



# Facts and Figures

Office market Frankfurt am Main  
Q3 2021

# “The best way of obtaining Information is to provide some in the first place.”

Quote from Niccolò Machiavelli

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!



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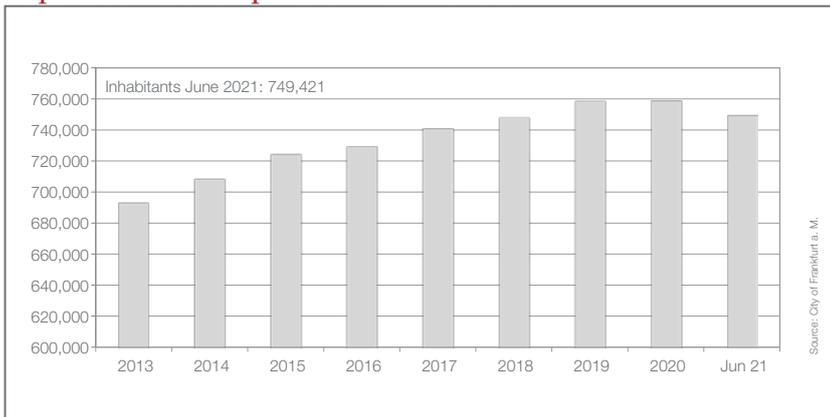
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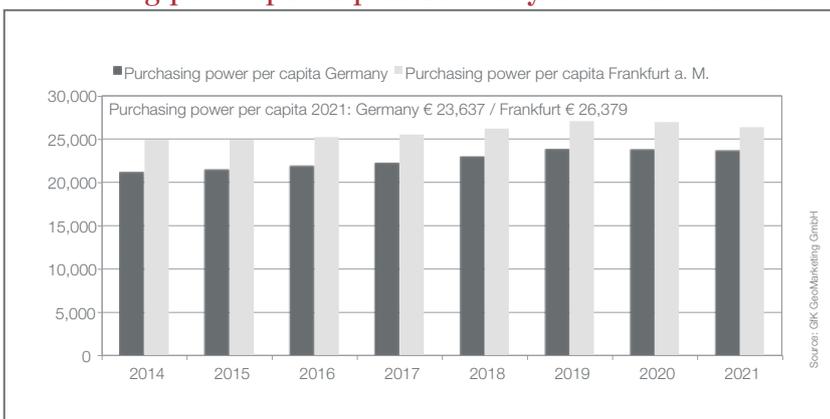
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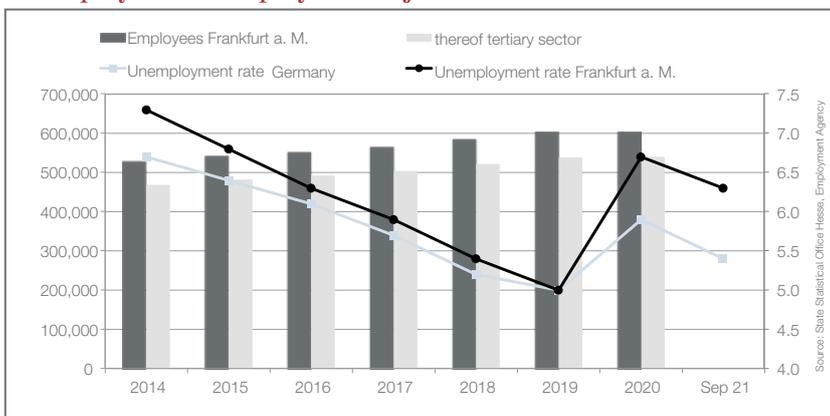
## Population development Frankfurt a. M.



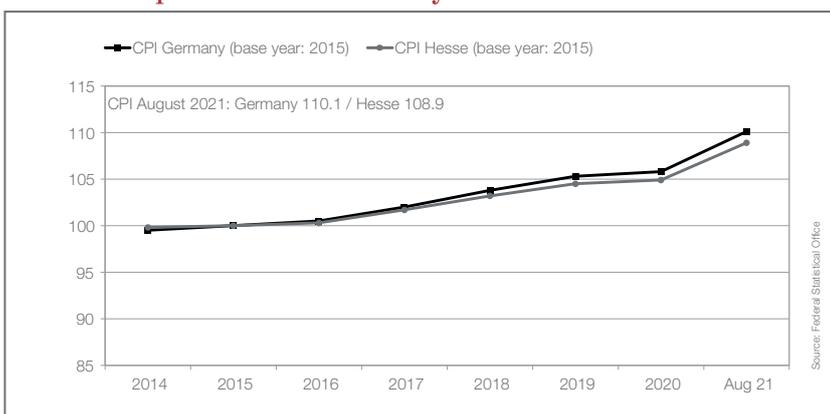
## Purchasing power per capita Germany and Frankfurt a. M.



