Technology, media and telecommunications (TMT) companies are set to become one of the leading and most active occupier groups across Western Europe, according to research conducted by BNP Paribas Real Estate, the leading property adviser.

In London, during the first three quarters of 2012, the TMT sector occupied 28% of the market, securing more than 1.77m sq ft.

In Germany, during the first three quarters of 2012, 4.1m sq ft of office space was occupied by TMT companies. The most popular locations were Munich, where the TMT sector occupied 23% of the market, securing more than 1.3m sq ft, and Düsseldorf, where the TMT sector occupied 22% of the market, securing more than 0.5m sq ft.

Within the Ile-de-France region, which includes Paris, the TMT sector occupied 5% of the 20,000 sq ft plus market during the same period of 2012, securing more than 495,139 sq ft. However, a large amount of TMT companies are start-ups, so much of the smaller space will also be occupied by this sector.

Looking ahead, the sector is set to continue to grow; with 54% of London TMT firms expecting to increase headcount over the next three years, which translates to an additional 1.2m sq ft of demand above what the sector’s current average take-up through churn – equivalent to two Shard Towers (the tallest building in Western Europe). In total, TMT sector UK office take-up is forecast to reach 4.65m sq ft by the end of 2014 - equivalent to eight Shards.

According to the research, London was ranked by TMT professionals as the world’s second most important TMT centre behind New York, but ahead of Los Angeles, Paris, Hong Kong, Berlin and the Silicon Valley.

BNP Paribas Real Estate’s MD of Central London, Dan Bayley said: “The growth in the significance of TMT in Europe is set to further increase. This is good news, as TMT companies step up to fill part of the gap left by financial services firms.”
“Interestingly, the research shows how this key occupier group identifies with emerging locations / satellite markets within London and Paris, as they tend to base themselves within flexible, edgy and modern office space. However, elsewhere in Europe locational preference varies but the preference is still for buildings, particularly in Spain and Italy, that are good value and well-connected both in physical transport and telephony terms,” concluded Bayley.

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About BNP Paribas Real Estate
BNP Paribas Real Estate, one of the leading international real estate providers, offers its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.
BNP Paribas Real Estate has local expertise on a global scale through its presence in 36 countries with more than 180 offices and 3,400 employees (16 wholly owned subsidiaries and 20 by its Alliance network, that represents today more than 3,000 people). BNP Paribas Real Estate is a subsidiary of BNP Paribas.
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