

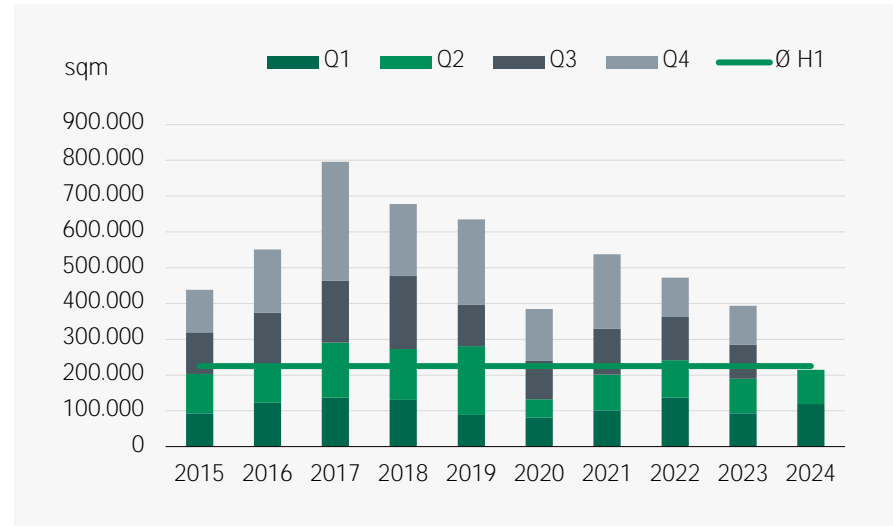


REPORT OFFICE MARKET

FRANKFURT

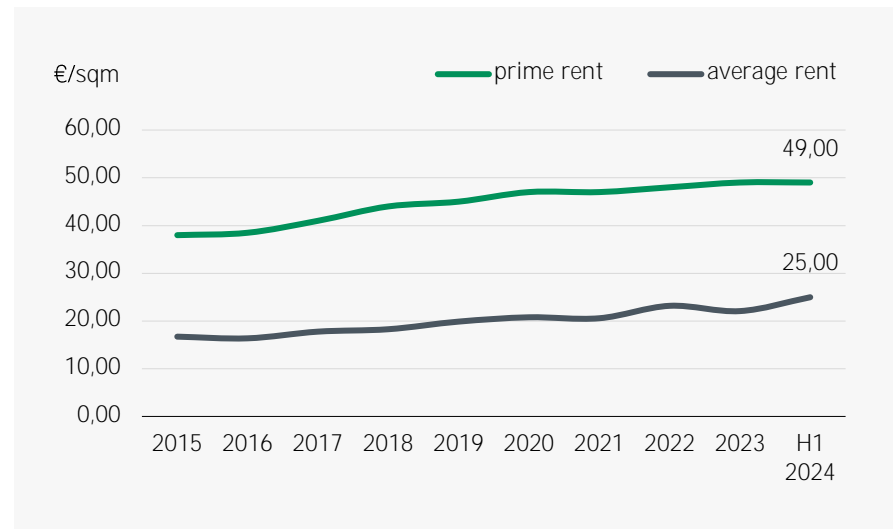
H1 2024

Development of take-up



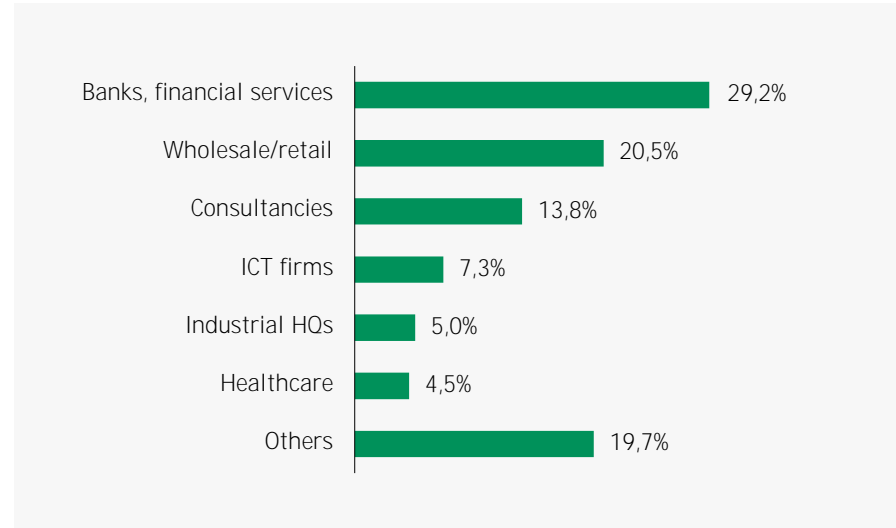
TAKE-UP 13% ABOVE PRIOR YEAR'S LEVEL
10-YEAR AVERAGE BARELY MISSED

Prime and average rents



- The upward trend in take-up seen in q1 continued at a slightly slower pace in q2, despite the lack of major deals. Take-up in the entire Frankfurt market area amounted to 215,000 sqm by mid-2024. The more narrowly defined gif area recorded take-up of 178,000 sqm. Compared to H1 2023, the entire Frankfurt office market recorded an increase of 13%. It also achieved a respectable result in a long-term comparison. The latest volume is only approx. 4% below the ten-year average. In a nationwide comparison, this result places Frankfurt in third position behind Munich (293,000 sqm) and Berlin (281,000 sqm).
- This positive result continues to be driven primarily by the segment of small and medium-sized transactions of up to 5,000 sqm, where demand was very brisk. A good 72% of take-up was recorded here. In