

22@ BARCELONA OFFICE MARKET & A PINCH OF COWORKING

Prepared on behalf of Colonial

JULY 2019

A SUCCESS STORY

1960 - 1990



1986 – 1992 A new sea front



22@ district was consolidated as a reality from the PGM process initiated in July 2000. A success story as a real need that was initially conceived as six areas of activity (PERIs). The district transformation arose as a consequence of:

High demand of office space in Barcelona (post Summer Olympic games in 1992).

Lack of quality office space (Global vacancy rate was 1.9% in 2001).

Obsolete stock in City Centre and CBD submarkets.

A urban renovation strategy willing to convert the industrial past into technological innovation spaces and transformed some of the city's most important sites into industrial heritage.

The potential development consists of a total:

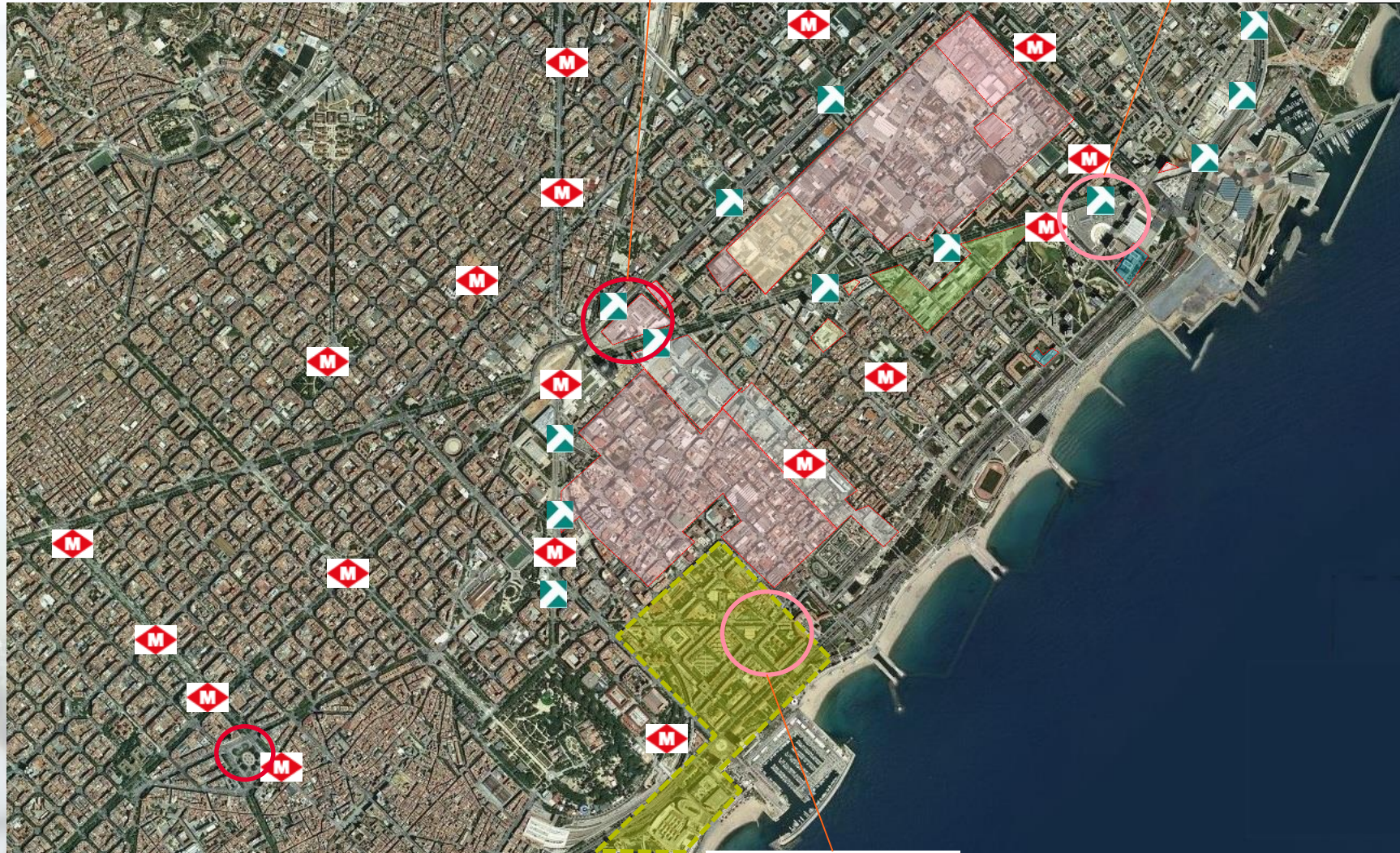
- built-up area of 4,000,000 sq m
- 3,200,000 sq m productive activities
- 800,000 sq m residential and services.

In ten years (2000-2010) more than 4,500 companies were already set up in the district.

