

▲ Stock
910,345 sqm

▲ Vacancy Rate
7%

▼ Take - up
5,500 sqm

▲ Completions
10,000 sqm

▲ Prime yield
6.0 %

▶ Average Rent A Class
15-17 EUR/sqm/mnth

▶ Average Rent B Class
12-14 EUR/sqm/mnth

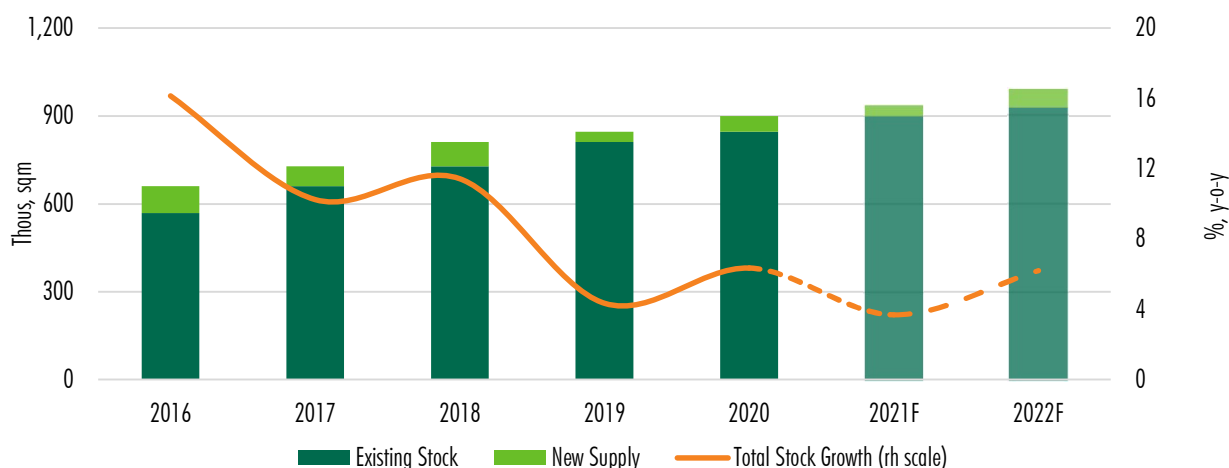
Highlights:

- After a considerable decline in completions for 2020, this year started with the 10,000 sqm Electra Office commissioning in Avala Quarter. The remainder of the year is likely to see around 25,000 sqm of new office space being delivered.
- The most significant projects are considered to be Skyon by Capital Mill (8,200 sqm) and the R6 scheme by US Invest (11,600 sqm).
- The most noteworthy office lease in Q1 2021 was signed by COOP Bank, comprising of 3,500 sqm of prime office space in the Skyon office tower, which is set to be commissioned in Q3 2021.
- A significant amount of market activity was generated by many tenants looking to optimize on rental costs by downsizing their office space quota.
- The COVID 19 pandemic has triggered many changes to the future of office demand with no long lease commitments, remote working options for ca. 20% of a time and a focus on a quality and healthy environment.
- In A class office buildings, the rental level remains steady, but a substantial vacancy and relatively low levels of activity are creating downward pressure on the B class stock.
- The rent for B class offices stands at 12.0 – 14.0 EUR/sqm/month, while A class rents are at 15.0 – 17.0 EUR/sqm/month.

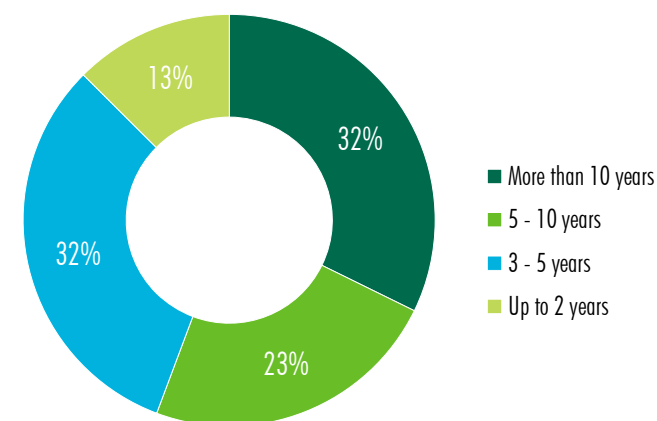
Projects' Pipeline 2021-2022:

No.	Project	Street	Landlord	Class	GLA, sqm
1	Alma Tominga House	Sepsise	Mainor	A	20,000
2	Tehnopol 3	Mäealuse	Tehnopol	B	12,000
3	R6	Rotermanni	US Invest	A	11,600
4	Polaris	Veskiposti	Kaamos	A	10,000
5	Skyon	Maakri	Capital Mill	A	8,200
6	Büroo 113	Pärnu Road	Hepsor	A	3,900
7	Grüne House	Meistri	Hepsor	A	3,400
8	P21	Pärnu Road	US Partners	A	2,000
Total					78,100

Tallinn Modern Office Stock:



Age of Offices based on GLA Distribution:



Notes:
 KPI figures show Q1 2021 results. Arrows indicate Q1 2020/Q1 2021 change.
 Sources: CBRE Baltics

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