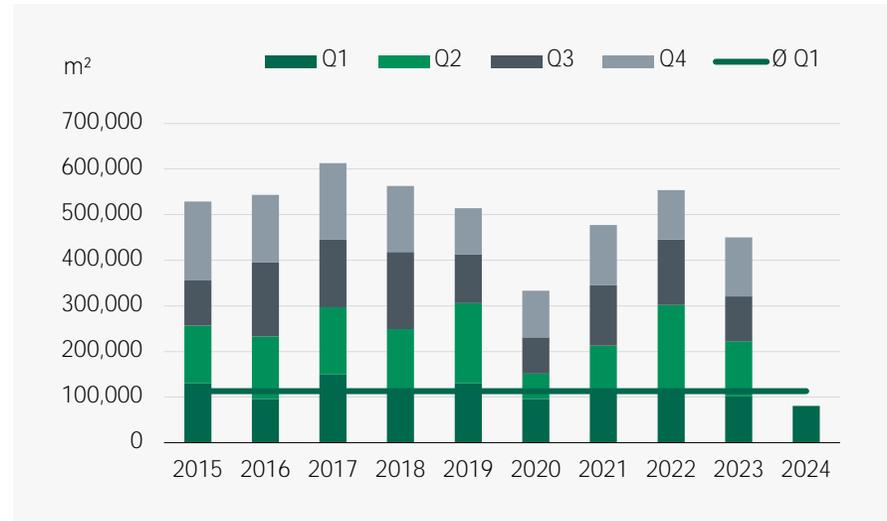


REPORT OFFICE MARKET

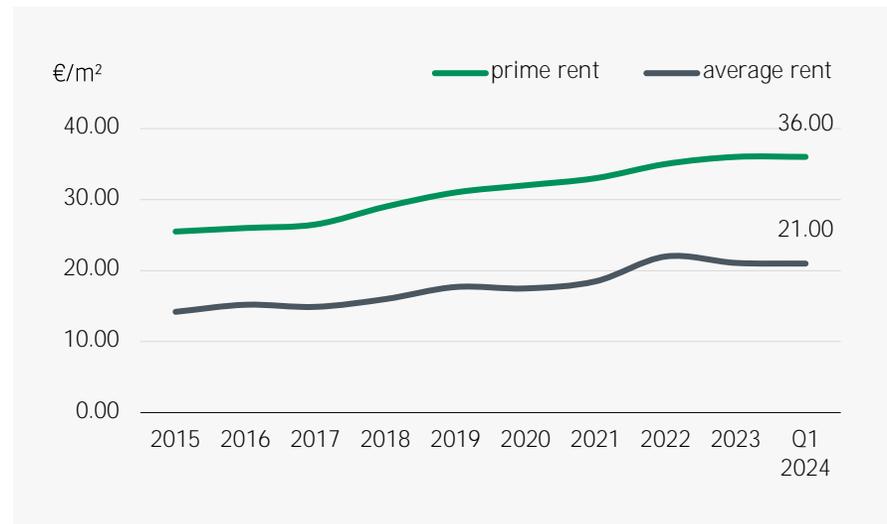
HAMBURG

Q1 2024

Development of take-up



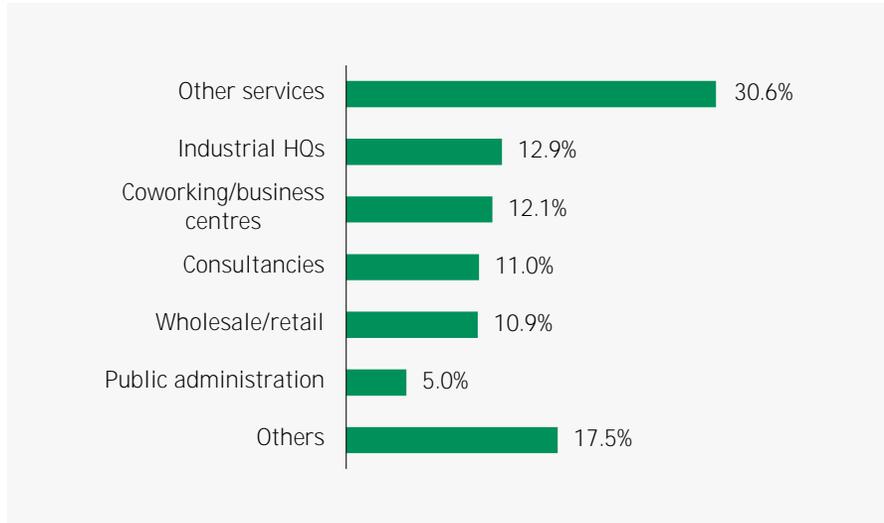
Prime and average rents



NO LARGE-SIZE LETTINGS IN THE FIRST QUARTER

- The Hamburg office market got off to a comparatively subdued start to the year. At the end of the first quarter, take-up totaled only 81,000 m², which was almost 21% below the previous year's result and 28% below the long-term average.
- One of the main factors behind the below-average result is the continuing tense overall economic situation, which is causing large users in particular to adopt a more cautious stance regarding strategic letting decisions.
- A look at the distribution of take-up across the individual size categories shows that the low overall result is primarily due to the lack of deals above the 5,000 m² mark. While this segment usually accounts for around a quarter of take-up, it is currently only around 7%. There is only one contract behind this figure; the letting of 5,600 m² by a consultancy firm in the HafenCity submarket. Meanwhile, the letting momentum in the other size segments was largely stable.
- High-quality space in prime locations is and remains in demand, which is underlined by an increase in prime rents in a 12-month comparison. It currently quotes at €36.00/m² (+3% compared to the previous year). The generally more volatile average rent, on the other hand, remains stable, standing at €21.00/m².

