cPad All-Property yield for assets with less than five years unexpired stands at 9.69% against a 10-year average of 8.97%, while the equivalent yield for assets with more than ten years unexpired is 7.86% against a 10-year average of 7.26%. This may suggest that investors are becoming increasingly comfortable underwriting reletting, refurbishment, or change-of-use risk where entry pricing remains attractive.

Prime and Secondary auction yields 2012–2026 Q1



Market context

The Q1 2026 results indicate that the auction market continues to evolve as a mainstream transactional route for a widening pool of sellers and buyers. Strong turnover, resilient sales rates, and broad sector participation all point to a market in which auctions are being used not only for secondary retail disposals, but also for larger lot sizes, alternative assets, and more selective office opportunities.

The combination of firmer spot yields, stable rolling average yields, and strong first-quarter volumes suggests that investor confidence has improved but remains selective rather than indiscriminate. Buyers continue to favour assets where cash flow is clear, pricing is realistic and there is a credible route to income growth, repositioning, or eventual resale.

Yield by sector – RAYS+

Sector	2026 Q1	2025 Q4	2025 Q1	10-year average
All-Property	8.89	8.88	8.84	7.98
Retail	8.93	9.07	9.13	8.16
Office	10.88	10.59	10.76	9.15
Industrial	8.09	7.53	7.86	7.54
Leisure	7.94	7.75	7.93	7.53

Source: Acuitus cPad EIG



Prime freehold retail investment

Winchester.
Sold for above the guide price of £1.475m-£1.5m.

By location – RAYS+

Location	2026 Q1	2025 Q4	2025 Q1	10-year average
London	7.34	7.19	6.10	5.79
Rest of UK	9.73	9.69	10.04	8.74

Source: Acuitus cPad EIG

Prime and Secondary – RAYS+

Category	2026 Q1	2025 Q4	2025 Q1	10-year average
Prime	7.03	7.08	7.09	6.21
Secondary	11.20	11.13	11.20	9.92

Source: Acuitus cPad EIG

Yield by sector – Spot*

Sector	2026 Q1	2025 Q4	2025 Q1
All-Property	8.65	9.42	8.60
Retail	8.69	9.31	9.26
Office	8.27	12.11	7.09
Industrial	9.21	6.80	6.96
Leisure	9.00	8.62	8.26

Source: Acuitus cPad EIG

By location – Spot*

Location	2026 Q1	2025 Q4	2025 Q1
London	7.31	7.91	6.73
Rest of UK	9.36	10.15	9.20

Source: Acuitus cPad EIG

Prime and Secondary – Spot*

Category	2026 Q1	2025 Q4	2025 Q1
Prime	6.96	7.05	7.14
Secondary	10.99	11.68	10.71

Source: Acuitus cPad EIG



Freehold shopping centre arcade investment

Bedford.
Sold for £2.6m.



Prime freehold bank investment

Leicester.
Sold for £2.36m.

*Spot yield – the yield calculated for the current quarter.

+RAY – Rolling Average Yield. An average of the last four quarters.



For further information on this research or to discuss auction strategy, please contact:

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