



# OFFICE MARKET REPORT

Vienna | Spring 2024

Your Specialists for Commercial Real Estate

Austria | Slovakia

MODESTA REAL ESTATE provides support in all matters relating to commercial real estate - both on a national and international level.

The focus is clear:  
customer-oriented solutions that lead to profit  
in a targeted and integrated manner.



## FOCUS ON CUSTOMER-ORIENTED SOLUTIONS

**Modesta Real Estate** is the specialist when searching for investment properties, office, logistics, industrial or commercial real estate in Austria and the CEE region as well as for the subsequent location analyses and contract negotiations. Modesta Real Estate also offers professional consulting and valuations, corporate real estate services, and the conception of highly efficient marketing strategies for existing properties. With their know-how, they help

clients to make the right decisions in real estate-specific matters. Modesta Real Estate's network extends from its offices in Vienna and Bratislava throughout Austria to the entire CEE region and includes European and American investment companies and investors. A young, dynamic team is specially trained in the commercial real estate sector and thus guarantees professional real estate consulting at the highest level.

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## OVERALL ECONOMIC SITUATION IN AUSTRIA

In 2024, the overall economic situation in Austria is robust, but with challenges and opportunities characterised by global and national developments. The Austrian economy is recording moderate growth, driven by stable domestic demand and a solid export sector. However, a noticeable economic increase is not expected until 2025.



### ECONOMIC GROWTH AND GDP

Austria's gross domestic product (GDP) will grow by around 0.2% in 2024, which indicates a recovery after the pandemic-related slumps of previous years; GDP is even expected to rise by 1.8% in 2025, which points to above-average economic development compared to the eurozone and the EU. Inflation nevertheless remains an issue. In 2024, consumer price inflation in Austria is set to fall to around +3.8%, which will allow interest rates to be lowered from mid-2024. The Austrian Institute of Economic Research (WIFO) forecasts an inflation rate of + 2.7% for 2025.

