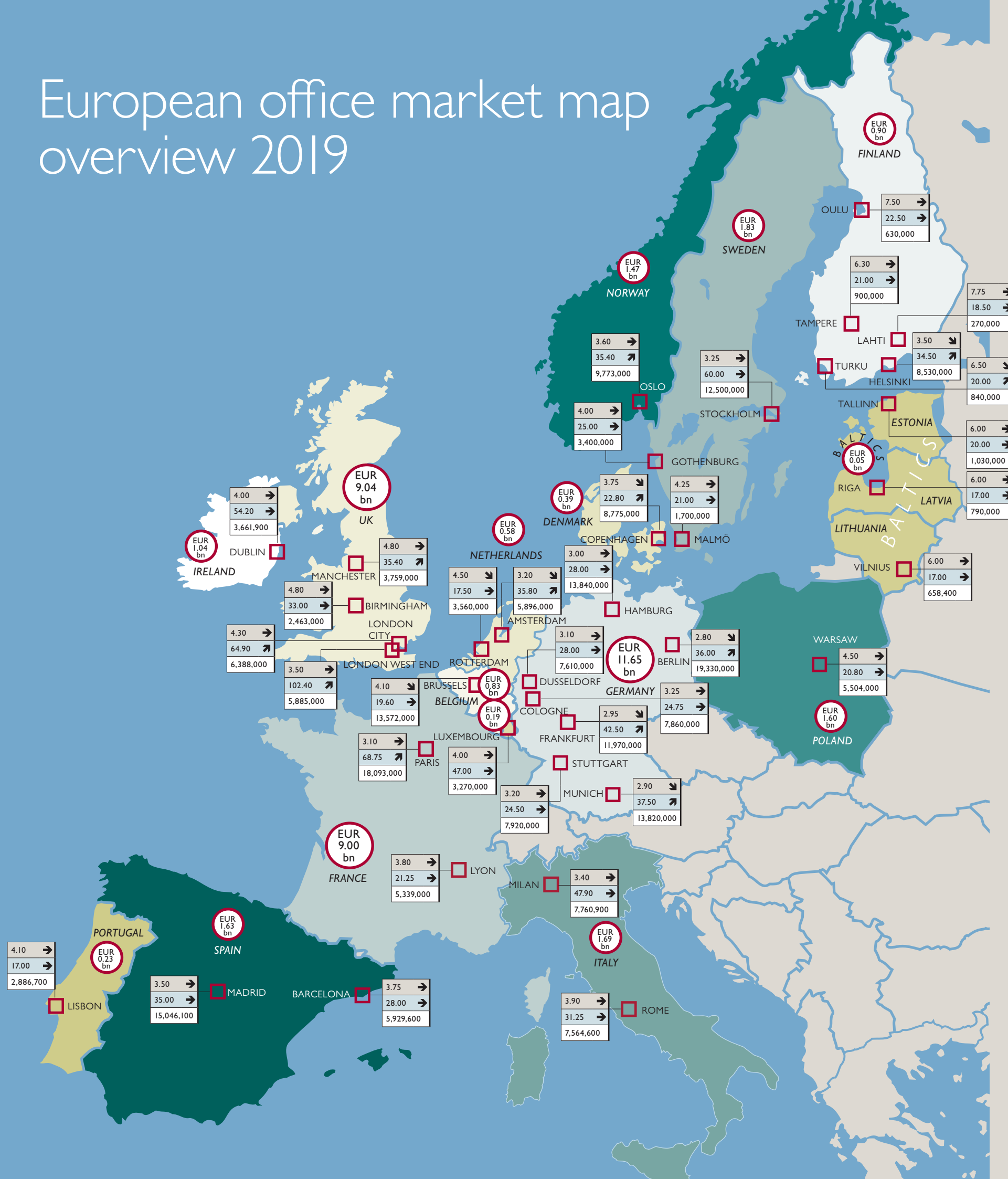


European office market map overview 2019

CATELLA



Prime yields

37 locations	0	↗
	29	→
	8	↘

Prime yield equals the yield for a property of the highest quality specification in a prime location within the area. The property should be 100% let at market rent at the time, to blue-chip tenants, with a typical lease term for prime property within that market. The yield should reflect net income received by an investor, expressed as the percentage of the total capital value plus expected acquisition costs.

Prime rents

37 locations	12	↗
	25	→
	0	↘

Prime rent represents the top open-market rent that can be achieved for an office unit (sq m.) per month. The unit itself has to be of the highest quality and be located at the best location of the local market.

Office transaction volume

	Office transaction volume per country in EUR billion			
	HI 2018	HI 2019	% change compared to HI 2018*	2017
Spain	0.76	1.63	113%	1.85
Norway	0.70	1.47	110%	1.59
Poland	0.83	1.60	94%	0.30
Italy	0.94	1.69	81%	5.05
Sweden	1.42	1.83	29%	2.52
France	8.20	9.00	10%	4.19
Germany	11.22	11.65	4%	10.62
Finland	0.92	0.90	-2%	0.57
Ireland	1.16	1.04	-10%	1.49
Belgium	1.06	0.83	-22%	0.70
United Kingdom	13.02	9.04	-31%	11.64
Netherlands	2.69	1.58	-41%	2.63
Denmark	0.85	0.39	-54%	0.53
Luxembourg	0.45	0.19	-58%	0.43
Baltics	0.16	0.05	-69%	0.15
Portugal	0.74	0.23	-69%	0.78

* Percentage change may not be accurate, due to decimals being rounded up

EUR 2.69 bn

Office transaction volume per country in EUR billion, HI 2019

Office transaction volume totalled to EUR 43.1 billion, a slight decrease of -4.4% compared to the first half of 2018. The "large markets" see declining volumes, primarily due to lack of core assets. Markets with attractive yield/risk profiles and a good supply of core office properties are gaining momentum.

Prime office yield, net %, HI 2019
Prime office rent, EUR/sq m. per month, HI 2019
Total office stock (sq m.), HI 2019
Total volume of existing office floorspace in net sq m. of city area, excluding vicinities. Office floorspace includes completed, let and vacant office buildings/spaces.

BERLIN

2.80	↘
36.00	↗
19,330,000	

→ Forecast end 2019

The upward economic trend of recent years will weaken in most European countries towards the end of the year. Nevertheless, the office markets will continue to show robust market performance.

Source: Catella Research 2019, PMA, RCA for Non Catella Locations

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