Office Market Report

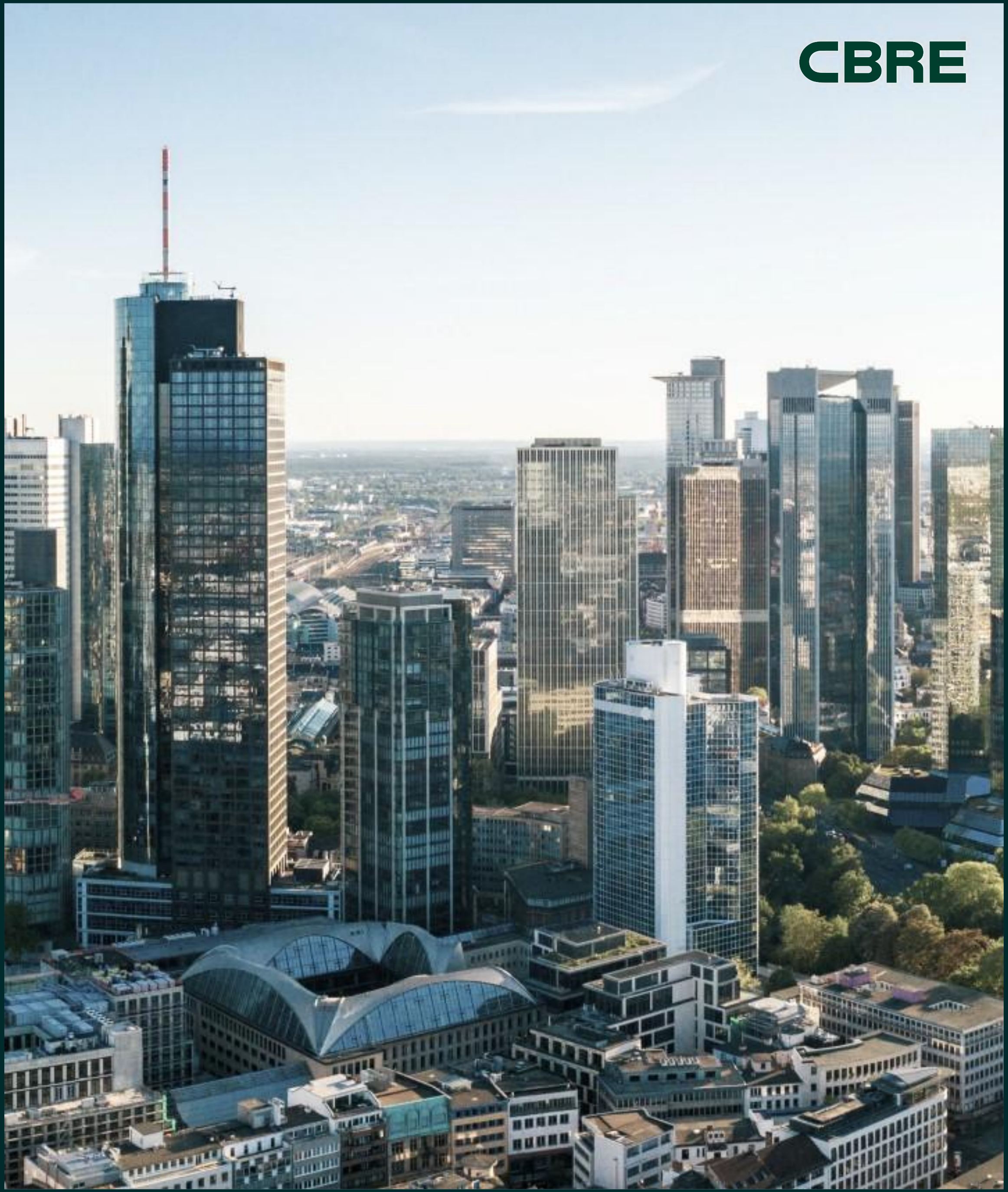
Frankfurt Office Market
Q2 2026

REPORT

Frankfurt office leasing market remains selective in H1 2026

CBRE RESEARCH

July 2026



Overview

With take-up reaching approximately 148,800 sq m, leasing activity in the Frankfurt office market fell short of the previous year's result in the first half of 2026. Following the exceptionally strong leasing performance recorded in 2025, a normalization of market activity had been anticipated. Demand continues to focus on modern, ESG-compliant office space in high-quality locations, while smaller and medium-sized requirements are increasingly shaping market activity. The most significant transactions in the first half of the year included DZ BANK’s owner-occupier acquisition of Fifty Avon in the Banking District, comprising approximately 20,000 sq m (Q1 2026), as well as Fraport’s lease of around 6,000 sq m at THE SQUAIRE at Frankfurt Airport (Q2 2026) and Willkie Farr & Gallagher’s lease of approximately 5,500 sq m in the Opernplatz 2 development project in the Banking District (Q2 2026).

