



## Zurich Office, Q4 2018


# Further decrease in availability in Zurich CBD and West

### MARKET SUMMARY Q4 2018 CITY OF ZURICH

**276,000 sq m**   
Availability

**3.6%**   
Availability rate

**CHF 350/sq m p.a.**   
Median asking rent

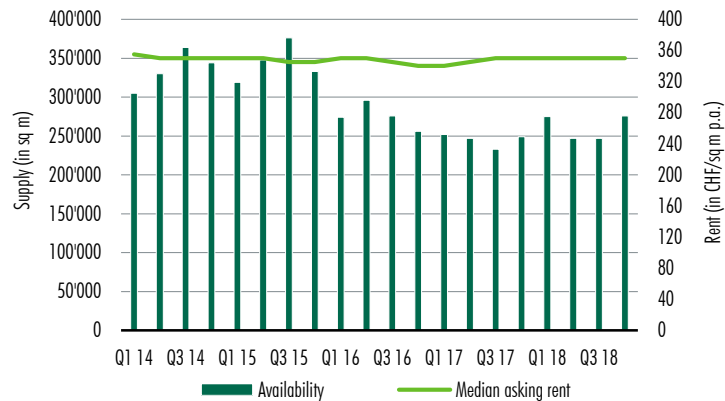
**CHF 750/sq m p.a.**   
Prime rent

**305,000 sq m**  
New developments by 2022

**28,000 sq m**  
Refurbishments by 2022

Trend compared to previous quarter  
New developments and refurbishments incl. Limmattal and Airport regions

Figure 1: Availability and median asking rent in the city of Zurich



Source: CBRE Research, 2019

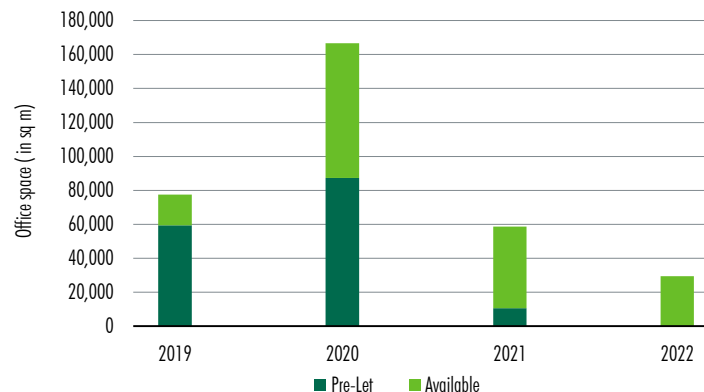
### AVAILABILITY & RENTS

The space offered in the city of Zurich increased slightly to 276,000 sq m or 3.6% in Q4 2018. This can be traced back to the fact that additional buildings have become available in Zurich North.

A further decrease in availability to 66,000 sq m (4.2%) could however be observed in the Central Business District (CBD). The city centre office market has well recovered; the availability has nearly halved since its long-term high in 2015. Even drier is the situation in Zurich West with an availability rate of only 1.1%. The healthy demand is likely to support the rents, they tend to move upwards.

The small offer of larger units was very well absorbed in the course of 2018 already. Therefore, it is not surprising that take-up diminished clearly in Q4 2018 compared to the preceding quarters.

Figure 2: Pipeline in city of Zurich, Limmattal and Airport regions



Source: CBRE Research, 2019

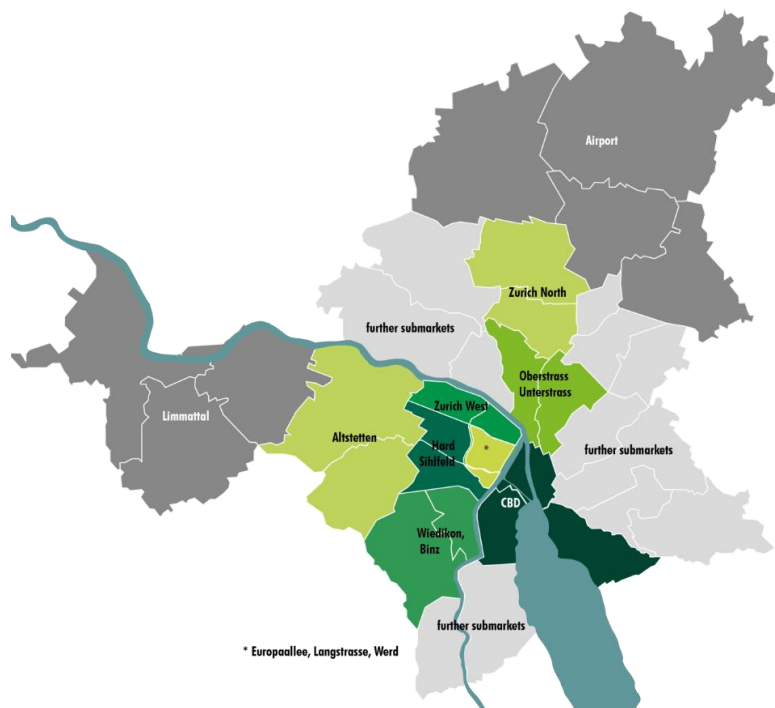
### PIPELINE

In the current year, almost 80,000 sq m of new or refurbished office space will be completed in the Zurich region. A big part of these objects is located within the city limits and has been pre-let for a long time already. This also holds true for the Europaallee construction lots B and F that will be occupied by Google.

In 2020, the expansion of the office supply will rise heavily. In the Airport region solely, up to 80,000 sq m of office space will be developed, whereas a big part of it can be attributed to "The Circle".

With an availability rate of almost 9% in Zurich North and around 15% in the Airport region, the competitive element as well as the pressure on rents remain high in these locations.

Figure 3: Zurich submarkets



Source: CBRE Research, 2019

**Methodology**

The cutoff date for the availability and rent data was December 3<sup>rd</sup>, 2018. Only rental space offering more than 50 sq m (previous years: ≥ 150 sq m) and available within three months were included in our statistics.

Figure 4: Office market key data

Submarkets		Availability (in sq m)	Availability rate (in %)	Range of asking rents* (CHF/sq m p.a.)	Median asking rent (CHF/sq m p.a.)
CBD	↓	77,000	4.2	390-630	500
Zurich West	↓	12,000	1.1	240-500	335
Altstetten	↑	58,000	5.2	180-310	220
Zurich North	↑	94,000	8.8	200-330	250
Wiedikon & Binz	→	7,000	1.2	210-320	240
Hard & Sihlfeld	↓	6,000	3.0	230-380	280
Europaallee, Langstrasse & Werd	↑	6,000	1.3	260-600	460
Oberstrass & Unterstrass	→	6,000	1.9	330-450	350
Further submarkets	↑	10,000	1.1	200-460	340
<b>City of Zurich Total</b>	↑	<b>276,000</b>	<b>3.6</b>		<b>350</b>
Limmattal (Dietikon, Schlieren, Urdorf)	↓	32,000	6.7	140-230	180
Airport (Kloten, Rümlang, Opfikon/Glattbrugg, Wallisellen)	↓	139,000	15.2	160-320	210

\*The range of asking prices excludes the highest and lowest 10% and may have been adapted according to the data quality.

Source: CBRE Research, 2019

**FOR MORE DETAILED INFORMATION PLEASE CONTACT OUR EXPERTS**

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