

Munich Office Spotlight



Q1 2023

Spotlight Munich highlights the key issues in the Munich office market - supply, demand and prices are examined from the past, present and future.

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Munich Overview

► The Munich office market is off to a subdued start in 2023, with take-up of 120,200 sqm registered in the first quarter of the year. This is the third weakest quarterly result in the last 10 years. Demand for office space in central locations remains high.

Slow start to the year - take-up low, prime rent continues to rise

Prime rent has risen once again and stands at €44.50/sqm/month now. This represents an increase of €2.50 or 6% over the past 12 months. The available amount of space is rising moderately. The office vacancy rate stands at 5.4% at the end of the first quarter of 2023.

120,200

Take-up [sqm]

5.40

Vacancy rate [%]

44.50

Prime rent [€/sqm/Month]

125,600

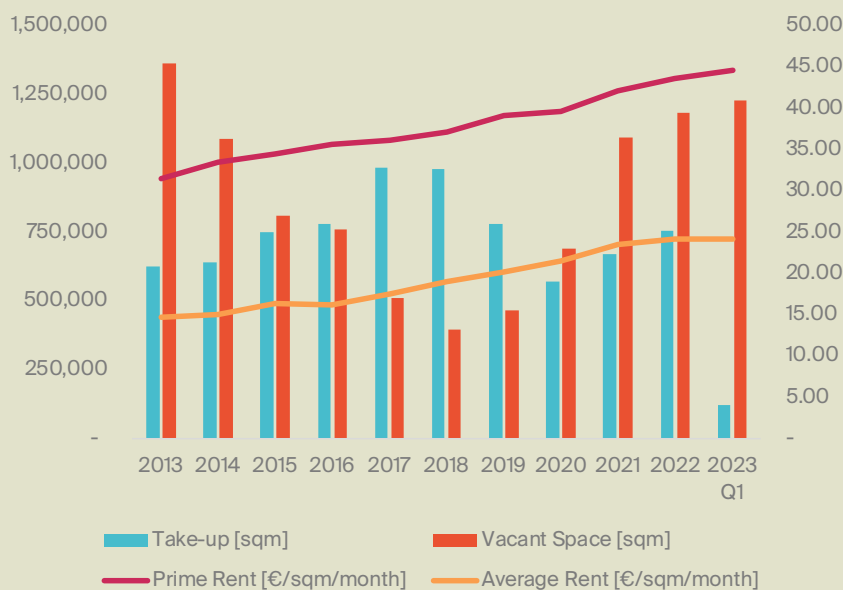
Completions [sqm]

782,200

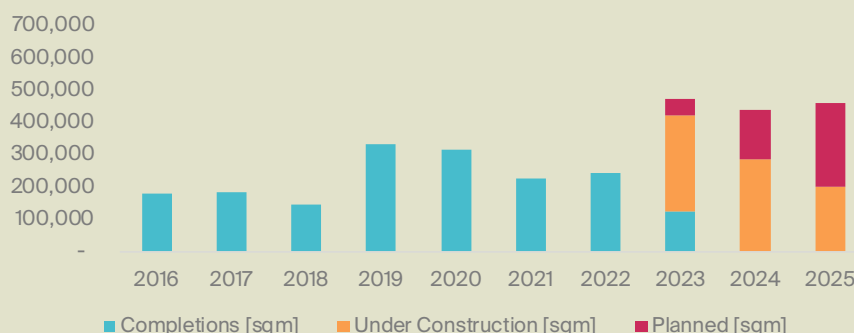
Under construction [sqm]



