



OFFICE LEASING Q1-3 2018

FRANKFURT



KEY FACTS

[Change year-on-year]

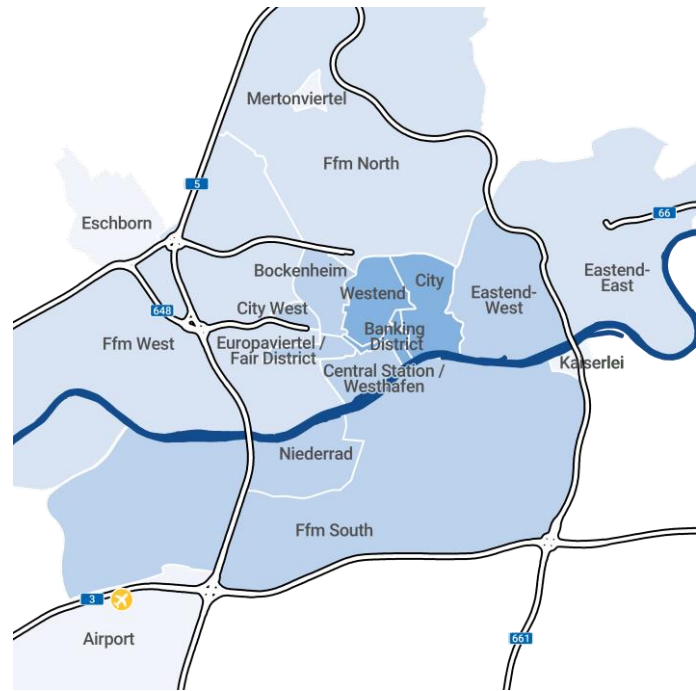
Take-Up of Space **[0.6%]**
427,600 sq m
 Leasing Performance **[9.4%]**
424,700 sq m

Vacancy **[-30.8%]**
831,500 sq m
 Vacancy Rate **[-310 bp]**
7.3%

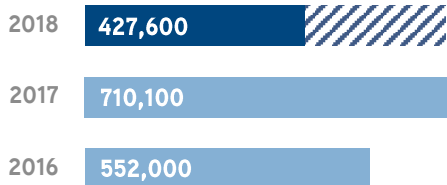
Prime Rent **[0.0%]**
41.00 € per sq m/month
 Average Rent **[4.7%]**
20.10 € per sq m/month

Outlook 2018
Demand ↗ Vacancy ↘ Rent ↗

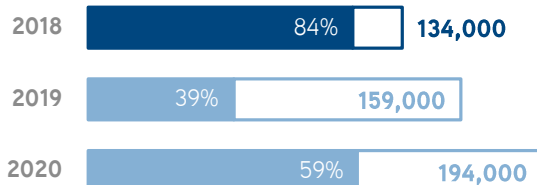
SUBMARKETS



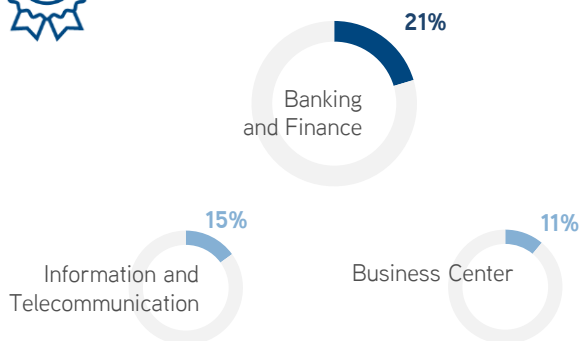
TAKE-UP OF SPACE (sq m)



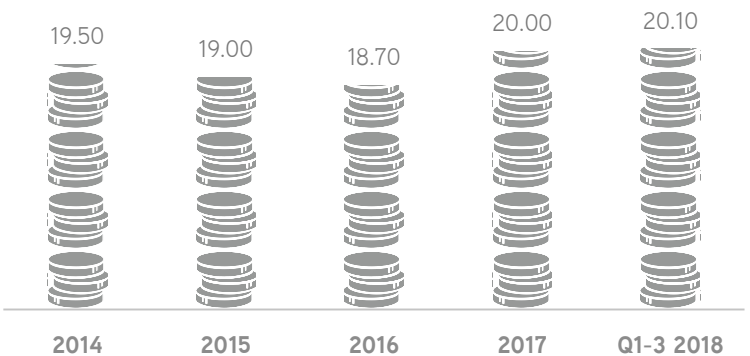
COMPLETION VOLUME (sq m, pre-let in %)



TOP 3 INDUSTRIES



AVERAGE RENT (in € per sq m/month)



MARKET AT A GLANCE

The general conditions on the Frankfurt office rental market remain positive: in the third quarter, the result of the previous year was again slightly exceeded with a volume of just under 428,000 sq m. Demand is also based on a large number of leases in various sectors, with Commerzbank concluding the largest contract in the course of the year for more than 35,000 sq m in Cielo.

