

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
467,200 Take-up (cum.), m ²		
9.3% Vacancy Rate		
58.00 Prime Rent, €/m ² /month		

LABOUR MARKET

	YOY Chg	12-Month Forecast
463,430 Office Employees City of Munich (Sep 2026)		
5.7% Unemployment Rate City of Munich (Sep 2026)		

Sources: Moody's Analytics, Federal Employment Agency

ECONOMIC OVERVIEW

According to the IHK Economic Survey Autumn 2026, economic sentiment in the Munich region improved slightly over the course of the year. Improved domestic and international demand supported a more stable business environment, particularly in the services and industrial sectors. However, business expectations remain subdued. Economic policy conditions continue to be perceived critically, leading companies to maintain a cautious approach towards investment at their domestic locations. In September 2026, the unemployment rate in the City of Munich stood at 5.7%, representing an increase of 10 basis points compared with the previous year.

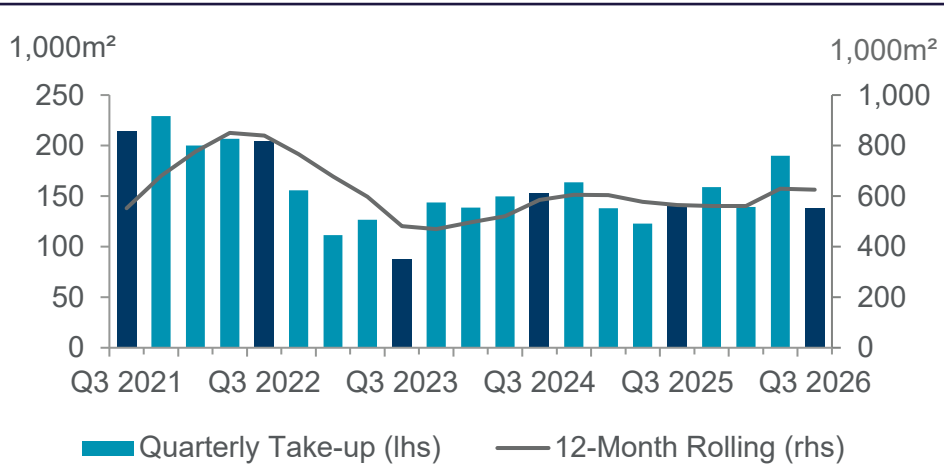
TAKE-UP

Total take-up in the Munich market area amounted to 467,200m² in the first nine months of 2026, representing an increase of 16% compared with the same period of the previous year. The result was 5% above the five-year average, while remaining 10% below the ten-year average.

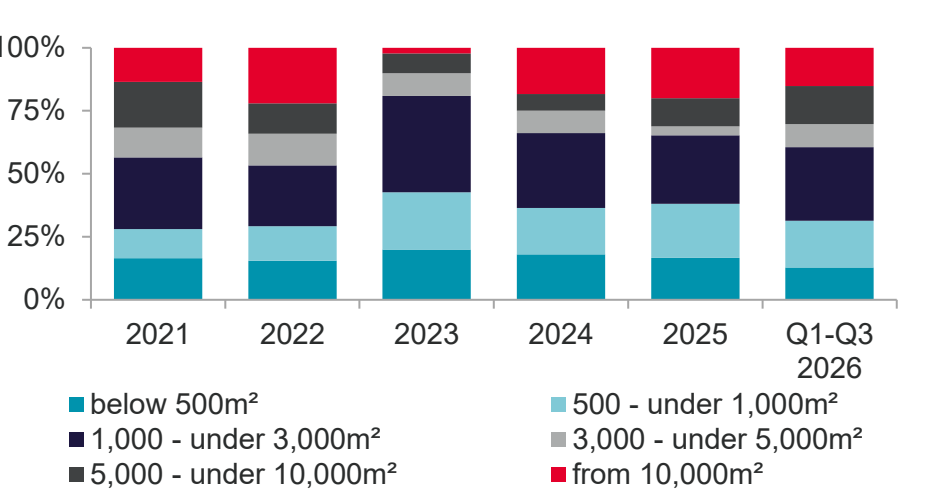
Market activity in the third quarter remained robust. Take-up of 138,000m² was broadly in line with the previous year's level, while the number of transactions increased. Alongside numerous lettings in the small and medium-sized market segments, several large-scale transactions were signed. The largest deal was the expansion of Rohde & Schwarz at Mühldorfstraße, accounting for approximately 8,500m², followed by Heuking with around 6,000m² and Greenpeak Partners with approximately 5,100m².

