

LUXEMBOURG OFFICE MARKET

MARKET PRESENTATION – Q1 2021

RESEARCH
LUXEMBOURG | APRIL 2021



BNP PARIBAS
REAL ESTATE

Real Estate for a changing world

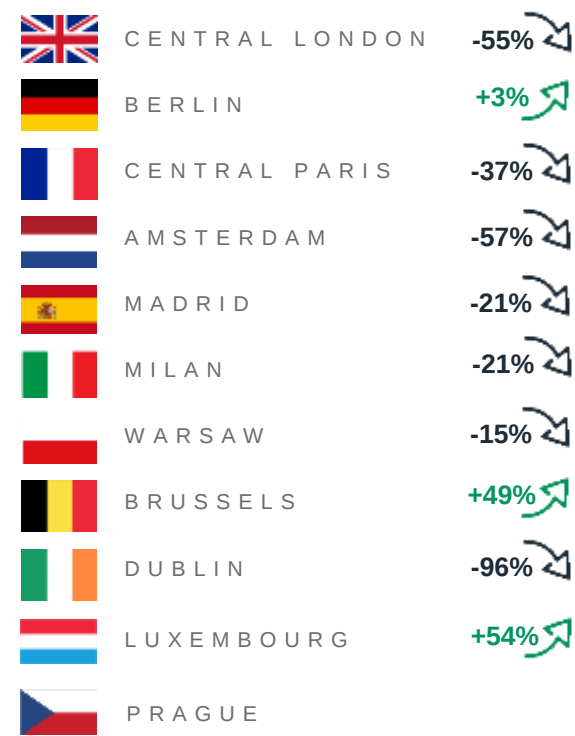
OCCUPIER MARKET

DYNAMIC YEAR

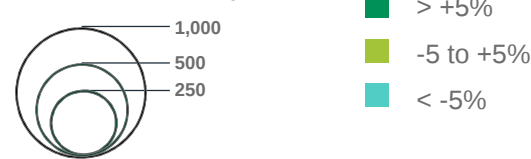
OFFICE TAKE-UP

EUROPEAN SNAPSHOT

2021 Q1 vs 2020 Q1



Deals in thousand sqm

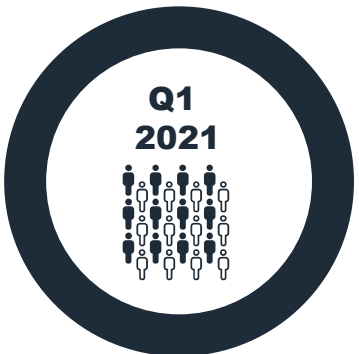
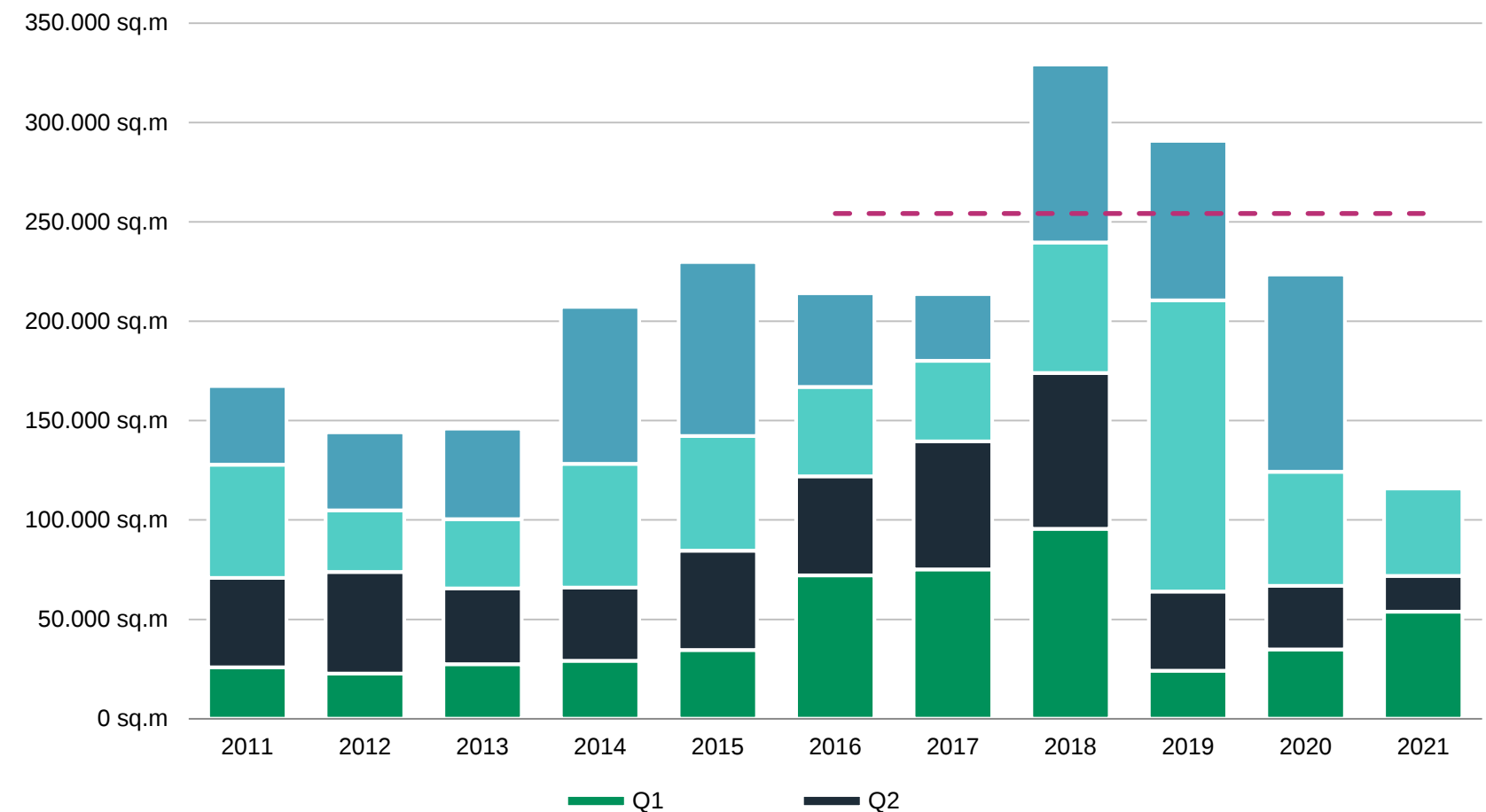


