

YoY
Change 12-Month
Forecast270,700m²

Take-Up (cum.)



9.3%

Vacancy Rate

517,600m²

Under Construction



€48.00

Prime Rent, €/m²/month

LABOUR MARKET

YoY
Change

95.8

Ifo Employment Barometer Germany
(Sep 2023)

328,900

Frankfurt Office Employees
(Sep 2023)

5.9%

Frankfurt Unemployment Rate
(Sep 2023)Sources: ifo-Institut, Moody's Analytics, Federal
Employment Agency

ECONOMIC OVERVIEW

Results of the latest economic survey by the Frankfurt Rhine Main Chamber of Commerce and Industry signal a stabilisation of the current situation after the economic trough in autumn 2022. Accordingly, the economic forecast for the current year has been raised from -2% to -0.2%. Against the backdrop of the persistent shortage of skilled workers, however, this slight setback in economic growth will only have a moderate impact on employment levels.

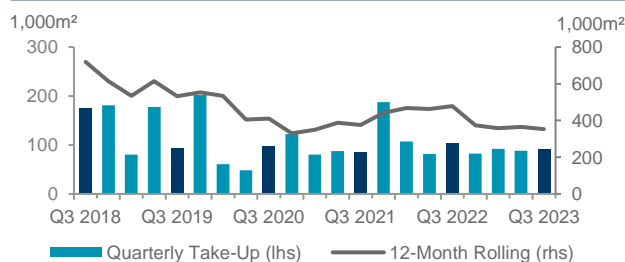
TAKE-UP

Office take-up so far in 2023 is 270,700m². Of this, 90,000m² was achieved in the 3rd quarter. The annual take-up to date is thus around 7% below the previous year's result. This result also fell short of the 5-year and 10-year averages by 12% and 15% respectively. In the 3rd quarter, the 1st and so far only deal this year for more than 10,000m² was concluded. An industrial company leased around 12,400m² in the office property "The Move Orange" at Frankfurt Airport, which was completed this year. The next-largest letting transaction in the 3rd quarter was of around 5,500m² to LG Electronics Vehicle Components Europe in the "Matchbox" development project in Eschborn. As many companies consolidate their space in favour of 1st-class offices in central locations with a high standard of sustainability, take-up since the Covid pandemic has increasingly settled at a level that was normal for the market before the boom years of 2016 to 2019. Overall, take-up in A-quality properties amounted to 131,700m² over the course of the year, which corresponds to 49% of the office total.

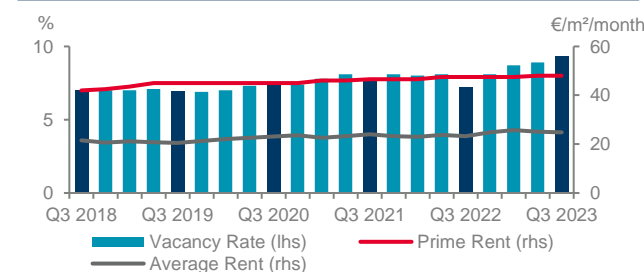
VACANCY

Around 1.09 million m² of office space was available for immediate occupancy at the end of September. The vacancy rate thus amounts to 9.3% and has risen by 0.4 percentage points compared to the previous quarter, and by 2.1 percentage points compared to the same point last year. The proportion of subletting space has also risen by around 14% within only three months. At the end of the 2nd quarter 105,400m² were offered for subletting, at the end of the 3rd quarter this had already risen to 120,000m². A further increase in vacancy is expected by the end of the year.

TAKE-UP



VACANCY & RENT





COMPLETIONS

In the 3rd quarter, 48,000m² of office space was completed within the Frankfurt market area. This includes Siemens' owner-occupier development "The Move Blue" at Frankfurt Airport with almost 23,300m² of office space, the 1st section of the "LEIQ" in Offenbach-Kaiserlei, with around 11,100m², and "The Spin" in the Europaviertel, with around 10,000m² of office space. The completion volume for the 1st three quarters of the year totals 90,800m². A further 77,900m² is expected by the end of the year. Of this space, 55% is still available. Approximately 186,400m² of office space under development is for completion in 2024. Of this, 49% has already been pre-let.

