

# City View - Frankfurt Office Market

Q4 2007



**“New inner city office buildings will be met by very favourable marketing opportunities in 2008. We anticipate a total take-up of approx. 550,000 sqm for the year 2008.”**



**Marco Mallucci (Director Office Agency)**

- The Frankfurt office market achieved a total take-up of approx. 600,000 sqm by the end of 2007. This is an increase of 80,000 sqm in comparison to the previous year's figures.
- The vacancy rate showed a marked decline, falling by 1.5%-point from 16.5% to 15.0% during the course of the year.
- Concerning the take-up by space segments, the number of contracts signed for areas of 5,000 sqm+ evinced a significant increase and generating almost 40.0% of the total take-up.
- The prime rent in the banking metropolis has seen a sharp rise of 6.8% over the past 12 months, resulting in 36.50 €/sqm/month being paid at the end of the year for rentable area in new buildings and premium sites.
- A similar trend was also observed in the area-weighted average rent which rose by approx. 1.80 €/sqm/month to 18.00 €/sqm/month.
- We anticipate that 2008 will see the total take-up exceed the 7-year average value of 507,000 sqm, possibly totalling around 550,000 sqm.

Savills  
Research

[savills.com/research](http://savills.com/research)

savills

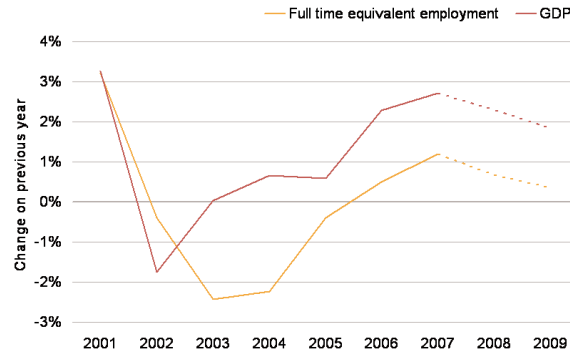
# City View - Frankfurt Office Market

## Location data

Key indicators Q4 2007	Germany	Frankfurt
Area in sqkm	357,092	248
Inhabitants in million	82.3	0.66
Unemployment rate in %	8.1	9.4
Purchasing price index 07	100.0	111.2
Office stock in sqm	365,000,000	11,800,000
Vacancy rate in %	na	15.0
Take-up in sqm	na	600,000
Prime rent in €/sqm/month	na	36.50