EXCELLENT LOCATION

GLORIES SC

DIAGONAL MARSC



Plaça Catalunya
10 min



Passeig de Gràcia
15 min



More than 10 bus
lines connections



Proximity to the
beach

and



to the main turistic
sights of the city



20 min driving
distance from the
Barcelona Airport

VILA OLIMPICA SC

PIONEERS PRIOR TO THE NEW PLANNING



KEY FIGURES

81%

OF THE TOTAL TAKE-UP OF THE
LAST 12 MONTHS IN CLASS A/B+
BUILDINGS

30%

MORE THAN 30% OF THE
LETTING SPACE IS PRE-LET

4%

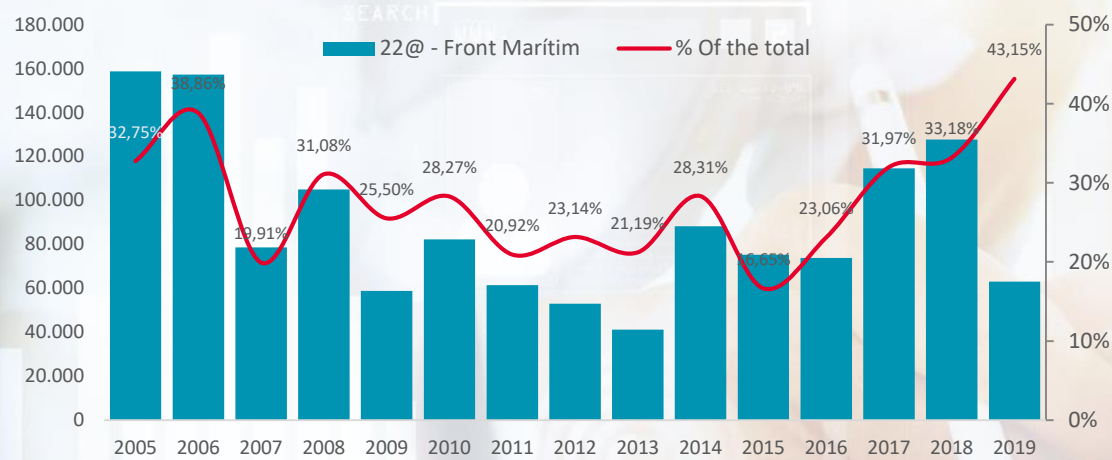
TOTAL VACANCY RATE
47,000 SQM – ATOMIZED SPACE

13%

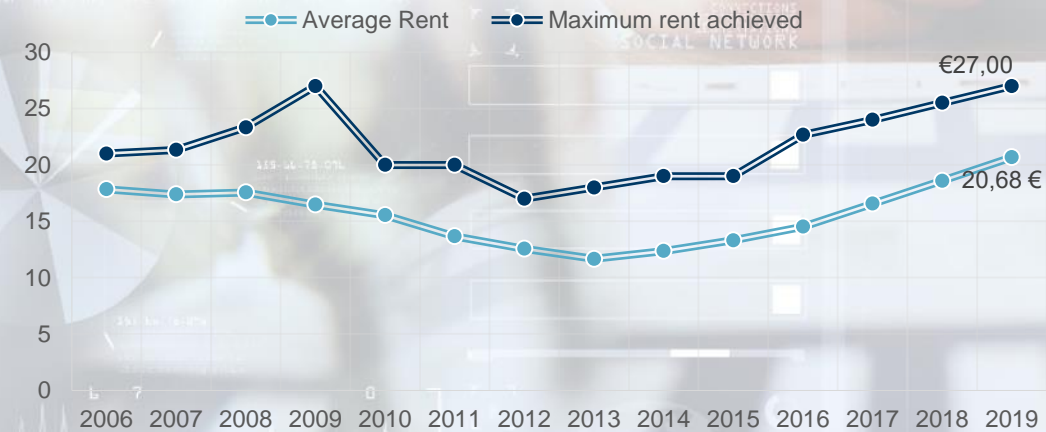
LAST YEAR RENTAL GROWTH IN
THE DISTRICT – EXCEEDING
THE PEAK RECORDED 10
YEARS AGO

