

The market's top rents stood at 27.50 Euros/m²/month

The Outskirts is the area with the most new supply available this quarter

The vacancy rate rose slightly, standing at 6.36%

Quarterly Indicators

Take-up	↓
Vacancy	↑
Development	↑
Prime Rents	↓
Yield	↑

SUMMARY

• Activity began to slow down as from mid-year

The year commenced with a good level of activity but the second quarter was less active. However, a higher number of transactions involving large sized areas were closed. Even so, the level of letting market activity was higher than a couple of years ago, whereas a complete absence of sales activities was observed. The general market and economic uncertainty have caused companies to be more wary with respect to expansion plans and to consider the different options offered by the market very carefully. This is clearly leading to longer and more evident negotiations by the demanding companies. By areas, noteworthy was the CMT turnkey operation in 22@ in the New Business Areas, among other large-sized operations.

▪ Rents dropped slightly

Rents were slightly affected by the slowdown in activity, and the prime rent stood at 27.50 Euros/m²/month this quarter. The range between minimum and top rents widened, mainly as a result of the drop in top rents in all areas. Consequently, average market rents were down by 1 to 18 euros, the CBD and Outskirts being the areas with the highest drop.

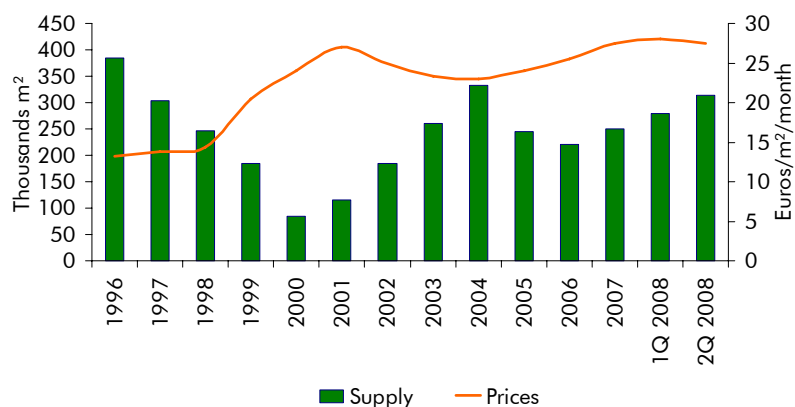
▪ The new market supply is concentrated in the New Areas and the Outskirts

In certain areas such as the market of Sant Cugat del Vallés, there has been a need for a product and the delivery of two buildings in this area will aid in meeting the demand in this part of the market. Two buildings were completed in Cornellá, on the Outskirts, as well as another two large-sized buildings in 22@, and the first building to be let in Plaza Europa de l'Hospitalet, although it is small in size. In total, 61,000 m² of available market space was added to the market this quarter.

▪ The trend for the end of the year continues to be moderate

Great changes are not expected in upcoming months and activity will continue to follow the same moderate trend. Lettings will predominate the market whereas sales will continue to be at a standstill should the credit situation remain the same. The investment market has recorded increased prime yields and the same is expected in the next quarter.

SUPPLY AND PRICES



Source: CB Richard Ellis

MARKET INDICATORS

AREA	PRICES Min-Máx. 2T 2008		2nd QUARTER 2007	ACCUMULATED 2007	1st QUARTER 2008	2nd QUARTER 2008
CBD	16.00-27.50	SUPPLY	18,006	21,659	17,536	22,848
		TAKE UP	6,200	40,299	9,200	3,247
VACANCY RATE			2.24%	2.68%	2.17%	2.83%
CITY CENTER	11.66-24.00	SUPPLY	29,152	35,677	35,343	37,480
		TAKE UP	16,200	53,043	16,400	12,585
VACANCY RATE			1.19%	1.45%	1.44%	1.52%
NEW BUSINESS AREAS	12.00-19.50	SUPPLY	98,911	78,984	112,632	104,148
		TAKE UP	25,800	140,000	33,400	42,698
VACANCY RATE			16.30 %	12.82%	16.55%	14.42%
PERIPHERY	10.00-16.00	SUPPLY	72,472	113,901	114,572	150,404
		TAKE UP	71,800	134,486	33,000	11,471
VACANCY RATE			8.29 %	12.81%	12.47%	15.58%
TOTAL MARKET		SUPPLY	218,541	250,221	280,083	314,880
		TAKE UP	120,000	367,827	92,000	70,000
VACANCY RATE			4.61%	5.25%	5.76%	6.36%



