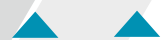
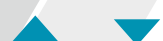


YoY Change 12-Month Forecast

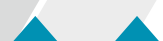
5.4%
Vacancy Rate



2.17 million m²
Take-up (cum.)



150.9
Prime Rental Index*



ECONOMIC INDICATORS

YoY Change 12-Month Forecast

0.7%
Germany GDP growth
(Q3 2022 vs. Q3 2021)



5.4%
Germany Unemployment Rate
(Sep 2022)



99.5
Germany Ifo Employment Barometer
(Sep 2022)



* (Q4 2010=100)
Sources: Moody's Analytics, Federal Employment Agency, ifo institute

GOOD LEVEL OF LETTING ACTIVITY THUS FAR OVER THE COURSE OF THE YEAR

Take-up of 2.17m² was achieved in the top-5 office markets in the first three quarters of 2022 - 16% above last year's equivalent figure. In Q3 2022, take-up totalled 746,700m², including seven major lettings of 10,000m² or more (21 in the year to date), four of these in Berlin alone. Munich (228,400m²) and Berlin (203,900m²) are the two markets with the highest take-up both in Q3 and in the current year. For the coming quarter, stable take-up and thus a total annual take-up in 2022 of just under 3 million m² is expected. Two opposing developments will influence the market development in 2023: Firstly, the continuing pent-up demand and the need for change on the part of office users following the pandemic and, secondly, the expected economic downturn.

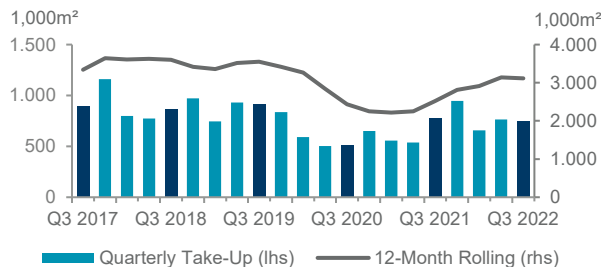
LITTLE CHANGE IN VACANCY RATES

The office vacancy rate in Germany's top-5 locations stood at 4.2 million m² at the end of the third quarter of 2022 (vacancy rate 5.4%). After a good ten quarters of steadily rising vacancy, a slight fall can now be observed. However, this is more likely to be a temporary movement. The economic slowdown in conjunction with a high completion volume in 2023 lead us to expect a resumed increase. Among the five markets, Hamburg has the lowest vacancy, both in absolute terms and in terms of the vacancy rate. In the third quarter, 320,000m² of office space was completed and in the year to date, completions have totalled around 918,000m². This is 36% above the average of the past 5 years. More than three quarters of the completions in the current year were already let or for owner occupation at the time of completion. In the coming year, more than 2 million m² of new or refurbished office space will be completed, the largest proportions of which will be in Berlin and Munich. In the top-5 markets, 4.1 million m² of office space is currently under construction. With the exception of Düsseldorf, all markets currently have a lower construction volume than a year ago.

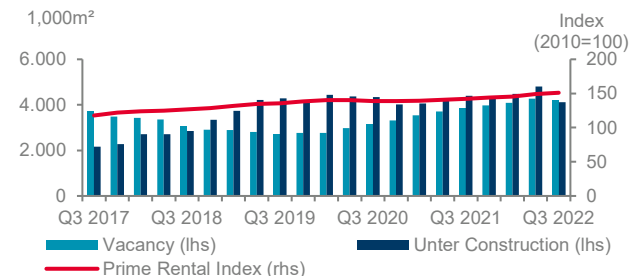
PRIME RENTS CONTINUE TO RISE

In the three markets of Berlin (+€1.00/m²/month), Munich and Hamburg (+€0.50 each), the prime rent rose over the quarter. Compared to the third quarter of last year, it has risen in all five markets – in Berlin most strongly, at +10%. At the end of Q3 2022, the prime rent index for the top-five markets stands at 150.9 points (2010=100) (+6.1% over the 12-month period). A further slight increase is expected to the end of the year, as is growth of a good 2% in the coming year. Compared to the previous quarter and the equivalent quarter last year, the average rent has risen in all markets except Frankfurt.

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	20,143,700	892,000	4.4	228,400	583,900	397,600	1,684,100	43.00	3.20
Düsseldorf	9,306,700	731,400	7.9	40,900	205,200	96,900	313,800	30.00	3.25
Frankfurt	11,778,600	850,800	7.2	102,500	291,200	88,200	488,000	47.50	3.10
Hamburg	15,134,900	643,300	4.3	171,000	478,000	131,600	520,600	32.50	3.15
Munich	21,153,200	1,086,900	5.1	203,900	610,800	203,200	1,109,500	43.00	3.00
Total	77,517,100	4,204,400	5.4	746,700	2,169,100	917,500	4,116,000	-	3.14

*Rental /Yields rates reflect achievable values

SELECTED TAKE-UP TRANSACTIONS Q3 2022

Property	Market	Submarket	Tenant	m ²	Type
Hanse Center	Hamburg	City Süd	Dataport	40,000	Reletting
Elementum	Munich	City Centre West	Personio	40,000	Pre-let
Quartier Heidestraße	Berlin	Europacity – Central Station	Cariad	22,500	Pre-let
Gallusanlage 8	Frankfurt	Banking District	ODDO BHF	18,600	Reletting

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SELECTED SALES TRANSACTIONS Q3 2022

Property	Market	Submarket	Vendor / Buyer	m ²	Price (€ million)
Voltair	Berlin	Hackescher Markt – Alexanderplatz	ABG RE / Swiss Life AM JV NBIM	30,700	~460
Ehem. Fernmeldeamt	Hamburg	Harvestehude / Rotherbaum	Peaksid Capital / Values RE	52,000	~400
H2O	Munich	City Area North-North West	BNP Paribas REIM / Dekra Immobilien Invest	20,600	~150

SELECTED CONSTRUCTION COMPLETIONS Q3 2022

Property	Market	Submarket	Major Tenant	m ²	Owner / Developer
MARK	Munich	City Areas West-North West	Commerzbank	54,600	AXA Investment Managers / FOM Real Estate
ONE	Frankfurt	Europaviertel/Fair	Spaces, WTS Steuerberatungsgesellschaft, Baker Tilly	44,500	CA Immo / CA Immo
iCampus (i5, i6, i7)	Munich	City Centre East	Serviceplan	40,000	R&S Immobilienmanagement / R&S Immobilienmanagement
Eclipse	Düsseldorf	Kennedydamm	PwC	26,000	Union Investment / die developer

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