

# Munich Office Spotlight



Q4 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

► Demand for office space increased at the end of the year, following the downward trend of the previous quarters. With take-up of 141,300 sqm in the fourth quarter, this is the best result in 2023. A total of 465,800 sqm of office space was taken up in the last 12 months.

## Fourth quarter with highest take-up, top rent at new record level

The top rent reached 47.00 €/sqm/month at the end of the year, approaching the € 50.00 mark. The average rent remained stable throughout the year at 24.10 €/sqm/month. Vacancy rates are also stable. The vacancy rate is 5.80%.

### 465,800

Take-up [sqm]

### 5.80

Vacancy rate [%]

### 47.00

Prime rent [€/sqm/month]

### 277,200

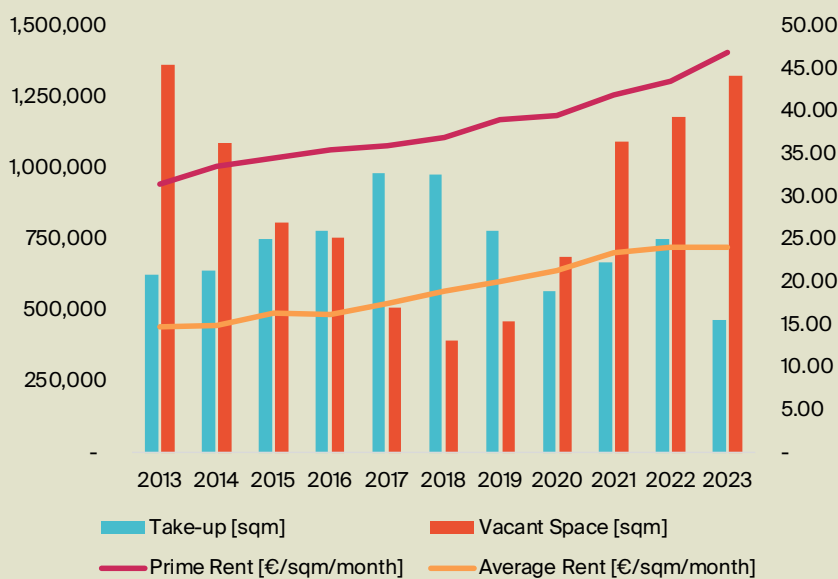
Completions [sqm]

### 752,000

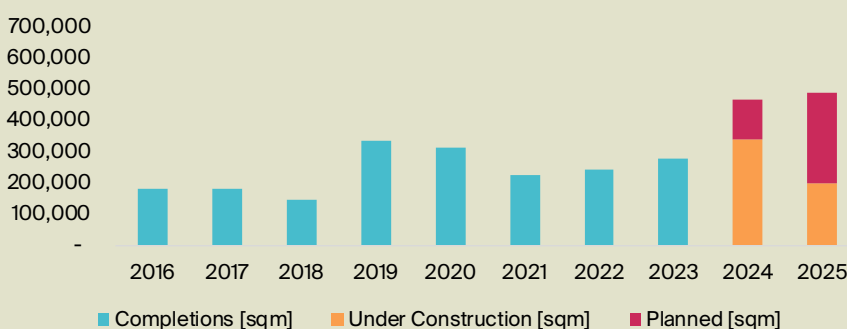
Under construction [sqm] (2023-2025)



