# London landlords capitalise on AI sector's rapid expansion and flexible office boom



Great Portland Estates (GPE), a prominent London landlord, is capitalising on the growing presence of artificial intelligence (AI) companies within its office portfolio, showcasing a strategic bet on the sector’s continued expansion. According to GPE, 7% of its 2.9 million square feet of London office space is currently occupied by AI-related firms. This proportion dramatically increases to 18.5% within its fully managed flexible office portfolio, which encompasses 582,000 square feet. The flexible office segment, often described as 'office hotels,' provides premium, fully fitted workspaces with a range of amenities tailored to meet modern business requirements, signalling a widening appetite for adaptable office solutions in London’s competitive market.

The firm’s latest leasing success within the AI sector is its agreement with Vanta, a compliance automation and trust management platform, which secured 7,500 square feet at GPE’s Kent House building in Fitzrovia. Vanta is recognised for its innovative use of automation to reduce time spent on compliance tasks by up to 82%, supporting complex security and privacy frameworks such as SOC 2 and ISO 27001. Recent funding rounds have seen the company’s valuation soar, from $2.45 billion in 2024 to $4.15 billion just a year later, underscoring the strong investor confidence in platforms that mitigate risks and streamline compliance in an increasingly digital business environment. The company’s expansion into markets including the UK and Australia echoes broader trends of rising AI investment and innovation in London’s tech landscape.

The city itself is emerging as a vital hub for AI, having attracted £2.7 billion in funding during 2024 alone, according to GPE and Tech Nation data. This figure represents 71% of the UK’s total AI investment over the last five years, cementing London as home to over 1,600 AI startups. This concentration of talent and capital signals significant long-term potential for office leasing driven by the sector, even as AI adoption simultaneously reshapes workforce dynamics and office needs globally.

GPE’s CEO, Toby Courtauld, acknowledges the dual nature of AI’s impact on office demand. While the technology may lead to some reduction in the overall global requirement for office space—illustrated by companies like Salesforce, which recently cut 4,000 customer service roles due to AI efficiencies—premium offices in world-class cities like London are expected to remain magnets for leading AI businesses and their workforce. This balance reflects the evolving role of offices as centres not just of work, but of innovation, collaboration, and talent retention.

Beyond Kent House, GPE’s flexible office portfolio is highlighted by additional leasing successes such as 31 Alfred Place, where new tenants include AI-powered advertising firm Smartly and digital marketing consultancy BBL/P, alongside other creative and retail-focused companies. These fully managed properties offer a range of amenities like communal terraces, wellness spaces, and meeting suites designed to enhance tenant experience and foster community within the workspace. This fits into a broader market shift, with flexible office space now making up approximately 10% of central London’s office market—a rise from about 6% in 2019. Major landlords including Derwent, British Land, and Canary Wharf Group are similarly expanding their flexible offerings, reflecting a significant transformation in the commercial property landscape post-pandemic.

