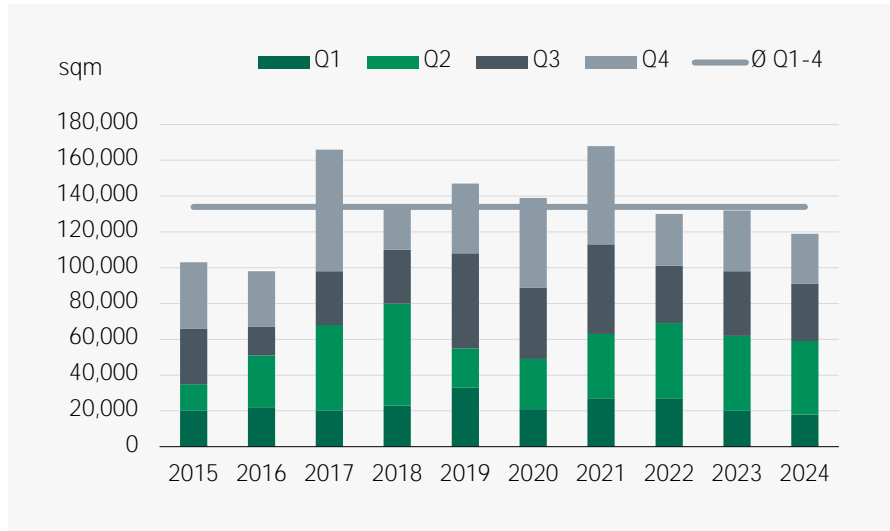


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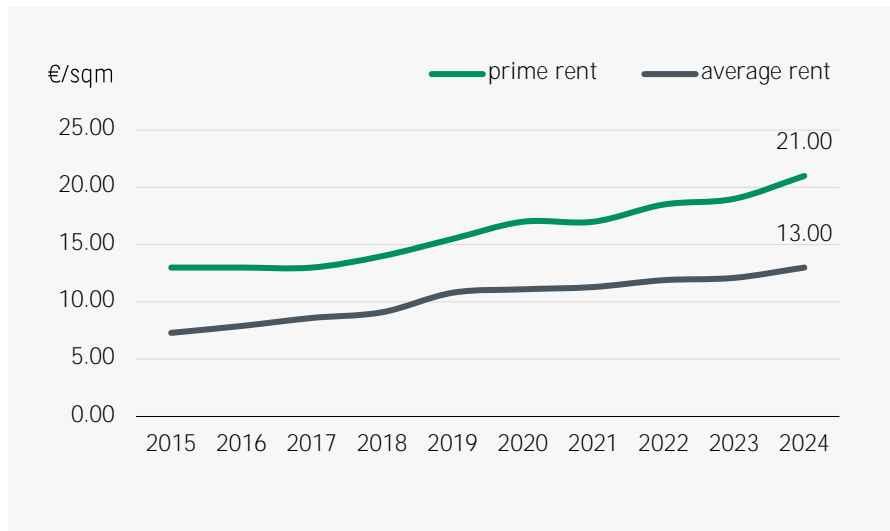
REPORT OFFICE MARKET

