

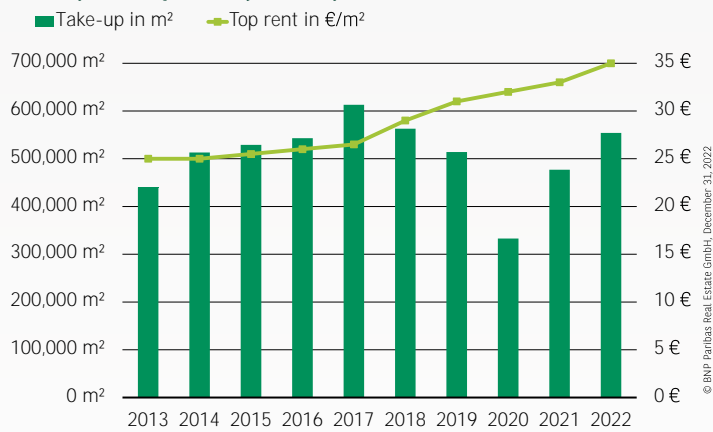


**RESEARCH**

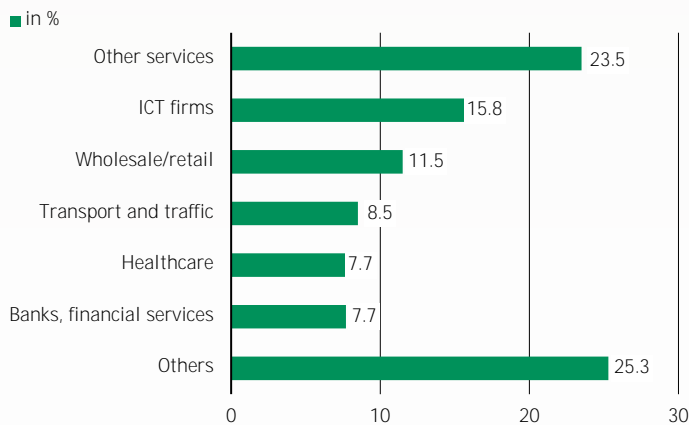
At a Glance **Q4 2022**

# OFFICE MARKET HAMBURG

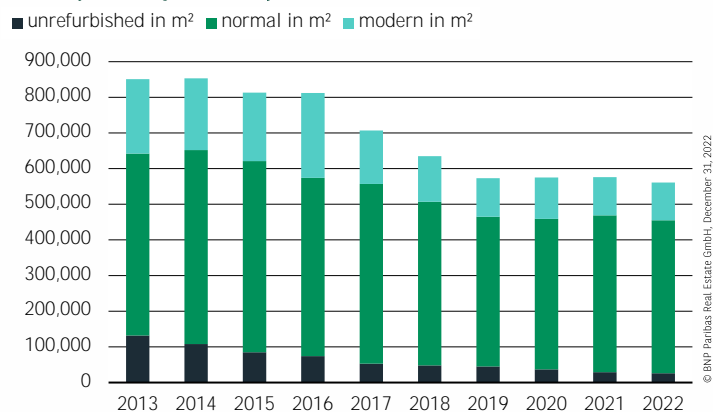
### Development of take-up and top rents



### Take-up by sector 2022



### Development of vacant space



### HAMBURG OFFICE MARKET RANKS 3RD PLACE

In 2022, Hamburg's office market successfully continued the significant upturn of the previous year. With a take-up of 554,000 m², an above-average result (+9%) was achieved in a long-term comparison. This even exceeded the pre-covid result of 2019 (514,000 m²). Compared to 2021, take-up increased most strongly by around 14 % compared to all the A-locations, placing Hamburg in third place behind the clear frontrunners Berlin and Munich. The Hamburg office market has thus fully recovered from the pandemic-related decline in take-up in 2020 and is also largely unaffected by the challenging economic environment to date. This is also reflected in the significant increase (+6.1%) in prime rents, which reached a new record of 35 €/m². After a very high take-up at the end of the third quarter (445,000 m²), however, the final quarter was hardly characterised by a year-end rally, nevertheless around 109,000 m² were newly let in Q4.

### ICT FIRMS NEW TAKE-UP DRIVER

2022 was again characterised by strong demand diversification from all sectors. Other services take first place with 24%. Followed by ICT firms on second position with almost 16% of the result. This sector thus recorded the highest volume in the last ten years. The largest contract signed in 2022 with Dataport, an information and communications service provider for the public sector (40,000 m²), contributed decisively to this result. Wholesale/retail also has a double-digit share, which exceeds its average (12%). Furthermore registered above the 5%-mark are transport and traffic (nearly 9%), healthcare as well as banks and financial services (each almost 8%).

