



AT A GLANCE Q1 2020

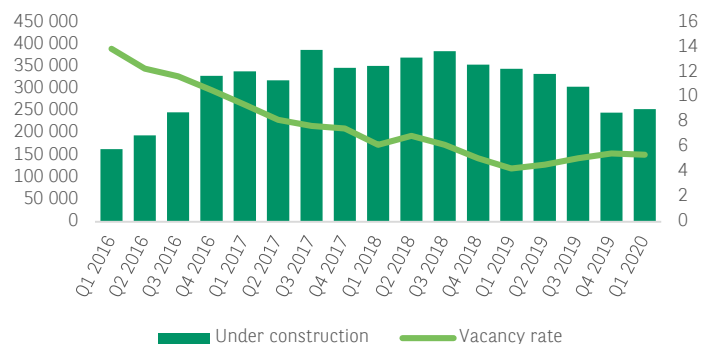
OFFICE MARKET IN PRAGUE

- The lowest quarterly realized demand since 2016
- The full impact of the Covid-19 pandemic will not become apparent until the upcoming quarters
- In Q1 2020, the vacancy rate remained low

SUPPLY & VACANCY

In Q1 2020, 33,400 sq m of new office space was delivered to the market, which is 21% more than in the same period last year. Three new buildings were completed: Kotelna Park II (11,500 sq m) in Prague 5, Churchill Square II (11,200 sq m) in Prague 2 and the new City Hall of Prague 7 (2,500 sq m) in Prague 7. Reconstruction was completed in the Sixty House building (6,400 sq m) in Prague 4 and in the building on Václavské náměstí 37 (1,700 sq m) in Prague 1. The construction of only one new project commenced - Harfa Office Center 2 (30,700 sq m) in Prague 9. According to Prague Research Forum (PRF), the vacancy rate fell to 5.4%. The highest vacancy rate was recorded in Prague 5 (8.2%) and Prague 4 (4.6%), while the lowest in Prague 2 (2.0%) and Prague 9 (2.3%).

SPACE UNDER CONSTRUCTION, VACANCY RATE
sq m, %



Source: BNP Paribas Real Estate, PRF

KEY FIGURES



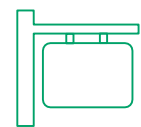
3.7 m sq m
TOTAL STOCK



33,400 sq m
NEW SUPPLY Q1 2020



254,900 sq m
UNDER CONSTRUCTION
& REFRUBISHMENT



5.4%
VACANCY
RATE

TAKE-UP & MAJOR LEASES

- Out of the total gross take-up, new leases accounted for 77% and renegotiations for 23%.

Selected major lease contracts include:

- Pre-let of Wrike Czech (5,300 sq m) in DOCK IN FOUR in Prague 8;
- Renegotiation of Accenture Central Europe (4,200 sq m) in The Park in Prague 4;
- New lease of Pure Storage (2,700 sq m) in Amazon Court in Prague 8;
- Pre-let of Scott & Weber (2,600 sq m) in The Flow Building in Prague 1.

TAKE-UP

Q1 2020

Gross: 69,600 sq m
Net: 53,600 sq m

Q1 2020 of gross take-up

	16 % IT	29 % Prague 8
	16 % Professional services	21 % Prague 4
	9 % Consumer goods	18 % Prague 5