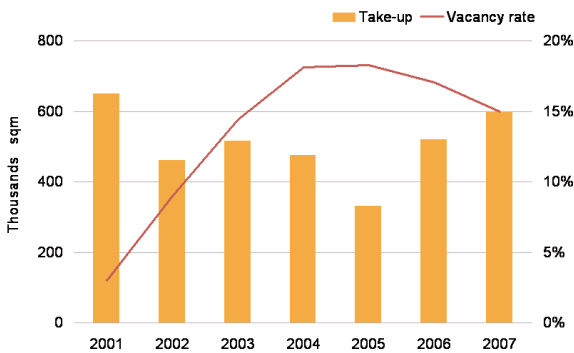
Source: various

## GDP / Employment



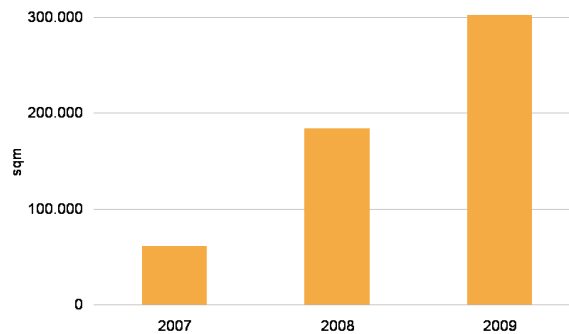
Source: Experian

## Take-up / Vacancy rate



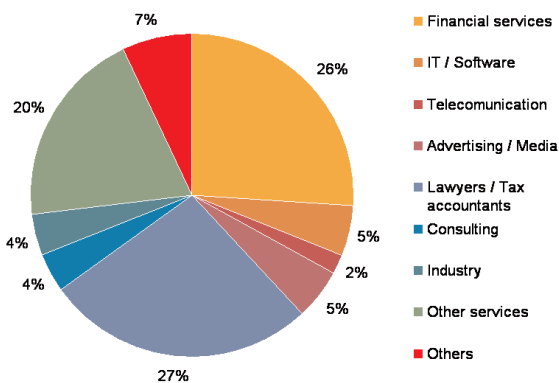
Source: Savills Research

## Development pipeline



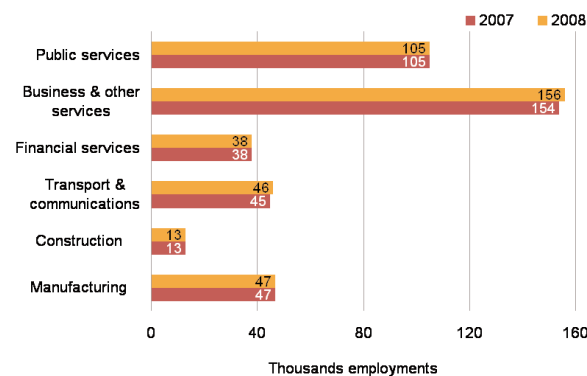
Source: Savills Research

## Take-up by sector



Source: Savills Research

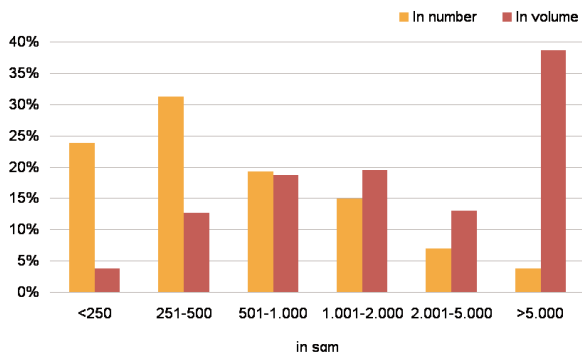
## Employment by sector



Source: Experian

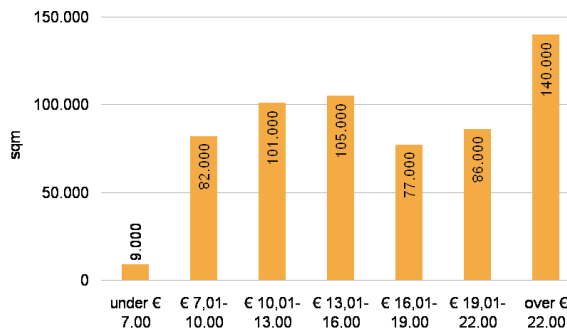
# City View - Frankfurt Office Market

## Take-up by space segment



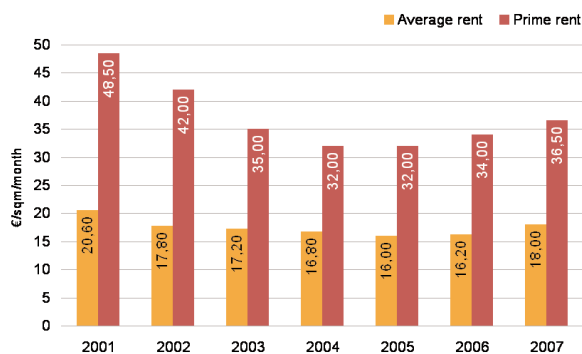
Source: Savills Research

## Take-up by price segment



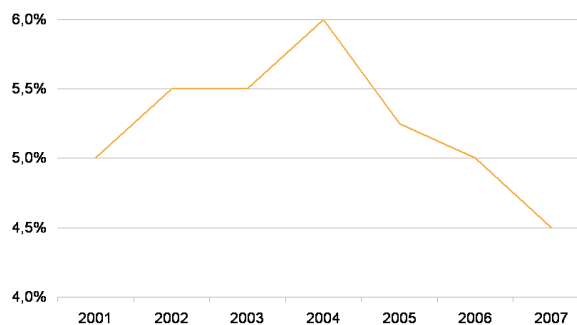
Source: Savills Research

## Rental values



Source: Savills Research

## Prime yield



Source: Savills Research

## Major letting deals

Tenant	Submarket	Area in sqm
PWC	Frankfurt West	70,000
Monster worldwide	Eschborn	10,800
Amt f. Informations-u. Kommunikationstech.	Frankfurt West	10,000
Sal. Oppenheim	Westend	9,800
Areva	Kaiserlei	9,500
Société Général	City/ Bankenviertel	7,000

