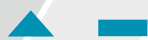


YoY Change 12-Month Forecast

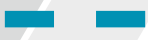
188,700m²

Take-Up (cum.), m²



8.1%

Vacancy Rate



502,500m²

Under Construction, m²



€47.50

Prime Rent, €/m²/month



LABOUR MARKET

YoY Change

103.3

Ifo Employment Barometer Germany (Jun 2022)



325,000

Frankfurt Office Employees (Jun 2022)



5.7%

Frankfurt Unemployment Rate (Jun 2022)



Sources: ifo-Institut, Moody's Analytics, Federal Employment Agency

ECONOMIC OVERVIEW

Due to the outbreak of the war in Ukraine in the first quarter of 2022, the Chamber of Industry and Commerce adjusted its economic forecast for the Frankfurt Rhine Main economic region. The GDP growth forecast for the current year was lowered from +5.2% to +2.5%. In a survey, companies based in the region primarily quoted the increased energy and raw material prices and their impact on supply chains commodity prices and price developments as the greatest risk. The second major risk factor is the persistent shortage of skilled workers. Despite the high level of uncertainty and slower economic growth, companies are still seeking staff. Thus, the economic downturn appears to be having only a minor negative impact on employment development.

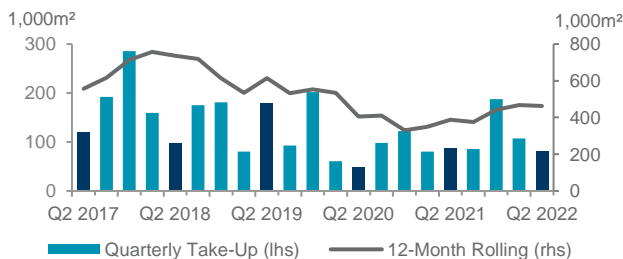
TAKE-UP

In the first half of 2022, take-up of 188,700m² was achieved in Frankfurt's office letting market. Compared to a year ago this represents an increase of around 12%, although it is 8% below the H1 5-year average. At 81,600m², take-up in Q2 was almost 7% below the level of the equivalent quarter last year and 24% below Q1 (107,100m²). A lack of major deals and subdued leasing activity led to this below-average quarterly result. The only letting over 10,000m² was to Citibank in the Taurus development project in the City submarket. The strongest sector in terms of take-up was the banking and finance sector, contributing just under 25%, followed by public administration, thanks to the GIZ owner-occupier deal in the first quarter. Law firms also remained active and were the third-strongest sector with take-up of just under 19,000m². One major deal here was the leasing of around 8,500m² of office space in the Central Parx project development by the law firm Noerr in the second quarter.

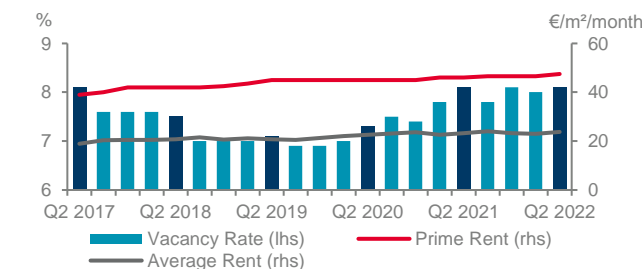
VACANCY

The vacancy rate at mid-year 2022 was 8.1%. This is unchanged from the same point last year but is 10 basis points higher compared to the first quarter. In total, around 955,000m² of office space was available for immediate occupancy at the end of June. A slight increase in vacancy is expected by the end of the year due to speculative development project completions.

TAKE-UP



VACANCY & RENT





COMPLETIONS

In the first half of 2022, only 24,600m² of office space was completed. A further 104,200m² is expected for the second half of the year, of which 59% is still available.

Delivery problems with building materials are currently causing delays in numerous developments, including The Spin in the Europaviertel district. The expected completion volume for the next two years is correspondingly high at 213,600m² in 2023 and 216,300m² in 2024.

RENTS

The weighted average rent across all new lettings in the last 12 months is currently €23.80/m²/month. This corresponds to an increase of €0.80 or 3.5% compared to the previous quarter. Compared to 12 months previously, the average rent has risen by €0.60. The prime rent at the end of the second quarter was €47.50/m²/month. Compared to the previous quarter, this represents an increase of €1.00 or 2.2%. In the last 12 months, the prime rent has risen by €1.50. The demand for premium space in very good locations and increased commodity prices will also lead to further rent increases in the second half of the year.

