

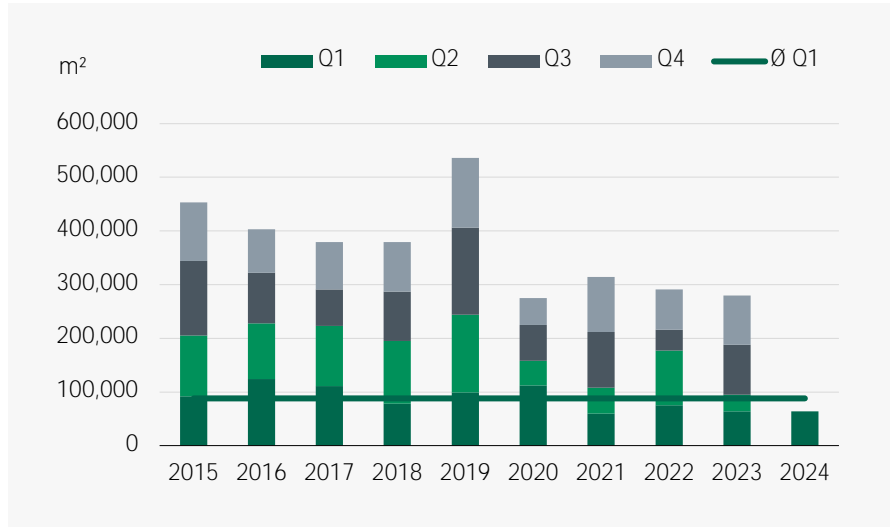


REPORT OFFICE MARKET

○ DÜSSELDORF

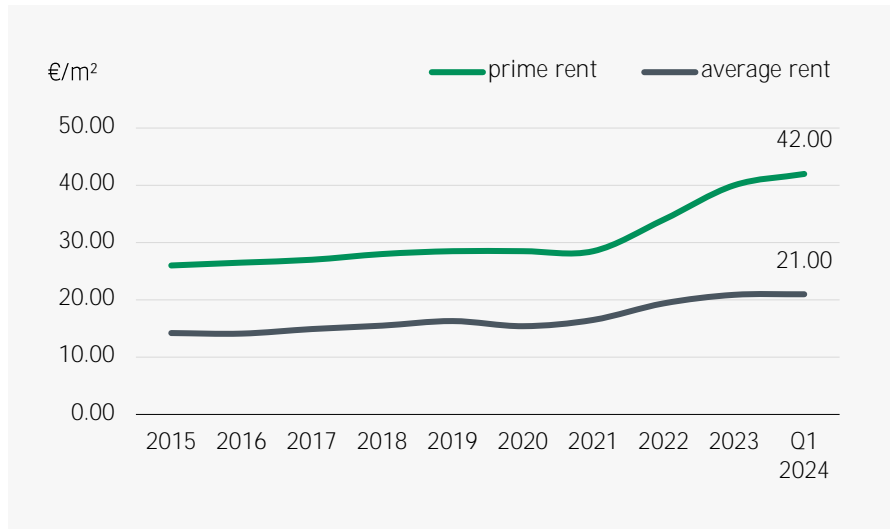
Q1 2024

Development of take-up



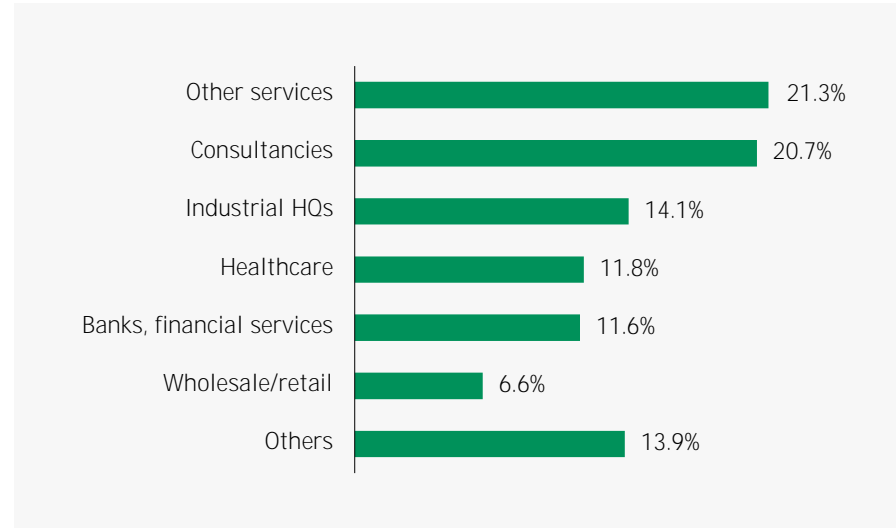
PRECISION LANDING AT THE START OF 2024: Q1 TAKE-UP AT PREVIOUS YEAR'S LEVEL

Prime and average rents



- The Düsseldorf office market can report a precision opening to 2024. As in the previous year, take-up in the first quarter totaled 64,000 m². The strong market momentum from the second half of 2023 could not be sustained into the new year, which is why the 10-year average of 88,000 m² was missed by around 27%.
- It is primarily the lack of large-scale contracts that had a dampening effect on the result. Not unusually for the start of the year, there has so far been no contract above the 10,000 m² mark. In contrast, the low level of contract activity in the 5,001 to 10,000 m² size segment is much more significant, whereby only the letting by Noerr Partnerschaftsgesellschaft (6,000 m²) in the Le Coeur project on Königsallee has been recorded.
