

YoY
Change 12-Month
Forecast**180,700m²**

Take-Up (cum.)

**8.9%**

Vacancy Rate

**621,600m²**

Under Construction

**€48.00**Prime Rent, €/m²/month

LABOUR MARKET

YoY
Change**98.4**Ifo Employment Barometer Germany
(Jun 2023)**329,100**Frankfurt Office Employees
(Jun 2023)**5.8%**Frankfurt Unemployment Rate
(Jun 2023)Sources: ifo-Institut, Moody's Analytics, Federal
Employment Agency

ECONOMIC OVERVIEW

The latest results of the economic survey conducted by the Frankfurt-Rhine-Main Chamber of Commerce and Industry indicate that the economic situation of the companies surveyed is stabilizing at a low level. However, a return to the pre-crisis level is still not in sight. The main risk factor for future growth remains the shortage of skilled workers. In addition, calls for changes to the economic policy framework are growing louder from the business community, particularly with regards to promoting innovation, reducing bureaucracy and openness to technology.

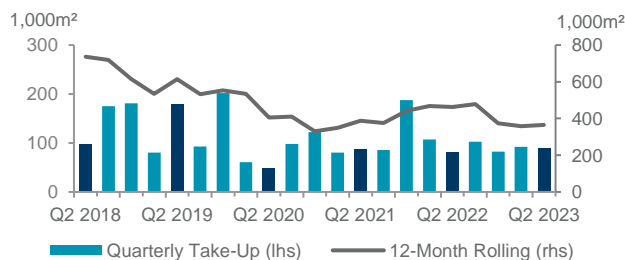
TAKE-UP

Office take-up in the Frankfurt real estate market amounted to 180,700m² in the first half of 2023. Of this, 88,500m² took place in the second quarter. Both the 5-year average and the 10-year average were thus missed by just under 8%. The largest lease in the current year remains the deal signed by Universal Investment for approximately 9,600m² in the "Timber Pioneer" project in the first quarter. The largest leasing deal within the second quarter was concluded by Eintracht Frankfurt AG with around 8,800m² in Otto-Fleck-Schneise 7. This was followed by American Express with around 5,100m² in the project development "The Spin" and State Street with just under 4,900m² in "ONE". Both users are moving to Frankfurt's more centrally located Europaviertel, downsizing their office space in the process. With a total of 55,500m² (31% of take-up), the highest take-up in the first half of 2023 was achieved in city center locations. Overall, just under 51% (92,200m²) of leases were concluded in project developments or properties that offer first-class quality with modern, high-end fittings.

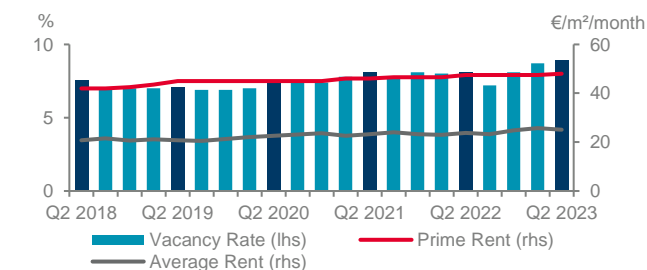
VACANCY

At the end of June, around 1.05 million m² of office space was available for short-term occupancy. The vacancy rate thus amounts to 8.9% and has risen by 0.2 percentage points compared to the previous quarter and by 0.8 percentage points compared to the same point last year. The proportion of sublet space has also increased within the last three months. At the end of the first quarter, 73,800m² was offered for subletting, and by the end of the second quarter this figure increased to 105,400m².

