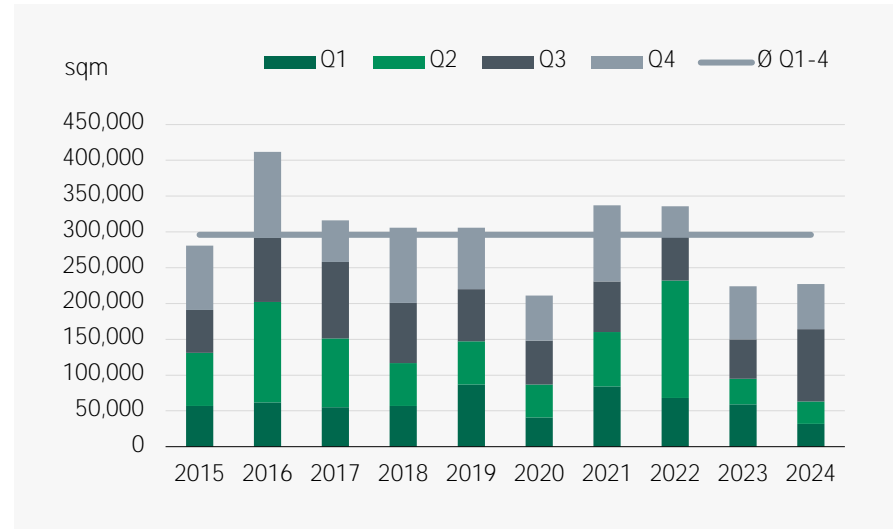


COLOGNE

REPORT OFFICE MARKET

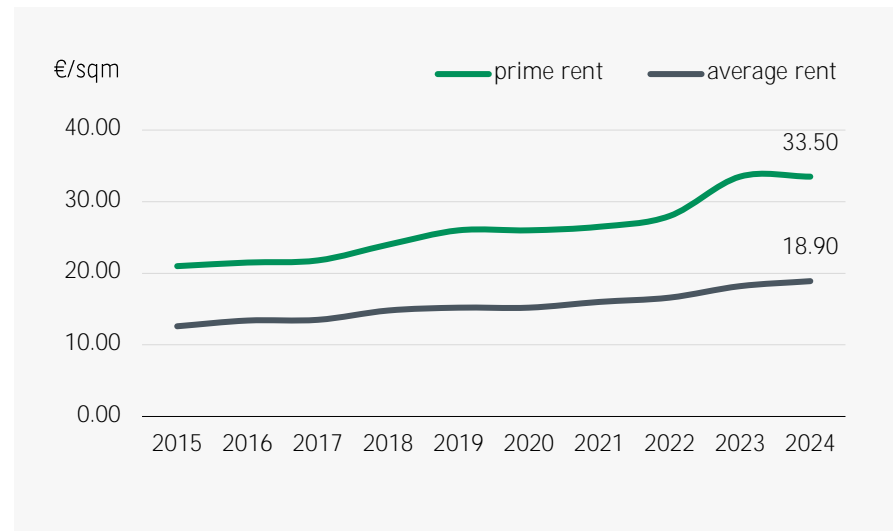
2024

Development of take-up



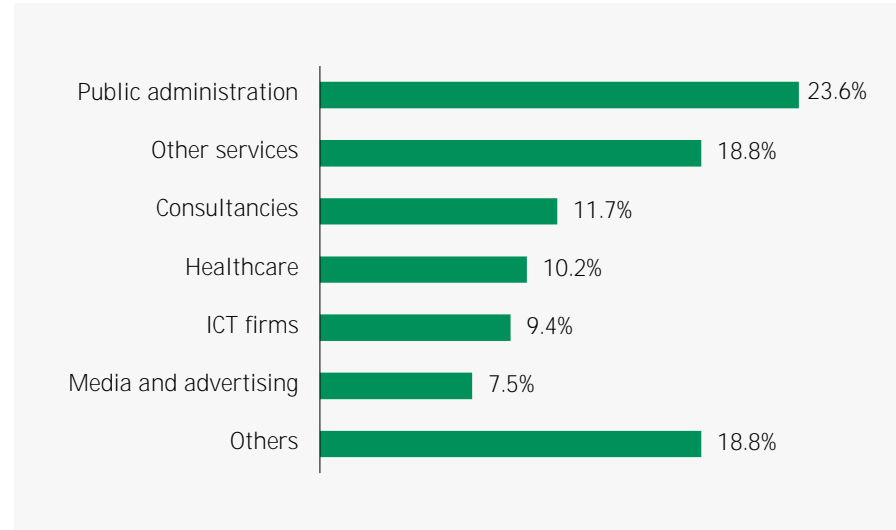
TAKE-UP AT PREVIOUS YEAR'S LEVEL
DESPITE CHALLENGING CONDITIONS

Prime and average rents



- In a persistently challenging environment that is primarily characterized by the weak economic momentum in Germany, Cologne's office market remained stable overall at a sustainable level in 2024. Take-up totaled 227,000 sqm in 2024, matching the previous year's result (1.3%). As in the other German office locations, however, letting activity remains at a clearly below-average volume.
- After two very weak quarters in the first half of the year, letting activity picked up significantly in the third quarter. In addition to the two largest contracts in 2024 (each with more than 20,000 sqm), also leases in the range between 5,000 and 10,000 sqm were concluded again in the second half of the year.
- The strong result in the third quarter with 100,000 sqm could not be repeated in the fourth quarter, but the last part of the year was still one of the strongest quarterly results on the Cologne office market regarding the past two years. Accordingly, during the last three month of 2024, another contract was signed for more than 10,000 sqm, which is a positive sign for 2025.
