

Munich Office Spotlight



Q3 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 downward trend in take-up in the year to date continued in the third quarter. Take-up of 85,400 sqm was registered on the Munich office market in the third quarter. This brings the year-to-date result of 324,500 sqm to its lowest level since data recording began.

Take-up historically low, vacancy rate stagnant

The prime rent, on the other hand, remains at a record level. Across all quarters, the prime rent remains at € 46.00/sqm/month and thus continues to record the highest value. The availability of space is stagnating and stood at 5.8% in Munich at the end of the third quarter.

324,500

Take-up [sqm]

5.80

Vacancy rate [%]

46.00

Prime rent [€/sqm/month]

221,200

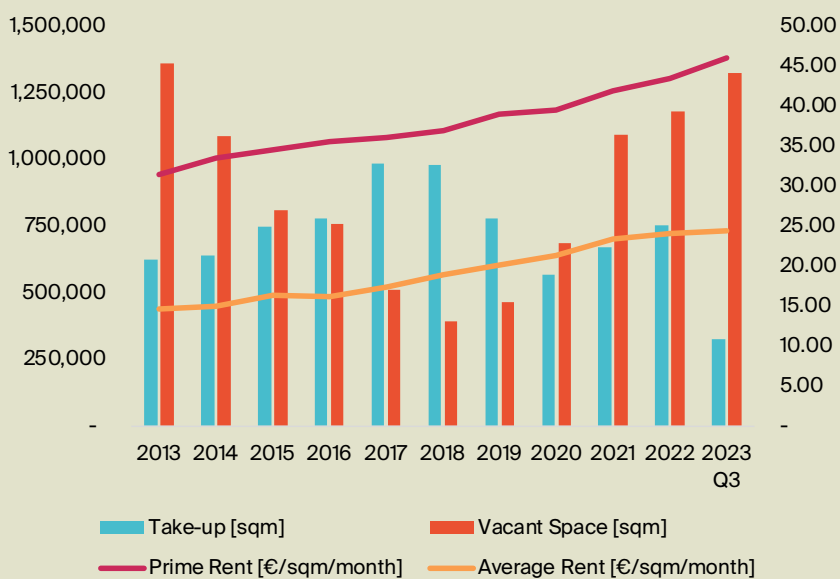
Completions [sqm]

667,600

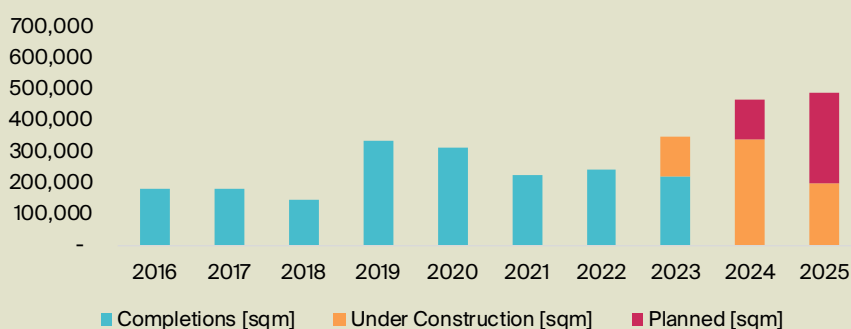
Under construction [sqm] (2023-2025)