Source: Savills Research

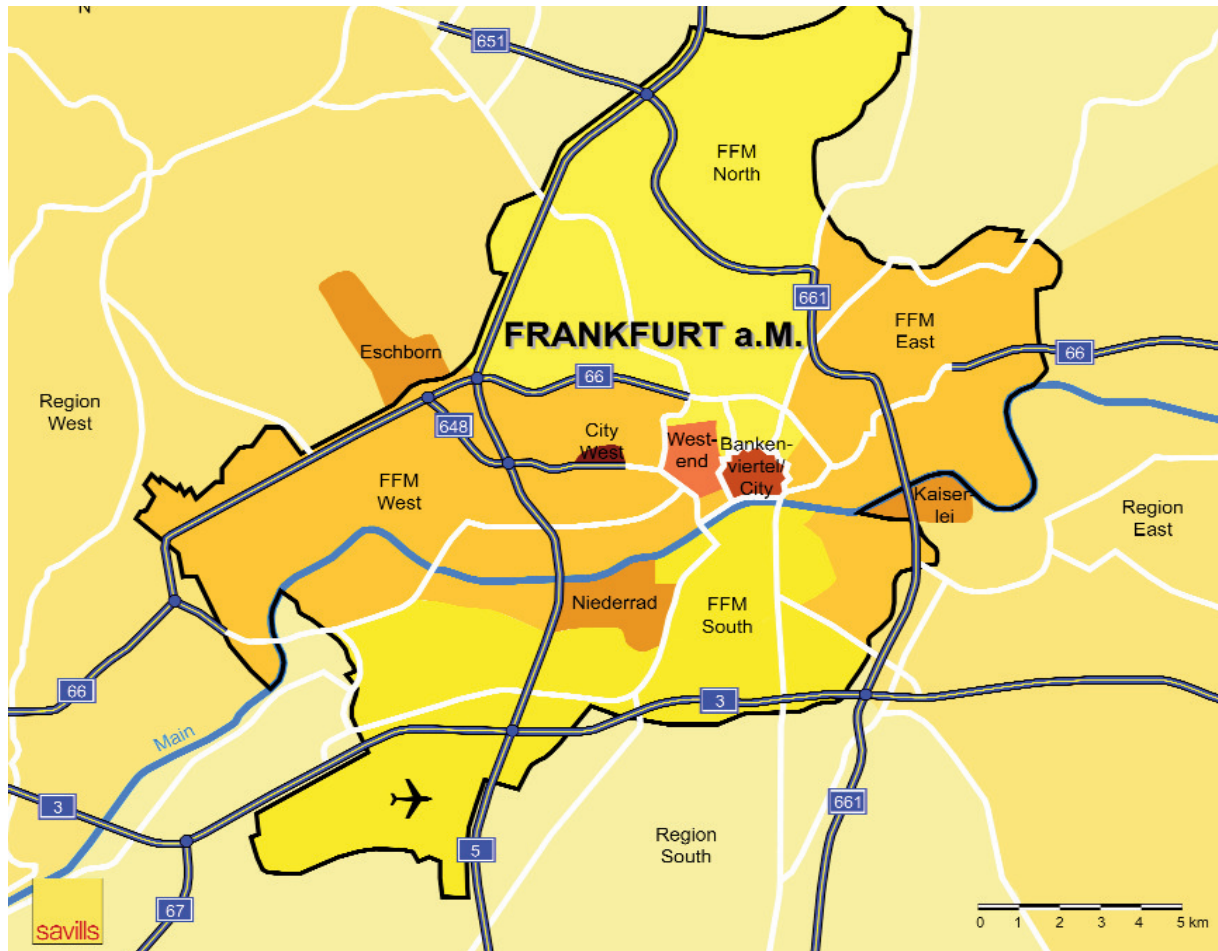
## Major investment deals

Property	Buyer	Vendor	Price in million €
Trianon	Morgan Stanley	Deka	620
Eurotower	RFR	Degi	430
Westend Duo	ING	Hochtief	240
Lurgi-Haus	Puma	Deka	199
IBC Tower	SITQ	Blackstone	150
Rebstocker Str.	Fondshaus Hamburg	OFB	90

Source: Savills Research

# City View - Frankfurt Office Market

## Frankfurt office submarkets\*



\* Frankfurt office market: Frankfurt city area including Eschborn and Kaiserlei



**Marco Mallucci**  
Office Agency  
+49 69 27 30 00 34  
mmallucci@savills.de



**Felix von Braun**  
Investment  
+49 69 27 30 00 54  
fvonbraun@savills.de



**Christian Radloff**  
Research  
+49 89 42 72 92 211  
cradloff@savills.de

*This bulletin is for general informative purposes only. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The bulletin is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.*

© Savills January 2008.

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company established in 1855, has a rich heritage with unrivalled growth. It is a company that leads rather than follows, and now has over 180 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East. A unique combination of sector knowledge and entrepreneurial flair give clients access to real estate expertise of the highest calibre. We are regarded as an innovative-thinking organisation backed up with excellent negotiating skills. Savills chooses to focus on a defined set of clients, therefore offering a premium service to organisations with whom we share a common goal.

Savills  
Research

[savills.com/research](http://savills.com/research)

savills