From a submarket perspective, Inner City East and Inner City West recorded the highest shares of take-up, accounting for 16% each, followed by Periphery North with 10%. Inner City North, Old Town and the West – South-West City Area each contributed around 8%. From a sector perspective, industrial, transport and traffic companies generated the largest share of take-up with 24%, followed by the TMT and business services sectors with 17% each. The financial and insurance sector contributed a further 11% of total take-up.

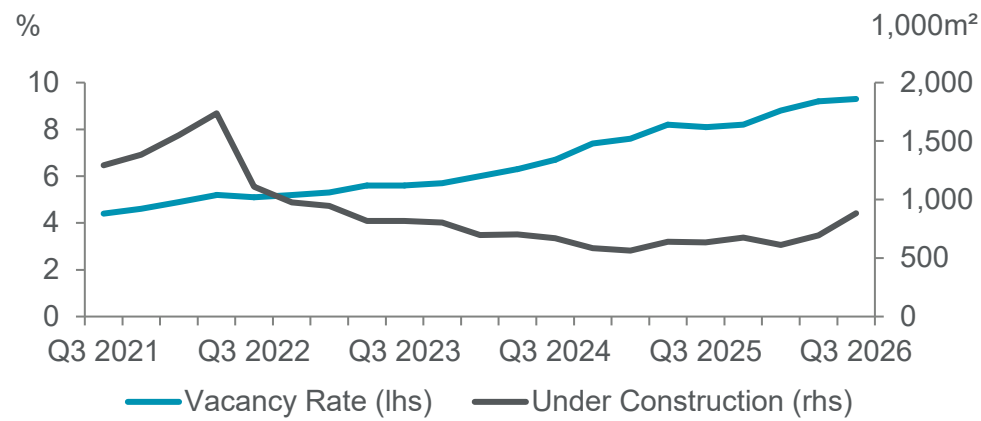
TAKE-UP



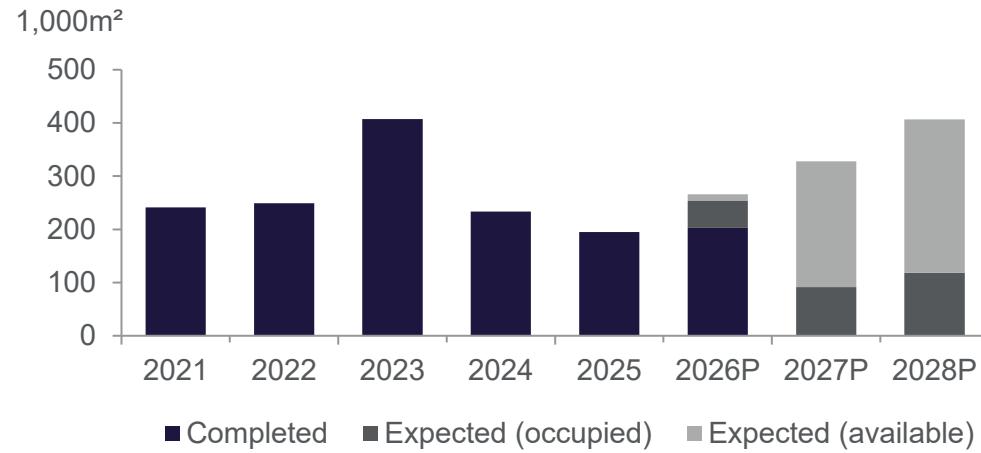
TAKE-UP BY SIZE CLASS



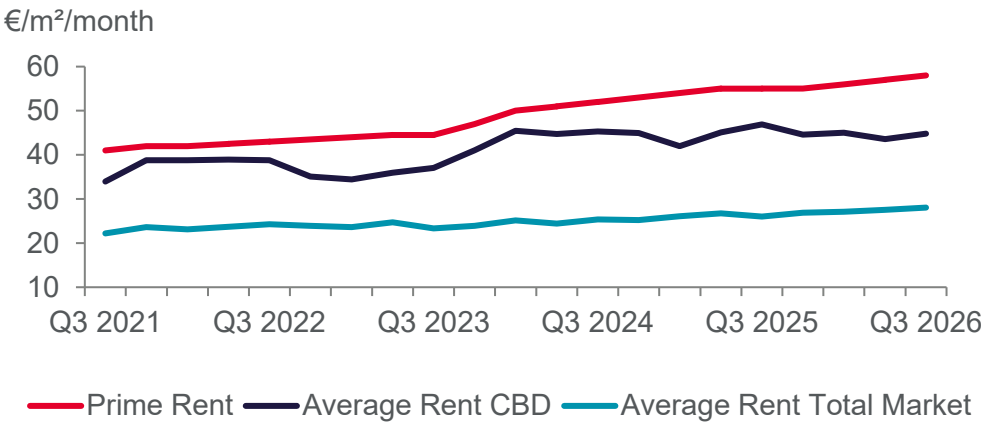
VACANCY / UNDER CONSTRUCTION



COMPLETIONS



RENTS



VACANCY

At the end of the third quarter of 2026, office vacancy in Munich increased moderately to approximately 2.03 million m². This corresponds to a vacancy rate of 9.3%, representing an increase of 10 basis points compared with the previous quarter. Compared with the prior-year quarter, the vacancy rate increased by 1.2 percentage points.

COMPLETIONS

The volume of completions amounted to 30,800m² in the third quarter. Total completions for the first nine months of 2026 therefore reached 202,900m², representing an increase of 25% compared with the previous year. The result was 6% below the five-year average and 2% above the ten-year average. One of the most significant completions of the quarter was AMALIE in the Inner City North, providing approximately 10,500m² of office space. A further 883,500m² of office space is currently under construction, with a pre-letting rate of 41%. One of the key projects scheduled for completion by year-end is the Google Campus on Arnulfstraße, providing approximately 33,500m² of office space.

RENTS

Prime rents continued their upward trend in the third quarter, reaching €58.00/m²/month. This represents an increase of 1.8% compared with the previous quarter and 5.5% year on year. Average rents also recorded further growth and stood at €28.05/m²/month at the end of the third quarter. This corresponds to an increase of 1.8% compared with the previous quarter and 7.9% compared with the prior-year quarter.

