

REVIEW OFFICE MARKET

MUNICH Q4 2025



RESEARCH & INSIGHTS



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Q4 2025

OFFICE MARKET MUNICH

- STRONG FINAL QUARTER, BUT OVERALL RESULT SLIGHTLY DOWN
- 2ND PLACE IN THE LOCATION RANKING MAINTAINED

KEY FIGURES

581,000
Take-up (in sqm) ▽ -4.1% y/y

58.00
Prime rent (in €/sqm) △ +8.4% y/y

27.30
Average rent (in €/sqm) △ +9.2% y/y

MARKET OVERVIEW

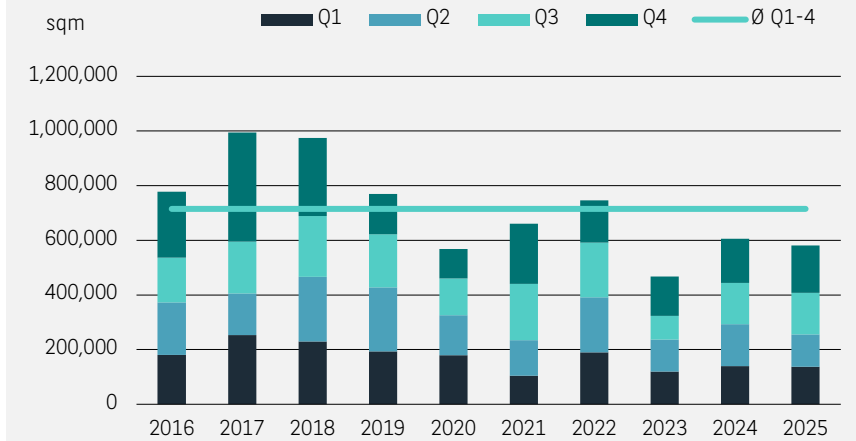
The Munich office market was able to almost confirm its previous year's level with a total take-up of around 581,000 sqm. Overall, however, there was a slight decline of around 4% compared to 2024 (around 606,000 sqm). Looking behind the figures, the continuous upturn in take-up over the course of the year stands out: at around 173,000 sqm, the best quarterly result since Q3 2022 was achieved at the end of the year. The dynamic letting activity of the last three months is also underlined by the fact that almost a third of all contracts were concluded in the period between October and the end of December 2025.

It is also pleasing that the good development in demand extends across all size segments: the small (up to 1,000 sqm: 37.5%), medium (1,001 - 5,000 sqm: 33.0%) and large (from 5,000 sqm: 29.5%) market segments each account for high shares of take-up.

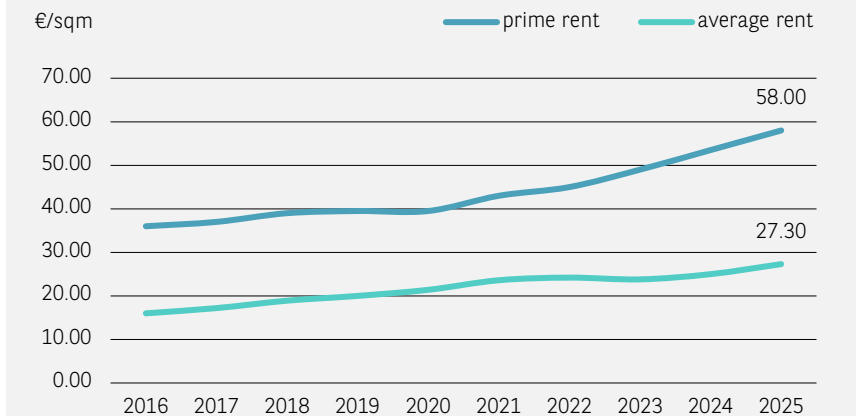
Demand continues to focus primarily on the City Centre of Munich (84,500 sqm), which is the office market zone with the highest take-up after the Centre Fringe East (115,300 sqm). Accordingly, it is not surprising that the pressure on rents in the top properties and locations remains high and, in combination with the low vacancy rate in Q4 (City with only 3.4%), has led to a renewed increase in the premium segment (€58.00/sqm). In some cases, contracts even exceed this top level.



