

YoY Chg 12-Mo. Forecast

5.4%
Vacancy Rate



129.1K
Take-Up sqm



2,000 DKK
Asking Rent, PSM



Source: Ejendomstorvet & C&W I RED

ECONOMIC INDICATORS Q1 2022

YoY Chg 12-Mo. Forecast

953K
Copenhagen Employment



3.40%
Copenhagen City Unemployment Rate



2.60%
Denmark Unemployment Rate



Source: Statistics Denmark

OVERVIEW

The first quarter of 2022 has in general been characterized by a lower investment activity than Q1 of both 2020 and 2021 in all segments expect for the residential segment. Thus, the residential segment was the by far largest segment (share of 52%). The office segment and the logistics segment both had a share of 16% of the total transaction volume in Q1 2022, and thus, they shared the place as the second largest segment. The retail segment reached a share of 10%, which was mainly driven by the sale of portfolios with grocery stores.

OCCUPIER FOCUS

In the current market, office tenants have realized that the hybrid is here to stay. Therefore, in the remaining part of 2022 we expect the high level of activity to continue, and we do not expect that the tenants' relocation decisions will be driven by a desire to optimize or minimize the number of square meters but rather by the tenants wanting to have the right solution with the right interior and location. We continue to see an increasing focus on both location, flexibility and sustainability from the tenants.

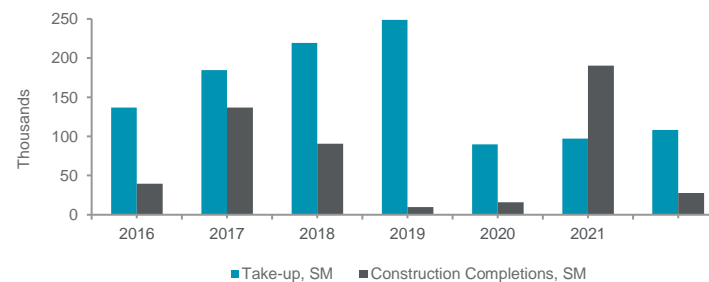
INVESTMENT FOCUS

In 2021, the transaction volume increased by more than 50% from 2020 and thus reached DKK 18.4bn. In Q1 we have seen a more limited investment activity, which is due to an extremely limited supply of the safest assets, prime office properties located in central Copenhagen. Thus, the investor demand in Copenhagen continue to be high, and as a result we continue to witness record low yield levels at around 3.00%.

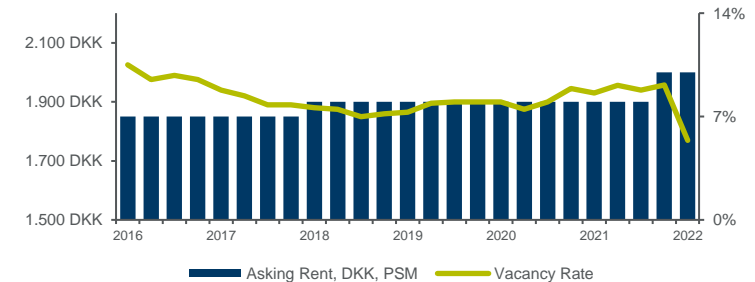
OUTLOOK

The tenants' increased focus on having the right lease at the right location implies that we expect to see an increasing spread in the primary and secondary rent levels. For the most well-located unique and/or modern leases that live up to tenants' demands for sustainability, we expect to see decreasing vacancy and upward pressure on rent levels in the remaining part of 2022. Conversely, we expect the vacancy rate and rent level for the less well-located older office properties to stay more or less unchanged. On the investment market, we expect a continued high interest for the most attractive office properties located centrally in Copenhagen. Therefore, the investment activity with these prime properties is solely expected to be limited by a lack of supply. However, we generally expect the yield level for office properties to be unchanged or only marginally lower than the current prime level.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	BUILT STOCK (SQ.M)	AVAILABILITY (SQ.M)	OVERALL VACANCY RATE (%)	TAKE-UP (SQ.M)	YTD TAKE-UP (SQ.M)	UNDER CONSTRUCTION (SQ.M)	PRIME RENT (LOCAL CONVENTION)	PRIME YIELD*
Copenhagen (Greater Copenhagen incl. Centre)								
- Copenhagen City Centre	6,104,682	441,500	7.20%	20,986	20,986	-	2,000 DKK	3.00%
- Greater Copenhagen	4,320,241	290,700	6.70%	108,122	108,122	-	-	-
- Northern Copenhagen	1,310,510	52,800	4.00%	-	-	-	1,650 DKK	4.50%
- Eastern Copenhagen	566,267	20,100	3.50%	-	-	-	1,100 DKK	5.25%
Copenhagen TOTALS	12,301,700	805,100	5.40%	129,108	129,108	548,279	2,000 DKK	3.00%

*Rental rates reflect a net level

KEY LEASE TRANSACTIONS 2021-2022

PROPERTY	SUBMARKET	TENANT	SIZE (SQ.M)	TYPE
Gl. Køge Landevej 59	Valby	Genmab	15,890	New lease
Teknikerbyen 26-40	Virum	Hottinger Brüel & Kjær	11,500	New lease
Kampmannsgade 2	Copenhagen W	Ordnung ApS	8,903	New lease
Teglholmsgade 1	Copenhagen SW	Danish Building and Property Agency	8,872	New lease
Ørestad Boulevard 108	Copenhagen S	Confidential	7,726	Renegotiation

KEY SALES TRANSACTIONS 2021-2022

PROPERTYz	SUBMARKET	SELLER / BUYER	SQ.M	PRICE / DKK P SQ.M
Ørsted HQ	Gentofte	ATP Ejendomme / Pensam, AIP, and Artha	84,437	2,475M / 29.3K
50% of AP Pension's new HQ	Copenhagen E	AP Pension / KanAm Group	37,500	1,595M / 42.6K
CPH Highline	Copenhagen SW	Skanska / Aviva	21,852	918M / 42.0K
Neroport	Copenhagen S	Genesta / Castellum	31,763	778M / 19.8K
Europa Plads	Aarhus	Danica / HKI Holding	19,115	750M / 39.2K

KEY CONSTRUCTION COMPLETIONS 2021-2022

PROPERTY	SUBMARKET	MAJOR TENANT	SQ.M	OWNER / DEVELOPER
HUB One	Copenhagen S	NA	50,000	KLP Ejendomme / Hoffmann A/S
Woods Augusthus	Copenhagen S	ZeroNorth	24,000	NREP / NREP
CPH Highline	Copenhagen SW	Global Connect / SAS Institute	21,500	Aviva / Skanska Øresund
Carlsberg Byen Emil Christans Hansens Hus	Copenhagen W	Visma	19,800	Carlsberg Byen P/S
Østerport II	Copenhagen E	DLA Piper	17,000	Commerical Real Estate Denmark / Fokus Asset Management

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