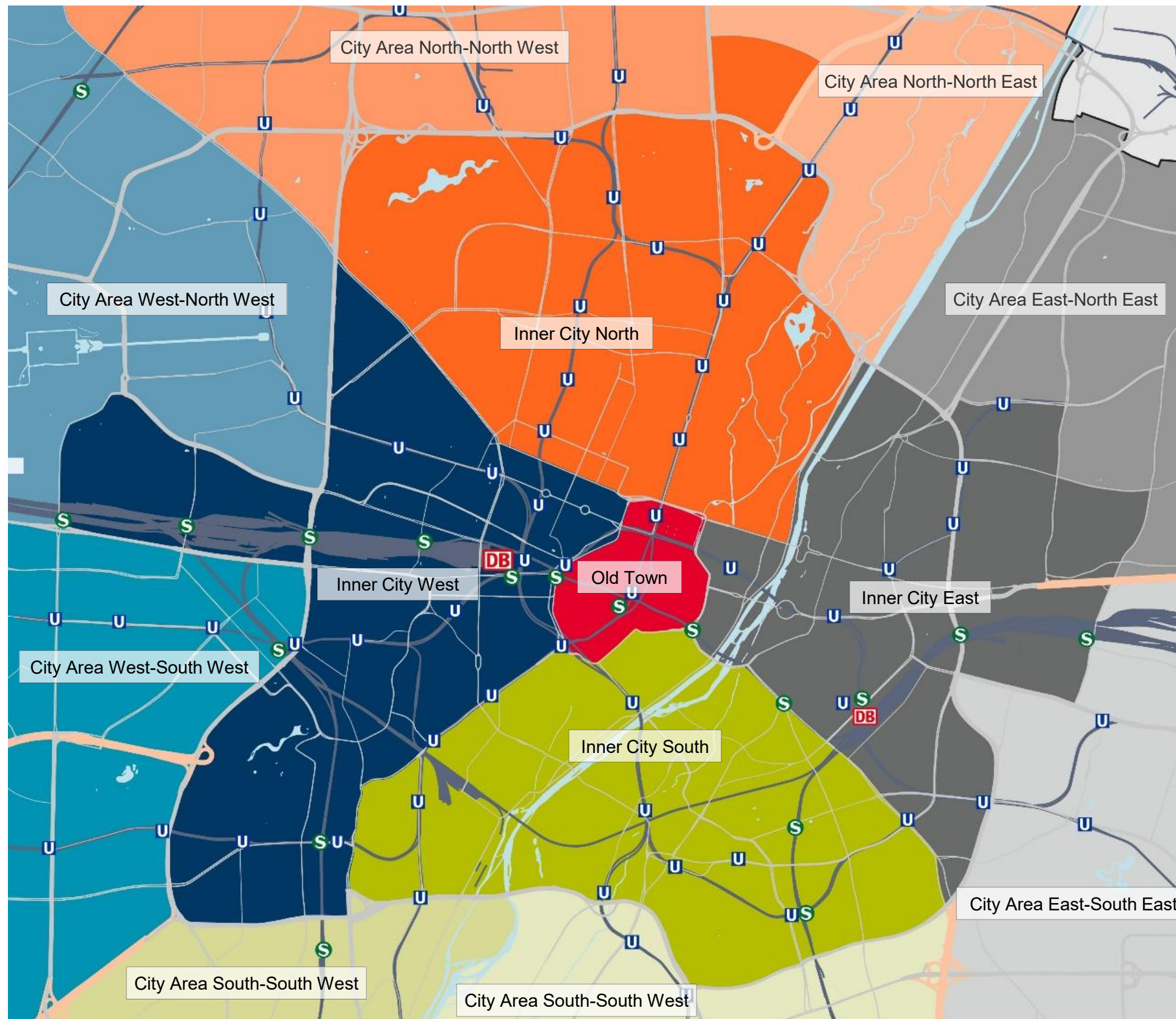
SELECTED DEVELOPMENT PROJECTS

Property	Submarket	Status	Year of Completion	Office Space (m²)	Owner
LOVT Vision	Inner City East	Under construction	2027	50,300	Union Investment
Google Campus	Inner City West	Under construction	2026	33,500	Google
AMALIE	Inner City North	Completed	2026	10,500	Allianz Gruppe
Ginger and Moss	Inner City West	Planned	2029	35,300	Aurelis Real Estate

