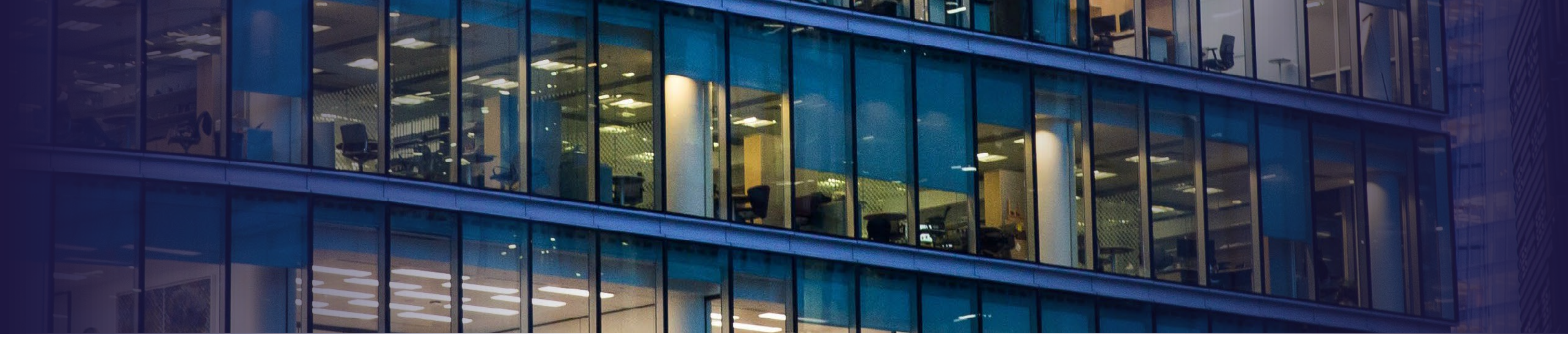


MARKETBEAT
COLOGNE
OFFICE MARKET Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
72,600 Take-up (cum.), m²	▼	▲
5.7% Vacancy Rate	▲	▲
33.00 Prime Rent, €/m²/month	—	▲

LABOUR MARKET

	YOY Chg	12-Month Forecast
286,100 Office Employees City of Düsseldorf (Mar 2025)	▼	▲
8.9% Unemployment Rate City of Düsseldorf (Mar 2025)	▼	—

Sources: Moody's Analytics, Federal Employment Agency

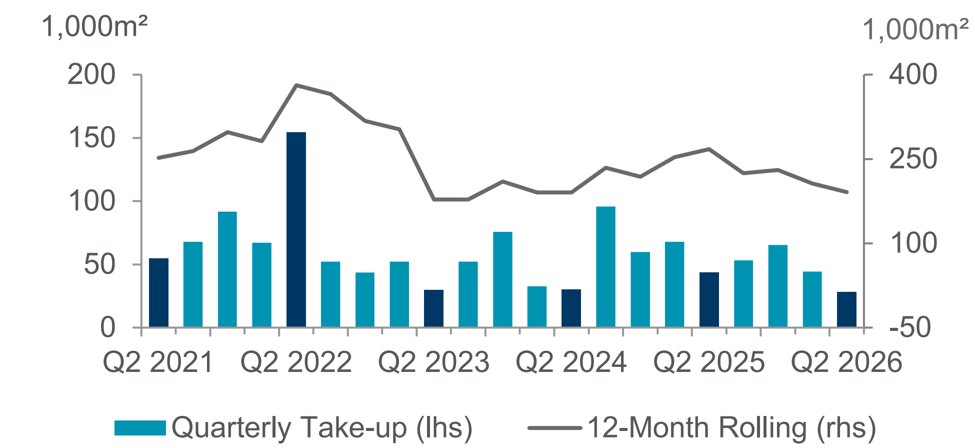
ECONOMIC OVERVIEW

The economic situation in the Cologne economic region remained under pressure at mid-year 2026. The Cologne Chamber of Industry and Commerce's economic indicator fell from 89.3 to 85.2 points compared with the previous survey and therefore remains well below the neutral mark of 100 points. 29% of companies rate their current business situation as poor, while almost half describe it as satisfactory. Fewer than one quarter report a good business situation. Expectations for the coming months also remain pessimistic: only 11% of companies expect the situation to improve, while 33% anticipate a deterioration. Investment activity therefore remains subdued – more than one in three companies is planning lower investments. Companies cite higher energy prices, weak domestic demand, rising labour costs and economic policy uncertainties as the greatest risks.