AN ATTRACTIVE SUBMARKET

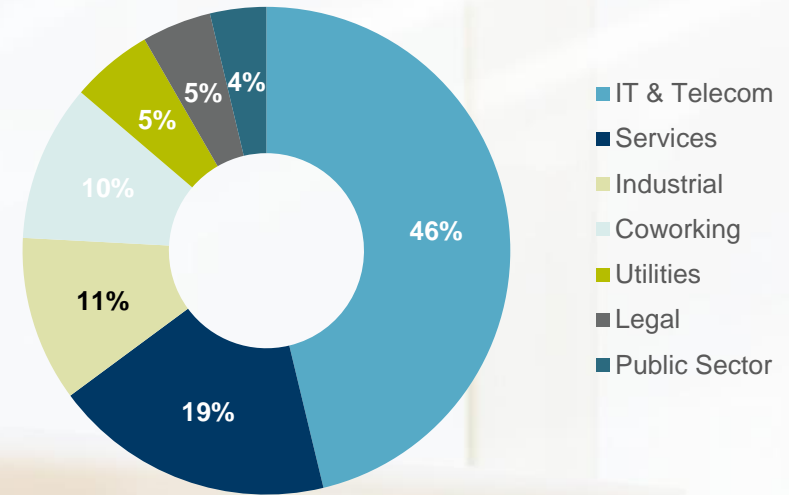
Take-Up evolution



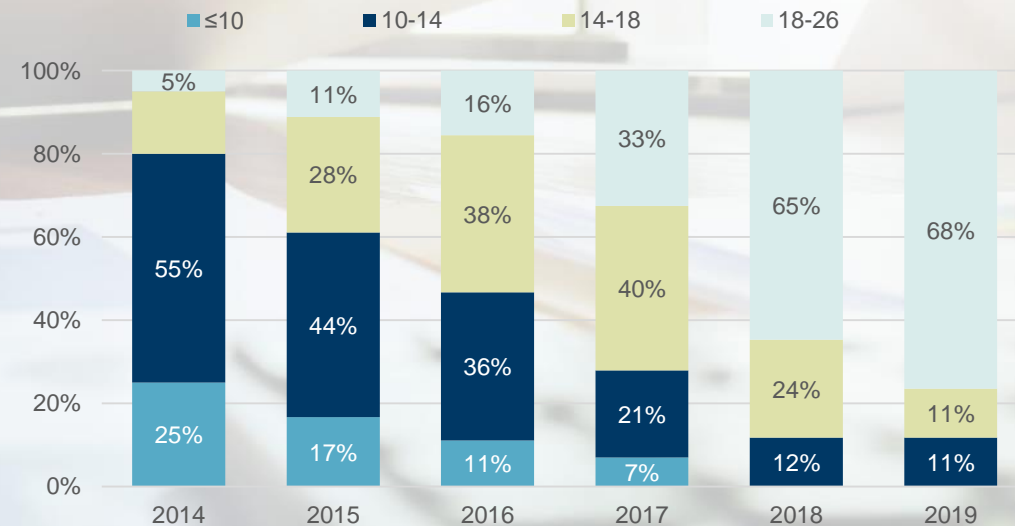
Rental levels



Sectors 2014-2018



Letting deals by rental levels



TENANT MIX EVOLUTION



King

SCHIBSTED
MEDIA GROUP

CUATRECASAS

facebook

everis
an NTT DATA Company

ORACLE®

Bassat Agilvy

THE FOURTH MOST ATTRACTIVE CITY TO WORK IN

BARCELONA, THE FOURTH MOST ATTRACTIVE CITY IN THE WORLD TO WORK IN

BY ISMAEL NAFRÍA | 27 JUN 2018

Barcelona occupies the fourth place in the list of the most attractive cities in the world to work in, only surpassed by London, New York and Berlin.