2024

Development of take-up



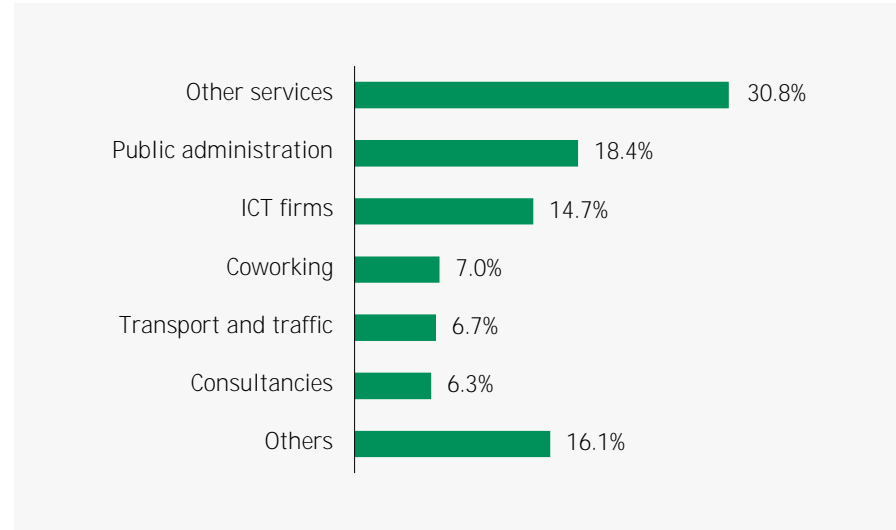
Prime and average rents



LIVELY MARKET ACTIVITY IN THE MID-SIZED OFFICE SPACE SECTOR; NEVERTHELESS, DECLINE IN TAKE-UP

- The Leipzig office letting market achieved a total take-up of 119,000 sqm in 2024 and was therefore unable to match the stable results of the two previous years 2022 (130,000 sqm) and 2023 (132,000 sqm). The current result is slightly below the previous year's figure (-10%) and the long-term average remains unattained (-11%).
- Although demand in the mid-sized office space segment was very lively throughout the year, the lower take-up in the small-scale segment of up to 500 sqm led to a comparatively moderate result. A small volume of only around 21,000 sqm was registered in this size category, significantly less than in the last 10 years (average 50,000 sqm). On the other hand, the clearly above-average market activity in the office space sector from 2,000 to 5,000 sqm, with a share of almost 28% (33,200 sqm), is pleasing.
- In the large-scale office space segment, one contract over 10,000 sqm was signed: The Leipzig-based gas group VNG will relocate its headquarters to the "Ring location" in mid-2027 and has rented office space of more than 10,000 sqm in the former Telekom administration building near Johannisplatz. This letting also represents the largest deal of the entire year.
- Due to the limited supply of modern, well-equipped office space, the rent level has risen further in a 12-month comparison. While the average rent for the total market increased by 7% to €13.00 per sqm, the prime rent rose by almost 11% to €21.00 per sqm. The highest rental agreements, which in some cases already exceed €21.00 per sqm, continue to be achieved for premium office locations in the city centre.

Take-up by sector 2024



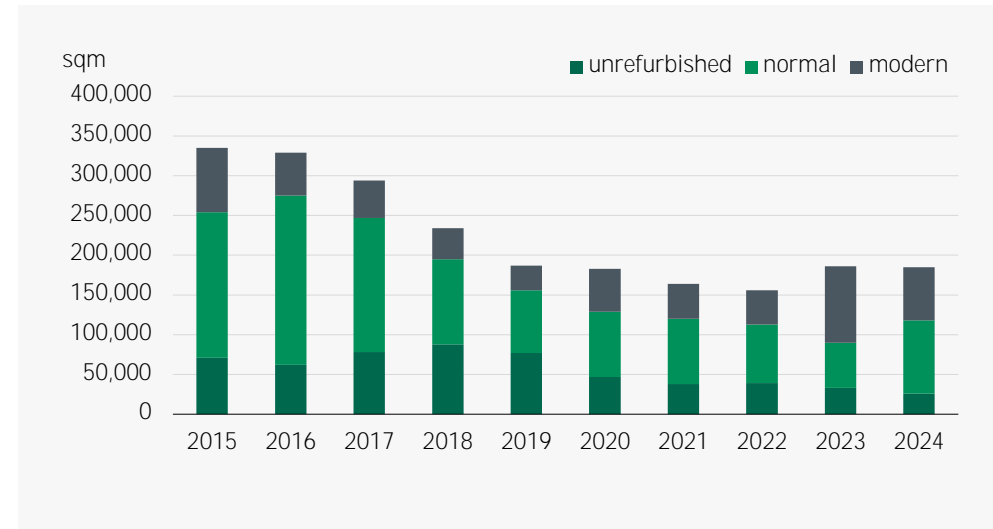
Major contracts 2024

Quarter	Sub-market	Company	sqm
Q3	2.1	VNG AG	>10,000
Q2	1.1	EEX AG	6,500
Q2	2.1	Public administration	6,000
Q2	1.1	Coworking	5,000
Q2	2.1	Public administration	5,000
Q4	2.5	Public administration	3,600

STABLE DEVELOPMENT REGARDING VACANCY VOLUME

- The distribution of take-up by sectors shows a familiar picture for the Leipzig market: the top three positions occupy the podium in the long-term analysis as well. Other services are in the lead with just under 31%, partly due to the major contract with VNG. The good performance of public administration in the second place (18%) can be attributed primarily to several contracts in the mid-sized office space segment. Following closely behind are ICT firms with just under 15% of take-up.
- In terms of vacancies, a stable development has been observed over the last 12 months. The vacancy volume totaled around 185,000 sqm at the end of 2024 (-1% compared to Q4 2023). Only 36% of this volume has a modern fit-out quality. In addition, there are still around 9,000 sqm of vacancy on the market for subletting office spaces. The continued low vacancy level is also reflected in the vacancy rate, which remains below the fluctuation reserve at 4.6%.

