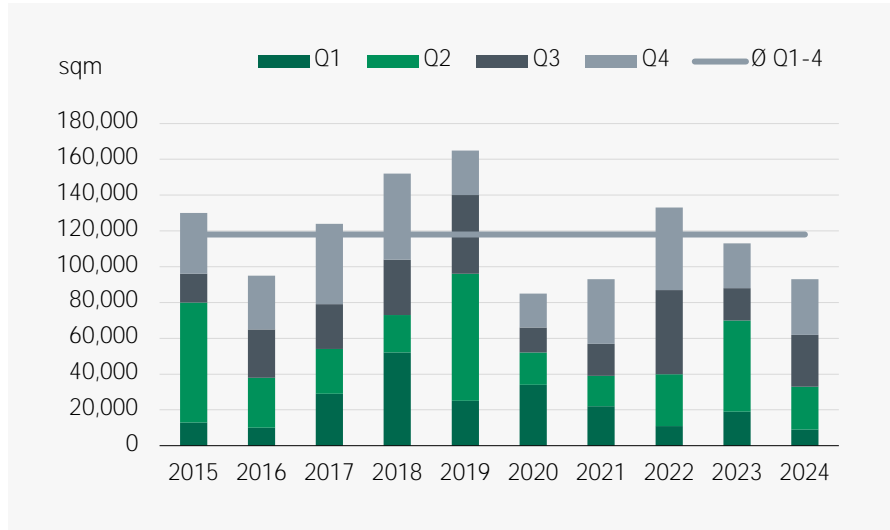


ESSEN

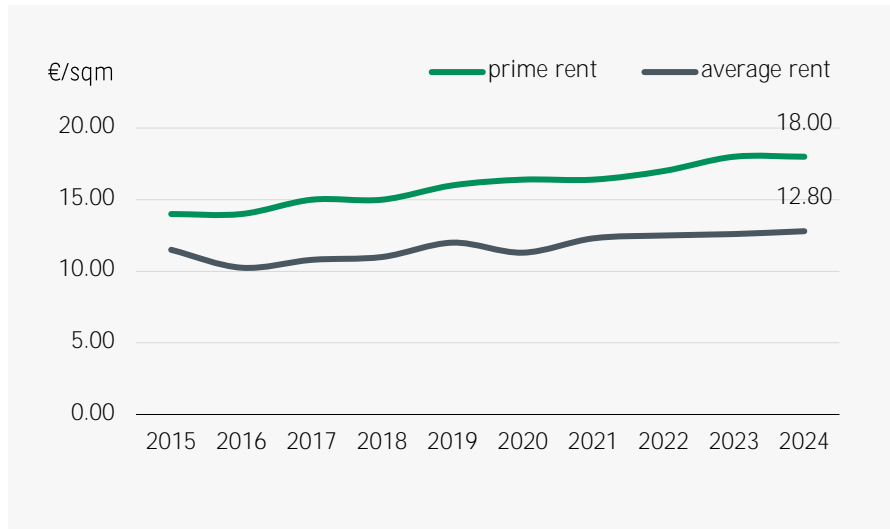
REPORT OFFICE MARKET

2024

Development of take-up



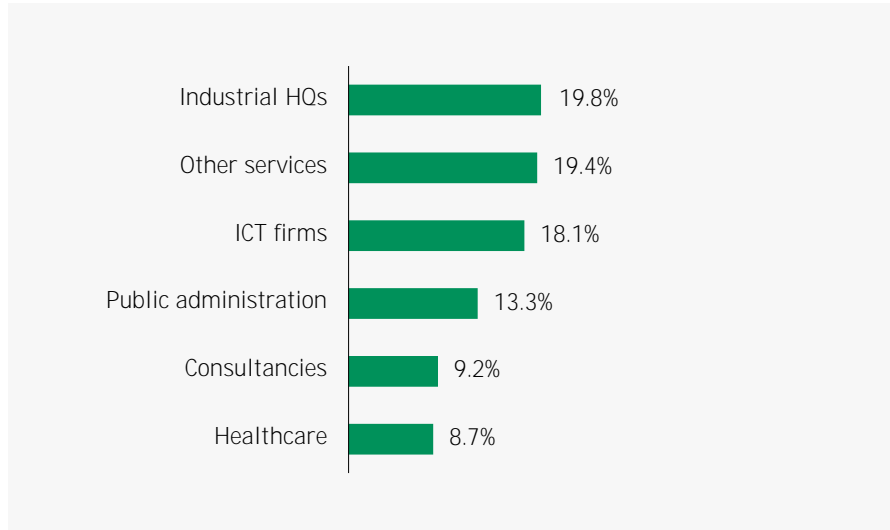
Prime and average rents



BEST QUARTER AT THE END OF THE YEAR, NEVERTHELESS, BELOW PREVIOUS YEAR'S RESULT

- Even though market momentum in 2024 gained in consistency and speed from quarter to quarter, particularly in the second half of the year, the Essen office letting market only recorded take-up of around 93,000 m² in 2024. As a result, both the previous year's result (-18%) and the long-term average (-21%) were missed.
- In the first half of the year, there were no major contracts signed. It was during the third quarter that the letting of around 11,000 sqm by Telus International provided a boost. The good final quarter (31,000 sqm), thank to Evonik's letting of 14,000 sqm in the Südviertel district representing the largest contract signing of the year and around 45% of the Q4 result. At the end of the year, lettings of 5,000 sqm or more accounted for a total of around 34%.
- As in the previous quarter, Südviertel remains the submarket with the highest take-up, accounting for around 38,000 sqm or a good 41% of the total volume at the end of the year. The remaining market area also made a notable contribution of around 26,000 sqm (share of 28%).
