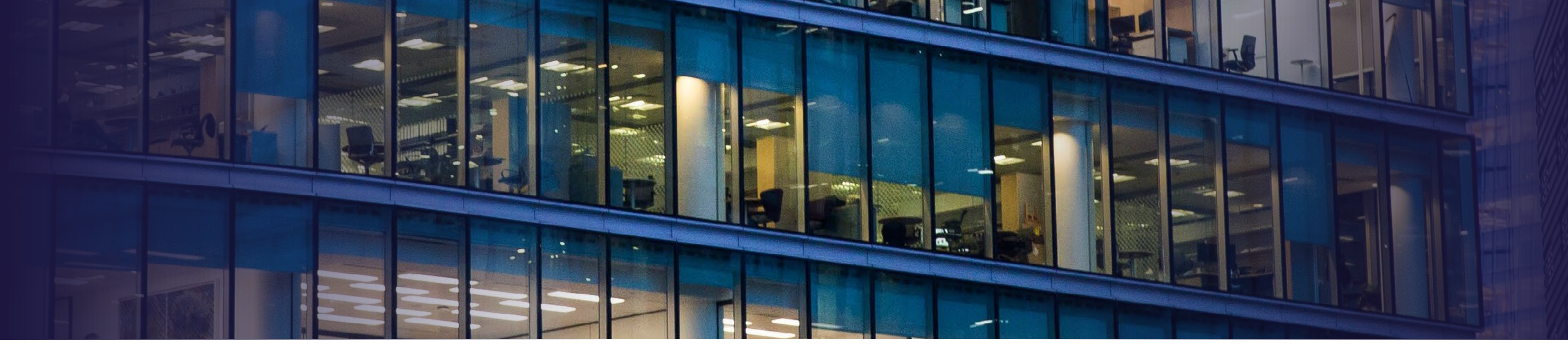
MARKETBEAT
FRANKFURT
OFFICE MARKET Q1 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
67,200 Take-up (cum.), m²	▼	▲
12.0% Vacancy Rate	▲	—
52.00 Prime Rent, €/m²/month	▲	▲

LABOUR MARKET

	YOY Chg	12-Month Forecast
328,200 Office Employees City of Frankfurt (Mar 2026)	▼	▲
7.0% Unemployment Rate City of Frankfurt (Mar 2026)	—	▼

Sources: Moody's Analytics, Federal Employment Agency

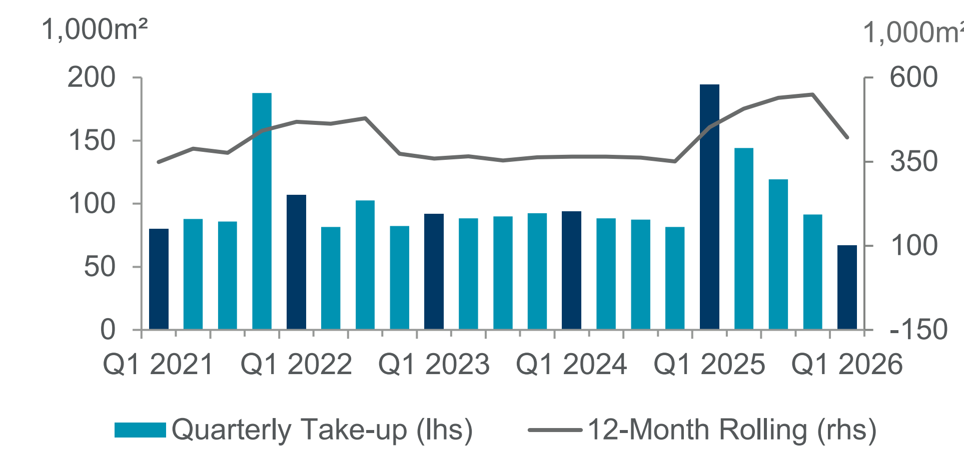
ECONOMIC OVERVIEW

In the first quarter of 2026, Frankfurt's economy remained subdued overall. Economic momentum was muted, driven primarily by the services and financial sectors. At the beginning of the year, companies acted cautiously with regard to investment and hiring, which was reflected in only a slight increase in the IHK Hessen business climate index to 95 points (before 92 points). As a result, the labour market remained stable but showed no noticeable growth impulses.

