Insight

CESAR

September 23, 2025

Certification and Sustainability Radar

The real estate sector is responsible for around 40 percent of global energy consumption and 50 percent of natural resource consumption. In light of this, a circular economy that focuses on the durability and recyclability of materials is more in demand than ever.

In 2020, the European Commission adopted the "Circular Economy Action Plan" (CEAP) as a strategic action plan for the circular economy. This primarily aims to extend product lifecycles and efficiently recycle materials. Regarding the real estate sector, established sustainability certifications such as DGNB, LEED and BREEAM serve as important instruments for promoting circular economy transformation in the real estate sector and thus support the transition to more sustainable construction practices.

We use CESAR to analyze green buildings in the Big 7 office markets (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich and Stuttgart). In our analysis, we always use the terms ‘certification’ and ‘certified’ to refer to properties which are certified, pre-certified or registered for certification. We have investigated the stock of, and demand for office space in these markets, but not developments under construction or at the planning stage. We have taken account of all recognized certificates in Germany (DGNB, LEED, and BREEAM).

The German economy is confronted with complex challenges arising from geopolitical crises and a fundamental reorganization of global power and economic structures. These developments, coupled with the economic weakness phase, lead to considerable uncertainties. At the same time, working life is changing due to technological progress and flexible working models, among other factors, which is reflected in space demand. Instead of expansions, consolidations and downsizing are rather on the agenda. Before new leases, offices are thoroughly examined - there is little room for compromise. Often, the only option for now is to remain in the current space until the optimal opportunity arises. In addition, users are increasingly paying attention to the quality of their office space and sustainability issues are influencing corporate behavior. The significant growth in the number of companies worldwide that have joined the Science Based Targets Initiative (SBTi) demonstrates this.

Big 7 Cities: Certified office space reaches 16.6 million square meters

Office stock and certification* of office space

City	Office stock in million sqm	Certified* in million sqm	Certified in % of stock
Berlin[1]	22.81	3.60	**16**
Düsseldorf[2]	9.44	1.64	**17**
Frankfurt/M[3]	11.85	3.52	**30**
Hamburg[4]	15.83	1.70	**11**
Cologne[5]	8.00	1.06	**13**
Munich[6]	22.30	4.31	**19**
Stuttgart[7]	9.26	0.77	**8**

1 market area; 2 market area including Ratingen, Neuss, Erkrath, and Hilden; 3 market area including Eschborn and Kaiserlei; 4 market area; 5 market area; 6 market area including surrounding municipalities; 7 market area including Leinfelden-Echterdingen; * Certificate, pre-certificate, or registered for certification •
Status: July 2025; Source: JLL

In the Big 7 cities Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich and Stuttgart, the total office stock as of June 30, 2025, amounts to around 99.5 million sqm - of which 17% (16.6 million sqm) have certification, possess a pre-certificate or are registered for certification. Compared to the same period last year, the certified stock has increased by 21%, corresponding to 2.91 million sqm. This increase can be explained by certifications of existing buildings, new registrations, subsequently disclosed certifications as well as office space completions. In the seven real estate centers, almost every sixth square meter now has a certificate.

The increase could largely be attributed to existing properties. Some of them received recognition under the DGNB system "buildings in-use". For example, the Quartier at Potsdamer Platz (built in 1997) in Berlin, the Access in Düsseldorf (built in 2015), and the Prisma office building in Frankfurt (built in 2001, revitalization in 2025) were certified accordingly, with Prisma additionally receiving BREEAM certification.

Excursus

The Strategic Choice: Which Certification for Existing Buildings?

The choice of the appropriate certification system for existing buildings depends crucially on the portfolio strategy. While DGNB (Buildings in Operation) appeals to local players through its alignment with German standards and as a pioneer in integrating EU Taxonomy criteria, BREEAM (In-Use) serves as a pragmatic standard for pan-European portfolios. LEED (O+M) targets primarily transatlantic clientele with its globally uniform **ASHRAE*** methodology. In terms of costs, BREEAM is often considered the most efficient solution, while LEED requires the highest effort. Particularly with LEED, however, the tenant cooperation necessary for ongoing performance-based monitoring can become a critical hurdle. Across systems, corporate clients increasingly demand evidence of a healthy and productive work environment, which is why LEED or DGNB are more in demand among this client base. The decisive question is therefore not which certification is the best, but which best fits one's own objectives.