Development of take-up



Prime and average rents



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Source: BNP Paribas Real Estate GmbH, December 31, 2025



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OFFICE MARKET
MUNICH

- INDUSTRIAL COMPANIES REMAIN TOP SECTOR
- VACANCY RATE BACK AT JUST UNDER 8%

KEY FIGURES

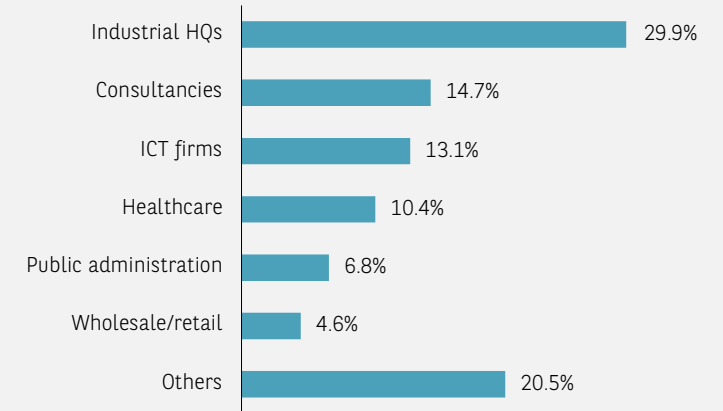
1,824,000	△ +7.8% y/y
Vacant space (in sqm)	
7.9	△ +0.5% pts y/y
Vacancy rate (in%)	
365,000	△ +53.4% y/y
Available space under construction (in sqm)	

SECTOR DISTRIBUTION AND VACANCY

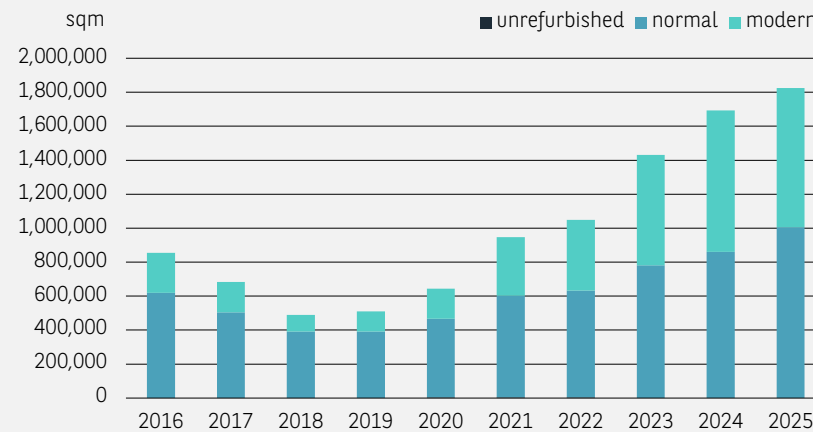
The traditionally strong industrial headquarters were able to record four of the five largest deals in the first three quarters and an overall dynamic market activity in the small and medium-sized segments. Accordingly, a high share of just under 30% and a good 173,000 sqm is accounted by this sector. Consultancies (almost 15%), ICT firms (around 13%) and the healthcare sector (a good 10%) were also active, thus ensuring a diversified mix of sectors in the contracts recorded.

In terms of vacancy development, the cyclical peak in the Munich market area now seems to have almost been reached. Despite all this, a further slight year-on-year increase of around 1.82 million sqm was reported (+8% compared to Q4 2024). At the same time, modern vacant space has fallen by around 10% since October due to the good letting activity, so that only just under 45% of the total volume now corresponds to a higher-quality standard fit out (49% in 2024). The vacancy rates continue to range widely, from 1.8% in the Centre Fringe North to 10.2% in the Municipal Area South. At 7.9%, the aggregate vacancy rate across all submarkets is currently back below the 8% mark (compared to 8.1% in Q3 2025).

Take-up by sector 2025



Development of vacant space



Major contracts

Quarter	Submarket	Company	sqm
Q1	2.2	Siemens	33,000
Q2	2.4	Finanzamt München	16,000
Q1	2.4	Industrial HQ	14,000
Q3	2.2	Schaeffler Technologies	12,700
Q2	4.3	HENSOLDT Sensors	12,300

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OFFICE MARKET
MUNICH

OUTLOOK

Munich's office market will be able to start 2026 with confidence: the very good final quarter, second place in the location comparison and the broad distribution of take-up across the size classes are clear indicators that indicate multi-layered demand impulses in the Bavarian capital.

Even though the shift in letting activity in favor of modernly equipped and best-connected office properties continues to be noticeable in the City Centre and on the Centre Fringe with a share of 52%, the Subcentres are also coming back into focus somewhat more. With around 27% of turnover, the office market zones located here also make a significant contribution to the result.

On the supply side, the vacant space in the individual submarkets has developed differently. However, the fact that 7.9% is currently being reached again, while it was already at 8.1% over the year, can be seen as an indication of the slowly beginning sideways movement.

Meanwhile, prime rents continue to increase and are expected to rise again in 2026 due to the high excess demand in the absolute premium segment. Against this background, it can be assumed that the mark of €60/sqm will be reached or even exceeded in the next 12 months.