## Unemployment / employees subject to social insur. contribution



## Consumer price index Germany and Hesse



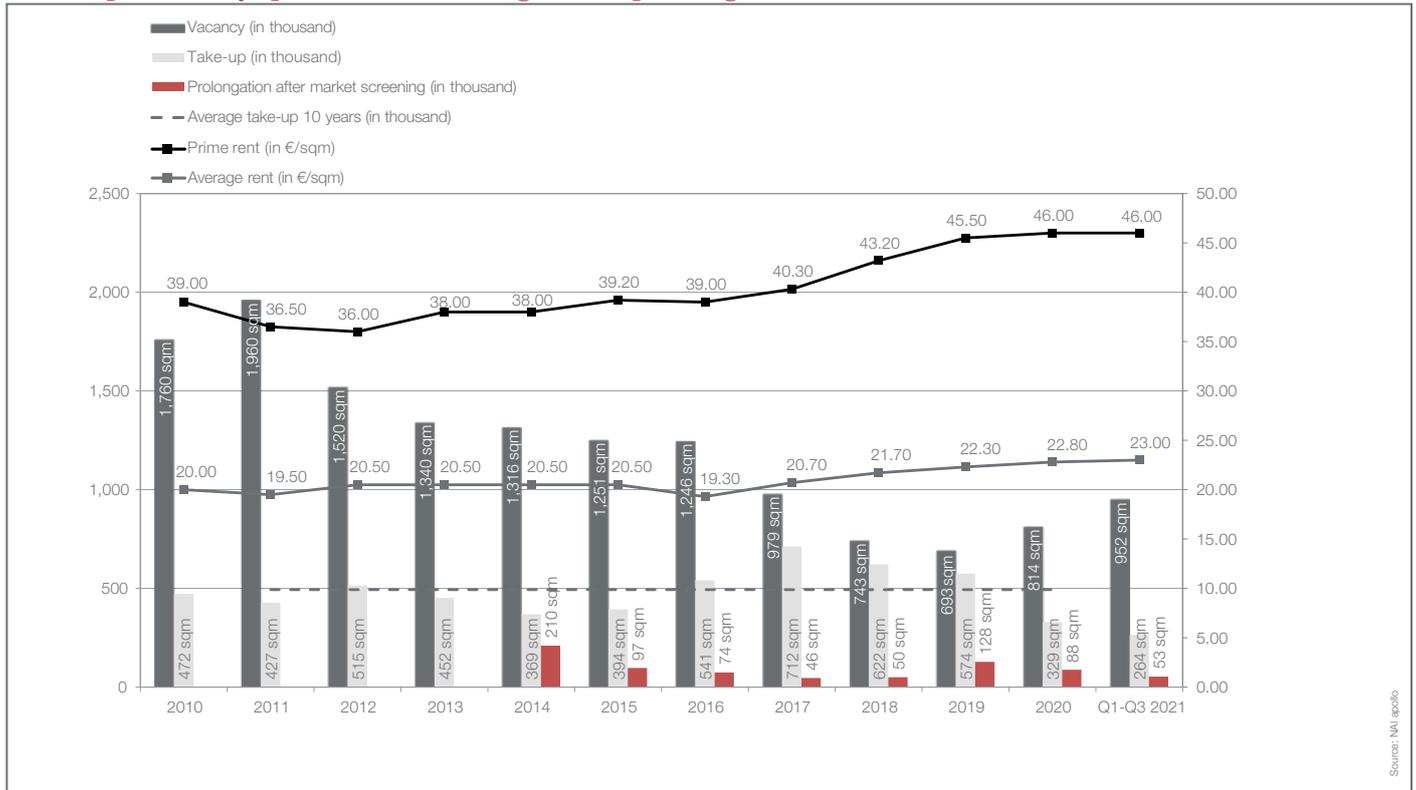
The population of Frankfurt am Main amounted to 749,421 at the end of June 2021, falling below 750,000 for the first time since February 2019. Lower migration caused by measures to contain the coronavirus pandemic is a primary cause of this decline. Once the pandemic is over, it's extremely likely that Frankfurt will experience increased mobility levels that in turn will drive population growth.

The Frankfurt employment market has already shown noticeable signs of recovery. The current unemployment rate of 6.3 % in September 2021 is 1.2 percentage points below the previous year's level. A further decline is highly likely. Job vacancies have increased by about 1,300 to around 7,700 compared to the previous year, reflecting economic growth and improved business sentiment.

Confidence has also significantly increased among companies within the region, as indicated by the latest Mittelstandsbericht (SME report) 2021 from the Chamber of Industry and Commerce for the Frankfurt am Main district. It's again the case that more companies rate their current business situation as positive rather than negative, and they are also generally more optimistic about the future. However, the picture is somewhat mixed. While sectors such as the finance, credit and insurance industries are almost back to pre-crisis levels, restrictions caused by the pandemic continue to have a negative impact especially on the catering sector or parts of the retail sector.

In the coming months, the Frankfurt market is expected to continue to recover in line with the overall economic development. In the latest Joint Economic Forecast published on behalf of the Federal Ministry for Economic Affairs and Energy, GDP growth for Germany as a whole is forecast at 2.4 % for 2021 and 4.8 % for 2022.

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



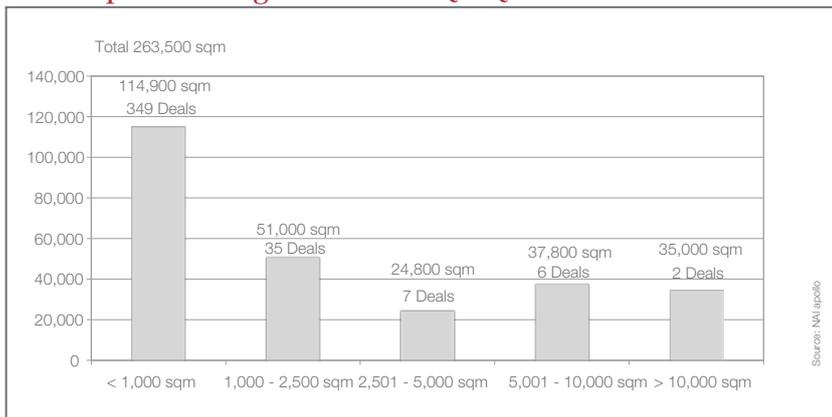
The Frankfurt office market (incl. Eschborn and Offenbach-Kaiserlei) picked up noticeably in the first nine months of 2021. Alongside the overall economy, the office market has to some extent returned to more normal levels. Accordingly, not only has total take-up increased, but the number of registered deals is also higher. The market performed particularly strongly in the third quarter, when take-up by tenants and owner-occupiers amounted to 93,100 sqm and surpassed the year ago level of 91,400 sqm. A total of around 263,500 sqm was registered within the first three quarters of 2021. This exceeded the previous year's volume of 207,500 sqm by 27 %. As expected, however, the result was still a fifth below the 10-year average. The number of deals reached 400 and was also well above the corresponding period of the previous year (Q1-Q3 2020: 314).