Significant fall in take-up

- Take-up at the end of Q1 2021 in Europe shrank 22% relative to 2020 Q1.

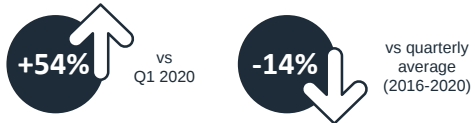
OFFICE TAKE-UP

STILL ON MINOR MODE



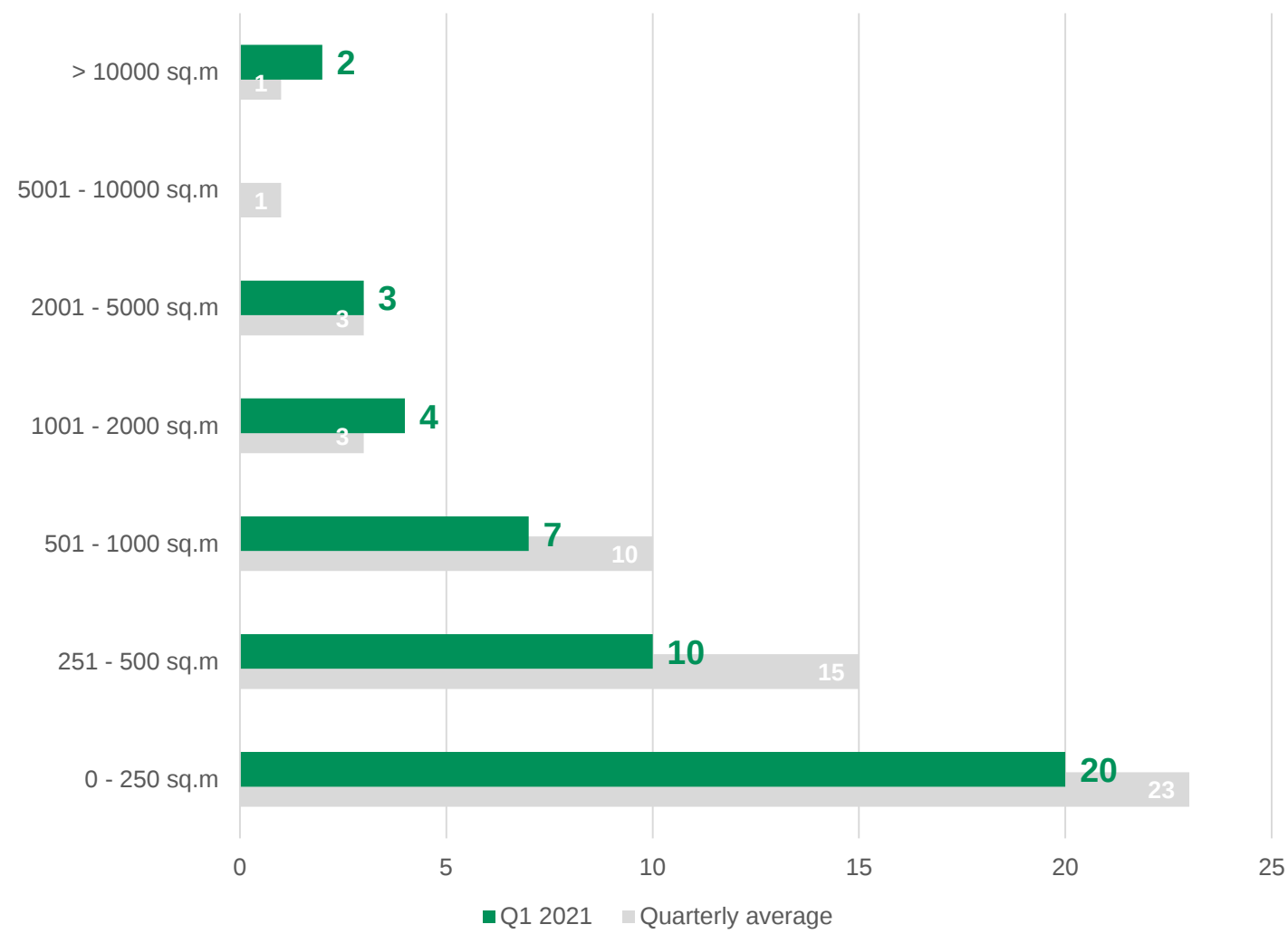
53,900 sq.m

A TIMID
START



OFFICE TAKE-UP

NUMBER OF TRANSACTIONS BY SIZE



-21%

THE DECREASE IS MORE
VISIBLE IN THE SMALL SIZED
SEGMENT

LARGEST DEALS OF THE QUARTER

PRE-LET

SOCIÉTÉ GÉNÉRALE BANK & TRUST

ICÔNE | Esch-Belval

Surfaces : **17,303 sq.m**



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KEY FACTS - Q1 2021

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LARGEST DEALS OF THE QUARTER

