Office market Frankfurt am Main

Q1 2025

Your space is our mission.

When comprehensive know-how comes together, your vision becomes reality.

If you require any further information, please do not hesitate to contact us. We can put you in touch with our specialists who are always happy to provide you with expert support. We look forward to hearing from you.

DR. KONRAD KANZLER

Head of Research

+ 49 (0) 69 970505-614

konrad.kanzler@nai-apollo.de

MICHAEL PREUßE

Head of Office and Retail Letting

+ 49 (0) 69 970505-144

michael.preusse@nai-apollo.de

ALEXANDER WALDMANN

Director - Research

+ 49 (0) 69 970505-618

alexander.waldmann@nai-apollo.de

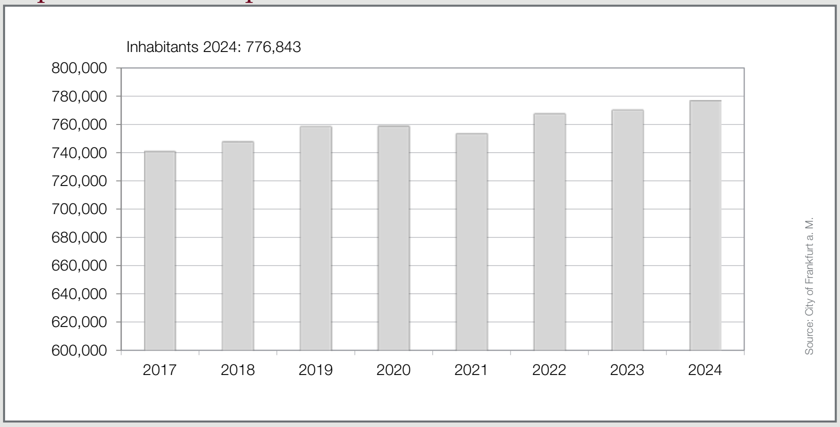
MARTIN ANGERSBACH

Director Business Development Office Germany

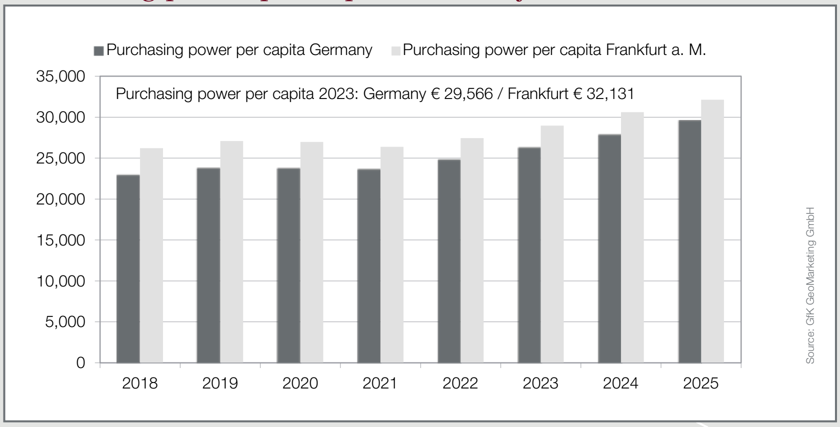
+ 49 (0) 69 970505-122

martin.angersbach@nai-apollo.de

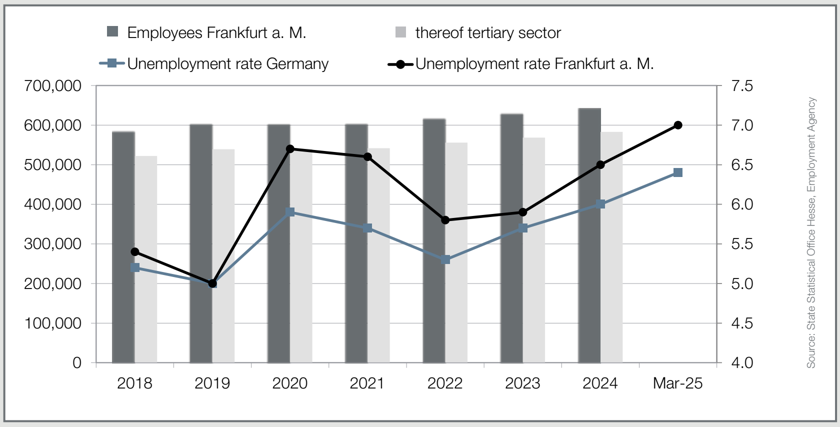
Population development Frankfurt a. M.



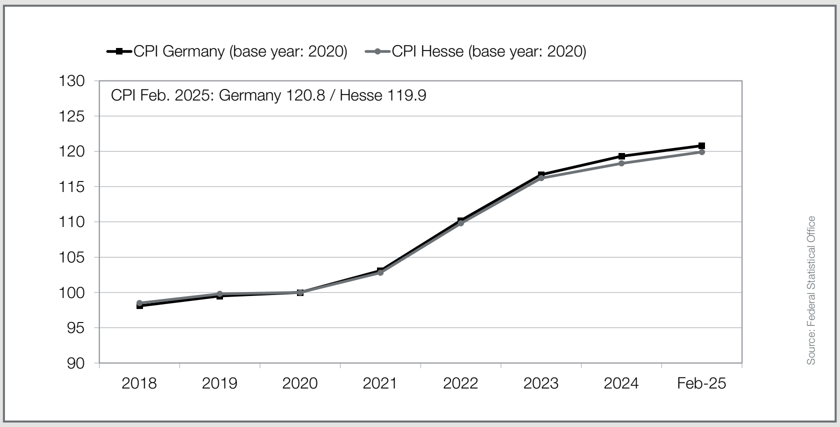
Purchasing power per capita Germany and Frankfurt a. M.



