

G&B Real Estate Market Survey

Commercial | Office letting

2022/Q1-2

Hamburg



Photo: © Grossmann & Berger GmbH

Pent-up demand pushes take-up back to pre-crisis levels

With transactions up by more than a third year on year, Hamburg posted a total of 305,000 m² of newly let office space between January and June 2022, a half-year result that is second only to the 310,000 m² recorded in 2019. 170,000 m² of office space was taken up in the 2nd quarter. However, the war in Ukraine, disrupted supply chains, rising inflation and, in particular, the looming energy crisis pose risks to the economy and thus to the business of office letting. Despite this, so many clients are enquiring about office space that the closing total for the year is expected to reach 550,000 m².

New builds in central locations lead to soaring rates

During the first half year offices in the city centre were in great demand. Year on year, take-up in the City and HafenCity sub-markets grew from 38% to 56% of the market. About 60% of the offices let in these sub-markets were in new-builds or refurbished developments, and the monthly rents agreed were over €20.00/m². This process resulted in a record 15% surge in the average rent to a new high of €20.60/m²/month. Increasing by about 5%, the premium rent also reached a new record figure of €32.50/m²/month.

Slightly more space expected to become available in existing buildings

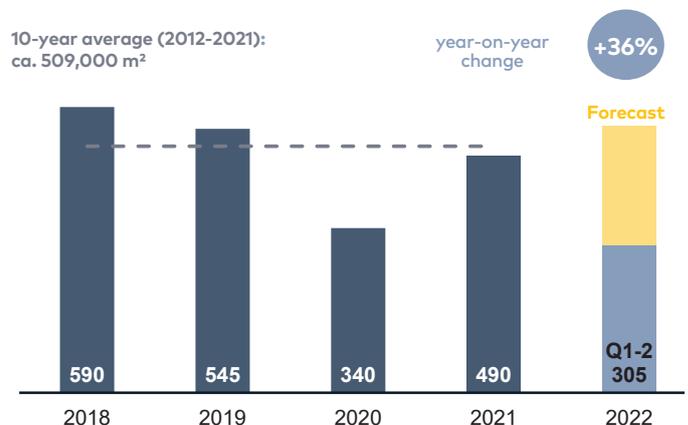
The vacancy rate remained stable year on year at 3.8%. In view of great demand and the good pre-letting ratio of 76% for offices completed or due to be completed in 2022/2023, there will be no significant rise of empty space in the new build sector. However, the latest calculations show that more space in existing buildings could become vacant within the next twelve months and drive up the vacancy rate to over 4%.

Andreas Rehberg | Spokesman of the management board

>> Many firms and public sector employers have determined what kind of offices they need for their forward-looking work environments and are now deciding on the appropriate rental space. Their search is focussed on centrally located office space with top-quality fit-out. Space in new-builds and refurbished developments is especially sought-after, as may be seen from how well offices still under construction are being absorbed by the market. The Haspa bank, for example, has decided to merge their three sets of offices at Adolphsplatz, Wikingergweg and Börsenbrücke into some 30,800 m² of space in the "Deutschlandhaus". <<

Take-up of space

2018-2022 | Hamburg | in 000s m² | incl. owner-occupiers



Source: Grossmann & Berger GmbH

Office letting

Hamburg | Key Facts

2022/Q1-2



Top contracts

2022/Q1-2 | Hamburg | Selection

1 | HASPA | ca. 30,800 m²
"Deutschlandhaus" | City

2 | VTG AG | ca. 11,500 m²
"Building lot 101" | Versmannstrasse | HafenCity

3 | Kasse.Hamburg | ca. 8,900 m²
Gasstraße 27 | Bahrenfeld

4 | HIH Hamburgische Immobilien Handlung | ca. 7,800 m²
"Spiegel Haus" | Ericusspitze 1 | HafenCity

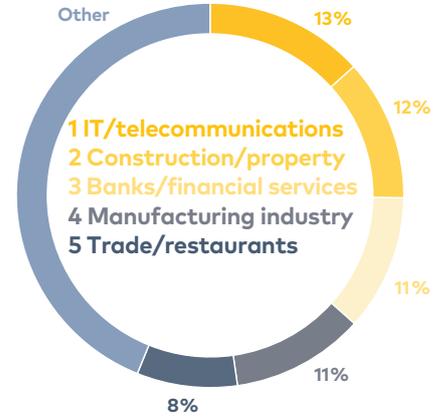
5 | Jebesen & Jessen | ca. 7,600 m²
"Herrlichkeit" | Rödingsmarkt 16 | City

Highest-turnover sectors

2022/Q1-2 | Hamburg | Take-up of space by industry

Top-5-Industries
Take-up of space
year-on-year change

- 1 | 40,600 m² +449%
- 2 | 36,300 m² +25%
- 3 | 34,800 m² +172%
- 4 | 33,900 m² +1%
- 5 | 25,600 m² +75%



