

# G&B Real Estate Market Survey

Commercial | Investment

2022/Q1-2

Hamburg



Photo: © Grossmann & Berger GmbH



## Fewer transactions due to rising interest rates

The increase in interest rates was noticeable on the market for investment in commercial properties in Hamburg, slowing the pace of transactions. At some €2.5bn, the result at the end of the first half year was more than twice the figure for 2021, but this total does not paint an accurate picture of the true state of the market. The high volume of trading was generated in both quarters by Brookfield Properties' takeover of the Alstria Office REIT AG. Many investors are hesitant to commit funds in these times of uncertainty. Many sales processes, in particular those involving big-ticket transactions, have been halted and decisions postponed while the parties reassess their position on a changed market. Overall, transactions in the first half of 2022 were down year on year by about 22%.

## Realignment on the investment market

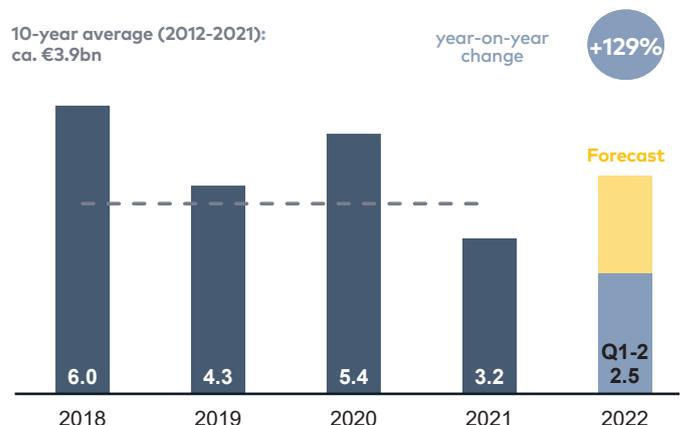
Soaring borrowing costs are causing investors to reconsider their options. For the time being, the consistently rising prices and strong yield compression of recent years appear to have come to an end. Buyers and sellers are now adjusting their strategies to suit the new business environment. Provided that interest rates become more predictable and buyers and sellers start to agree on the cash value of real estate, the 4th quarter could see a strong revival on the market. During the course of the year prime yields are expected to rise. Despite the changed business environment, commercial properties remain a lucrative investment option.

## Sandra Ludwig | Managing director

>> Although at present investors are less willing to commit due to higher, volatile interest rates, many would-be sellers are not yet prepared to accept that, consequently, they will have to reduce the asking price. This means that transactions, especially big-ticket trades, are placed on hold for the time being. There is capital on the market that needs to be invested. For that reason we expect to see trading revive by the fourth quarter at the latest. <<

## Transaction volume

2018-2022 | Hamburg | in € bn



Source: Grossmann & Berger GmbH

# Commercial Investment

Hamburg | Key Facts

2022/Q1-2



Photo: © Grossmann & Berger GmbH

**TOP  
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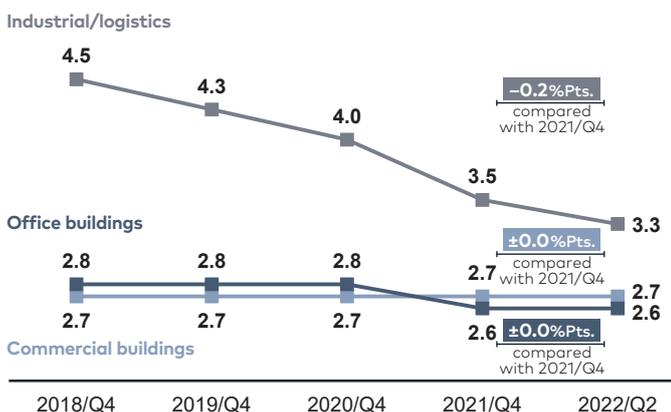
## Top contracts

2022/Q1-2 | Hamburg | Selection

- 1 | Alstria Office Reit-AG | Office | ca. €1,500m**  
Acquisition of shares | Investor: Brookfield Properties
- 2 | "Klöpferhaus" | Retail | ca. €160m**  
Mönckebergstrasse 3 | City | Investor: Tishman Speyer
- 3 | "EDGE Elside" | Office | over €100m**  
Amerigo-Vespucci-Platz 2 | HafenCity | 50% stake | Investor: Ampega Asset Management
- 4 | Property | Commercial | ca. €70m**  
Seehafenstrasse | Harburg | Investor: Project developer
- 3 | "Peute Dock" | Industrial & Logistics | ca. €45m**  
Oberwerder Damm 11-21 | Hamburg East | Investor: DIC Asset

## Prime yields

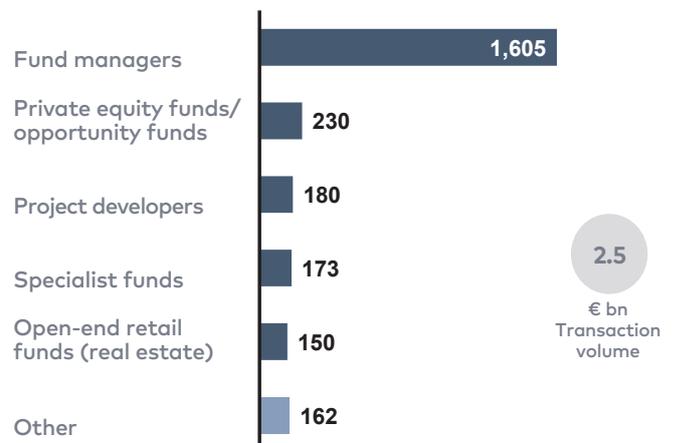
2018-2022/Q2 | Hamburg | (Net) initial yield | in %



Source: Grossmann & Berger GmbH

## Investor groups

2022/Q1-2 | Hamburg | Transaction volume | in € millions



Source: Grossmann & Berger GmbH



## Contact

**Jens Mollenhauer**

Master of Science Geography  
+49 (0)40 / 350 80 2 - 231  
j.mollenhauer@grossmann-berger.de

We draw your attention to the fact that all statements made here are non-binding. Most of the information is based on third-party reports. The sole intention of this market survey is to provide general information for our clients.

Grossmann & Berger GmbH | Bleichenbrücke 9 (Stadthöfe) | 20354 Hamburg  
Phone: +49 (0)40/350 80 2-0 | info@grossmann-berger.de  
Managing directors: Andreas Rehberg (Spokesperson), Andreas Gnielka, Björn Holzwarth, Sandra Ludwig, Holger Michaelis, Lars Seidel, Frank Stolz

Chairman of the supervisory board: Frank Brockmann  
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