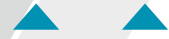


GERMANY: TOP-5

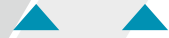
Office Q3 2024

YoY Change 12-Month Forecast

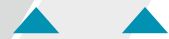
1.59 mn m²
Take-up (cum.), m²



7.7%
Vacancy Rate



5.2%
Prime Rent Growth*



ECONOMIC INDICATORS

YoY Change 12-Month Forecast

-0.41%
Germany GDP growth
(Q3 2024 vs. Q3 2023)



6.0%
Germany Unemployment Rate
(Sep 2024)



94.0
Germany Ifo Employment Barometer
(Sep 2024)



* Average y-o-y change in the prime rental index of the Top-5 markets

Sources: Moody's, Federal Employment Agency, Ifo-Institute

OFFICE LETTING MARKET STABILIZES AT A LOW LEVEL

Around 1.59 million m² of office space was taken up on the top 5 office markets in the first three quarters of 2024. This is 4% above the previous year's figure, but 18% below the 5-year average. There has been a significant increase in activity on the user side, which is not yet reflected in the market figures. The market remains segmented in terms of the strong user focus on prime locations and high quality. This is increasing the pressure in city centers, while secondary locations are not benefiting from the supply shortage. Take-up of 2.2 million m² is expected for 2024 as a whole - a slight increase of 4% compared to 2023. Munich (580,000m²) and Berlin (550,000m²) lead the market ranking in the first three quarters of 2024. In the reporting period, there were 16 deals in the 10,000m² and above size category, six of which were in Berlin and five in Munich. There were twelve of these in 2023 as a whole. The largest letting in Q3 2024 is that of the City of Hamburg for around 21,000m² in the "Tanzende Türmen".

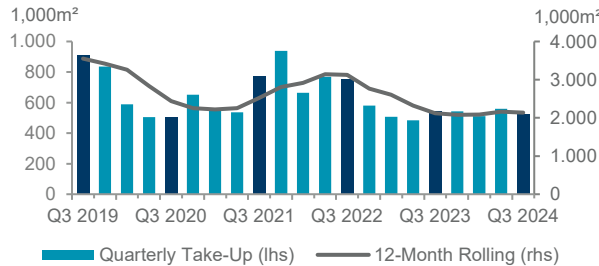
FURTHER INCREASES IN VACANCIES

The office space vacancy rate in the top 5 markets stood at 5.99 million m² at the end of Q3 2024. This corresponds to a vacancy rate of 7.7% and is 1.1 percentage points higher than twelve months ago. Among the top 5 markets, Hamburg still has the lowest vacancy rate at 5.2%, while Düsseldorf has the highest at 10.1%. The vacancy rate is expected to rise further to around 8.0% by the end of 2024. This is due to the unlet space in the numerous completions and the reduction in space as many users relocate. Around 940,000m² of office space was completed in the first three quarters of 2024. 64% of this was let or occupied by owner-occupiers at the time of completion. Berlin accounted for by far the largest volume of completions (409,000m²), with Munich in second place (185,000m²). Around 1.47 million m² of new space is expected to come onto the market in 2024 as a whole. In 2025, the figure is expected to fall further, but will still exceed the 1 million mark.

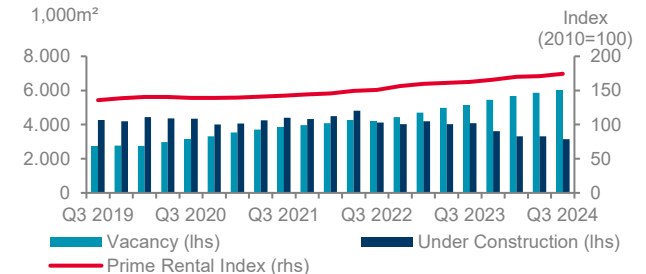
RENTS CONTINUE TO RISE

In the 3rd quarter, prime rents in Munich rose to 52 euros/m² per month (+1.00 euros/m²) and in Düsseldorf to 43.50 euros/m² (+1.50 euros/m²). In the other markets, prime rents remained stable. Compared to the same quarter of the previous year, prime rents rose in all markets, in some cases significantly. The average growth in prime rents in the top 5 markets was 5.2% compared to the same period last year. Average rents continue to show a mixed picture of growth, stability and decline. The average increase in average rents in the top 5 markets was 1.8% compared to the previous quarter.

TAKE-UP TOP-5 MARKETS



VACANCY / UNDER CONSTRUCTION / PRIME RENT TOP-5



MARKET STATISTICS

Market	Stock (m ²)	Vacancy (m ²)	Vacancy Rate (%)	Take-up (m ²) YTD	Completions (m ²) YTD	Under Construction (m ²)	Prime Rent* (€/m ² /month)	Prime Yield* (%)
Berlin	21,178,600	1,705,300	8.1	418,600	408,800	1,264,000	45.00	4.80
Düsseldorf	9,397,300	950,300	10.1	167,800	93,400	398,600	43.50	5.10
Frankfurt	11,793,900	1,146,600	9.7	269,400	160,900	347,000	48.50	4.90
Hamburg	14,109,200	731,200	5.2	296,000	90,200	470,400	34.50	4.90
Munich	21,735,200	1,461,200	6.7	441,600	185,300	669,400	52.00	4.60
Total	78,214,200	5,994,600	7.7	1,593,400	938,600	3,149,400	-	4.86

*Rental /Yields rates reflect achievable values

SELECTED TAKE-UP TRANSACTIONS Q3 2024

Property	Market	Submarket	Tenant	m ²	Type
Tanzende Türme	Hamburg	St. Pauli	City of Hamburg	20,800	New Lease
Pallee 96	Berlin	Berlin North	MKK Meine Krankenkasse	7,500	New Lease
The Friedenauer	Berlin	Inner City South	Kieback & Peter GmbH & Co. KG	7,000	New Lease

SELECTED SALES TRANSACTIONS Q3 2024

Property	Market	Submarket	Vendor / Buyer	m ²	Price (€ million)
Kennedydamm-Center	Dusseldorf	Kennedydamm	Development Partner / tB Verkerk Projects	22,000	~23
Canyon	Frankfurt	Banking District	CV Real Estate / Tite Street Capital	33,600	Confidential
Hofmark 5 am Olympiapark	Munich	City Area North – North-West	Vonovia / DERAG	3,200	Confidential

SELECTED CONSTRUCTION COMPLETIONS Q3 2024

Property	Market	Submarket	Major tenant	m ²
FOUR T1	Frankfurt	Banking District	DEKA, Freshfields, Allen & Overy,	72,200
Kalle Neukölln	Berlin	Inner City South	wefox GmbH, The Delta Group, Code University	24,700
Kreisler	Frankfurt	Station Area	Nestlé, SleevesUp, place to be	23,100
Senatsverwaltung für Stadtentwicklung	Berlin	Inner City West	Senatsverwaltung für Stadtentwicklung	17,800

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