**Press release**

**The Stuttgart office market as of 31 December 2021**

* **Take-up on the Stuttgart office market 11 % higher than in the previous year**
* **Significant increase in demand in the small space segment**
* **Strong increase in number of contracts**

**Stuttgart, 31 December 2021** **―** As of 31 December 2021 the take-up figure for Stuttgart’s office market was approximately 157 200 m². Some 21 600 m² of this was generated by owner-occupiers. The previous year’s results, which were strongly influenced by the pandemic, were thus exceeded by 11 %.

At 248 the number of concluded contracts was significantly higher than in the two preceding years with the biggest increase in the space segment up to 500 m². The largest deal was for around 11 154 m² of space and was concluded by the German Institute for Federal Real Estate (BImA) in the Zuffenhausen district, followed by the leasing of an additional building with some 9 500 m2 floor space by Ed.Züblin AG in Stuttgart Vaihingen. In addition to this, within the scope of sale and lease back transaction the Internationaler Bund educational organisation signed a leasing contract for approximately 8 000 m² in Stuttgart Möhringen.

The major deal with the BImA meant that the public sector generated the highest demand on the market, with take-up of around 25 500 m². It was followed by the IT and Telecommunications sector with some 22 400 m². Fierce competition for skilled workers in this sector means that companies are showing increasing interest in modern premises with attractive working environments. The Consultants sector accounted for around 11 % of take up, while the good economic development of the construction industry was apparent in its share of approximately 10 %. In terms of location, the highest rental take-up (around 46 400 m²) was achieved in the southern submarket of Vaihingen/Möhringen. This was followed by Stuttgart’s central business district and the city centre.

As of 31 December 2021 there was a total of 268 000 m² vacant office space available at short notice, an increase of some 8 % over the previous year. With a total available area of approximately 8.26 million m² this represents a vacancy rate of 3.2 %. Based on space which will be vacated in the foreseeable future it is expected that this figure will increase significantly in the next one to two years, particularly in the city’s northern and southern peripheral areas.

A total of some 271 600 m² of newly constructed space will come onto the market in 2022 and 2023, of which 47 % has already been leased or will be used by the owners.

The prime rent as of 31 December 2021 was EUR 25.00/m² while the average rent for all Stuttgart was EUR 16.00/m². Although this figure is slightly lower than in the previous year this was primarily due to the numerous contracts concluded in peripheral areas and not a pandemic-related fall in prices. Overall there is a noticeable rising trend towards higher rents.

The clearly discernible demand dynamic is expected to result in a further increase in take-up. It appears realistic that a total volume in the range of 200 000 m² could be achieved in 2022.

**About E & G Real Estate**

In Baden-Württemberg and Bavaria [E & G Real Estate](http://www.eug-realestate.de) GmbH stands for individual, personalised advice on the sale and letting of commercial and residential property. In addition to its headquarters in Stuttgart and branch office in Munich, thanks to the majority holding acquired by Grossmann & Berger GmbH since May 2021 E & G Real Estates has also been represented in North Germany. A total of some 250 employees benefit from over 85 years’ real estate competence which enables them to provide the entire spectrum of property services.

E & G Real Estate is a founding member of [German Property Partners](http://www.germanpropertypartners.de) (GPP) and offers a nationwide commercial real estate network in all Big 7 German cities.

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