

# Sweden - Stockholm

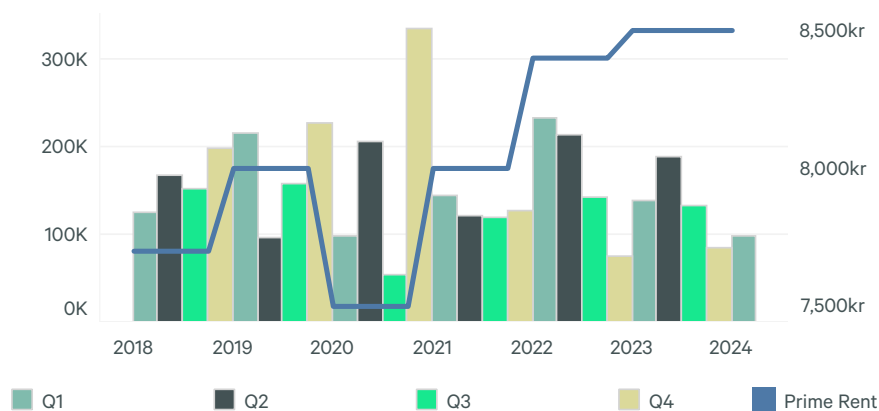
## Key Performance Indicators (Q1 2024)

<p>Prime Yield</p> <h3>4.25%</h3> <p>Expected Investment Returns Change YoY: 45 bps</p>	<p>Prime Rent</p> <h3>8,500kr</h3> <p>Yearly, per sq m Change YoY: 1.2%</p>	<p>Average Rent</p> <h3>7,100kr</h3> <p>Yearly, per sq m Change YoY: 1.4%</p>
<p>Take Up</p> <h3>98K</h3> <p>Square Meter 665K Year2Date</p>	<p>Vacancy Rate</p> <h3>7.11%</h3> <p>Percentage of Stock vacant Change YoY: 41 bps</p>	<p>Typical Lease Terms</p> <h3>3-5 years</h3> <p>Typical Rent Free Period 0-3 months</p>
<p>Completions</p> <h3>0K</h3> <p>Square Meter - Year2Date</p>	<p>Total Stock</p> <h3>11,466K</h3> <p>Square Meter 10,651K Occupied Stock</p>	<p>Forecast Completions</p> <h3>265K (2024)</h3> <p>Square Meter 294K (2025) // 240K (2026)</p>

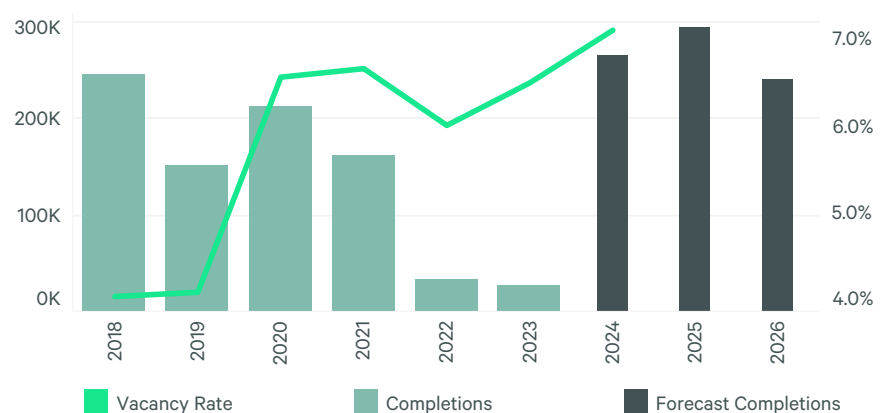
CBD prime rent remain stable at SEK 8,500/sqm as Stockholm continue to show resilience with an active yet slower leasing market with longer lease negotiation processes. Rent levels for the other submarkets also remain stable in Q1. Leasing activity is currently focused on central locations, and in many cases larger cooperations and public tenants downsizing space to suit a hybrid work model better. Secondary locations and buildings are at risk of being more affected in the current market. Vacancy level for CBD was 4.8% (4.0% in Q4) and remained stable in the Inner city at 7.5%. Availability of sublease or vacant coworking adds 1% space to CBD (2.0% in Q4) and 2% in the Inner city (1.5% in Q4).