PRE-LET

LUXEMBOURG RED CROSS

RUE DES SCILLAS | Howald

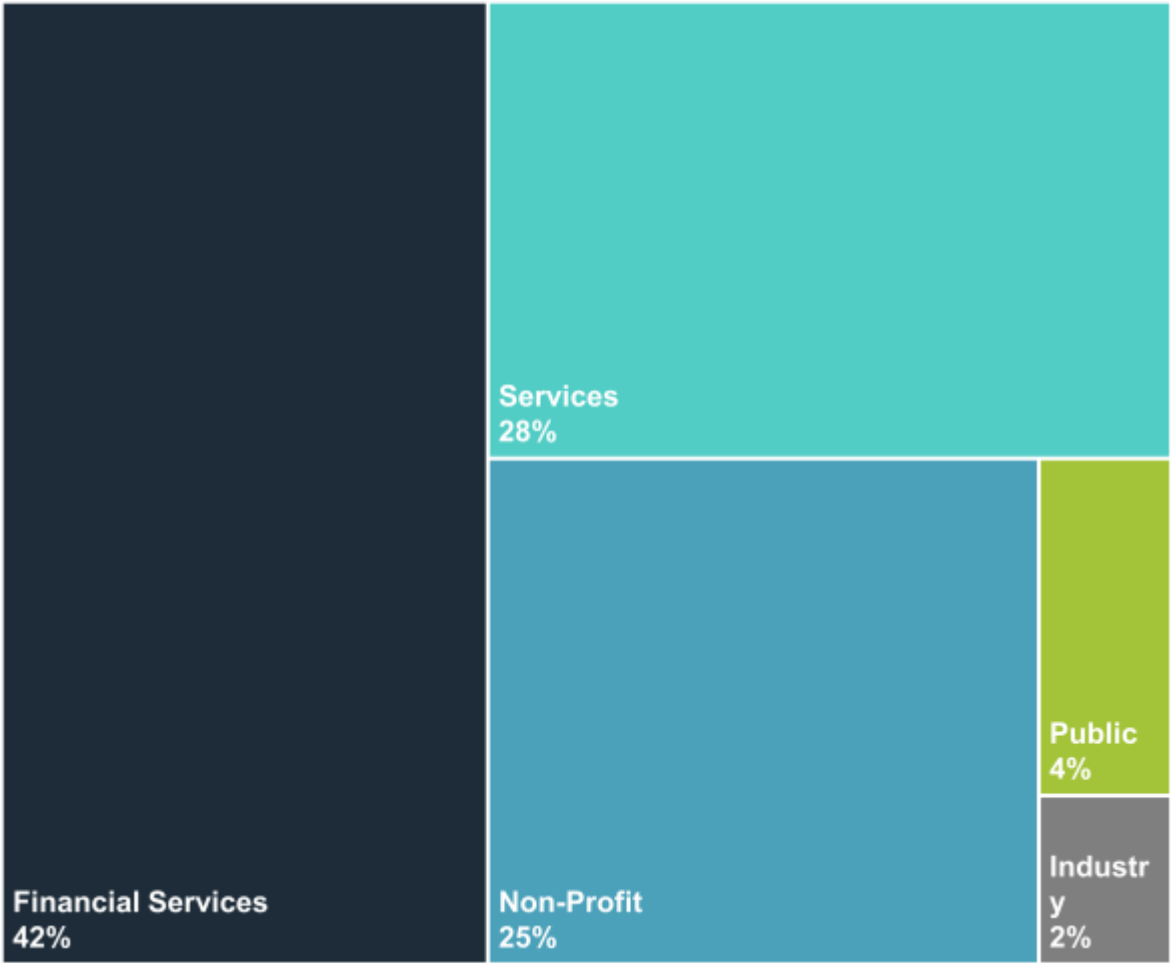
Surfaces : **13,400 sq.m**

OFFICE TAKE-UP

BY DISTRICT *in sq.m*

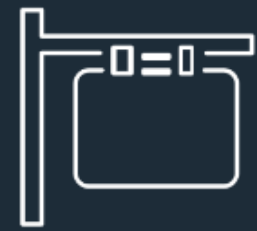
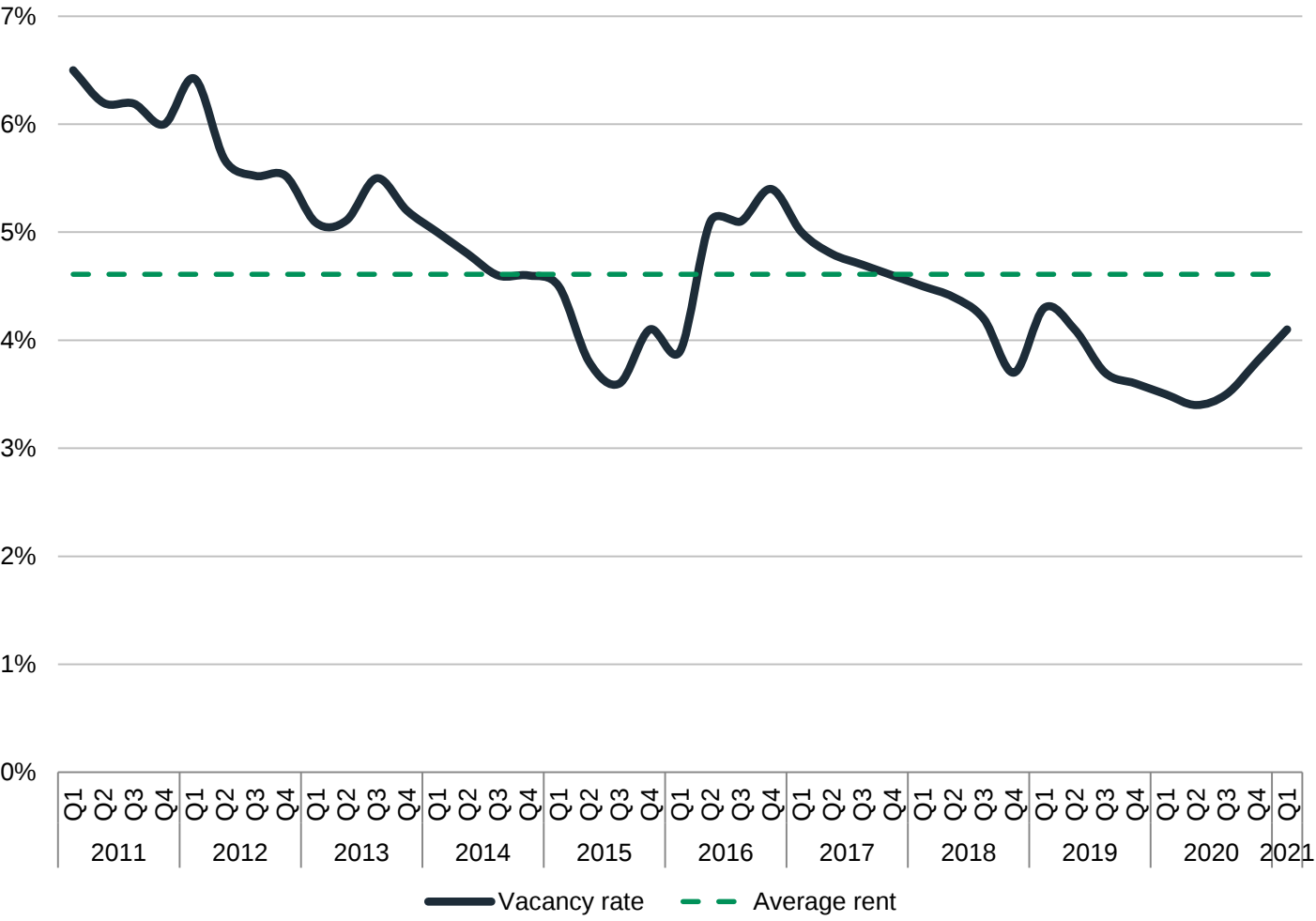