On the supply side, the market showed a slight easing for the first time in several quarters. The vacancy rate declined marginally quarter-on-quarter to 11.2%. The decrease was attributable to positive net absorption, resulting from both additional take-up and the conversion of selected office properties to alternative uses. At the same time, market polarization remains pronounced: while modern space continues to be absorbed successfully, older office stock remains under elevated leasing pressure.

Prime rent remained stable at €55.00/sq m/month at mid-year. At the same time, the lease signed at the Opernplatz 2 development achieved a headline rent substantially above the current prime rental level. However, this transaction should be regarded as an exception within the ultra-prime segment and does not represent broader market conditions. This is also reflected in the decline of the weighted average rent compared with the previous year. The majority of leasing transactions were concluded at rental levels below the achievable prime rent.

FIGURE 1

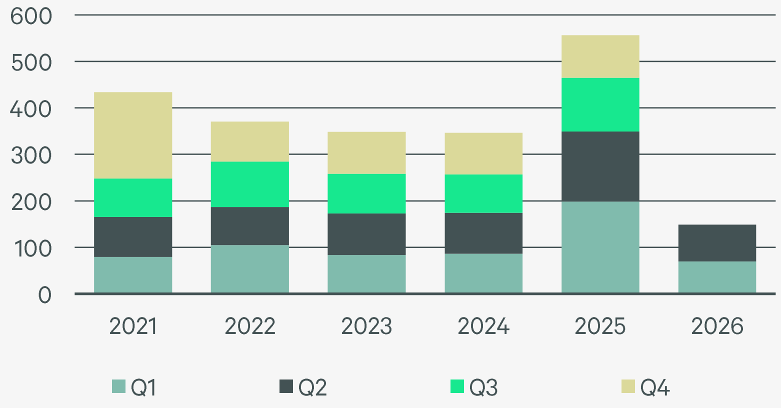
Key Performance Indicators Office

	Q2 2026	**Year-on-Year comparison**	**6-months-trend**
Take-up accumulated	148,800 sq m	-57.4%	→
Vacancy rate	11.2%	0.6%-Pts.	→
Prime rent	55.00 € per sq m	3.8%	↑
Completions accumulated	50,200 sq m	458.3%	↑
Prime yield	4.90%	-0.2%-Pts.	↑

Source: CBRE Research Q2 2026

FIGURE 2

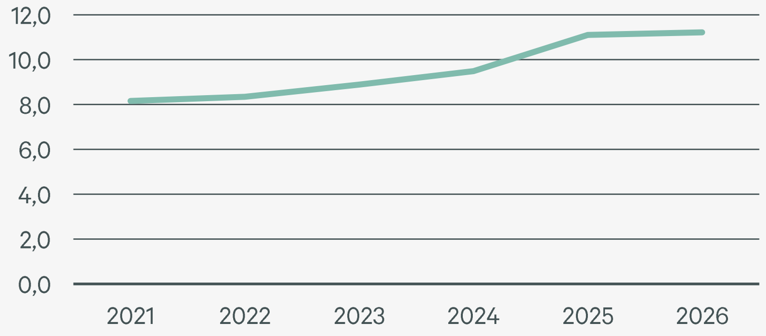
Take-up (in 1,000sq m)



Source: CBRE Research Q2 2026

FIGURE 4

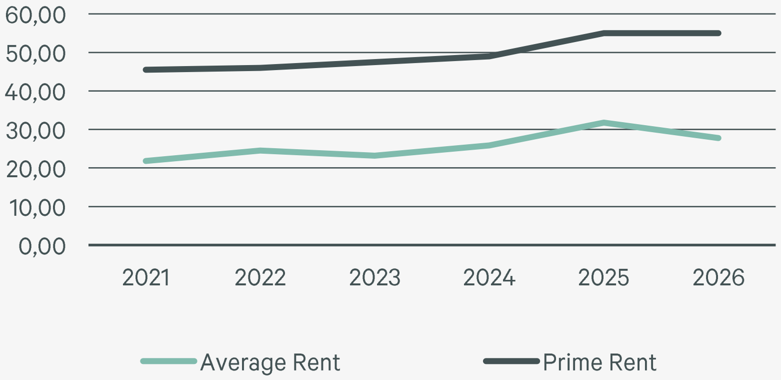
Vacancy rate (in %)



