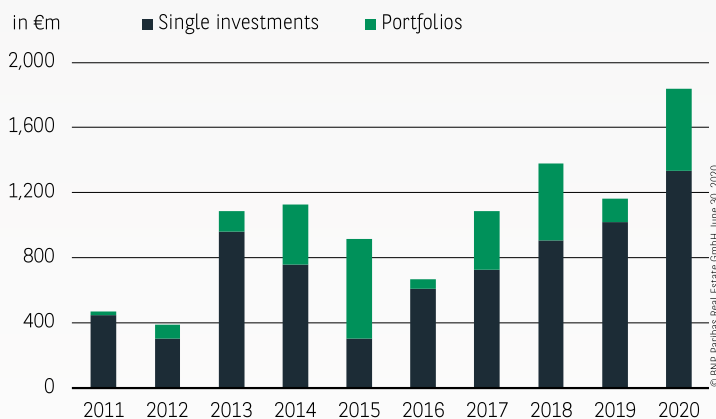




At a Glance **Q2 2020**

# INVESTMENT MARKET DÜSSELDORF

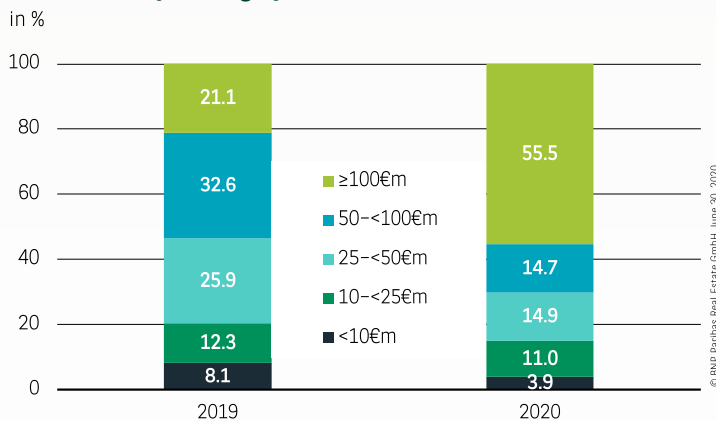
## Investment volume H1



## RECORD RESULT FOR THE HALF-YEAR

Even in uncertain times, the Düsseldorf investment market is in very good shape and can seamlessly continue the favourable trend of recent years. With a transaction volume of approx. €1.84 billion, the result of the previous year was exceeded by a further 58% simultaneously achieving the highest volume ever registered in the capital of North Rhine-Westphalia at the half-year point. Also, the result is 82% above the ten-year average. Although the result is largely based on individual deals, portfolio transactions also made a substantial contribution of around €500 million. It is particularly impressive that the number of deals (42) increased by only one compared to the previous year, with the average transaction volume rising to €44 million. In addition to traditionally robust domestic investment, foreign investors again accounted for 26% of the market.

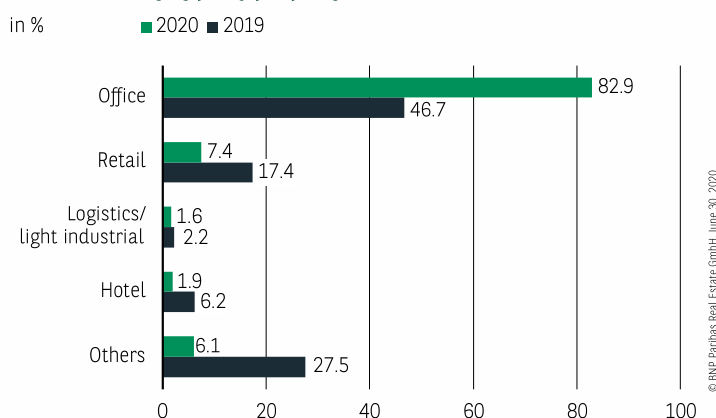
## Investments by € category H1



## MAJOR TRANSACTIONS SHAPE THE RESULT

While investment activities in previous years were often spread across several pillars, this year's result is largely based on major transactions with a volume of more than €100 million, and responsible for a full 55.5% of the overall result. In absolute figures, this class broke the €1 billion mark for the first time this year. The size segments between €25 and 50 million and €50 and 100 million each contribute just under 15%. The remaining volume is spread over smaller transactions below the €25 million threshold.

