MARKETBEAT
MUNICH
OFFICE MARKET Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
329,200 Take-up (cum.), m²	▲	▲
9.2% Vacancy Rate	▲	▬
57.00 Prime Rent, €/m²/month	▲	▲

LABOUR MARKET

	YOY Chg	12-Month Forecast
458,900 Office Employees City of Munich (June 2026)	▬	▬
5.4% Unemployment Rate City of Munich (June 2026)	▬	▼

Sources: Moody's Analytics, Federal Employment Agency

ECONOMIC OVERVIEW

According to the IHK Economic Survey Spring 2026, the economic situation in the Munich region remains challenging. Hopes for a recovery were dampened by the consequences of the Iran war and the associated increases in energy and raw material prices. The main risks identified are weak domestic demand, economic policy conditions, and rising energy and raw material costs. In addition, companies continue to adopt a cautious approach towards investment. In June, the unemployment rate in the City of Munich stood at 5.4%, representing an increase of 10 basis points compared with the previous year.

TAKE-UP

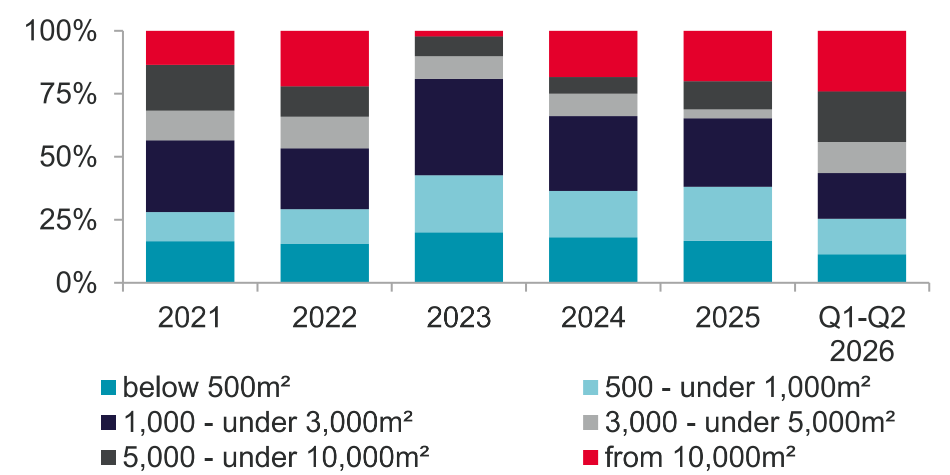
Total take-up in the Munich market area amounted to 329,200m² in the first half of 2026, representing an increase of 26% compared with the same period of the previous year. The result was also 15% above the five-year average and only 5.3% below the ten-year average.

The positive performance was driven both by a high number of transactions in the small and medium-sized segments and by a large owner-occupier transaction. The largest deal of the second quarter was the signed expansion of Apple's premises at Seidlstraße 15–19, accounting for more than 29,000m².The majority of take-up continued to be generated through lettings.

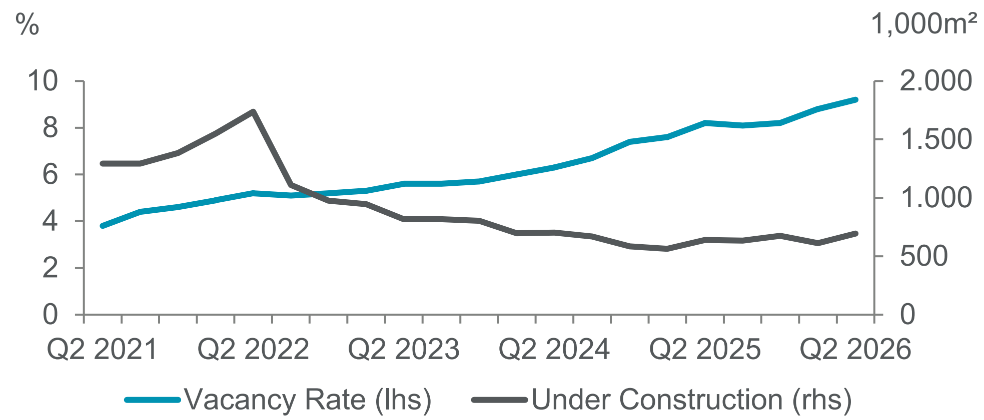
Of the approximately 190,000m² recorded in the second quarter, around 150,000m² resulted from leasing transactions. Owner-occupier deals accounted for approximately 40,000m², the majority of which was attributable to Apple's expansion. From a sector perspective, the information and communications technology sector and industrial companies were the key drivers of market activity. Together, these sectors accounted for more than half of total take-up in the second quarter, with shares of over 27% and almost 26%, respectively.