Unemployment / employees subject to social insur. contribution



Consumer price index Germany and Hesse



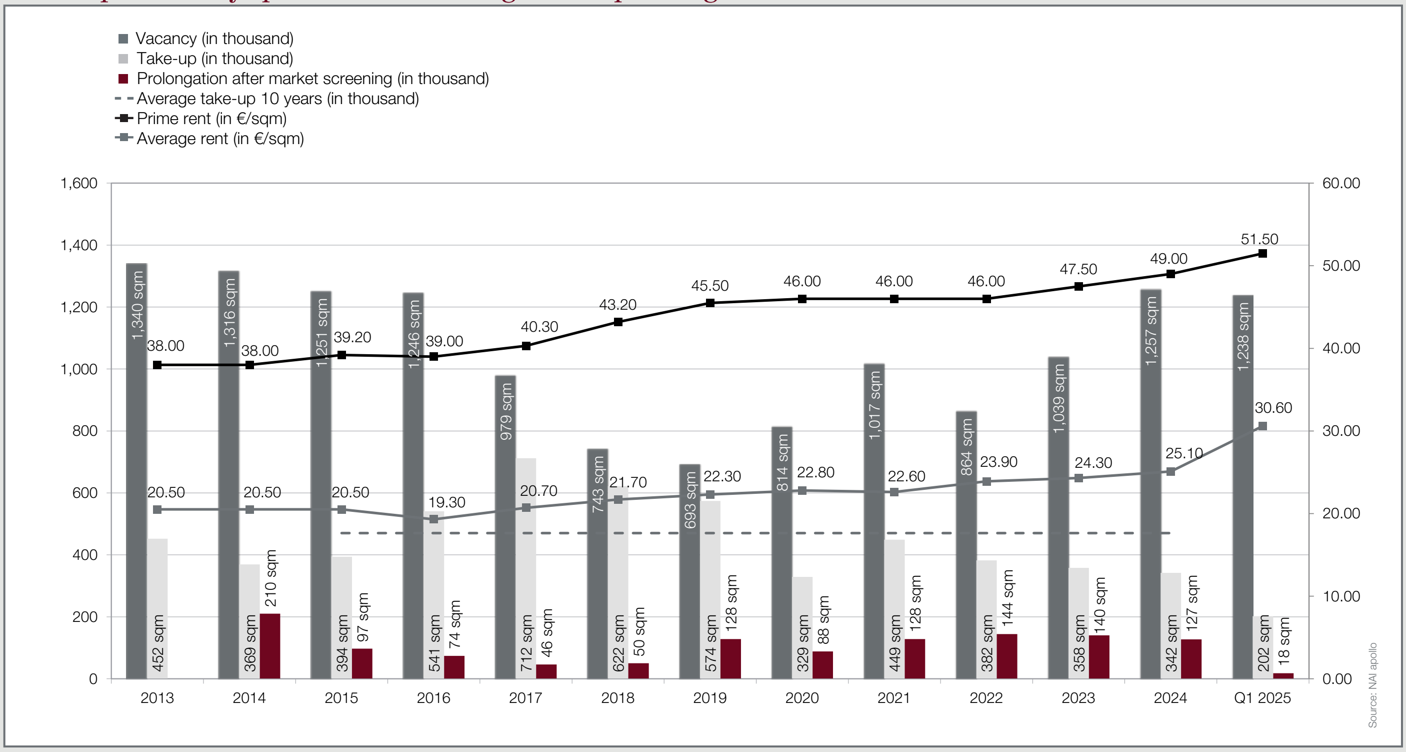
In 2024, the banking metropolis of Frankfurt am Main was able to build on the positive population growth that has been seen in recent years. As at 31 December 2024, 776,843 citizens were registered as having their main residence in the city, once again representing a new high. Compared to the previous year, the population has grown by 0.9 %. This development is primarily owing to a stronger increase in citizens with foreign nationality.

At the start of 2025, however, the key economic figures in the Rhine-Main metropolis still show potential for development. The current unemployment rate of 7.0 % in March 2025 is 0.6 percentage points higher than the previous year's figure.

However, the mood of companies in the Frankfurt Chamber of Industry and Commerce district has increasingly improved so far this year. As of the current status of the economic report for early summer 2025, the business climate index is at 100 and thus exactly at the growth threshold. Among the individual sectors, the finance, credit and insurance industry, which is a major user of office space, assesses its situation best and is the only sector to be more clearly in the growth sector.

With the new German government's future investment programme, the so-called financial package, sentiment as well as the business climate should also slowly improve somewhat for Frankfurt companies. The expected measures will go far beyond an anti-cyclical financial policy; rather, structural problems are to be tackled here. The Frankfurt office property market will be able to benefit from this.

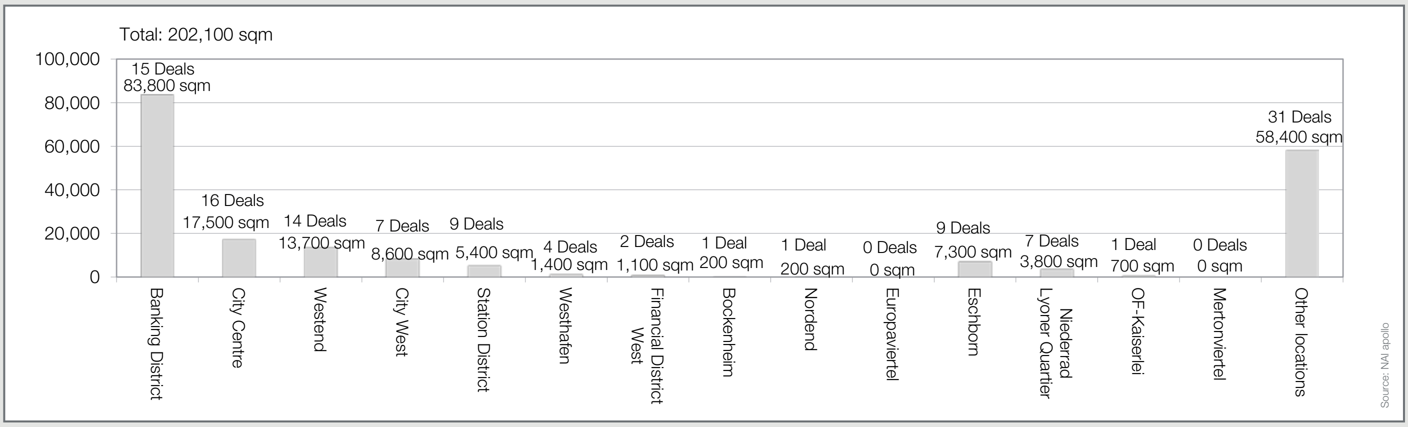
Take-up, vacancy, prime rent, average rent, prolongation