PRIME HEADLINE RENTS


		
€22.50 - 23.00	€15.50 - 17.00	€13.50 - 15.00
City Centre	Inner City	Outer City

AVERAGE RENTS IN A-CLASS OFFICES

	€17.50	€14.60	€13.90	€14.70
	Prague 1	Prague 4	Prague 5	Prague 8

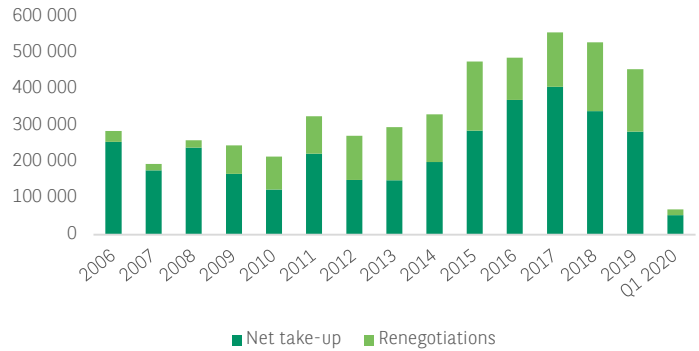
INVESTMENT

92 million EUR
Invested in the office sector in Q1 2020


4% Prime yield
5% Share in investment volume

ANNUAL TAKE-UP

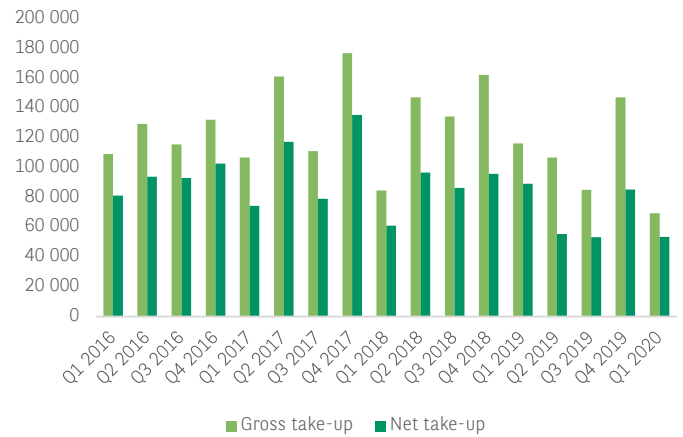
sq m



Source: BNP Paribas Real Estate, PRF

QUARTERLY TAKE-UP

sq m



Source: BNP Paribas Real Estate, PRF

SUMMARY & OUTLOOK

- In Q1 2020, the volume of new supply reached 33,400 sq m of modern office space, compared to the previous quarter, it was 64% less.
- By the end of this year another 107,300 sq m of office space is expected to be completed. Due to the Covid-19 pandemic slight delays in delivery of the projects may occur.
- In Q1 2020, the vacancy rate fell slightly by 0.1% compared to the end of 2019 to 5.4%. (source: PRF).
- Compared to the end of 2019, prime headline rents remained stable and reached €23.00 /sq m/month in the city centre.
- In Q1 2020, the gross take-up decreased by 40% year-on-year. The lower demand, however, was not caused by the Covid-19 pandemic, but resulted from the lack of modern office space available for lease and the high fit-out costs associated with office space modifications.
- The results of the office market in Q1 2020 were not affected greatly by the Covid-19 crisis. In the coming months, however, changes are expected in the level of tenants' demand and lease conditions.

6 BUSINESS LINES in Europe A 360° vision

Main Locations

EUROPE

FRANCE

Headquarters
167, Quai de la Bataille
de Stalingrad
92867 Issy-les-Moulineaux
Tel.: +33 1 55 65 20 04

BELGIUM

Avenue Louise 235
1000 Brussels
Tel.: +32 2 290 59 59

CZECH REPUBLIC

Ovocny trh 8
110 00 Prague 1
Tel.: +420 224 835 000

GERMANY

Goetheplatz 4
60311 Frankfurt
Tel.: +49 69 2 98 99 0

HUNGARY

117-199 Váci ut.
A Building
1123 Budapest
Tel.: +36 1 688 4400

IRELAND

20 Mermon Road,
Ballsbridge, Dublin 4
Tel.: +353 1 66 11 233

ITALY

Piazza Lina Bo Bardi, 3
20124 Milan
Tel.: +39 02 58 33 141

LUXEMBOURG

Kronos Building - 10, rue Edward
Steichen
L - 2540 LUXEMBOURG

NETHERLANDS

Antonio Vivaldistraat 54
1083 HP Amsterdam
Tel.: +31 20 305 97 20

POLAND

Al. Jana Pawła II 25
Atrium Tower
00-854 Warsaw
Tel.: +48 22 653 44 00

PORTUGAL

Avenida da República, 90
Piso 1, Fracção 1
1600-206 Lisboa
Tel.: +351 939 911 125

ROMANIA

4-8 Nicolae Titulescu Blvd
America House
Bucharest 011141
Tel.: +40 21 312 7000

SPAIN

C/ Emilio Vargas, 4
28043 Madrid
Tel.: +34 91 454 96 00

UNITED KINGDOM

5 Aldermanbury Square
London EC2V 7BP
Tel.: +44 20 7338 4000

MIDDLE EAST / ASIA

DUBAI

Emaar Square
Building n° 1, 7th Floor
P.O. Box 7233, Dubai
Tel.: +971 44 248 277

HONG KONG

63/F, Two International Finance
Centre,
8 Finance Street, Central,
Hong Kong
Tel.: +852 2909 8888

SINGAPORE

Pte Ltd 20 Collyer Quay, #17-04
Singapore 049319
Tel.: +65 8189 2762

Alliances*

AUSTRIA

CYPRUS

DENMARK

ESTONIA

FINLAND

GREECE

HUNGARY **

JERSEY

LATVIA

LITHUANIA

NORTHERN IRELAND

NORWAY

PORTUGAL**

SERBIA

SWEDEN

SWITZERLAND

USA

Contacts

International Investment Group

Larry Young
Tel.: +33(0)1 47 59 20 11
larry.young@bnpparibas.com

International Advisory & Alliances

Ayméric Le Roux
Tel.: +33(0)1 47 59 20 32
aymeric.leroux@bnpparibas.com

International Research

Vincent Voute
Tel.: +33(0)1 47 59 17 45
vincent.voute@bnpparibas.com



KEEP UP-TO-DATE WITH
BNP PARIBAS REAL ESTATE'S NEWS,
WHEREVER YOU ARE



www.realestate.bnpparibas.com
#BEYONDBUILDINGS



BNP Paribas Real Estate: Simplified joint stock company with capital of €383.071.696 - 692 012
180 RCS Nanterre - Code NAF 7010 Z - CE identification number FR 666 920 121 80

Headquarters: 167, Quai de la Bataille de Stalingrad - 92867 Issy Les Moulineaux Cedex

PROPERTY DEVELOPMENT | TRANSACTION | INVESTMENT MANAGEMENT | PROPERTY MANAGEMENT | VALUATION | CONSULTING



**BNP PARIBAS
REAL ESTATE**

Real Estate
for a changing
world