



NORWAY
OFFICE MARKETVIEW SNAPSHOT

Q4 2020

CBRE RESEARCH

NORDICS REAL ESTATE
MARKET SNAPSHOT

CBRE

OFFICE INVESTMENT MARKET OVERVIEW

A FORCEFUL RECOVERY

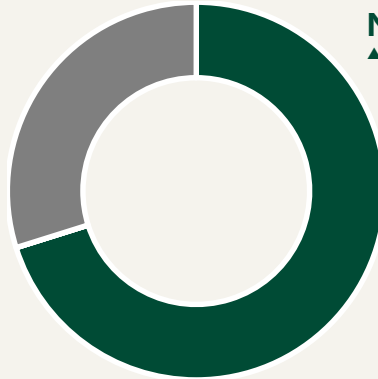
In a year coloured by the COVID-19 pandemic, office investment was up 95 percent Y-o-Y in Q4, and a number of significant office deals were closed, surprisingly making Q4 2020 the highest quarterly office volume in five years. The top 5 deals however account for 62 percent of the total volume. Among these key deals where Norwegian Property's acquisition of the Telenor HQ in Snarøyveien 30, Fornebu for NOK 5.45 bn, in addition to the acquisition of newly renovated landmark Telegrafren in Oslo city centre by an Arctic Securities syndicate for NOK 2.25 bn.

After having risen in H1 due to panic and negative sentiment, office prime yield has again compressed, down 35 bps QoQ to 3.25%, an all-time low in Norway. There is scope for further compression in 2021.

OFFICE INVESTMENT VOLUME

NOK 34.4 bn TTM
NOK 19.1 bn Q4/2020

▲ +95% (Y-o-Y)



OSLO
NOK 13.4 bn
▲ +179% (Y-o-Y)

REGIONAL
NOK 5.7 bn
▲ +14% (Y-o-Y)

KEY FIGURES

OFFICE INVESTMENT MARKET

Last 12 months

5 YR SWAP RATE

1.01 %

CROSS BORDER INVESTMENTS

NOK 0.02 bn TTM

SHARE OF TOTAL ALL-SECTOR VOLUME

30% TTM

NUMBER OF TRANSACTIONS

76 TTM

LARGEST SINGLE TRANSACTION

NOK 5.5 bn

OSLO OFFICE OCCUPIER MARKET OVERVIEW

POSITIVE SIGNS

Despite leasing activity being constrained by uncertainty related to COVID-19, Q4 was one of the strongest single quarters in terms of take-up ever. The quarter also showed solid rental growth, with prime rent now only marginally down YoY and average rent in fact up 1.4% YoY.

Vacancy increased from 6.5% to 6.9%, which is a relatively significant change in just one quarter, and is expected to continue to rise due to the substantial amount of new developments coming into the market in 2021. It is worth noting that geographical disparities exist however, and while we predict that some uncertainty and volatility will persist in the market in 2021, central submarkets are not as affected by supply growth as more peripheral submarkets.

KEY FIGURES Q4 2020

OFFICE OCCUPIER MARKET

PRIME RENT PER M² P.A.
NOK 5700

AVERAGE RENT PER M² P.A.
NOK 2353

VACANCY RATE
6.9%

NET ABSORPTION
-383 m²

LEASING ACTIVITY

TENANT	PROPERTY	SIZE	SUBMARKET
Telenor	Snarøyveien 30	60,000 sqm	Fornebu
EY Norge	Stortorvet 7	13,300 sqm	City centre
Advokatfirmaet Schjødt	Tordenskiolds gate 12	11,250 sqm	CBD
Knowit	Universitetsgata 1, 3, 5, 7 & 9	7,200 sqm	City centre



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