Key indicators office market Munich

		PRIME RENT* (€/sqm)		TAKE-UP (sqm)		VACANT SPACE (sqm)		SPACE UNDER CONSTRUCTION (sqm)		SPACE ON OFFER (sqm)	
		from	to	2025	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		58.00	84,500	115,500	46,900	10,000	132,700	103,100	218,600	451,900
2	Centre Fringe	32.50	- 41.50	214,900	253,700	153,100	20,500	264,100	147,600	401,300	532,800
3	Subcentres	27.50	- 31.00	154,600	811,800	380,000	130,500	153,200	108,300	920,100	1,142,300
Total Munich				454,000	1,181,000	580,000	161,000	550,000	359,000	1,540,000	2,127,000
4	Periphery	19.50	- 21.00	127,000	643,000	239,000	119,000	18,000	6,000	649,000	594,000
Total				581,000	1,824,000	819,000	280,000	568,000	365,000	2,189,000	2,721,000

* The prime rent given applies to market segment of 3-5% in each case.

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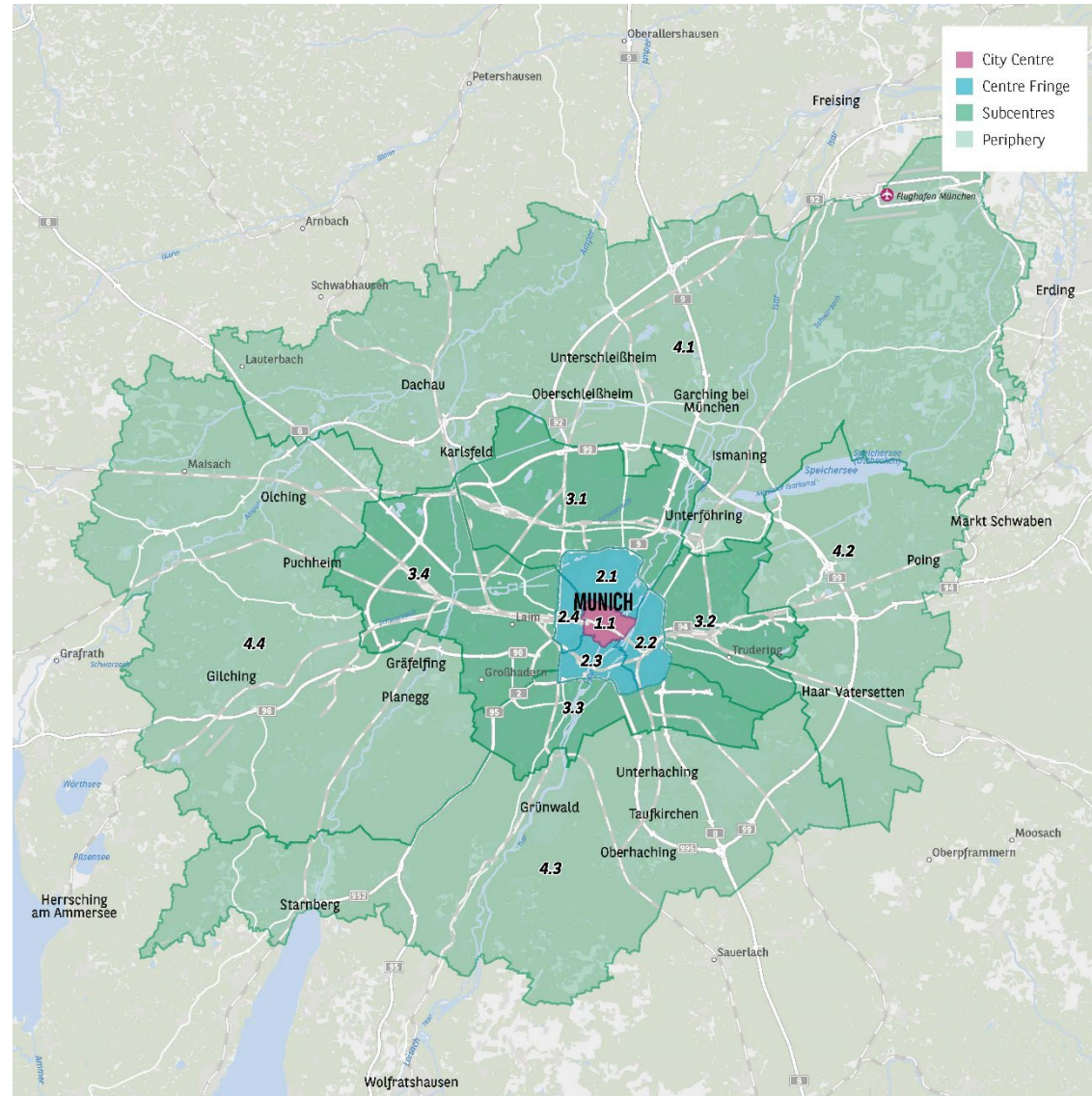
MARKET REPORTS



DASHBOARDS



OFFICE SUBMARKETS MUNICH



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