- The above-average take-up in the smaller and medium size categories between 201 and 5,000 m² is encouraging and provides a stable foundation for the Düsseldorf office market. Noteworthy in this context is the above-average result in the segment between 2,001 and 5,000 m², which contributed around 21% to take-up in Q1.
- The continued high demand for prime space, which has repeatedly resulted in large-scale premium deals in recent months, has led to a further increase in prime rents, as supply in this quality segment remains very limited. The prime rent is currently quoted at €42.00/m² (+10.5% year-on-year) and the average rent has also risen further to €21.00/m² (+3% year-on-year).

Take-up by sector Q1 2024



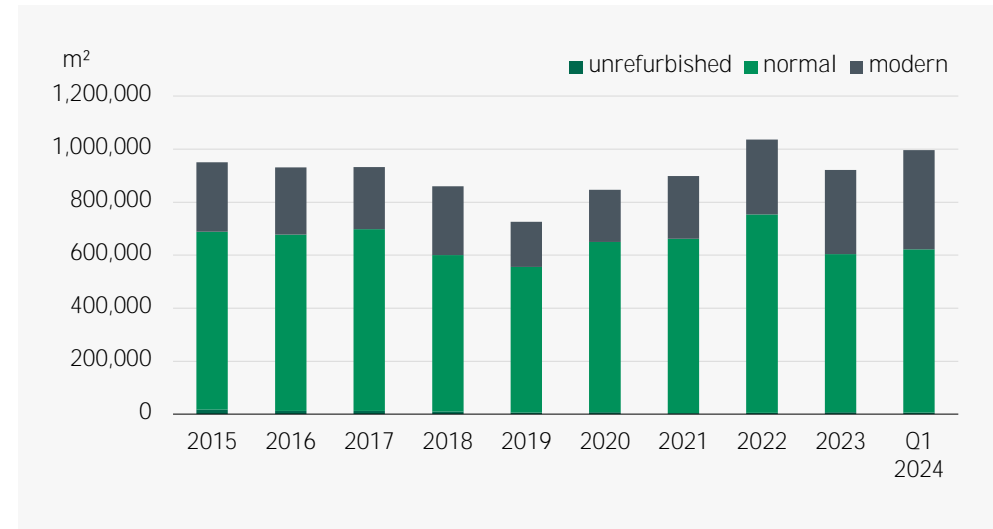
Major contracts Q1 2024

Sub-market	Company	m ²
1.1	Noerr Partnerschaftsgesellschaft	6,000
2.3	Oddo BHF	3,900
2.4	voestalpine Edelstahl Germany	3,900
2.6	GEA Group	3,300
5.2.2	3M Germany	2,100
1.1	Latham & Watkins	1,600

