MARKETBEAT
GERMANY: TOP 5
OFFICE MARKET Q2 2026

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
1.14 mn Take-up (cum.), m²	▼	▲
9.8% Vacancy Rate	▲	▲
3.7% Prime Rent Growth*	—	▼
2.5 mn Under Construction, m²	▼	▼

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
0.5% Germany GDP Growth (Q1 2026 vs. Q1 2025)	▲	▲
6.2% Germany Unemployment Rate (Jun 2026)	—	▼

** Average annual change in the prime rent index*

Source: Federal Statistical Office , Federal Employment Agency

TOP 5 MARKETS AT MID-YEAR WITH SIGNS OF STABILIZATION

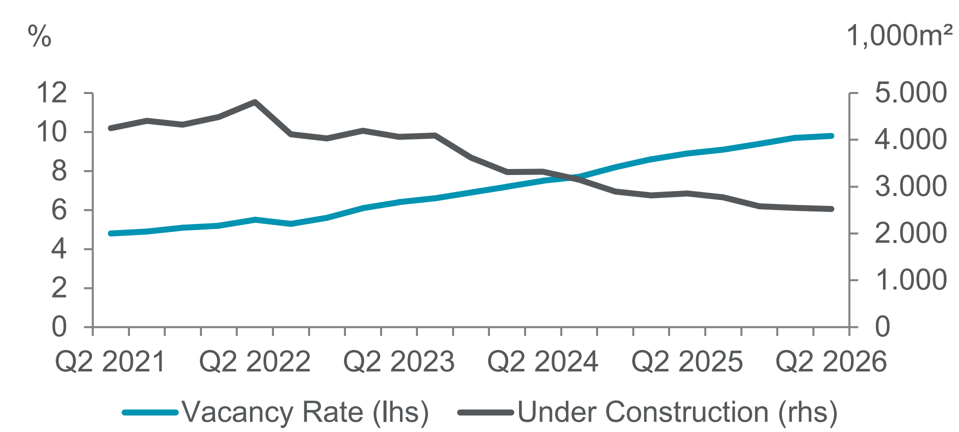
In the first half of 2026, the Top 5 office markets recorded a take-up volume of 1,146,900m². Compared with the previous year (H1 2025: 1,165,600m²), this represents a slight decline of around 2%. Take-up volume in the second quarter totaled 647,700m², exceeding the corresponding quarter of the previous year (Q2 2025: 572,900m²) by 13% and the previous quarter (Q1 2026: 499,200m²) by 30%. This increase was driven primarily by strong growth in Berlin and Munich. Together, the two metropolitan markets accounted for 419,000m² of take-up, representing around two-thirds (64%) of the total Top 5 quarterly volume. The remaining markets developed more moderately: Düsseldorf remained largely stable at 61,400m², while Hamburg recorded a volume slightly below the previous year's level. In Frankfurt, office take-up amounted to 78,000m² in Q2 2026, bringing the total for the first half of the year to 145,200m². The significant decline of more than 50% compared with the first six months of 2025 is attributable to the exceptionally strong volume recorded in the previous year, which had been driven by several large-scale transactions. Among the largest deals of Q2 2026 were KPMG's lease of more than 17,300m² at "One Plaza" in Düsseldorf and Deutsche Bank's lease of approximately 7,600m² at "Emporio" in Hamburg. In Berlin, JetBrains' lease of around 19,000m² at "Hainwerk" sent a strong signal in the large-scale leasing segment, particularly within the highly active ITT sector (Information Technology and Telecommunication). In Munich, the start of construction of Apple's owner-occupied project on Seidlstraße, comprising approximately 30,000m², provided further evidence of robust demand for high-quality office space, especially from technology companies.

