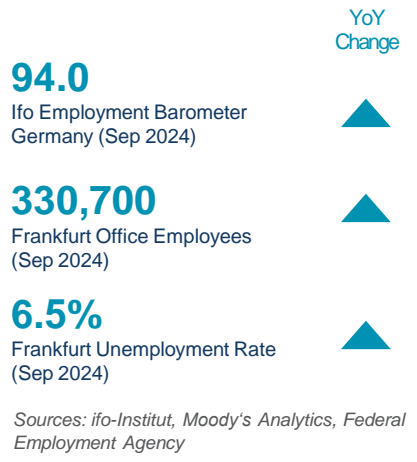


LABOUR MARKET



ECONOMIC OVERVIEW

The economic forecast recently announced by the German government on 9 October 2024 predicts a decline in German economic output of 0.2% for 2024. At the beginning of the year, slight economic growth of 0.3% was forecasted by the end of the year compared to the previous year. The business climate index as a result of the autumn survey by the Frankfurt RhineMain Chamber of Industry and Commerce also fell to 94 points, after rising to 102 points following the summer survey. Uncertainty is high both on the business side and among citizens due to the persistently high interest rates and the volatile economic and geopolitical situation, which is dampening the willingness to invest.

TAKE-UP

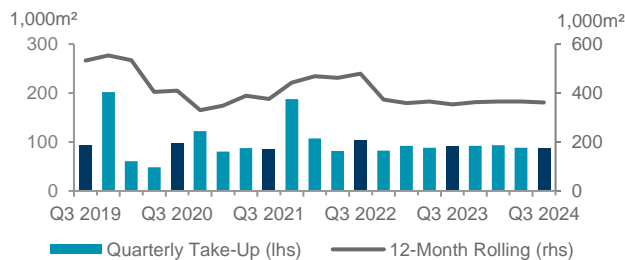
Office take-up via lettings and owner-occupancy in Frankfurt's real estate market area totalled around 269,400m² for the 2024 reporting year at the end of the 3rd quarter, which corresponds to the previous year's level. Of this, 87,300m² was achieved in the 3rd quarter. The 5-year average was missed by around 2% and the 10-year average by around 14%. At around 38,000m², the largest letting in the year to date remains the letting by the banking supervisory authority of the European Central Bank in the "Gallileo" highrise in Frankfurt's banking district from the 1st quarter. The banking district has been the submarket with both the highest take-up (76,000 m²) and the highest number of lettings (43) so far this year.

Due to the persistently tense economic market environment and the decreasing availability of new space ready for occupancy at short notice, many companies are opting to extend existing rental agreements: By the end of the 3rd quarter of the current year, these totalled around 130,000m². The take-up of space achieved in the same period through new lettings and owner-occupation is just twice as high. A year ago, it was just over three times as much.

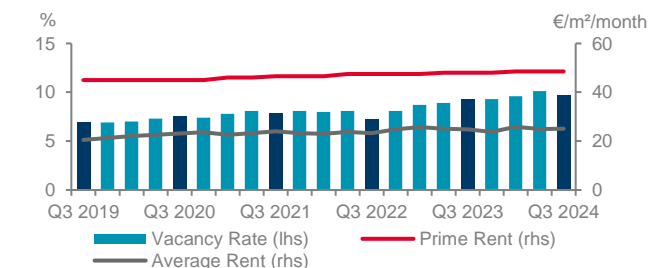
VACANCY

At the end of September, around 1.15 million m² of office space was available for immediate occupancy. This corresponds to a vacancy rate of 9.7% and is 0.4 percentage points above previous year's figure. At around 113,000m², the supply of subletting space has fallen by around 7,000m² compared to the previous year and currently accounts for around 10% of vacancy.