BY SECTOR *in sq.m*



SUPPLY & VACANCY

VACANCY RATE



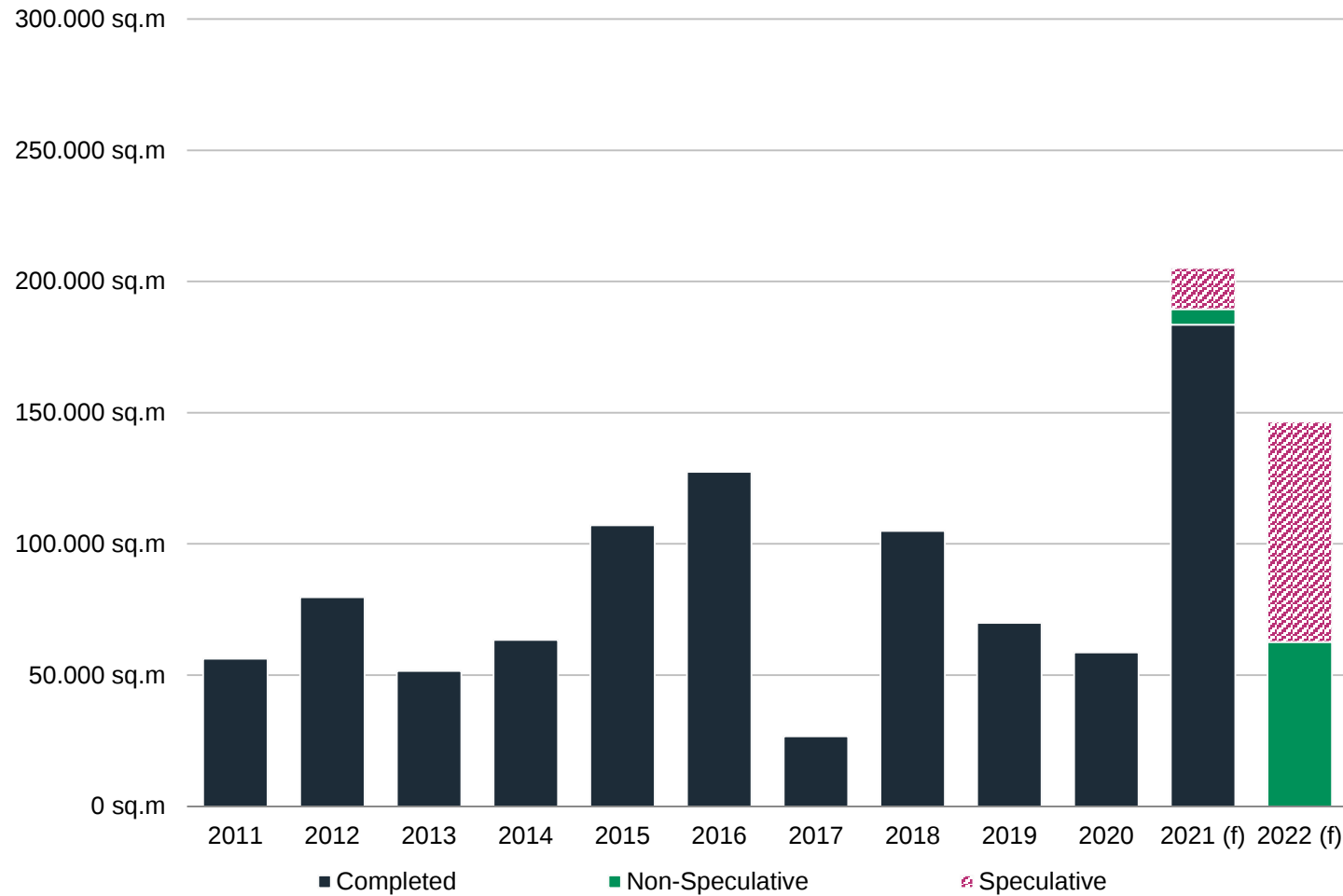
4.1%

vs 3.5% in Q1 2020

ON UPWARD TREND BUT
STILL CHARACTERISED BY A
LACK OF PRIME SUPPLY

SUPPLY & VACANCY

FUTURE SUPPLY



60,467 sq.m

Q 2 - Q 4 2 0 2 1



Of which **43%**
with pre-commitment

236,254 sq.m

2 0 2 2



Of which **32%**
with pre-commitment

MAIN SPECULATIVE SCHEMES

COMING INTO THE NEXT 9 MONTHS