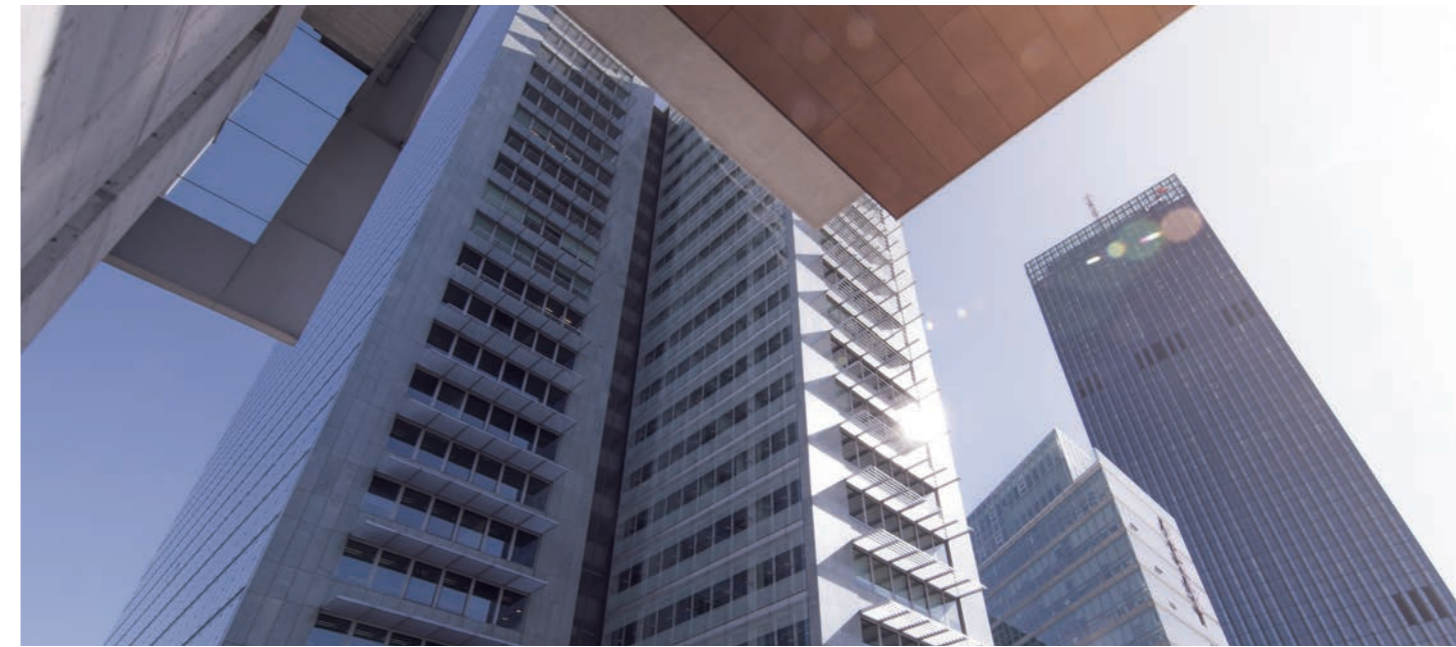
### INVESTMENT AND INNOVATION

Investments in infrastructure projects, particularly in the areas of digitalisation and renewable energies, play a key role. The promotion of innovation and research is supported by government incentives to make Austria a more attractive location for technology companies and start-ups. Private consumer spending can be described as stable and growing, at 1.2% in 2024 according to WIFO. In foreign trade, a slight increase in exports of goods is expected, which will continue at an increasing rate in 2025. A slump in investment performance is forecast in the area of construction investment. Following the sharp decline in 2023 (-5.9 %), a drop of around 4 % is also expected for 2024.

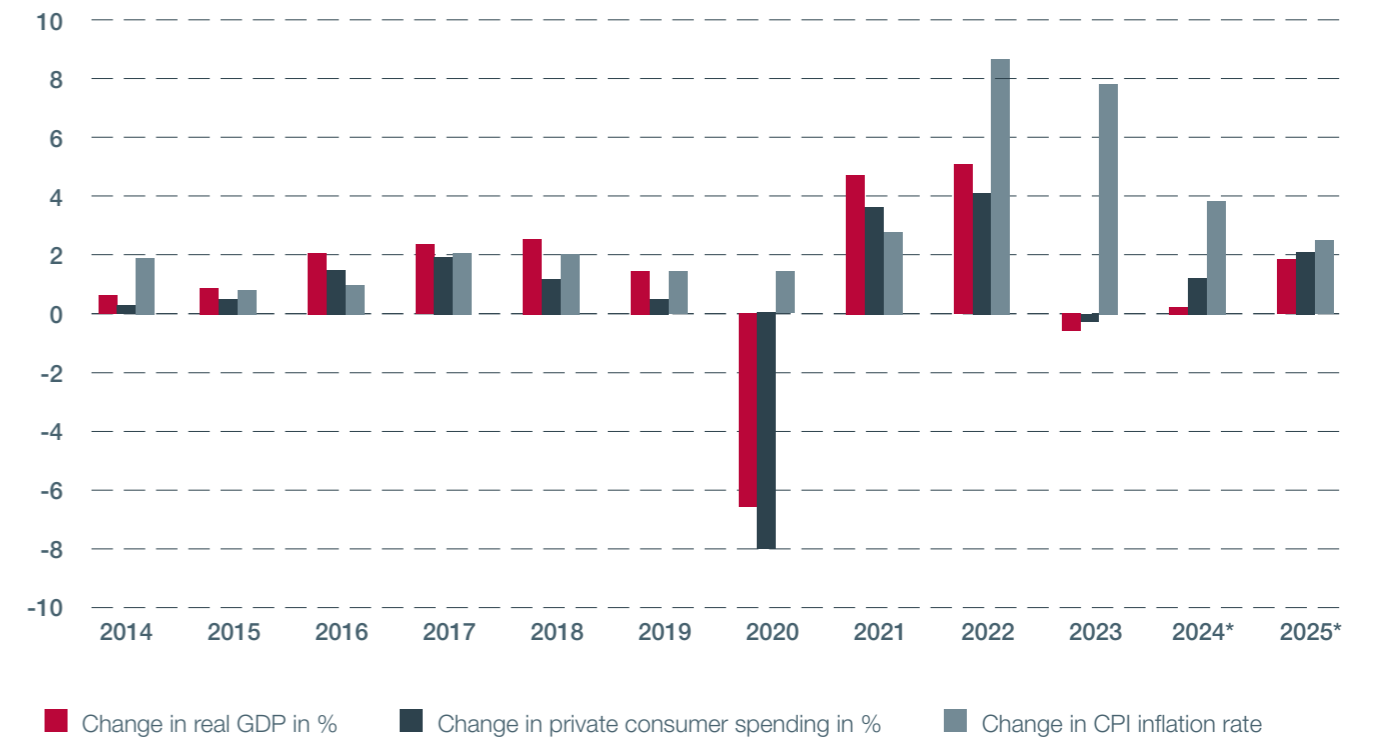
### LABOUR MARKET

At the end of February 2024, the unemployment rate was 7.6 %, compared to 7.0 % in February 2023. Compared to 2019, however, the current unemployment rate is still lower than before the outbreak of the coronavirus pandemic (unemployment rate in February 2019: 8.4 %).