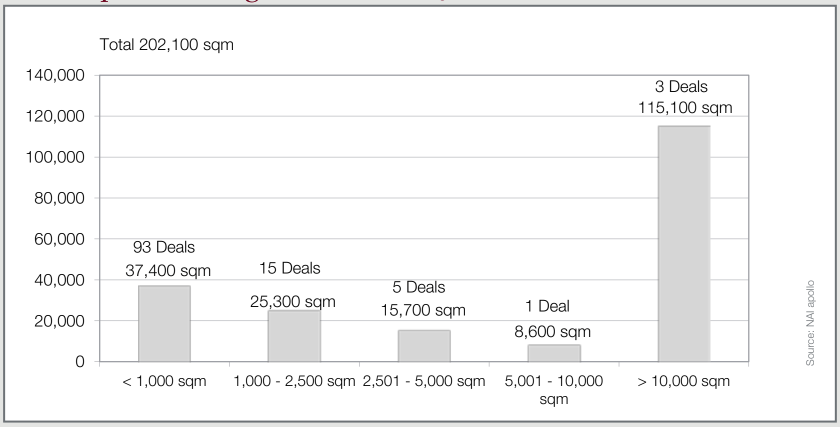
The Frankfurt office space market, including Eschborn and Offenbach-Kaiserlei, has started 2025 with a record-breaking first quarter that should mark the start of a turnaround following the low point that was reached at the end of 2024. A take-up of 202,100 sqm by tenants and owner-occupiers was recorded in the first three months of 2025. This is only double the figure for the same quarter of the previous year but also more than twice the average for the last ten first quarters (Q1 2015 - Q1 2024: 98,100 sqm). In the past, such a positive result has only been recorded in the traditionally stronger closing quarters, most recently in the years 2017 to 2019 with 181,200 sqm to 279,400 sqm.

The positive trend is also evident from the number of deals. While lettings reached a low point of 96 in the same quarter of the previous year, 117 deals were concluded in the first three months of 2025. This confirms that momentum has picked up in the first quarter of 2025, and the result is not just based on a few large lettings. At the same time, the volume of lease renewals following active market research was significantly below the previous year's figure of 64,000 sqm at 18,000 sqm.

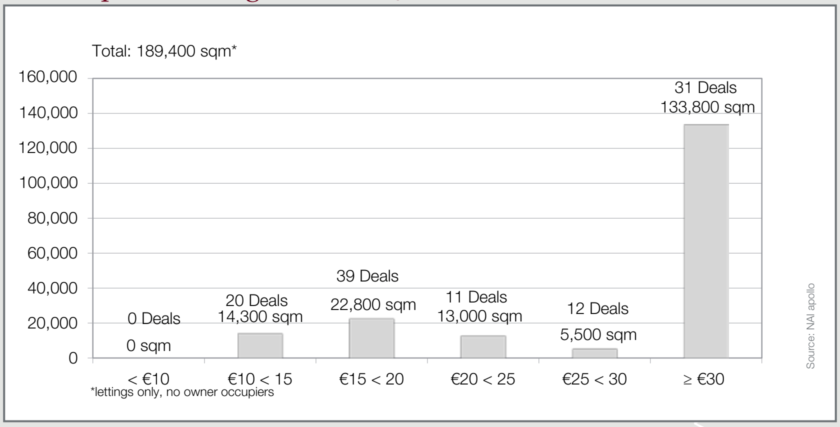
Take-up according to location Q1 2025



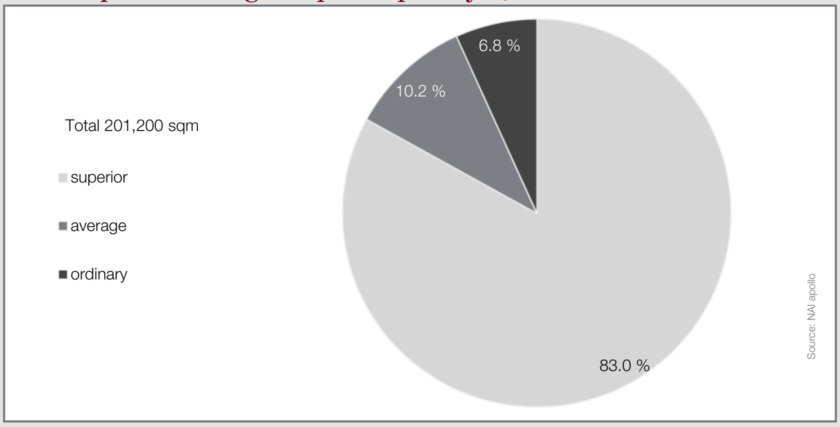
Take-up according to unit size Q1 2025



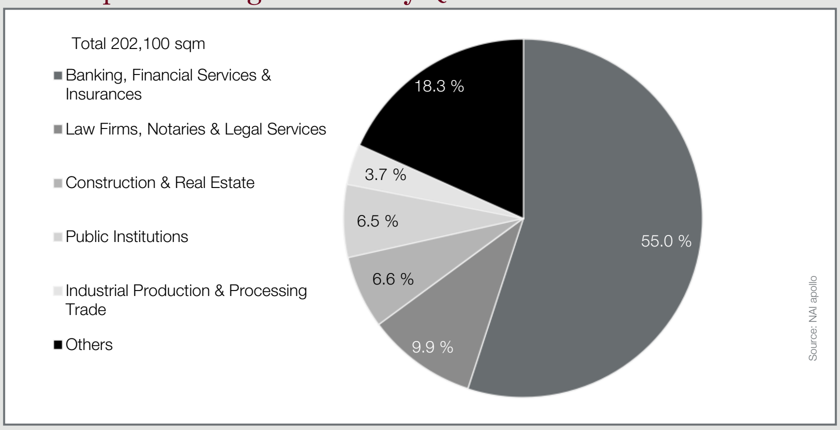
Take-up according to rents Q1 2025



Take-up according to space quality Q1 2025



Take-up according to industry Q1 2025



The market recovery was evident in all size classes in the first three months of 2025. While there was a threefold rise in the 2,501-5,000 sqm and 10,000-sqm-plus clusters, the increase in the other size categories was between 23 % and around 68 %. The forward deals signed for the entire 73,000 sqm “Central Business Tower” project by Commerzbank and for 32,000 sqm in the new 16-storey HPQ Offices in the “Hafenpark Quartier” by ING Germany had a significant impact on the market.

