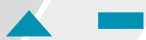


YoY Change 12-Month Forecast

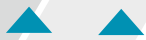
441,600m²

Take-Up (cum.)



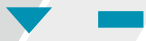
6.7%

Vacancy Rate



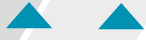
669,400m²

Under Construction



€52.00

Prime Rent, €/m²/month



LABOUR MARKET

YoY Change

94.0

Ifo Employment Barometer Germany (Sep 2024)



463,500

Munich Office Employees (Sep 2024)



3.4%

Munich Unemployment Rate (Sep 2024)



Sources: ifo-Institut, Moody's Analytics, Federal Employment Agency

ECONOMIC OVERVIEW

The economy in the greater Munich area remains depressed according to the latest IHK Munich and Upper Bavaria survey on the economic situation. The index is still below the long-term average. The slight recovery since the beginning of the year cannot hide the current risks such as low domestic demand, the economic policy environment and the labor shortage. At the end of September, Munich's unemployment rate was 3.4% (an increase of 0.6 percentage points over the course of the year).

TAKE-UP

The take-up of 441,600m² recorded in the first three quarters of 2024 is more than a third above the previous year's figure (326,000m²), but remains below the long-term average. At 153,000m², take-up in the third quarter alone is the highest since the end of 2022. There was also significant growth of 14% in the number of contracts signed compared to the same period of the previous year. Take-up of around 580,000m² is expected for 2024 as a whole, which would be 24% higher than in 2023.

The strongest sector in terms of take-up so far this year is "Industry, Transport, Traffic", which accounts for more than a quarter of take-up. The largest deal in the third quarter is the lease for the Bavarian State Parliament in the City Center East submarket. Among the ten largest deals since the beginning of 2023, three are from the third quarter of 2024. The largest deal of the year remains the start of construction of the "Tridea" owner-occupier project by the Bayerische Versorgungskammer.

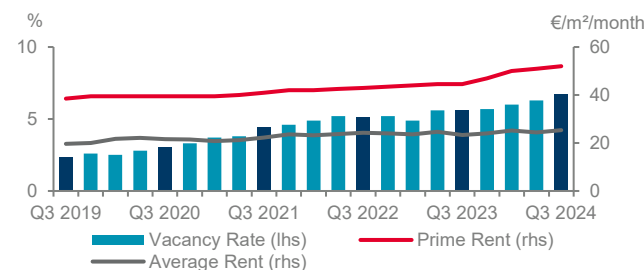
VACANCY

Vacant office space in Munich stood at just over 1.46 million m² at the end of the 3rd quarter. This corresponds to a vacancy rate of 6.7% and is 1.1 percentage points higher than the figure for the same quarter of the previous year. A total of around 137,000m² of the vacant space in Q3 2024 is sublet space.

TAKE-UP



VACANCY & RENT



COMPLETIONS

In the first six months of 2024, 185,300m² of office space was completed (new build or total refurbishment). 46% of this was already let or occupied by owner-occupiers at the time of completion. Completions of around 160,000m² are expected by the end of the year, of which only 19% is still available. A total of around 670,000m² of office space is currently under construction, of which 40% has already been let or occupied by owner-occupiers.

RENTS

In the quarter under review, the prime rent in Munich rose by one euro to €52.00/m² per month, once again setting a new record. Compared to the 3rd quarter of 2023, this corresponds to an increase of €7.50/m² (+17%). The weighted average rent for new lettings over the past twelve months was €25.35/m² per month, up €2.00/m² on the same quarter of the previous year.