the size category between 2,000 and 5,000 sqm in particular, demand was noticeably higher than in previous years. By contrast, in the traditionally important segment over 10,000 sqm, only three lettings were registered so far: the ECB's deal for almost 37,000 sqm in the banking district, the Sparkasse's own-use purchase of just 10,000 sqm and the Cosnova cosmetics company in Sulzbach for almost 16,000 sqm.
- The high demand, particularly for premium space with modern and ESG-compliant fittings, is reflected in rising rents. In a year-on-year comparison, the prime rent increased by around 2% to €49 per sqm. The traditionally much more volatile average rent rose even more sharply to €25 per sqm, up 5.5% y-o-y.

Take-up by sector H1 2024



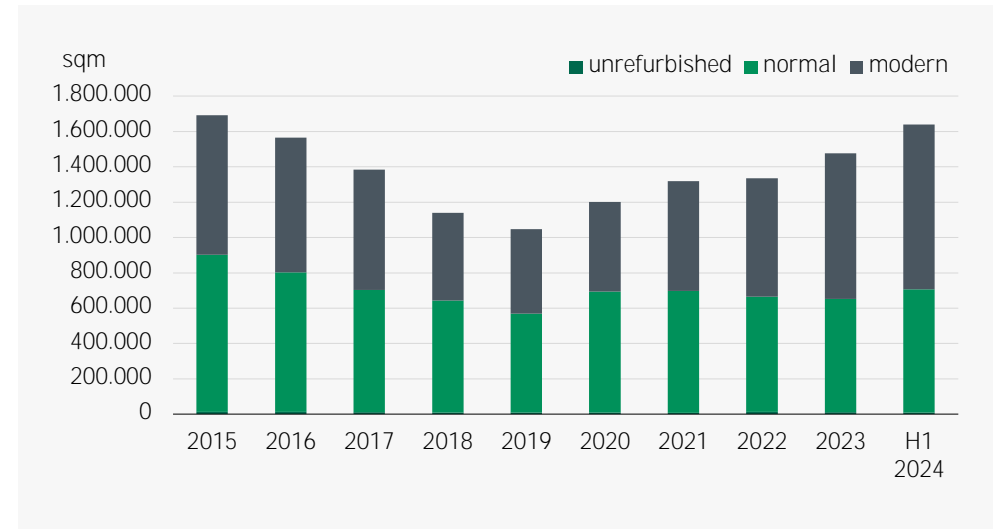
Major contracts H1 2024

Quarter	Sub-market	Company	sqm
Q1	1.1	ECB	36.800
Q1	5.1.3	Cosnova	15.600
Q2	1.3	Frankfurter Sparkasse	7.200
Q1	4.7	Air Liquide Global E&C Solutions Germany	5.000
Q2	5.2	The Lorenz Bahlsen Snack-World	4.500
Q2	2.1	Herausgebergemeinschaft Wertpapier-Mitteilungen Keppler, Lehmann	4.400