RENTS

The weighted average rent across all new lettings in the last twelve months is €24.80/m² per month. Compared to the 2nd quarter of 2023, this corresponds to a decrease of €0.30/m². Compared to a year previously, the weighted average rent has increased by €1.50/m². The prime rent at the end of the 3rd quarter is €48.00/m² per month and remains stable compared to the previous quarter. Over the last twelve months, the prime rent has risen by €0.50/m². In the course of the expected lettings in development projects and office space with very good quality, an increase in the prime rent is expected.

SELECTED PROPERTY DEVELOPMENT PROJECTS

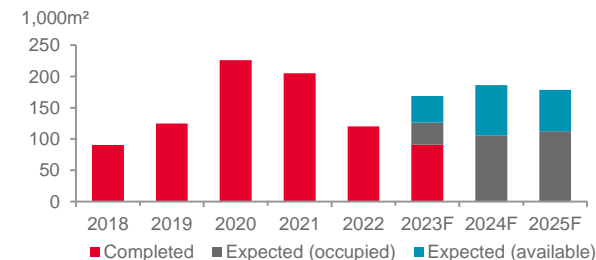
Property/Project	Submarket	Status	Year of Completion	Office Space (m ²)	Owner
LEIQ BT 2	Offenbach-Kaiserlei	Under Construction	2023	13,400	Hamburg Trust
Matchbox	Eschborn	Under Construction	2024	12,700	Lang & Cie.
Fifty Five Westend	Westend	Under Construction	2024	8,800	Cresco Real Estate
Frames	Eastend	Under Construction	2023	7,500	Indigo Invest

MARKET STATISTICS

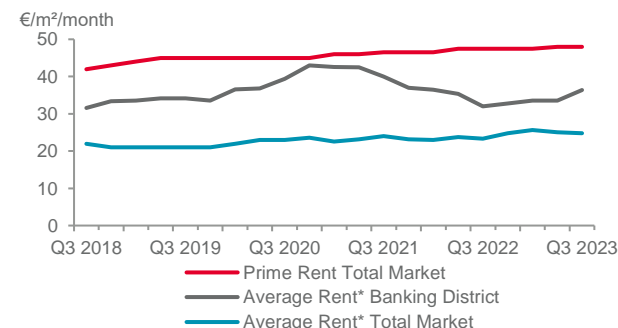
Selected Submarkets	Take-Up YTD (m ²)	Completions YTD (m ²)	Space under Construction Current Quarter (m ²)	Prime Rent Current Quarter (€/m ² /month)	Average Rent* Current Quarter (€/m ² /month)
Banking District	33,800	0	163,100	48.00	36.40
Westend	21,400	1,900	12,000	46.00	36.40
City	27,500	1,700	39,300	47.50	24.70
Station Area	12,600	0	23,100	35.00	23.20
Total Market Frankfurt	270,700	90,800	517,600	48.00	24.80

* Weighted Average Rent (12 months)

