

G&B Real Estate Market Survey

Commercial | Office letting

2024/Q1

Hamburg



Photo: © Grossmann & Berger GmbH

Little demand for offices in the first quarter

There was very little demand for office space in the first quarter of the year and this is reflected in the low take-up figures. At around 85,000 m², take-up was lower than in any first quarter since 2012. Year on year, take-up slumped by 19%. In particular, the low number of large-volume agreements and the lack of construction starts for owner-occupiers contributed to the downturn. Over the course of the year, the market is likely to revive slightly as several large firms are still looking for premises in Hamburg. However, companies now take longer to reach a decision about renting space.

High premium rent remains stable

At the end of the quarter the premium rent was €34.50/m²/month and thus unchanged against the prior year. However, the weighted average rent softened slightly year on year, slipping by 0.5% to €20.90/m²/month. The average rent for the central sub-markets City and Hafencity fell during the same period by 3.2%.

Vacancy rate below five per cent

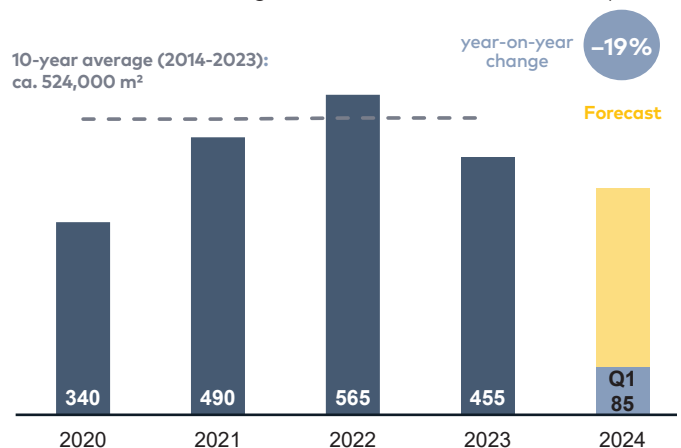
Year on year appreciably more office space is on the market. By the end of the 1st quarter the vacancy rate had risen to 4.9%. Within the past twelve months the amount of space available at short notice rose by about 24% to 698,900 m². During the year 2024 project completions will see some 47,000 m² of speculative new-build space added to the market. Overall, the completion of 38 construction projects in 2024 and 2025 will add around 381,000 m² to the total. 65% of this space has been pre-let.

Andreas Rehberg | Management Board Spokesperson

>> We are observing that users are far less prepared to make compromises when choosing their new offices. Potential tenants are seeking premises that meet as good as all the criteria in their catalogue of demands. Since considerably more office space has become available in Hamburg in recent months and there is thus a range of options, companies are inclined to spend more time examining offers than was the case a year ago. It now takes significantly longer to reach a tenancy agreement. <<

Take-up of space

2020–2024 | Hamburg | in 000s m² | incl. owner-occupiers



Source: Grossmann & Berger GmbH

Office letting

Hamburg | Key Facts

2024/Q1



Top contracts

2024/Q1 | Hamburg | Selection

- 1 | Confidential | ca. 5,600 m²
Confidential | CBD
- 2 | Confidential | ca. 3,600 m²
Confidential | Eppendorf
- 3 | Public sector | ca. 3,500 m²
"Marzipanfabrik" | Griegstraße 75 | Altona
- 4 | Freudenberg Industrial Services | ca. 3,200 m²
"Victoria Park" | Victoriaring | Hamburg East
- 5 | Skyborn Renewables | ca. 2,200 m²
"Ericus-Contor" | Ericusspitze 2-4 | HafenCity

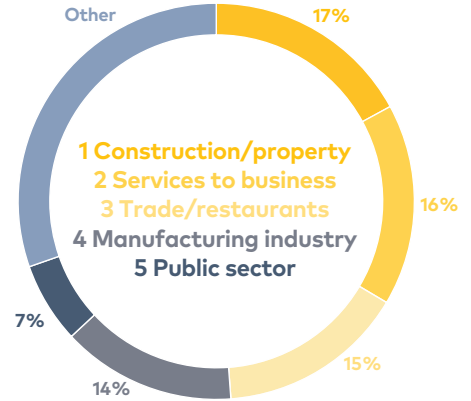
Highest-turnover sectors

2024/Q1 | Hamburg | Take-up of space by industry

Top 5 Industries

Take-up of space year-on-year change

- 1 | 14,500 m²
+48%
- 2 | 14,000 m²
+63%
- 3 | 13,000 m²
+44%
- 4 | 12,100 m²
+14%
- 5 | 5,600 m²
-32%



