

Updated quarterly, our dashboards provide a concise synopsis of occupier activity in Europe's markets.



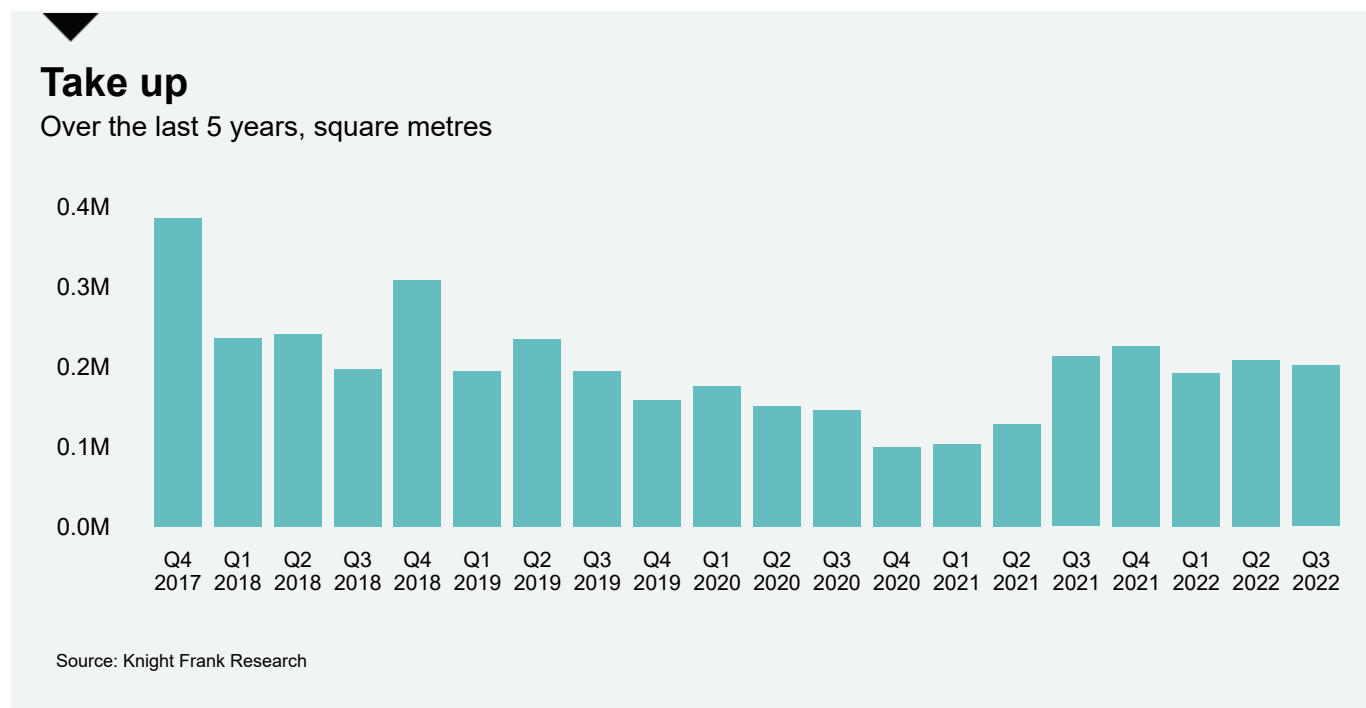
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Munich Office Market

Research, Q3 2022

OCCUPIER MARKET HEADLINE FIGURES

| TAKE UP | | VACANCY RATE | | PRIME RENT | |
|----------------|--------------|--------------|--------------|--------------|-------------|
| 201,100 | -5.3% | 5.0% | 3.2% | € 510 | 6.3% |
| SQM | YOY CHANGE | RATE | 5 YR AVERAGE | RENT (PSQM) | YOY CHANGE |



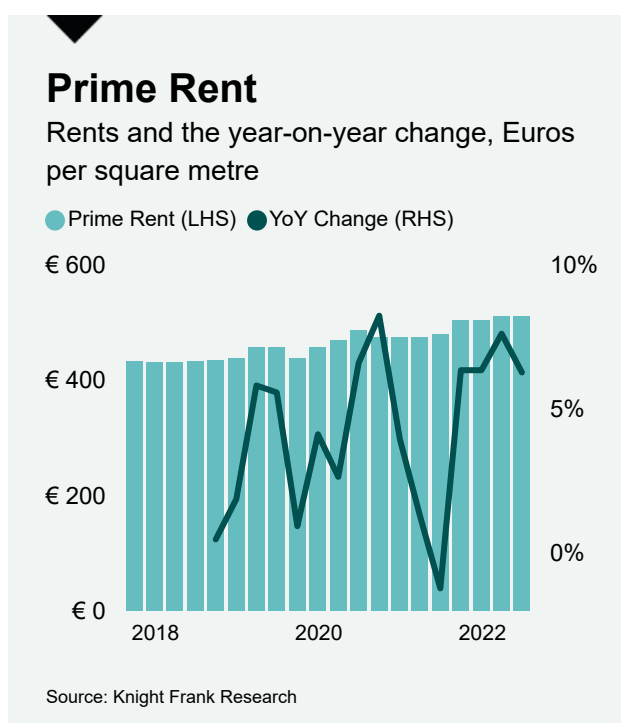
OCCUPIER HEADLINES

Take-up in the Munich office market remained stable, totalling 600,900 sqm in the first nine months of the year. The quarterly result of 201,000 sqm was on par with the Q3 five-year average.