BUZZCITY: 16,800 sq.m

ATENOR - LEUDELANGE



Rte d'Arlon23: 4,500sq.m

NORTHBRIDGE - STRASSEN



MAIN SPECULATIVE SCHEMES

COMING INTO THE NEXT 9 MONTHS

WELL 22: 5,000 sq.m

32% Pre-let
IKO - HOWALD



TRISIDE: 5,200 sq.m

FELTES - STRASSEN



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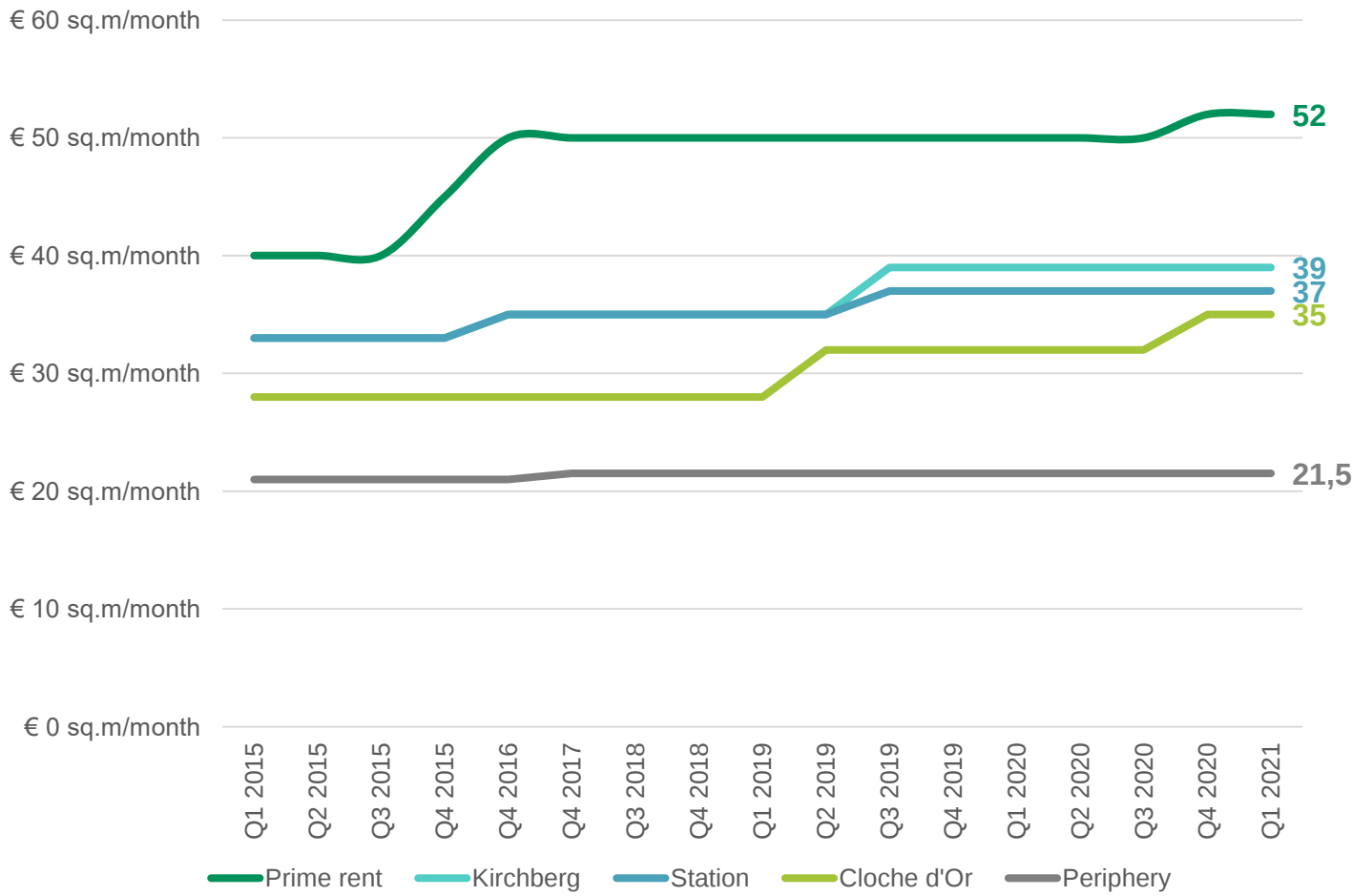
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KEY FACTS - Q1 2021