Source: Grossmann & Berger GmbH

Market outlook | Office

Pent-up demand points to a good year for lettings

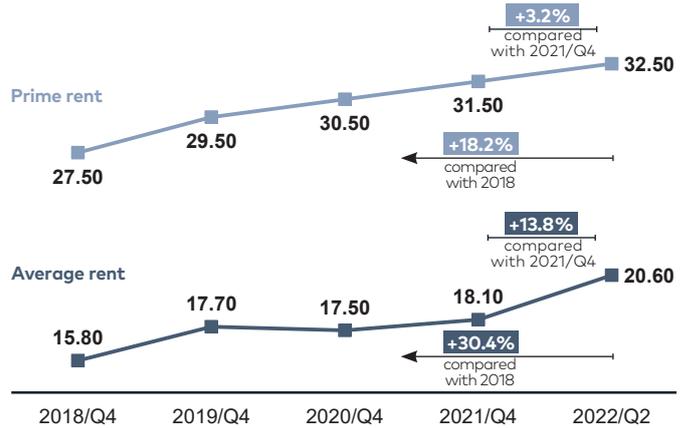
Take-up of space: The large number of uncertainties facing the economy has not yet affected companies' willingness to rent of-fices. Instead, many appear to be making up for lost time. Firms who shelved their moving plans in 2020/2021 are now actively pursuing them again, so that the year could close with take-up of some 550,000 m² – on a par with the pre-crisis year of 2019.

Rents: Premium and average rents, which have risen steeply in recent months, will settle at their current highs by the end of the year.

Available space: Current calculations indicate that the vacancy rate will rise to 4.5% over the next 12 months. Above all, more space in existing buildings will come onto the market.

Office rents

2018-2022/Q2 | Hamburg | in €/m²/mth (net)