SELECTED PROJECT DEVELOPMENTS

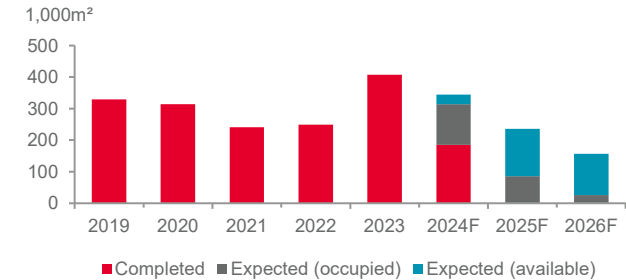
Property/Project	Submarket	Status	Year of Completion	Office Space (m ²)	Owner
Der Bogen	Inner City East	Completed	2024	64,300	Giesecke & Devrient
Weisses Quartier (Haus 3+4)	Inner City South	Completed	2024	27,500	Allg. Südboden Grundbesitz
Postpalast	Inner City West	Under Construction	2025	33,500	Google
Hybrid One	Periphery North	Under Construction	2025	26,000	Rock Capital

MARKET STATISTICS

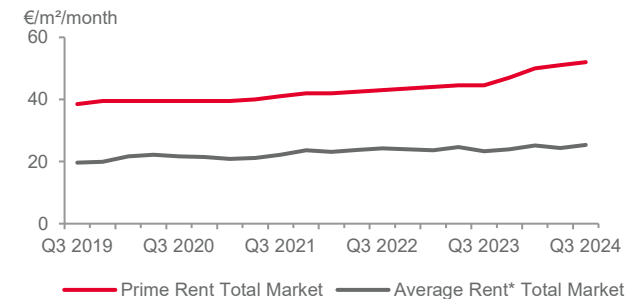
Submarket	Take-Up YTD (m ²)	Completions YTD (m ²)	Space under Construction Current Quarter (m ²)	Prime Rent Current Quarter (€/m ² /month)	Average Rent* Current Quarter (€/m ² /month)
Old Town	15,400	30,800	7,000	52.00	45.30
Inner City East	50,900	70,700	185,100	41.50	33.65
City Area South – South-West	33,600	21,000	43,300	27.00	21.55
Periphery North	31,100	8,500	75,300	22.00	14.30
Total Market Munich	441,600	185,300	669,400	52.00	25.35

* Weighted Average Rent (12 months)

