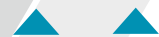


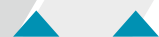
Office Q2 2022

YoY Change 12-Month Forecast

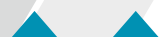
5.5%
Vacancy Rate



1.42 million m²
Take-up (cum.)



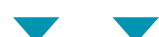
149.2
Prime Rental Index*



ECONOMIC INDICATORS

YoY Change 12-Month Forecast

1.8%
Germany GDP growth
(Q2 2022 vs. Q2 2021)



5.2%
Germany
Unemployment Rate
(Jun 2022)



103.3
Germany
Ifo Employment Barometer
(Jun 2022)



* (Q4 2010=100)

Sources: Moody's Analytics, Federal Employment Agency, ifo institute

TAKE-UP CLEARLY ABOVE PREVIOUS YEAR'S FIGURE

The top-5 office markets achieved 1.42m m² of take-up in the first half of 2022, 30% higher than in the equivalent half-year last year. After a somewhat weaker Q1, 16 % more take-up was recorded. The increase is also reflected in the number of large deals involving 10,000 m² or more. Letting market recovery is progressing despite Damoclean imponderables regarding the economy, inflation and energy supply hanging over leasing decisions. For 2022 as a whole, Cushman & Wakefield expects take-up of just under 3 million m² - which would be 6 % higher than the figure for 2021. Users continue to be uncertain which mix of office and remote working best suits them and their employees. At the same time, there is pent-up demand because many searches for space were put on hold during the pandemic.

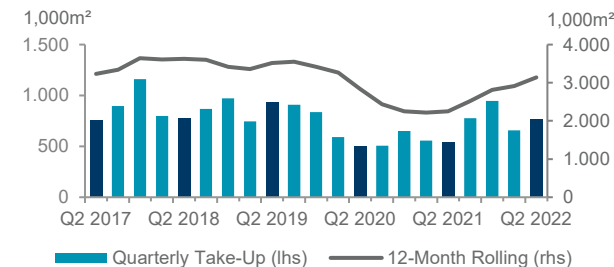
VACANCY INCREASES IN FOUR OF THE FIVE MARKETS

Vacancy in the top-5 office locations at the end of Q2 2022 stands at 4.3 million m² (vacancy rate 5.5%). The vacancy rate has increased every quarter since Q2 2020. Düsseldorf was the only location exhibiting a reduction in its vacancy rate over the quarter (-0.1%-points). In the other locations, the increase was between +0.1 and +0.4%-points. Cushman & Wakefield expects further increase to the end of 2022. Although the 230,000m² of office space completed in Q2 2022 was less than in previous quarters, completions in the current year already total almost 600,000m². More than 80 % of this space was let or owner-occupied at the time of completion. In 2022 as a whole, 1.8 million m² of new or refurbished office space is expected to be completed - this would be around 40 % more than in 2021. In the top-5 cities 4.8 million m² of office space is currently under construction. This is the highest level since data collection began. Compared to the same point last year, 12% more office space is under construction. Munich (1.74 million m²) and Berlin (1.68 million m²) are the leaders here.

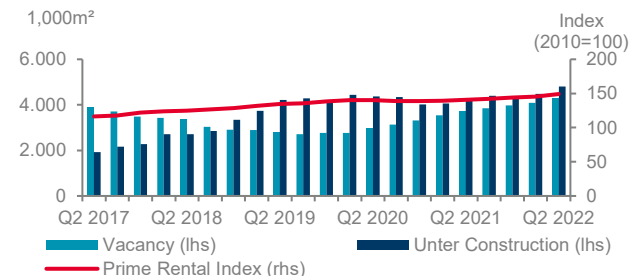
ALL FIVE MARKETS WITH INCREASING PRIME RENTS

Düsseldorf became the last of the top-5 markets to reach 30.00 €/m²/month. All five markets saw an increase in prime rents during the quarter: Düsseldorf +1.50 €/m²/month, Frankfurt and Berlin +1.00 €/m²/month and Munich and Hamburg +0.50 €/m²/month. The prime rent index for the top-5 markets stands at 149.2 points (2010=100) at the end of Q2 2022, an increase of 6.0 % over 12 months. Rent-free periods in prime city centre locations have risen slightly in Hamburg. Based on a five-year lease, rent-free periods average 5.5 % across all top-5 markets.

TAKE-UP TOP-5 MARKETS



VACANCY / UNDER CONSTRUCTION / PRIME RENT TOP-5



MARKET STATISTICS

Market	Stock (m ²)	Vacancy (m ²)	Vacancy Rate (%)	Take-up (m ²) current Quarter	Take-up (m ²) YTD	Completions (m ²) YTD	Under Construction (m ²)	Prime Rent* (€/m ² /m)	Prime Yield* (%)
Berlin	20,076,200	869,500	4.3	200,900	354,100	82,000	1,681,600	42.00	2.85
Düsseldorf	9,283,200	717,200	7.7	98,200	164,300	17,900	349,300	30.00	3.15
Frankfurt	11,770,300	955,000	8.1	81,600	188,700	22,300	502,500	47.50	2.85
Hamburg	15,102,700	633,000	4.2	176,000	307,000	29,000	535,400	32.00	2.90
Munich	21,109,400	1,103,100	5.2	206,800	407,000	78,400	1,737,400	42.50	2.75
Total	77,341,800	4,277,800	5.5	763,500	1,421,100	229,600	4,806,200	-	2.90

*Rental /Yields rates reflect achievable values

SELECTED TAKE-UP TRANSACTIONS Q2 2022

Property	Market	Submarket	Tenant	m ²	Type
Haus der Statistik	Berlin	Hackescher Markt - Alexanderplatz	Berliner Immobilienmanagement (tax office)	30,000	Owner occupier
Deutschlandhaus	Hamburg	City Center	Hamburger Sparkasse	29,500	Pre-let
Freiham Nord MK 2 (panel 5)	Munich	City Areas West-South West	Hoffmann	22,100	Pre-let
Verwaltung TÜV Süd (building Z)	Munich	City Areas West-South West	TÜV Süd	20,000	Owner occupier

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SELECTED SALES TRANSACTIONS Q2 2022

Property	Market	Submarket	Vendor / Buyer	m ²	Price (€ million)
k.26	Frankfurt	Banking District	Blackstone / Generali	11,500	~160
Prisma	Frankfurt	Niederrad	Commerzreal / Sonar, Patron Capital	49,100	~120
The Lab	Berlin	Berlin Ost	Institut für Produktqualität / Garbe	20,000	~95

SELECTED CONSTRUCTION COMPLETIONS Q2 2022

Property	Market	Submarket	Major Tenant	m ²	Owner / Developer
KARL	Munich	City Centre West	Apple	30,600	Mankel Family Office
Bundesministerium für Gesundheit, building 1	Berlin	CBD East	Federal Ministry of Health	27,200	Federal Republic of Germany
Société Générale Bürocampus	Hamburg	Barmbek	Société Générale	26,000	ECE Projektmanagement / HIH
Deka Office Hub (2nd construction stage)	Frankfurt	Niederrad	DekaBank	21,300	DIC Asset / Lang & Cie.

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