Source: Grossmann & Berger GmbH

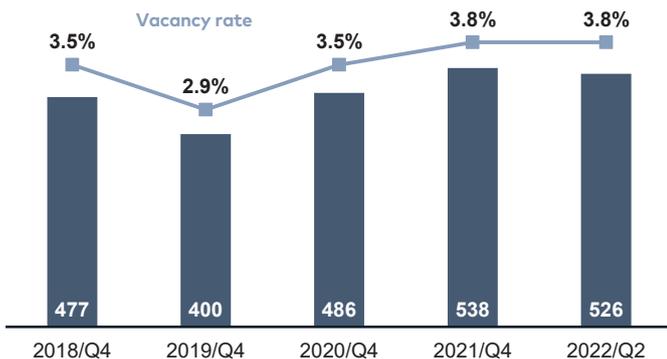
Vacant space

2018-2022/Q2 | Hamburg | in 000s m²

Vacancy volume

includes all office space that is available within six months

-2.2%
compared with 2021/Q4

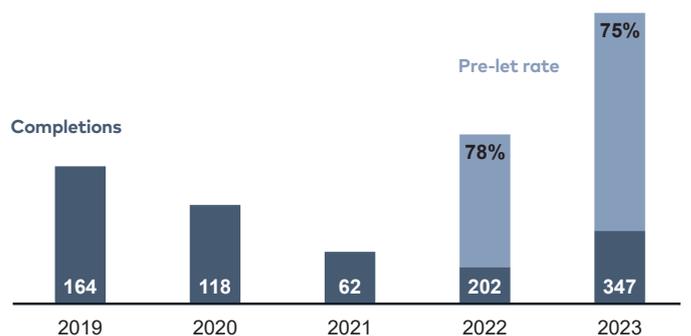


Source: Grossmann & Berger GmbH

Completions

2019-2023 | Hamburg | in 000s m²

51
Projects
2022/2023

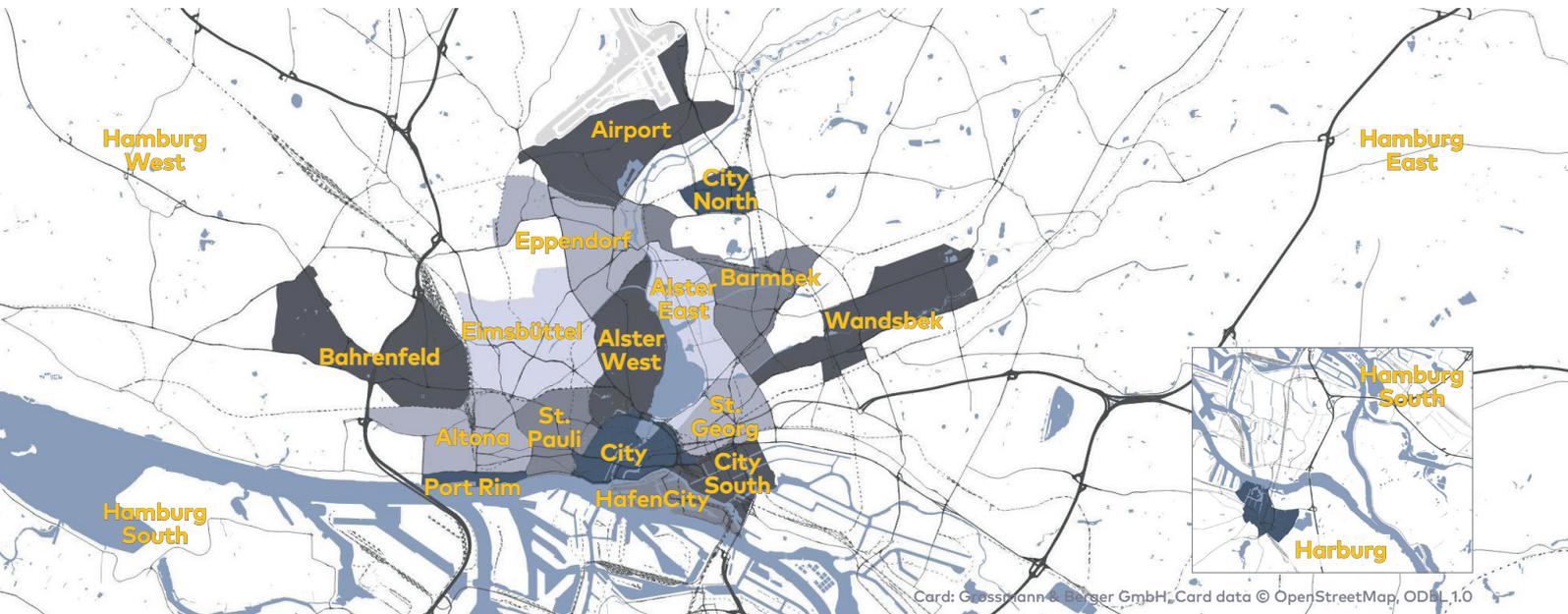


Source: Grossmann & Berger GmbH

Office letting

Hamburg | Office sub-markets

2022/Q1-2



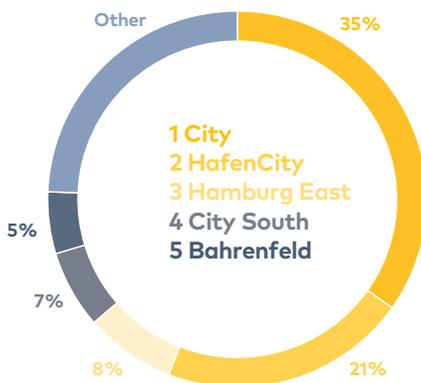
Hot Spots

2022/Q1-2 | Hamburg | distribution of space take-up

Top-5-Sub-markets

Take-up of space year-on-year change

- 1 | 106,100 m² +69%
- 2 | 64,400 m² +184%
- 3 | 23,600 m² +84%
- 4 | 20,400 m² -22%
- 5 | 16,200 m² +41%



Source: Grossmann & Berger GmbH

Rent level

2022/Q2 | Hamburg | Office rents | in €/m²/mth (net)

City	25.60
Hafencity	25.60
Alster West	20.20
City North	19.00
Port rim	19.00
Eppendorf	18.20
St. Pauli	18.20
Alster East	17.90
Altona	16.60
St. Georg	16.30
Eimsbüttel	16.00
Barmbek	14.60
Bahrenfeld	14.60
City South	14.60
Airport	13.30
Wandsbek	11.80
Harburg	10.80

20.60
€/m²/mth
Ø rent

Quelle: Grossmann & Berger GmbH

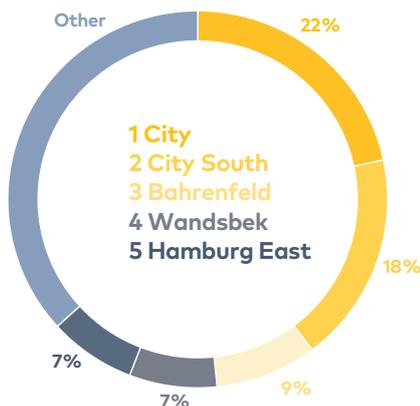
Availability of office premises

2022/Q1-2 | Hamburg | distribution of vacant space

Top-5-Sub-markets

Vacant space year-on-year change

- 1 | 113,800 m² -6%
- 2 | 94,900 m² +18%
- 3 | 45,500 m² -29%
- 4 | 39,200 m² ±0%
- 5 | 38,900 m² +84%



Source: Grossmann & Berger GmbH

Quelle: Grossmann & Berger GmbH

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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.

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