‘Banks, financial service providers and insurance companies’ are by far the most important users of space with a total of 111,200 sqm. Next are ‘law firms, notaries and legal services’ with 20,000 sqm and ‘construction and real estate’ with 13,300 sqm. The biggest deals also influence the distribution of take-up by location. The main Central Business District (CBD) accounted for 116,200 sqm of take-up, which corresponds to 58 % of the total volume. In the submarkets, the highest take-up was recorded by the banking district with 83,800 sqm, the Ostend-East submarket with 43,000 sqm, the city centre with 17,500 sqm.

A total of 65 % of lettings took place in projects, new buildings and refurbishments, including premium properties in prime locations such as Commerzbank’s leasing of the ‘Central Business Tower’ on the corner of Neue Mainzer Strasse and Junghofstrasse. This resulted in a further noticeable rise in rents. At the end of the first quarter, prime rents stood at €51.50/sqm, corresponding to an increase of 8.4 % or €4.00/sqm compared to the previous year. This is also just €1.50/sqm short of the all-time high registered in 2001. The space-weighted average rent registered a year-on-year increase of 22.4 % or €5.60 to a record €30.60/sqm owing to the large and high-priced lettings.

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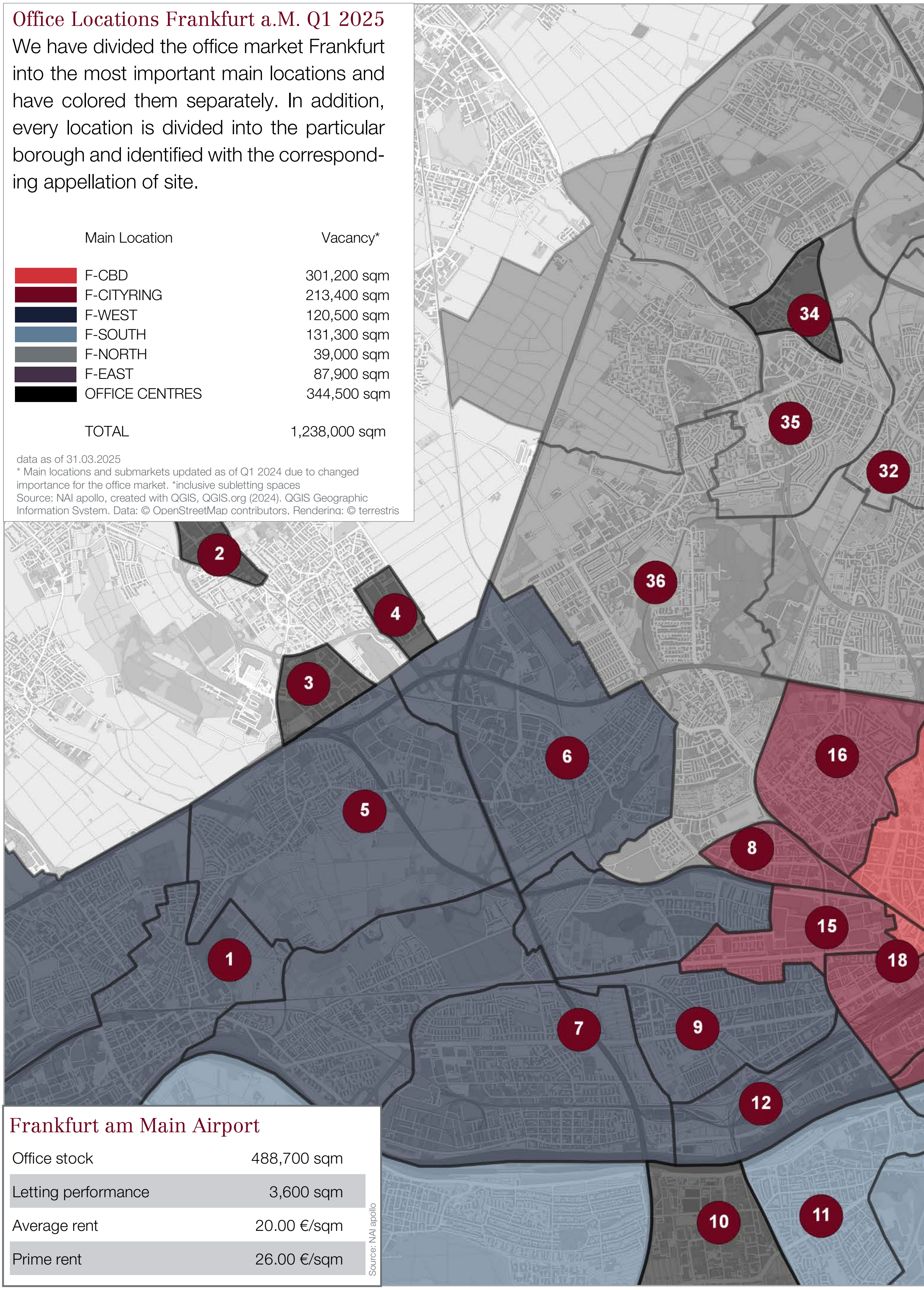
Office Locations Frankfurt a.M. Q1 2025

We have divided the office market Frankfurt into the most important main locations and have colored them separately. In addition, every location is divided into the particular borough and identified with the corresponding appellation of site.