Source: wko.at (as at: March 2024); Federal Ministry of Labour and Economy (as at: February 2024)



Economic development in Austria 2014 - 2025  
(in each case compared to the previous year)



■ Change in real GDP in %   ■ Change in private consumer spending in %   ■ Change in CPI inflation rate

\* Prediction

## CURRENT MARKET TRENDS

**FLEXIBLE, SUSTAINABLE, AND ADVANCED:  
THIS IS WHAT THE OFFICE MARKET LOOKS LIKE  
IN 2024!**

The Austrian office real estate market in 2024 is dynamic and adaptable, shaped by a variety of trends responding to the changing needs of companies and their employees.



### **FLEXIBLE**

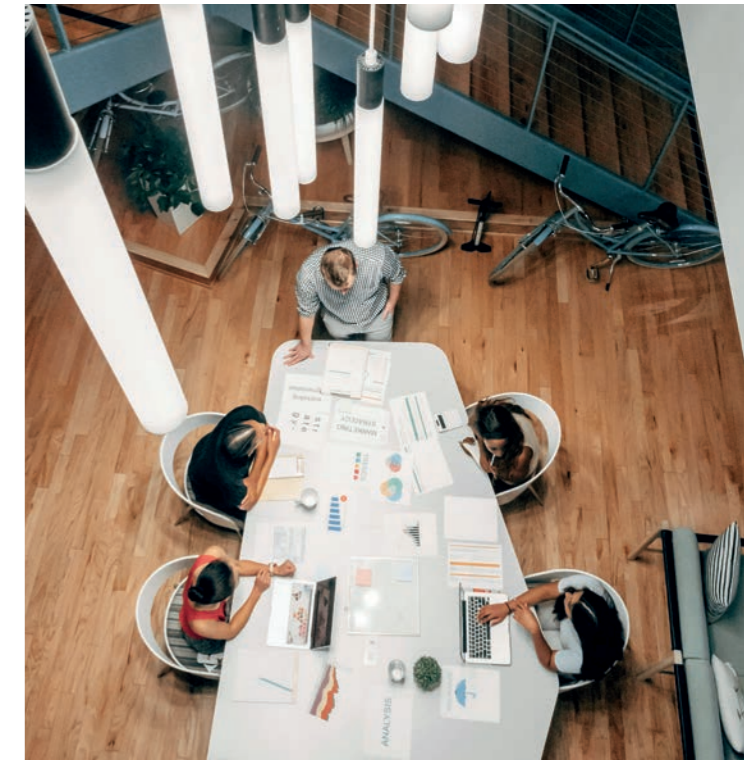
The demand for flexible work models has further increased. Hybrid working, where employees work both in the office and remotely, has led to the increased use of flexible office spaces and coworking spaces. Companies are increasingly seeking solutions that enable their employees to work flexibly while efficiently utilizing office space.

### **SUSTAINABLE**

There is a continued strong trend toward the rising demand for sustainable and energy-efficient office buildings. Investments in green certifications such as LEED, ÖGNI, DGNB, and BREEAM are on the rise, as companies and investors recognize the value of eco-friendly properties and increasingly adopt sustainable construction and operational practices. Energy-saving technologies, the use of renewable energies and sustainable building materials, green roofs and facades, and efficient water and waste management have long been key elements shaping the market.

### **ADVANCED**

New constructions with modern standards are particularly in demand, while existing properties are increasingly being renovated and modernized to meet current requirements. New and modernized office buildings are increasingly integrating digital solutions such as innovative building materials, the Internet of Things (IoT), smart building technologies, energy-efficient systems, renewable energy and storage technologies, digital twins, and artificial intelligence. Companies are increasingly investing in IT infrastructure to support remote work and flexible work models.