As space take-up increased, the renewal of leases by tenants that had actively explored the market became less of an issue. As of September 2021, around 53,000 sqm was registered here compared to around 81,000 sqm in the first three quarters of the previous year.

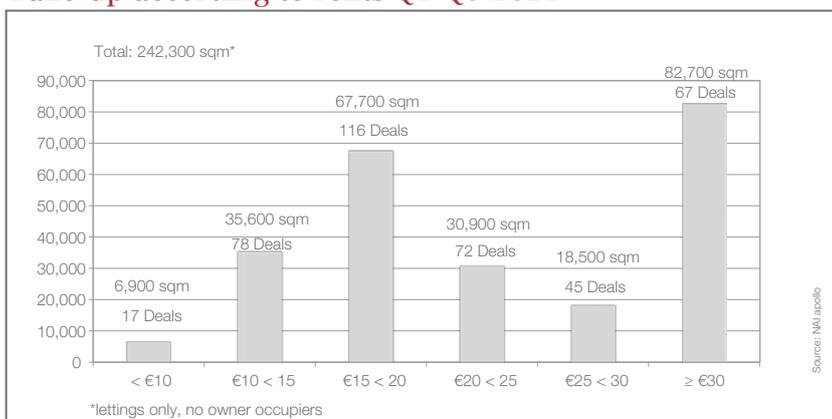
Take-up according to location Q1-Q3 2021



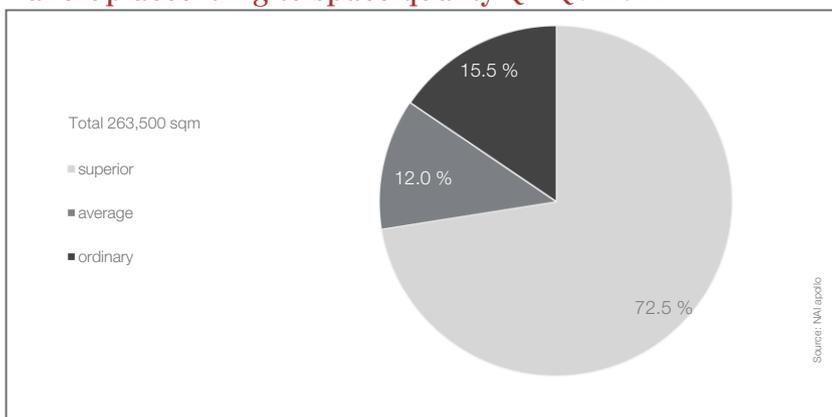
Take-up according to unit size Q1-Q3 2021



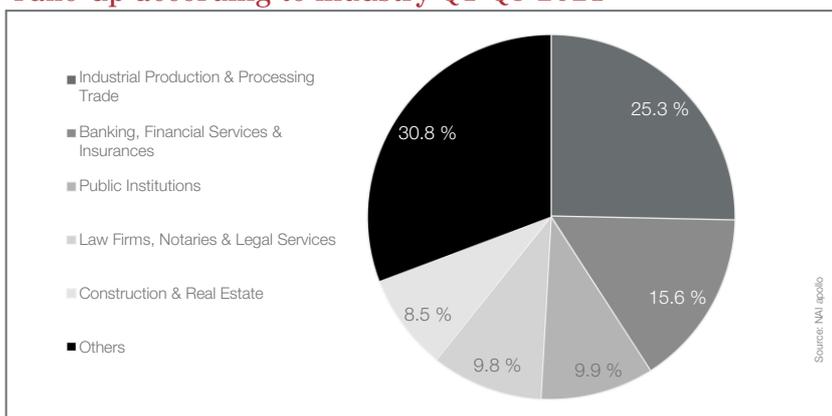
Take-up according to rents Q1-Q3 2021



Take-up according to space quality Q1-Q3 2021



Take-up according to industry Q1-Q3 2021



The recovery in market activity is evident in most of the size categories. Deals below 1,000 sqm accounted for a volume of 114,900 sqm in the Q1-Q3 2021 period, an increase of 24 % compared to the previous year. The clusters “1,000 - 2,500 sqm” and “5,001 - 10,000 sqm” registered increases of 57 % to 51,000 sqm and 140 % to 37,800 sqm respectively.

The largest deals in the Frankfurt office market had already taken place in the previous quarters. These include Nestlé, which leased almost 20,000 sqm in the “Kreisler” development, and the start of an owner-occupier development for Siemens in Gateway Gardens. Since around 15,000 sqm will be used by the owner, it is relevant to take-up figures. The largest lettings in the third quarter include the rentals by Corestate Capital of around 5,400 sqm in “Marienturm” and by Baker Tilly of around 4,400 sqm in “One”.

The two largest deals of the year to date are still influencing how take-up is distributed by industry. The “industrial production & processing trade” sector tops the ranking with 66,800 sqm, followed by “banking, financial services & insurances” with 41,200 sqm. This indicates that the financial industry, which is of such importance for Frankfurt, is once again more disposed towards renting office space.

Following several larger leases in central office towers, the banking district is the most sought-after sub-market with take-up of 44,400 sqm. Westend, the airport and the station district follow closely behind. In total, the “CBD” again accounts for significantly more than half of take-up with a 60 % share. Lease signings in premium properties located in the banking district are driving up the average rent. This is now €23.00/sqm and has increased by €0.60/sqm compared to the previous quarter. The average rent is now also higher than the previous year’s level (Q3 2020: €22.80/sqm). The prime rent is stable compared to the previous quarter at €46.00/sqm. Compared to Q3 2020, the rate has increased by €1.00/sqm.

