In the first three quarters of this year, the Hamburg investment market generated a transaction volume of close to 2.50 bn €. Apart from 2007, this was the best result ever. It bettered the prior-year total by a handsome 43 % and the ten-year average by nearly 37 %. Although portfolio sales, included on a pro rata basis, made a considerable contribution, accounting for over 15 % of all investment, the substantial increase in the overall volume was due primarily to single deals – and with a total of more than 2.1 bn € they actually produced an even higher result than in 2007. The biggest deals up to now involved the two office properties Tanzende Türme (Dancing Towers) (165 m €) and Atlantic Haus (130 m €) in St. Pauli. Altogether, the number of sales – more than 110 – was very high, in fact higher than in any other city. The average volume per deal has risen to 22.1 m €.

The distribution of the investment volume according to size classes is topped by the mid-range segment of between 25 and 50 m €, with a share of slightly more than 29 %. This put that bracket ahead of the large-volume deals. So far this year, there have been five transactions in the triple-digit range, and together these accounted for one quarter of the aggregate result. In the same period last year, there were only two deals in this size bracket. Underlining the generally lively and broadly based market activity is the fact that the absolute volume in the two bottom categories has also risen.

Office properties have generated a share of about 21 %, much the same as last year. This segment suffers mainly from a shortage of suitable large-unit products. In third place come hotels (9 %), closely followed by logistics complexes (8 %). It is notable that in absolute terms, all the asset classes bettered their prior-year performances.
Where the geographical spread of investment is concerned, the three categories City Centre, Centre Fringe and subcentres are closer together than they were in the comparable period in 2013. The Centre Fringe has moved up into top place with over 35 %, relegating last year’s clear-cut leaders, the City Centre precincts, into second place (nearly 33 %). The subcentres accounted for the largest number of sales, giving them a high volume once again and third place with just under 28 %.

By the end of September, special-purpose funds had already invested more than half a billion euros in Hamburg, giving them over 22 % of all turnover and putting them out in front of the other investor groupings. Next come pension funds with over 15 %, achieved with just a few but large-scale purchases. Equity/real estate funds are responsible for a further 12 % of investment. Project developers have generated nearly 10 % by securing a number of development sites and properties offering conversion potential. Then, with around 8 % each, come corporates, open-ended funds and private investors. The proportion of the total spent by foreign market players has risen again quite substantially, to nearly 45 %, representing investment of over 1.1 bn €.

In view of the tough competition for core properties, the net prime yield for office buildings slipped slightly further in the third quarter. At 4.50 %, it is now 20 basis points below its prior-year level, taking it down to the historic low of mid-2007. The top yield for retail/office assets has continued to firm up at the low level of 4.10 %. The prime yield for logistics complexes, on the other hand, has eased further, to 6.30 %, 30 basis points down on the figure posted a year ago.

The Hamburg investment market has so far turned in an excellent performance, with a result exceeded only by Berlin (2.70 bn €) and Munich (3.47 bn €). Up to the end of the year, the dynamic development of the past quarters is actually set to intensify somewhat, thus producing a very high transaction volume. Thanks in particular to the sale of further assets in the three-figure million range, it should prove possible to pass the 3.5 bn € mark. Since prime yields are already very low, they will now probably initially firm up at this level.