TAKE-UP



VACANCY & RENT



COMPLETIONS

Around 160,000m² of office space was completed in the Frankfurt market area in the first three quarters of 2024, including around 95,000m² in the 3rd quarter. The new-built project development “Four T1” in Frankfurt’s banking district contributed a large proportion of this with around 72,200 sqm. In addition, the ‘Kreiser’ (23,100 m²) in Frankfurt’s station area was completed. Only 18% of the office space was available for rent at the time of completion. Cushman & Wakefield expects a completion volume of around 184,200m² for 2024 as a whole. At the time of completion, 83% of this space has already been pre-let. At the end of September 2024, 347,000m² of office space was under construction. Compared to September 2023, this corresponds to a 33% decrease in construction volume (Q3 2023: 517,600m²).

RENTS

The prime rent in Frankfurt remained unchanged at €48.50/m²/month in the current reporting quarter. Compared to the 3rd quarter of 2023, this is an increase of €0.50 or 1.1%. The weighted average rent across all new lettings in the past twelve months is €25.10/m²/month. Compared to the previous quarter, this corresponds to a slight increase of €0.10 or 0.4%. Compared to the same quarter of the previous year, this is a slight decrease of €0.30 or 1.2%.

SELECTED PROJECT DEVELOPMENTS

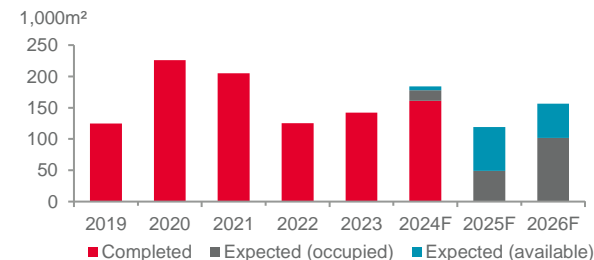
Property/Project	Submarket	Status	Year of Completion	Office Space (m ²)	Owner
Four T1	Banking District	Completed	2024	72,200	Allianz Real Estate & BVK
Kreiser	Station Area	Completed	2024	23,100	Quest / Competo
Taurus	City	Under Construction	2024	10,100	AXA
Fifty Five Westend	Westend	Under Construction	2025	8,800	Cresco

MARKET STATISTICS

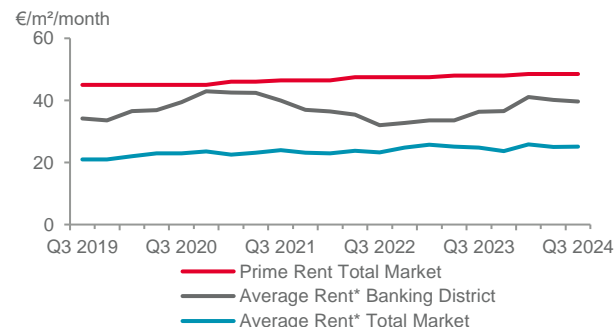
Selected Submarkets	Take-Up YTD (m ²)	Completions YTD (m ²)	Space under Construction Current Quarter (m ²)	Prime Rent Current Quarter (€/m ² /month)	Average Rent* Current Quarter (€/m ² /month)
Banking District	76,000	72,200	94,000	48.50	39.70
Westend	13,700	1,400	16,700	46.50	30.90
City	23,000	1,000	40,400	40.00	24.30
Station Area	6,300	23,100	0	32.00	21.80
Total Market Frankfurt	269,400	160,900	347,000	48.50	25.10

* Weighted Average Rent (12 months)