- The prime rent remained stable at €33.50 per sqm compared to 2023. It is achieved in top city locations for well-equipped and high-quality office space. The traditionally more volatile average rent rose by €0.70 per sqm or 4% compared to 2023 to currently €18.90 per sqm.

Take-up by sector 2024



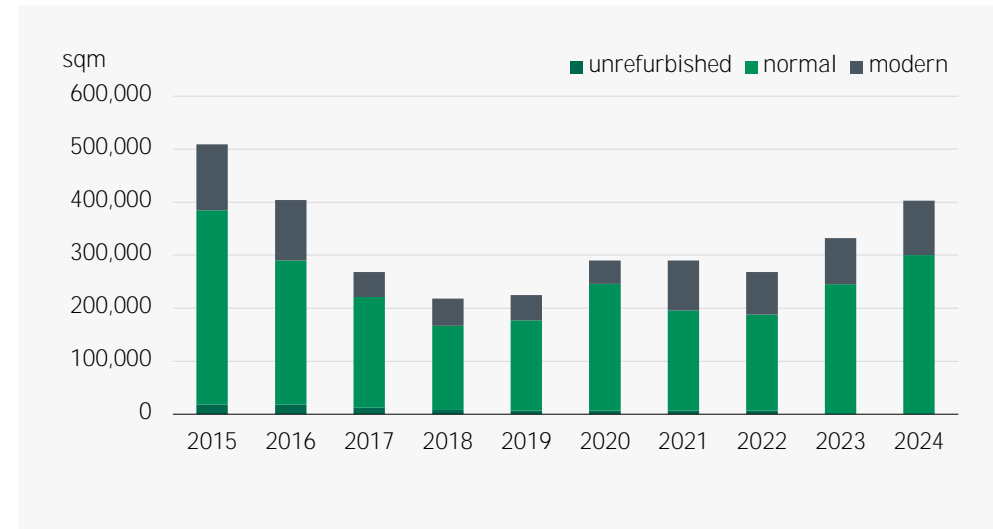
Major contracts 2024

Quarter	Sub-market	Company	sqm
Q3	1.2	City of Cologne	26,500
Q3	1.2	Landschaftsverband Rheinland	20,100
Q4	1.1	Deloitte	11,000
Q3	1.1	Mediapark Klinik Cologne	9,800
Q3	1.2	DEVK	6,200
Q3	2.4	Smartvillage	5,100

HIGHEST PRE-LETTING RATE WITHIN THE A-CITIES

- Just under a quarter of take-up (24%) is attributable to the public sector. The two large lettings for more than 20,000 sqm each by the City of Cologne and the Landschaftsverband Rheinland (LVR) in particular contributed to this high market share of this sector. The group of “other services” also made a high contribution of just under 19%.
- The vacancy volume increased by around 21% to 403,000 sqm over the course of 2024. Accordingly, the vacancy rate on the Cologne market remains at a low 4.9%, which is still below the fluctuation reserve of 5%. Only just under 26% of this office spaces have a modern fit-out standard.
- Demand for first-time occupancy office spaces or buildings is very strong in Cologne. Space under construction is absorbed quickly, resulting in a high pre-letting rate of 65%.