Source: CB Richard Ellis

- Business District (CBD):
Av. Diagonal and Passeig de Gracia
- City Centre: Traditional and Consolidated Business Area

- New Business Areas: 22@,
Plaza Cerda, WTC Barcelona,
Plaza Glòries, Diagonal Mar,
Villa Olímpica, Plaza Europa,
Finestrelles and Sagrera

For more information on Barcelona's office market please contact:

**OFFICE LETTING &
GLOBAL CORPORATE SERVICES**

Eva Jodar
eva.jodar@cbre.com

RESEARCH

Clara Costafreda
clara.costafreda@cbre.com

OFFICE INVESTMENT

Martín Barot
martin.barot@cbre.com

CB RICHARD ELLIS

Avenida Diagonal, 605, Pl. 8º, 1º
08028 Barcelona
+34 93 444 77 00

EMEA Offices

Abu Dhabi (971) 2 674 3399	Leeds (44) 113 233 7666
Aix-en-Provence (33) 442 60 01 31	Lisbon (351) 21 311 4400
Amsterdam (31) 20 626 2691	Liverpool (44) 151 227 4611
Athens CBRE DANOS (30) 210 756 7567	London (44) 20 7182 2000
Barcelona (34) 93 444 7700	Lyon (33) 4 72 83 48 48
Belfast (44) 28 9043 8555	Madrid (34) 91 598 1900
Belgrade CSF Real Estate (381) 11 222 3407	Malaga (34) 95 207 0710
Berlin (49) 30 72 61 54 0	Manchester (44) 161 455 7666
Birmingham (44) 121 609 7666	Marbella (34) 95 276 5130
Bratislava (421) 259 110 181	Marseille (33) 4 96 11 46 11
Bristol (44) 117 943 5757	Milan (39) 02 303 7771
Brussels (32) 2 643 3333	Moscow CB Richard Ellis Noble Gibbons (7) 495 258 3990
Bucharest (40) 21 312 7000	Munich (49) 89 2420 600
Budapest (36) 1 374 3040	Nairobi (254) 20 272 4848
Bulawayo (263) 9 630 20	Neuilly sur Seine (33) 1 46 24 53 46
Cape Town Broll Property Group (27) 11 441 400	Oslo Atrium AS (47) 40 00 57 66
Casablanca (212) 229 584 92	Palma de Mallorca (34) 97 145 6768
Copenhagen CB Richard Ellis Cederholm (45) 70 22 96 01	Paris (33) 1 53 64 00 00
Dubai (971) 4 362 0818	Port Elizabeth Broll Property Group (27) 41 363 5559
Dublin (353) 1 618 5500	Porto (351) 226 167 240
Durban Broll Property Group (27) 31 277 2900	Prague (420) 224 814 060
Edinburgh (44) 131 469 7666	Pretoria Broll Property Group (27) 12 431 7180
Frankfurt (49) 69 17 00 77 0	Rome (39) 06 4523 8501
Gaborone (267) 3188 200	Sofia Elta Consult AD (359) 2 987 7647
Geneva CB Richard Ellis PI Performance (41) 22 322 80 60	Southampton (44) 23 8033 8811
Glasgow (44) 141 204 7666	Stockholm (46) 8 4101 8700
Gothenburg (46) 31 761 8750	Tel Aviv M.A.N. Properties Real Estate Consultants (972) 3 561 6161
Hamburg (49) 40 80 80 20 0	The Hague (31) 70 750 8900
Harare (263) 4 707 101	Thessaloniki CBRE DANOS (30) 2310 244 962
Helsinki Huoneistokeskus Oy (358) 207 80 3750	Toulouse (33) 5 62 72 47 72
Hoofddorp (31) 23 565 7700	Valencia (34) 96 316 2890
Istanbul CB Richard Ellis LS (90) 212 259 36 29	Vienna (43) 1 533 4080
Jersey (44) 1534 874141	Warsaw (48) 22 544 8000
Johannesburg Broll Property Group (27) 11 441 4229	Zagreb (385) 1 487 8600
Kampala (256) 41 345165	Zurich CB Richard Ellis PI Performance (41) 44 226 30 00

CB Richard Ellis 2008

This publication was carefully prepared for the purpose of offering general information and no liability is assumed for errors or omissions. The opinions and data indicated herein are subject to changes without previous notice. Any transaction made in the market should not be solely or necessarily founded on the data included herein. This information may not be totally or partially published or cited as a source, without the previous authorization of CB Richard Ellis.