## Office Locations Frankfurt a.M. Q3 2021

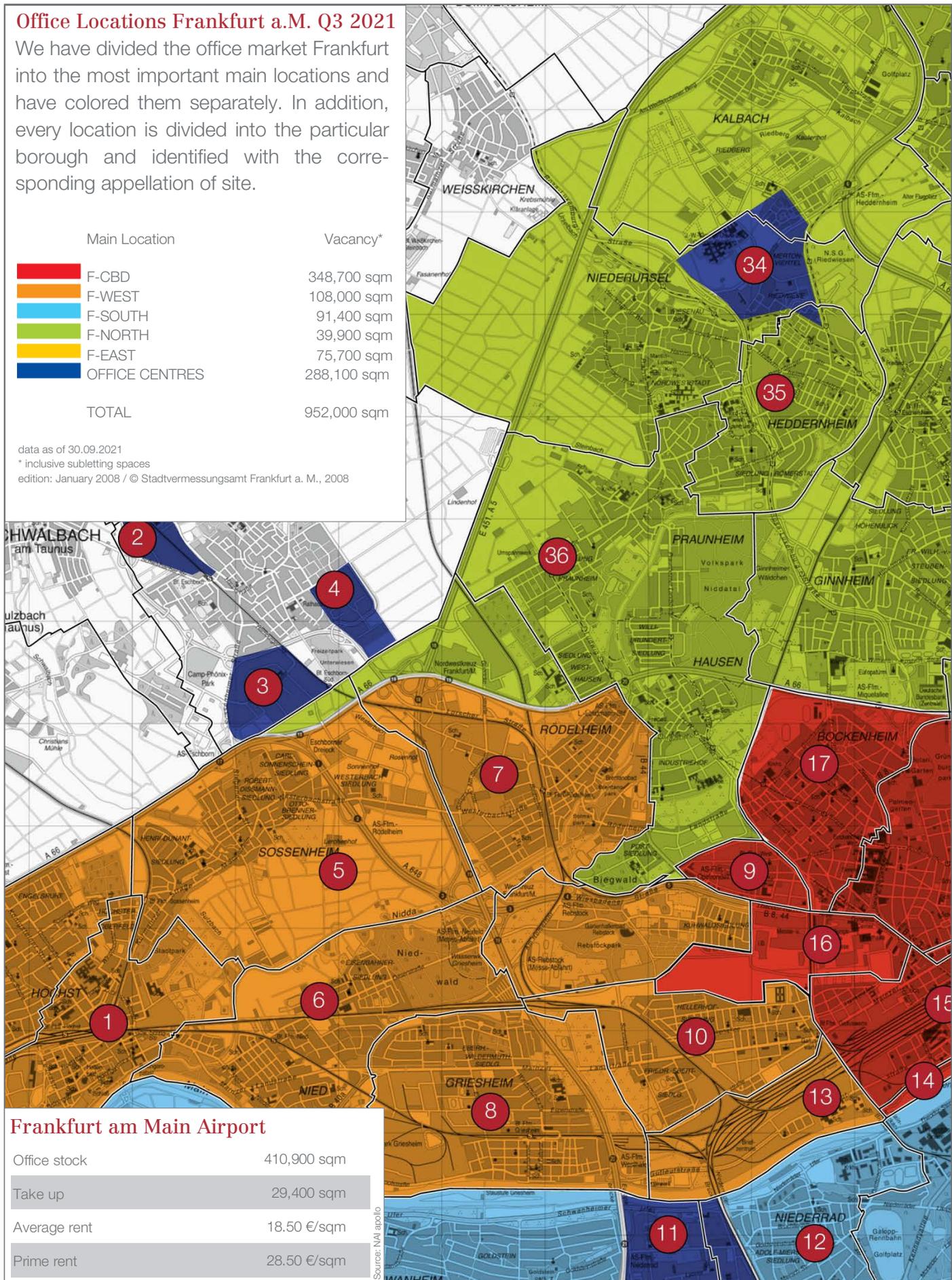
We have divided the office market Frankfurt into the most important main locations and have colored them separately. In addition, every location is divided into the particular borough and identified with the corresponding appellation of site.

| Main Location  | Vacancy*           |
|--|--------------------|
|  F-CBD          | 348,700 sqm        |
|  F-WEST         | 108,000 sqm        |
|  F-SOUTH        | 91,400 sqm         |
|  F-NORTH        | 39,900 sqm         |
|  F-EAST         | 75,700 sqm         |
|  OFFICE CENTRES | 288,100 sqm        |
| <b>TOTAL</b>   | <b>952,000 sqm</b> |