## OFFICE MARKET VIENNA SPRING / SUMMER 2024 | OVERVIEW

### Rental prices (per sqm, net)

Prime rents	€ 28.5	↑
Rents in good locations	€ 14.50 – 19.00	→
Rents in average locations	€ 12.00 – 16.00	↑

### Office space rental

2023	144,650 sqm (VRF)	↑
Q1 2024	ca. 33,310 sqm (VRF)	↓

### Vacancy

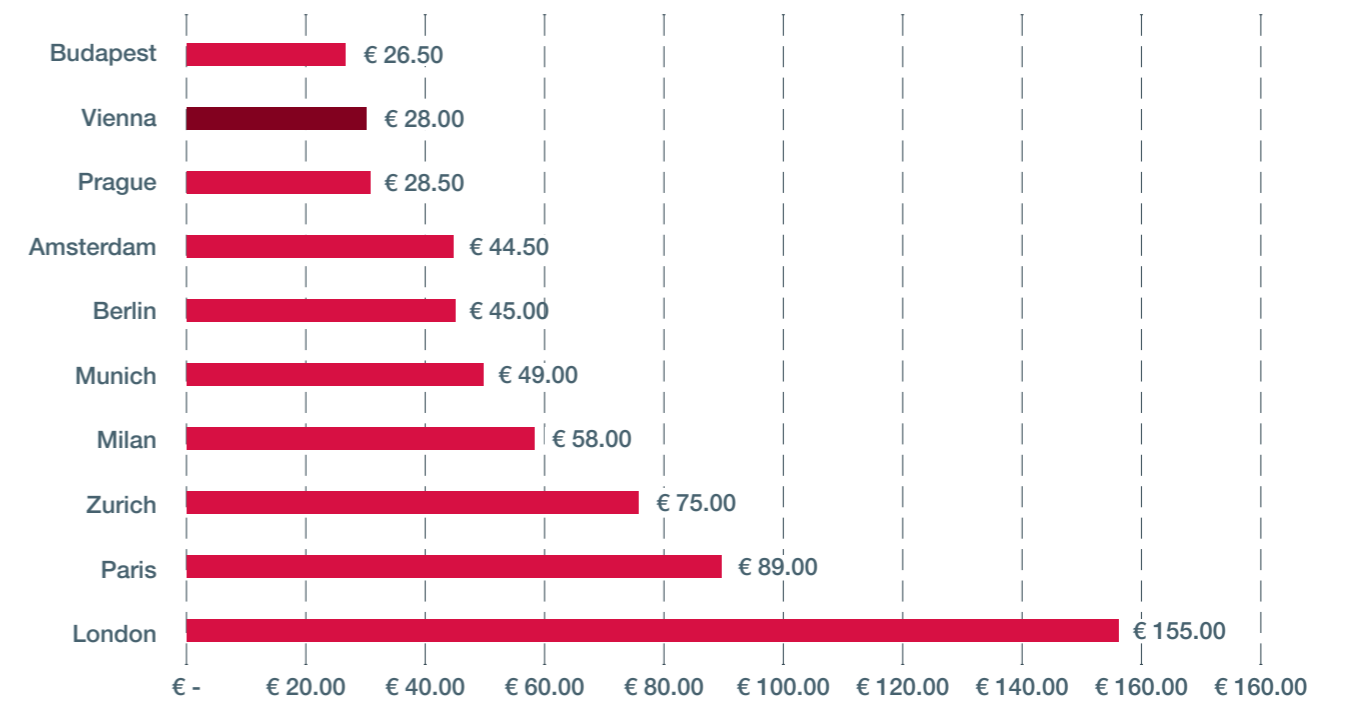
3.5 % (VRF)	↓
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### Office space on offer

Stock	6.1 Mio sqm (VRF)	→
New area production 2024*	ca. 99,000 sqm	↑
New area production 2025*	ca. 158,000 sqm	↑

\*Prediction

### TOP OFFICE RENTS IN EUROPE (PER SQM, NET)



RENTAL PRICE OVERVIEW

Rental prices: € 13.00 - 22.00 VIENNA DONAU CITY & Umgebung

Objekte:

- Andromeda Tower (1220)
- Ares Tower (1220)
- DC Tower (1220)
- IZD Tower (1220)
- Saturn Tower (1220)
- Vienna TwentyTwo (1220)



SEESTADT/ASPERN Rental prices: € 12.00 - 18.00

Properties:

- Campus West (1220)
- HOHO Wien (1220)
- Mischa (1220)
- Robin Seestadt (1220)
- SeeHub (1220)
- Seeparq (1220)
- Sirius (1220)
- Technologiezentrum Seestadt (1220)



Rental prices: € 12.50 - 19.50

NORTH

Properties:

- Square One (1190)
- Siemens North Hub (1210)
- Carré Muthgasse (1190)
- Millennium Tower (1200)
- Optimum (1200)
- TwentyOne (1210)
- Plus Energy Quartier 21 (1210)
- Grand Central (1210)
- Peak Vienna (1210)



Rental prices: € 10.00 - 19.00

WEST

Properties:

- Hietzinger Kai 137 & 139
- Workstation Wien West (1140)
- Storchengasse 1 (1150)
- Forum Schönbrunn (1120)
- O.A.X. (1120)
- U4-Center (1120)
- VIO Plaza (Projekt, 1120)



Rental prices: € 12.00 - 23.00

INNER DISTRICTS (CBD)

Properties:

- LeopoldQuartier (1020)
- Ensemble Schwarzenbergplatz (1040)
- Francis (1090)
- myHive Ungargasse (1030)
- Doppio Due (1090)

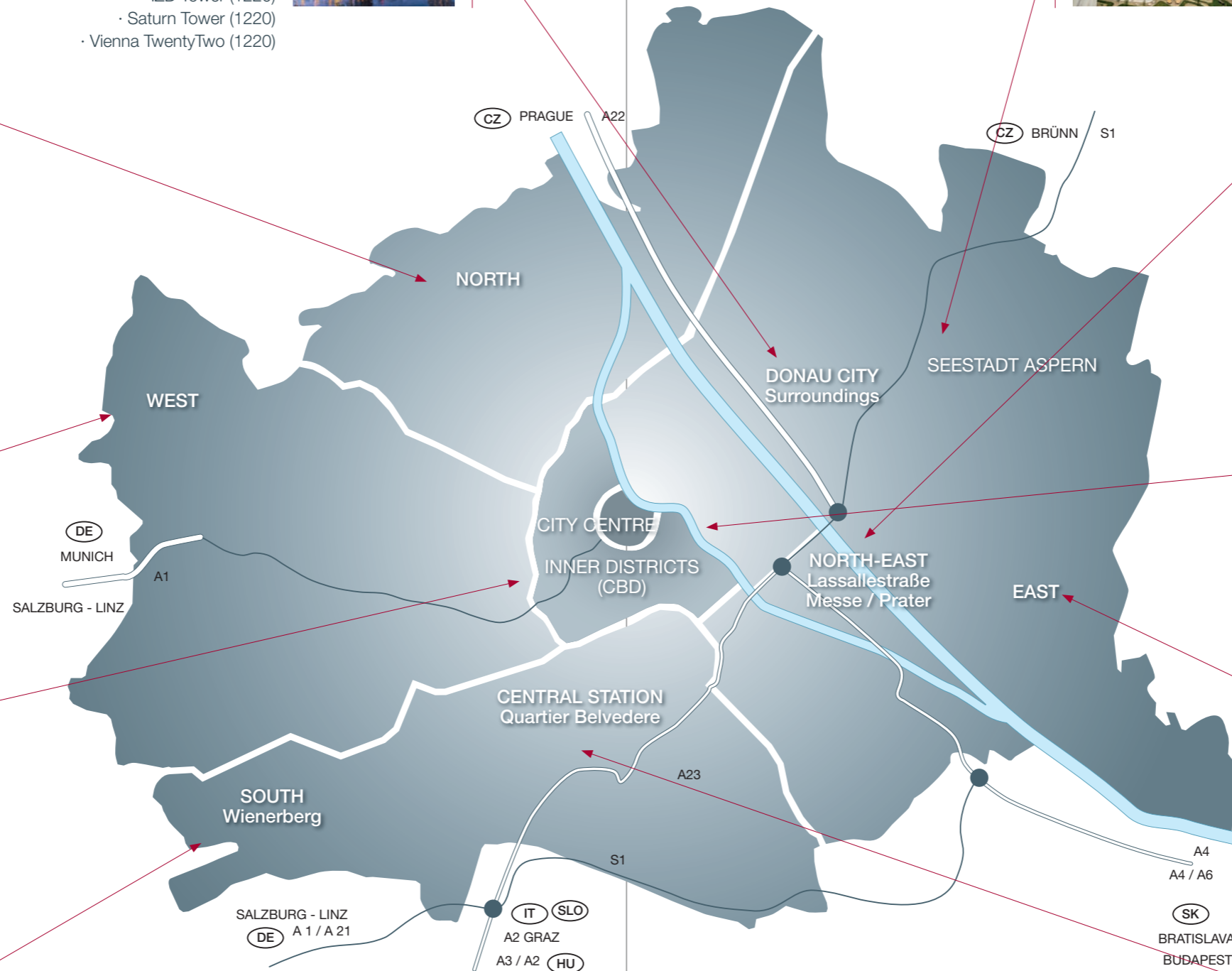


Rental prices: € 12.00 - 18.50

SOUTH Wienerberg

Properties:

- Myhive am Wienerberg (1100)
- The Brick (1100)
- Euro Plaza (1120)
- Inno Plaza (1120)
- Silo Next (1230)
- Silo Plus (1230)
- Campus 21 (2345)