Source: Grossmann & Berger GmbH

Market outlook | Office

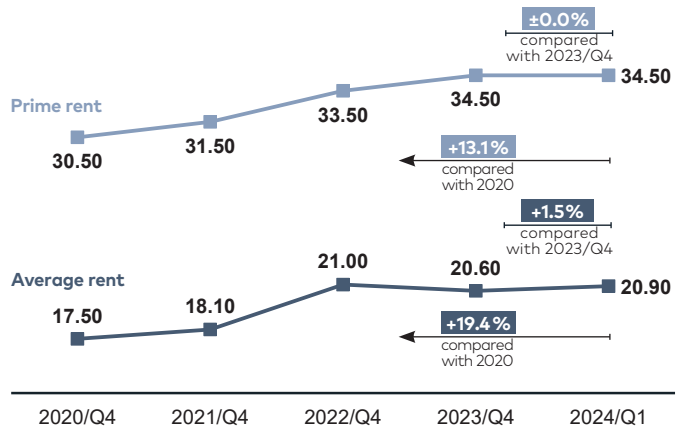
Economy proving slow to recover

Take-up of space: In view of the mediocre economic outlook, the mood on Hamburg's office-letting market is subdued. Moreover, companies still face uncertainty in view of the many geopolitical conflicts and their incalculable effects on the global economy. Despite a number of clients actively seeking new premises, the decline in take-up at the beginning of the year indicates that it will be a difficult year for the property-letting business. In 2024 take-up of office space in Hamburg could fall below the level seen in 2023.

Rents/Available space: Top rates are still being paid for attractive premises in good locations. It will become increasingly hard to find tenants for less centrally situated buildings, especially if these have quality deficits. Many of these properties are likely to remain empty for lengthy periods. As the year progresses, more space in the building stock will become available.

Office rents

2020-2024/Q1 | Hamburg | in €/m²/mth (net)



