

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



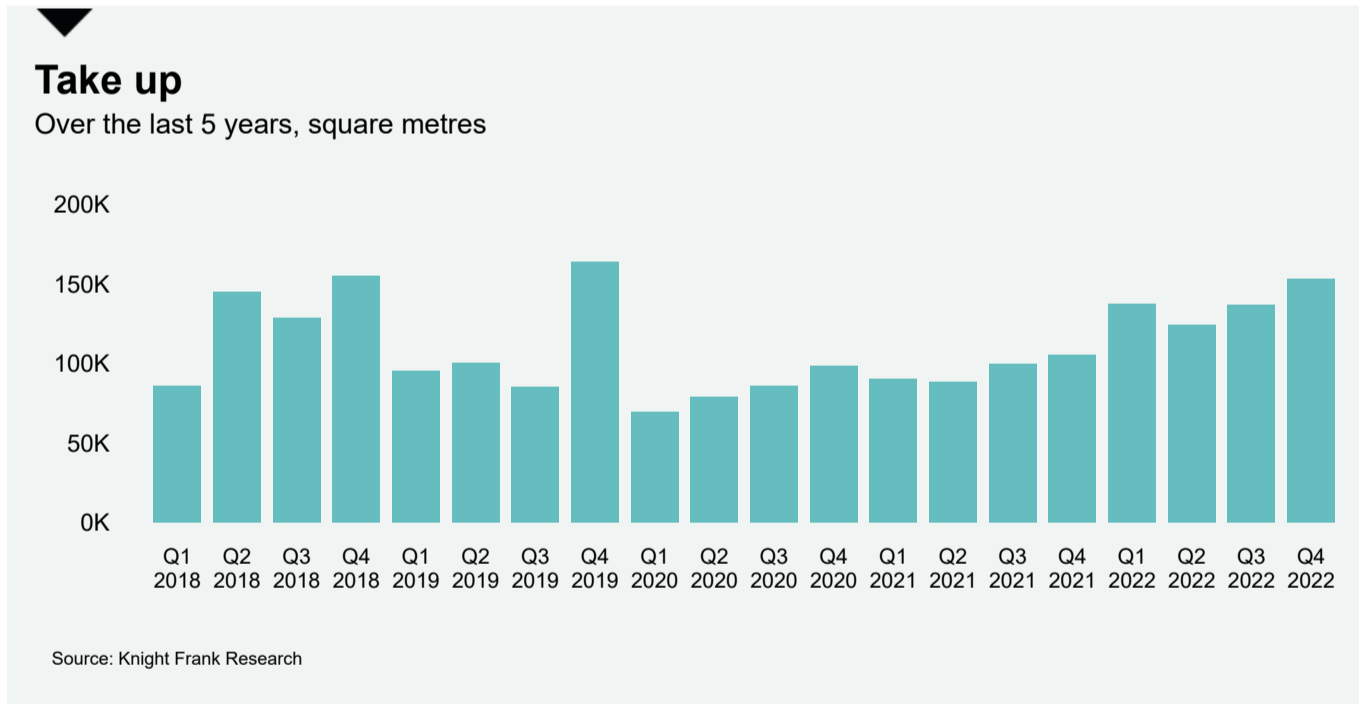
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# Prague Office Market

Research, Q4 2022

## OCCUPIER MARKET HEADLINE FIGURES

TAKE UP		VACANCY RATE		PRIME RENT	
<b>153,192</b>	<b>45.6%</b>	<b>7.7%</b>	<b>6.6%</b>	<b>€ 318</b>	<b>10.4%</b>
SQM	YOY CHANGE	RATE	5 YR AVERAGE	RENT (PSQM)	YOY CHANGE