Source: CBRE Research Q2 2026

FIGURE 3

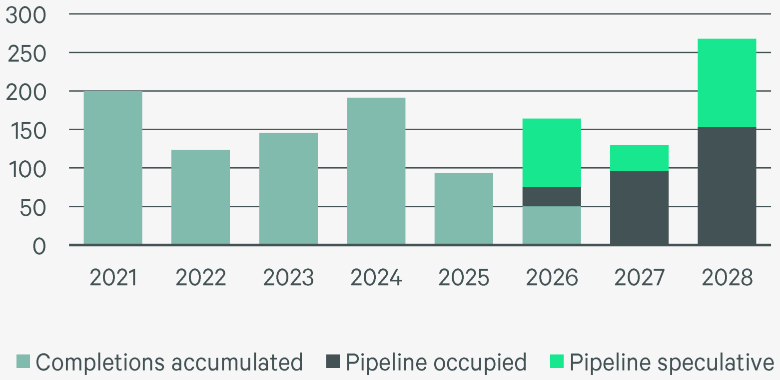
Rents (in €/sq m/month)



Source: CBRE Research Q2 2026

FIGURE 5

Completions/future supply (in 1,000 sq m)



Source: CBRE Research Q2 2026

Trends

- CBD submarkets remained a key location of occupier demand during the first half of the year; at the same time, leasing activity at the Airport and in other established submarkets demonstrates that occupiers remain location-flexible, provided that quality, accessibility, ESG compliance and an attractive cost-benefit ratio are met - demand is increasingly driven by a differentiated combination of quality and efficiency considerations

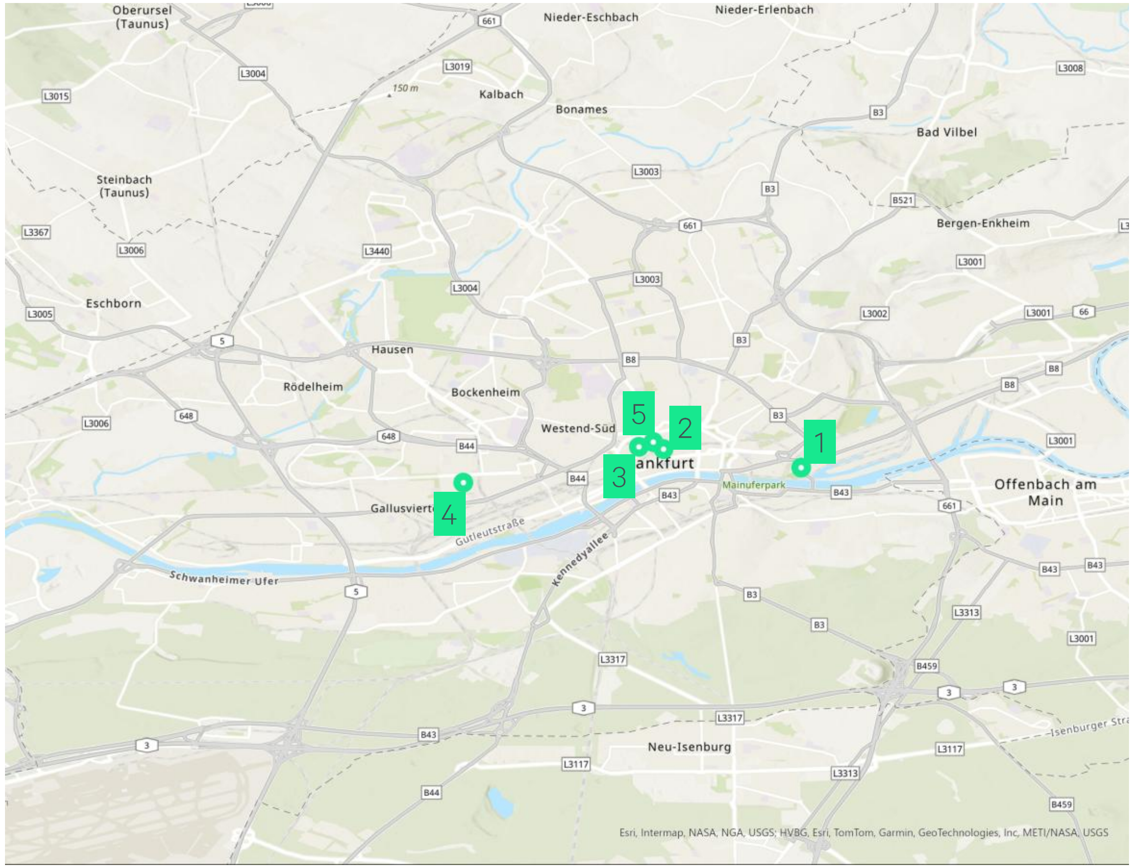
- A high number of lease renewals during the first half of the year underlines the market’s resilient demand base; many occupiers currently prefer to retain existing locations rather than incur the costs and operational challenges associated with relocation

