# The European office market – shrink to fit?

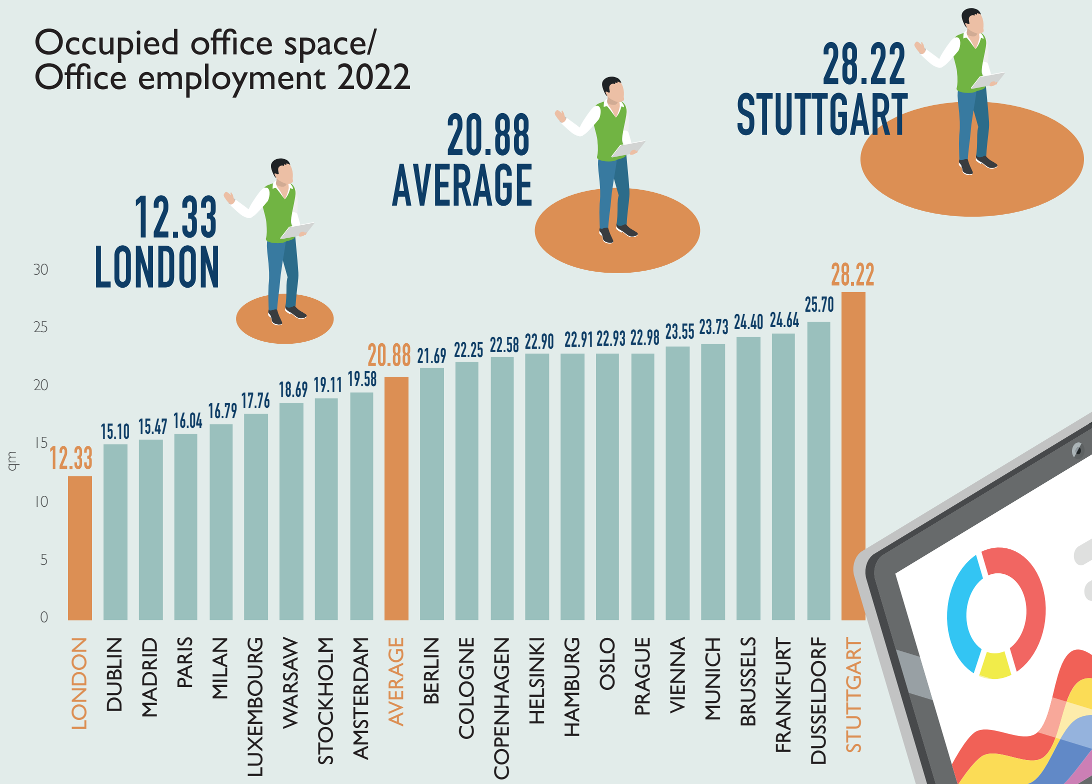
CATELLA

The Corona pandemic showed that home office (mobile working) is an integral part of the modern  world of working and is therefore still highly relevant for the office landscape in Europe. office buildings will continue to be part of the DNA of the modern working world. But at the same time, adjustments to (micro)locations, qualities and intensities of use are to be expected. The question is: Will Europe  soon be sitting closer together, but in higher-quality spaces, working more efficiently overall, but at several destinations between down-town, co-working space in the in-between space and "at home".

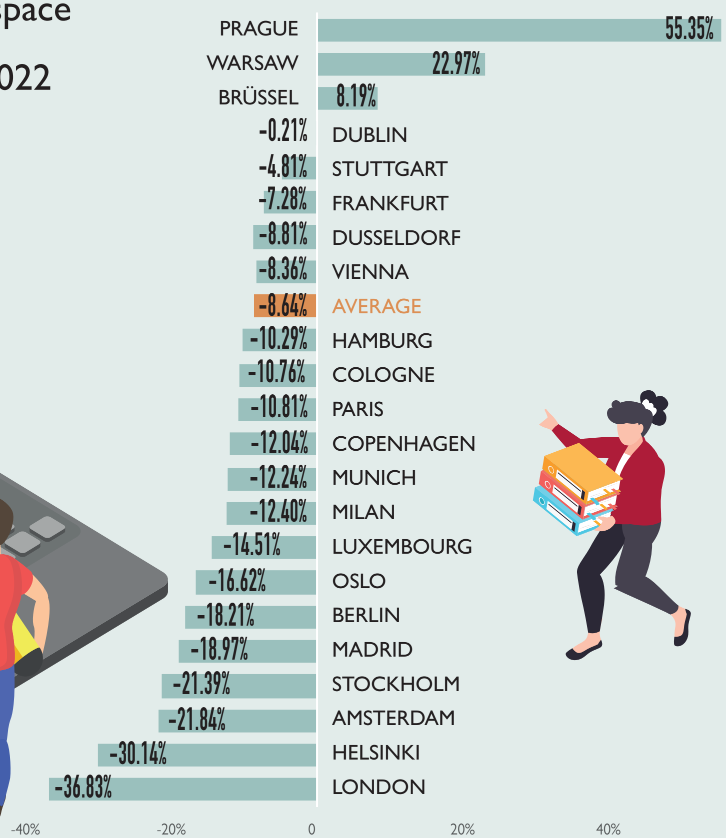
The increasing importance of efficient office space utilization is reflected in the variable **"Development of office space per office employee"**. At the end of 2022, the office space/ office employees in many European office centers were more than **10%** below the level of 2005. In the established markets of London Central and Helsinki, the level fell by more than **30%**.

The markets in Prague and Warsaw developed differently. In these markets, the office space per office worker in 2022 was significantly higher than in 2005. In the Belgian capital Brussels there was an increase in office space per office employee too.
The keyword here is extensive use by EU institutions.

## Occupied office space/ Office employment 2022




## Change in office space per office employee 2005-2022




**Before the Efficiency Leap After the Pandemic?**
Space is a scarce commodity in European metropolises, which means that office space in the major European office centers is a high-cost factor for companies. This, in combination with the positive experience with mobile working concepts, gives companies a high level of motivation to use office space efficiently.
A European comparison shows, for example, that at the end of 2022 in the traditionally "expensive" office market of London, only around 12 sqm was available per office employee, while in Stuttgart the space per office employee was around 28 sqm in 2022 (mor than twice as high as in London).

Sources: Catella Research 2023, PMA 2022, © TarikVision, stock.adobe.com. The analysis is based on a quantitative comparison of office space and the number of employees. Qualitative aspects of office space and national legislation are not taken into account here.