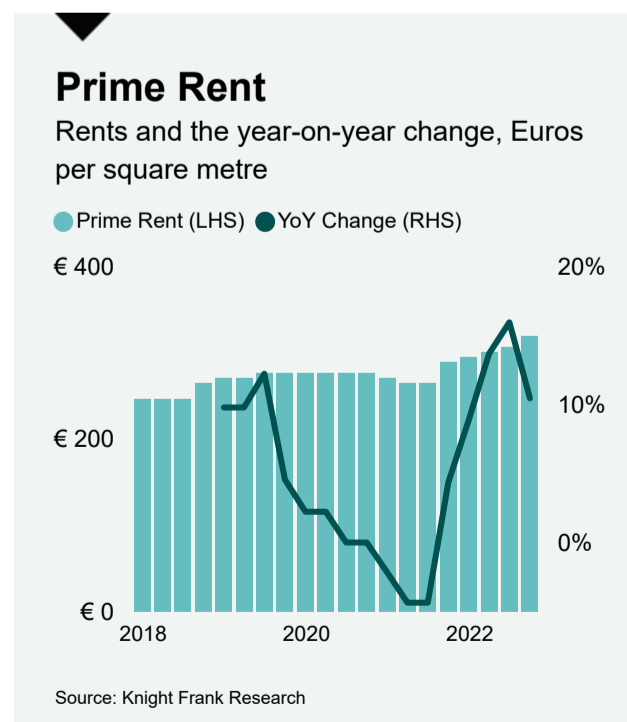
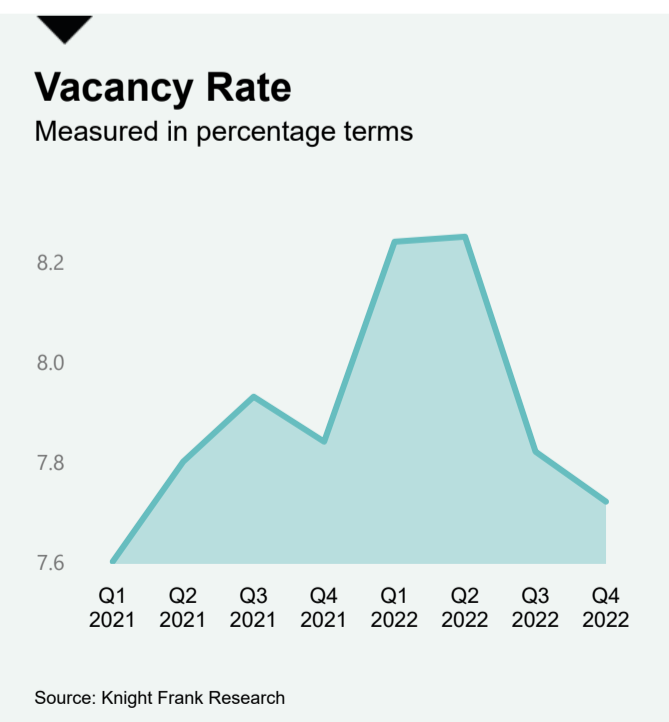


## OCCUPIER HEADLINES

In the fourth quarter of 2022, 153,192 sqm of take-up were recorded in the Prague office market, bringing total take-up for the year to 551,488 sqm. This is the highest this figure has been in 10 years, and points to a strong recovery of the office market after challenges during the pandemic. Despite this, the environment of increased uncertainty is preventing many occupiers from being willing to make relocation decisions - as such, renegotiations accounted for the largest share of take-up.

The vacancy rate ticked downward to 7.7% in Q4, compressed in part by low construction completion figures throughout the year.

