

Marketbeat Office Zurich

#MARKETBEAT

H1 2026

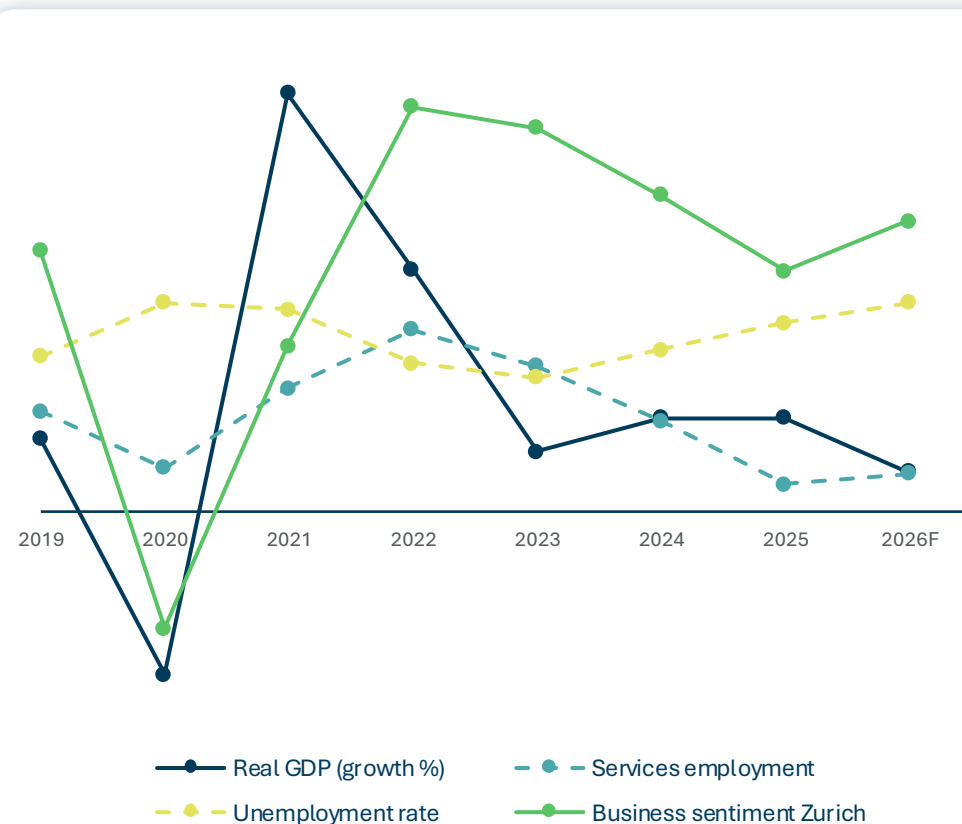


Economy

The Swiss economy is running in low gear. After the strong post-Covid rebound (+4.2% GDP in 2021), growth has slowed markedly: since 2023 it has run at around +1% per year, and the federal expert group recently cut its 2026 forecast to +0.9% – well below the historical average of 1.8%. **The war in the Middle East, rising energy prices, a strong franc, US tariff policy and subdued global demand are weighing on export industry and investment activity.** Economic output continues to grow, but at an increasingly slower pace.

The labour market, long very robust, is also starting to weaken. Employment in the services sector is still growing, but ever more slowly (from +2.7% in 2022 to +0.4% in 2025). At the same time, **the unemployment rate is gradually rising:** from 2.0% in 2023 to 2.8% in 2025, with 3.1% expected for 2026. Business sentiment in the services sector paints a similarly subdued picture: after a clear recovery in 2024, 2025 brought another decline.

In the Canton of Zurich, the unemployment rate of 2.8% is slightly below the Swiss average. Despite the national slowdown, the cantonal economy remains robust and overall business conditions are stable.



Overview

Leasing

- **A two-speed market:** Demand remains lively in the city centre, while significantly more space is available in the periphery.
- **Supply remains tight:** The availability rate downtown is 2.4%, leaving modern, centrally located space barely available to tenants.
- **Rents 2026:** Prime rents in the centre are holding stable, while they soften slightly in the broader market.
- **Outlook 2027:** Rental growth is expected in the CBD, while the periphery should develop far more moderately.

Investment

- **High investor activity:** Zurich remains Switzerland's most liquid office market with the strongest investor base, supported by high transaction volumes and several large deals.
- **Low prime yields:** Prime yields for top office assets in the best downtown locations remain at a very low level of around 2.0%, underpinned by strong investor demand and limited availability of space in prime locations.
- **Limited supply:** The sharply reduced 2026–2028 construction pipeline and conversions of existing office buildings should further tighten available space in Zurich over the medium term.



78,000
Pipeline in m²



17,473,000
Stock in m²



3.0%
Availability rate city



2.0%
Gross prime yield

Key figures H1 2026

Demographics & economy (CH)

City population	452,421
Canton population	1,628,081
Growth 1 year	+0.8 %
GDP growth (forecast)	+0.9 %
Inflation	+0.4 %

Labour market (City of Zurich)

Jobs	424,100 FTE
Job growth	+2.2 %
Services sector jobs	396,900 FTE
Services sector job growth	+2.1 %
Unemployment rate	3.2 %

Office leasing market

Office stock city	10,499,000 m ²
Office stock canton	17,473,000 m ²
Pipeline 2026–2028	78,000 m ²
Availability rate city	3.0 %
Prime rent	CHF 950

Sources: FSO, Statistical Office Canton of Zurich, BAK Economics, Wüest Partner, City of Zurich

Leasing

At mid-2026, the Zurich office market is clearly a two-tier market. Modern, well-connected space is scarce in the city centre: the availability rate downtown stands at around 2.4%, and available supply has fallen sharply in District 1 and the districts adjoining the centre. In these locations, landlords lead the negotiations.