Take-up by sector Q1 2024



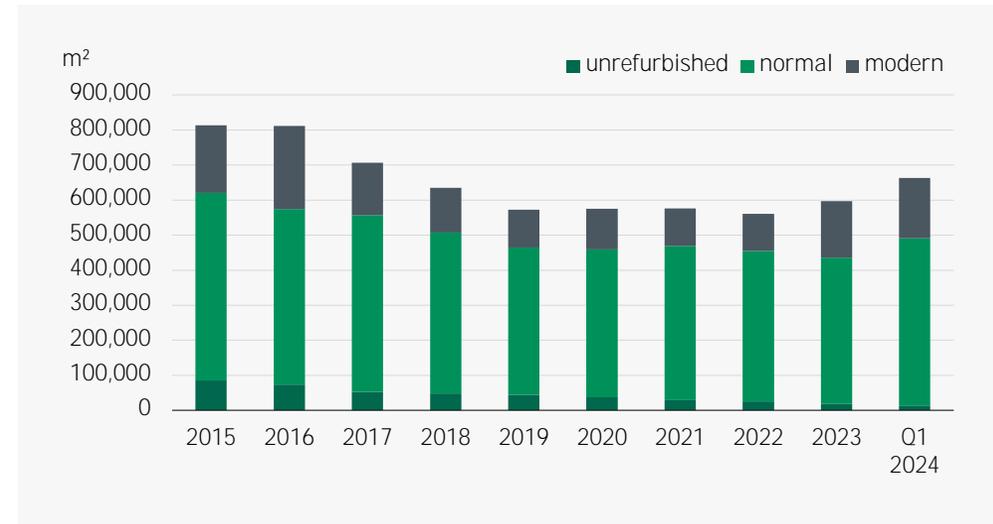
SERVICES CLEARLY IN THE LEAD

- Hamburg's economy is characterized by its broad mix of sectors. This diversity is also reflected in the analysis of take-up by sector. After the first three months, a good 31% of take-up was accounted for by the collective category of other services. It is worth noting that the coworking sector achieved a significantly above-average result of 12%, accounting for the second-largest contract with 1000 satellites in the Speicher M27 in HafenCity. In contrast, the public administration sector performed noticeably below average with only 5%.
- The vacancy volume has risen again in the last three months of the current year by 11%. Vacancies therefore currently total 663,000 m². Of this total, only 172,000 m² (26%) has modern fit-out quality, which is in particularly high demand on the market. At 4.6%, the vacancy rate for the overall market remains below the fluctuation reserve.

Major contracts Q1 2024

Sub-market	Company	m ²
1.3	Consultancies	5,600
1.3	1000 Satellites	4,000
3.6	IPARTMENT	3,800
2.5	Other services	3,500
3.3	Public health department Altona	3,500
3.7	Freudenberg Industrial Services	3,200