* ASHRE: American Society of Heating, Refrigerating and Air-Conditioning Engineers.

In addition, the following certified office buildings were completed in the Big 7 over the past twelve months:

- Four T1 in Frankfurt/Banking District: DGNB, Platinum
- PANDA (PANDION soul) in Munich/East: DGNB, Gold
- Dockyard Waterfront Offices in Berlin/Mediaspree: LEED, Platinum
- One Plaza in Düsseldorf/Kennedydamm: LEED, Gold
- Überseequartier (The Yard, Luv and Lee) in Hamburg/HafenCity: BREEAM Pass; DGNB Gold

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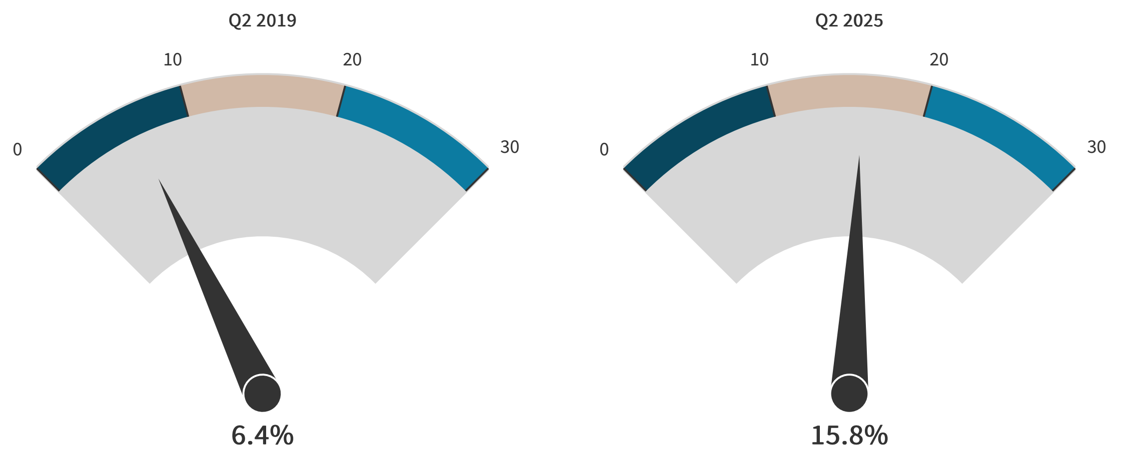
Berlin

Development of certifications* as % of total stock

2019 vs 2025



* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

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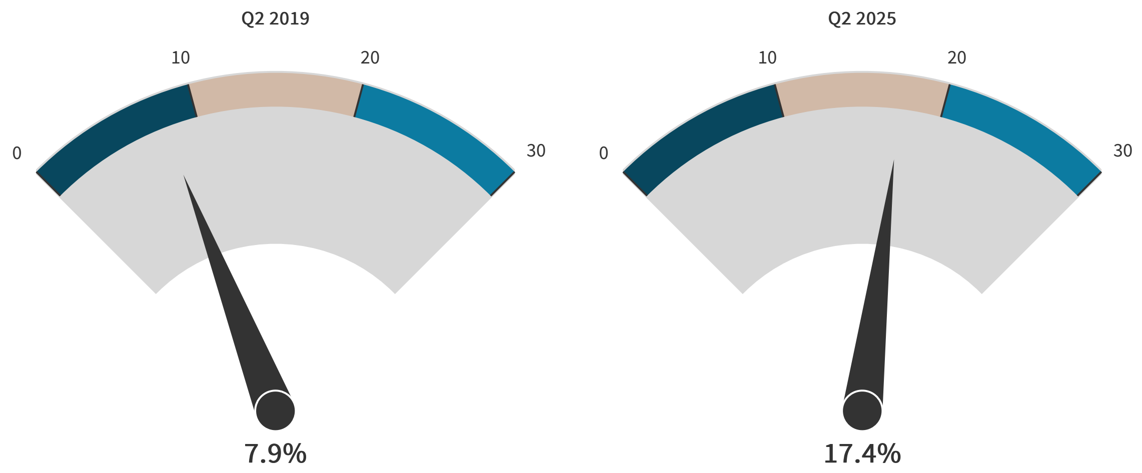
Düsseldorf