SUPPLY PRESSURE REMAINS ELEVATED

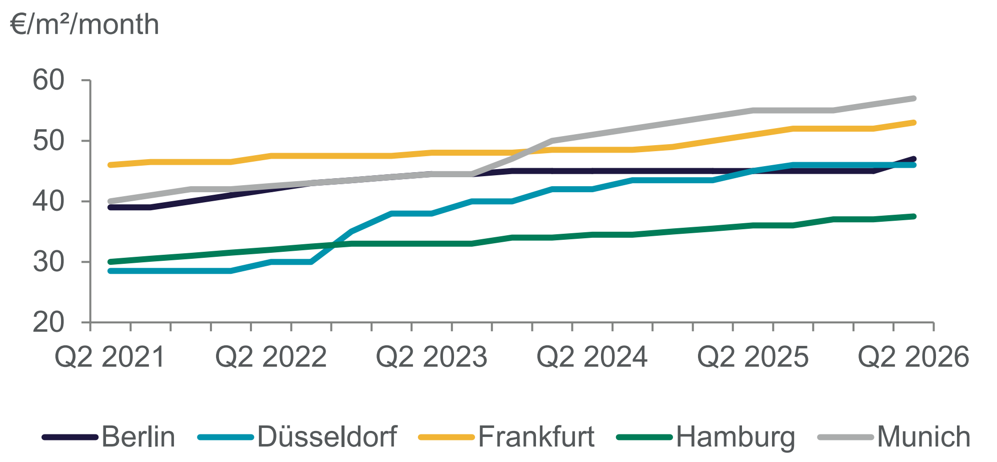
At the end of Q2 2026, vacancy volume across the Top 5 office markets stood at 7.757 million m². The vacancy rate reached 9.8%, approaching the 10% mark. Frankfurt and Düsseldorf have already clearly surpassed this threshold, with vacancy rates of 12.1% and 11.4%, respectively.

TAKE-UP

VACANCY / UNDER CONSTRUCTION



PRIME RENTS



RENTS REFLECT ROBUST DEMAND IN THE PRIME SEGMENT

Achievable prime rents increased year-on-year across all of Germany's Top 5 office markets. This demonstrates that the premium segment remains resilient despite uneven take-up activity. At €57.00/m²/month, Munich continues to be the most expensive of the top five markets, recording a 3.6% year-on-year increase. Frankfurt follows at €53.00/m²/month (+3.6% compared with the end of Q2 2025), while Berlin stands at €47.00/m²/month and posted the strongest growth among the Top 5 markets at +4.4%. Düsseldorf recorded a moderate increase of 2.2% to €46.00/m²/month, maintaining its high prime rent level within the Rhine metropolis. Hamburg ranks fifth among the Top 5 markets, at some distance from the others. With an increase of 4.2%, the city achieved the second-highest growth rate, bringing its prime rent to €37.50/m²/month.

OUTLOOK

- The second half of the year is expected to remain characterized by selective demand. While several markets have large-scale requirements in the pipeline that are likely to generate positive momentum, the overall market is expected to remain highly differentiated.
- The vacancy rate is likely to continue rising through the end of the year. The ongoing divergence between high-quality space and older, less efficient stock is expected to further increase supply-side pressure.
- Rising prime rents underline the continued demand for high-quality space in prime locations. At the same time, rental levels are being pushed upward by increasing construction costs.

SELECTED TAKE-UP TRANSACTIONS Q2 2026

Property	Address	Market	Submarket	Tenant	m²	Type
Expansion Official Headquarters Berlin	Stresemannstraße 128-130	Berlin	CBD Potsdamer Platz	Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection	31,500	Owner-occupier
Expansion Apple	Seidlstraße 15-19	Munich	Inner City West	Apple	29,100	Owner-occupier
Hainwerk	Revaler Straße 2	Berlin	MediaSpree	JetBrains	19,000	New letting
One Plaza	Karl-Arnold-Platz 1A	Düsseldorf	Kennedydamm	KPMG	17,300	New letting
Emporio	Dammtorwall 15 - 19	Hamburg	Inner City	Deutsche Bank	7,600	New letting

MARKET STATISTICS

Market	Stock (m²)	Vacancy (m²)	Vacancy Rate (%)	Take-up YTD (m²)	Completions YTD (m²)	Under Construction (m²)	Prime Rent* (€/m²/month)	Average Rent** (€/m²/month)	Prime Yield* (%)
Berlin	21,577,000	2,255,900	10.5	380,400	55,800	865,700	47.00	28.45	4.80
Dusseldorf	9,565,800	1,085,400	11.4	102,400	65,500	160,700	46.00	21.60	5.10
Frankfurt	11,625,300	1,406,400	12.1	145,200	51,000	374,700	53.00	29.10	4.90
Hamburg	14,337,900	1,001,700	7.0	189,700	88,200	427,200	37.50	22.10	4.65
Munich	21,902,300	2,007,700	9.2	329,200	172,100	694,300	57.00	27.55	4.60
Total	**79,008,300**	**7,757,100**	**9.8**	**1,146,900**	**432,600**	**2,522,600**	**-**	**-**	**4.81**

** Rental /Yields rates reflect achievable values*
*** Weighted average (12 months)*

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.

Prime yield: Net initial yield for a property in a prime location and of the best quality that can be achieved at the end of the period under review. It is based on the market assessment of local experts and recent transactions.

TOP 5 MARKETS

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