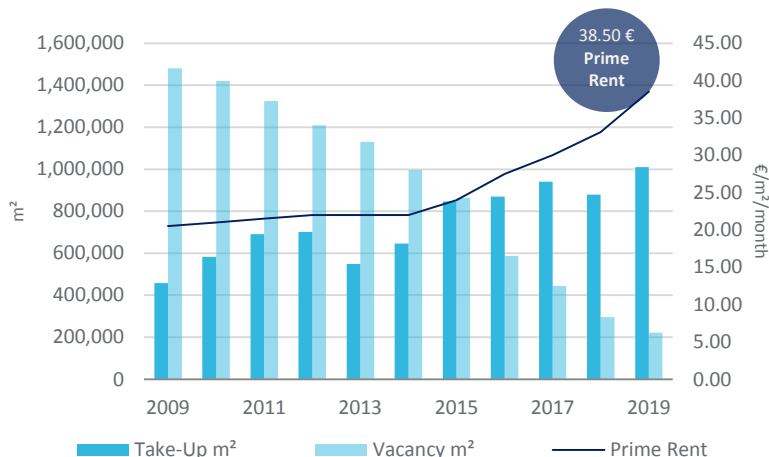


Take-Up, Vacancy and Prime Rent

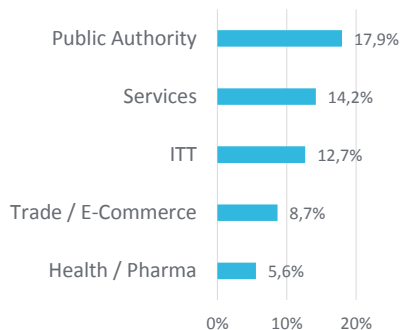


Take-Up	1,010,000m²
Vacancy	222,000m²
Vacancy Rate	1.2%
Completions	269,000m²
Under Construction	1,412,000m²
Prime Rent	38.50 €/m²/month
Average Rent	26.20 €/m²/month
Prime Yield (NIY)	2.65%

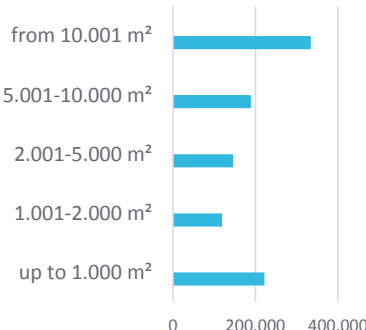
Market Area = State Berlin, Parts of Brandenburg (Airport Area)

Take-Up 2019 by:

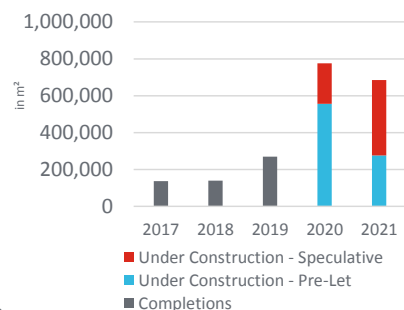
Industry



Size



Completions

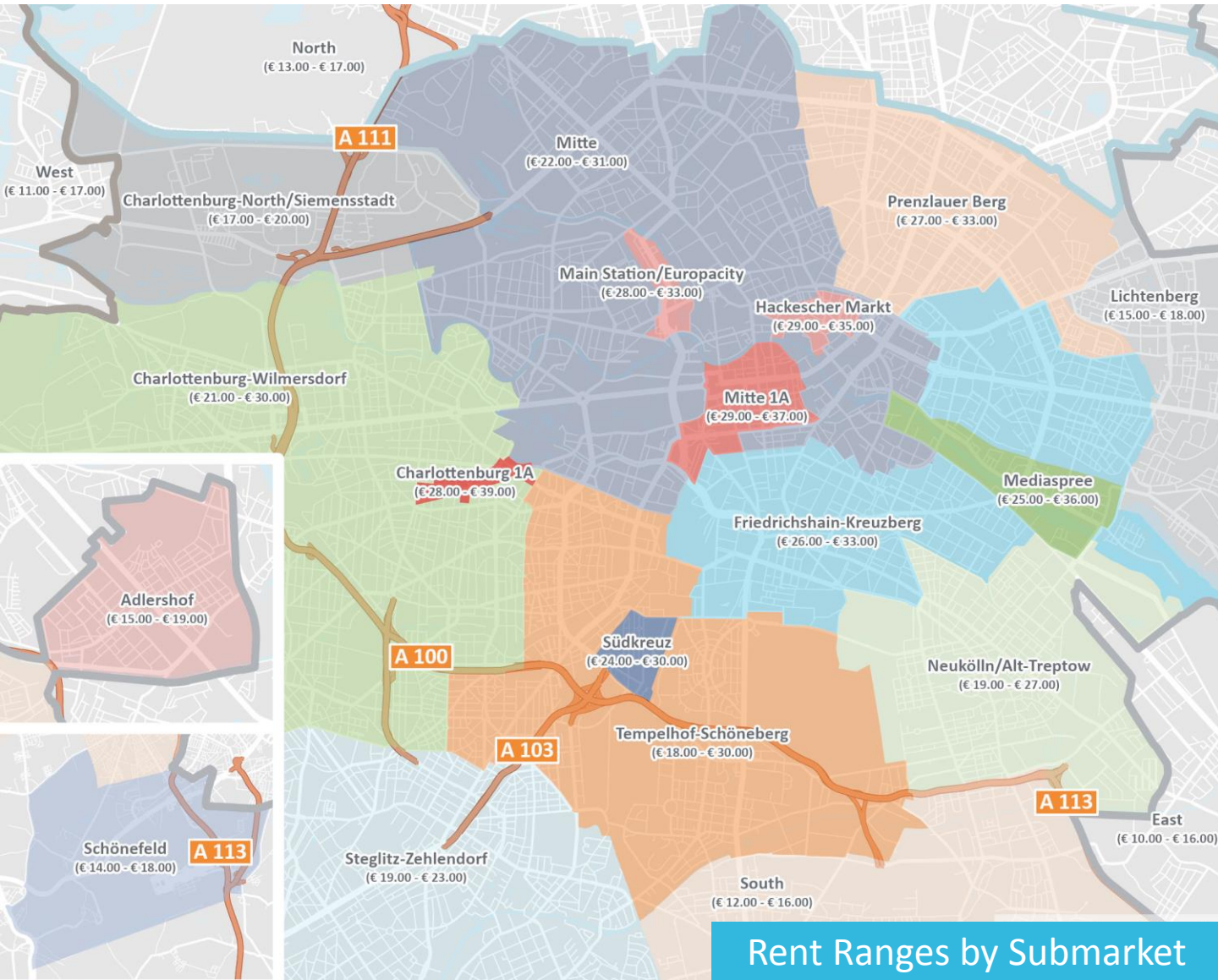


Overview

Although the vacancy rate was already below 2% at the beginning of 2019 and has fallen steadily since then, Berlin has achieved the almost impossible: The letting volume broke through the 1 million square metre mark for the first time. At 1.01 million m², the result is 41% above the 10-year average. Impressive alone were the 16 major contracts, each with more than 10,000m² of lettable space (in total: 334,100m²). In the absence of any alternative, the majority of these contracts were concluded in projects. Once again, the largest demand was from the public sector (6 contracts alone for 10,000m²). Rents rose rapidly in 2019. A plus of 16.3% is reported for the top rent and 20.7% for the average rent.

Berlin in Numbers

Inhabitants (12-2018)	3,644,800
Unemployment Rate (12-2019)	7.7% (Germany 4.9%)
Trade Tax Rate	410%



Rent Ranges by Submarket

Outlook

The charisma of the German capital will be unbroken in 2020. National and international companies appreciate Berlin's advantages and will continue to place Berlin at the top of their corporate strategy. As the result of a still growing German economy, the demand for office space will be above average. Although a high volume of 776,000m² is forecast for completion in 2020, there are no signs of a noticeable easing in the vacancy rate, as around 75% of newly built space has already been pre-let. Overall, however, the supply is increasing, with around 1.4 million m² of space currently under construction. This means that companies are increasingly being offered attractive space alternatives for further growth. Rents are likely to rise further until the vacancy increases significantly, albeit at a much slower pace.

Source: Thomas Daily, RCA, Federal Labour Office, Destatis, Avison Young

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