

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



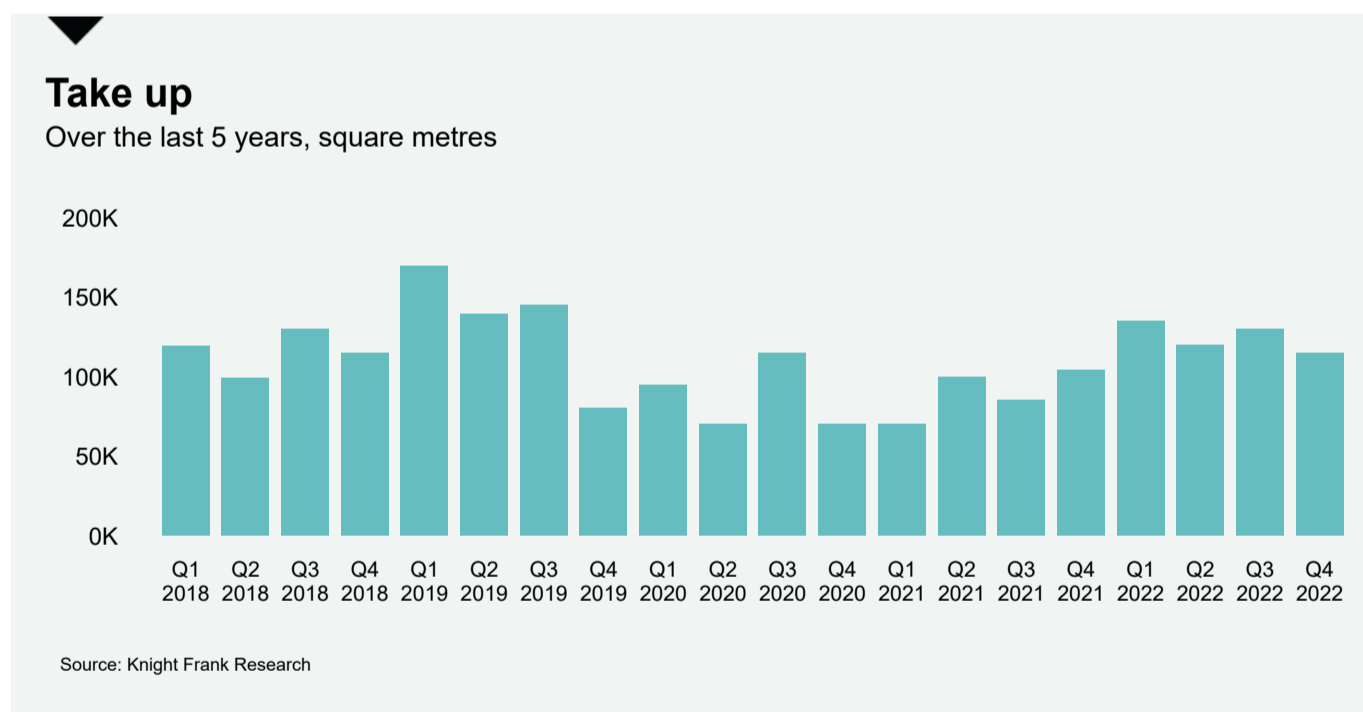
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Madrid Office Market

Research, Q4 2022

OCCUPIER MARKET HEADLINE FIGURES

TAKE UP		VACANCY RATE		PRIME RENT	
115,000	10.6%	11.5%	11.1%	€ 402	3.1%
SQM	YOY CHANGE	RATE	5 YR AVERAGE	RENT (PSQM)	YOY CHANGE