OVERVIEW

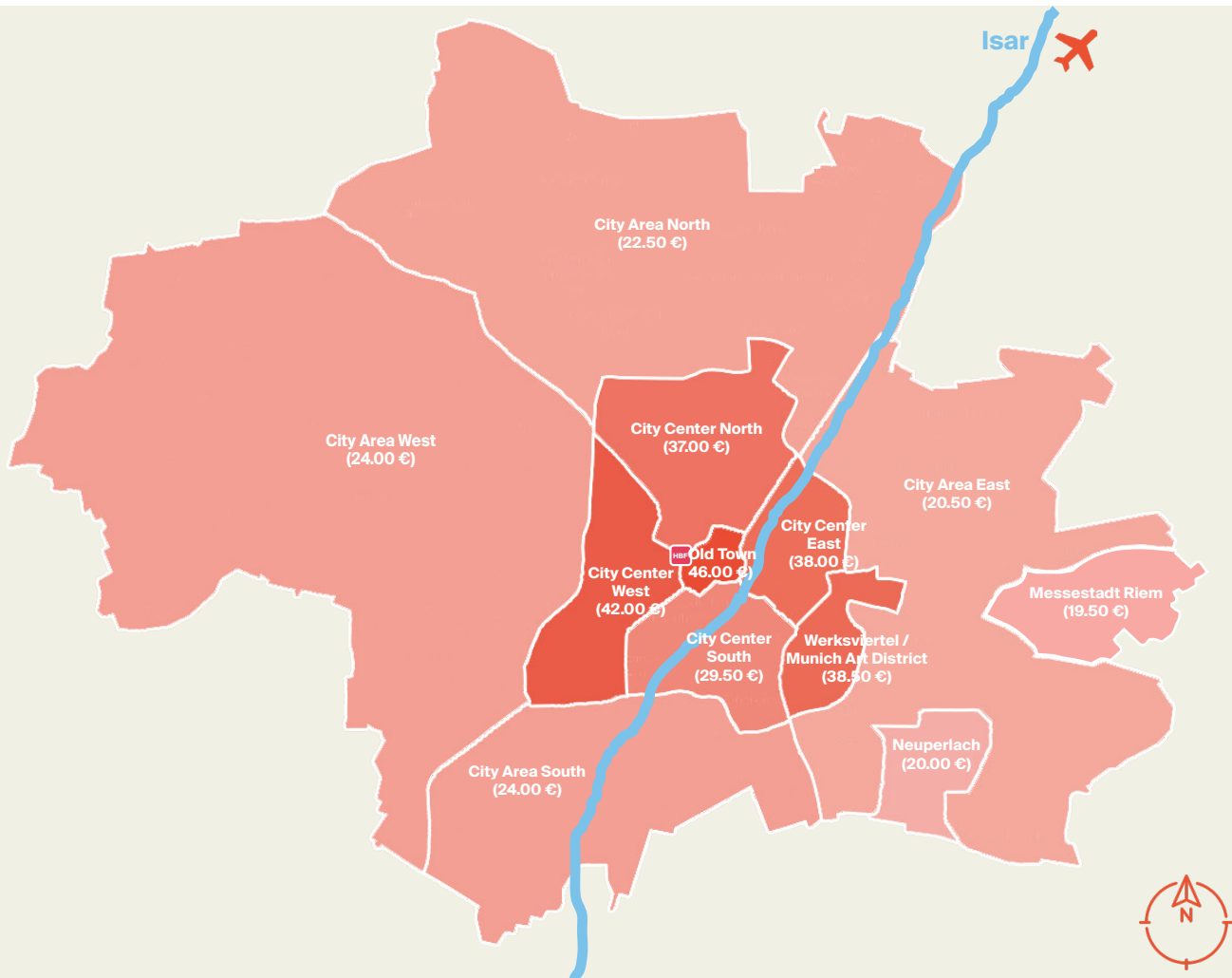


DEVELOPMENTS



OVERVIEW SUBMARKETS

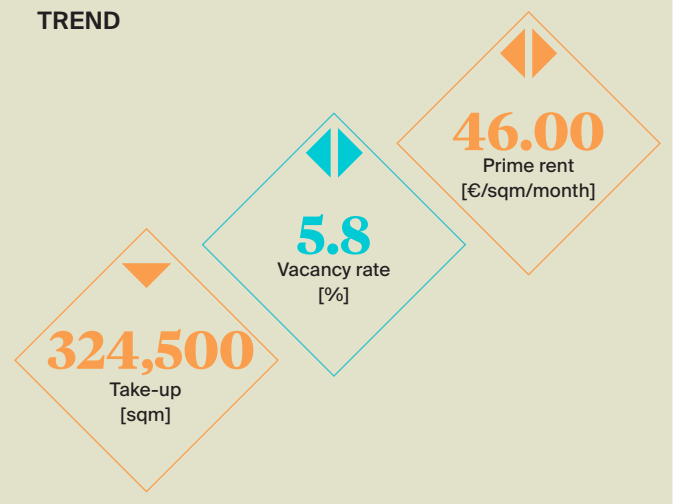
| | Old Town | City Center | City Area | Periphery |
|----------------------------|---------------|---------------|---------------|--------------|
| Rental Range [€/sqm/month] | 27.00 - 46.00 | 18.00 - 42.00 | 12.50 - 24.00 | 9.50 - 18.50 |
| Vacant Space [sqm] | 12,600 | 269,800 | 555,600 | 485,200 |
| Vacancy Rate [%] | 1.6 | 3.4 | 6.1 | 9.5 |
| Completions [sqm] | 12,900 | 36,100 | 115,700 | 5,600 |
| Under Construction [sqm] | 20,400 | 268,900 | 336,500 | 71,600 |



OUTLOOK

We expect a similar picture for the end of 2023. Demand for office space will remain low, and take-up will remain historically low this year. The vacancy rate, on the other hand, will remain below 6.0 %. At the same time, we expect the prime rent to remain at €46.00/sqm/month.

TREND



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