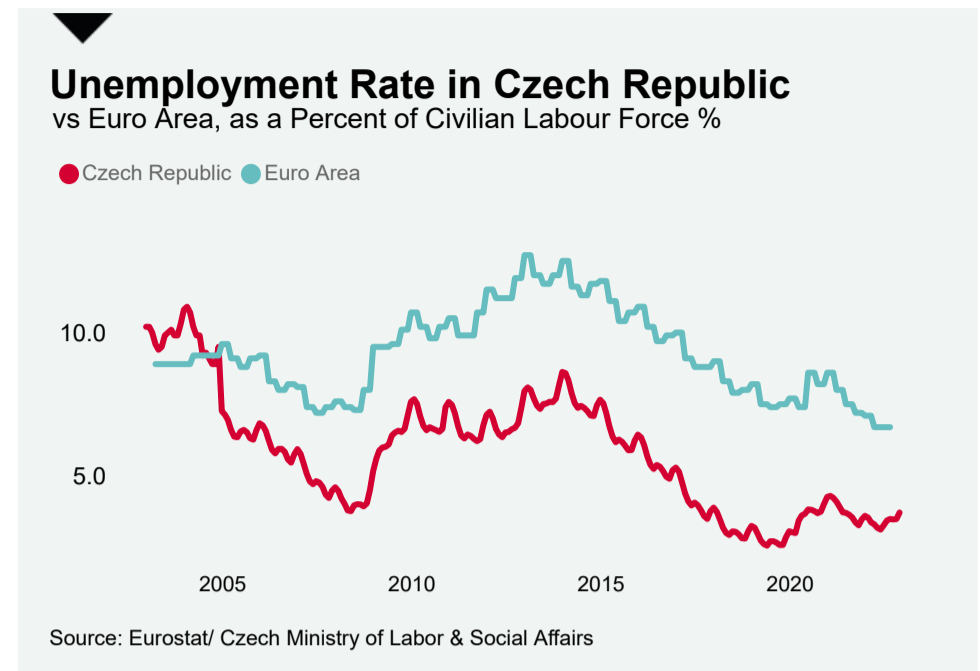
Prime rental growth continues as the demand for top-quality space persists, climbing to € 318 psqm per annum. This represents a 10.4% increase from Q4 2021. Average rents have not demonstrated the same trend, indicating that the gap in perceived value between prime and B class product has widened.



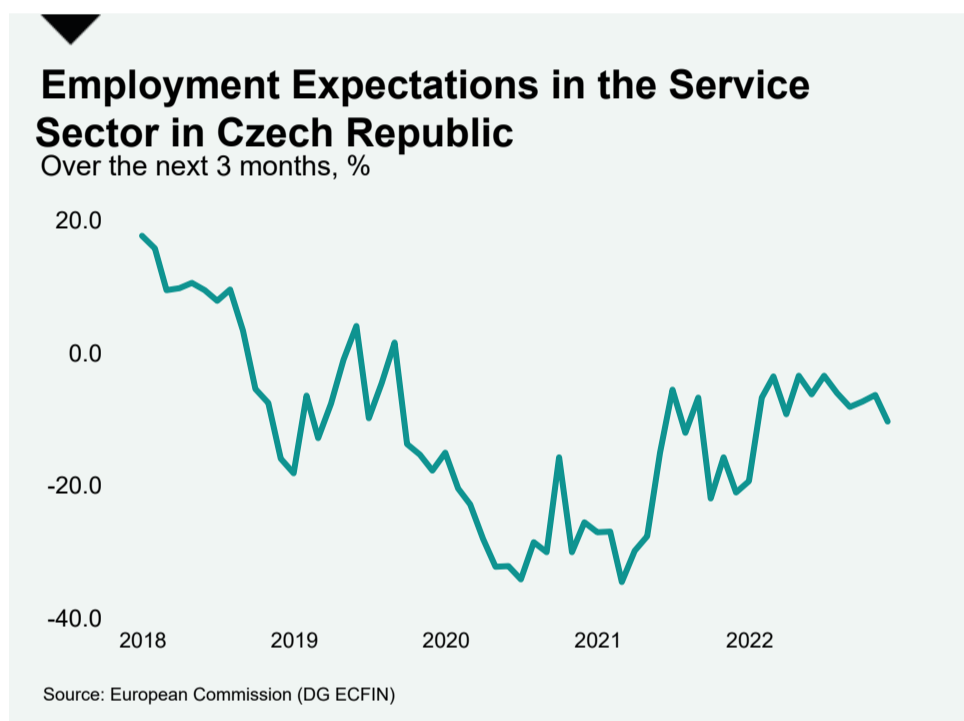
## ECONOMIC INDICATORS



The number of unfilled job vacancies in the Czech Republic has been falling in 2022 as the pace of hiring demand slows amid economic uncertainty.



The unemployment rate in the Czech Republic remains the lowest in the Euro Area. Despite increasing throughout the second half of the year to its highest level for the year in December at 3.7%, it is still well below the ten-year average of 4.8%. It is expected to continue to increase into 2023, likely peaking in Q2.



Amid the anticipated labour market conditions, service sector employment expectations continued to tick downwards in Q4 2022.



Service sector confidence has held steady in Q4 after deteriorating in Q3 due to high inflation 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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