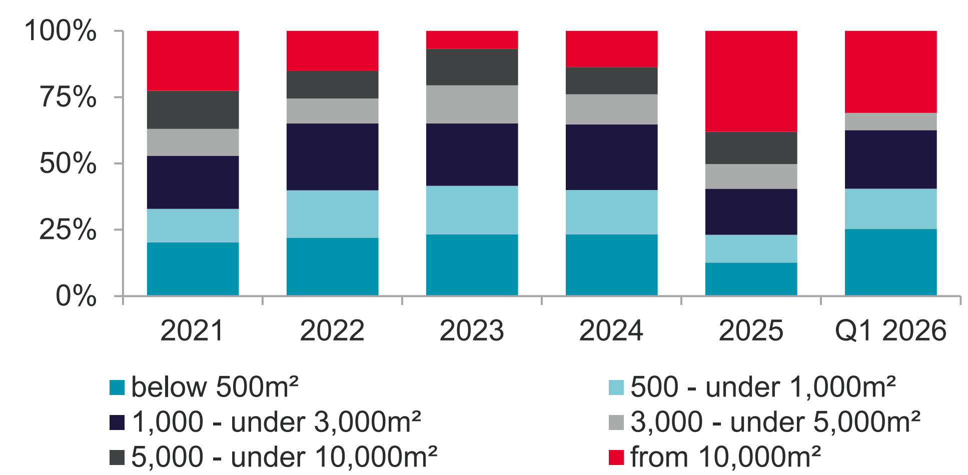
TAKE-UP

Frankfurt's office space take-up from new leases and owner-occupier transactions totalled around 67,200m² in the first quarter of 2026. This result is significantly below the exceptionally strong prior-year quarter (Q1 2025: 194,600m²), representing a year-on-year decline of around 65%. The current take-up fell short of the ten-year average for first quarters (111,900m²) by around 40%, and the five-year average (113,700m²) by 41%. Following the very dynamic year of 2025, a quieter start to 2026 had been expected. The currently low level of deal activity primarily reflects a wait-and-see approach among many occupiers, as well as a pipeline featuring significantly smaller space requirements. With a total of 86 deals, the number of transactions fell below 100 per quarter for the first time since 2020, while take-up in the first quarter was largely driven by a few larger deals. By far the largest transaction was DZ Bank's owner-occupier purchase at Mainzer Landstraße 50, comprising around 20,800m² of office space. The second-largest letting concluded by a consulting company, covering approximately 4,400m² in Frankfurt's Westend. Together, these two transactions accounted for more than one third (38%) of total office space take-up in the first quarter and underline that owner-occupiers and strategic relocations within existing buildings are currently shaping market activity.