data as of 30.09.2021

\* inclusive subletting spaces

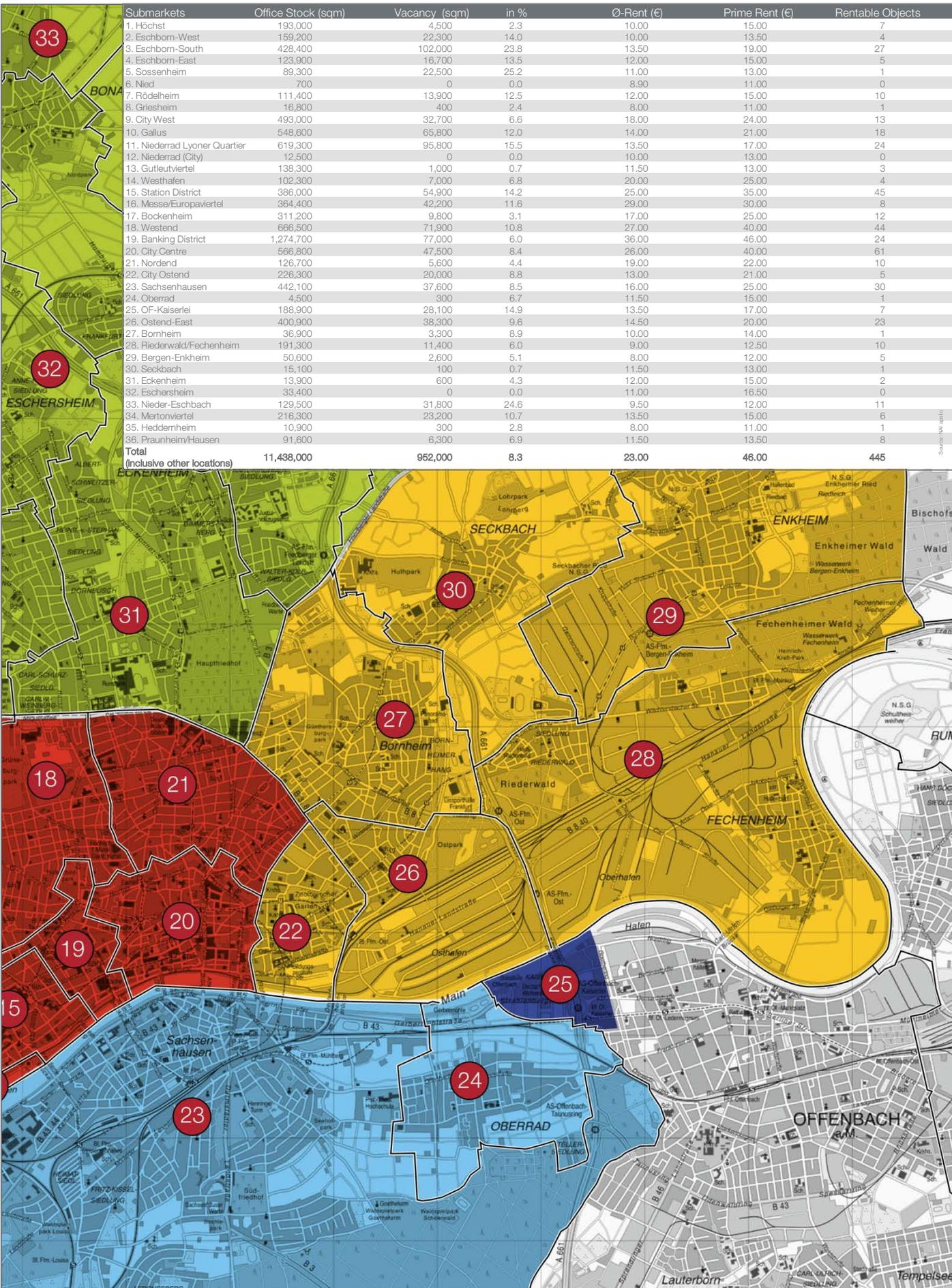
edition: January 2008 / © Stadtvermessungsamt Frankfurt a. M., 2008



## Frankfurt am Main Airport

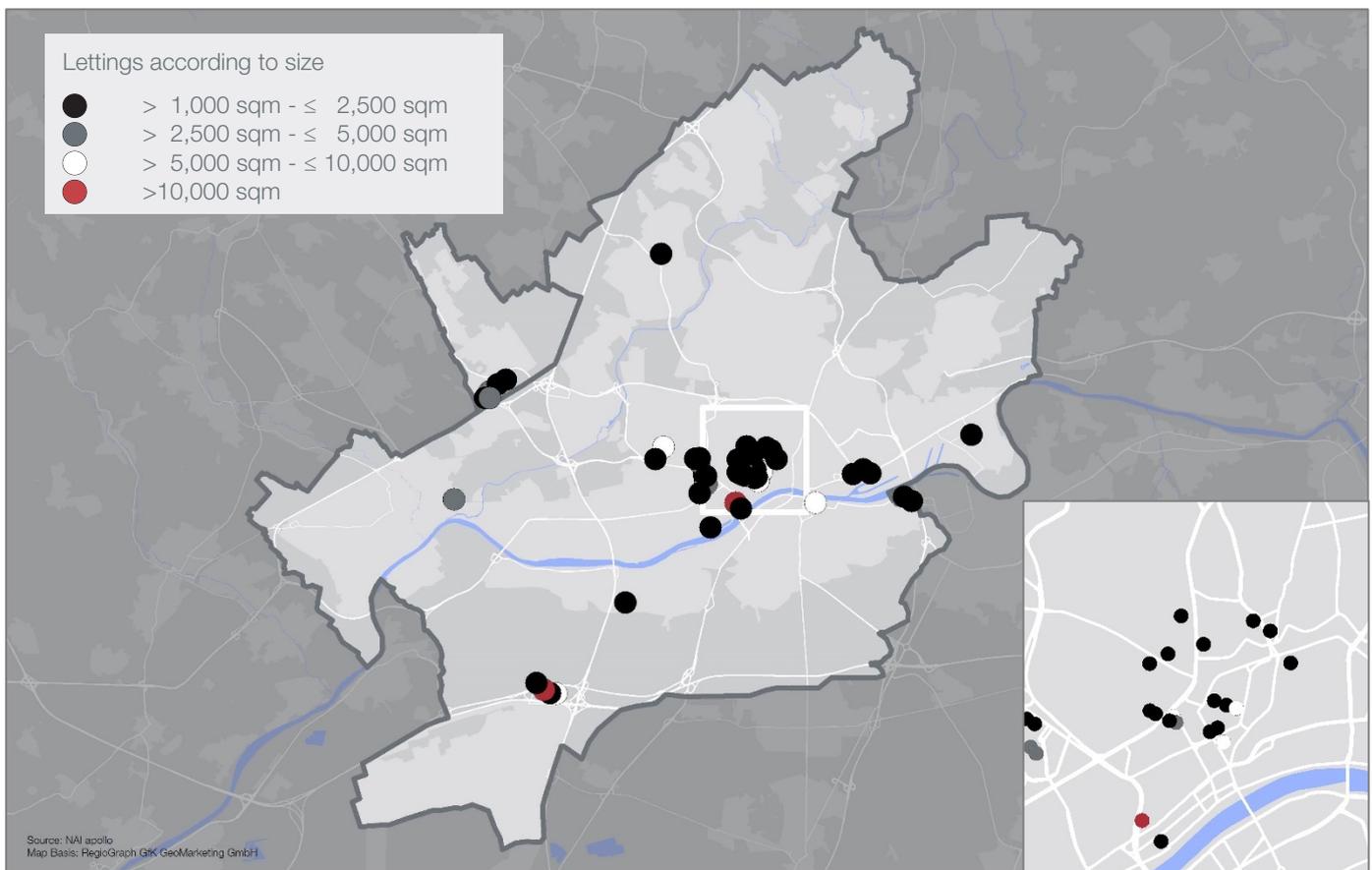
|              |             |
|--------------|-------------|
| Office stock | 410,900 sqm |
| Take up      | 29,400 sqm  |
| Average rent | 18.50 €/sqm |
| Prime rent   | 28.50 €/sqm |