Development of certifications* as % of total stock

2019 vs 2025

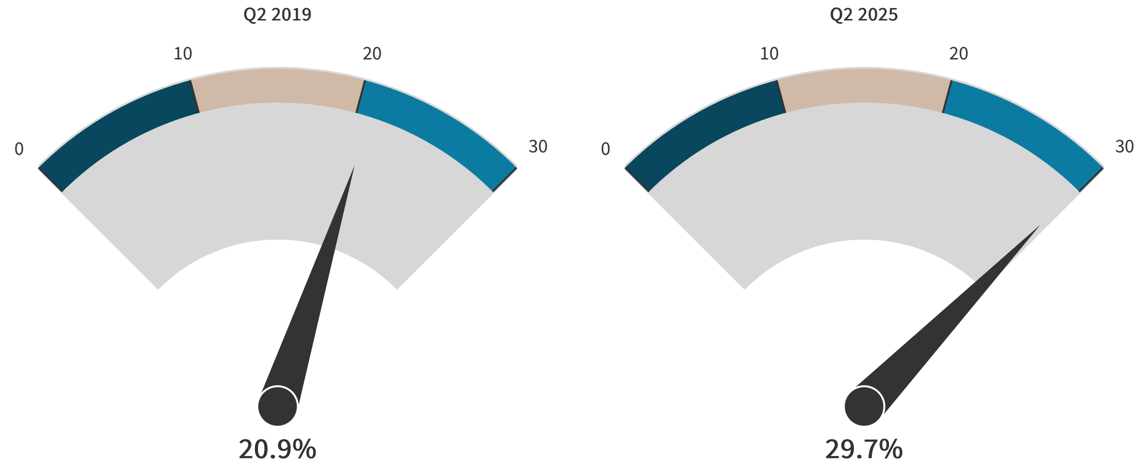


Düsseldorf incl. Ratingen, Neuss, Erkrath and Hilden; * Certified, pre-certified or registered for certification •
Stand: July 2025; Source: JLL

Frankfurt/M

Development of certifications* as % of total stock

2019 vs 2025

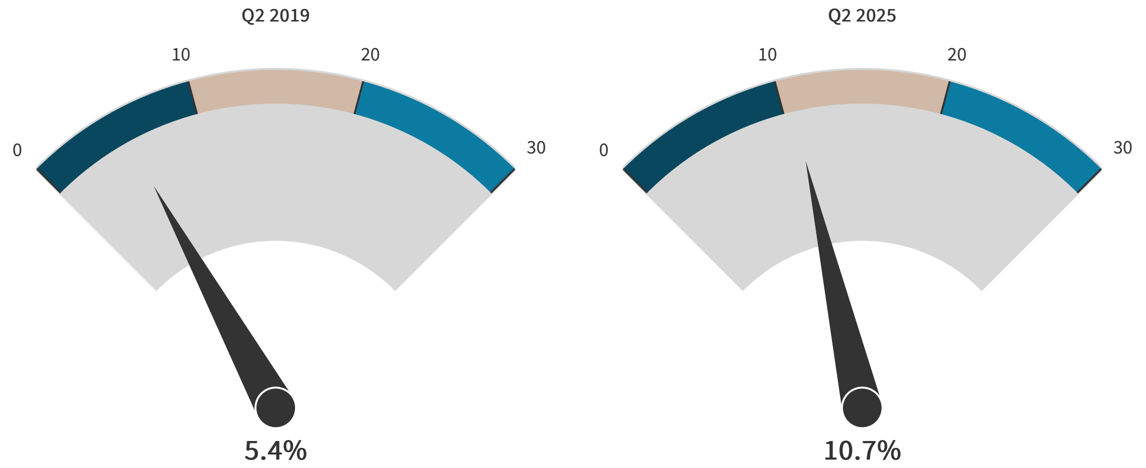


Frankfurt incl. Eschborn and Kaiserlei; * Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