TAKE-UP



VACANCY & RENT





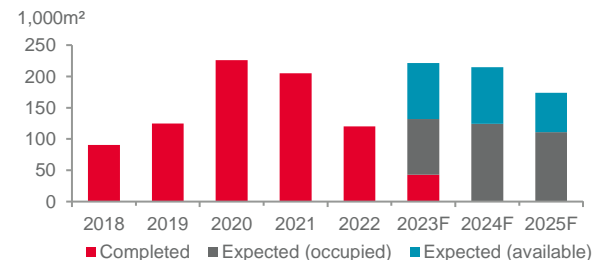
COMPLETIONS

In the second quarter, components B and C of "FLOW" at Frankfurt Airport were completed with around 19,000m² of office space. This brings the total volume of completions in Frankfurt in the first half of the year to 42,800m², of which 77% (33,100m²) is still available. In the second half of 2023, a completion volume of around 180,000m² is expected. Here, the current pre-letting rate is 50%. In 2024, around 215,000m² of office space is expected to be completed. Of this, 58% is already pre-let.

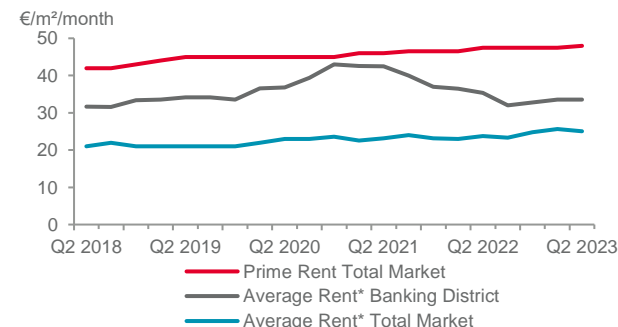
RENTS

The weighted average rent across all new lettings in the last 12 months is €25.10/m²/month. Compared with the first quarter of 2023, this represents a decline of €0.60 and 2.3% respectively. Compared with the previous year, the weighted average rent has risen by €1.30/m²/month (3.5%). At the end of the second quarter, the prime rent was €48.00/m²/month, an increase of €0.50 or 1.1% on the previous quarter.

COMPLETIONS



RENTS



SELECTED PROPERTY DEVELOPMENT PROJECTS

Property/Project	Submarket	Status	Year of Completion	Office Space (m ²)	Owner
LEIQ	Offenbach-Kaiserlei	Under Construction	2023	24,500	Hamburg Trust
Four T4	Banking District	Under Construction	2023	23,900	Union Investment
Eschborn Gate	Eschborn	Under Construction	2024	23,400	OFB / Art-Invest
Atreem	Eastend	Under Construction	2024	14,700	OFB