Main Location	Vacancy*
F-CBD	301,200 sqm
F-CITYRING	213,400 sqm
F-WEST	120,500 sqm
F-SOUTH	131,300 sqm
F-NORTH	39,000 sqm
F-EAST	87,900 sqm
OFFICE CENTRES	344,500 sqm
TOTAL	1,238,000 sqm

data as of 31.03.2025
* Main locations and submarkets updated as of Q1 2024 due to changed importance for the office market. *inclusive subletting spaces
Source: NAI apollo, created with QGIS, QGIS.org (2024). QGIS Geographic Information System. Data: © OpenStreetMap contributors, Rendering: © terrestris



Frankfurt am Main Airport

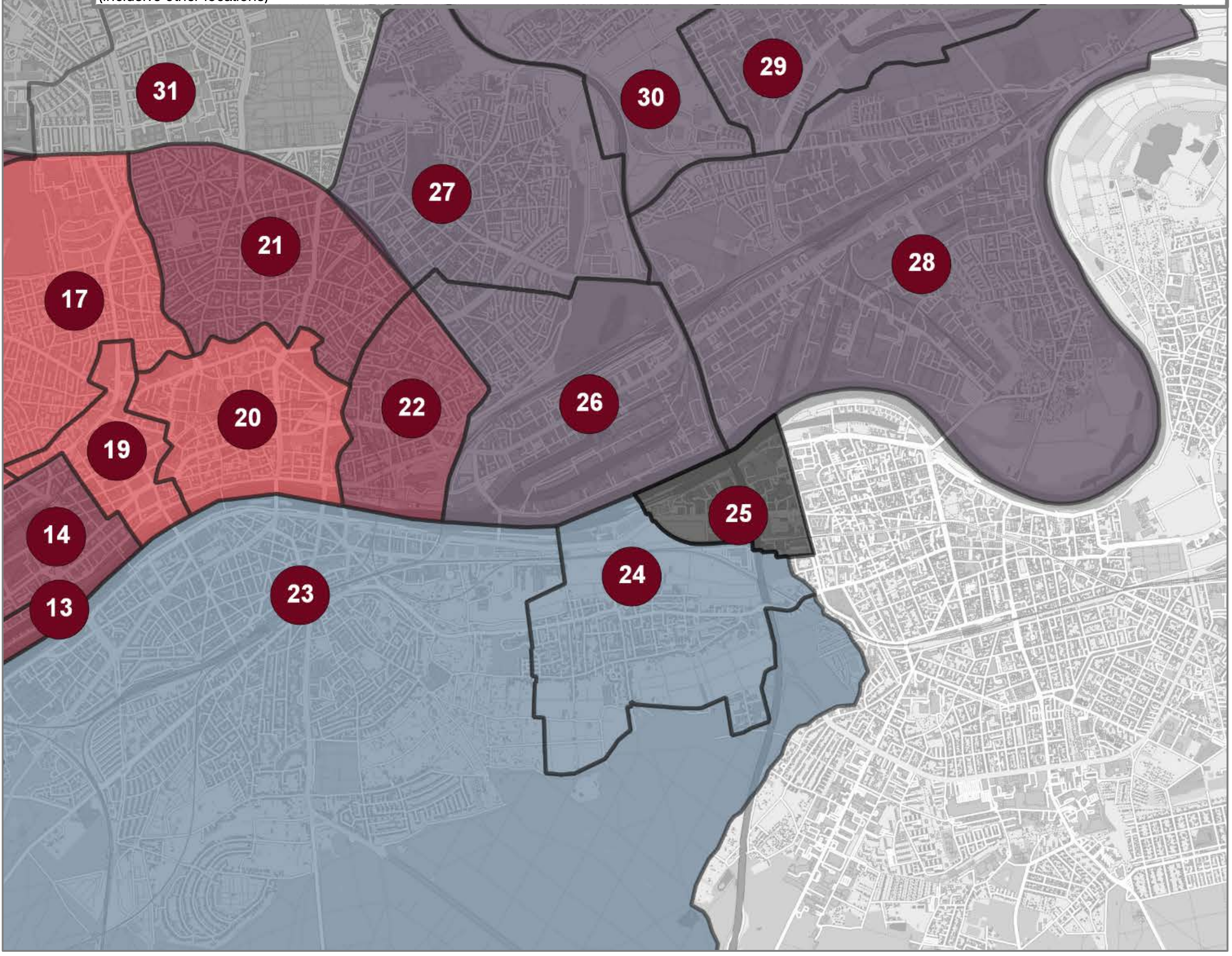
Office stock	488,700 sqm
Letting performance	3,600 sqm
Average rent	20.00 €/sqm
Prime rent	26.00 €/sqm