NORD-OST Lassallestraße / Messe / Prater

Rental prices: € 14.00 - 21.00

Properties:

- Austria Campus (1020)
- 2nd Central (1020)
- E-Zone (1020)
- Quartier Lassalle (1020)
- Prater Glacis (1020)
- Weitblick, Viertel Zwei (1020)
- Galaxy Tower (1020)
- Nordbahnstraße 50 (1020)
- Vienna Works (1020)

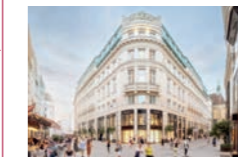


CITY CENTRE

Rental prices: € 16.00 - 28.00

Properties:

- Goldenes Quartier (1010)
- Haus am Schottentor (1010)
- Strauchgasse (1010)



EAST

Rental prices: € 11.50 - 19.50

Properties:

- Austro Tower (1030)
- Landmarx (1030)
- MQM (1030)
- ENNA (1030)
- Solaris (1030)
- ORBI Tower (1030)
- VIE (1030)
- Tricore (1030)
- Office Campus Gasometer (1030)



CENTRAL STATION Quartier Belvedere

Rental prices: € 15.00 - 23.00

Properties:

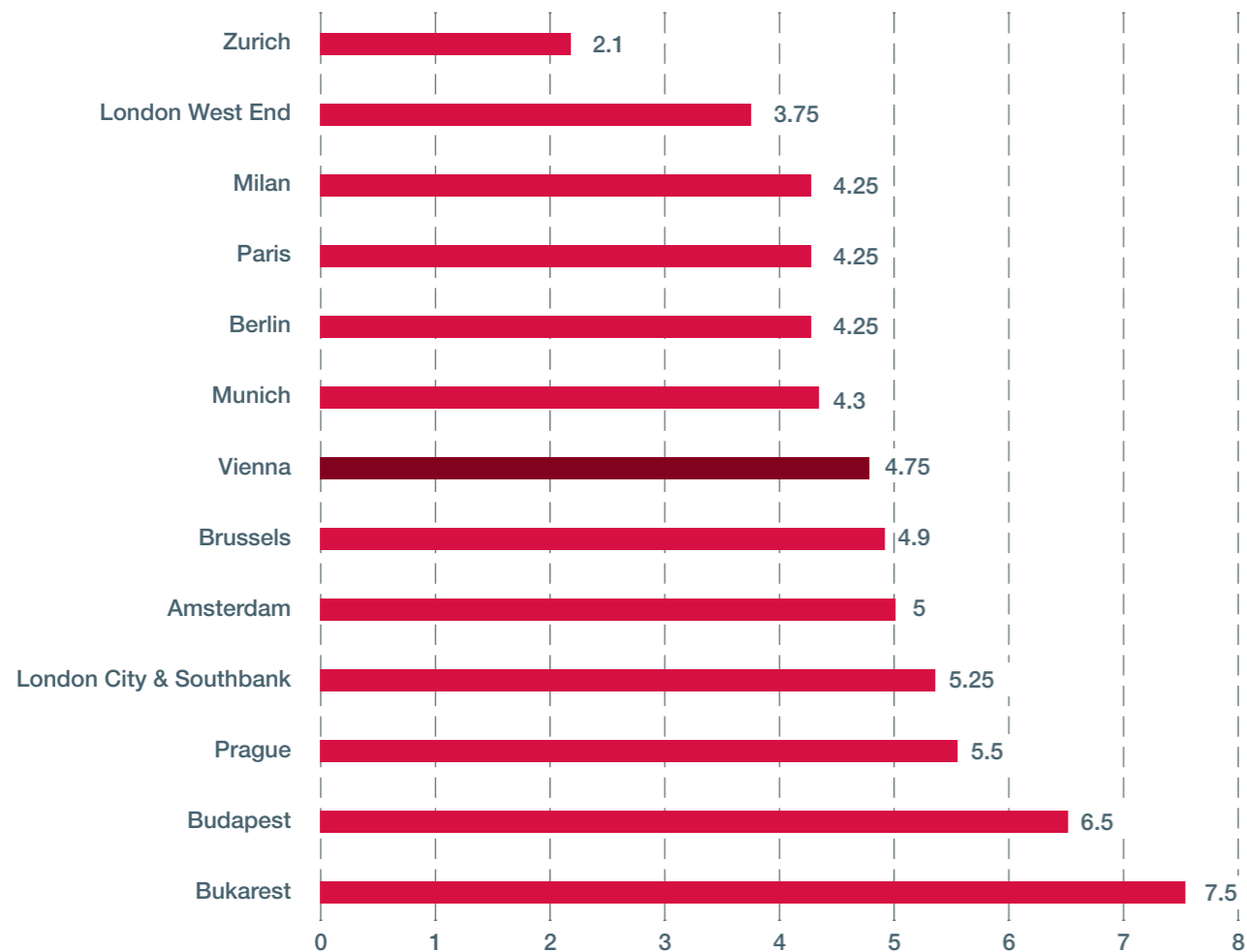
- QBC 1+2 (1100)
- LAX 28 (1100)
- The ICON Vienna (1100)
- Bel & Main (1100)
- LMNT Offices (1110)
- Tower Canettistraße (1110)



