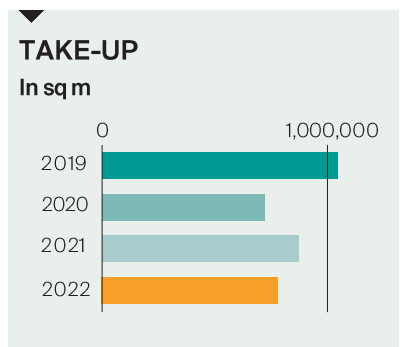
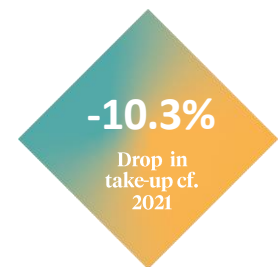


# Q-Trend

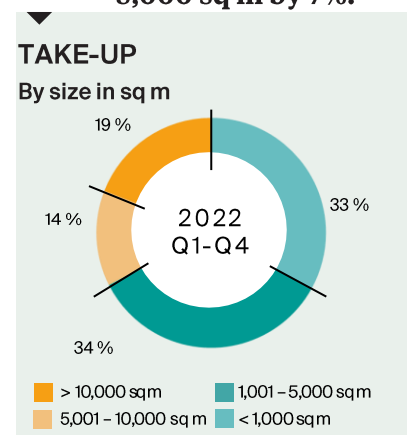
## Office Market Berlin Q4 | 2022

### Lack of large-scale deals at the end of the year, increase in prime rent

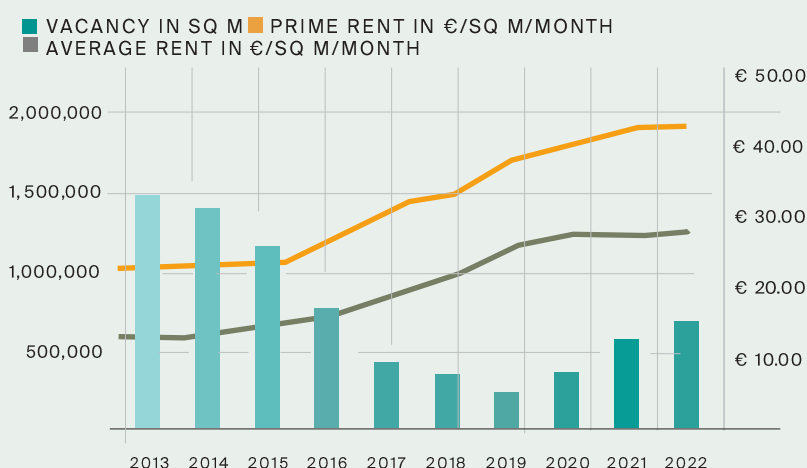
The final quarter of 2022 was unable to build on the strength of the previous quarter, with annual take-up of 758,300 sq m falling 10.3% year-on-year. The fourth quarter accounted for 164,600 sq m. As a result of high demand for high-value space in central locations, the prime rent rose to 43.50 €/m<sup>2</sup>/month.



While the size segment of > 10,000 sq m performed significantly worse compared to the previous year, turnover increased in the space segment up to 5,000 sq m by 7%.



## DEVELOPMENT OF VACANCY, PRIME AND AVERAGE RENTS



◆ ◆

**The largest obstacle for tenants currently is the difficulty of predicting the cost development. This includes the development of the base rent in case of indexation, as well as ancillary costs. Subsequently, potential savings are closely explored in case of new lettings.**

◆ ◆

### Berlin 2023

Due to the ongoing difficult geopolitical and economic conditions, the Berlin office market will have to defy these same issues again in 2023. Price increases burden not only the construction firms, but also the occupiers. Consequently, more companies may consider extending their current leases, meaning that take-up is likely to be below the 10yr average of 803,000 sq m. This prediction already takes into account the large-scale deals, which rolled over from 2022 and are expected to be signed in early 2023. Sustainable, ESG-compliant and high-quality furnished office spaces will still be strongly desired by tenants, therefore boosting rental levels.

### Indicators (Q1-Q4 2022)

Take-up	758,300 sq m
Completion	628,000 sq m
Vacancy	693,300 sq m
Stock	21.2m sq m
Vacancy rate	3.3%
Prime rent	43.50 €/sq m/month
Average rent	28.10 €/sq m/month



3.7m  
Residents<sup>1</sup>



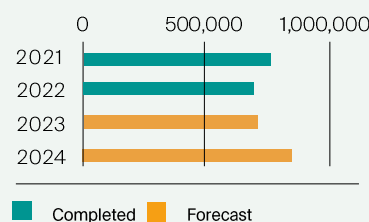
2.09m  
Employees<sup>2</sup>



> 80,000  
Jobs in start-ups<sup>3</sup>

In 2022, 628,000 sq m of office space was completed, 8.7% less than in the previous year. 725,000 sq m are expected for 2023, 60% of which is pre-let. Construction activity remains at a high level, with 1.5 million sq m under construction at the end of 2022.

### CONSTRUCTION COMPLETION In sq m



Sources: <sup>1</sup> Destatis, <sup>2</sup> [www.berlin.de/sen/wirtschaft/wirtschaft/konjunktur-und-statistik/wirtschaftsdaten/beschaeftigung/](http://www.berlin.de/sen/wirtschaft/wirtschaft/konjunktur-und-statistik/wirtschaftsdaten/beschaeftigung/)  
<sup>3</sup> [www.berlin.de/unternehmerinnentag/unsere-arbeit-fur-berlin-senatsverwaltung-fur-wirtschaft-energie-und-betriebe.pdf](http://www.berlin.de/unternehmerinnentag/unsere-arbeit-fur-berlin-senatsverwaltung-fur-wirtschaft-energie-und-betriebe.pdf)

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