Source: NAI apollo

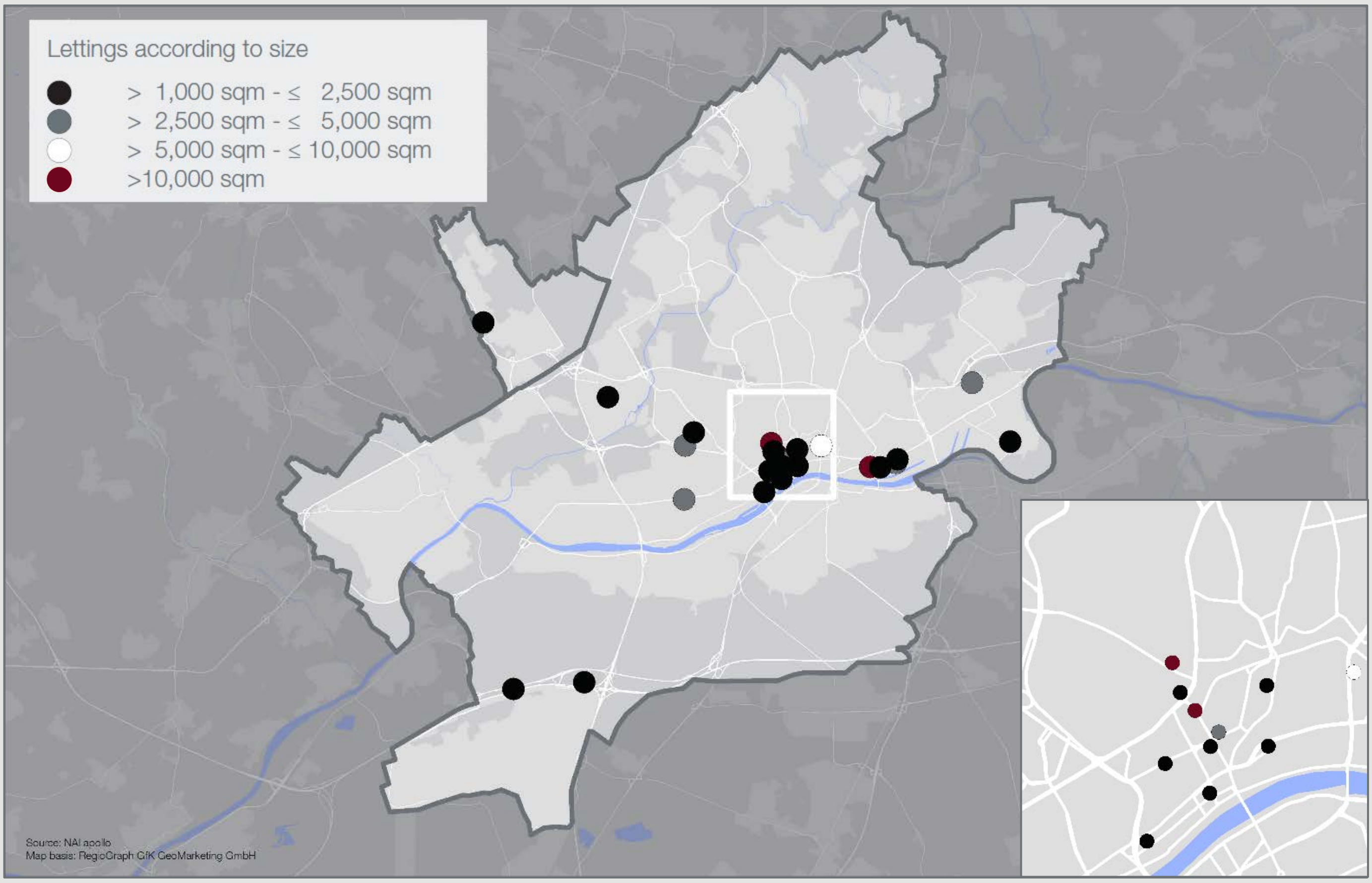
NAI apollo

Submarkets	Office Stock (sqm)	Vacancy (sqm)	in %	Ø-Rent (€)	Prime Rent (€)	Rentable Objects
1. Höchst	193,000	600	0.3	10.00	14.00	3
2. Eschborn-West	161,800	34,300	21.2	12.00	14.50	7
3. Eschborn-South	428,000	72,300	16.9	15.00	23.00	21
4. Eschborn-East	123,900	22,800	18.4	12.00	14.00	6
5. Sossenheim	89,300	34,900	39.1	12.00	14.00	4
6. Rödelheim	102,400	18,600	18.2	12.00	15.00	9
7. Griesheim	16,800	0	0.0	8.00	11.00	0
8. City West	458,100	115,600	25.2	18.50	25.00	16
9. Gallus	552,900	65,400	11.8	17.00	23.00	19
10. Niederrad Lyoner Quartier	640,300	127,200	19.9	15.50	20.00	23
11. Niederrad (City)	12,500	0	0.0	10.00	13.00	0
12. Gutleutviertel	138,300	1,000	0.7	13.50	15.00	3
13. Westhafen	102,300	11,300	11.0	21.00	26.00	6
14. Station District	378,700	54,600	14.4	19.00	32.00	43
15. Europaviertel	207,500	18,400	8.9	25.50	28.00	3
16. Bockenheim	311,200	11,600	3.7	17.00	21.00	11
17. Westend	678,300	58,800	8.7	29.50	43.00	42
18. Financial District West	265,100	67,100	25.3	32.00	40.00	7
19. Banking District	1,325,100	105,000	7.9	37.50	51.50	30
20. City Centre	528,600	70,200	13.3	29.00	42.00	58
21. Nordend	124,200	1,900	1.5	22.00	27.50	3
22. City Ostend	226,300	10,600	4.7	16.00	22.00	9
23. Sachsenhausen	404,600	37,900	9.4	17.50	25.00	20
24. Oberrad	4,500	0	0.0	11.50	15.00	0
25. OF-Kaiserlei	212,900	59,000	27.7	15.50	21.00	9
26. Ostend-East	440,000	50,300	11.4	18.00	24.00	30
27. Bornheim	36,900	8,300	22.5	14.00	16.00	2
28. Riederwald/Fechenheim	182,600	11,900	6.5	10.50	14.00	6
29. Bergen-Enkheim	50,600	6,700	13.2	9.00	12.00	4
30. Seckbach	15,100	100	0.7	11.00	13.00	1
31. Dornbusch/Eckenheim	81,000	300	0.4	12.50	14.00	2
32. Eschersheim	32,600	1,000	3.1	11.00	16.50	2
33. Nieder-Eschbach	129,500	14,000	10.8	10.00	13.00	9
34. Mertonviertel	204,300	28,900	14.1	13.00	16.00	5
35. Heddernheim	10,900	0	0.0	8.00	11.00	0
36. Praunheim/Hausen	90,800	18,300	20.2	11.50	13.50	10
Total (inclusive other locations)	11,533,000	1,238,000	10.7	30.60	51.50	443

