

G&B Real Estate Market Survey

Commercial | Investment

2024/Q1

Hamburg



Photo: © Grossmann & Berger GmbH



Investment market starts with an upswing

The new year saw an upswing in investment activity on the market for commercial properties in Hamburg. The transaction volume totalled some €370m in the first quarter, rising 118% above the prior year's figure. However, this enormous increase owed much to the exceptionally weak result a year ago. Overall, only a few transactions were completed, because there is still no generally accepted price level.

Industrial and logistics properties lead the way

At the end of the 1st quarter, industrial and logistics real estate accounted for some 44% of the transaction volume and thus ousted office properties from the top of the list of preferred assets. The most far-reaching process of reassessing prices is in relation to office buildings, which many investors thus consider too risky at present. Therefore this segment of the market is treated with greater caution. Both the volume of transactions and the prime yields reflect this situation, with yields on these two types of asset settling at the same level. Office real estate accounted for some 40% of the market.

Growing willingness to invest

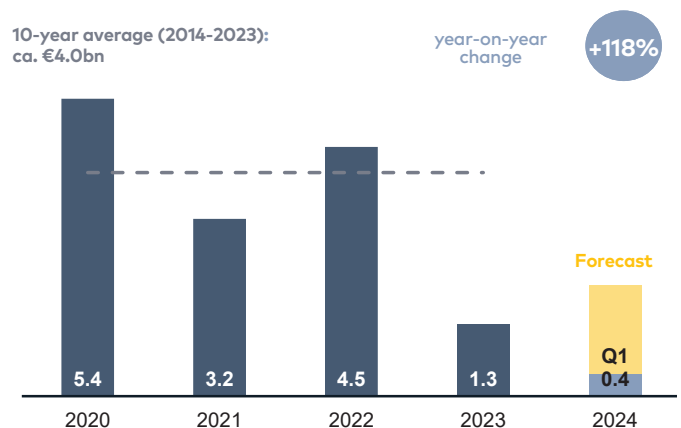
In general, it is apparent that some investors are becoming more willing to invest and more purchases are being made. In expectation of lower interest rates, we thus believe there will be a moderate increase in investment activity as the year progresses. The market offers very good opportunities to cash-rich buyers who can take advantage of the lower prices. Office real estate in good locations at prices that reflect the new reality are arousing the growing interest of investors.

Andreas Rehberg | Management Board Spokesperson

>> As yet, there has been no sustainable revival of investment activity. In many cases there was too big a gap between the seller's asking price and what a buyer was prepared to pay. However, we do notice that things are starting to change on the market. Many investors are now more active and waiting for their opportunity. A potential reduction in interest rates during the year could provide further impetus and boost the number of transactions. <<

Transaction volume

2020–2024 | Hamburg | in € bn



Source: Grossmann & Berger GmbH

Commercial Investment

Hamburg | Key Facts

2024/Q1



Photo: © Grossmann & Berger GmbH

TOP
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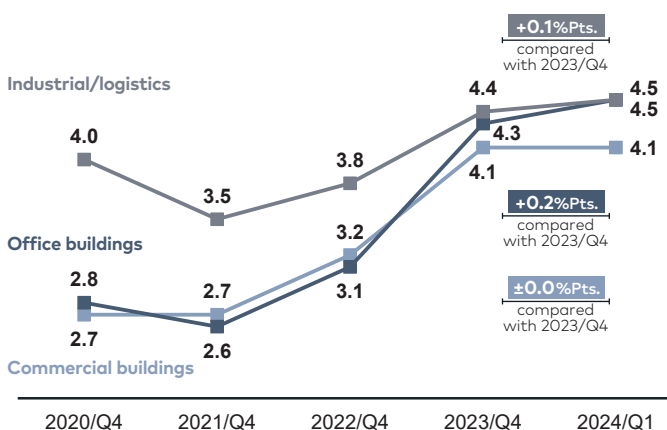
Top contracts

2024/Q1 | Hamburg | Selection

- 1 | Logistics centre | Industrial & Logistics | ca. €50m**
Vollhoefner Weiden 17 | Investor: Montea NV
- 2 | "Atrium Office" | Office | confidential**
Glockengiesserwall | City | Investor: Cells Group for state fund
- 3 | Office building | Office | ca. €37m**
Dornbusch 2-4 | City | Investor: Montano Real Estate

Prime yields

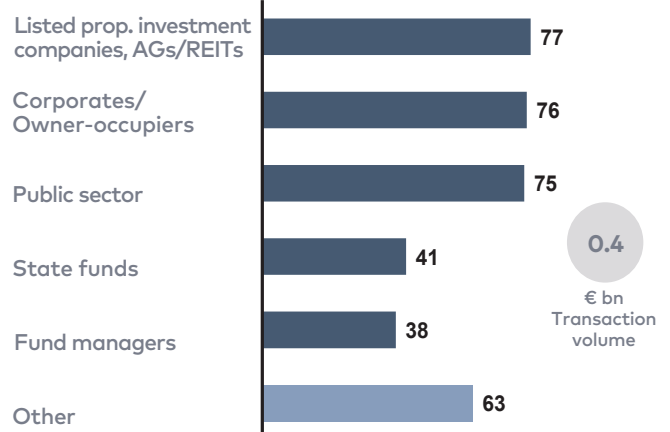
2020–2024/Q1 | Hamburg | (Net) initial yield | in %



Source: Grossmann & Berger GmbH

Investor groups

2024/Q1 | Hamburg | 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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