Source: NAI apollo

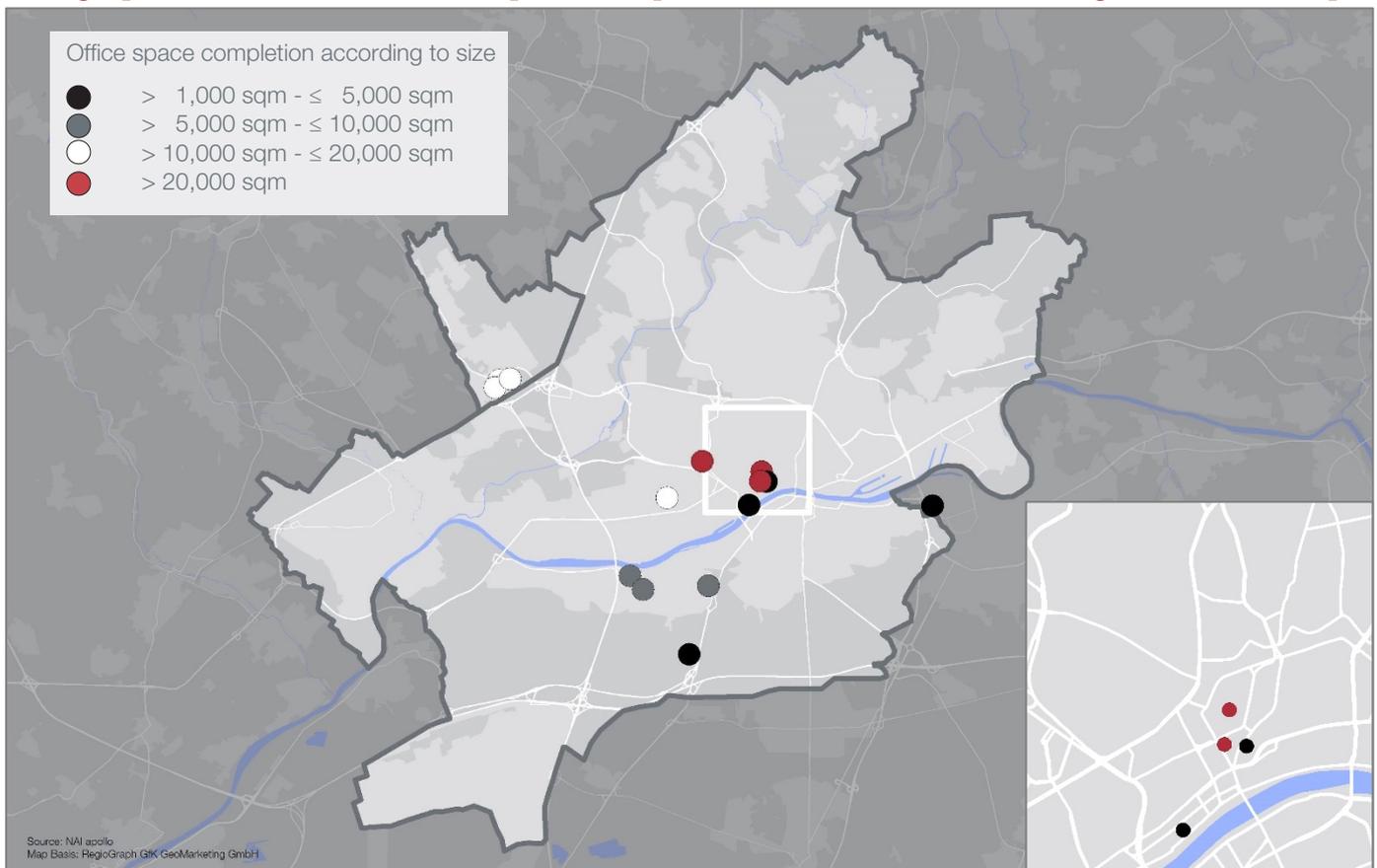


Source: NAI world

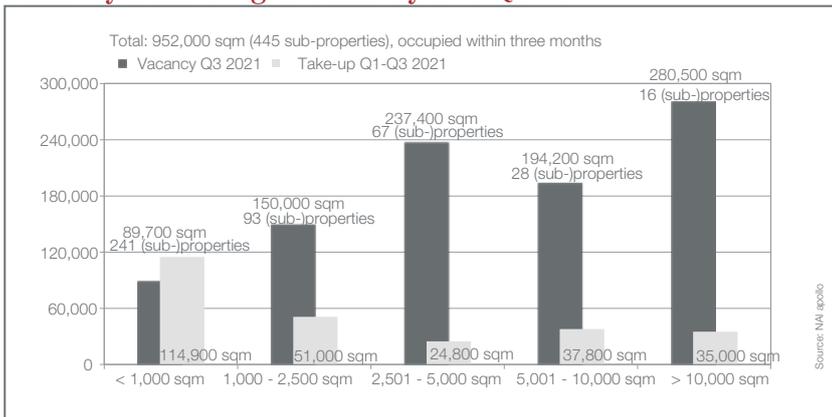
Geographical localisation of large-scale lettings Q1-Q3 2021 accor. to size categories (> 1,000 sqm)