Source: Grossmann & Berger GmbH

Vacant space

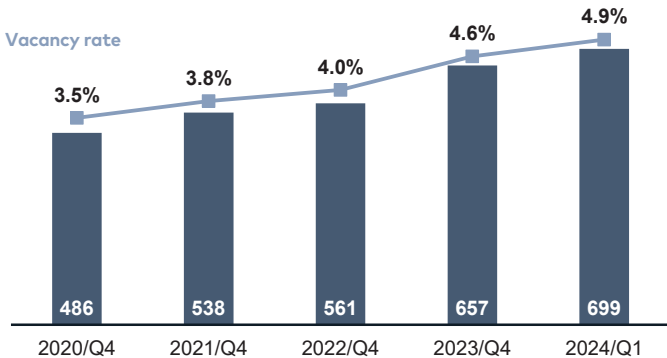
2020-2024/Q1 | Hamburg | in 000s m²

+6,4%

Vacancy volume

includes all office space that is available within six months

compared with 2023/Q4



Source: Grossmann & Berger GmbH

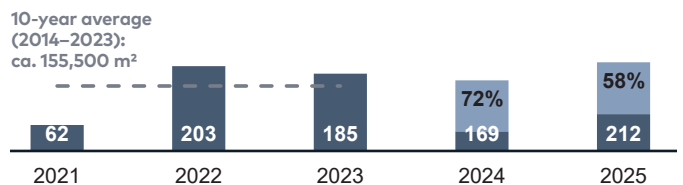
Completions

2021-2025 | Hamburg | in 000s m²

38

Projects 2024/2025

Pre-let rate

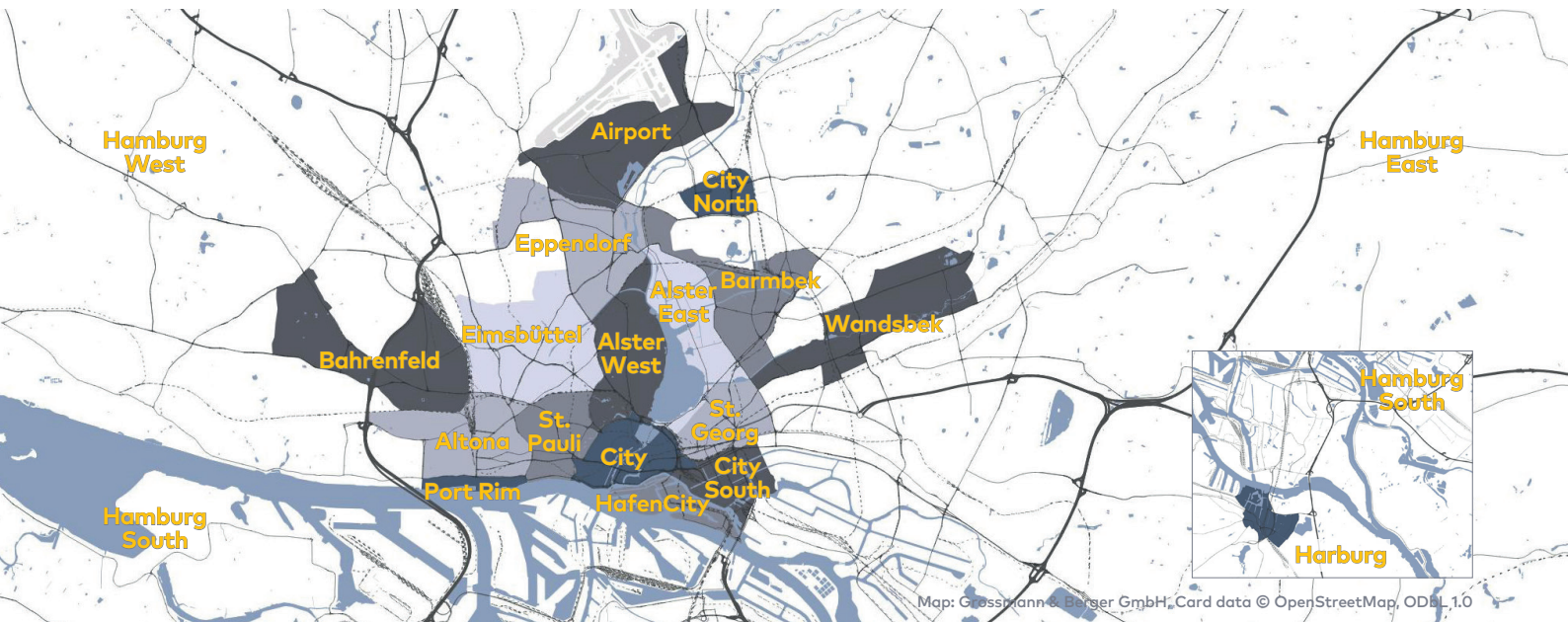


Source: Grossmann & Berger GmbH

Office letting

Hamburg | Office sub-markets

2024/Q1



Map: Grossmann & Berger GmbH, Card data © OpenStreetMap, ODL 1.0

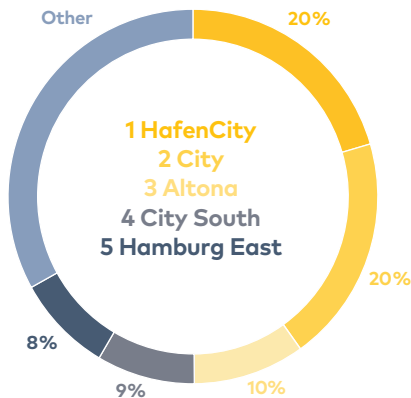
Hot Spots

2024/Q1 | Hamburg | distribution of space take-up

Top 5 Sub-markets

Take-up of space year-on-year change

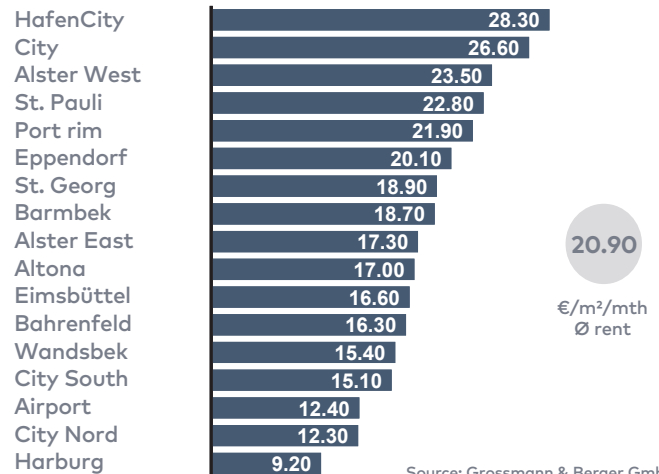
- 1 | 17,400 m² +112%
- 2 | 16,700 m² -30%
- 3 | 8,300 m² +361%
- 4 | 7,300 m² -58%
- 5 | 7,200 m² -19%



Source: Grossmann & Berger GmbH

Rent level

2024/Q1 | Hamburg | Ø Office rents | in €/m²/mth (net)



Source: Grossmann & Berger GmbH

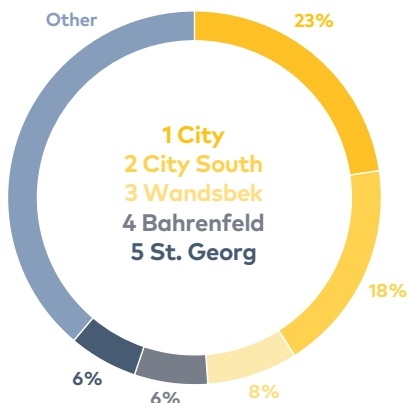
Availability of office premises

2024/Q1 | Hamburg | distribution of vacant space

Top 5 Sub-markets

Vacant space year-on-year change

- 1 | 158,100 m² +10%
- 2 | 127,600 m² +40%
- 3 | 54,800 m² +42%
- 4 | 44,200 m² +25%
- 5 | 41,600 m² +43%



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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