OVERVIEW

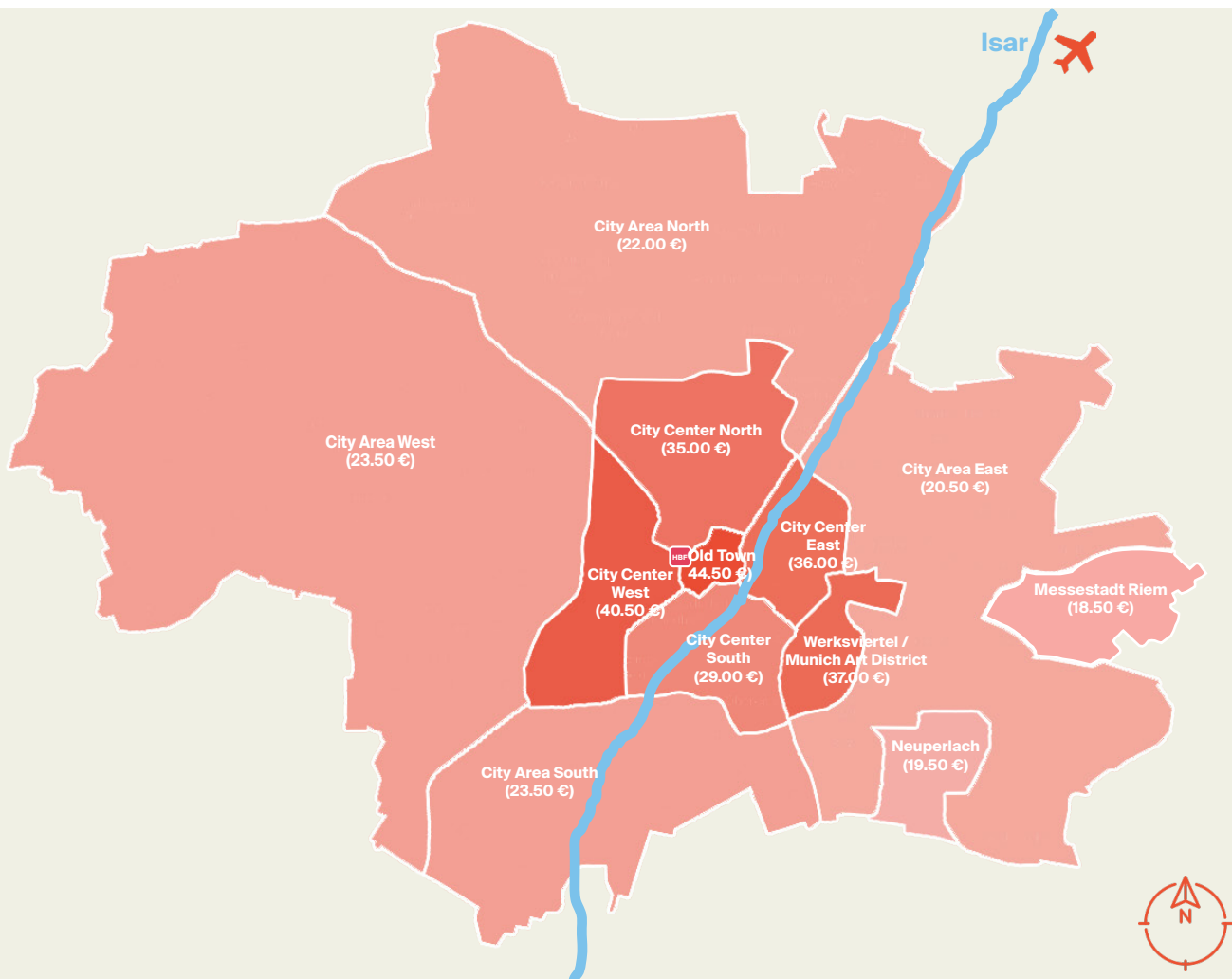


DEVELOPMENTS

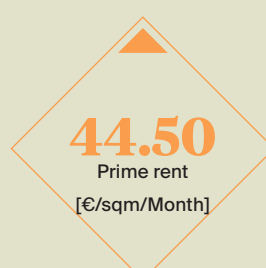
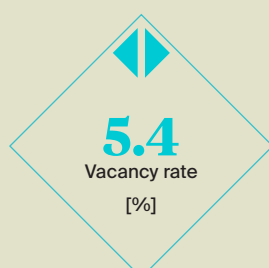
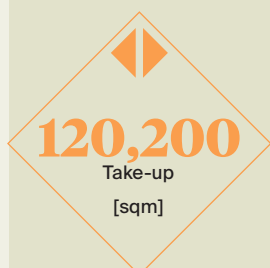


OVERVIEW SUBMARKETS

	Old Town	City Center	City Area	Periphery
Rental Range [€/sqm/Month]	27.00 - 44.50	18.00 - 40.50	12.50 - 23.50	9.50 - 18.50
Vacant Space [sqm]	14,900	241,900	510,000	461,500
Vacancy Rate [%]	1.9	3.1	5.7	9.2
Completions [sqm]	2,500	7,800	83,300	32,000
Under Construction [sqm]	30,800	297,200	387,900	66,300



OUTLOOK



Demand for office space will remain subdued in the coming months. The current uncertainty about the economic and financial situation means that take-up will struggle to match last year's levels. Nevertheless, demand for central locations remains high. Prime rents are expected to continue to rise.

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