## OFFICE MARKET VIENNA SPRING / SUMMER 2024 | OVERVIEW

Investment		
Investment volume 2023	357,315,700	↓
Investment volume Q1 2024	56,525,865	↑
Prime yields	4.75 %	↑
Yields in B location	4.5 % – 6.5 %	↑

### Prime office yields in Europe



## LEETINGS H2 2023 / H1 2024

Region	Property	Tenant	Area
Inner Districts (CBD)	1090, FRANCIS	Ivoclar Vivadent GmbH	1,600 sqm
	1070, Mariahilferstraße 116	Öffentliche Einrichtung	1,200 sqm
	1090, FRANCIS	AON	1,000 sqm
	1020, Walcherstraße 11	Universitäre Einrichtung	2,800 sqm
	1020, E-Zone	Bernard Gruppe	2,200 sqm
West	1120, EURO PLAZA	Canon Österreich	4,500 sqm
	1120, Vio Plaza	Merck	1,200 sqm
North	1210, Siemensstraße, Gebäude 33	NexCo	9,000 sqm
	1210, Central Hub	Cellectric Biosciences	1,800 sqm
	1190, Muthgasse	FG Forschungs-Förderungsgesellschaft	4,200 sqm
East	1030, Baumgasse 60A	European Handball Federation	6,000 sqm
	1030, Erdberger Lände	Strabag Property & Facility Services GmbH	1,430 sqm
	1030, Haidingergasse 1	S:CAN	2,820 sqm

**(PLANNED) COMPLETIONS 2024 – 2026**

Objekt	Submarket	Area	Completion
Francis Vienna*	Inner Districts (CBD)	38,000 sqm	2024*
CKV Headquarter	North	5,500 sqm	2024
Plus Energy Quartier 21	North	11,000 sqm	2024
Parkring 6	Inner Districts (CBD)	2,000 sqm	2024*
Grand Central	North	12,500 sqm	2024
LeopoldQuartier Office	Inner Districts (CBD)	22,400 sqm	2025
TwentyOne Central Hub (D)	North	22,500 sqm	2025
ENNA	East	25,000 sqm	2025
VIENNA TWENTYTWO	North-East	19,900 sqm	2025
TwentyOne Office Hub	North	15,500 sqm	2025
GO!19 Garden Offices 19	North	7,200 sqm	2025
DC Tower 2	North-East	26,600 sqm	2026