Hamburg

Development of certifications* as % of total stock

2019 vs 2025



* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

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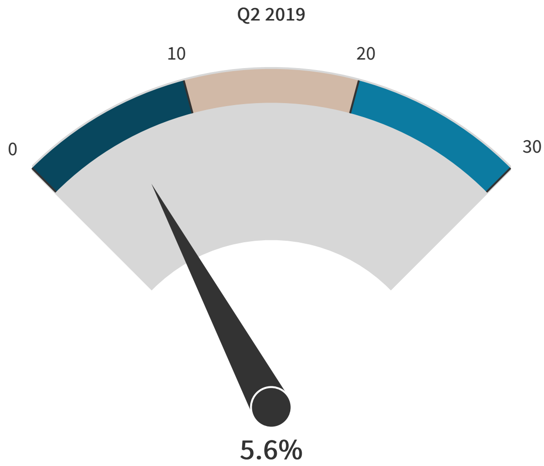
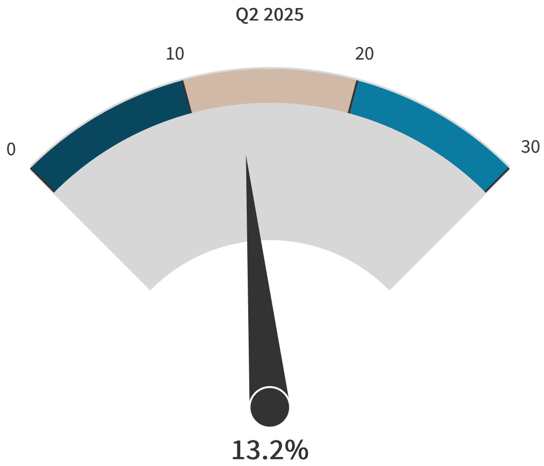
Cologne

Development of certifications* as % of total stock

2019 vs 2025





* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

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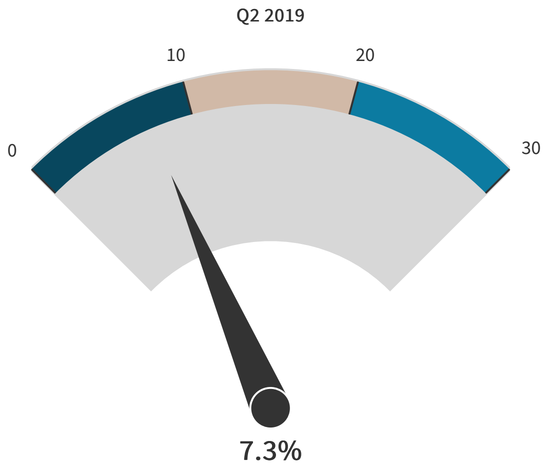
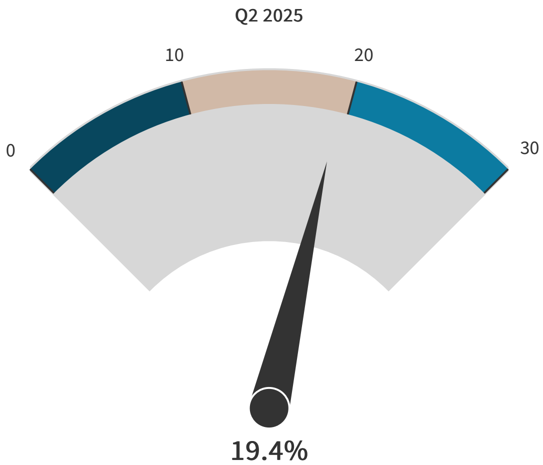
Munich

Development of certifications* as % of total stock

2019 vs 2025





Munich incl. Surrounding areas; * Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