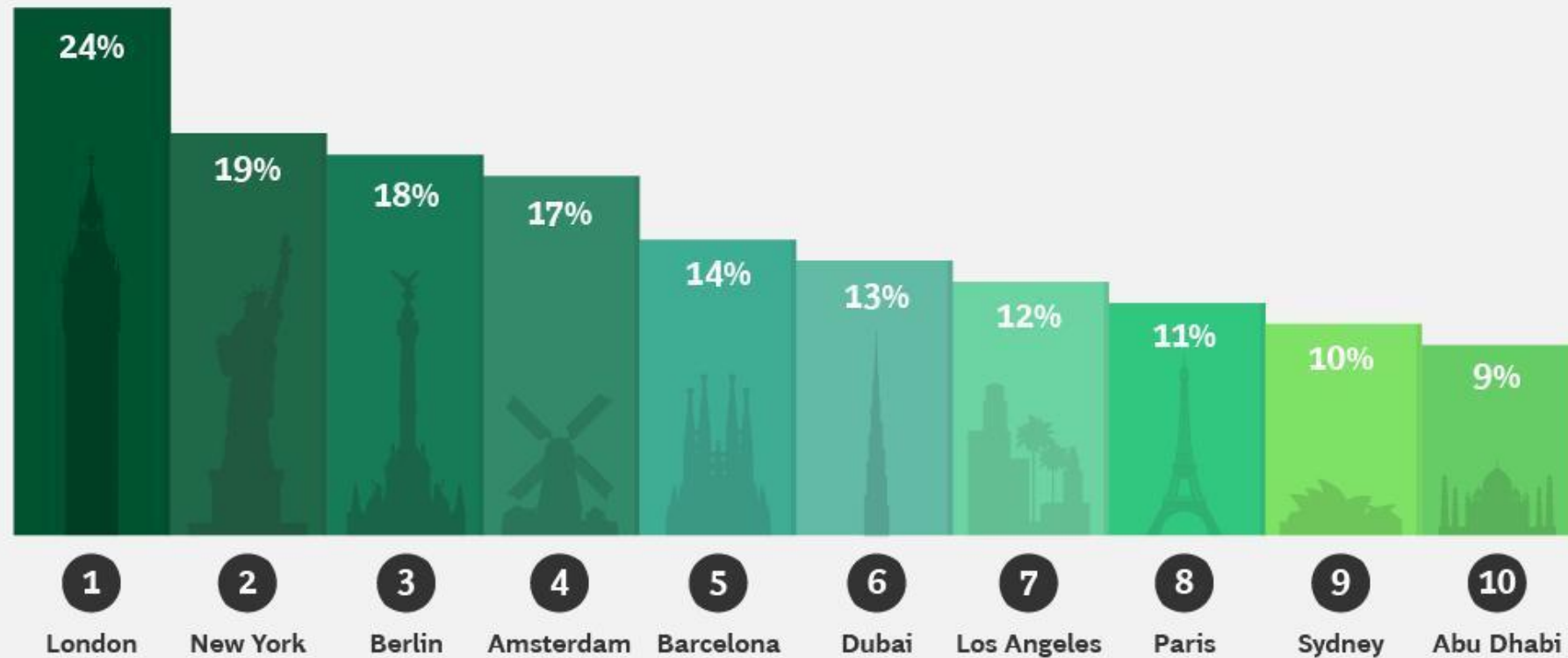
This is one of the conclusions offered by the report "[Decoding Global Talent](#)" just published by [Boston Consulting Group](#) (BCG), which analyzes the opinion of thousands of workers around the world on international labor mobility. In the survey to carry out this study, a total of 366,139 employees from 197 different countries participated.

The screenshot shows the 'BEST CITIES' website interface. At the top, there are navigation links for 'Rankings', 'Your Best Cities', 'News', 'Methodology', and 'About Us'. Below this, there are three main categories: 'WORLD'S BEST CITIES', 'AMERICA'S BEST LARGE CITIES', and 'AMERICA'S BEST SMALL CITIES'. The main content area is titled 'World's Best Cities 2019' and features a large graphic with the number '5' in a circle, followed by 'BARCELONA' and 'SPAIN'. Below this, there are four specific rankings: '#5 NIGHTLIFE', '#9 CULINARY', '#3 PLACE', and '#5 TRIPADVISOR REVIEWS'. The page also includes a 'Visualitza més tard' (View later) button and a 'Comparteix' (Share) button.

FIFTH MOST ATTRACTIVE CITY FOR DIGITAL EXPERTS

Top Ten Most Attractive Cities for Digital Experts

Ranked by percentage of respondents willing to move to each city for work



Note: Respondents could select multiple cities.

Source: BCG/The Network proprietary web survey and analysis.

LEADING DIGITAL ECONOMY

DIGITAL STARTUP ECOSYSTEM OVERVIEW 2017
BARCELONA DIGITAL HUB: INVESTMENT FIGURES

BARCELONA CONTINUES TO LEAD STARTUP INVESTMENTS

58% of € invested in Spain went to Barcelona-based startups (+2% YoY)

