

# G&B Real Estate Market Survey

Commercial | Investment

2022/Q1-4

Berlin



Photo: © Norbert Braun-unsplash.com



## Investment business concentrated in two sub-markets

The market for investment in commercial properties in Berlin was not immune to the macroeconomic climate and closed 2022 with a total transaction volume of some €7.8bn. The number and volume of trades fell by 26%. Transactions falling into the price category of > €100m accounted for a majority of the total traded (67%), as was the case a year before. Trailing a long way behind were properties traded for between €51m and €100m. These accounted for 16.5% of the transaction volume. The result for the year was higher than the ten-year average of €7.1bn but well below the 5-year average of €8.7bn.

Two sub-markets – Mitte (22.5%) and Tiergarten with Euro-pacity (14%) – posted double-digit shares of the transaction volume. This result was primarily due to sales of properties costing > €100m.

## Outlook

A return to stable parameters for calculating interest charges, construction costs and time-lines is likely towards the middle of the year; it should lead to more reliable processes and, in part, a market revival. The transaction volumes noted in the past and the speed of trading seen in the record years will, however, not be achieved. Overall, the property investment market will correlate strongly with overall economic developments and be sensitive to any recessionary or macroeconomic trends.

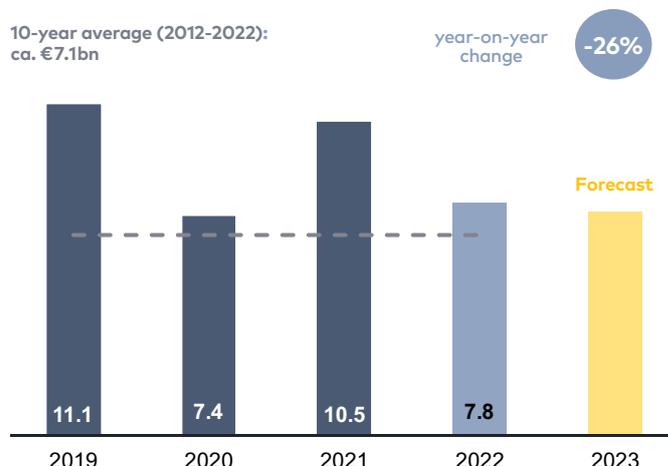
Based on the sales processes that were delayed or will have to be recommenced, we expect transactions for 2023 to total €7.5bn and forecast a continued rise in yields.

## Sandra Ludwig | Managing director

>> In particular, the reversal in interest rate policy has had a lasting impact. Many investors still do not have a reliable basis on which to assess the costs of buying property. <<