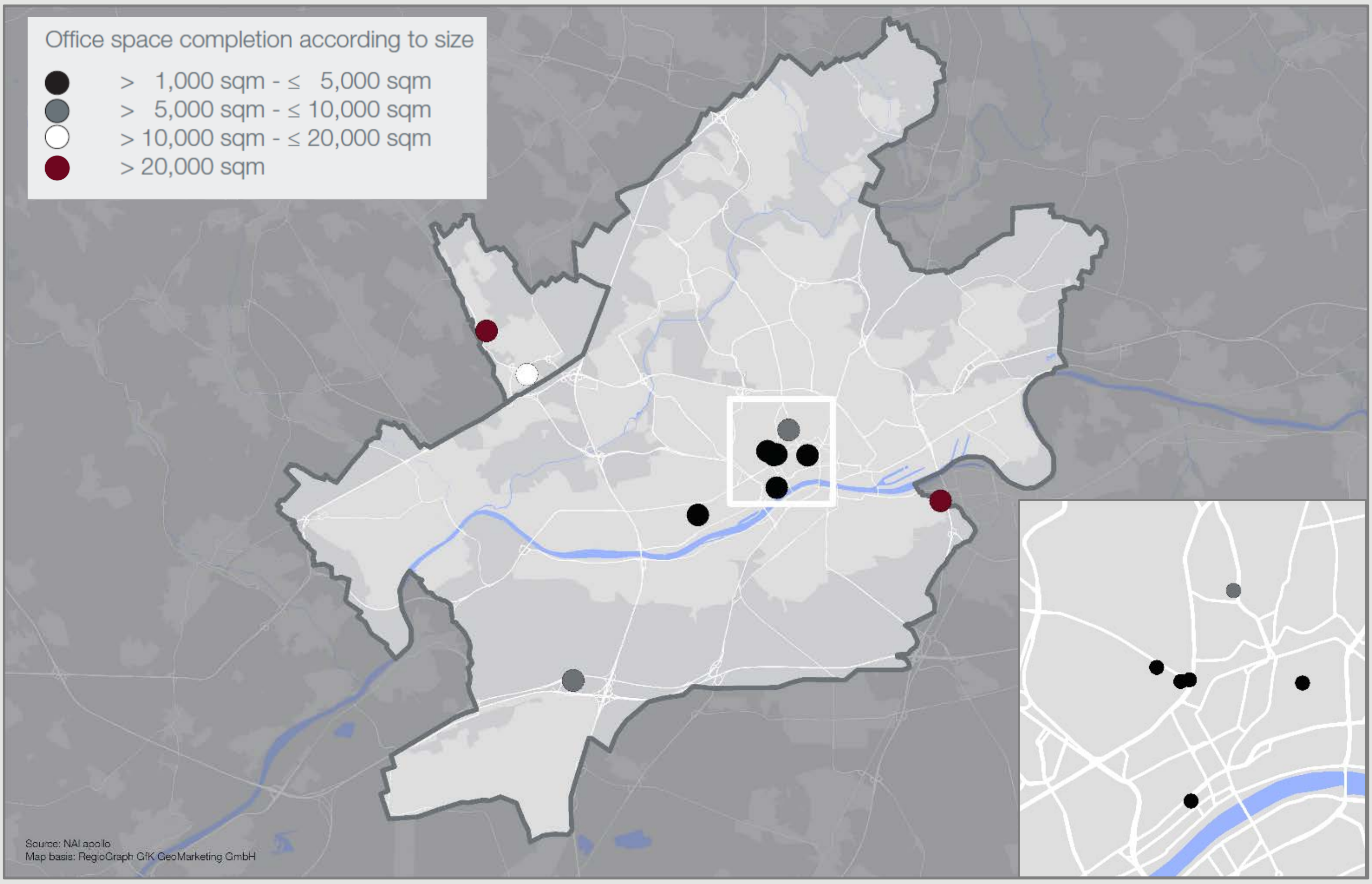
Source: NAI apollo



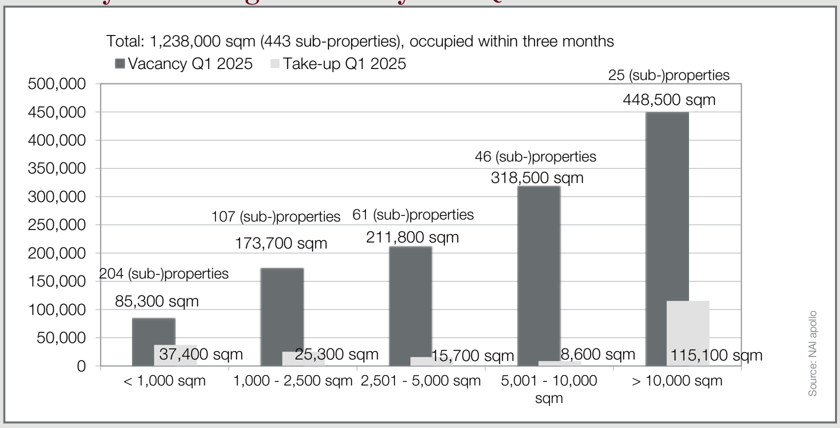
Geographical localisation of large-scale lettings Q1 2025 accor. to size categories (> 1,000 sqm)



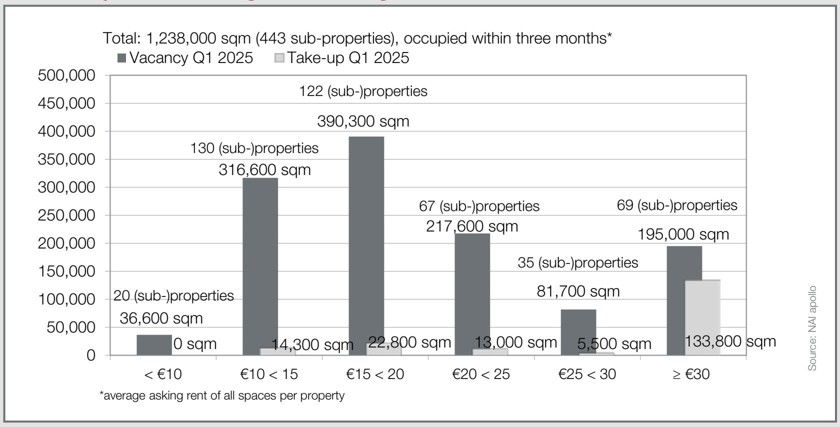
Geographical localisation of office spaces completions 2025 accor. to size categories (> 1,000 sqm)



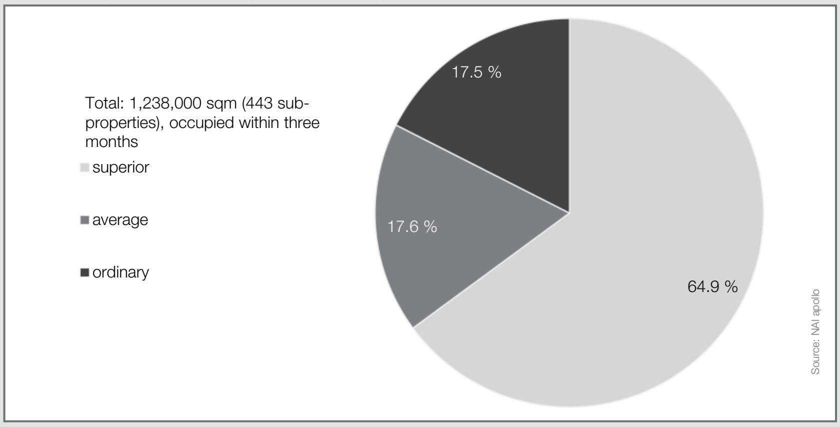
Vacancy according to vacancy size Q1 2025