The wider region presents a different picture. More than half of the region's vacant space lies outside the six central locations listed below – and there, conversions to residential use are increasing.

Rents have reached their peak for now. In central locations we expect a sideways movement through the end of 2026, while asking rents in the broader market should soften slightly. With the 2026–2028 construction pipeline very thin at just under 78,000 m², central locations will return to growth in 2027: we expect strong market rent growth in the CBD, while peripheral submarkets remain under pressure.

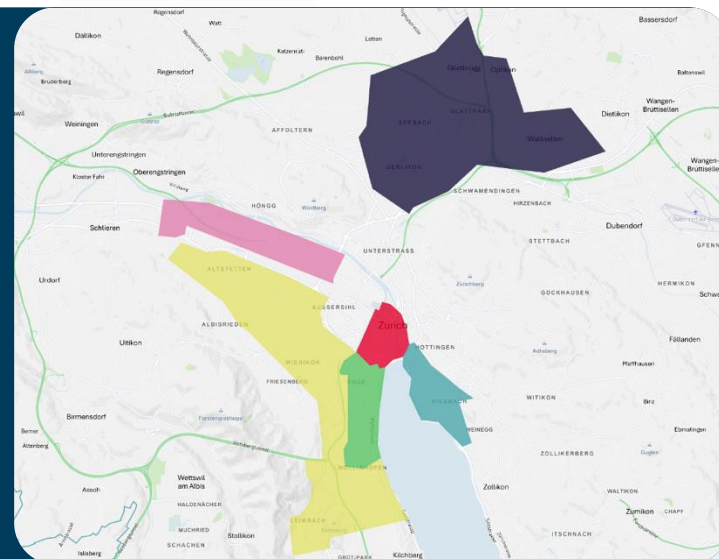
DEVELOPMENT OUTLOOK 2026/2027

	Supply	Demand	Rents
CBD	↘	↗	↗
Enge	→	↗	↗
Seefeld	→	↗	↗
South	↗	→	↘
West	→	↗	↗
North	↗	↘	↘

MARKET RENTS BY LOCATION

	Market rent CHF/m ² p.a.	Availability rate
● CBD	545 to 800	2.4%
● Enge	450 to 590	4.5%
● Seefeld	460 to 545	2.0%
● South	250 to 420	2.4%
● West	310 to 390	2.1%
● North	250 to 350	4.7%

Source: spg partner



Investment

Zurich remains Switzerland's most liquid office market with the strongest investor base, particularly in the core and prime segments. After a period of restraint following the shift in the interest rate environment, several significant transactions have again closed in recent quarters. From the prime segment on Bahnhofstrasse to the ABB site in Oerlikon and the recent sale of the SIX headquarters to Swiss Prime Site, demand is broadly based across different use types and price segments. For centrally located prime properties, prime yields remain at a very low level and in some cases still show a slightly declining trend. This underlines the persistently strong demand for top-quality office assets in the city's best locations.

Overall, the Swiss investment market features a broadly diversified buyer base that is specifically seeking core and core-plus investments as part of its portfolio allocation. This picture is also reflected in Zurich, one of Switzerland's leading office investment markets.

At the same time, the sharply reduced pipeline of new office construction through 2028, combined with the conversion of existing office buildings into residential property, should further tighten available space over the medium term. The resulting supply shortage should provide additional support for demand for high-quality existing assets and secure the low yield level for prime properties over the long term. Location, asset quality and the ability to meet the rising requirements of modern occupiers remain decisive for future performance.

5 NOTABLE TRANSACTIONS H1 2026

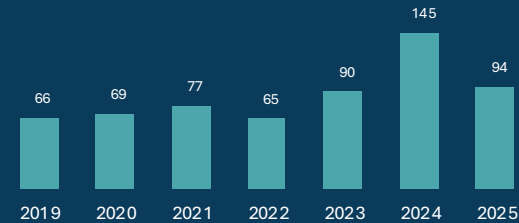
Address	Sector	Buyer	Seller	Price CHF
1 Bahnhofstrasse 40 ¹	Office and retail	Rolex	Private Estate	approx. CHF 140m
2 SIX headquarters	Office	SPS	Private	220–250m
3 Max-Frisch-Platz, ABB site Oerlikon	Mixed	Pensimo	ABB	240–250m
4 Bahnhofstrasse 69a	Office and retail	SPS	Akara	149m
5 Thurgauerstrasse 80, Oerlikon ¹	Office	Pensimo Anlagestiftung & Swissinvest	UBS fund «1a Immo PK» (assumed)	approx. CHF 150m

¹ transaction completed in 2025

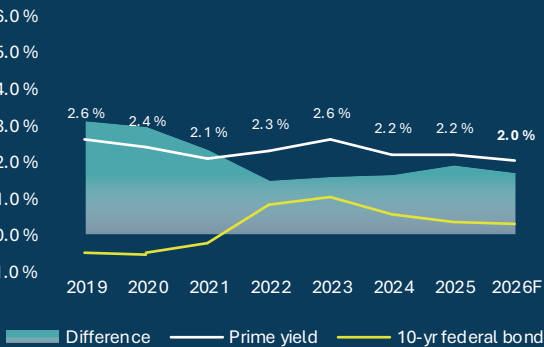
Sources: City of Zurich, spg partner

CONSTRUCTION ACTIVITY

Number of completed non-residential buildings



ESTIMATED GROSS PRIME YIELD



We get your point

Our teams are here to help

spg partner ag

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