COMPLETIONS

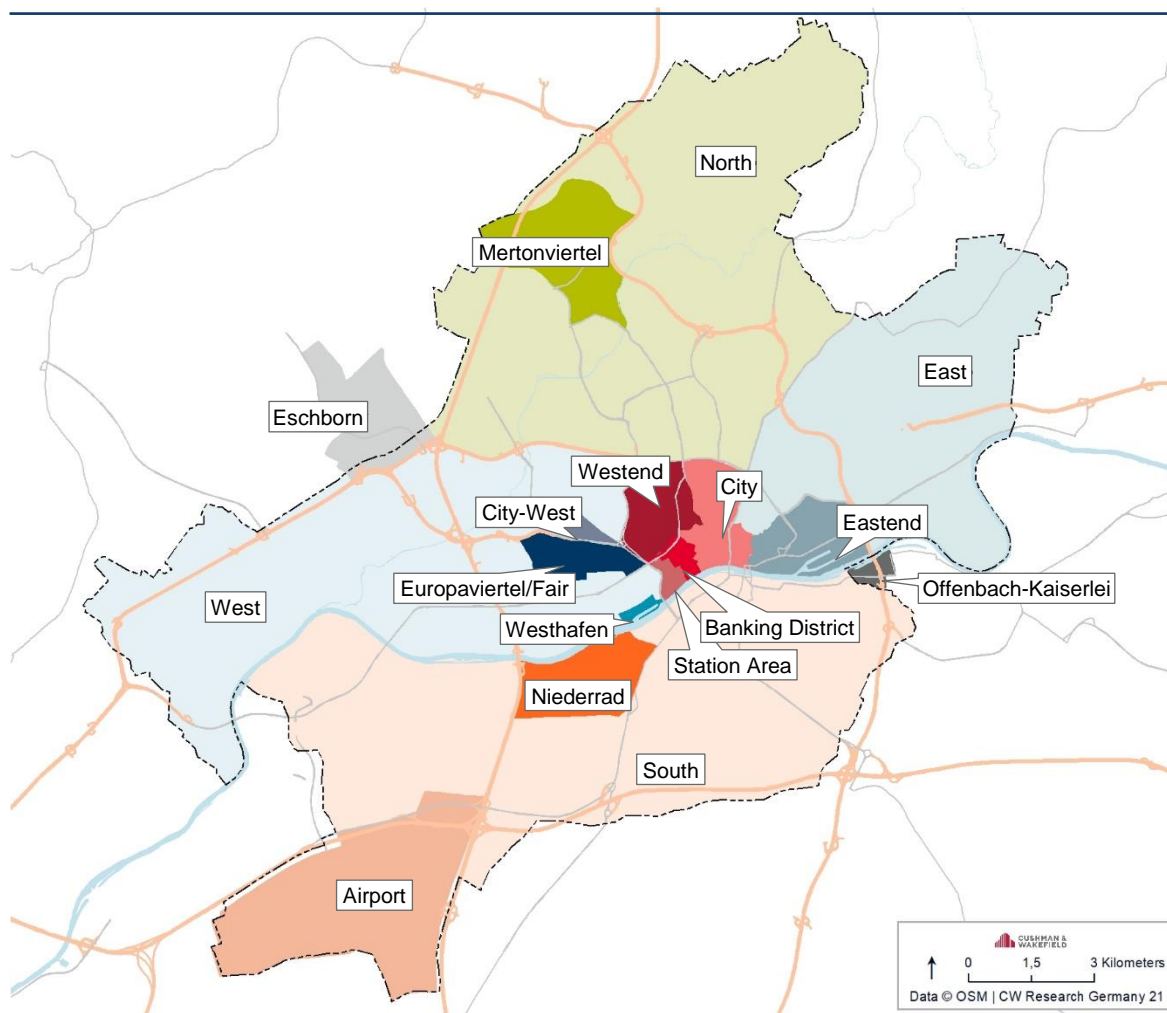


RENTS





SUBMARKET OVERVIEW



RENTAL PRICE RANGES Q1-3 2023

Submarket	€/m ² /month
Banking District	17.00 - 48.00
Westend	16.00 - 46.00
City	16.00 - 47.50
Station Area	14.00 - 35.00
City-West	15.00 - 24.00
Europaviertel/Fair	18.00 - 38.00
Westhafen	18.00 - 25.50
West	10.50 - 39.00
Niederrad	12.50 - 18.00
Airport	16.50 - 28.00
South	12.50 - 24.00
Eastend	12.50 - 23.00
East	10.00 - 15.00
Mertonviertel	11.00 - 15.00
North	9.00 - 16.00
Eschborn	11.00 - 22.00
Offenbach-Kaiserlei	9.50 - 17.00



MARKETBEAT

FRANKFURT

Office Market Q3 2023



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