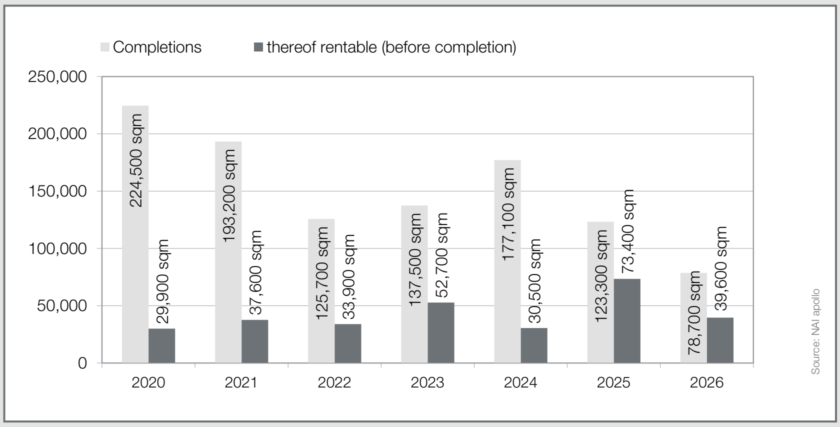
Vacancy according to asking rent Q1 2025



Vacancy according to quality of space Q1 2025



Completions



The increase in market-active vacancies on the Frankfurt office market was halted at the start of 2025. At the end of March 2025, around 1.24 m sqm were available to rent on the market at short notice. This means that the availability of space has fallen by 19,000 sqm in the last three months. Accordingly, the vacancy rate at the end of Q1 2025 stood at 10.7 %. However, vacancies still increased by 147,000 sqm or 1.2 percentage points compared to the beginning of 2024.

On the project planning side, no significant increase in vacancies is expected in the coming quarters. Based on current information, a total of 123,300 sqm of office space is likely to be completed in 2025. Of this, 73,400 sqm are currently still available on the market. Only 78,700 sqm are currently planned for 2026, of which only 39,600 sqm are still available to rent.

The Frankfurt office market appears to have returned to growth in the first three months of the year. In addition to the recent prominent major deals, the overall market momentum has picked up noticeably. Further searches for large spaces are supporting the market trend. Additional impetus for the office market is likely to come from the future German government's planned investment programme. In this respect, the vacancy rate should continue to fall in the coming quarters. At the same time, the shortage of central and modern vacancies should lead to a stabilisation of rents at a high level and even force a further increase in rents.

Outlook next 12 months

Office Stock	→
Vacancy	→
Take-Up	↗
Prime rent	↗
Average rent	↗

Market Data Surroundings of Frankfurt Average and Prime Rents

Source: NAI apollo
Map Basis: RegioGraph GfK GeoMarketing GmbH
Based on 2,151 offers (03/2024 - 02/2025)
from VALUE Marktdatenbank

NAI apollo

Cities

Office space, vacancy, prime rent, average rent Q1 2025

	Office Space (in m. sqm)	Take-Up (sqm)	Vacancy (in %)	Prime rent (€/sqm)	Average rent (€/sqm)
Berlin	20.64	109,000	7.3	45.50	27.80
Dusseldorf	7.55	40,000	9.3	43.50	19.40
Frankfurt a. M.	11.53	202,100	10.7	51.50	30.60
Hamburg	14.53	121,000	5.5	35.50	21.30
Munich	21.54	135,000	7.7	54.50	26.00

Source: NAI apollo

Prime yields Q1 2025

	Prime office yields	Prime retail yields	Prime logistics yields
Berlin	4.40 %	4.15 %	4.35 %
Dusseldorf	4.50 %	4.30 %	4.35 %
Frankfurt a. M.	4.50 %	4.30 %	4.35 %
Hamburg	4.45 %	4.25 %	4.35 %
Munich	4.40 %	4.10 %	4.35 %
Total	Ø = 4.45 %	Ø = 4.20 %	Ø = 4.35 %

Source: NAI apollo

Frankfurt a.M.

Top take-up Q1 2025

Property + Location	Tenant / Owner Occupier	Leased area in sqm
Central Business Tower, Neue Mainzer Straße 57-59 / Banking District	Commerzbank	73,000
HPQ Offices (Hafenpark Quartiers), Hanauer Landstraße 102 / Ostend-Ost	ING Deutschland	32,000
CENTRAL PARX Tower, Bockenheimer Landstraße 10 / Westend	White & Case LLP	10,100
Justice Quarter - Courthouse C, Konrad-Adenauer-Straße 20 / Stadtmitte	Public Prosecutor's Office / Higher Regional Court of Frankfurt	8,600
Nexum, Franklinstr. 46-48 / City West	Alliance Healthcare	3,900

Source: NAI apollo

Top investments Q1 2025

Property + Location	Purchaser	Purchase Price in €*
Schillerpassage / Rahmhof, Schillerstraße 13/Rahmhofstraße 2-4	Cilon	approx. 27,000,000
Querstraße 8-10	confidential	approx. 16,000,000
Former administrative center Seehofstraße 41	City of Frankfurt	approx. 15,700,000
Ulmenstraße 22	confidential	confidential
Untermainanlage 6	confidential	confidential

Source: NAI apollo; *partly estimated

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SERVICES
- ASSET MANAGEMENT
- VALUATION
- CORPORATE SERVICES
- FINANCE ADVISORY
- INVESTMENT
- RESEARCH
- LETTING

ASSET CLASSES
- OFFICE
- DATA CENTER
- RETAIL
- HEALTHCARE
- HOTEL
- INDUSTRY/LOGISTICS
- LIFE SCIENCE
- MICRO LIVING
- RESIDENTIAL

LOCATIONS
- BERLIN
- BONN/COLOGNE
- ERFURT
- ESSEN/MÜHLHEIM
- FRANKFURT a. M.
- KÖNIGSTEIN i. T.
- MANNHEIM
- MUNICH
- STUTTGART
- ULM

OWNER-MANAGED,
PERSONALLY DEDICATED

TRANSPARENT
AND TRUSTFUL
COLLABORATION

INTERNATIONAL
CONNECTED

ESG-COMPLIANT
CORPORATE
PHILOSOPHY

LOCAL MARKET
EXPERTISE

COMPREHENSIVESERVICE
SPECTRUM

EXCEPTIONAL
RELIABLE