

Germany - Berlin

Key Performance Indicators

Prime Yield

4,60%

Expected Investment Returns
Change YoY: -20 bps

Prime Rent

€ 46,00

Monthly, per sq m
Change YoY: 3,4%

Average Rent

€ 29,93

Monthly, per sq m
Change YoY: 18,3%

Office Investment Volume

€ 206M

In Berlin during Q1 2026
€ 919M (Rolling 12 months)

Take Up

172K

Square Meter
172K Year2Date

Vacancy Rate

9,02%

Percentage of Stock vacant
Change YoY: 139 bps

Completions

66K

Square Meter
66K Year2Date

Total Stock

21.511K

Square Meter
19.572K Occupied Stock

(Forecast) Completions

551.246 (2026)

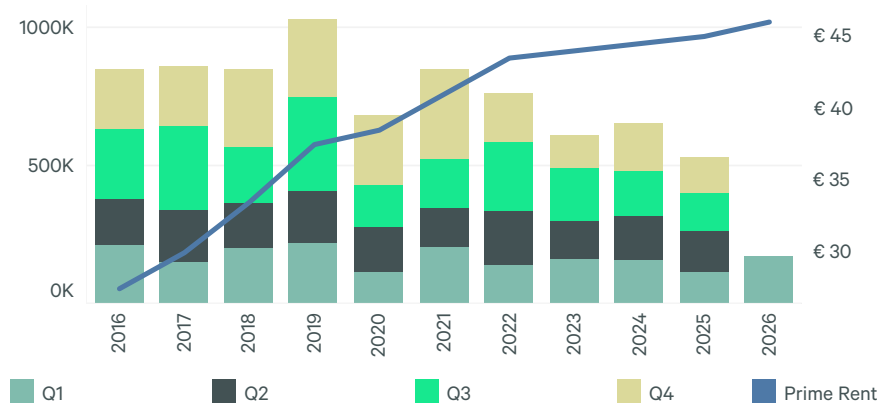
Square Meter
460.720 (2027) // 372724 (2028)

The Berlin office leasing market recorded take-up of 171,600 sq m in the first quarter of 2026. This result was around 50% above the prior-year quarter and nearly 10% above the five-year average for first quarters. With almost 250 lease transactions, the number of deals exceeded the prior-year level by around 16%. At the same time, renewed momentum was evident in the large-scale segment: while only seven transactions above 5,000 sq m were registered in full-year of 2025, six leases already fell into this size category in the current quarter, including two with volumes exceeding 10,000 sq m.

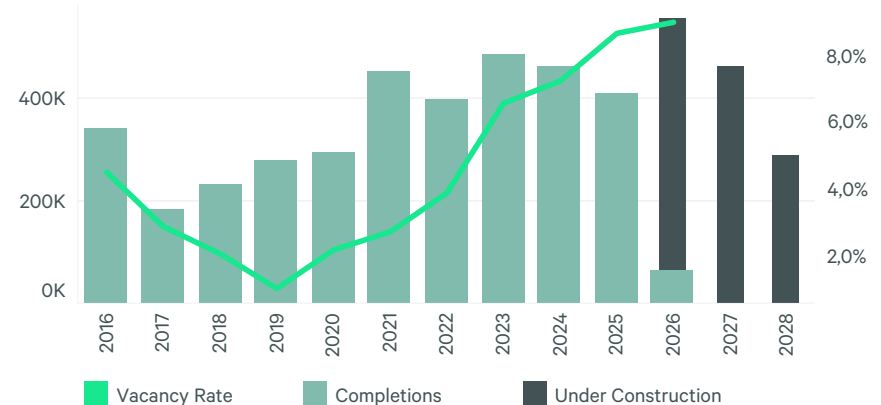
In parallel, the structural trend toward smaller space sizes continued. The average transaction size stood at around 700 sq m, remaining well below the five-year average of approximately 1,000 sq m. Around one quarter of take-up was attributable to units below 500 sq m, underscoring occupiers' ongoing high flexibility requirements. It is also notable that a large share of the high-volume lettings took place in development projects. This highlights the continued flight-to-quality in favor of modern, ESG-compliant office space.

From a sector perspective, the TMT sector in particular showed strong momentum. Take-up in this segment was more than twice as high as in the prior year quarter, confirming the continued importance of technology companies for the Berlin office market, despite the consolidation and adjustment processes observed within the sector in recent years.

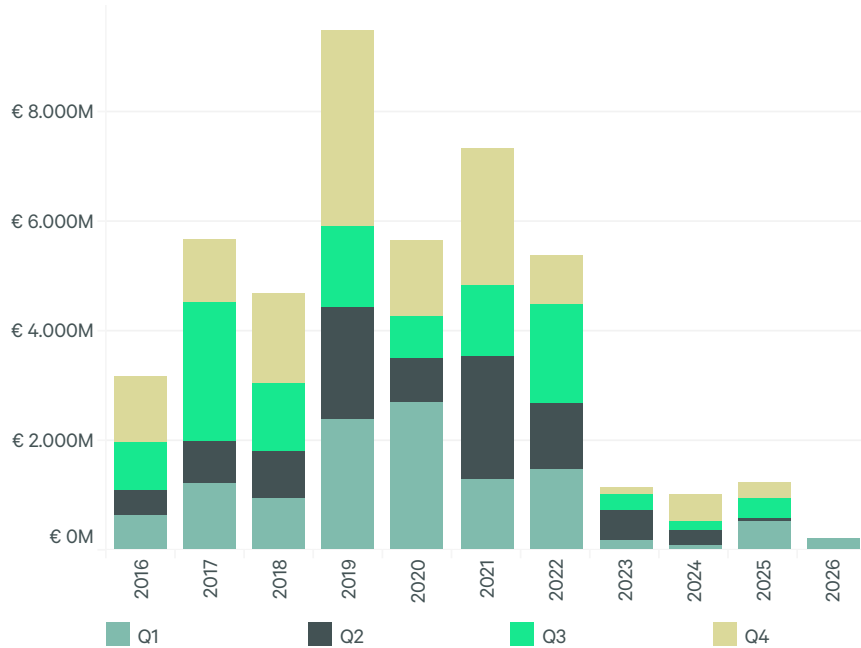
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Berlin Office Investment Volumes



Note: 2026 annual numbers till 31.03.2026

For the remainder of 2026, around 485,000 sq m of office space is currently under construction, of which approximately 36% is pre-let. Against this backdrop, a further moderate increase in the vacancy rate can be expected in the short term. From a longer-term perspective, however, market balance is set to improve: from 2028 onwards, new construction volume will decline significantly, meaning that supply growth is likely to slow noticeably. Given the continued limited availability of modern office space, particularly in central locations, a stabilization of the vacancy rate can be expected over the long term.

In this environment, refurbishments and repositioning of existing properties continue to gain importance. Owners are increasingly faced with the challenge of adapting their assets to current occupier requirements and ESG standards through targeted modernization measures. In particular, energy efficiency improvements, flexible space concepts and enhanced quality of stay will become decisive factors for the competitiveness of existing office buildings.

For full-year 2026, office take-up is expected to come in slightly above the previous year's level. Strong leasing momentum and the return of larger-scale lettings point to increasing market stabilization. At the same time, rental development continues to follow a two-track pattern: while high-quality, modern space with strong location credentials still offers further rental growth potential, older and lower-quality existing properties are coming under increasing letting and pricing pressure. As a result, the polarization of rental levels is likely to intensify further.

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