



Munich

- The Munich office letting market started the new year with a take-up of 141,500 sq.m., corresponding to a small decrease of 3% compared to the same quarter of the previous year. Compared to the 10-year average for first quarters, there is a decrease of 22%.
- The office space vacancy in Munich continued to rise at the beginning of the year, with the vacancy rate currently at 7.1%, which is 1.5 percentage points above the value of the same quarter last year. In total, around 1.58 million sq.m. of office space is available in Munich in the short term.
- The prime rent continued to increase at the start of the year and stands at €56.00/sq.m./month in Munich at the end of the first quarter. Within a year, the prime rent has thus increased by about 8%.

The Munich office letting market continues to show stability. With a take-up of 141,500 sq.m., a total of 149 deals were registered in the first quarter of 2025, which also represents a small decrease of 5% compared to the same quarter of the previous year. The result of the first quarter was significantly influenced by the Siemens AG deal for 33,000 sq.m. in Officehome Beat in the Werksviertel. Once again, the manufacturing and business services sectors were the strongest in terms of take-up at the start of the year, together accounting for a good 70% of the total office space take-up in Munich. Thanks to the Siemens deal, the East submarket was the strongest in terms of take-up with a 25% share, followed by the City Centre with an 18% share and Periphery North with a 14% share. By far the most deals, 39 in number, were registered in City Centre.

The office space vacancy in Munich further increased in the first quarter of the year and currently stands at around 1.58 million sq.m., corresponding to a vacancy rate of 7.1%. Looking at the submarkets, the highest vacancy rates are in Moosfeld/Riem with 12%, as well as

the Periphery East and North submarkets, each with around 11%. The lowest rates are recorded in Bogenhausen and the City Centre, each with office space vacancy rates below 3%.

In the first quarter, 23,200 sq.m. of office space was completed in Munich, almost 90% less than in the comparable period of the previous year. Currently, 926,300 sq.m. of office space is under construction. The prime rent rose to €56.00/sq.m./month in the first quarter, due to several high-priced deals in the City Centre.

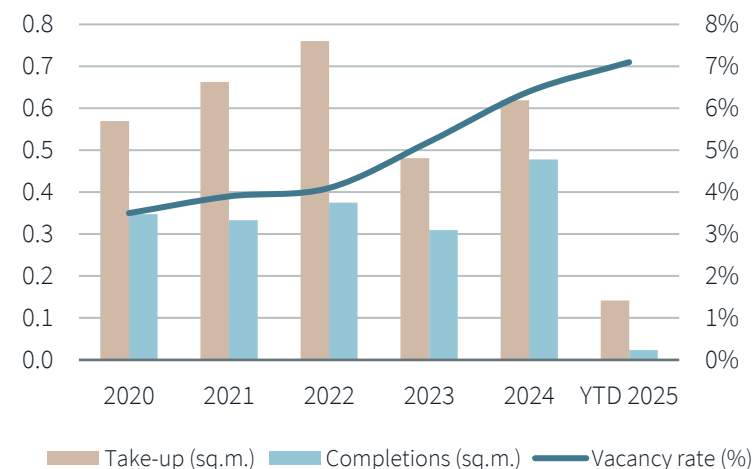
Outlook

For the entire year 2025, JLL expects an office space take-up of 700,000 sq.m. in Munich, which would correspond to an increase of 13% compared to the previous year. The vacancy rate is expected to continue growing throughout the year. Similarly, a further increase in the prime rent to up to €60.00/sq.m./month is forecasted by the end of the year. Additionally, further deals in the larger space segments are anticipated.

Fundamentals		Forecast
Take-up (YTD)	141,500 sq.m.	↑
Vacancy rate	7.1%	↑
Prime rent	€56.00/sq.m./month	↑
Stock	22.24 million sq.m.	↑
Completions (YTD)	23,200 sq.m.	↑
Under construction	926,300 sq.m.	↑
Preleased	30%	→

Historical supply and demand trends

Sq.m. (million)



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