58%
BARCELONA



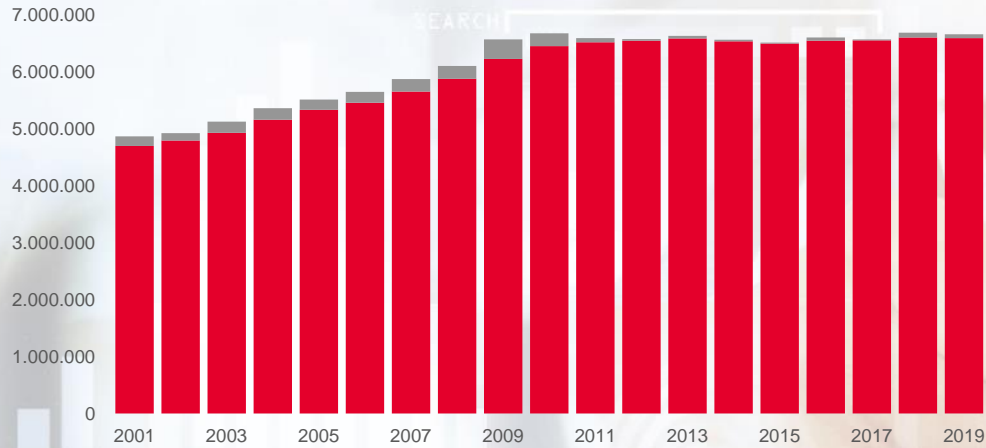
Capital Invested by Hub



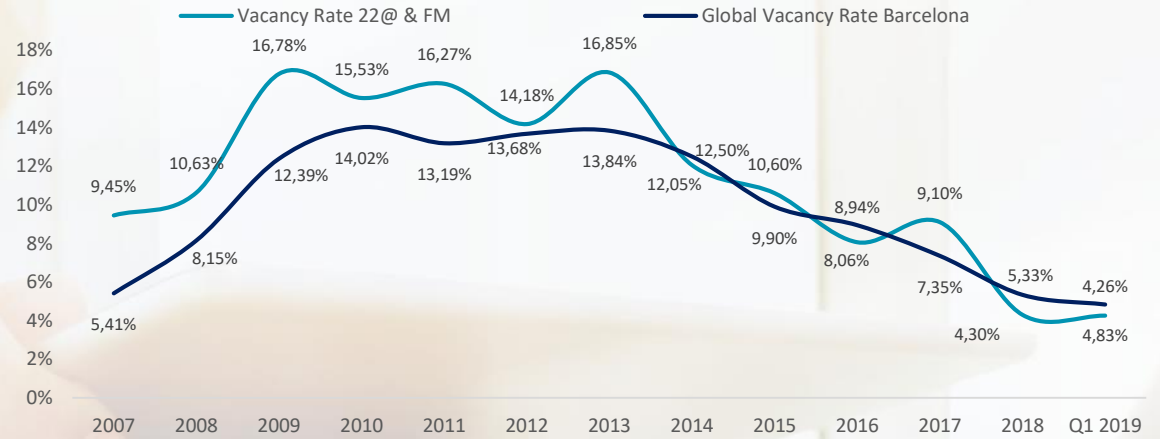
Source: PitchBook Data, Inc.

