

1ST HALF STRONG AFTER ALL

With take-up of 328,000 m², the Munich office premises market has turned in a very pleasing performance, even though the total fell nearly 17 % short of last year's top result. Overall, the 10-year average was exceeded by 5 %. So the Bavarian capital has defended its leading position among Germany's key office locations by finishing well ahead of Berlin (250,000 m²) and Frankfurt (242,000 m²). Whereas turnover in the equivalent period last year was substantially influenced by several large deals upwards of 10,000 m², take-up this year was fuelled by gratifyingly buoyant market activity in the small and mid-range size categories. Particularly in the 2nd quarter, the scale of demand really speeded up, and the result, at almost 200,000 m², was 54 % higher than in the first three months. Turnover has focused relatively strongly on the municipal area, which accounted for 79 % of the total. The best-performing office market zone was the city centre, with 53,000 m², in front of centre fringe South, with 48,000 m². The peripheral areas posted a total of 70,000 m² (-31 %).

HEADQUARTERS OF INDUSTRIAL COMPANIES GENERATE STRONG DEMAND

The distribution of take-up according to business sectors reveals only minor changes compared with last year. As before, the ranking was led by the headquarters of industrial companies, with almost 24 % of the total, after benefiting from some of the largest deals. These included, for instance, the lease for premises of 15,500 m² concluded by BMW Peugeot Citroën Electrification in Region North. In second place, with a share of 22 %, came information and communications technology firms. In a year-on-year change, consultancies moved up from fifth to third place thanks to a considerable number of deals (12 %). Other services slipped one place to finish fourth, with just under 12 %. Other sectors with sizeable shares were healthcare (8 %), and public administration and retail firms, each with 5 %.

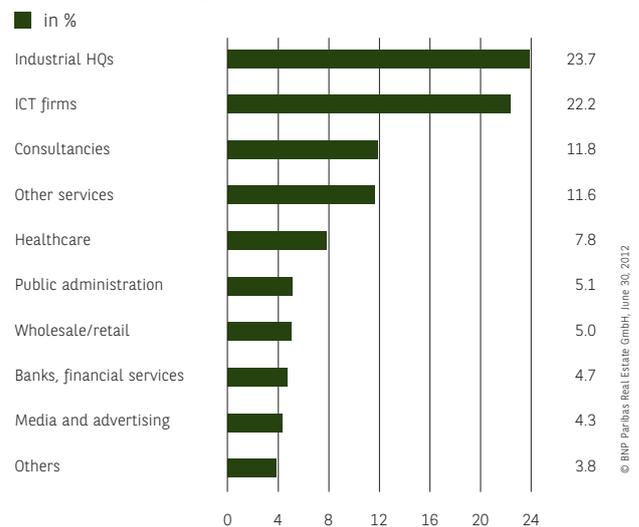
STABLE BASIS OF DEMAND

In the 1st half of 2012, take-up was again spread pleasingly uniformly across the different size classes, with the mid-range brackets in particular forming a solid basis of demand. The strong contributions made by the size categories from 200 m² to 5,000 m², all of which achieved shares of between 15 % and 23 %, highlight the liveliness of market activity. The only category to register a sharper year-on-year fall was the largest, that of 10,000 m² and above, which achieved only 8 % of all turnover (-9 percentage points). The biggest take-up volumes were generated by the size brackets 2,000 - 5,000 m² (23 %) and 1,000 - 2,000 m² (20 %). But the second-smallest category also achieved a share of 18 %.

Development of take-up and top rents in Munich



Take-up according to sectors in Munich



Take-up according to size categories in Munich