### VACANCY VOLUME CONTINUES TO DECLINE

The vacancy volume has fallen slightly by 2.6% to now 561,000 m² in comparison to 2021. The modern segment, which is in particularly high demand, has an almost unchanged vacancy volume of 106,000 m². The vacancy rate of 3.9% stands significantly below the long-term average (5.0%). Particularly in HafenCity, vacancies declined by 33% (to 14,500 m²) and in the extended inner city by around 19% (to 82,000 m). Especially the Alster precincts (1.7%) and HafenCity (2.2%) recorded very low vacancy rates.

### Major contracts

Sub-market	Company	m <sup>2</sup>
2.5	Dataport AöR	40,000
1.1	Hamburger Sparkasse	30,800
1.3	VTG	11,500
3.5	Generali Deutschland	11,100
3.7	NDR	9,800
3.3	FHH Kasse.Hamburg	8,900

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### DECLINE IN AVAILABLE SPACE UNDER CONSTRUCTION

Compared to the previous year, the amount of space under construction decreased significantly by around 39% to 274,000 m<sup>2</sup>. This puts construction activity 18% below its long-term average (334,500 m<sup>2</sup>). The size of the space still available, which is more significant for the market, marks now at 105,000 m<sup>2</sup>. The high pre-letting rate of 62% underlines the high demand for modern space.

### PRIME RENT CONTINUES TO RISE

The prime rent has risen by 6% to 35 €/m<sup>2</sup> compared to the previous year. It is achieved for high-quality space in the city centre submarket. However, the upward trend in the average rent in particular accelerated again in 2022. At the end of the year, it stood at 22.00 €/m<sup>2</sup>, which represents a significant rise of 19% compared to 2021. This is the strongest year-on-year increase in average rents ever in Hamburg.

### Trends in important market indicators

	2021	2022	Trend 2023
Take-up	477,000 m <sup>2</sup>	554,000 m <sup>2</sup>	↘
Vacant space	576,000 m <sup>2</sup>	561,000 m <sup>2</sup>	↔
Space under construction (total)	450,000 m <sup>2</sup>	274,000 m <sup>2</sup>	↘
Space under construction (available)	174,000 m <sup>2</sup>	105,000 m <sup>2</sup>	↘
Top rent	33.00 €/m <sup>2</sup>	35.00 €/m <sup>2</sup>	↗

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### OUTLOOK

With above-average take-up, declining vacant space and broadly diversified demand, the Hamburg office market is proving to be very resilient in 2022. This is reflected in a significant increase in prime rent and, in nationwide comparison, the strongest rise in average rent. Hamburg is well positioned for 2023 and as soon as the economic uncertainties have subsided, the market should return to the take-up levels of the previous quarters with rising prime rents.

### Key indicators 2022

Submarkets**	Top rent* (€/m <sup>2</sup> )		Take-up (m <sup>2</sup> )	Vacant space (m <sup>2</sup> )			Space under construction (m <sup>2</sup> )		Space on offer (m <sup>2</sup> )	
	from	to	2022	total	modern	of this, since completion	total	available	available	projected
	1		2	3	4	5	6	7	8 = (3 + 7)	9
1 City Centre										
1.1 City Centre	35.00		132,000	81,500	26,500	6,000	68,700	30,000	111,500	194,400
1.2 Eastern Harbour Fringe	29.00		2,500	6,000	0	0	0	0	6,000	0
1.3 HafenCity	32.00		94,500	14,500	4,500	2,000	93,100	51,500	66,000	146,700
1.4 Western City Fringe - St. Pauli	23.00		2,000	8,000	7,000	0	0	0	8,000	0
2 Centre Fringe	17.50 - 25.00		135,000	169,000	32,000	3,000	50,700	19,500	188,500	247,800
3 Subcentres	12.00 - 21.00		188,000	282,000	36,000	17,000	61,500	4,000	286,000	343,100
Total			554,000	561,000	106,000	28,000	274,000	105,000	666,000	932,000

\* The top rent given applies to a market segment of 3-5 % in each case.

\*\* The office market zone map and the key indicator table at submarket level can be found under the following link: [Office market zone map and key indicator table 2022](#)

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