- The prime rent remained stable at €18.00 per sqm at the end of the year. It should be emphasized that it is not only achieved in the city centre, but also in the Südviertel submarket, where pressure on rents is caused by the combination of a well-connected location and the scarcity of modern space. The generally more volatile average rent is currently €12.80 per sqm (+2% compared to Q4 2023).

Take-up by sector 2024



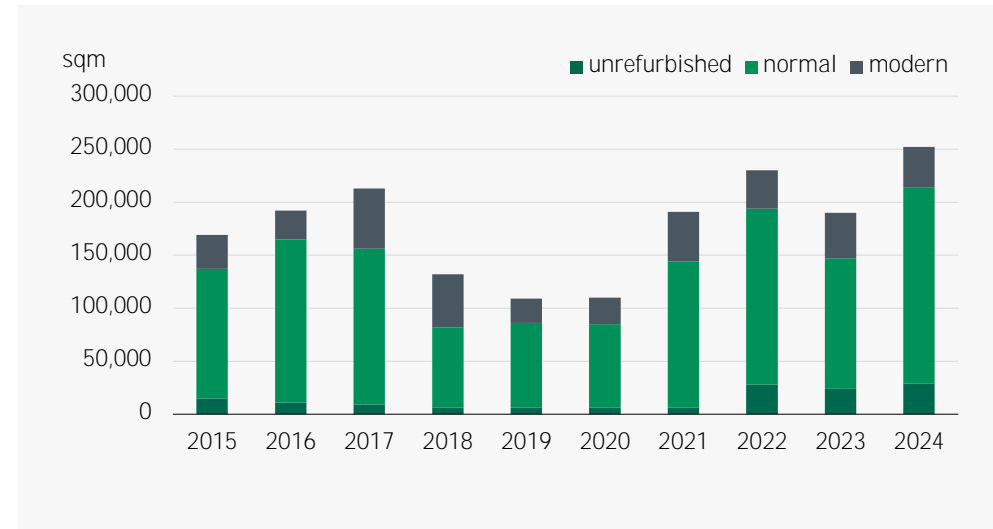
Major contracts 2024

Quarter	Sub-market	Company	sqm
Q4	2.3	Evonik	14,000
Q3	2.3	Telus International	10,700
Q2	3.1	KFZ Zulassungsstelle Essen	6,800
Q2	1.1	Standesamt Essen	4,000
Q3	2.3	Emschergenossenschaft	3,400
Q3	2.3	11880 Solutions	3,300

FOUR SECTORS IN DOUBLE-DIGIT PERCENTAGE RANGE

- The broad-based demand on the Essen office market is pleasing. Four sectors hold double-digit market shares: The administrations of industrial companies lead the ranking with around 20%, not least due to the major contract signed by Evonik. This is closely followed by other services (19%), which is driven by small and medium-sized deals, while ICT firms (18%) are in third place with the second-largest letting of the year.
- The volume of vacant space increased by almost 33% year-on-year to 252,000 sqm. At the same time, the proportion of modern space favored by occupiers declined by a good 12%. Consequently, only around 38,000 sqm (15%) of the total vacant space is modern. This underlines the continuing high demand for high-quality office space. The vacancy rate in the Essen market area currently stands at 7.9%.