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RENTAL VALUES

HEADLINE PRIME RENTS

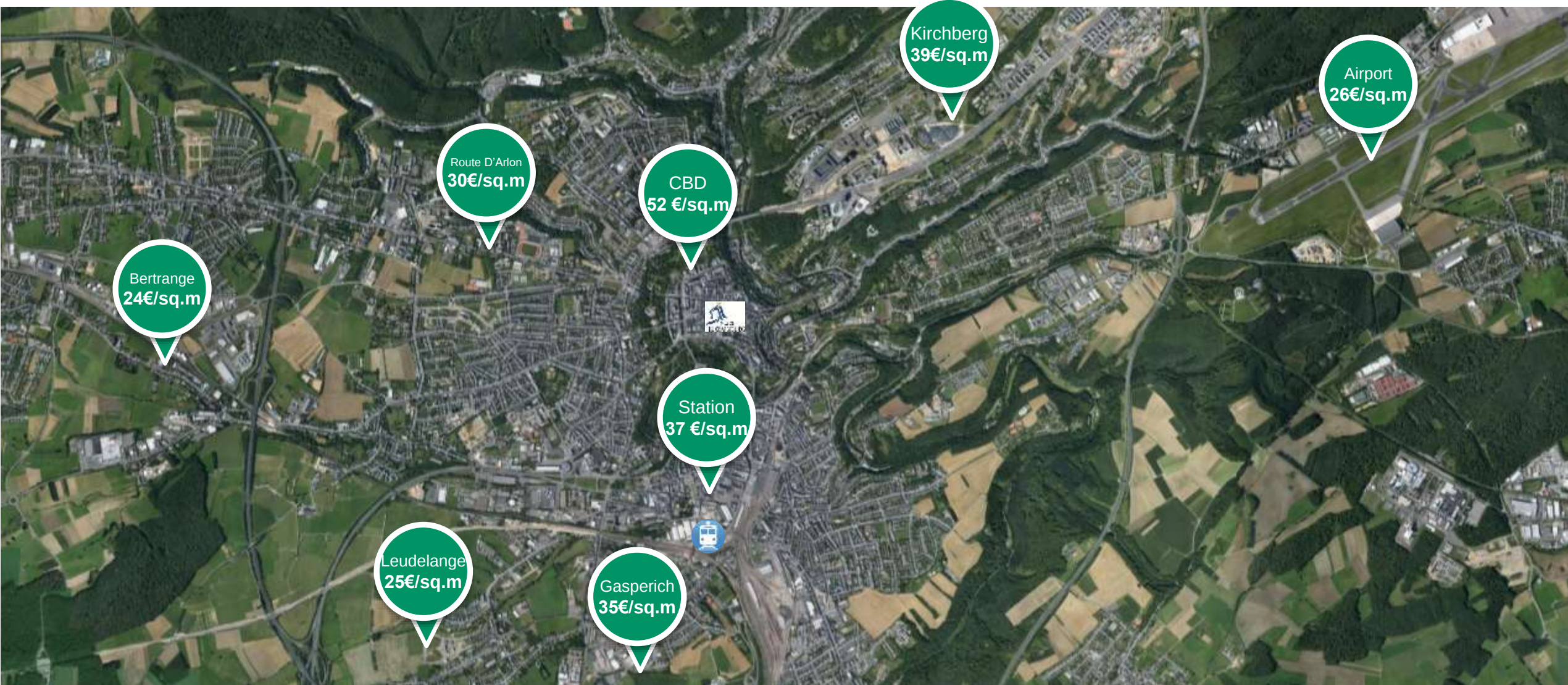


€52 sq.m/ month

OCCUPIER'S APPETITE FOR
HIGH QUALITY SPACE
COMBINED WITH LIMITED
SUPPLY PUSH UP THE
RENTAL VALUE IN THE PRIME