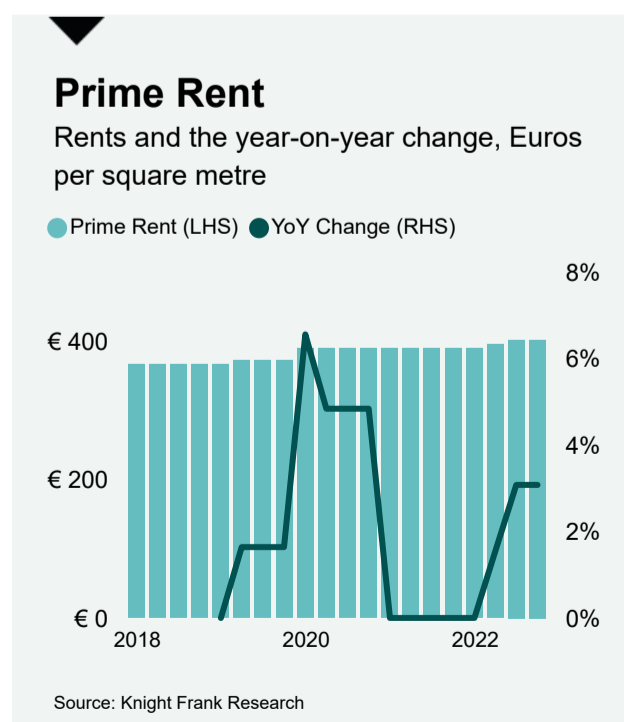
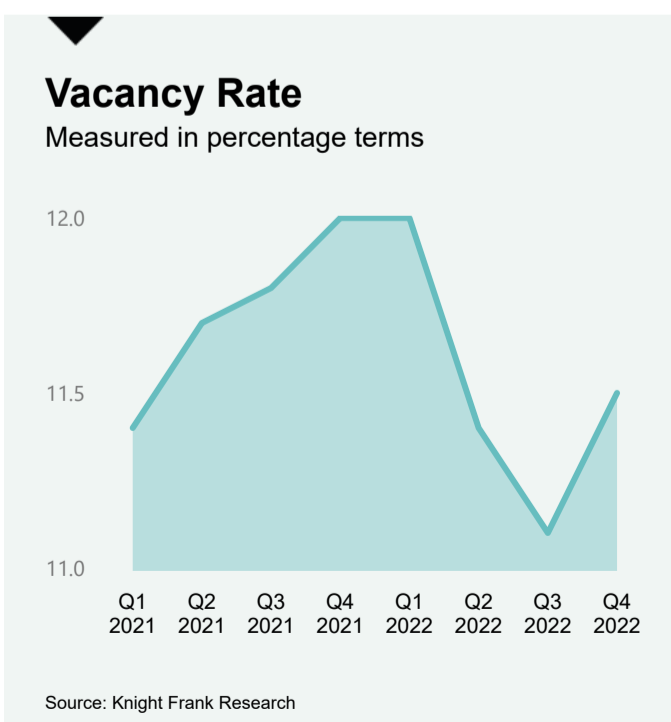


OCCUPIER HEADLINES

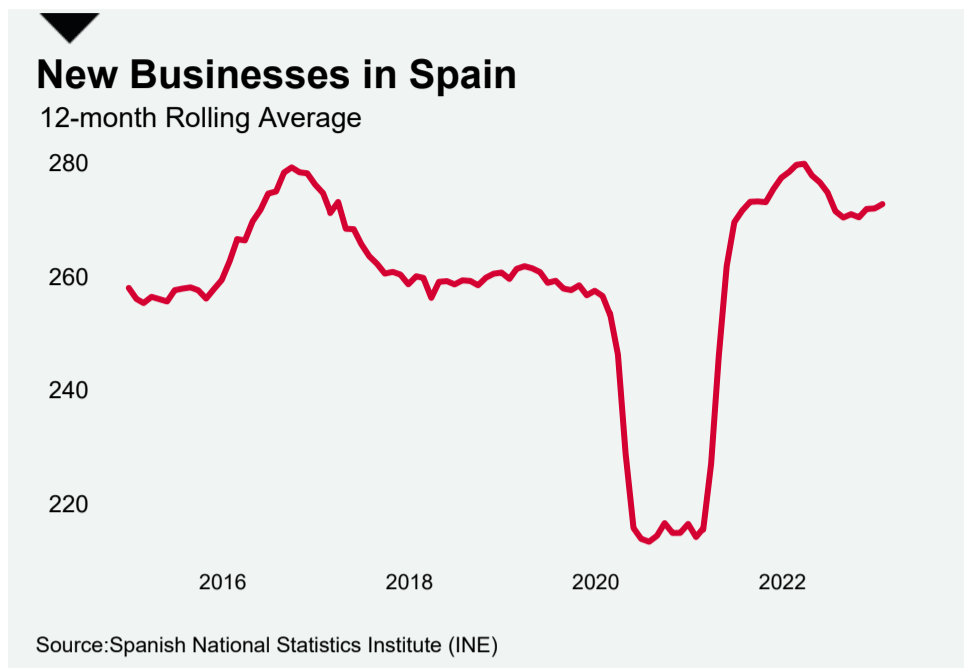
The Madrid office market performed well in the fourth quarter of 2022, with 115,000 sqm of take-up exceeding Q4 volumes seen since 2018. This brings total take-up for the year to 500,000 sqm, an increase of 40% from 2021, thereby indicating a strong recovery from hesitations during the pandemic.