SELECTED PROPERTY DEVELOPMENT PROJECTS

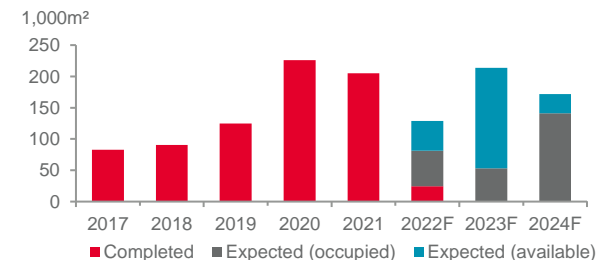
Property/Project	Submarket	Status	Year of Completion	Office Space (m ²)	Owner
ONE	Europaviertel/Fair	Under Construction	2022	44,500	CA Immo
FAZ-Tower	Europaviertel/Fair	Under Construction	2022	24,000	UBM & Paulus Immobilien
Kreislser	Station Area	Under Construction	2024	22,300	Quest
FOUR T1	Banking District	Under Construction	2024	72,200	Groß & Partner

MARKET STATISTICS

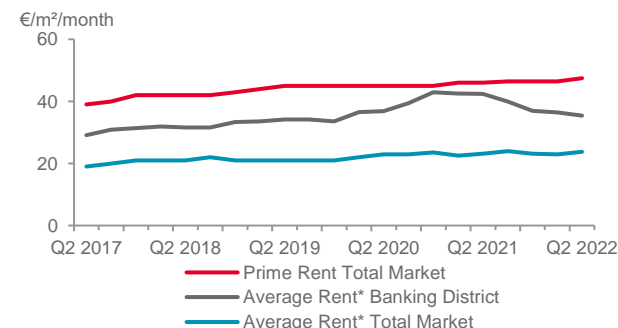
Selected Submarkets	Take-Up Q1-2 2022 (m ²)	Completions Q1-2 2022 (m ²)	Space under Construction Q2 2022 (m ²)	Prime Rent Q2 2022 (€/m ² /month)	Average Rent* Q2 2022 (€/m ² /month)
Banking District	17,500	0	96,100	47.50	35.40
Westend	16,700	800	10,200	45.00	34.00
City	26,400	2,500	36,100	47.50	30.00
Station Area	6,600	0	25,000	35.00	24.00
Total Market Frankfurt	188,700	24,600	502,500	47.50	23.80

* Weighted Average Rent (12 months)