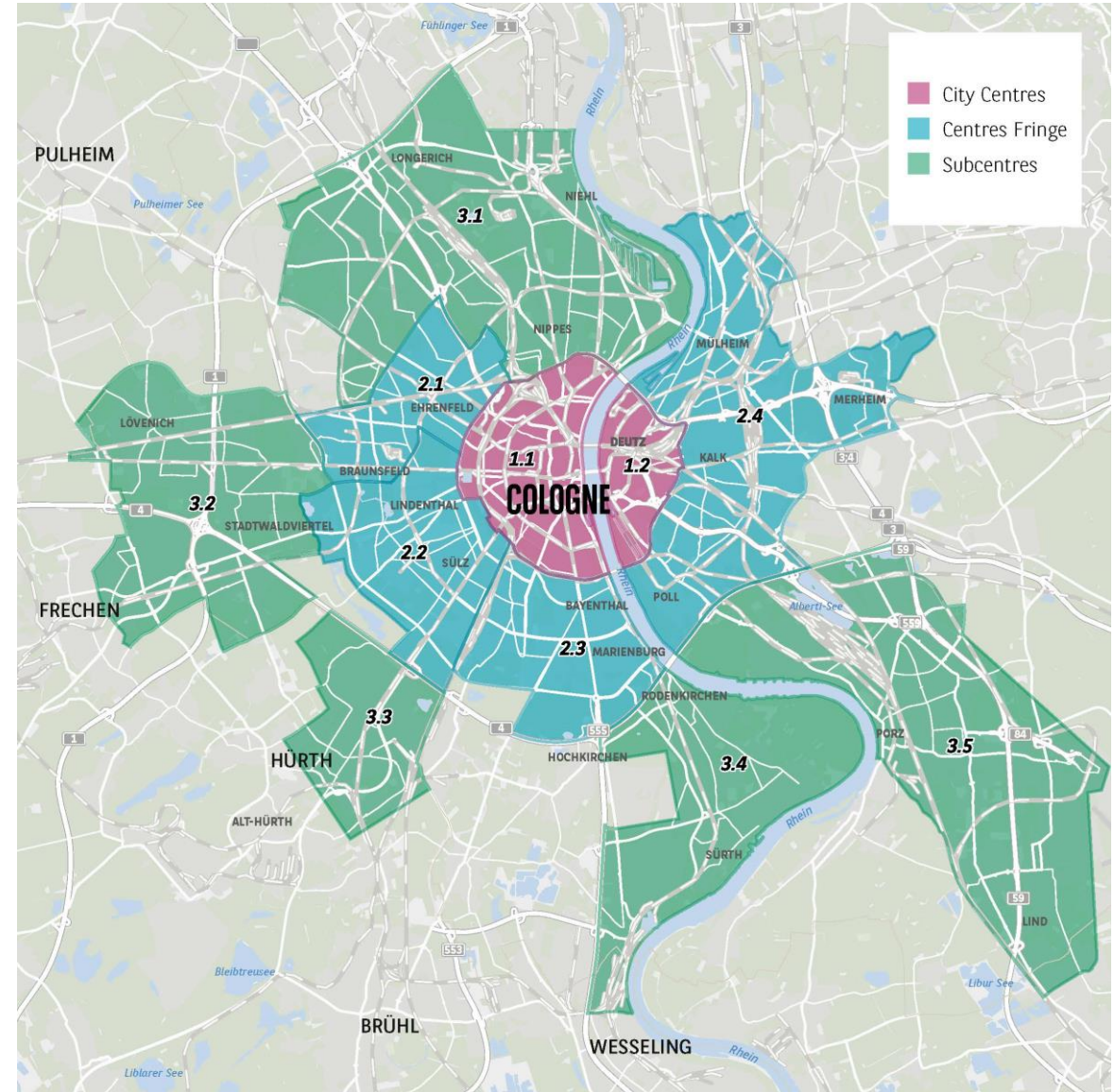
Development of vacant space



OUTLOOK

- At the end of 2024, the total result for the Cologne office market was on a par with the previous year. As in the other top markets, take-up in Cologne is therefore still well below its long-term average, although achieving the previous year's result can certainly be considered a positive development given the ongoing challenging conditions. In particular, the extensive letting activity in the medium-sized and large segment in the second half of the year - also on the part of international corporates - sends out positive signals.
- In terms of vacancies, the lack of new-build space, particularly in Cologne's sought-after city centre locations, will continue to dominate the market for now. Construction activity remains at a very low level due to the persistently high construction costs and is unlikely to increase in the coming months. Most of the few projects under construction are already pre-let, so no relief is expected from this side. At the same time, however, the vacancy in older office buildings in peripheral and inadequately connected locations is likely to increase.
- For 2025, take-up on a similar level as in 2024 is realistic, as the German economic dynamism is unlikely to be sufficient to provide the office market a noticeably stimulating momentum.
- In terms of rent levels, the rising trend in both average and prime rents is likely to continue. The prime rent is on course for the €34 per sqm mark.

Office submarkets Cologne



Key indicators office market Cologne

	PRIME RENT* (€/sqm)		TAKE-UP (sqm)	VACANT SPACE (sqm)			SPACE UNDER CONSTRUCTION (sqm)		SPACE ON OFFER (sqm)	
	from	to	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 Centre										
1.1 City Centre		33.50	66,000	109,600	40,300	0	73,600	40,000	149,600	77,200
1.2 Deutz		24.10	64,900	6,800	600	0	48,600	0	6,800	0
2 Centre Fringe	17.80 -	21.70	53,400	121,800	21,800	300	29,500	15,000	136,800	226,200
3 Subcentres	13.80 -	17.50	42,700	164,800	40,300	2,700	9,300	2,000	166,800	103,600
Total			227,000	403,000	103,000	3,000	161,000	57,000	460,000	407,000

* 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“.

*** The key indicator table at submarket level can be found under the following link: [key indicator table 2024](#)

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