## Transaction volume

2019-2023 | Berlin | in € bn



Source: Grossmann & Berger GmbH

# Commercial Investment

Berlin | Key Facts

2022/Q1-4

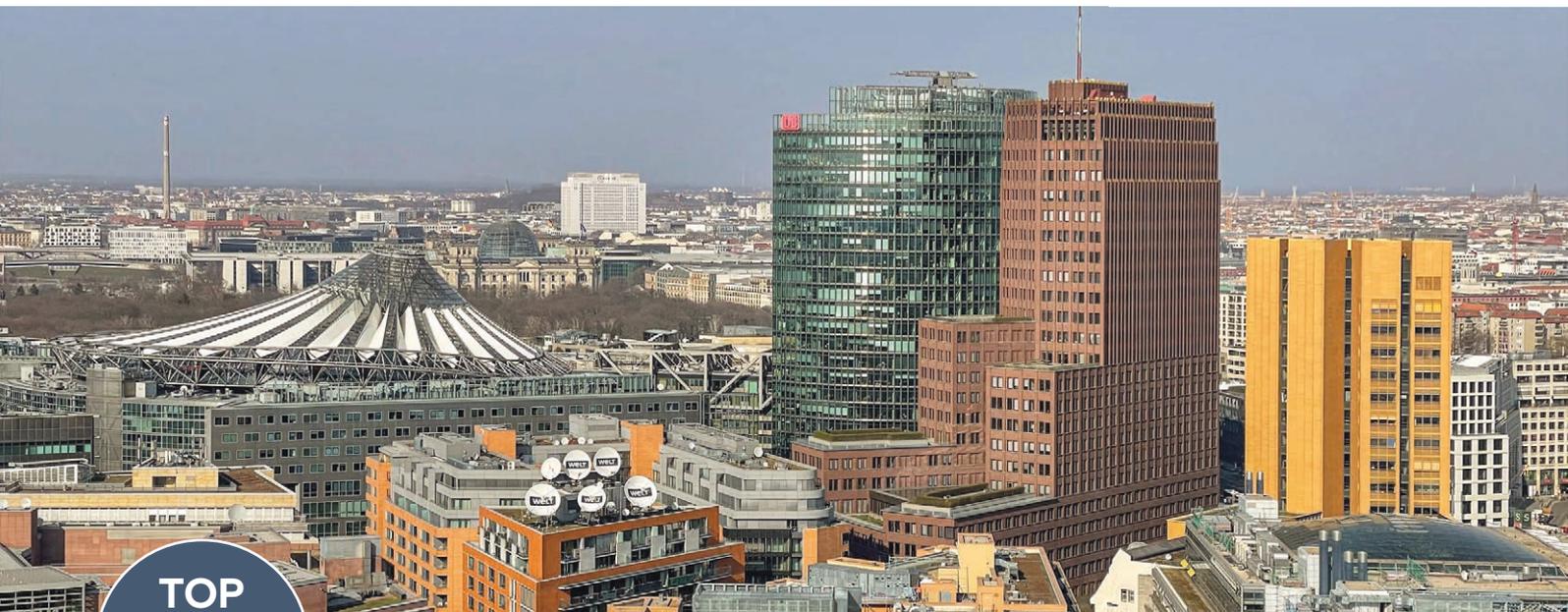


Photo: Grossmann & Berger GmbH

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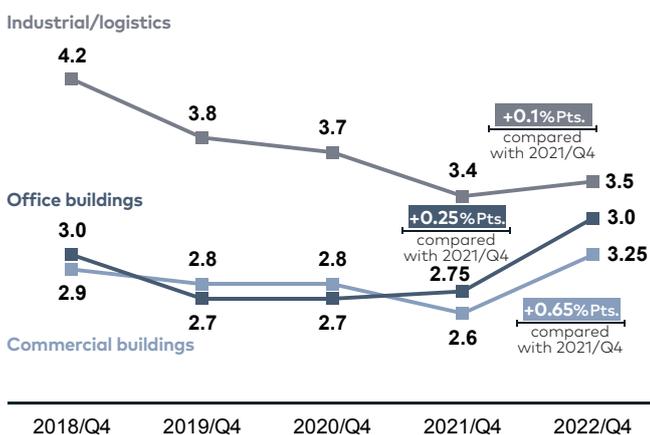
## Top contracts

2022/Q1-4 | Berlin | Selection

- 1 | „Sony Center“ | Office | ca. €677 m  
Potsdamer Platz 2 | Potsdamer/Leipziger Platz  
Investor: Norges Bank Investment Management/  
Norwegian Government Pension Fund Global
- 2 | „Voltair“ | Office | ca. €457 m  
Voltairestr. 2a | Mitte | Investor: Norges Bank Investment  
Management/Swiss Life Asset Managers
- 3 | „QH Core“ & „QH Spring“ | Office | ca. €456 m  
Heidestraße 5-6 | Hauptbahnhof, Europacity | Investor: Vivion
- 4 | „Techno Campus“ | Office | confidential  
Siemensdamm 59-63 | Peripherie West  
Investor: Axa Investment Managers Deutschland GmbH

## Prime yields

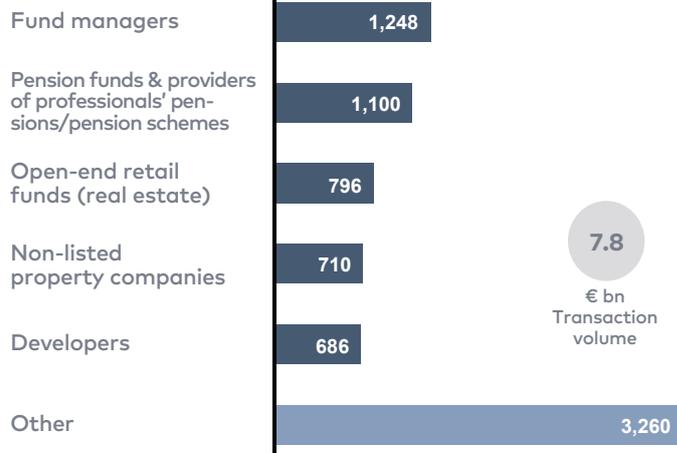
2018-2022/Q1-4 | Berlin | (Net) initial yield | in %



Source: Grossmann & Berger GmbH

## Investor groups

2022/Q1-4 | Berlin | Transaction volume | in € millions



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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