CONSULTANCIES CONTINUE TO SET THE PACE

- Consultancies continue to set the tone in the Düsseldorf market. In the first quarter, their take-up was slightly above average at 13,300 m². Their market share thus amounts to around 21%. Apart from the collective category of other services, these companies are well ahead of all other sectors and are also responsible for the largest letting (Noerr with 6,000 m²).
- Düsseldorf's CBD/banking district is by far the location with the highest take-up in the market area. Currently, the central and well-developed locations in Düsseldorf are particularly convincing.
- The vacancy volume currently stands at just under 1 million m² and is therefore slightly below the previous year's level (-6%). The same applies to the modern vacancy, which stands at 375,000 m² (-4%). The vacancy rate in the market area stands at 10.1%.

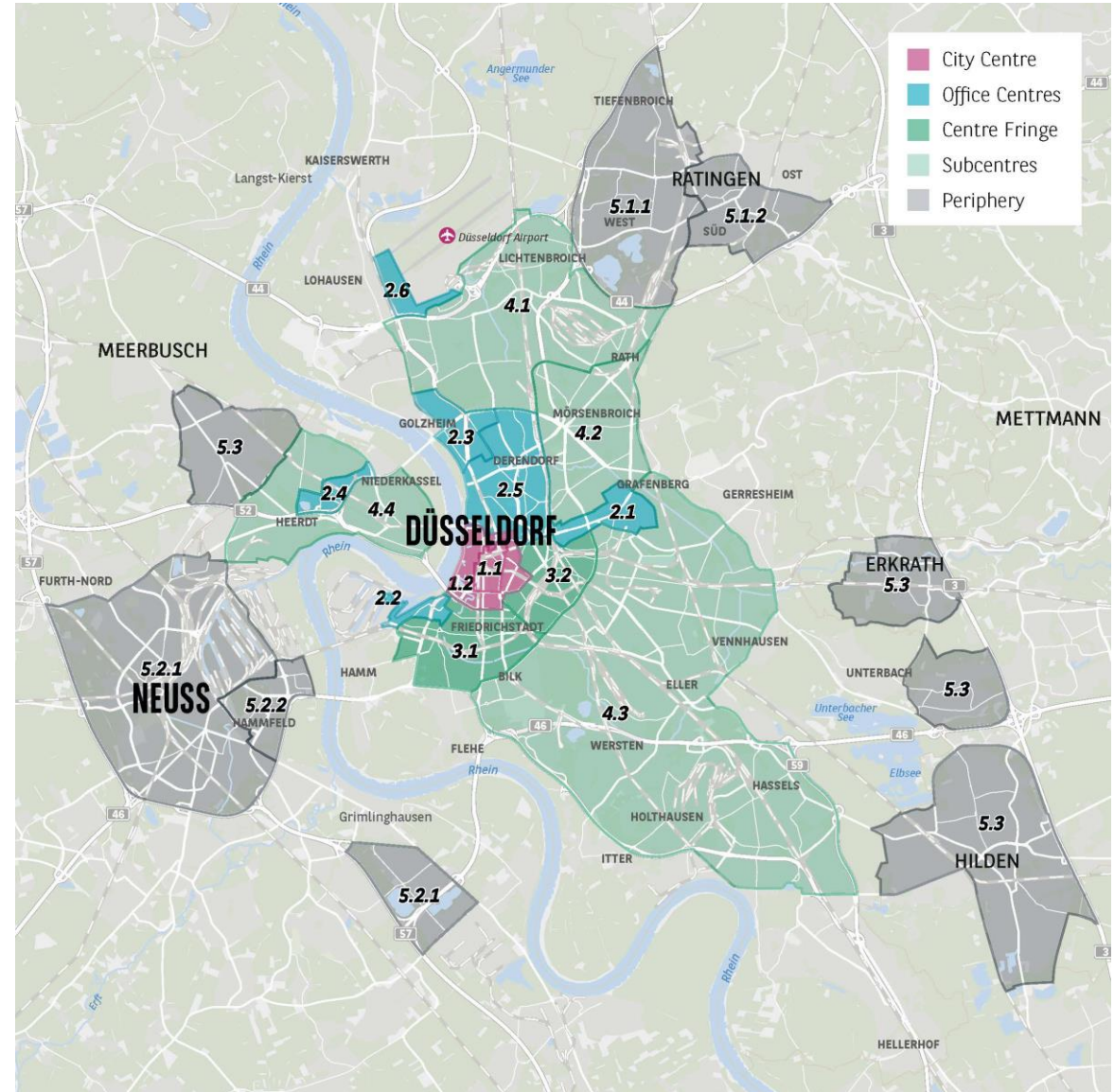
Development of vacant space



OUTLOOK

- Despite a significant slowdown in letting activity for larger contracts, the Düsseldorf market experienced a solid start to the year overall. The letting activity in the small and medium size categories, which was significantly above average in some cases, shows that the office market in the Düsseldorf has remained on course and has a solid foundation in terms of demand, despite the continuing economic slowdown in the winter months.
- The overall take-up, which remains below average, is largely reflected in the development of vacancies, which has been characterized by rising volumes in recent months. There are currently no signs of a trend reversal, as construction activity is still at a relatively high level by Düsseldorf standards and is being met by a demand for space that has been significantly curbed due to a lack of overall economic growth momentum.