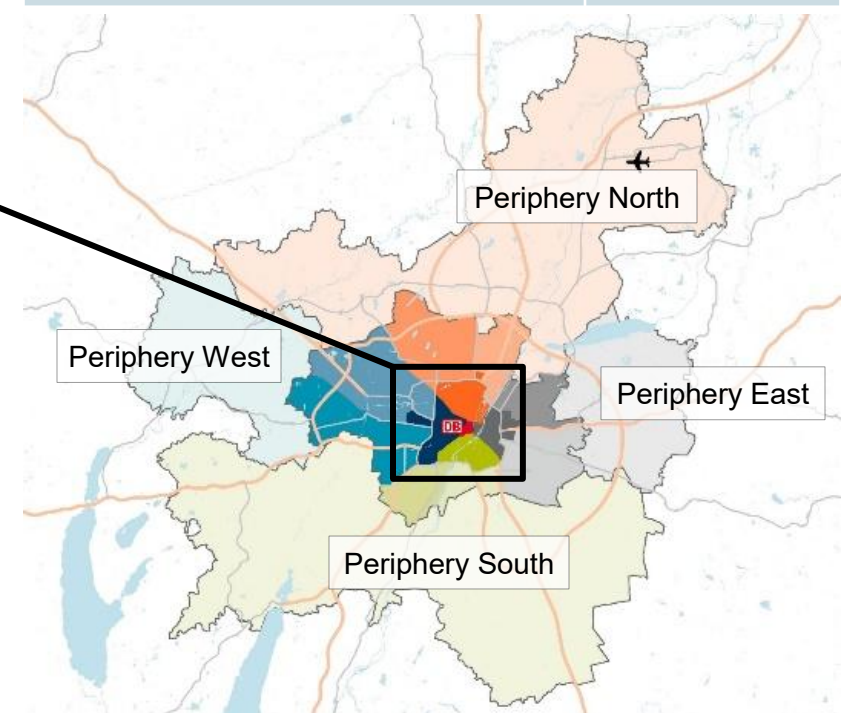
OUTLOOK

- Driven by continued solid demand, C&W expects full-year office take-up to exceed the previous year's level. Stable demand for modern office space is expected to support market activity through the final quarter of the year.
- The vacancy rate is expected to remain broadly stable at its current level until year-end, as a large share of the remaining completions has already been pre-let.
- Prime rents are expected to continue their upward trend, as demand for high-quality space in central and well-connected locations remains strong.

RENTAL PRICE RANGES Q3 2026



Submarket	€/m²/month
Old Town	30.00 – 58.00
Inner City North	15.00 – 45.00
Inner City East	18.00 – 42.50
Inner City South	16.00 – 35.00
Inner City West	20.00 – 52.00
City Area North – North-East	15.00 – 28.00
City Area North – North-West	14.00 – 27.50
City Area East – North-East	10.00 – 15.00
City Area East – South-East	15.00 – 25.00
City Area South – South-East	14.50 – 17.00
City Area South – South-West	15.00 – 28.00
City Area West – North-West	15.00 – 27.00
City Area West – South-West	16.00 – 30.00
Periphery North	8.50 – 20.50
Periphery East	11.00 – 20.00
Periphery South	10.00 – 23.00
Periphery West	10.00 – 12.50



MARKET STATISTICS REPORTING QUARTER

Selected Submarkets	Take-up YTD (m²)	Vacancy Rate (%)	Completions YTD (m²)	Under Construction (m²)	Average Rent (€/m²/month)
Old Town	27,300	4.8	2,000	46,700	44.80
Inner City East	41,300	9.8	0	269,400	30.55
City Area South – South-West	40,800	12.9	34,100	3,100	21.35
Periphery North	34,500	7.9	0	55,500	14.30
Munich Market	467,200	9.3	202,900	883.500	28.05

EXPLANATION OF TERMS

Take-up: Office space that has been newly let, acquired by owner-occupiers or whose construction has been started for owner-occupation. This also includes subleases, interim leases and expansions. However, extensions do not count.

Vacancies: Office space that is unused on the reporting date, ready for marketing and available for occupation at short notice. This also includes sublet space offered on the market by a main tenant for a sublease with third parties.

Vacancy rate: Share of vacancies as percentage of total office stock.

Completions: Newly built or completely refurbished office space that was ready for occupation in the period under review or is ready for occupation in the short term. Space for which the tenant fit-out only begins once the tenant has been confirmed is considered completed.

Space under construction: Space in all new construction and core refurbishment projects that are in the development phase. This begins with the laying of the foundations.

Prime rent: The sustainably achievable prime rent is the nominal rent that can be expected for a high-quality space of at least 500 m² in the best submarket at the end of the period under review.

Average rent: Space-weighted average rent of all new lettings in the past twelve months.

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TOP 5 MARKETS



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