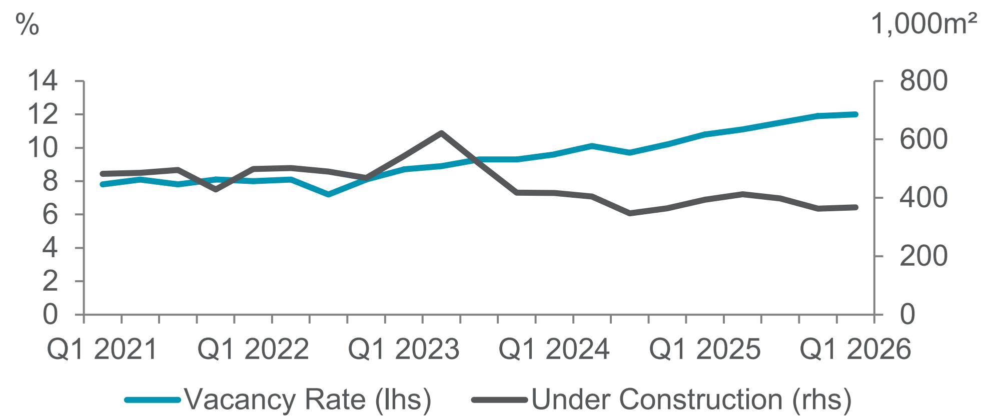
TAKE-UP



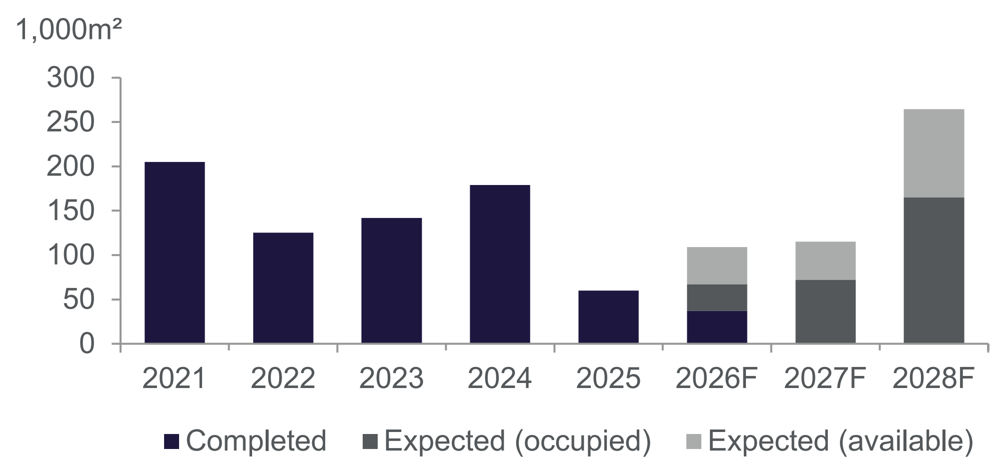
TAKE-UP BY SIZE CLASS



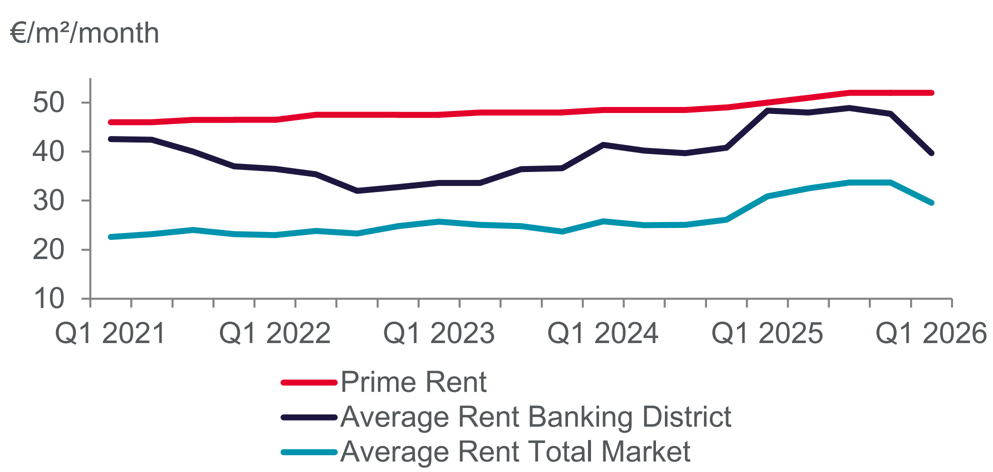
VACANCY / UNDER CONSTRUCTION



COMPLETIONS



RENTS



VACANCY

Office vacancy in Frankfurt amounted to around 1.40 million m² at the end of March 2026, corresponding to a vacancy rate of 12.0%. Compared with the prior-year quarter, this represents an increase of 1.2 percentage points. Compared with Q4 2025, however, the vacancy rate remained broadly stable, changing by just 0.1 percentage points (Q4 2025: 11.9%).