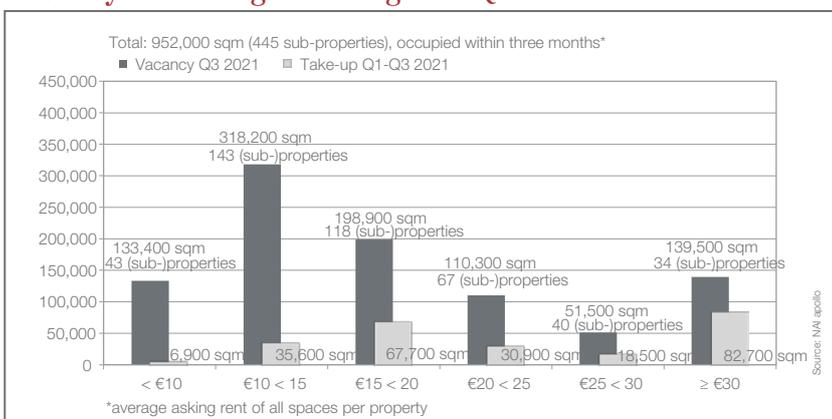
Geographical localisation of office spaces completions 2021 accor. to size categories (> 1,000 sqm)



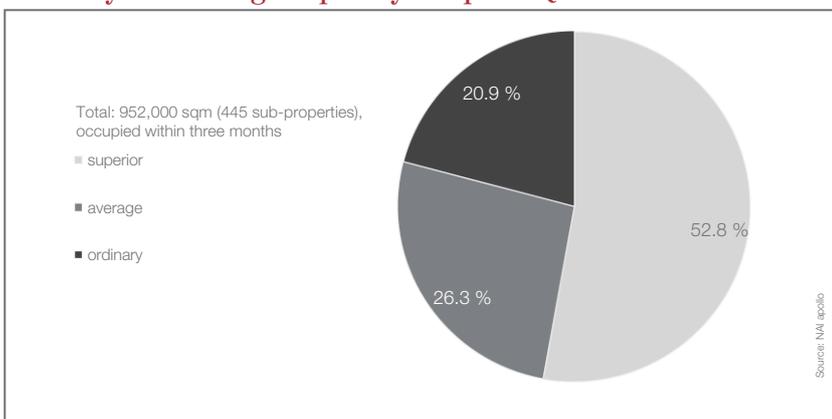
### Vacancy according to vacancy size Q3 2021



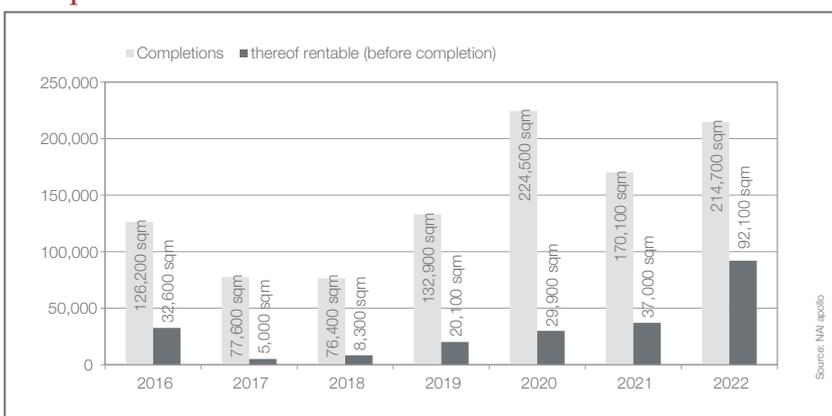
### Vacancy according to asking rent Q3 2021



### Vacancy according to quality of space Q3 2021



### Completions

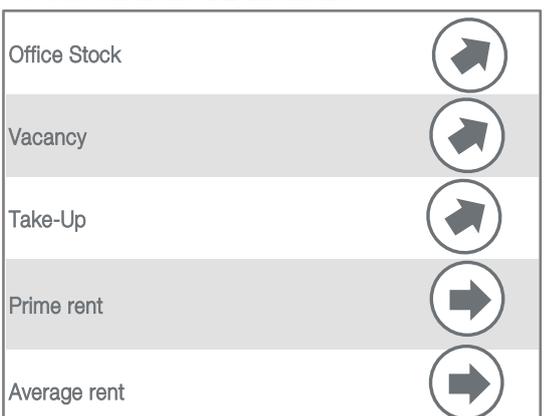


Office buildings with a total space of 35,600 sqm were completed in the Frankfurt market area in the third quarter of 2021. One of the most prominent buildings here is the “Global Tower” with around 30,000 sqm of office space. Space removed from the office market amounted to about 47,200 sqm. Accordingly, office stock in the Frankfurt market area fell to 11.44 million sqm as of the end of September 2021. According to current information, the project development volume for 2021 as a whole will be 170,100 sqm, of which almost 80 % has already been let. Around 214,700 sqm is currently expected to be completed next year, and the pre-letting quota for 2022 is 57 %.