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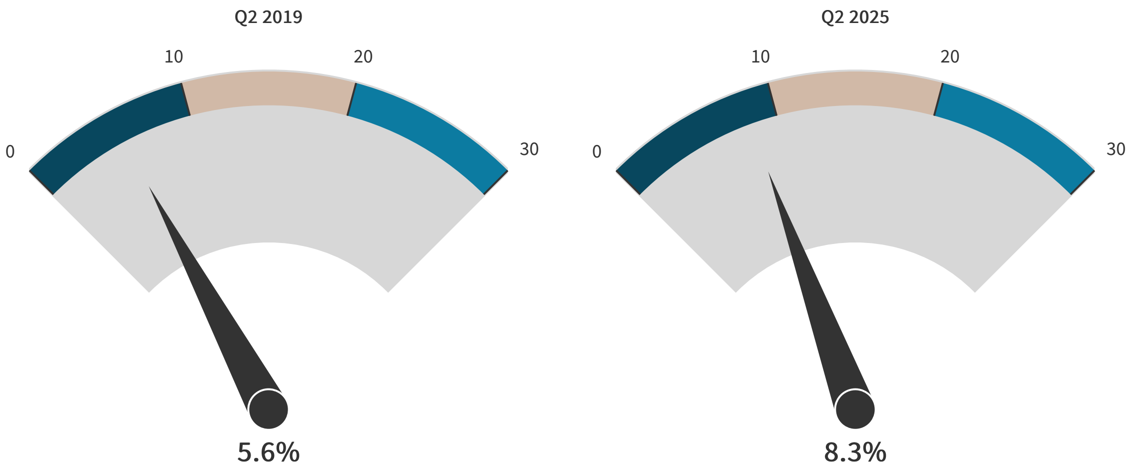
Stuttgart

Development of certifications* as % of total stock

2019 vs 2025



Stuttgart incl. Leinfelden-Echterdingen; * Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

Frankfurt currently has the highest share of certified space among the seven markets at 30% (3.52 million sqm) of total inventory. Starting from a traditionally high level, it shows the lowest growth rate since 2019 at 46%, while the certification market in Munich, Berlin, Cologne, Düsseldorf and Hamburg developed much more dynamically in the same period with triple-digit growth rates.

Certified office buildings contribute substantially to total take-up, with Frankfurt and Munich as leading markets in terms of sustainability certification

Office space take-up in the Big 7 markets reached a total of 1.4 million sqm in the first half of 2025 - of which approximately every 2.5th square meter, around 564,000 sqm, was concluded in buildings with certification. Of this, more than one third, 203,000 sqm, relates to pre-lettings, i.e., in projected buildings that had not yet entered the inventory at the time of conclusion. This underscores the strong demand for high-quality new construction space.

The relevance of certification increases with location quality

Take-up in certified* buildings in H1 2025

Top location | Secondary location | Tertiary location

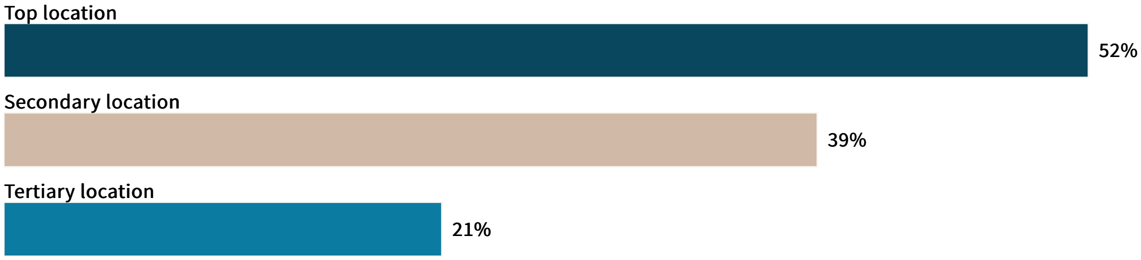
	Office space take-up in cerfified buildings* in sqm	Share of total take-up in %	Shares in location category in %
Berlin [1]	64,100	**27**	33 59
Düsseldorf[2]	35,000	**30**	59 37
Frankfurt/M[3]	223,200	**64**	64 36
Hamburg [4]	64,800	**28**	62 22
Cologne [5]	51,500	**48**	21 69
Munich [6]	114,700	**44**	71 20
Stuttgart[7]	10,600	**10**	25 50 25

1 market area; 2 market area including Ratingen, Neuss, Erkrath, and Hilden; 3 market area including Eschborn and Kaiserlei; 4 market area; 5 market area; 6 market area including surrounding municipalities; 7 market area including Leinfelden-Echterdingen; * Certificate, pre-certificate, or registered for certification •
Status: July 2025; Source: JLL

