REVIEW INVESTMENT MARKET

MUNICH H1 2026

RESEARCH & INSIGHTS

BNP PARIBAS REAL ESTATE

Real Estate for a changing world

H1 2026 INVESTMENT MARKET MUNICH

- STRONG DEAL FLOW AND BIG-TICKETS PUT MUNICH IN THE LEAD
- PRIME YIELDS STABLE IN RETAIL AND OFFICE, LOGISTICS MOVES OUT

KEY FIGURES

1,237 △ +34.8% y/y
Investment volume (€m)

18.6 △ +17.8%pts y/y
Portfolio share (in %)

38.7 ▽ -11.5% y/y
Ø Deal size (in €m)

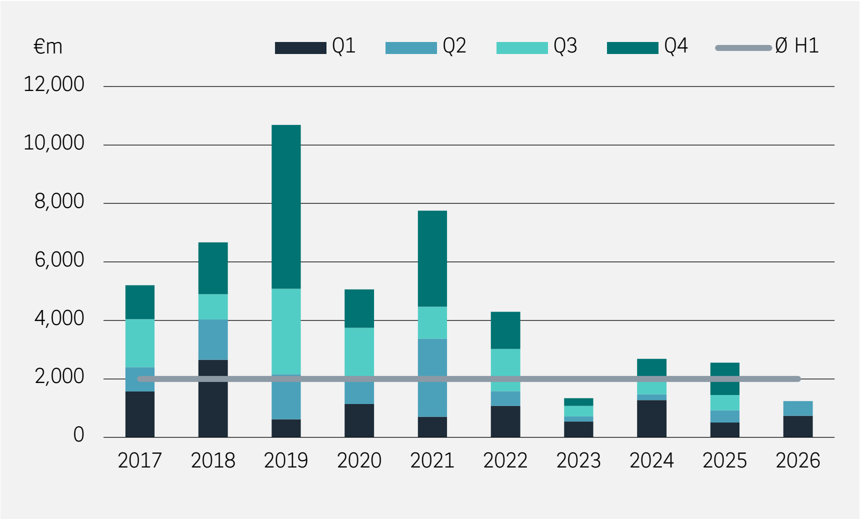
MARKET OVERVIEW

Munich's investment market carried its strong first-quarter momentum into Q2, confirming its position as the leading investment location among the A-cities. With transaction volume of around €1.24bn, the Bavarian capital was the only market to exceed the €1bn mark at mid-year. While larger transactions played an important role, the result was not driven by big-ticket deals alone. This is reflected in the number of registered transactions, which was last higher in 2022. Although deal count remains almost 38% below the long-term average given the still challenging market environment, the 35% year-on-year increase in volume sends a clearly positive signal.

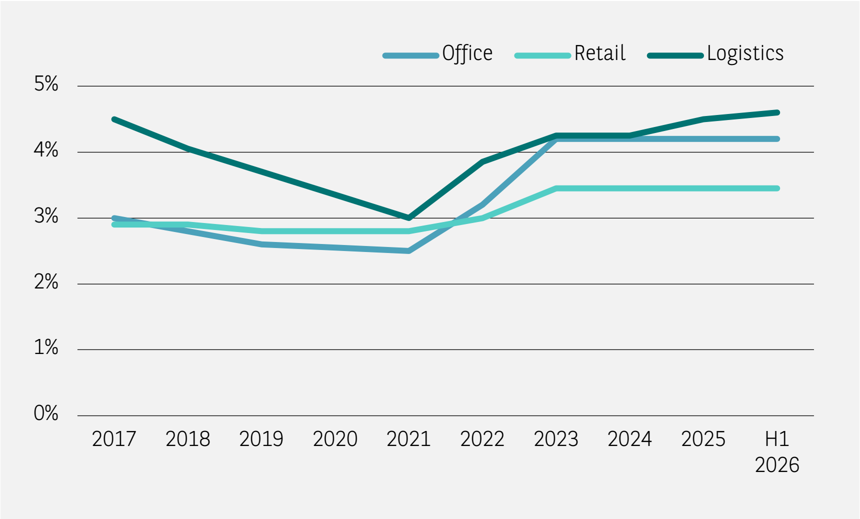
The most notable transactions in the first half of the year were primarily in the triple-digit million range. Alte Akademie, formerly part of the Signa portfolio, stands out as one of Germany's largest retail deals so far this year. The inner-city office assets at Prinzregentenplatz 7–9 and Sonnenstraße 15, the former Lindbergh-Haus, also ranked among the five largest office investments recorded nationwide.