As cities compete to attract and retain AI talent, London’s established financial, tech, and creative industries, combined with its rich infrastructure and global connectivity, position it uniquely to thrive as a leading AI hub. However, landlords and developers must continue innovating in their property offerings to meet the flexible, amenity-rich demands of these dynamic companies, ensuring that offices remain relevant and attractive amid ongoing technological disruption.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882), [[3]](https://www.ft.com/content/840e2973-92d5-4016-8b9d-3eeb52fd7dc4)
* Paragraph 2 – [[1]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882), [[5]](https://www.reuters.com/technology/sequoia-capital-backed-vanta-raises-funding-245-bln-valuation-2024-07-24/), [[6]](https://www.reuters.com/business/wellington-led-funding-boosts-vantas-valuation-by-69-year-2025-07-23/), [[7]](https://www.vanta.com/products/automated-compliance)
* Paragraph 3 – [[1]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882), [[2]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882)
* Paragraph 4 – [[1]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882), [[2]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882)
* Paragraph 5 – [[1]](https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882), [[4]](https://www.ajbell.co.uk/news/articles/great-portland-estates-wins-further-lease-agreements-london), [[3]](https://www.ft.com/content/840e2973-92d5-4016-8b9d-3eeb52fd7dc4)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882> - Please view link - unable to able to access data
2. <https://www.bisnow.com/london/news/office/almost-a-fifth-of-gpes-flex-portfolio-is-ai-tenants-130882> - Great Portland Estates (GPE) has reported that 7% of its 2.9 million square foot London office portfolio is occupied by AI-related companies, with this figure rising to 18.5% in its 582,000 square foot fully managed flexible office portfolio. The most recent AI lease is a 7,500 square foot agreement with Vanta, a compliance automation and trust management platform, at its Kent House office building in Fitzrovia. In 2024, London-based AI companies raised £2.7 billion, accounting for 71% of all UK AI funding over the past five years, with over 1,600 startups now based in the city. GPE CEO Toby Courtauld stated that while AI may reduce global demand for office space, premium workspaces in globally significant cities like London will remain attractive to top-tier AI talent and businesses.
3. <https://www.ft.com/content/840e2973-92d5-4016-8b9d-3eeb52fd7dc4> - The trend of offering flexible, fully managed office spaces is growing in central London. Landlords like Great Portland Estates (GPE) are investing in buildings and providing fully fitted offices with numerous amenities, such as yoga studios, reception, and WiFi, managing everything for the tenants. This shift towards 'office hotels' reflects companies' needs to attract employees back to the office post-pandemic and landlords' efforts to retain tenants. Flexible spaces are becoming a significant part of the market, with around 10% of central London's office market now being flexible, up from 6% in 2019. Major landlords like Derwent, British Land, Land Securities, Canary Wharf Group, and Grosvenor estate are also expanding their flexible office offerings. This market shift has profound implications for traditional landlords, changing the dynamics of leasing and presenting both opportunities and risks.
4. <https://www.ajbell.co.uk/news/articles/great-portland-estates-wins-further-lease-agreements-london> - Great Portland Estates PLC has let approximately 10,800 square feet of office space in a fully managed property in London, with an additional 3,400 square feet under offer. The spaces were let at an average of £222 per square foot to four new customers, all set to move into 31 Alfred Place within the next few weeks. Artificial intelligence-powered advertising technology firm Smartly will rent 4,515 square feet and occupy the first floor. Digital marketing consultancy BBL/P will occupy 4,300 square feet across the fifth and sixth floors, while production company Casual Films will rent 721 square feet on the ground floor. An unnamed multinational retailer has signed for a further 1,225 square feet. The Alfred Place property comprises eight floors in total and includes a communal roof terrace, private terraces on some floors, a shared lounge, a meeting room suite, and a wellness space.
5. <https://www.reuters.com/technology/sequoia-capital-backed-vanta-raises-funding-245-bln-valuation-2024-07-24/> - Vanta, an online security and compliance management platform, has raised $150 million in a funding round led by Sequoia Capital, valuing the company at $2.45 billion. This marks an increased focus on AI innovation, expansion into the UK and Australia, and the elimination of legacy compliance tools. The funding round saw participation from Goldman Sachs and JPMorgan Chase's venture capital divisions, with all previous investors returning, bringing Vanta’s total funding to $353 million since 2021. The company, founded in 2018, helps clients with security monitoring and compliance certifications through automation. Other investors included Atlassian Ventures, Craft Ventures, CrowdStrike Ventures, HubSpot Ventures, Workday Ventures, and Y Combinator.
6. <https://www.reuters.com/business/wellington-led-funding-boosts-vantas-valuation-by-69-year-2025-07-23/> - Online security and compliance management platform Vanta was valued at $4.15 billion in its latest fundraising round, up from $2.45 billion just a year ago, as investor appeal of risk-mitigating software rises in ... . The $150 million Series-D round ... . Businesses' increasing reliance on cloud and ... . In recent months, hacker targets have ... ).
7. <https://www.vanta.com/products/automated-compliance> - Vanta provides an automated compliance solution for leading businesses, enabling them to spend 82% less time per framework and attestation-related audit. The platform supports numerous leading security and privacy frameworks, including SOC 2, ISO 27001, HIPAA, and more, allowing for customization and cross-mapping of controls across existing frameworks. Vanta offers real-time, continuous controls monitoring, providing constant visibility into the health of compliance programs. The platform includes over 1,200 automated, hourly tests powered by a market-leading ecosystem of integrations, offering continuous visibility into compliance posture, collecting audit evidence, and facilitating easy collaboration with stakeholders. Additionally, Vanta provides tools for policy management, personnel management, and pre-built and custom controls, all within a unified platform.