AN ATTRACTIVE SUBMARKET

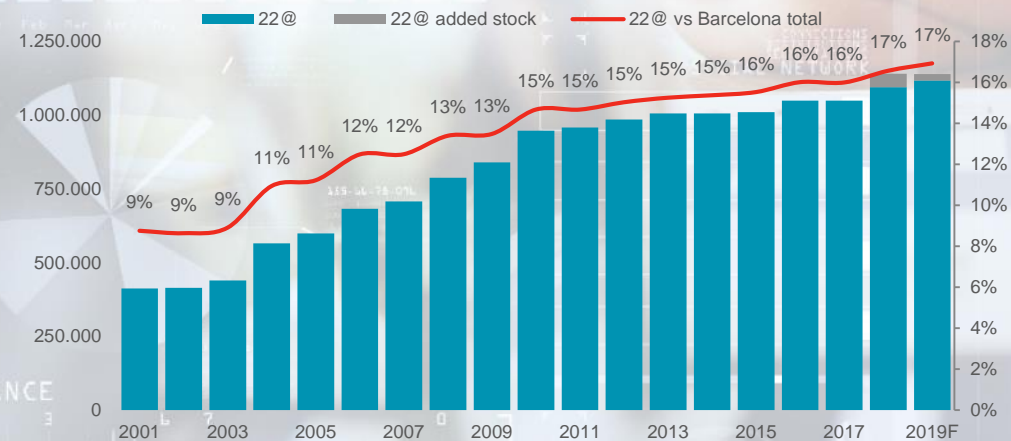
Barcelona Office Stock Evolution



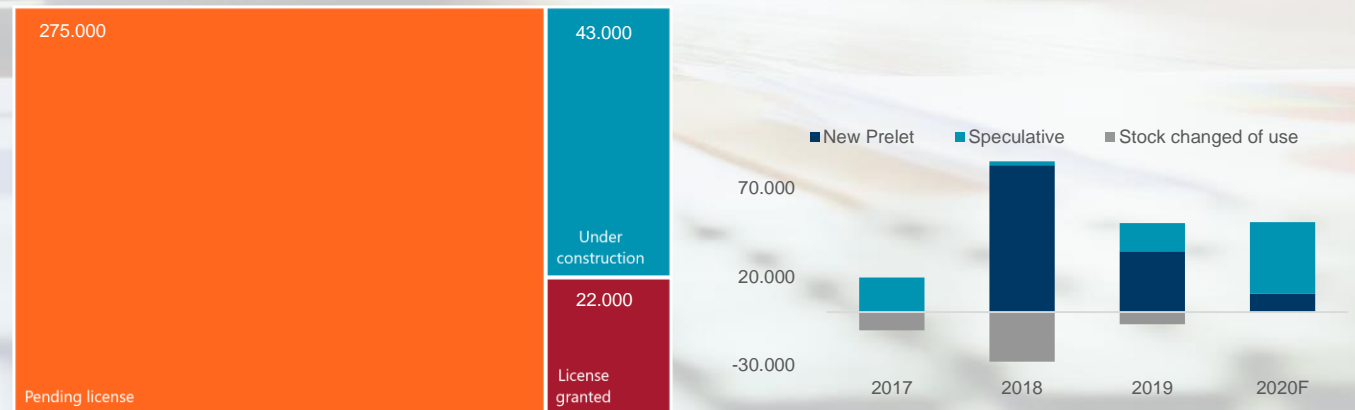
Vacancy Rate Evolution



22@ district Office Stock Evolution



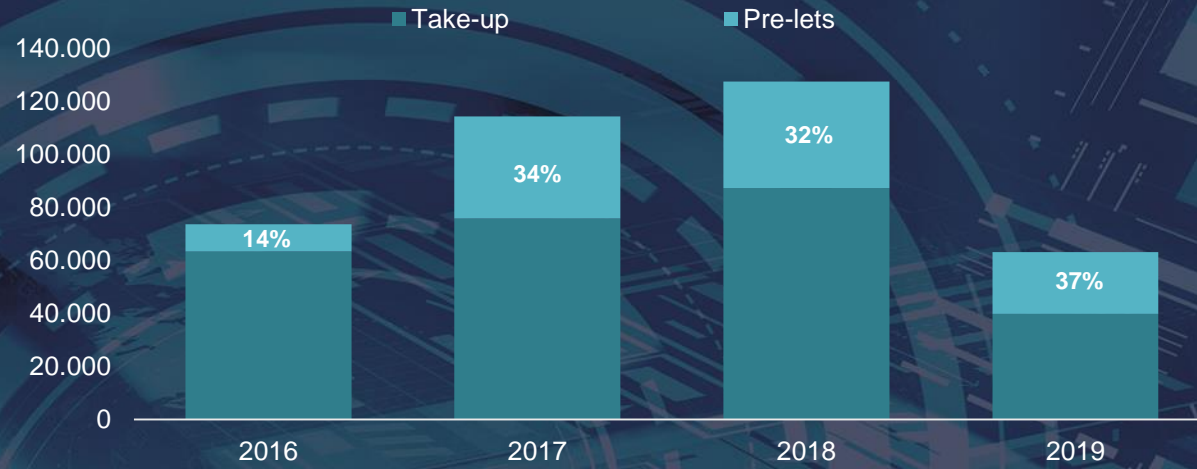
Future supply (sqm)



MORE PRE-LETS THAN EVER



Office demand in 22@



INVESTMENT MARKET

**Investment offices Barcelona
(€ million) - excl. M&A**



In 2018 50% of Barcelona's total investment volume corresponded to 22@

- Barcelona: 825 M€ (office inv) 177 M€ (land)
- 22@: 365 M€ (office inv) 177 M€ (land)

Q12018 vs Q12019 +34% total investment growth in 22@

Prime yield Barcelona - 3.50% - 22@ 4.25%

Land investment volume in 22@

Year	m ² (devpt. potential)	Total volume €m
2016	33,000	51.4
2017	173,000	161
2018	147,000	177
Q1.2019	33,000	43

Barcelona Capital Values evolution - €/sqm



RELEVANT DEALS



2015

Ciutat de Granada, 178, Bcn

3,310 m²
8,000,000€
Purchaser: Hispania
Seller: Metròpolis



2015

Cornerstone, Bcn

20,715 m²
80,050,000€
Purchaser: UBS
Seller: Benson Elliot



2015

Project Horizon, Bcn & Madrid

76,000 m² Portfolio
117,500,000€
Purchaser: Meridia
Seller: GE Real Estate



2016

Ciutat de Granada, 150, Bcn

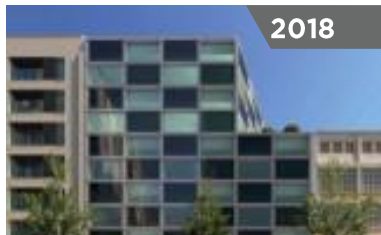
24,500 m² buildable
48,800,000€
Purchaser: Colonial
Seller: Benson Elliot & Urban Input



2018

Jaumandreu, Bcn

12,284 m²
30,600,000€
Purchaser: UOC
Seller: Invesco



2018

WIP, Ciutat de Granada, 121, Bcn

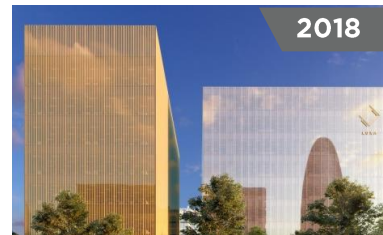
4,130 m²
24,000,000€
Purchaser: Catalana Occidente
Seller: Grupo Castellví, 1810 Capital



2018

Av. Diagonal 177 - 183, Bcn

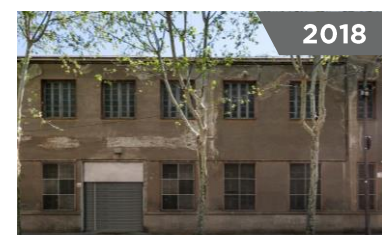
31,888 m²
90,000,000€
Purchaser: Hines
Seller: Mediapro, BIMSA (concession)



