

Updated quarterly, our dashboards provide a concise synopsis of occupier activity in Europe's markets.



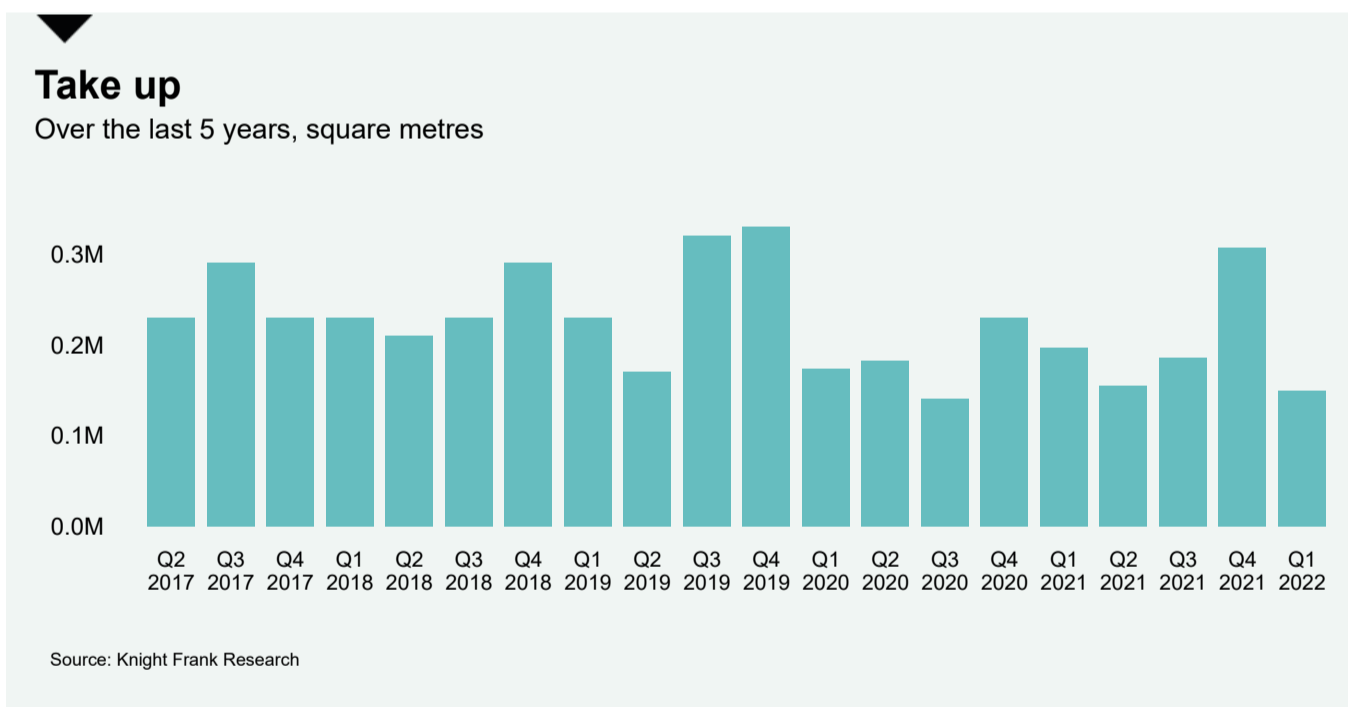
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Berlin Office Market

Research, Q1 2022

OCCUPIER MARKET HEADLINE FIGURES

TAKE UP		VACANCY RATE		PRIME RENT	
148,600	-24.6%	2.9%	2.0%	€ 516	7.5%
SQM	YOY CHANGE	RATE	5 YR AVERAGE	RENT (PSQM)	YOY CHANGE



OCCUPIER HEADLINES

Berlin office take-up reached around 150,000 sqm, which was nearly 25% below the level in the first quarter of 2021.

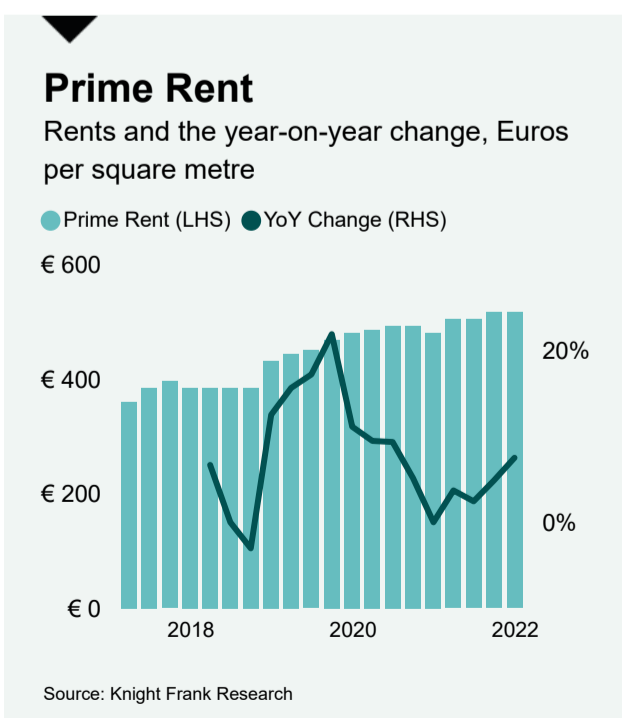
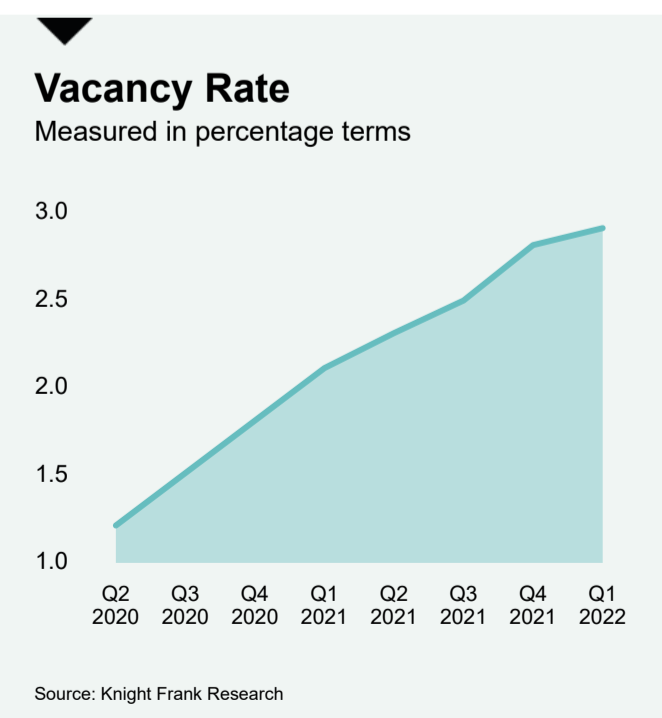
This is because the medium- and large-size segment fell short of last year's result. There were no deal transactions above 10,000 sqm.