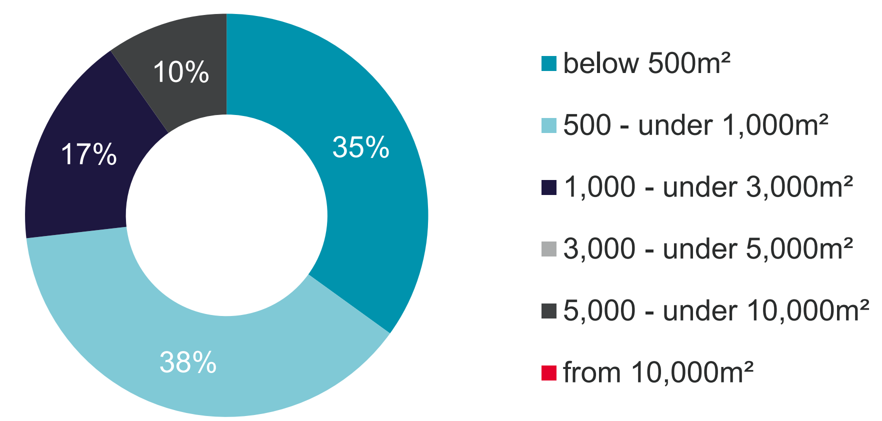
TAKE-UP

The Cologne office letting market lost further momentum in Q2 2026. Following a still subdued but solid start to the year, letting activity from April to June was noticeably weaker. For H1 2026, take-up amounted to 72,600m². Compared with the same period of the previous year, this corresponds to a decline of 35%. The half-year result also remained significantly below long-term benchmarks: the five-year average for first half-years was missed by 41%, while the ten-year average was missed by 46%. The Cologne market therefore appeared clearly more subdued at mid-year 2026 than in the previous year. The main reason for the weak quarter was the absence of medium-sized and large-volume deals. While the market was still supported by several larger lettings in the previous year, Q2 2026 was predominantly characterised by small-scale activity. No deals above the 5,000m² mark were registered, and larger lettings above 1,000m² also remained the exception during the quarter.