The increase in office vacancies in Frankfurt that was evident in previous, coronavirus-blighted quarters seems to have eased off for the time being. Market-active vacancies stood at around 952,000 sqm as of 30 September 2021. This represents an increase of only 1,000 sqm compared to the previous quarter. The vacancy rate is therefore steady at 8.3 %.

The Frankfurt office market is in an encouraging recovery phase. Letting activity over the last few months can be seen as a clear sign of market revival, and an additional increase in demand is to be expected. Further large leases to be signed in the fourth quarter can be anticipated. In this respect, take-up of around 329,000 sqm is forecast for 2021 as a whole, which would be well above the previous year.

### Outlook next 12 months





## Cities

### Office space, vacancy, prime rent, average rent Q3 2021

|                 | Office Space (in m. sqm) | Take-Up (sqm) | Vacancy (in %) | Prime rent (€/sqm) | Average rent (€/sqm) |
|-----------------|--------------------------|---------------|----------------|--------------------|----------------------|
| Berlin          | 19.30                    | 531,000       | 3.1            | 40.00              | 27.10                |
| Dusseldorf      | 7.42                     | 195,200       | 7.4            | 28.50              | 15.79                |
| Frankfurt a. M. | 11.44                    | 263,500       | 8.3            | 46.00              | 23.00                |
| Hamburg         | 14.10                    | 358,000       | 3.8            | 31.40              | 18.00                |
| Munich          | 20.85                    | 434,000       | 4.3            | 40.20              | 22.20                |

### Prime yields Q3 2021

|                 | Prime office yields | Prime retail yields | Prime logistics yields |
|-----------------|---------------------|---------------------|------------------------|
| Berlin          | 2.45 %              | 2.90 %              | 3.20 %                 |
| Dusseldorf      | 2.90 %              | 3.25 %              | 3.20 %                 |
| Frankfurt a. M. | 2.80 %              | 3.15 %              | 3.20 %                 |
| Hamburg         | 2.65 %              | 3.10 %              | 3.20 %                 |
| Munich          | 2.55 %              | 2.90 %              | 3.20 %                 |
| Total           | Ø = 2,65 %          | Ø = 3,05 %          | Ø = 3,20 %             |

## Frankfurt a.M.

### Top take-up Q1-Q3 2021

| Property + Location   | Tenant / Owner Occupier                 | Leased area in sqm |
|---|---|--------------------|
| Kreisler, Baseler Straße 46-48 / Gutleutstraße 80-82 / Station District | Nestlé                                  | 20,000             |
| The Move Blue, De-Saint-Exupéry-Straße 3-5 / Airport                    | Siemens                                 | 15,000             |
| Palazzo Fiorentino, Gerbermühlstraße 3-5 / Sachsenhausen                | City of Frankfurt (Jobcenter Frankfurt) | 7,600              |
| Development Solmsstraße 20-22 / City West                               | Mainova                                 | 6,900              |
| De-Saint-Exupéry-Straße 8 / Airport                                     | Schaeffler                              | 5,600              |

### Top investments Q1-Q3 2021

| Property + Location  | Purchaser  | Purchase Price in €*   |
|--|--|------------------------|
| Four - T1, Neue Schlesingergasse, Große Gallusstraße 10-14 | AllianzGruppe / Bayerische Versorgungskammer       | approx. €1,400,000,000 |
| Skyper, Taunusanlage 1                                     | Ampega Asset Management                            | approx. €550,000,000   |
| Sparda-Bank Tower, Europa-Allee 68                         | Sparda-Bank  | confidential           |
| GlZ-Campus Eschborn, Ludwig-Erhard-Straße, Eschborn        | Deutsche Gesellschaft für Internat. Zusammenarbeit | approx. €220,000,000   |
| Westend Carree, Grüneburgweg 14-18                         | Ardian Real Estate                                 | > €200,000,000         |

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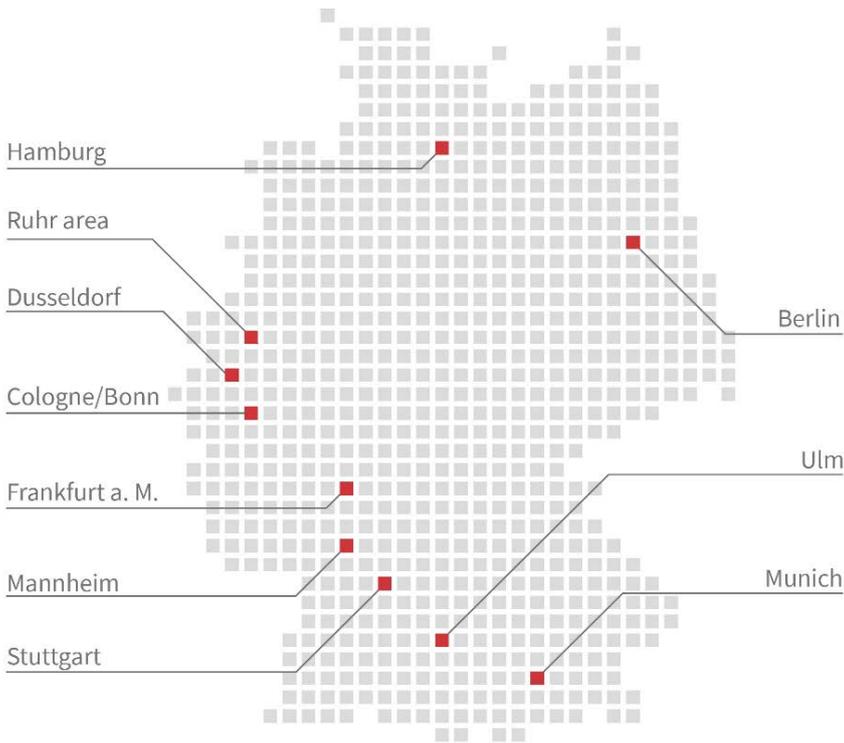
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