RETAIL SECTOR WITH HIGH TAKE-UP IN 2ND PLACE VACANCY RATE CURRENTLY AT 10.5%

- Retail companies made a disproportionately high contribution to the good take-up, securing second place with a share of 20.5 % and a good 44,000 sqm, not least due to the major deal signed by Cosnova GmbH. Frankfurt's leading sector of banks and financial service providers took a clear lead with a good 29% or just under 63,000 sqm of take-up.
- The vacancy rate increased by a good 21% year-on-year and currently stands at 1.6 million sqm. In the segment of space with modern fit-out quality, an increase of almost 33% was registered in the past twelve months, mainly due to the completion of construction projects. At 932,000 sqm, more than half of the vacant space has a modern fit-out standard. The vacancy rate in both the market area and the more narrowly defined gif area is 10.5%.

Development of vacant space



Key indicators office market Frankfurt

	PRIME RENT* (€/sqm)		TAKE-UP (sqm)	VACANT SPACE (sqm)			SPACE UNDER CONSTRUCTION (sqm)		SPACE ON OFFER (sqm)	
	from	to	H1 2024	total	modern	of this, since completion	total	available	available	projected
Submarkets**	1		2	3	4	5	6	7	8 = (3 + 7)	9
1 City										
1.1 Banking District		49,00	58.200	102.300	98.100	2.800	175.200	123.000	225.300	25.000
1.2 Westend		47,00	10.400	49.500	23.000	0	26.600	18.100	67.600	27.700
1.3 Inner City		45,00	35.300	250.300	174.300	10.500	62.300	23.800	274.100	58.200
1.4 Central Station		27,00	2.000	31.300	12.000	0	25.000	0	31.300	21.200
2 Centre Fringe	24,00 -	25,00	27.800	172.000	112.300	9.700	56.000	56.000	228.000	0
3 City Fringe	16,00 -	19,50	6.200	149.700	74.000	0	80.700	76.700	226.400	0
4 Subcentres	13,00 -	26,00	44.100	543.900	312.300	37.000	82.200	35.400	579.300	128.900
Total Frankfurt			184.000	1.299.000	806.000	60.000	508.000	333.000	1.632.000	261.000
5 Periphery	15,00 -	23,00	31.000	340.000	126.000	18.000	24.000	24.000	364.000	149.000
Total			215.000	1.639.000	932.000	78.000	532.000	357.000	1.996.000	410.000
N. B. gif market area			178.000	1.199.000	761.000	60.000	492.000	317.000	1.516.000	249.000

* The prime rent given applies to market segment of 3-5 % in each case.

** The relevant submarket can be found on our website under „Research“.

Contact

BNP Paribas Real Estate GmbH

Goetheplatz 4 | 60311 Frankfurt

Phone: +49 (0)69-298 99-0

All rights reserved. This report is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate GmbH. That applies in particular to reproductions, adaptations, translations, photographs (analogue and/or digital), microfilming and storage and processing in electronic systems. The statements, notifications and forecasts provided here correspond to our estimations at the time when this report was prepared and can change without notice. The data come from various sources which we consider reliable but whose validity, correctness or exactness we cannot guarantee. Explicitly, this report does not represent a recommendation of any kind, nor should it be regarded as forming a basis for making any decisions regarding investment or letting or renting property or premises. BNP Paribas Real Estate can accept no liability whatsoever for any information contained or statements made herein.

Publisher and copyright: BNP Paribas Real Estate GmbH | Prepared by: BNP Paribas Real Estate Consult GmbH | Status: 30.06.2024 | Further information: BNP Paribas Real Estate GmbH | Branch office Frankfurt | Phone +49 (0)69-298 99-0
Photo credits : © Antoine Huot

LEARN 
MORE