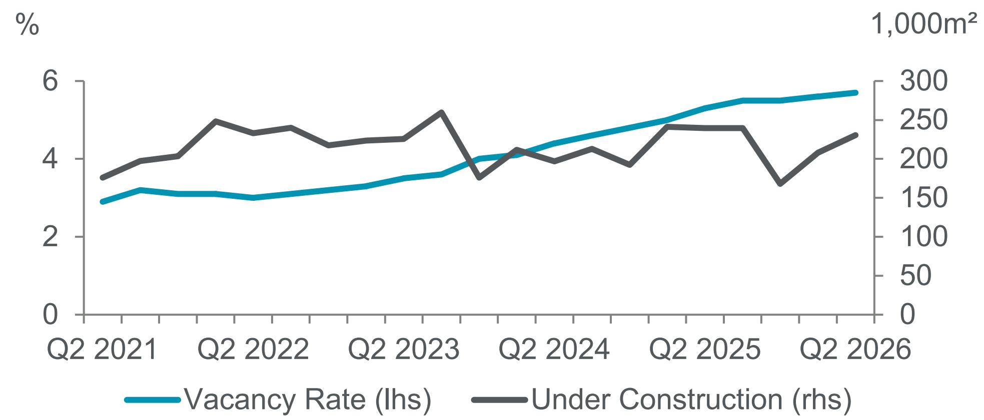
TAKE-UP



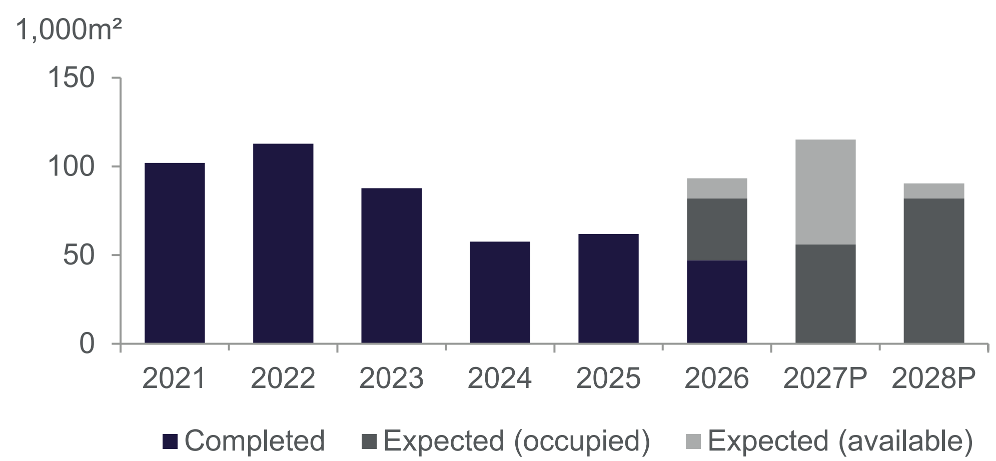
TAKE-UP BY SIZE CLASS Q1-Q2 2026



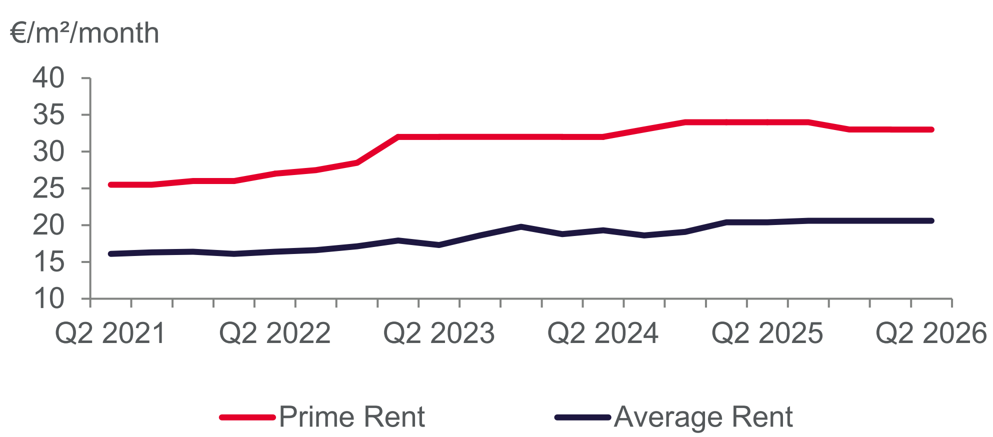
VACANCY / UNDER CONSTRUCTION



COMPLETIONS



RENTS



VACANCY

The vacancy rate in the Cologne office market continued its gradual increase in Q2 2026. At the end of the quarter, it stood at 5.7%, 10 basis points above the previous quarter. The absolute vacancy volume amounted to around 489,850m². Compared with the same quarter of the previous year, this represents an increase of 0.4 percentage points. Vacancy in Cologne therefore remains moderate compared with the Top 5 markets, but nevertheless shows a clear upward trend.

COMPLETIONS

Around 47,200m² of office space was completed in Cologne in H1 2026. The completion volume was largely shaped by "Rossio" in Deutz with around 24,500m² and "SACHS" with around 14,400m². Around 230,600m² of office space is currently in the pipeline for the coming years. As a significant share of the newly built or modernised space has already been committed or was realised as owner-occupied space, high-quality and well-connected office space remains available only to a limited extent.

RENTS

The prime rent remained stable compared with the previous quarter at €33.00/m². Compared with the same quarter of the previous year, this represents a slight decline of 2.9%, or €1.00/m². Cologne is therefore developing more cautiously compared with the Top 5 markets. However, this is driven less by general price pressure in the prime segment and more by weak letting activity in high-priced locations. The weighted average rent also remained largely stable and stood at €20.60/m² at the end of Q2. Compared with the previous year, this corresponds to a marginal increase of 1.0%, or €0.20/m².