The vacancy rate fell moderately to 5.0% in Q3 2022. The Munich CBD recorded a vacancy rate of 2% and the vacancy rate in the City Centre stood at 3.2%.

Prime office rents remained stable at €42.5 per sqm per month in Q3 2022 and are expected to remain at this level for the rest of the year.

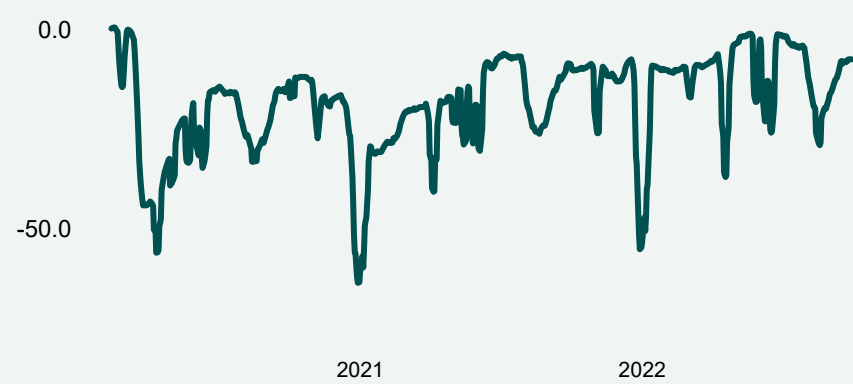
We do not expect a year-end rally in the final quarter. Nevertheless, we expect the Munich office leasing market to remain stable, with take-up and rents holding up. The vacancy rate will likely settle at the 5% mark.



ECONOMIC INDICATORS

Mobility in Workplaces in Bavaria

7-day Rolling Average, % Change from Baseline (3 Feb 20)



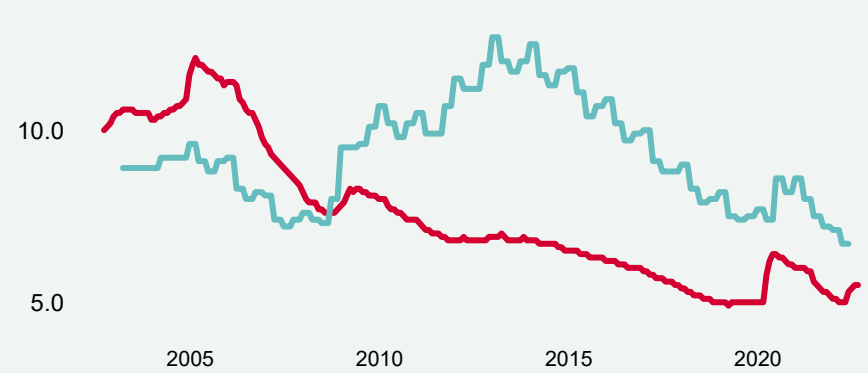
Source: Google Mobility

After a slump in mobility over August, workers started to return to the workplace. Concerns about rising levels of Covid-19 cases and the likelihood of renewed restrictions may result in lower workplace mobility in the coming months.

Unemployment Rate in Germany

vs Euro Area, as a Percent of Civilian Labour Force %

● Germany ● Euro Area



Source: Eurostat/ German Federal Employment Agency (Bundesagentur fuer Arbeit)

The unemployment rate in Germany increased to 5.5% in September from 5.3% in June, as Ukrainian refugees continued to enter the system. Given the weaker economic outlook, a further rise in unemployment is likely albeit from a very low level.

Employment Expectations in the Service Sector in Germany

Over the next 3 months, %

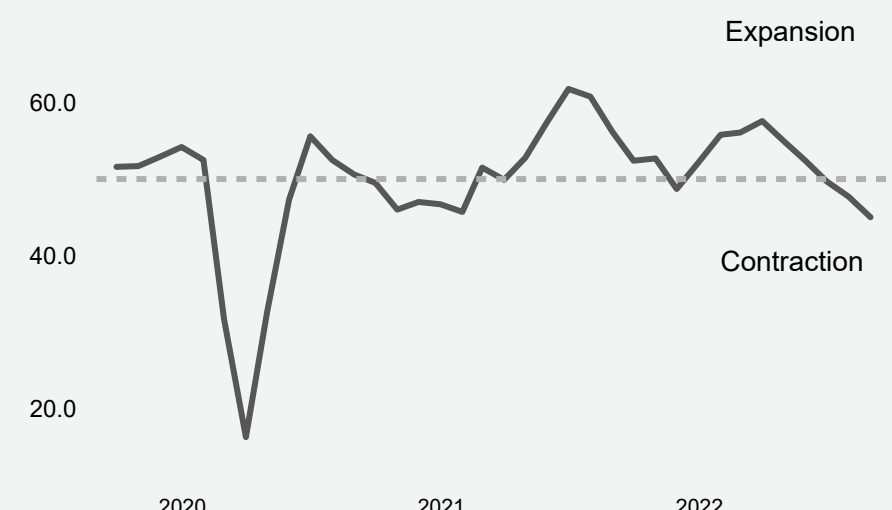


Source: European Commission (DG ECFIN)

Employment expectations in the German service sector continue to decline as recession worries weigh on business sentiment.

Services PMI in Germany

Services PMI for the last 5 years, Index



Source: IHS Markit

The service sector PMI declined for a third consecutive month in September, pointing to a continued contraction in German service sector activity. Demand fell sharply amid a rise in inflationary pressures and the uncertain economic outlook.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you

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