Prime yields have remained largely unchanged so far this year in both the high-street retail segment, at 3.45%, and the office sector, at 4.20%. In logistics, by contrast, upward pressure has led to a slight adjustment of ten basis points to 4.60%.

Development of investment volume



Net prime yields by type of property



Source: BNP Paribas Real Estate GmbH, June 30, 2026

INVESTMENT MARKET STRUCTURE

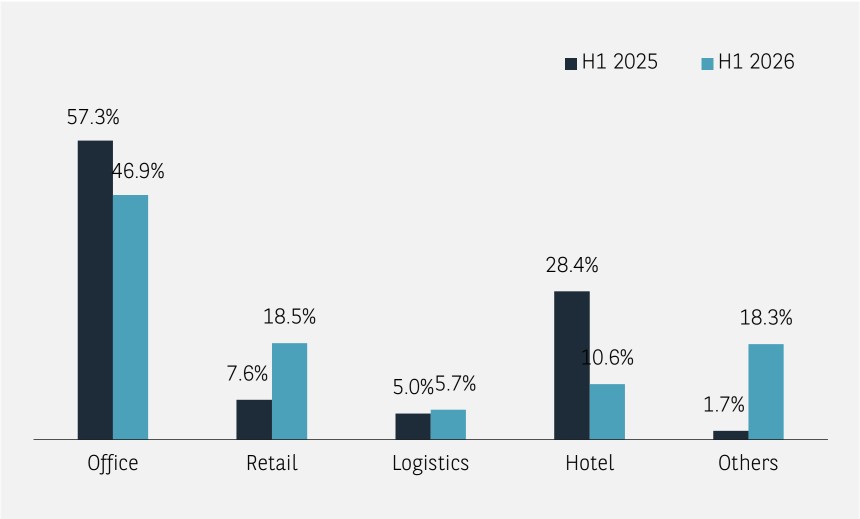
Looking at the half-year result by property type and submarket, office investments and central locations clearly stood out in Munich's market structure. Office assets accounted for almost 47% of total volume, while nearly 57% of the result was generated in the City Centre of the Bavarian capital.

In addition to the large-scale office assets already mentioned and the high-street property Alte Akademie, the Excelsior Hotel and serviced apartment assets currently operated by Numa and Limehome also changed hands in inner-city locations. This contributed to a diversified investment picture in Munich's most important submarket. Activity outside the city centre was smaller-ticket but varied, with office assets as well as logistics, retail and food retail transactions recorded. Overall, 43% of volume was generated outside the inner city.

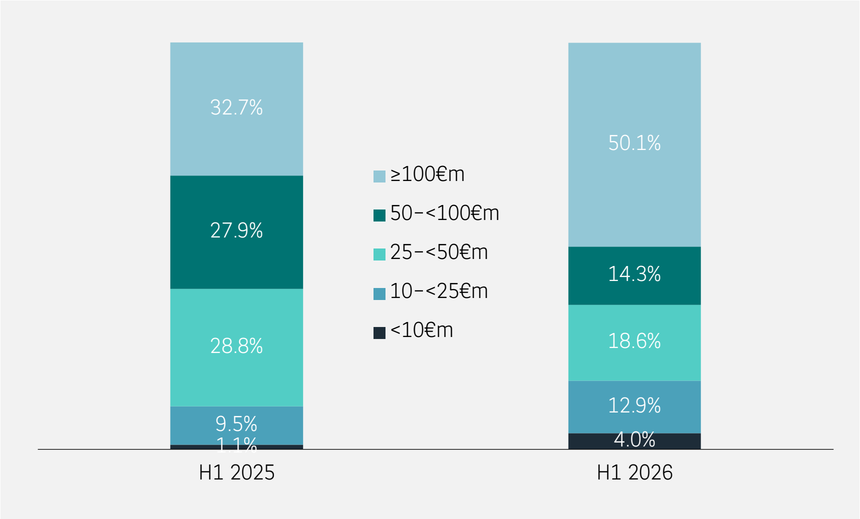
In terms of size categories, investment volume has so far been almost evenly split between top assets above the €100m mark and mid-sized or smaller commercial properties below this threshold. This resulted in an average deal size of around €39m.