One of the largest leases in Q1 was the 13,000 sqm in the west part of Kungsholmen where Skanska plan to move their head office and at the same time decrease space by 25%. The development site is owned by Skanska and the 23,000 sqm project Olivin will be LEED Platinum certified and ready to move into by the end of 2026.

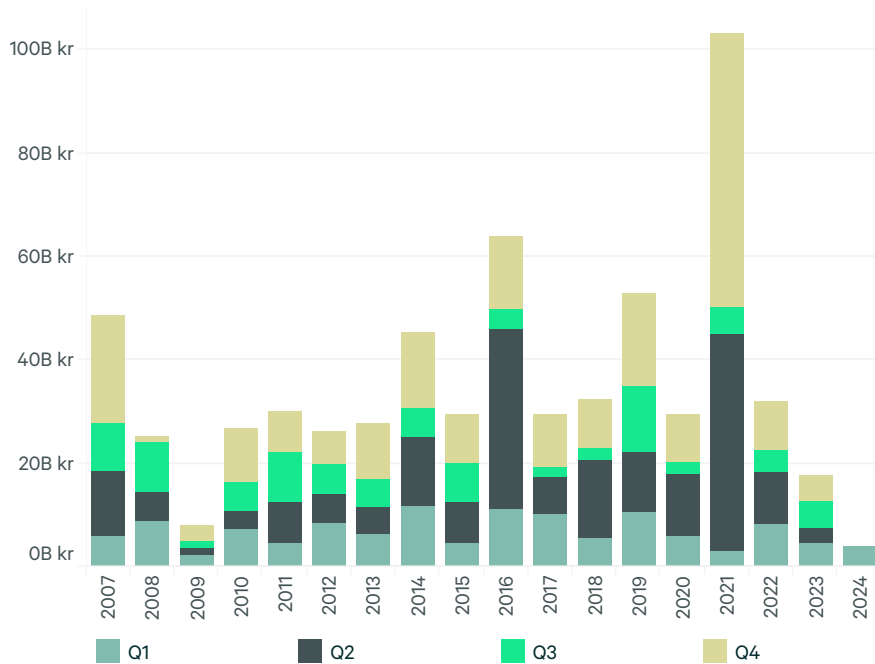
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Sweden Office Investment Volumes



Note: 2024 annual numbers till 3/31/2024

Contacts

Annika Edström

Head of Research  
 (+) 46 76 89 93 252  
 annika.edstrom@cbre.com

Johanna Jonsson

Senior Director, Capital Markets  
 (+) 46 70 812 42 13  
 johanna.jonsson@cbre.com

Alexander Vintermist

Senior Director, Valuation Advisory  
 (+) 46 73 3498 738  
 alexander.vintermist@cbre.com

Kim Gruneberger

Director, Investor Leasing - Office  
 (+) 46 721 61 14 42  
 kim.gruneberger@cbre.com

Anders Hansén

Head of A&T Occupier  
 (+) 46 70 1424 239  
 anders.hansen@cbre.com

Macro-economic fundamentals with expected lower interest rates in 2024 is expected to have a positive impact on the real estate transaction market this year. The Swedish Central bank interest rate remained at 4.0% with expectations of a decrease before the summer and further cuts in the fall. The office investment market has generally been slower since 2022 and is still facing a lower activity. CBRE leave the Stockholm CBD office prime yield stable at 4.25% in Q1 2024 with the same for the other submarkets within the city. Office investment volume dropped 12% in Q1 compared to the year before to SEK 3.947 bn, which is 17.5% of the total transaction volume for the quarter. Active investors within the office segment in Q1 include institutional funds, property companies and municipalities, yet again 100% domestic. Assets have transacted mainly in Stockholm and Regional cities.

A notable deal was the Union Invest divestment of a CBD Stockholm leasehold 5,894 sqm asset near the Central station in Stockholm to Vasakronan for MSEK 715. The property leasehold was totally renovated in 2017 and goes under the name Sthlm HUB. The largest deal was a 13,281 sqm asset on Kungsholmen where Folksam bought from Europa Capital. Price and yield are confidential.

Looking for the underlying data? If you are an active subscriber, log in to the CBRE ERIX platform and access the underlying CBRE proprietary data. For more information on becoming a CBRE ERIX subscriber, please contact us.

© Copyright 2024. All rights reserved. This report has been prepared in good faith, based on CBRE's current anecdotal and evidence based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this report should be construed as an indicator of the future performance of CBRE's securities or of the performance of any other company's securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