- The differentiated vacancy analysis shows that the increase is primarily taking place outside the city centre locations and also in the modern space segment to a significant extent. In contrast, premium space in the top locations continues to be absorbed rapidly by the market overall and the emerging shortage of supply is already leading to significantly rising rents at the top end of the market.
- Based on an expected stabilization of the macroeconomic development with a slight upward trend, an increase in take-up compared to the previous year is anticipated for 2024 as a whole.

Office submarkets Düsseldorf



Key indicators office market Düsseldorf

	PRIME RENT* (€/m²)		TAKE-UP (m²)	VACANT SPACE (m²)			SPACE UNDER CONSTRUCTION (m²)		SPACE ON OFFER (m²)	
	from	to	Q1 2024	total	modern	of this, since completion	total	available	available	projected
Submarkets**	1		2	3	4	5	6	7	8 = (3 + 7)	9
1 City										
1.1 CBD/Banking District		42.00	12,100	32,700	23,400	1,900	57,700	17,200	49,900	53,700
1.2 Inner City		28.50	5,100	42,800	5,800	1,100	18,200	1,800	44,600	28,100
2 Office Centres	16.50 -	28.50	29,900	306,900	191,700	20,000	71,900	55,800	362,700	180,900
3 Centre Fringe	17.00 -	25.00	1,100	48,200	22,700	0	39,200	22,600	70,800	59,600
4 Subcentres	15.00 -	23.00	11,800	210,400	75,400	6,000	128,000	44,600	255,000	295,700
Total Düsseldorf			60,000	641,000	319,000	29,000	315,000	142,000	783,000	618,000
5 Periphery	10.00 -	15.50	4,000	356,000	56,000	0	0	0	356,000	0
Total			64,000	997,000	375,000	29,000	315,000	142,000	1,139,000	618,000

* The prime rent given applies to market segment of 3-5 % in each case.

** The relevant submarket can be found on our website under „Research“.

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