

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



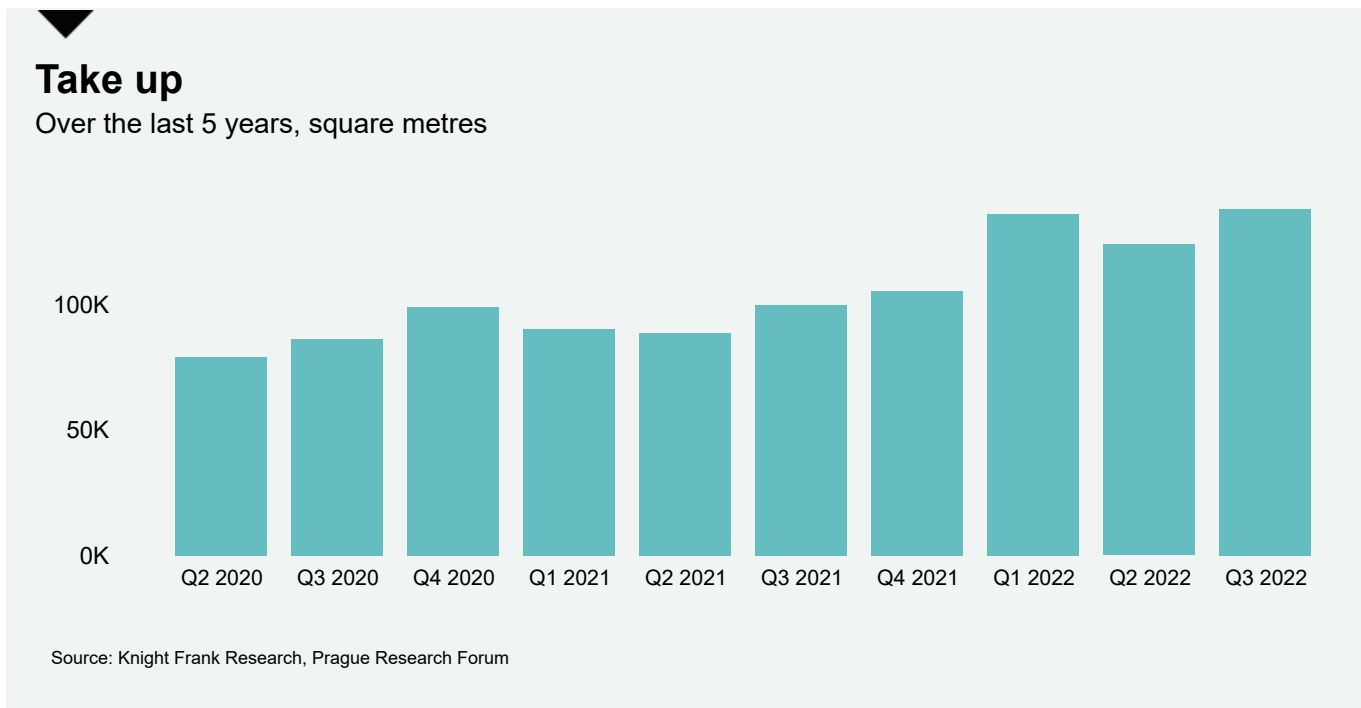
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# Prague Office Market

Research, Q3 2022

## OCCUPIER MARKET HEADLINE FIGURES

TAKE UP		VACANCY RATE		PRIME RENT	
137,749	38.2%	8.1%	7.6%	€ 306	15.9%
SQM	YOY CHANGE	RATE	2.5 YR AVERAGE	RENT (PSQM)	YOY CHANGE