COMPLETIONS

In the first quarter of 2026, a total of around 37,300m² of office space was completed. This included, among others, the refurbishment project "Fifty Five Westend" with approximately 8,800m² of office space, as well as the owner-occupier development of GIZ in Eschborn comprising around 28,000m². Construction volume remains broadly stable at around 367,700m², with roughly two thirds (67%) of the space currently under construction already pre-let.

RENTS

The sustainably achievable prime rent remained stable at €52.00/m²/month in the first quarter of 2026 and, with an increase of 4.0%, was slightly above the level of the prior-year quarter. New, high-quality space in central locations continues to achieve top rents.

By contrast, the space-weighted average rent declined to €29.60/m²/month, around 4.2% below the previous year's level. This decrease is mainly attributable to the fact that high-priced large-scale lettings—such as Commerzbank's lease in the Central Business Tower and ING DiBa's letting in the Hafenpark Quartier, both signed in the first quarter of 2025—have dropped out of the 12-month reference period used to calculate the average rent.

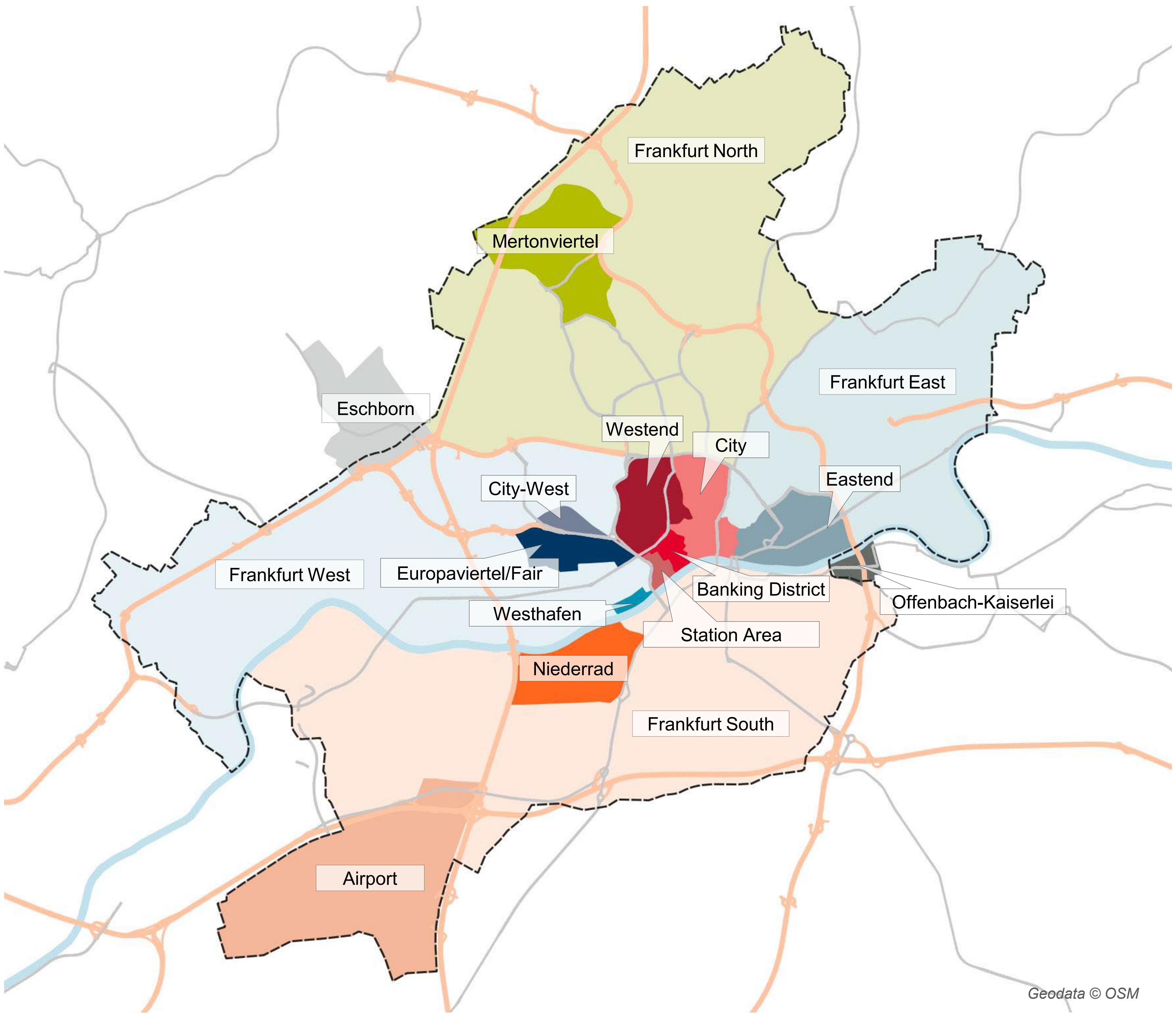
OUTLOOK

- For the remainder of 2026, C&W expects a slight pick-up in letting activity, although overall annual take-up is likely to remain moderate and below the exceptionally strong prior-year level.
- The vacancy rate is expected to remain broadly stable over the course of 2026.
- Vacancy will continue to increase in the segment of older, non-ESG-compliant existing stock, while high-quality new developments are expected to stay in demand.
- Prime rents are likely to increase slightly, supported by the ongoing flight to quality in core locations despite overall subdued demand.