2018

Luxa, Tanger, Bcn

17,067 m²
96,500,000€
Purchaser: Catalana Occidente
Seller: Grupo Castellví, 1810 Capital

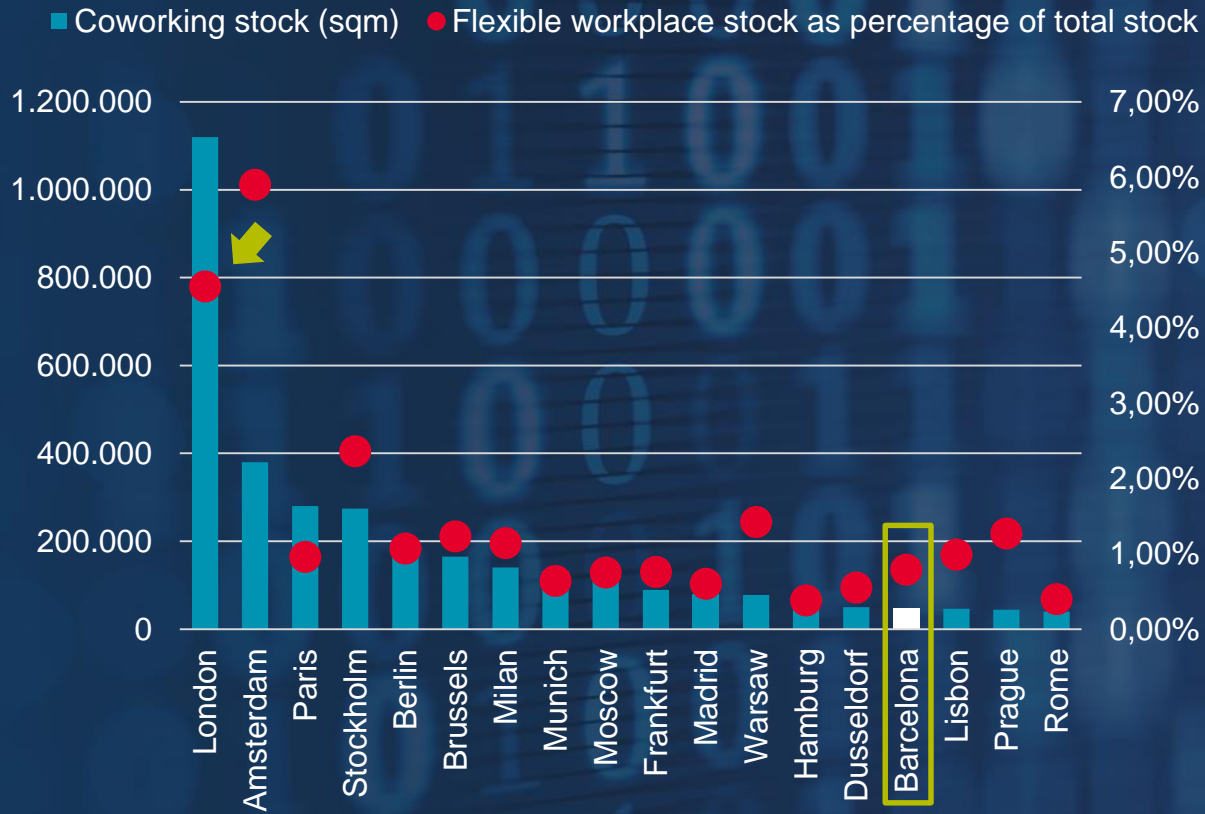


2018

Perú, 62-66, Bcn

4,922 m² refurbishment
11,300,000 €
Purchaser: Patrizia
Seller: Private

CO-WORKING



 **5%**

OF THE TOTAL STOCK IN 22@

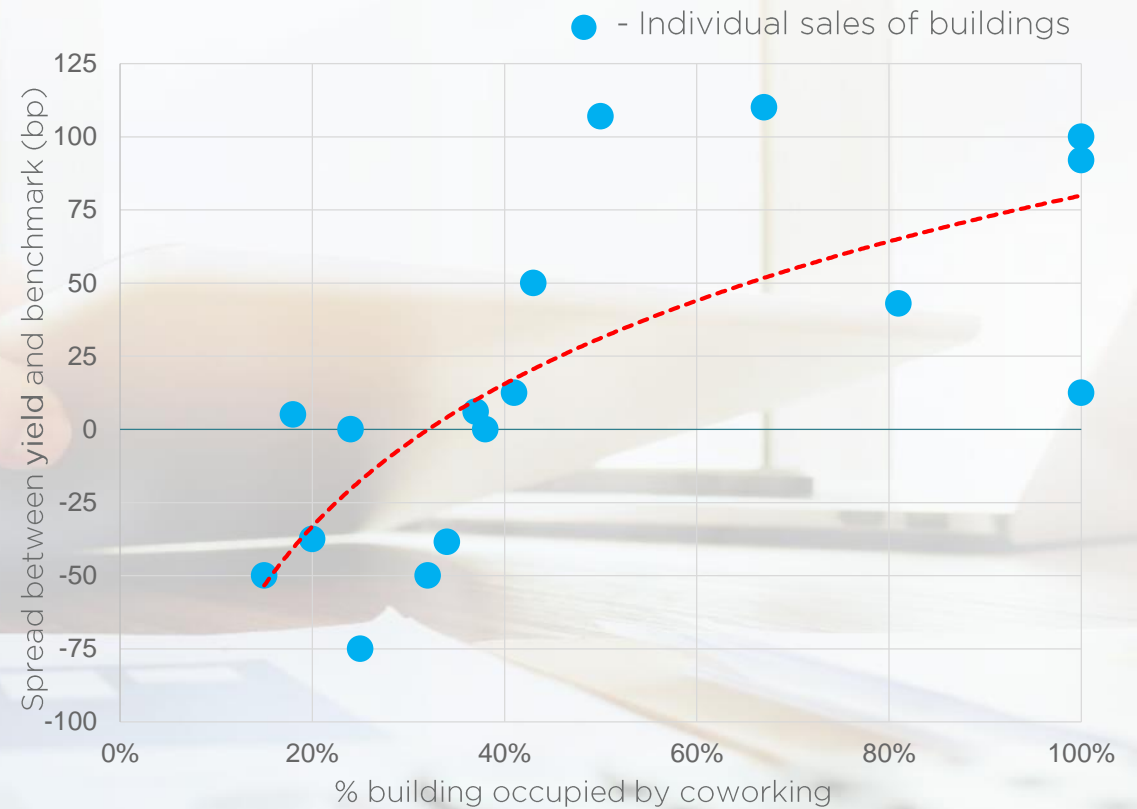
 **36%**

OF THE TOTAL TAKE-UP IN 22@ IN Q12019

CO-WORKING

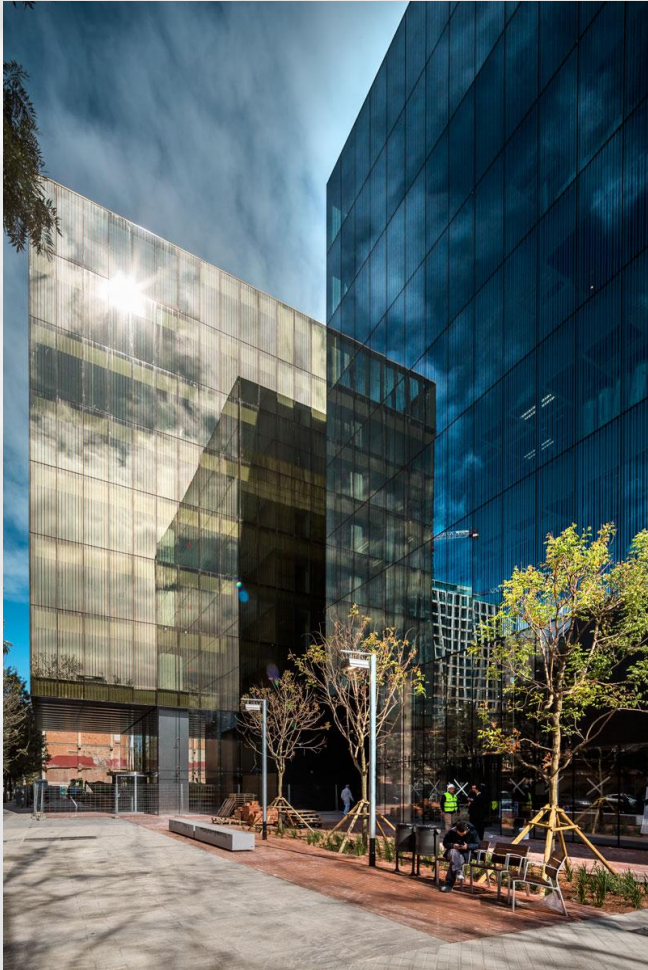
MAIN PLAYERS

Barcelona	Sqm
WeWork	30,719
Spaces & Regus	24,500
Aticco	9,837
Utopicus	9,152
Monday by Urbania	4,250
OneCoWork	3,448



In Cushman & Wakefield's report *Coworking and flexible office space. Additive or disruptive to the office market?*, 17 acquisition deals involving buildings that house operators of flexible workspaces during the first quarter of 2016 and final quarter of 2018 were analyzed. The results are shown in the graph above

22@&COWORKING



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