- CITY AND OFFICE DEALS TAKE CENTRE STAGE
- EVEN SPLIT ABOVE AND BELOW €100M

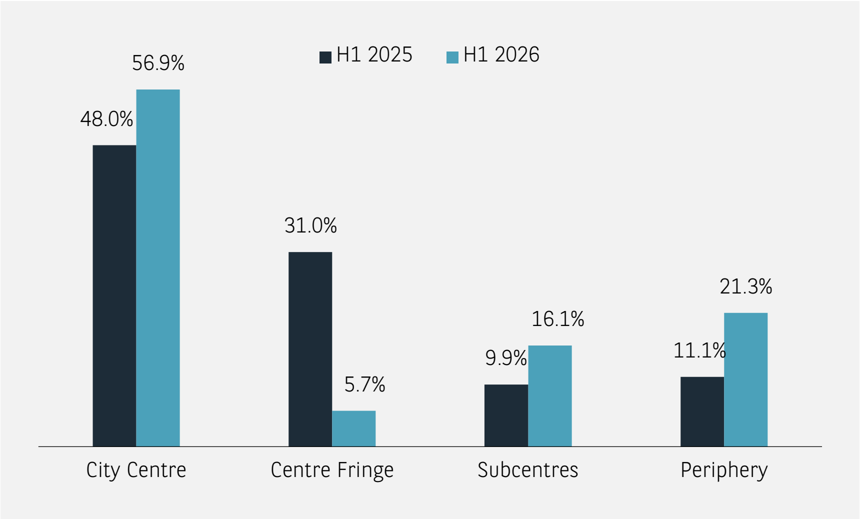
Investments by type of property



Investments by € category



Investments by location



Source: BNP Paribas Real Estate GmbH, June 30, 2026

- SOLID PLATFORM FOR H2 IN PLACE
- CAUTIOUS OPTIMISM PERSISTS AMID GLOBAL UNCERTAINTY

ECONOMIC INDICATORS

+0.8
GDP Forecast 2026
(in %)

3.01 △ +15bps q/q
10ys bond yield
Ø Q2 2026 (in %)

85.6 △ +0.6pts m/m
ifo business climate index
(6/2026)

Source: ifo ecomic forecast, Deutsche Bundesbank, ifo Institut

OUTLOOK

At mid-year, Munich's investment market has put itself in a strong position to post year-on-year volume growth again in Q3 and Q4. The Bavarian capital's strong competitive position among Germany's major cities is reflected not only in its lead in the location ranking, but also in top office and retail deals that once again rank among the largest nationwide investments in their respective asset classes. The solid performance of Munich's office occupier market in the first six months, with above-average take-up and further rental growth, should further support return confidence in the office segment. In addition, Munich continues to record larger high-street transactions and hotel sales above the €50m mark, pointing to positive fundamentals in these sectors as well.

Nevertheless, the key uncertainty factors around geopolitics, financing conditions and the economic outlook retain the potential to change the investment environment quickly and materially. Munich, however, has the underlying strengths to support further growth in investment volume. The metropolitan region is an economic powerhouse, underpinned by its technology sector and innovative industries, and offers future-proof growth credentials. For investors, this remains the key investment argument.

Investment market data

	H1 2025	H1 2026	CHANGE
Total (€m)	**918**	**1,237**	**+34.8%**
Portfolio share	0.8%	18.6%	+17.8%pts
Share above €100 million	32.7%	50.1%	+17.4%pts
Office share	57.3%	46.9%	-10.4%pts
Share of city locations	48.0%	56.9%	+8.9%pts
Share of foreign investors	65.9%	33.9%	-32.0%pts

NET PRIME YIELDS	H1 2025	H1 2026	CHANGE
Office	4.20%	4.20%	+0bps
Retail	3.45%	3.45%	+0bps
Logistics	4.25%	4.60%	+35bps

Source: BNP Paribas Real Estate GmbH, June 30, 2026

CONTACT

LEARN
MORE

MARKET REPORTS

DASHBOARDS

BNP Paribas Real Estate GmbH

Maximilianstraße 35

Haus C/entrance Herzog-Rudolf-Straße | 80539 Munich

Phone: +49 (0)89-55 23 00-0

Inga Schwarz

Head of Research

inga.schwarz@bnpparibas.com

Imprint: Publisher and copyright: BNP Paribas Real Estate GmbH
Edited by: BNP Paribas Real Estate Consult GmbH | As of: 30.06.2026
Photo credits: ©TensorSpark – stock.adobe.com