TAKE-UP

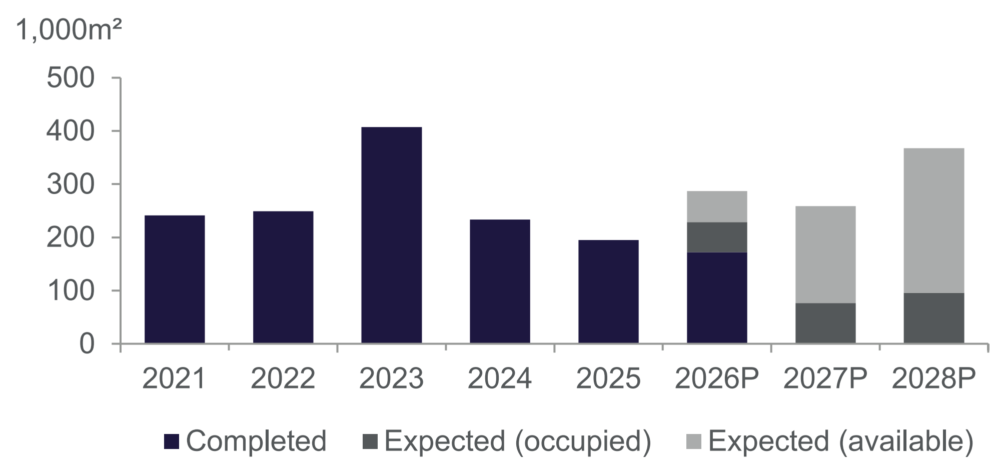
TAKE-UP BY SIZE CLASS



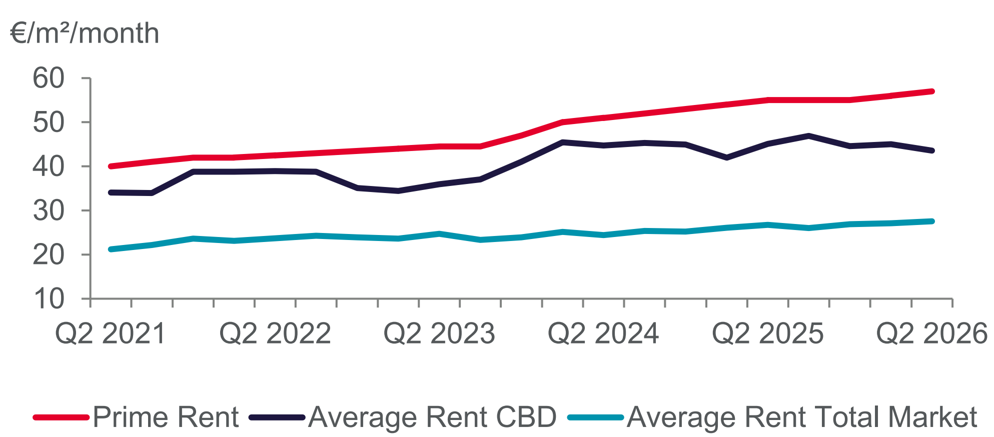
VACANCY / UNDER CONSTRUCTION



COMPLETIONS



RENTS



VACANCY

At the end of the second quarter of 2026, office vacancy in Munich increased to approximately 2.01 million m². This corresponds to a vacancy rate of 9.2%, representing an increase of 40 basis points compared with the previous quarter. Compared with the prior-year quarter, the vacancy rate increased by 1.0 percentage point.

COMPLETIONS

With 86,300m² of office space completed, the volume of completions remained at a high level in the second quarter. Total completions for the first half of 2026 therefore amounted to 172,000m². This figure exceeds the five-year average by 29% and the ten-year average by 37%. A further 697,800m² of office space is currently under construction, with a pre-letting rate of 36%. Key projects in the development pipeline for 2026 and 2027 include the Google Campus on Arnulfstraße with approximately 33,500m² of office space and LOVT Vision in the Werksviertel district, providing just under 48,000m² of office space.