Among the seven markets, Frankfurt holds the lead with a take-up volume of 223,200 sqm and a share of nearly two-thirds in certified buildings. Commerzbank AG made by far the largest contract conclusion with 73,000 sqm in the LEED Platinum certified office building Central Business Tower in the banking district. In terms of shares, the markets Cologne with 48% (51,500 sqm) and Munich with 44% (114,700 sqm) also show strong demand in the first half of 2025. Stuttgart records the lowest take-up in certified buildings among the seven markets with a 10% share and 10,600 sqm.

The next largest contracts, after the already mentioned lease agreement by Commerzbank, were signed by Siemens AG with 33,000 sqm in the DGNB Gold certified Pandion beat in Munich and by KPMG AG with 20,700 sqm in the BREEAM Excellent certified Park Tower in Frankfurt.

Share of take-up in the Big-7 in certified* buildings



* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

In the prime locations of the Big 7 markets, a total of 481,000 sqm of office space was transacted, of which 250,000 sqm - over half of the total volume - has certification. In secondary locations, higher volumes of just under 692,000 sqm were registered due to the size of the sub-markets counted in this category, but the share of certified properties is 39%, thirteen percentage points lower than in prime locations. In tertiary locations, certifications have the least relevance for users.

Sustainability strategy in real estate: Financial sector preferentially leases certified spaces

Sectors with the highest take-up in certified* buildings in H1 2025

	Office space take-up total in sqm	in certified buildings* in sqm	in %
Banking, finance	175,900	122,500	**70**
Business services	226,700	89,300	**39**
Manufacturing	180,500	80,600	**45**
Construction, Real Estate	97,400	47,400	**49**
Public administration	155,400	45,000	**29**
IT	78,600	35,800	**46**
Transport, Storage	37,000	22,200	**60**
Trade	64,400	21,800	**34**
Education, Health, Social	87,500	20,200	**23**
Social and personal Services	84,800	19,700	**23**

* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

While banks play a pioneering role in ESG goals and have accordingly anchored these in their corporate values and strategies and are also increasingly promoting sustainable financial products, this trend is by no means limited to this sector alone. Rather, numerous other industries have committed to ambitious ESG obligations.

Regarding leasing behavior over the past six months, 122,500 sqm, corresponding to 70% of their total take-up, could be attributed to banks and financial service providers. Thus, they lead the industry statistics in terms of demand for certified spaces. Companies from transport, traffic and warehousing also place a clear focus on office spaces in sustainable buildings, with their own share at 60%.

Domestic users drive demand for sustainable office spaces

Take-up > 1,000 sqm in the Big 7-Markets in certified* buildings with tenant headquarters

Total: 447,300 sqm

* Certified, pre-certified or registered for certification •
Status: July 2025; Source: JLL

In transactions over 1,000 sqm, the analysis of users' countries of origin shows that domestic companies dominate the office real estate market. Overall, office space take-up in the first half of 2025 in this size segment amounts to 905,000 sqm, of which nearly half, 447,000 sqm, can be attributed to certified buildings. The largest share of this, 77%, falls to companies whose headquarters are located in Germany, with an additional 17% coming from abroad.

Regarding the respective office space take-up generated, the shares of leases by both domestic and foreign users in certified buildings stand at 50%. This indicates the high priority of sustainability criteria for domestic and foreign companies alike.

Particularly larger companies have formulated their own sustainability goals and express this through their leasing behavior. This is demonstrated by the certification share of 60% of office space take-up in the size category of over 5,000 sqm.

High demand for certified spaces meets limited supply

The trend towards sustainable and energy-efficient properties in the office sector as well as the demand for spaces in coveted prime locations are underscored by developments in the real estate centers. For tenants and investors, certifications play an important role and are increasingly being incorporated into decision-making processes. This particularly applies to those actors who place increased value on environmentally friendly, energy-efficient and healthy working environments or adhere to CSR standards. The current supply is clearly exceeded by the high demand for certified office spaces. To meet the rising demand, increased investments in combination with certifications are therefore required in both existing buildings and projected developments.

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