SEGMENT

RENTAL VALUES

BY OFFICE DISTRICTS

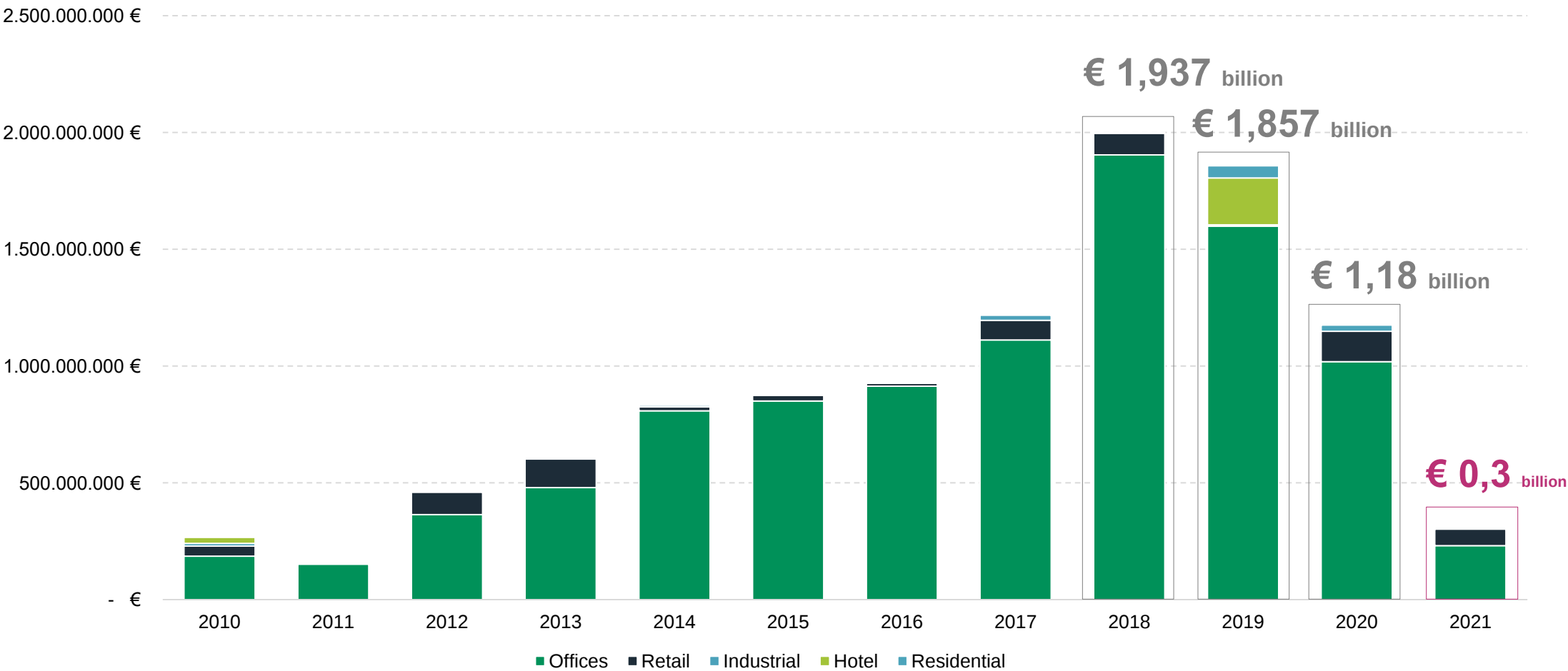


INVESTMENT MARKET

REMAINING VERY STRONG

INVESTMENT MARKET

STRONG INTEREST

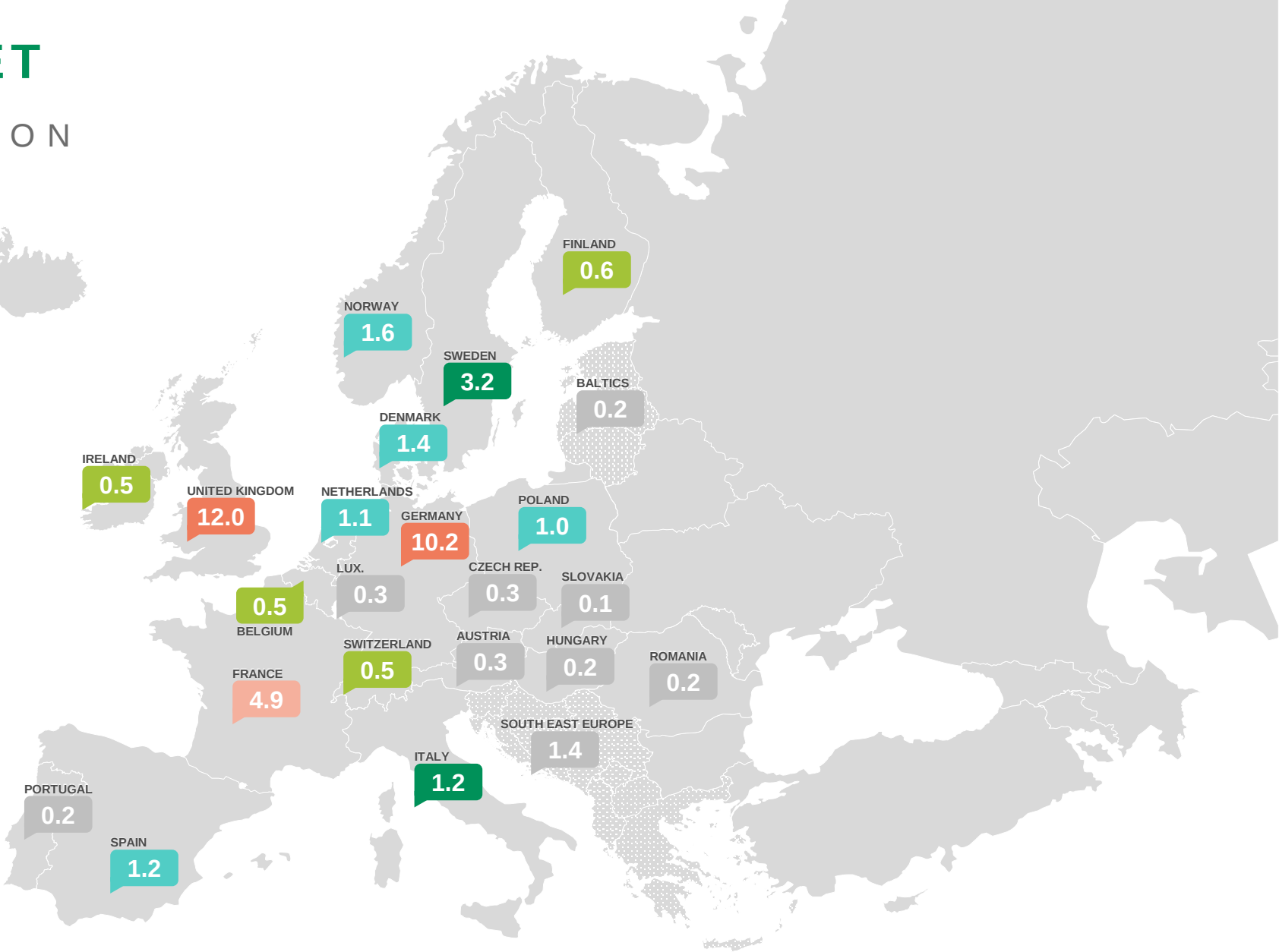
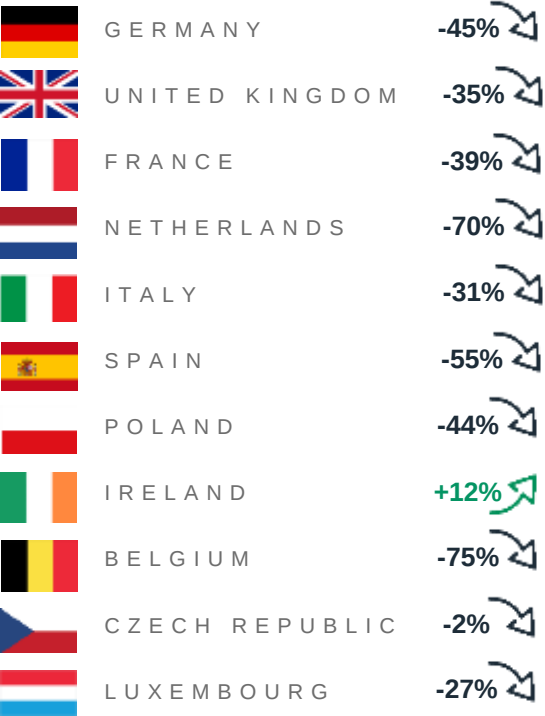