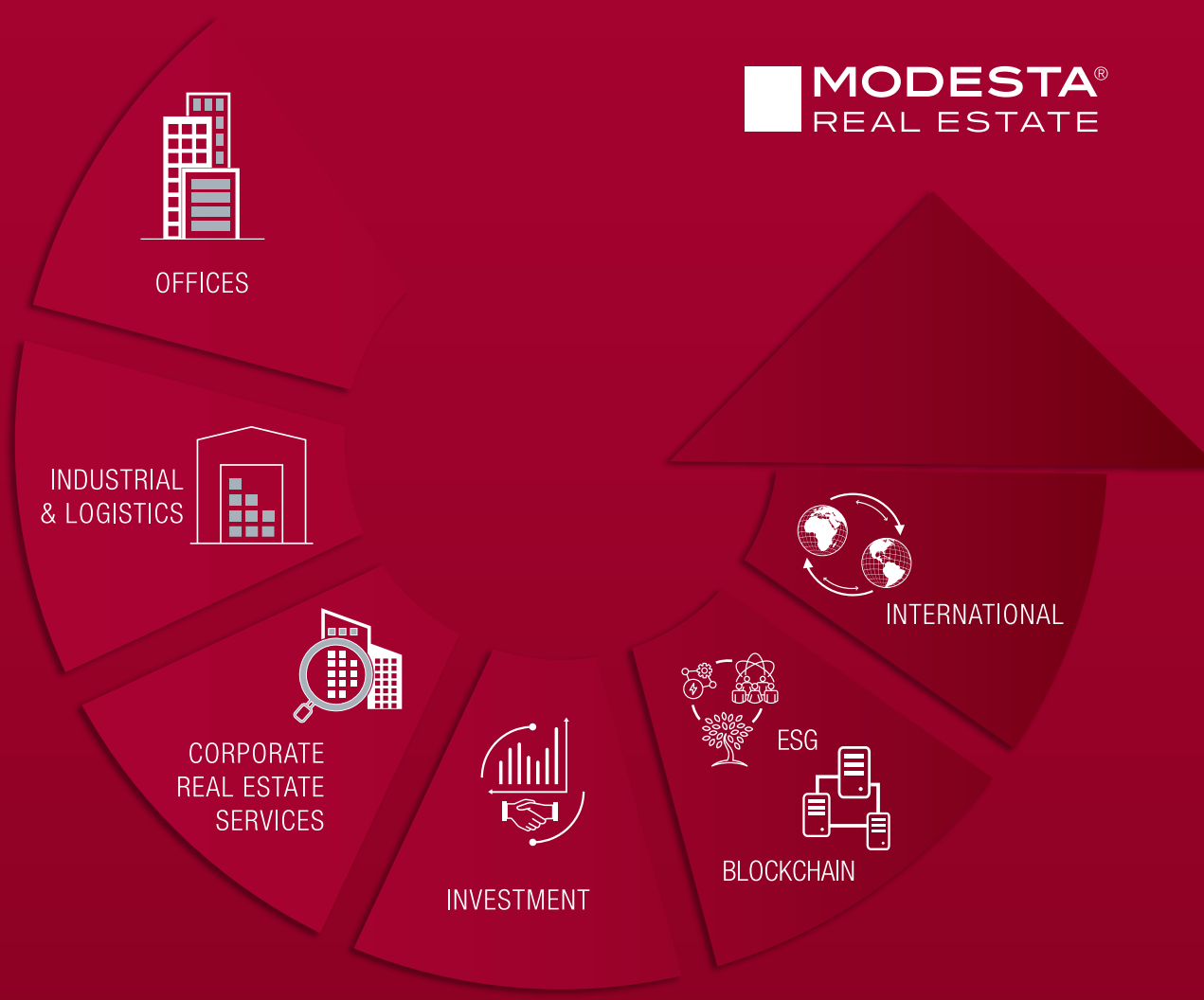
\*Overall refurbishment

**THE MAIN INSTITUTIONAL TRANSACTIONS 2023 / H1 2024**

Property	Usage	Area	Seller	Buyer	Period
Dresdner Straße 68a	Office		Immofinanz	AIO XXXIV DS Immo	H1 2024
Dresdner Straße 82	Office	4,579 sqm	Union Investment	Quadoro Investment	H1 2024
Dampfgasse 52-57	Office		S Immo	Alexandros Immobilien	H1 2024
Gonzagagasse 12	Office		Privater Investor	Privater Investor	H1 2024
Coburgbastei 1/21	Office		ViennaEstate	AVV Real Estate	H1 2024
Embelgasse 2/M131	Office	677 sqm	BBB Immo	Stadt Wien	H1 2024
Saturn Tower	Office	33,000 sqm	Saturn Tower	Amisola	H2 2023
Boerhaavegasse 6	Office		IPS	Intro-Verwaltung	H2 2023
Heiligenstädter Straße 38	Office	1,395 sqm		Teamneunzehn Immobilienmgmt	H2 2023
Dörfelstraße 6-8	Office		Bank Austria	Projekt 1120 DFS GmbH & Co KG	H2 2023
Laxenburger Straße 214	Office	5,944 sqm	Pierre Lang Trading	Intergast Handels	H2 2023
Vienna Twin Towers	Office	66,000 sqm	Immofinanz	SIImmo	H2 2023
Space2Move	Office	51,600 sqm	Union Invest	Raiffeisen	H2 2023
MGC Office Center	Office	25,000 sqm		Akron Group	H1 2023
Donaumarina Tower	Office	44,350 sqm	Signa	UBM Development	H1 2023
Apple Haus	Mixed Use	3,500 sqm	Signa	JR Investment	H1 2023
InnoPlaza	Office	14,300 sqm	BNP Paribas Real Estate Investment Management	ARE Austrian Real Estate	H1 2023
Erdberger Lände 40-48	Office	18,200 sqm	KGAL Investment Management	Art-Invest Real Estate	H1 2022

\*Portfolio





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