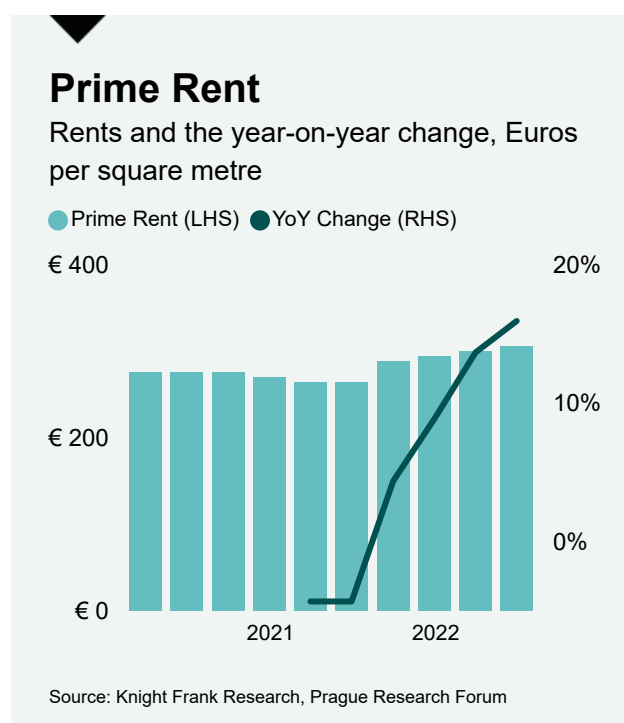
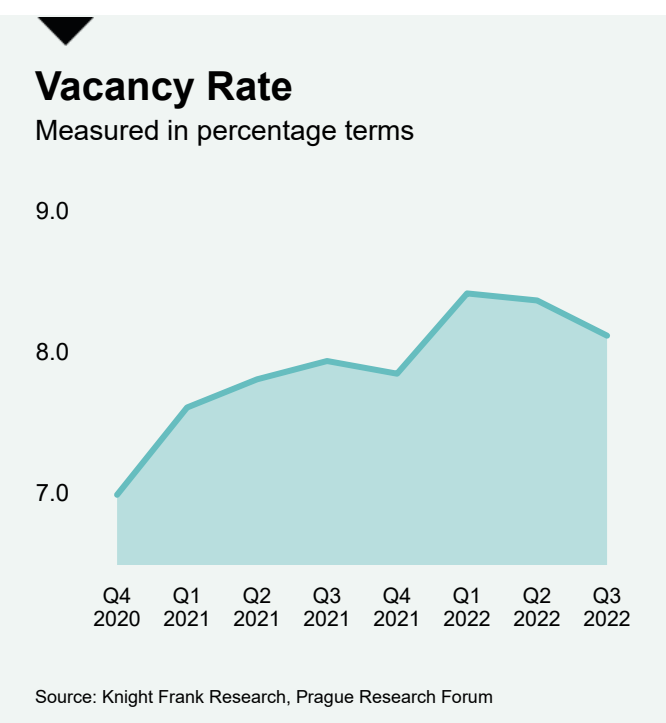
## OCCUPIER HEADLINES

Despite the apparent slowdown in the office leasing market, the vacancy rate decreased by 20 bps quarter on quarter.

Growing construction costs put upward pressure on rental growth, which we are seeing particularly in newly built properties.

Three smaller properties were completed during Q3 2022 with GLA of 18,200 sqm in total, bringing total office stock in Prague to 3.8 million sqm. An additional 191,300 sqm of modern office space was under construction.

The economic uncertainty forces companies to reconsider their occupational strategies and they are trying to renegotiate their leases with shorter lease terms which was previously unseen in the market.



## ECONOMIC INDICATORS

### Mobility in Workplaces in Prague

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



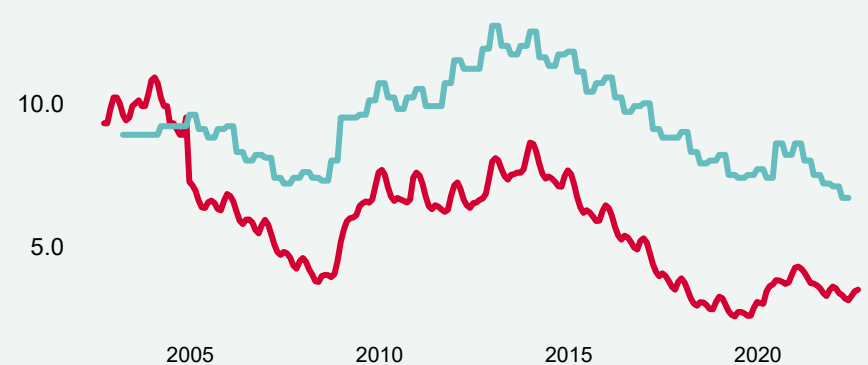
Source: Google Mobility

Workplace mobility is weakening and remains below the levels seen in spring as the number of Covid-19 cases is accelerating.

### Unemployment Rate in Czech Republic

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

● Czech Republic ● Euro Area



Source: Eurostat/ Czech Ministry of Labor & Social Affairs

The unemployment rate has been rising over the last few months, albeit from a low level reflecting the deteriorating economic environment.

### Employment Expectations in the Service Sector in Czech Republic

Over the next 3 months, %



Source: European Commission (DG ECFIN)

Amid the deteriorating labour market conditions, employment expectations are pointing down.

### Service Confidence Indicator in Czech Republic

Service Confidence Indicator, %



Source: European Commission

Service sector confidence is deteriorating as the sharp fall in real incomes due to high inflation is weighing on consumer spending.

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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