RENTS

Prime rents continued their upward trend in the second quarter, reaching €57.00/m²/month. This represents an increase of 1.8% compared with the previous quarter and 3.6% year on year. Average rents also recorded further growth and stood at €27.55/m²/month at the end of the second quarter. This corresponds to an increase of 1.7% compared with the previous quarter and 3.0% compared with the prior-year quarter.

OUTLOOK

- Driven by continued stable demand, C&W expects full-year office take-up to slightly exceed the previous year's level.
- Given the balanced relationship between supply and demand, the vacancy rate is expected to remain broadly stable at its current level over the remainder of the year.
- Prime rents could continue to increase over the course of the year, as demand for high-quality space in central locations remains strong.

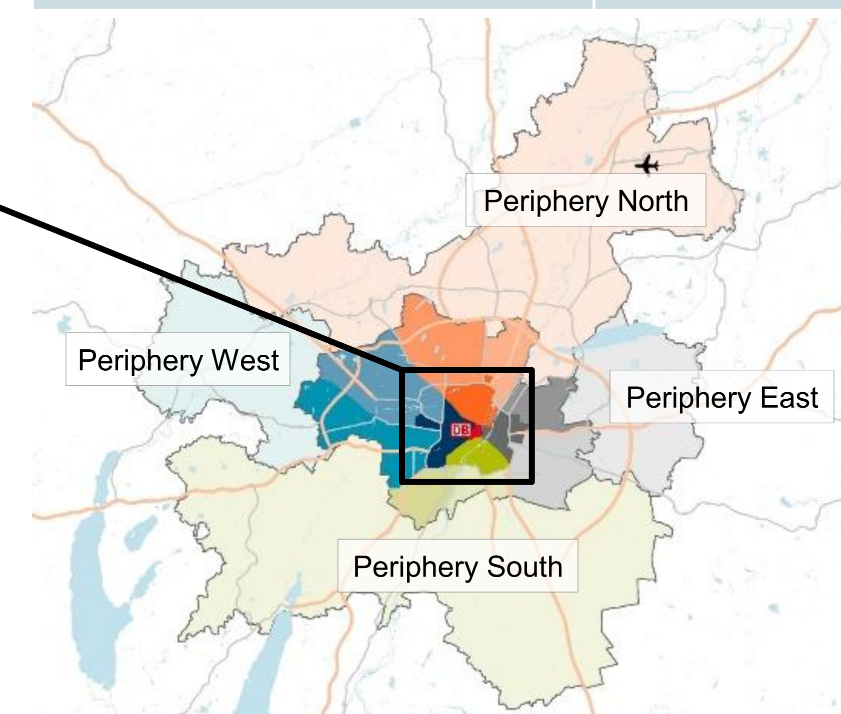
SELECTED DEVELOPMENT PROJECTS

Property	Submarket	Status	Year of Completion	Office Space (m²)	Owner
LOVT Vision	Inner City East	Under construction	2027	47,800	Union Investment
Google Campus	Inner City West	Under construction	2026	33,500	Google
M-PLAZA	City Area South – South-West	Completed	2026	34,100	Fiduciary Capital
M-BLOCK	City Area South – South-West	Planned	2029	56,600	Fiduciary Capital

SUBMARKET OVERVIEW

RENTAL PRICE RANGES Q2 2026

Submarket	€/m²/month
Old Town	30.00 – 57.00
Inner City North	15.00 – 45.00
Inner City East	18.00 – 42.50
Inner City South	15.50 – 34.00
Inner City West	20.00 – 51.00
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 – 29.50
Periphery North	8.50 – 20.00
Periphery East	11.00 – 20.00
Periphery South	10.00 – 23.50
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	16,000	4.5	0	22,400	43.55
Inner City East	18,800	9.2	0	238,500	31.40
City Area South – South-West	32,700	13.6	34,100	1,100	21.20
Periphery North	21,100	7.6	4,000	10,000	13.70
Munich Market	**329,200**	**9.2**	**86,400**	**694,300**	**27.55**

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

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