

**5.6%**

Vacancy Rate

YoY change



12 month Forecast



**51,400**

Take-up (sq m)



**27.8**

Prime Rent (€/sq m/month)



## ECONOMIC INDICATORS - SPAIN

**-9.0%**

Annual change in GDP Q3 2020

YoY change



**492,000**

Annual change in employment Q3 2020



**16.26%**

Unemployment rate Q3 2020



**13.4%**

Unemployment rate - Barcelona Q3 2020



### Increased vacancy in some sub-markets

The Barcelona occupier market bids farewell to a year affected by the outbreak of the global pandemic with significant impact on the office sector. Nevertheless, the outlook for 2021 points towards increased take-up in the city and the beginning of a recovery in 2022 that will drive demand to take-up levels in line with the historic average. Vacant floor area in the Barcelona office market had been contracting steadily since 2014, the point at which the Spanish economy began to once again enjoy sustained growth.

Due to the current market circumstances there has been a reversal of the downward trend in the vacancy rate, going from 4.4% at the close of June to 5.6% at the end of the year. New floorspace was added to the existing stock during the final quarter, mainly in 22@ and on the Periphery. As a matter of fact, some 75% a vacant floorspace is located on the Periphery and in the New Business Areas.

Bearing in mind that the evolution of the pandemic may lead to further softening, trends in terms of remote working and the adaptation of office space are being closely watched.

### Demand side putting off decisions till later

In occupancy terms, the yearly aggregate reached 177,400 sq m by way of 200 deals. This represents a fall of 55% in comparison with 2019, an outstanding year in terms of demand which produced a series of exceptionally robust fundamentals at the close. In line with demand behaviour in recent years, at 40% the New Business Areas cornered the majority of this over the year. 25% of this total corresponded to the area of 22@.

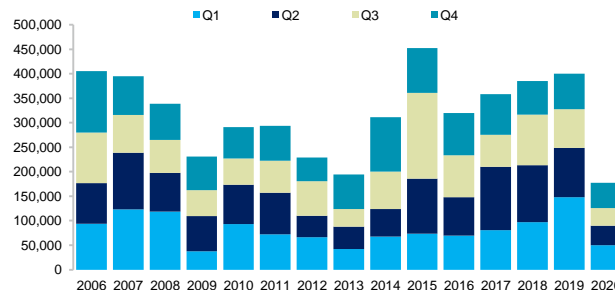
The forecast for 2021 points towards a rise in take-up driven by the release of the straitjacket imposed by the pandemic and the recovery of economic activity.

Construction continues apace. The Barcelona office market expects to receive 210,000 sq m by the close of 2021. Some 45% of this new supply under construction has already been committed.

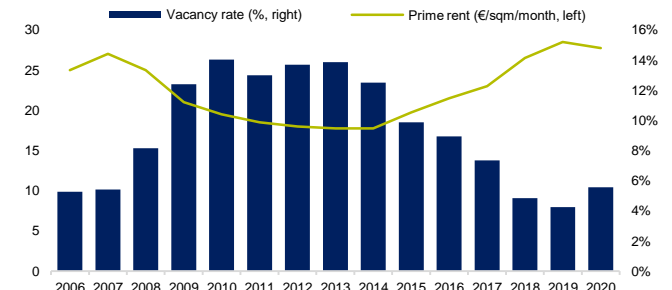
### Softening of maximum rents

The latent weakness of the market and the decline in activity in general has had an impact on rents, leading to a downward adjustment of -3% for maximum rents in the majority of sub-markets. The year came to a close in Barcelona with prime rent at €27.75/sq m/month. The current situation is accompanied by a degree of flexibility on the part of landlords with respect to free rent months included in contracts, widening the gap between headline figures shown in contracts and real rents. These adjustments are key to helping companies study their space needs and take appropriate decisions.

### DEMAND FOR FLOORSPACE (sq m)



### OVERALL VACANCY AND PRIME RENT



# MARKETBEAT BARCELONA.

Offices - Q4 2020



## MARKET STATISTICS

SUB-MARKET	STOCK (sq m)	VACANCY RATE (sq m)	OVERALL VACANCY RATE	TAKE-UP CURRENT Q (sq m)	ANNUAL TAKE-UP (sq m)	UNDER CONSTRUCTION (sq m)	PRIME RENT (€/sq m/month)	PRIME YIELD
PG/Diagonal	908,399	38,028	4.2%	3,967	20,969	18,519	27.75	3.50%
City Centre	2,613,832	48,868	1.9%	25,751	46,433	8,265	22.25	4.35%
New Business Areas	1,869,104	133,109	7.1%	7,690	67,526	309,798	23.75	4.25%
Out of Town	1,309,160	152,929	11.7%	13,917	42,467	14,155	12.00	6.75%
<b>BARCELONA</b>	<b>6,700,495</b>	<b>372,934</b>	<b>5.6%</b>	<b>51,325</b>	<b>177,395</b>	<b>350,737</b>		

\*Asking rent

## MAIN LEASE DEALS Q4 2020

BUILDING	SUB-MARKET	TENANT	AREA (sq m)	TYPE*
Via Laietana, 26	City Centre	Barcelona TechCity	6,000	Pre-letting
Rambla del Poble Nou, 152-160 - Bolivia, 103-113 - Perú, 46-48	New Business Areas	Universitat Oberta de Catalunya	1,700	Extension
Catalana Parc Business Park – Sant Cugat del Vallès	Out of Town	Fluidra	4,500	Relocation

## MAIN ACQUISITION DEALS Q4 2020

BUILDING	SUB-MARKET	BUYER/VENDOR	AREA (sq m)	PRICE (€m)
A7 Business Park – Sant Cugat del Vallès	Out of Town	OCA Global / -	4,814	-
Ctra. De L'Hospitalet – CityPark	Out of Town	Meridia Real Estate III/ Advenis	5,546	-

## MAIN PROJECTS DELIVERED IN 2020

BUILDING	SUB-MARKET	MAIN TENANT	AREA (sq m)	OWNER
Tànger, 36	New Business Areas	-	7,462	Ciolio Inversiones SL
Salvador Espriu, 38	Out of Town	-	6,204	Edificio Pedrosa CB

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