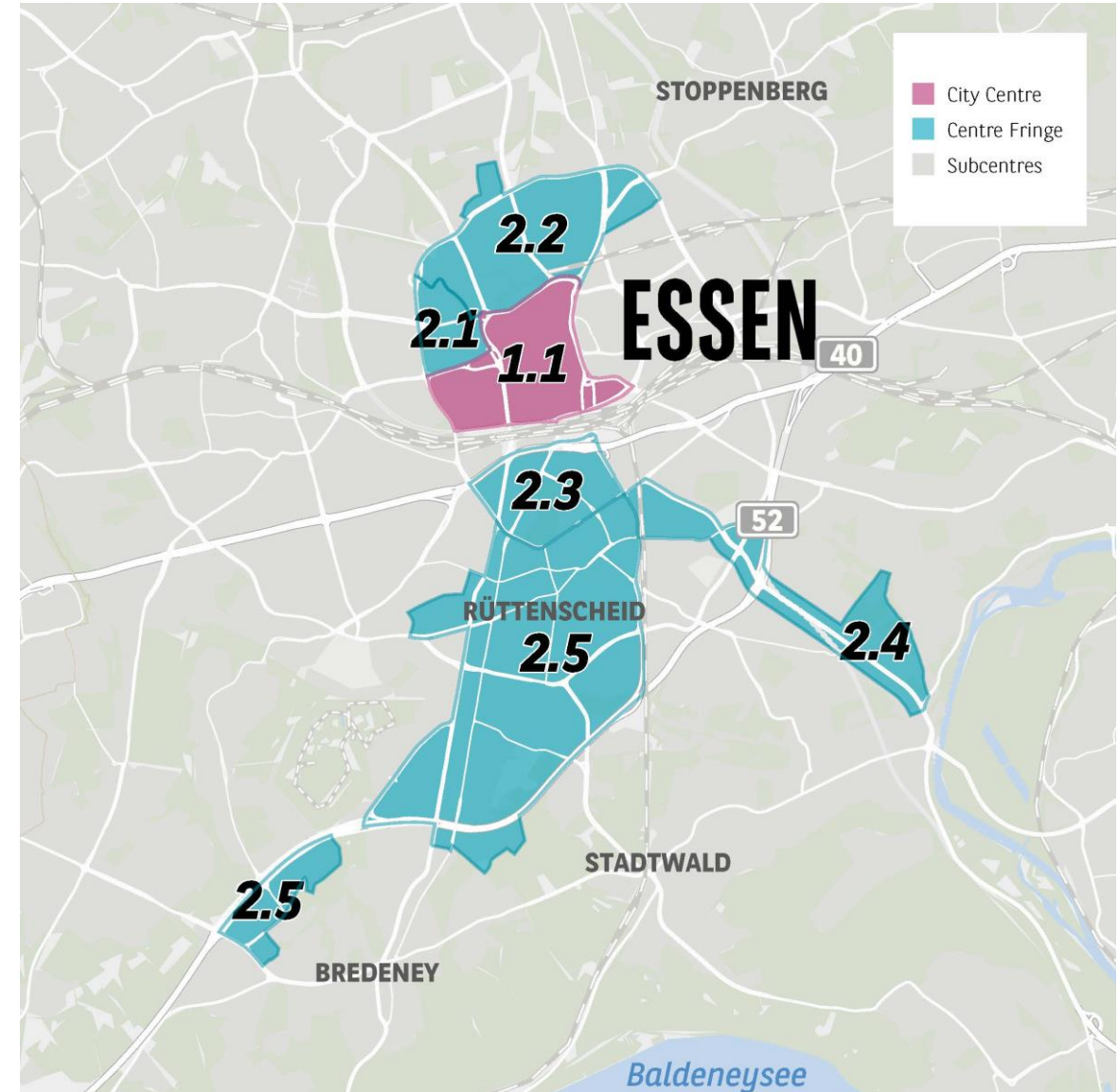
Development of vacant space



OUTLOOK

- Despite the increased market momentum over the course of 2024, the Essen office letting market reported a result below the long-term average at the end of the fourth quarter. Even though the second half of the year recorded two major deals of >10,000 sqm, the good results from the two previous years 2022 and 2023 were not matched, not least due to the current challenging economic situation. Against this backdrop and in anticipation of a slow economic recovery, a similar letting dynamic is expected for 2025. Take-up in the region of 100,000 sqm is a realistic scenario.
- On the supply side, a constant to slightly increasing development of vacancy volumes is anticipated. Premium space in prime locations should remain scarce in view of the persistently difficult conditions for property developers. The construction volume in the market area currently amounts to 33,000 sqm (-43% compared to the previous year). Only around 4,000 sqm of this is still available on the market, which corresponds to a 60% decline in available space under construction and impressively demonstrates the rapid absorption of new-build office space.
- Regarding rents, further increases cannot be ruled out in the coming year, especially in well-connected locations with modern space, so that prime rents are very likely to move towards the €20.00 per sqm mark.

Office submarkets Essen



Key indicators office market Essen

	PRIME RENT* (€/sqm)		TAKE-UP (sqm)		VACANT SPACE (sqm)		SPACE UNDER CONSTRUCTION (sqm)		SPACE ON OFFER (sqm)	
	from	to	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 Centre										
1.1 Core City		18.00	14,500	25,200	2,200	0	6,000	2,000	27,200	27,000
2 Centre Fringe	14.00 -	18.00	52,900	117,800	10,100	0	13,400	2,000	119,800	147,000
3 Subcentres	15.50 -	15.50	25,600	109,000	25,700	1,000	13,600	0	109,000	2,000
Total			93,000	252,000	38,000	1,000	33,000	4,000	256,000	176,000

* 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“.

*** The key indicator table at submarket level can be found under the following link: [key indicator table 2024](#)

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