### OVERVIEW

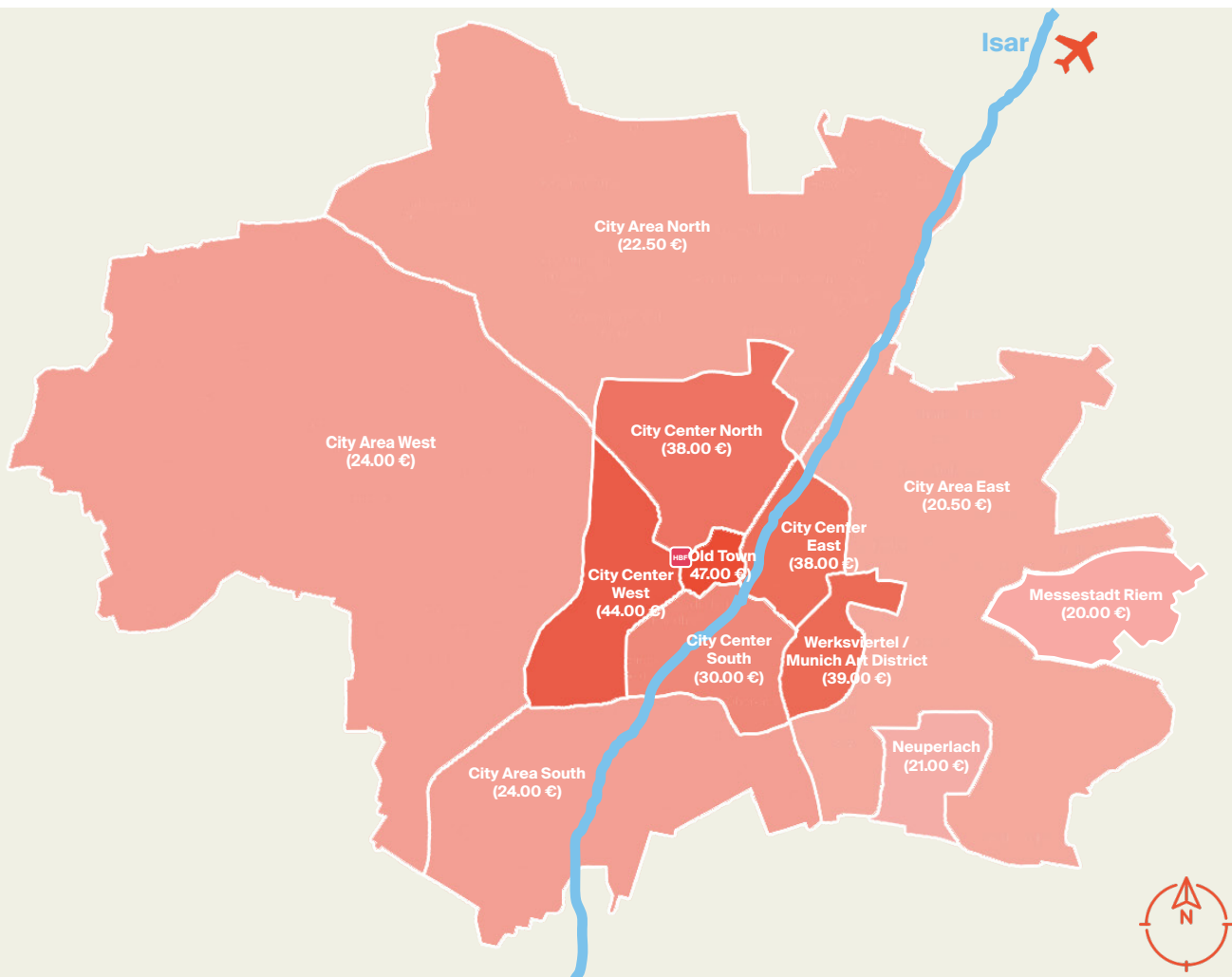


### DEVELOPMENTS



## OVERVIEW SUBMARKETS

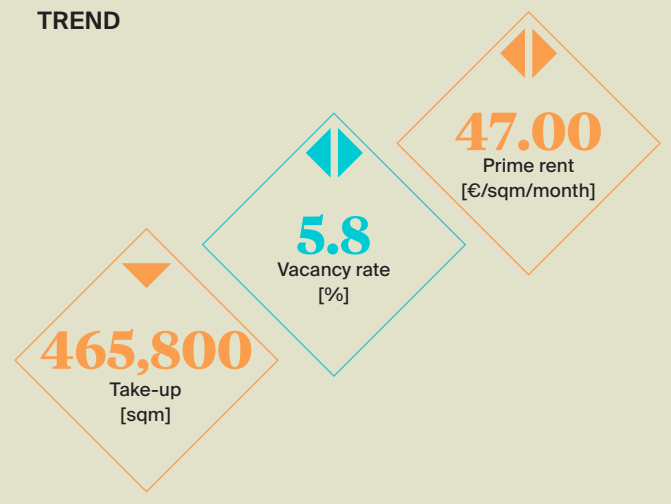
	Old Town	City Center	City Area	Periphery
Rental Range [€/sqm/month]	29.00 - 47.00	18.00 - 44.00	12.50 - 24.00	9.50 - 19.50
Vacant Space [sqm]	14,400	222,700	580,100	506,600
Vacancy Rate [%]	1.8	2.8	6.4	10.0
Completions [sqm]	17,600	74,500	152,400	32,700
Under Construction [sqm]	40,300	282,800	336,500	92,400



## OUTLOOK

Leasing market is expected to recover in 2024. There were already indications in the 3rd quarter that letting activity will bottom out in 2023. A continued stable leasing market with constant demand will have an overall positive effect on the development of rents and teaching levels in 2024. As a result, prime rents will rise and the supply of vacant space will fall moderately.

## TREND



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