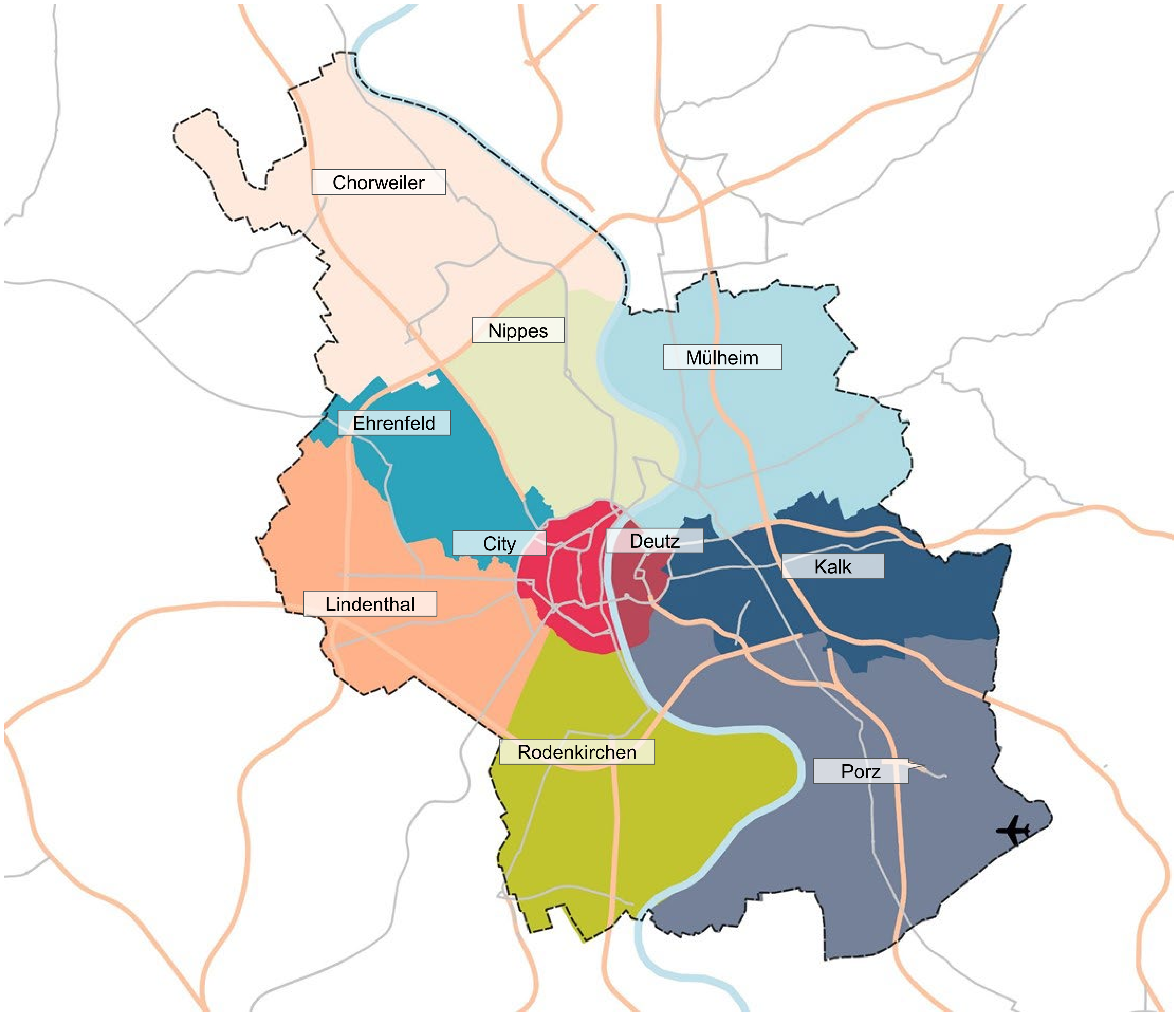
OUTLOOK

- The Cologne market continues to have a solid occupier base – in the short term, however, the environment remains characterised by caution, longer decision-making processes and a clear focus on efficient space.
- Hybrid working models, stronger space efficiency and a more critical review of existing office space are leading companies to scrutinise their requirements more closely and, in some cases, reduce space.
- For the second half of the year, Cushman & Wakefield does not expect a sudden recovery, but a selective revival remains possible.

SELECTED DEVELOPMENT PROJECTS

Property/Project	Submarket	Status	Year of Completion	Office Space (m²)	Owner
Rossio	Deutz	Completed	2026	24,500	City of Cologne
SACHS	City	Completed	2026	14,400	Momeni / HanseMerkur
DÜXX	Deutz	Under Construction	2026	13,000	Strabag
Central Cross	City	Under Construction	2027	11,100	Quantum / Proximus

SUBMARKET OVERVIEW



RENTAL PRICE RANGES Q2 2026

Submarket	€/m²/month
City	18.00 – 36.00
Deutz	14.50 – 30.00
Mülheim	14.00 – 22.00
Lindenthal	13.00 – 24.00
Kalk	12.00 – 18.00
Ehrenfeld / Braunsfeld	12.50 – 21.00
Porz / Gremberghoven	10.50 – 16.50
Rodenkirchen	10.50 – 15.00
Nippes	10.00 – 16.00
Chorweiler	9.00 – 13.50

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 m^2 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.

TOP-7 MARKETS

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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