Excluding owner occupation transactions and land

INVESTMENT MARKET

EUROPEAN COMPARAISON

Q1 2021 vs Q1 2020



(excludes residential investment)

NOTABLE TRANSACTIONS OF THE QUARTER

ESPACE STRASSEN

€ 70 Million

Surfaces : 10,500 sq.m



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KEY FACTS - Q1 2021

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NOTABLE TRANSACTIONS OF THE QUARTER

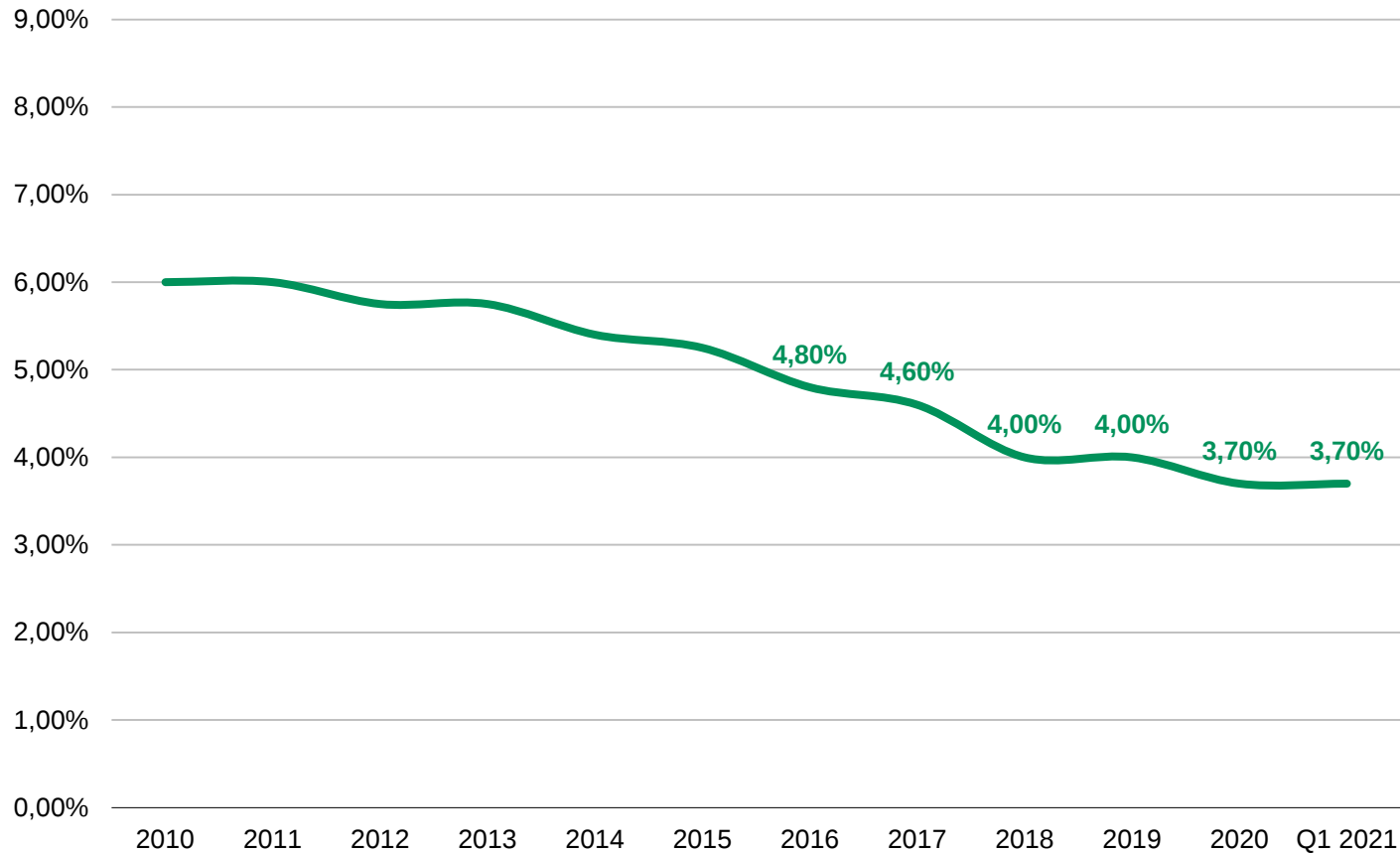
CORA FOETZ

€ 70 Million

Surfaces : **12,100 sq.m**

INVESTMENT MARKET

YIELDS



3.70%

Prime office yield



THANK YOU



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