SELECTED DEVELOPMENT PROJECTS

Property/Project	Submarket	Status	Year of Completion	Office Space (m²)	Owner
GIZ-Campus	Eschborn	Completed	2026	28,000	GIZ
Fifty-Five-Westend	Westend	Completed	2026	8,800	Cresco
OneTwoOne	City	Under Construction	2026	6,400	Ärzteversorgung Westfalen-Lippe K.d.ö.R.
Fürstenhof	Banking District	Under Construction	2027	18,000	Momeni

SUBMARKET OVERVIEW



RENTAL PRICE RANGES Q1 2026

Submarket	€/m²/month
Banking District	21.00 - 52.00
Westend	18.00 - 49.00
Station Area	14.00 - 30.00
City	15.00 - 41.00
City-West	15.50 - 24.50
Europaviertel/Fair	22.50 - 38.00
Westhafen	18.00 - 26.00
Eschborn	10.50 - 23.00
Airport	18.50 - 27.00
Mertonviertel	12.00 - 15.00
Niederrad	13.00 - 20.00
Offenbach-Kaiserlei	9.50 - 22.00
Eastend	12.50 - 26.00
Frankfurt North	9.00 - 14.50
Frankfurt East	10.50 - 14.00
Frankfurt South	13.00 - 24.00
Frankfurt West	11.00 - 25.50

MARKET STATISTICS REPORTING QUARTER

Selected Submarkets	Take-up YTD (m²)	Vacancy Rate (%)	Completions YTD (m²)	Under Construction (m²)	Average Rent (€/m²/month)
Banking District	22,500	8.0	0	100,100	39.70
Westend	7,600	8.1	8,800	24,200	44.30
City	3,600	6.6	500	67,600	30.00
Station Area	3,400	7.5	0	2,600	18.50
Frankfurt Market	**67,200**	**12.0**	**37,300**	**367,700**	**29.60**

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.

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.

TOP 5 MARKETS

HANJO THEISS
Head of Office Agency & Office Sector Germany
Head of Office Agency Frankfurt
Tel: +49 69 50 60 73 246
hanjo.theiss@cushwake.com

MARTIN POLIFKE
Head of Business Development Services Germany
Tel: +49 69 50 60 73 026
martin.polifke@cushwake.com

NINA LAUCHT
Research Consultant
Tel: +49 69 50 60 73 072
nina.laucht@cushwake.com