The rise in total vacancy is slowing. Meanwhile, the supply of space in attractive locations remains very limited.

Prime office rents held firm at €43 psqm per month, while the average rents increased slightly to €28.10 psqm per month. If incentives are provided, they range from 1-3 months. With vacancy still on a low level, the Berlin office market remains a landlord market.

Completions amounted to 170,000 sqm of which 87% was pre-let. An additional 700,000 sqm is expected to be completed over the course of the year, with a pre-letting rate of 56%.

Around 1.3 million sqm of office space in under construction but delays and rising prices are likely due to shortages of building materials.



ECONOMIC INDICATORS

Google Mobility Data in Berlin

7-day Rolling Average, % Change from Baseline (3 Feb 20)



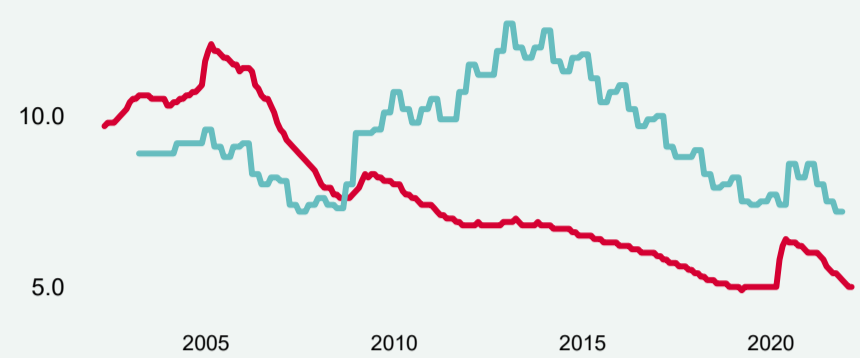
Source: Google Mobility

Average mobility is improving despite the spread of the Omicron variant. As restrictions have been eased, the outlook for mobility and travel looks more positive.

Unemployment Rate in Germany

vs Euro Area, as a Percent of Civilian Labour Force %

● Germany ● Euro Area



Source: Eurostat/ German Federal Employment Agency (Bundesagentur fuer Arbeit)
German unemployment rate is monthly, Euro area unemployment rate is quarterly

The labour market has emerged from the pandemic in a strong shape. The unemployment rate dropped to its pre-pandemic level of 5% in March.

Employment Expectations in the Service Sector in Germany

Over the next 3 months, %

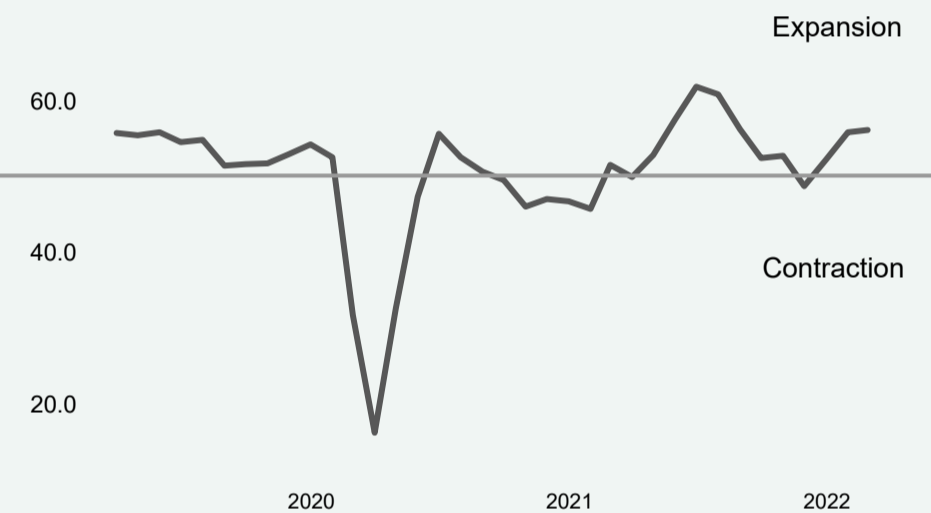


Source: European Commission (DG ECFIN)

Employment expectations in the service sector remain positive and are expected to stabilise as the labour market continues to be in a strong shape.

Services PMI in Germany

Services PMI for the last 5 years, Index



Source: IHS Markit

The services PMI was back in expansionary territory in the first three months of the year after dipping below 50 at the end of last year. Restrictions have eased which supports the service sector.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you

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