- The divergence between high-quality office assets and obsolete stock is expected to continue increasing; while modern buildings benefit from the ongoing “flight-to-quality” trend, older properties lacking comprehensive refurbishment measures face growing competitive pressure

- The development pipeline continues to be shaped by elevated financing, construction and regulatory costs; new projects are increasingly only being started once demand has been secured through pre-letting commitments - as a result, the share of speculative developments continues to decline and consequently, the overall volume of office completions through 2028 has changed only marginally in recent quarters and remains broadly stable at around 500,000 sq m, of which more than half has already been pre-let

- The price discovery process continued to progress during the first half of the year; while the prime office yield in Frankfurt’s CBD locations initially remained stable at 4.9%, the current market environment and broader economic conditions point towards slight yield adjustments over the remainder of the year

Selected developments



#	Projectname	Adress	Office Submarket	Year of Construction	Office space total (sq m)	Occupied (%)
1	ANQR Hafenpark Quartier Frankfurt	Honsellstraße 21-25	Ostend	Q4/2028	64,000	50.0
2	ONE TWO ONE	Zeil 121	City	Q4/2026	6,000	80.0
3	ÉPOQUE	Rathenauplatz 1	City	Q4/2028	5,000	0.0
4	RAW	Stephensonstraße 1	Europa City	Q4/2026	48,700	12.3
5	COSMO	Schillerstraße 16	City	Q4/2027	4,500	64.4

Source: CBRE Research Q2 2026

Outlook

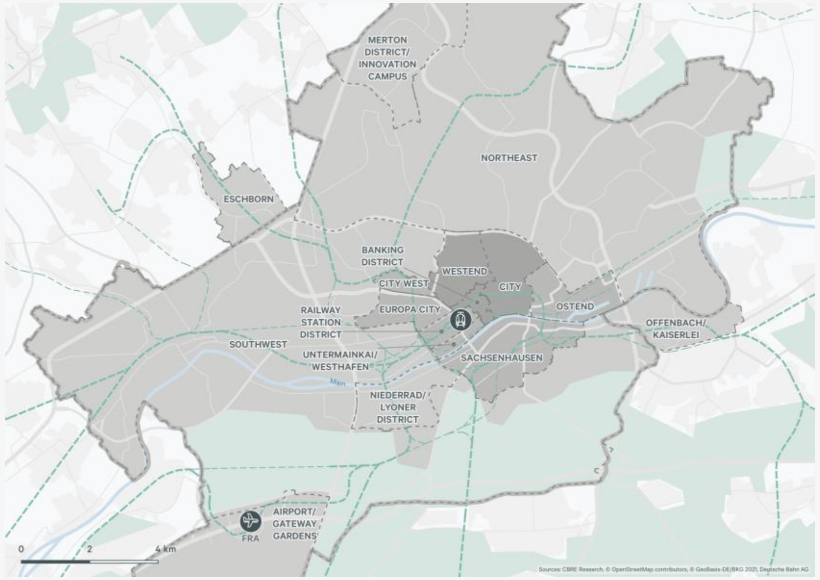
Demand for high-quality office space is expected to remain solid throughout the remainder of the year. Leasing activity is likely to continue to be driven primarily by smaller and medium-sized requirements, while large-scale transactions are expected to remain selective. Although economic uncertainty and the broader macroeconomic environment continue to weigh on decision-making processes, the number of active occupier requirements remains stable. Against this backdrop, leasing volumes are expected to remain broadly in line with the current annual forecast.

On the supply side, market polarization is expected to intensify further. The combination of fewer speculative developments, limited new construction activity and a high pre-letting ratio within ongoing schemes suggests that high-quality office space will remain scarce over the medium term. At the same time, owners of older assets will increasingly need to invest in refurbishment, ESG improvements and repositioning strategies in order to remain competitive over the long term.

Rental growth is expected to remain concentrated within the upper end of the market. Asking rents for premium development projects and comprehensively refurbished buildings in the Banking District are already, in some cases, above the current prime rental level, indicating further upside potential for prime rents. At the same time, rising construction and refurbishment costs are increasingly supporting higher rental levels for high-quality office space outside the CBD submarkets as well. The combination of a limited supply of modern product and continued quality-driven demand therefore points to further upside potential for prime rents in the Frankfurt office market.

FIGURE 6

Overview Submarket Cluster



	CBD	City Fringe	Periphery
Take-up accumulated (sq m)	70,100	35,200	43,500
Vacancy rate (%)	8.1	10.0	13.8
Prime rent (€/sq m/month)	55.00	40.00	26.00
Average rent (€/sq m/month)	38.78	22.93	19.40

Source: CBRE Research Q2 2026

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