

G&B Real Estate Market Survey

Commercial | Investment

2022/Q1

Hamburg



Photo: © Grossmann & Berger GmbH



Record result thanks to outlier trade

The volume of transactions in Hamburg commercial real estate totalled €1.9bn at the end of the 1st quarter, the highest figure ever recorded for a first quarter and some 171% higher than the prior year. However, this high volume of trading is not an accurate reflection of the market at present and most of the result was generated by an outlier trade, namely the take-over of the alstria office REIT AG by Brookfield Properties from North America. More than 30 properties in this portfolio are located in Hamburg and these comprised some €1.5bn of the total traded. Without this portfolio sale, the year would have started with a result 37% below the same quarter of the year before.

It is too soon to make any predictions

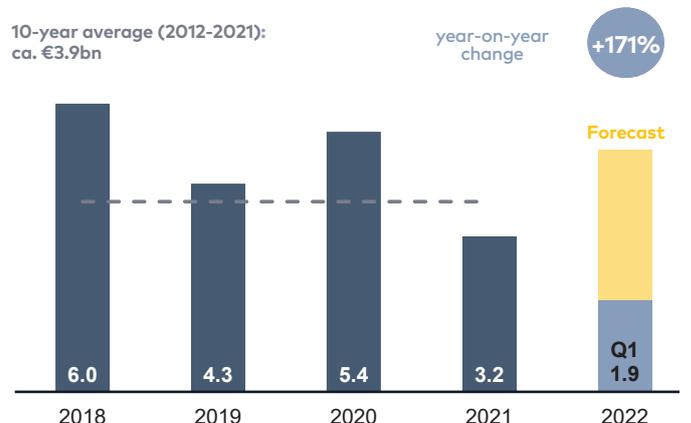
There is still very strong investor demand. ESG-compliant core real estate is increasingly moving to the top of the list. Yields remain under pressure due to the volume of demand. Prime yields on industrial and logistics properties slipped quite noticeably, dropping 0.6 percentage points year on year to 3.3%. Prime yields on office properties were also slightly lower, dropping 0.1 percentage points to settle at 2.6%. Commercial buildings remained stable at 2.7%. It is not yet possible to assess the impact of rising interest rates, the ongoing pandemic and, above all, of Russia's attack on Ukraine, but these factors could be a negative influence depressing the volume of transactions and banks' willingness to lend money. Based on transactions currently in the pipeline for 2022, the transaction volume for the year is expected to total around €5bn.

Sandra Ludwig | Managing director

>> At present there are many products on the market and the transaction pipeline is already well filled. Some big-ticket office trades are scheduled for completion in the second quarter. Demand, especially for ESG-compliant core real estate, remains high, despite the political question marks raised by the Ukraine war. However, over the course of the year rising interest rates are likely to affect the prices buyers will pay and act as a brake on the rally. <<

Transaction volume

2018–2022 | Hamburg | in € bn



Source: Grossmann & Berger GmbH



Commercial Investment

Hamburg | Key Facts

2022/Q1



Photo: © Grossmann & Berger GmbH

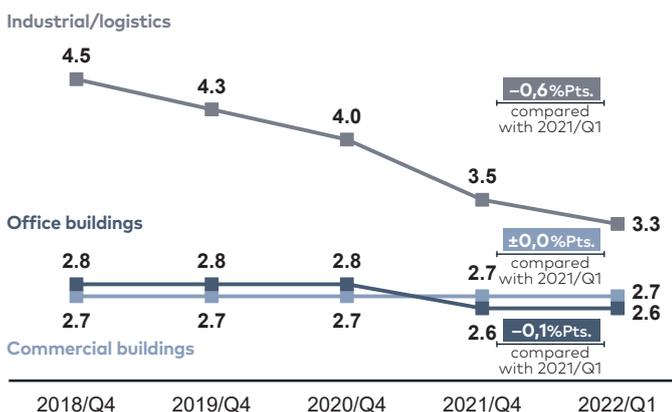
TOP
3

Top contracts 2022/Q1 | Hamburg | Selection

- Alstria Office Reit-AG | Office | ca. €1,500m**
Acquisition of shares | Investor: Brookfield Properties
- Property | Commercial | ca. €70m**
Seehafenstrasse | Harburg | Investor: Project developer
- "Peute Dock" | Industrial & Logistics | ca. €45m**
Oberwerder Damm | Hamburg East | Investor: Real Estate AG

Prime yields

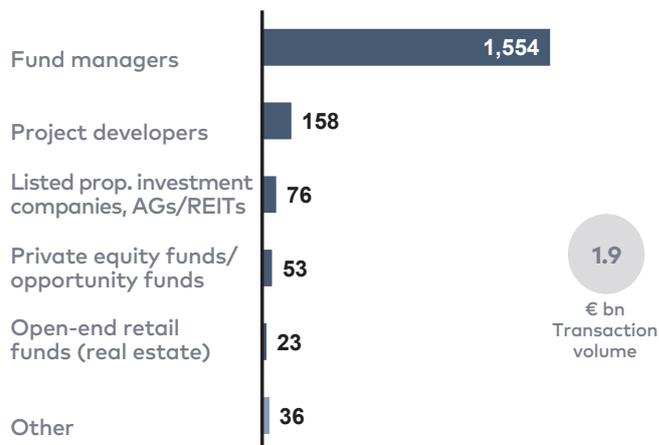
2018–2022/Q1 | Hamburg | (Net) initial yield | in %



Source: Grossmann & Berger GmbH

Investor groups

2022/Q1 | Hamburg | Transaction volume | in € millions



1.9
€ bn
Transaction volume

Source: Grossmann & Berger GmbH



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We draw your attention to the fact that all statements made here are non-binding. Most of the information is based on third-party reports. The sole intention of this market survey is to provide general information for our clients.

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