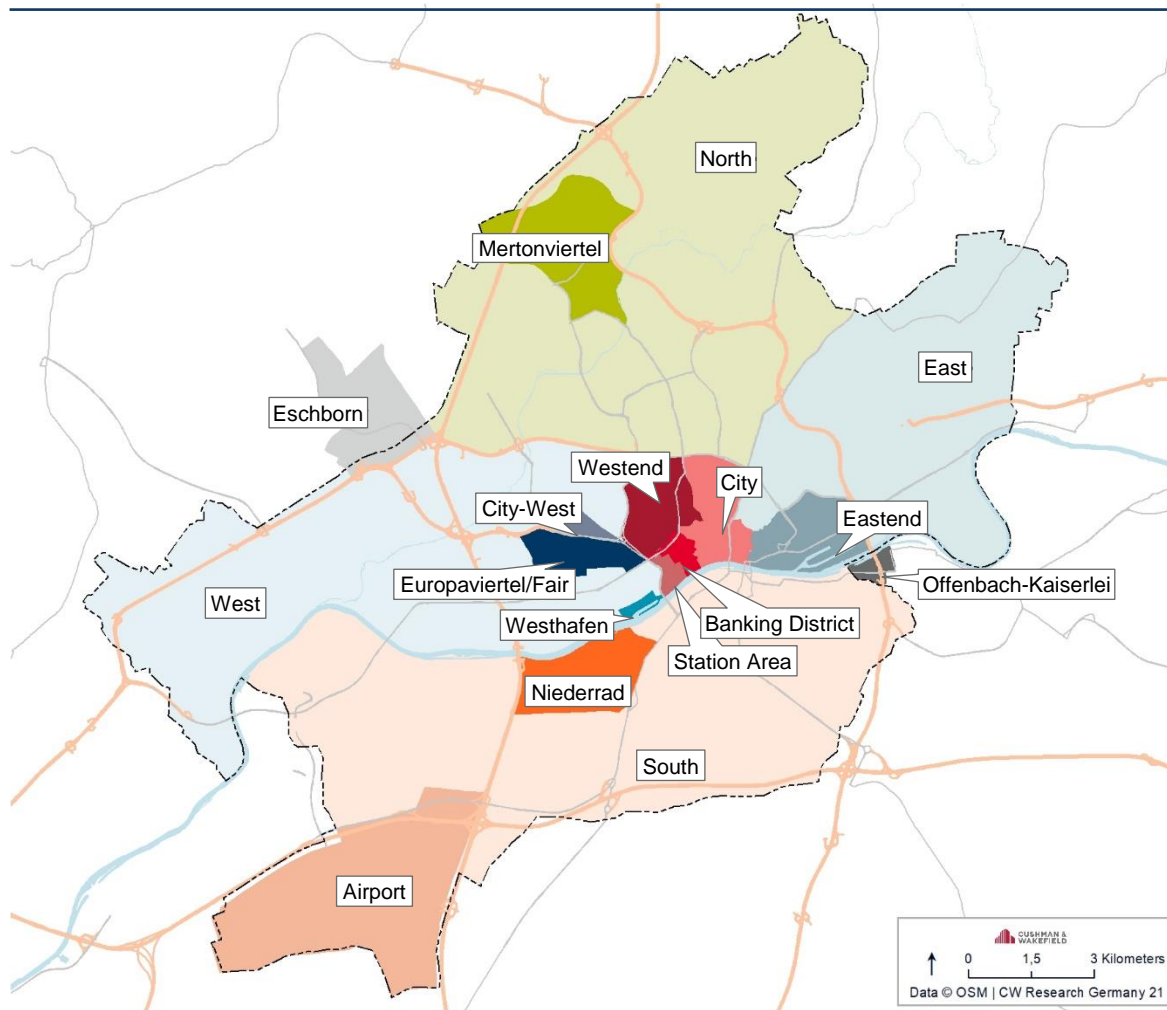
COMPLETIONS



RENTS



SUBMARKET OVERVIEW



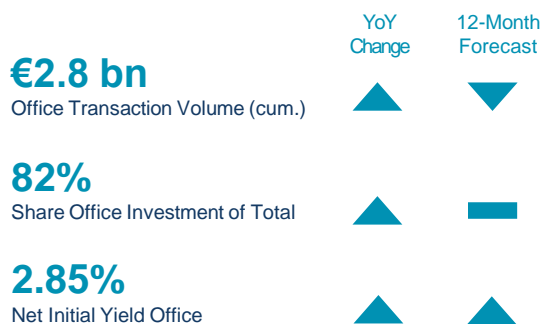
RENTAL PRICE RANGES Q2 2022

Submarket	€/m ² /month
Banking District	16.00 - 47.50
Westend	16.00 - 45.00
City	16.00 - 47.50
Station Area	13.50 - 35.00
City-West	14.00 - 24.50
Europaviertel/Fair	18.00 - 36.50
Westhafen	18.50 - 24.00
West	9.50 - 35.00
Niederrad	12.50 - 18.00
Airport	16.00 - 28.00
South	11.00 - 20.00
Eastend	10.00 - 23.00
East	8.00 - 15.00
Mertonviertel	11.00 - 16.00
North	9.00 - 15.00
Eschborn	10.00 - 20.00
Offenbach-Kaiserlei	8.00 - 17.00

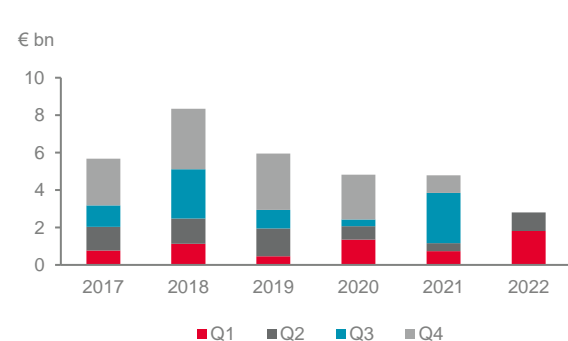
OFFICE INVESTMENT MARKET

In the first half of 2022, commercial properties and development sites on the Frankfurt real estate market changed hands for around €3.4 billion. Compared to the same period of the previous year, this corresponds to an increase in transaction volume of 89%. The H1 5-year average was exceeded by 34%. The positive half-year result was mainly due to the strong first quarter, which was boosted by the alstria takeover and the Marienturm sale. In contrast, transactions totalling only around €1.1 billion took place in the second quarter. The net initial yield for prime properties in very good city centre locations is currently 2.85%, in non-central locations 4.55%. This corresponds to an increase of 25 basis points compared to the first quarter.

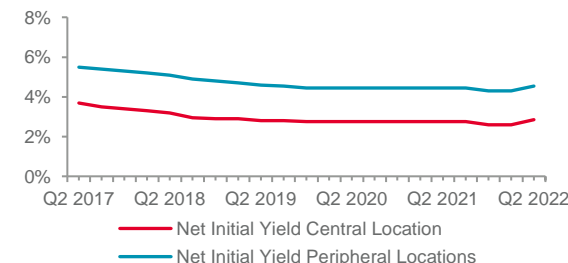
KEY FIGURES



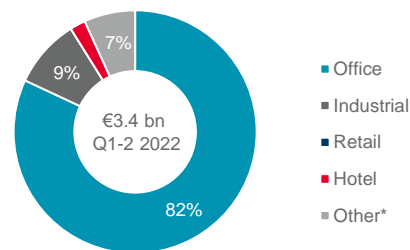
OFFICE TRANSACTION VOLUME



PRIME OFFICE YIELDS



TRANSACTION VOLUME BY ASSET CLASS



*Mixed-use Property, Development Plots, Nursing Homes etc.

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