COMPLETIONS

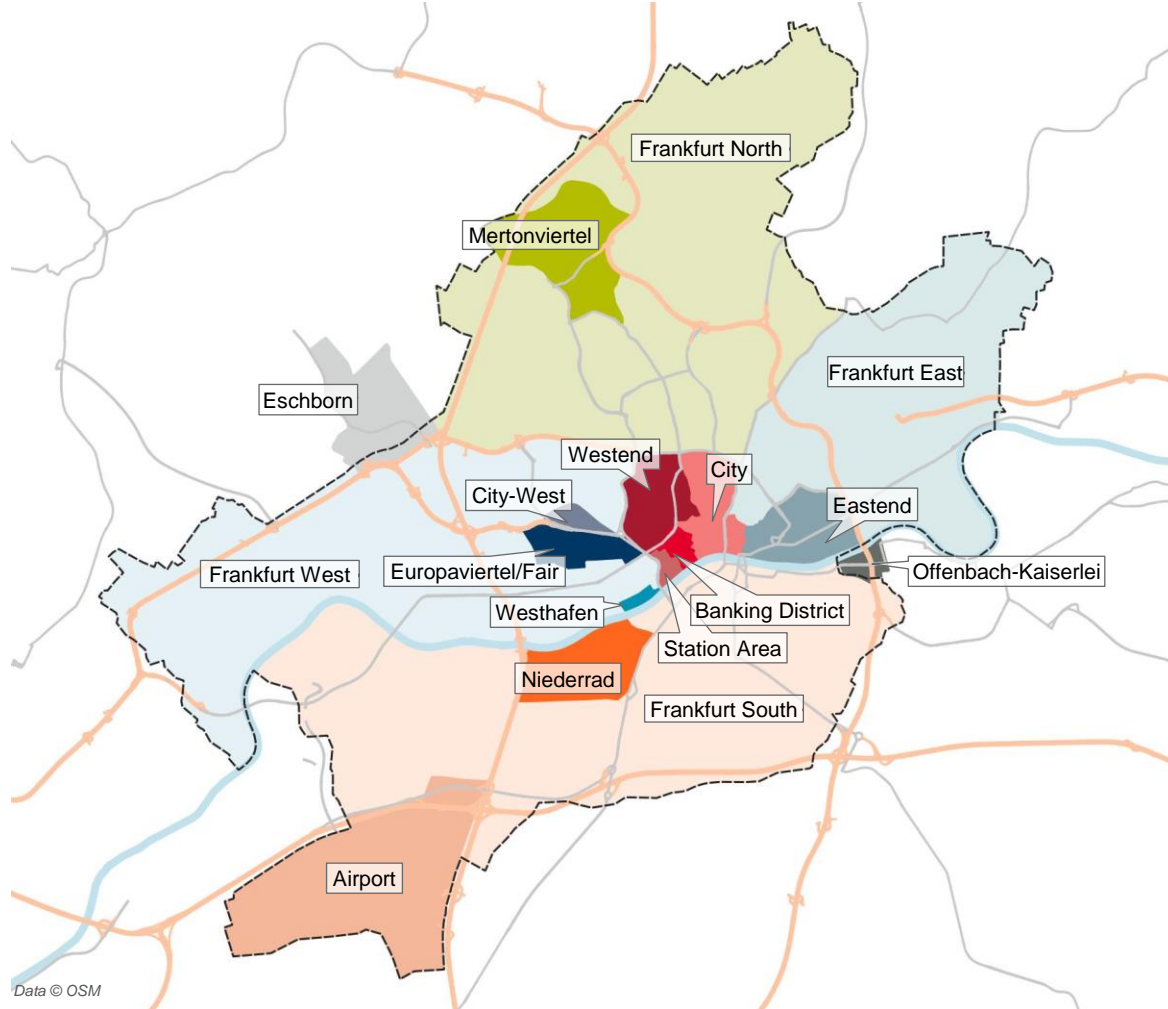


RENTS



SUBMARKET OVERVIEW

RENTAL PRICE RANGES Q3 2024



Submarket	€/m ² /month
Banking District	19.00 - 48.50
Westend	17.00 - 46.50
Station Area	14.00 - 32.00
City	15.00 - 40.00
City-West	15.00 - 24.00
Europaviertel/Fair	22.00 - 38.00
Westhafen	18.00 - 25.50
Eschborn	10.50 - 22.00
Airport	16.00 - 27.00
Mertonviertel	11.00 - 15.00
Niederrad	11.50 - 19.00
Offenbach-Kaiserlei	9.50 - 23.50
Eastend	12.50 - 25.00
Frankfurt North	9.00 - 16.00
Frankfurt East	10.00 - 14.00
Frankfurt South	13.00 - 23.00
Frankfurt West	11.00 - 25.50

Data © OSM

MARKETBEAT

FRANKFURT

Office Market Q3 2024



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