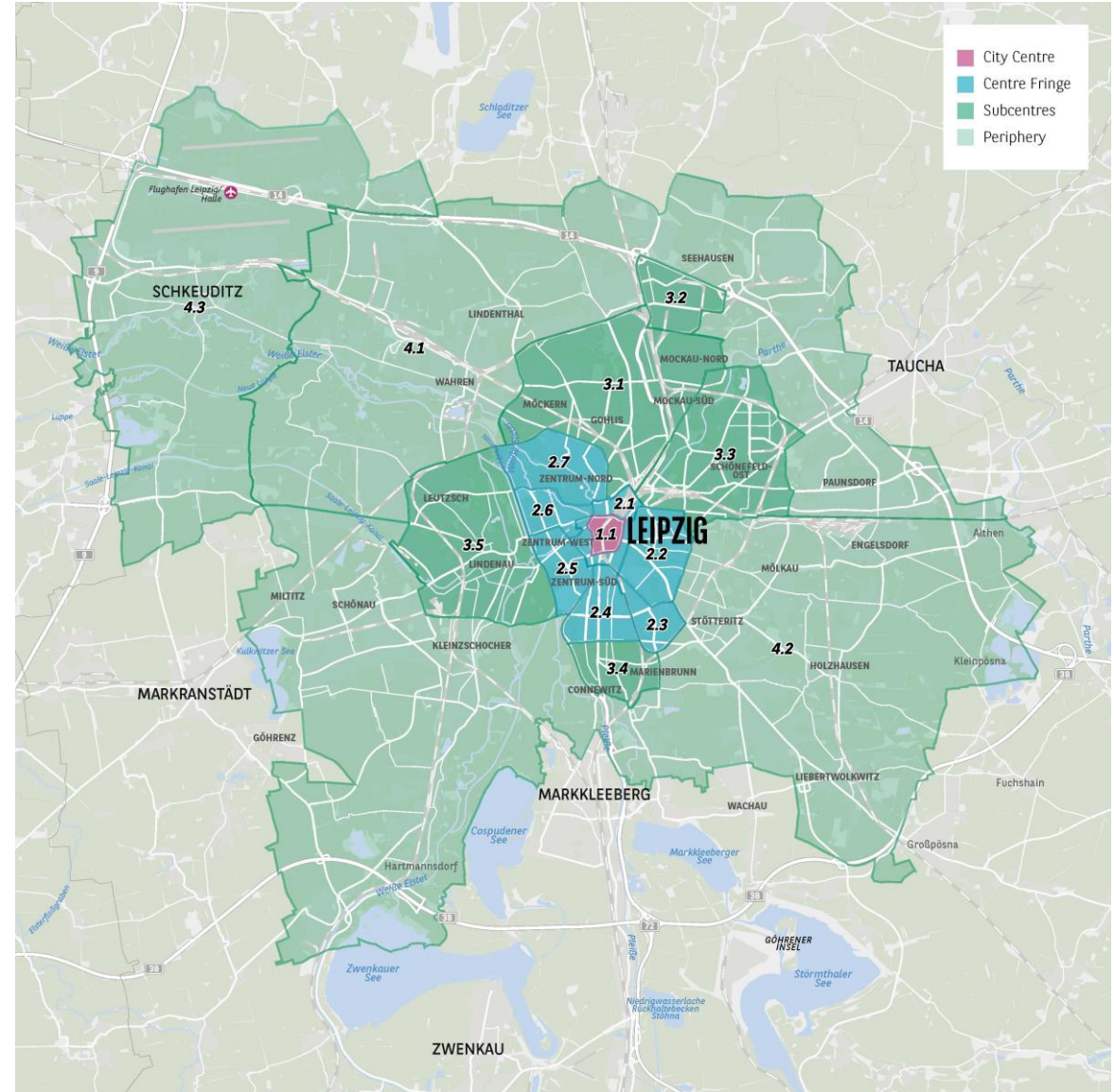
Development of vacant space



OUTLOOK

- In 2024, the economic uncertainties had a noticeable impact on the Leipzig office market. The letting momentum was therefore lower than in the 12 months before. While market activity in the mid-scale office space segment was dynamic throughout the year, it was primarily the smaller lettings that missed the previous year's level in the second half of the year. On the other hand, it is pleasing to note that a large contract for over 10,000 sqm of office space was also successfully concluded in 2024.
- On the supply side, there are signs of stabilisation in the sector of office spaces available at short notice. A downward trend cannot be ruled out, particularly regarding modern spaces completed at short notice. The supply situation is further exacerbated by the sharp decline in the project development pipeline (-16% compared to the previous year) in combination with a good pre-letting rate (54%). Only around 49,000 sqm of space under construction is still available on the market, which corresponds to a decline of 20% and impressively underlines the rapid absorption of new-build office spaces.
- Against the backdrop of the persistently difficult conditions and in anticipation of a slower economic recovery, a comparable letting dynamic is the most likely scenario for 2025. In the rental price segment, further slight increases are possible in view of the high demand pressure for premium office spaces in prime locations in the city centre and centre fringe.

Office submarkets Leipzig



Key indicators office market Leipzig

	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		21.00	26,600	25,800	16,400	11,200	8,700	7,300	33,100	5,400
2 Centre Fringe	11.00 -	19.00	62,400	55,000	28,900	0	82,500	41,700	96,700	233,100
3 Subcentres	10.00 -	15.00	22,200	70,800	13,100	1,300	13,800	0	70,800	105,600
4 Periphery	9.00 -	9.50	7,800	33,400	8,600	3,500	1,000	0	33,400	31,900
Total			119,000	185,000	67,000	16,000	106,000	49,000	234,000	376,000

* 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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