The vacancy rate moved upwards slightly to 11.5% from 11.1% the previous quarter, but is below the 12.0% figure from Q4 2021.

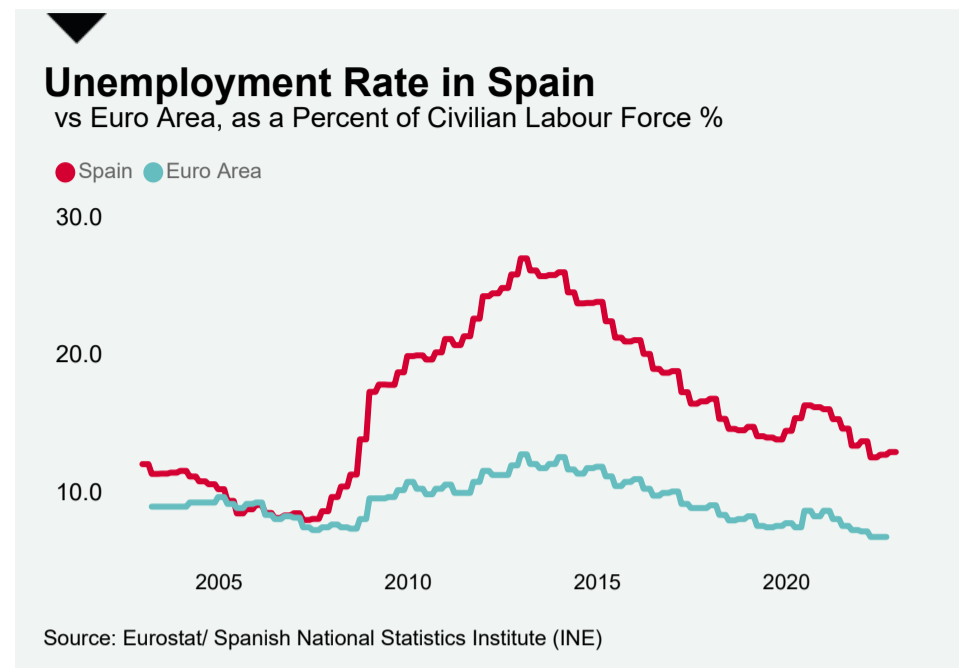
Prime rents remained stable since Q3 at € 402 psqm per annum. This represents a 3.1% increase year-over-year after very little rental growth was seen between 2020 and 2022. The expectations for 2023 are for prime rents to continue to climb.



ECONOMIC INDICATORS



After a slump in new business starts during the pandemic in Spain, activity returned to pre-COVID normals in 2021 and peaked in the first half of 2022 before holding steady in recent months.



The unemployment rate in Spain ticked upwards to 12.87% in Q4 2022 after reaching its lowest levels since September 2008 in Q3 2022 at 12.67%. It is expected to increase moderately this year through to 2025, but still remain well below highs seen in the first half of the previous decade.



Service sector employment expectations fluctuated in Q4 2022. The sector's better-than-expected performance allowed the metric to remain in positive territory throughout the year.



The service sector PMI returned to expansionary levels in Q4 2022, just above the 50-point threshold as consumers benefit from a recent fall in inflation.

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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