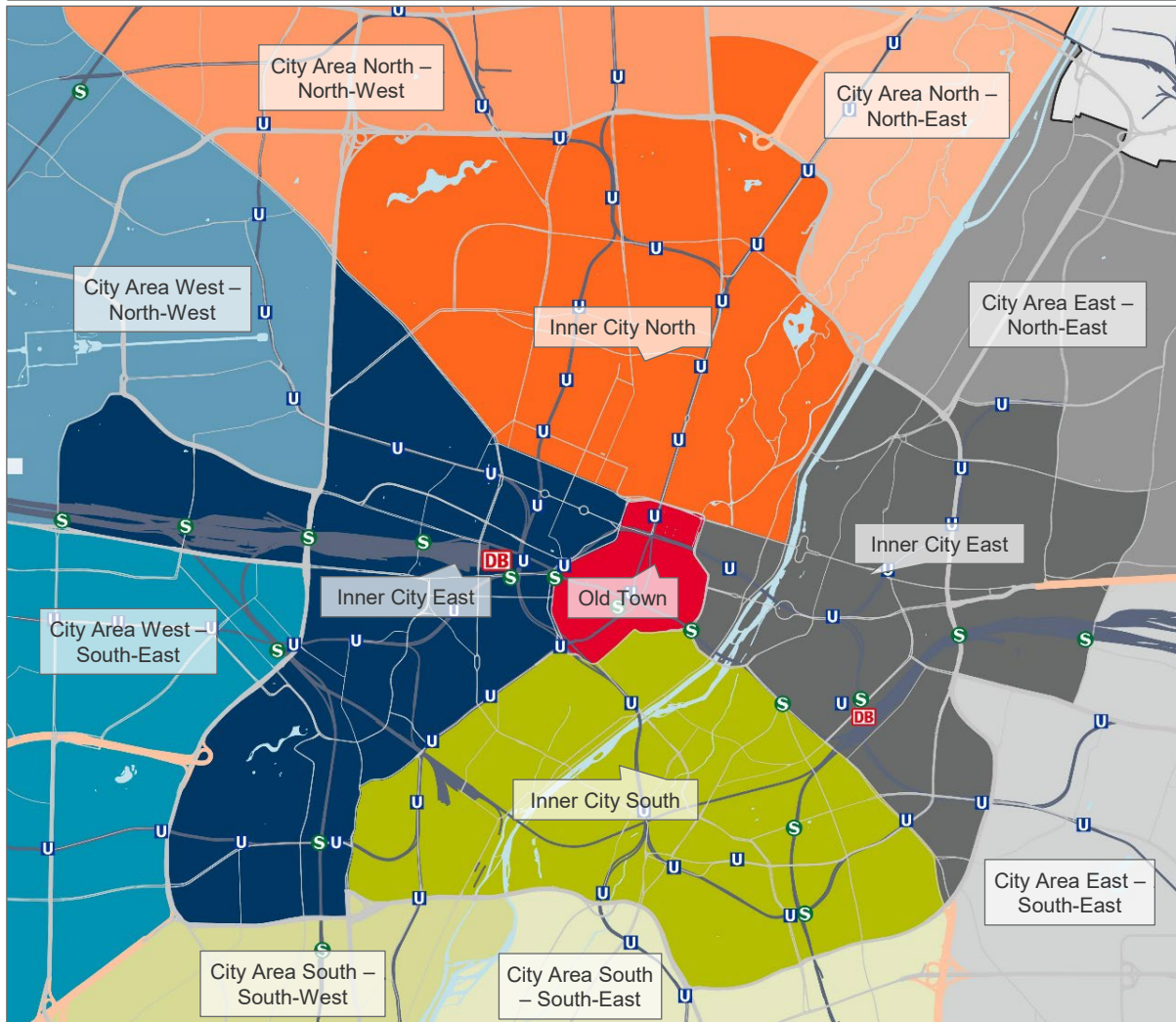
COMPLETIONS



RENTS

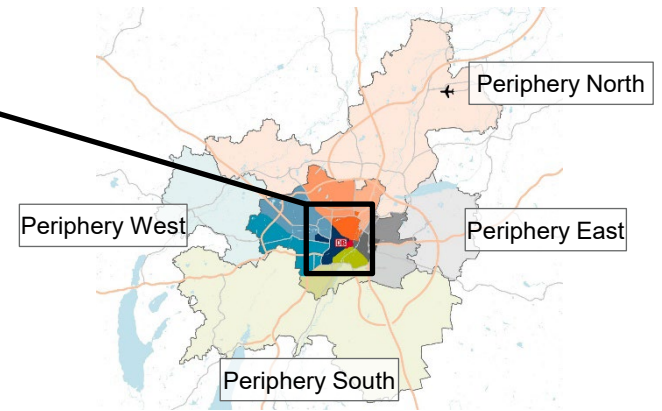


SUBMARKET OVERVIEW



RENTAL PRICE RANGES Q3 2024

Submarket	€/m ² /month
Old Town	30.00 - 52.00
Inner City North	15.00 - 41.00
Inner City East	14.00 - 41.50
Inner City South	15.00 - 33.00
Inner City West	17.00 - 48.00
City Area North – North-East	15.00 - 29.00
City Area North – North-West	13.00 - 26.00
City Area East – North-East	10.00 - 16.00
City Area East – South-East	14.00 - 25.00
City Area South – South-East	14.00 - 16.00
City Area South – South-West	15.00 - 27.00
City Area West – North-West	15.00 - 25.00
City Area West – South-West	15.00 - 26.50
Periphery North	8.50 - 22.00
Periphery East	11.00 - 19.00
Periphery South	10.00 - 20.00
Periphery West	10.00 - 13.00



MARKETBEAT

MUNICH

Office Market Q3 2024



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