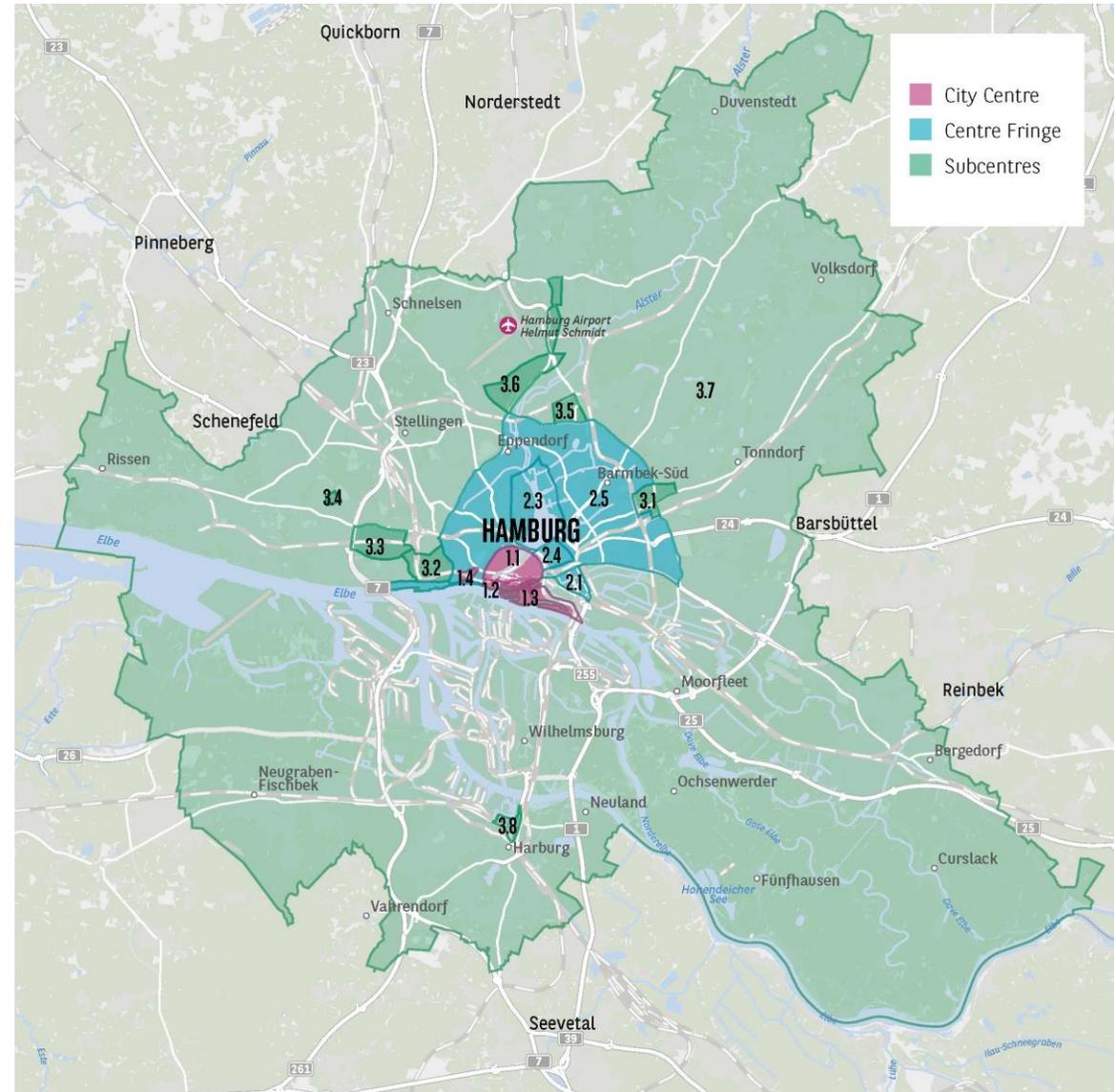
Development of vacant space



OUTLOOK

- The Hamburg office market started 2024 with a rather subdued result and was therefore unable to match the dynamic letting activity of the previous year. It is primarily the lack of large-scale contracts that had a dampening effect on the Q1 result. To date, only one contract above the 5,000 m² mark has been signed. In addition, the trend towards a reduction in space for new lettings is also reflected in the current result.
- Demand for modern, high-quality office space in particular with good transport links and ESG compliance remains high despite the weaker economic situation.
- On the supply side, a further increase in vacancies is the most likely scenario over the course of 2024, although construction activity is likely to stabilize at a significantly lower level than in previous years.
- In anticipation of a slowly accelerating economy, a revival in letting activity is likely over the course of the year. A slight increase in prime rents cannot be ruled out in view of the high demand for premium space.

Office submarkets Hamburg



Key indicators office market Hamburg

	PRIME RENT* (€/m²)		TAKE-UP (m²)	VACANT SPACE (m²)			SPACE UNDER CONSTRUCTION (m²)		SPACE ON OFFER (m²)	
	from	to	Q1 2024	total	modern	of this, since completion	total	available	available	projected
Submarkets**	1		2	3	4	5	6	7	8 = (3 + 7)	9
1 City Centre										
1.1 City Centre		36.00	14,500	125,000	66,000	5,500	77,000	48,600	173,600	150,200
1.2 Eastern Harbour Fringe		31.00	500	6,500	0	0	0	0	6,500	0
1.3 HafenCity		34.50	17,000	29,500	9,500	6,500	54,000	27,900	57,400	94,800
1.4 Western City Fringe - St. Pauli		24.50	1,500	12,000	11,500	0	9,300	0	0	12,000
2 Centre Fringe	17.50 -	28.00	22,000	216,000	60,500	2,500	101,000	51,700	267,700	311,300
3 Subcentres	12.50 -	20.50	25,500	274,000	24,500	5,500	102,700	41,800	315,800	300,700
Total			81,000	663,000	172,000	20,000	344,000	170,000	821,000	869,000

* The prime rent given applies to market segment of 3-5 % in each case.

** The relevant submarket can be found on our website under „Research“.

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