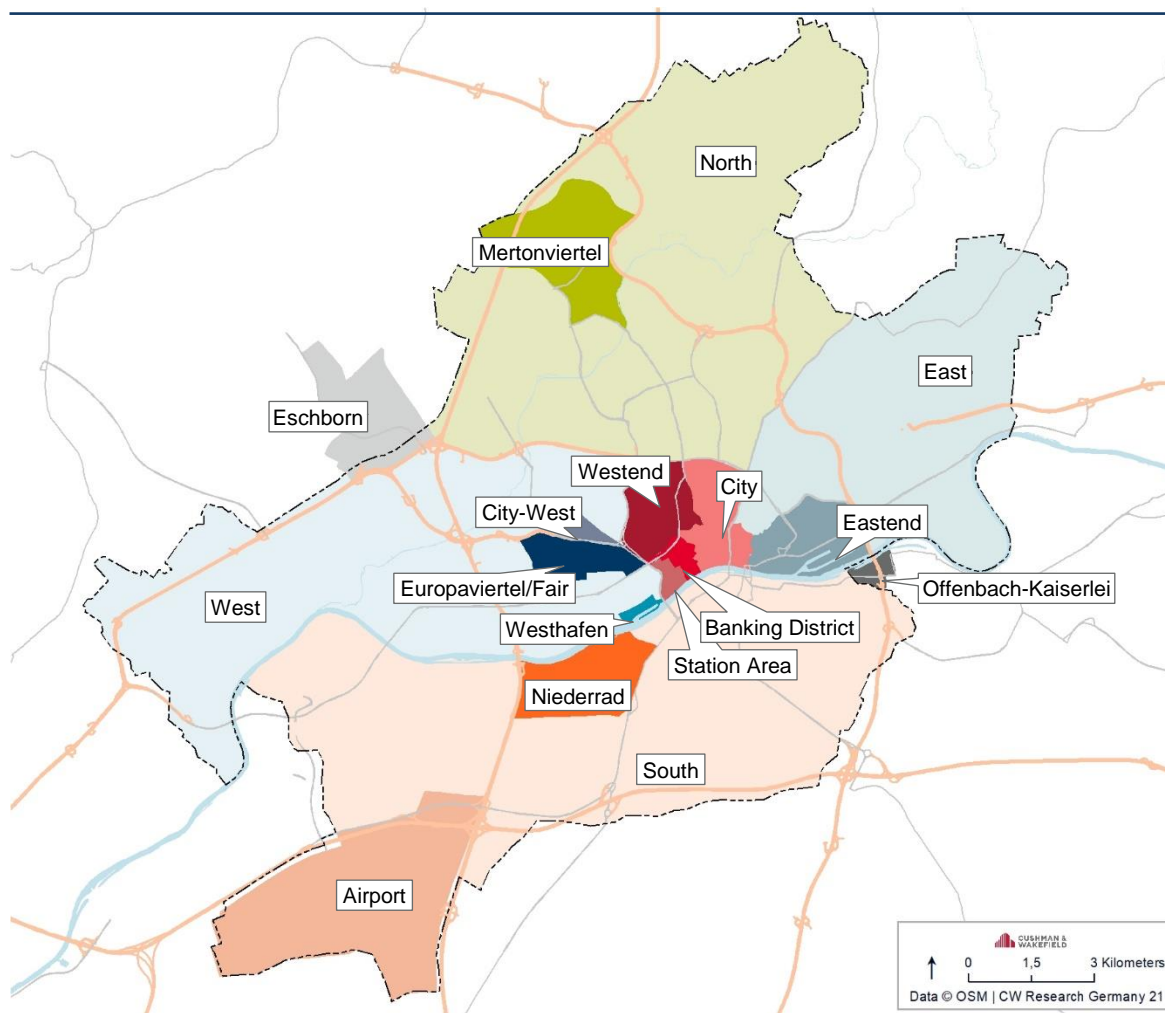
MARKET STATISTICS

Selected Submarkets	Take-Up YTD (m ²)	Completions YTD (m ²)	Space under Construction Current Quarter (m ²)	Prime Rent Current Quarter (€/m ² /month)	Average Rent* Current Quarter (€/m ² /month)
Banking District	28,100	0	163,100	48.00	33.60
Westend	14,600	0	14,100	45.00	32.70
City	18,500	0	44,900	47.50	24.50
Station Area	5,100	0	23,100	35.00	21.10
Total Market Frankfurt	180,700	42,800	621,600	48.00	25.10

* Weighted Average Rent (12 months)



SUBMARKET OVERVIEW



RENTAL PRICE RANGES Q1-2 2023

Submarket	€/m ² /month
Banking District	17.00 - 48.00
Westend	16.00 - 45.00
City	16.00 - 47.50
Station Area	14.00 - 35.00
City-West	15.00 - 24.00
Europaviertel/Fair	18.00 - 38.00
Westhafen	18.50 - 25.50
West	10.50 - 39.00
Niederrad	12.50 - 18.00
Airport	16.00 - 28.00
South	12.50 - 24.00
Eastend	12.50 - 23.00
East	9.50 - 15.00
Mertonviertel	11.00 - 15.00
North	9.00 - 16.00
Eschborn	11.00 - 22.00
Offenbach-Kaiserlei	9.00 - 17.00



MARKETBEAT

FRANKFURT

Office Market Q2 2023



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