The short-term reserves of space are currently in free fall, having declined by more than 350,000 sq m or more than 30% compared to the previous year. Central submarkets are particularly affected by this development, with vacancy rates already falling below the 4% mark in some cases. Even project developments will not bring any relief, at least until the end of the year, as a large part of the space has already been let. In view of the low vacancy rates, most of the developments in the coming years already show good occupancy rates, too.





INVESTMENT Q1-3 2018

FRANKFURT



KEY FACTS

[Change year-on-year]

Transaction Volume **[+94.1%]**

€ 6.65 bn

Most Important Property Type

Office (€ 5.7 bn)

Prime Yield Office **[-50 bp]**

3.30%

Largest Buyer Group

Open-ended Funds/Special Funds

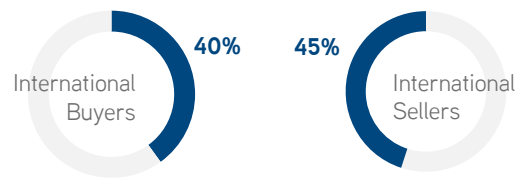
Outlook 2018

Transaction Volume ↗ Prime Yield →

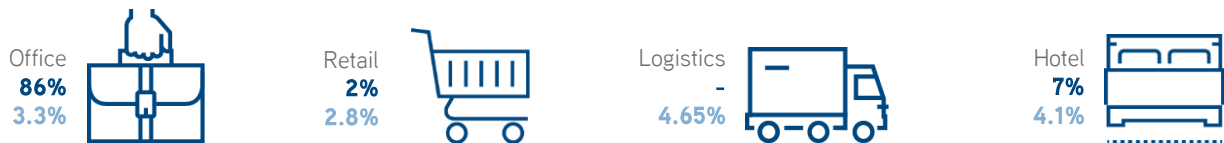
TRANSACTION VOLUME (TAV, bn €)



ORIGIN OF CAPITAL (TAV in %)

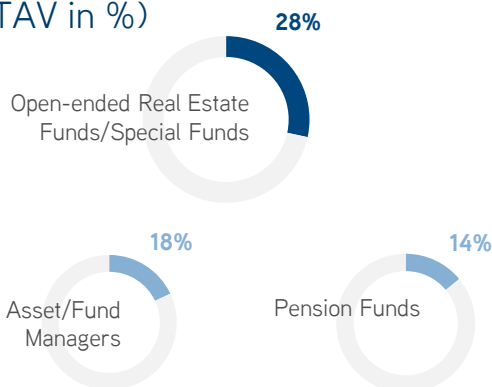


IMPORTANT PROPERTY TYPES (by TAV, Prime Yield)

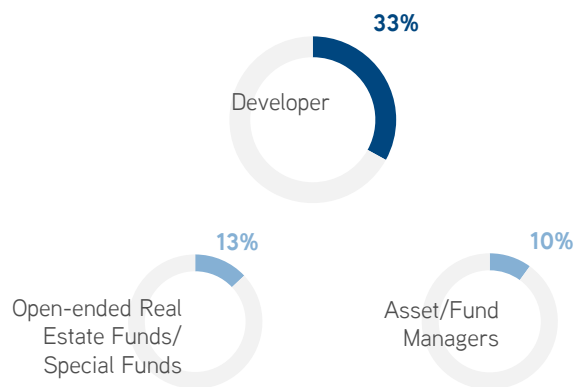


TOP 3 BUYER GROUPS

(TAV in %)



TOP 3 SELLER GROUPS (TAV in %)



MARKET AT A GLANCE

The record-breaking demand on the Frankfurt investment market has continued in Q3 2018. The already good result of the previous year has almost doubled and the year-end result of just under € 7 bn is already within reach.

In the course of the year, the market has been shaped accordingly by large transactions, which have pushed up the volume. In addition to the Omnium, the largest transaction of the year to date, further sales of high-rise buildings such as the Bürohaus an der Alten

Oper, Garden Tower, Pollux or the forward deal of a part of the new FOUR quarter have also contributed to this. More and more transactions can be observed before or during the construction phase, which in turn secures project developers a clear top position in the market shares of the top seller groups.

The macroeconomic situation and the general conditions on the letting market will continue to ensure high demand on the investment market. As major transactions are already on the horizon, the annual result will therefore be well above the levels of 2017.



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