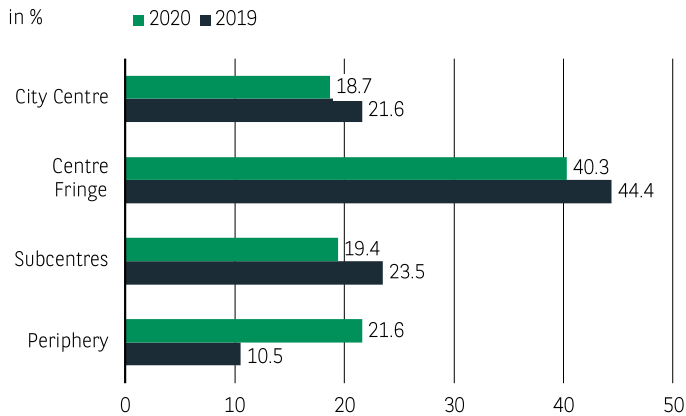
## Investments by type of property H1



## FOCUS ON OFFICE INVESTMENTS

Since almost all investments with a volume of more than €50 million are office properties or developments, it is not surprising that the lion's share of the half-year result is attributable to the office asset class. At just under 83 % it is the highest percentage share achieved by this asset class since the beginning of the millennium. Retail properties make a noteworthy, but much smaller contribution than in the previous year, with a share of a good 7%. No significant transactions were recorded in the logistics and hotel segment in the first half of the year.

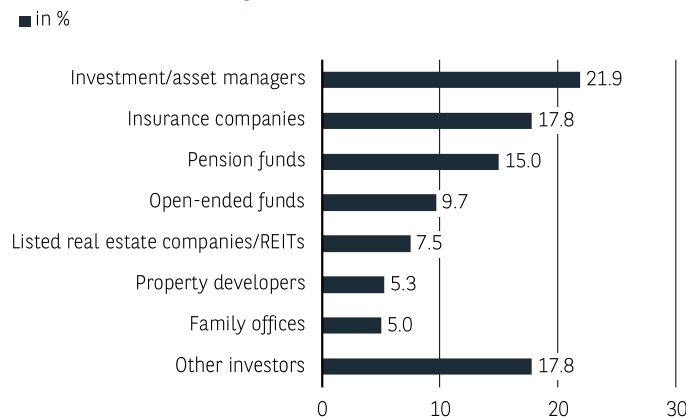
## Investments by location H1



## CITY PERIPHERY DOMINATED BY LARGE TRANSACTIONS

In the first quarter almost three quarters of the investment turnover could still be located on the edge of the city, the other locations following in the second quarter. Nevertheless, the centre fringe is still at the top of the distribution with a good 40%, but with a slightly lower share than in the previous year. The importance of the periphery has increased particularly strongly, doubling its 2019 half-yearly result to almost 22%. In absolute terms, this result even represents the highest investment result ever recorded in this market area at the end of a first half-year. The secondary locations (a good 19%) and the city centre (almost 19%) are at a similar level.

## Investments by buyer group H1



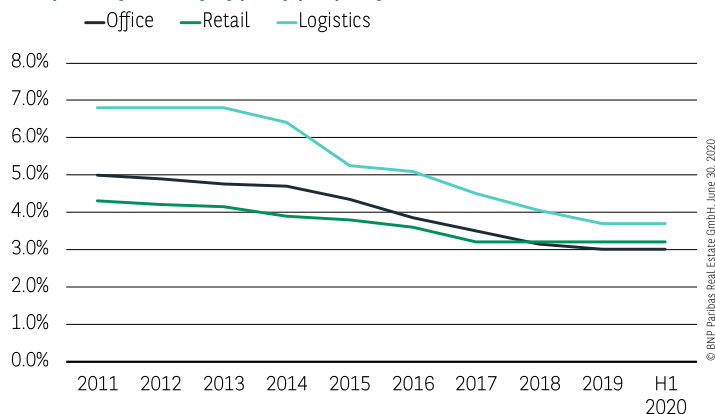
## BROAD DEMAND FROM VARIETY OF INVESTORS

The high proportion of large deals also shapes the result seen in the distribution of investment volume by buyer group, highlighting three types of investor in particular. At just under 22%, investment/asset managers made the largest contribution to the result, in contrast to the first quarter, in which no significant share was registered. This is mainly due to two transactions with a volume of more than €100 million in the second half of the year, registering the best volume ever by this group of buyers. In second place are insurance companies with almost 18%, followed by pension funds at 15%. The high proportion of other investors illustrates the broad interest in the Düsseldorf market area across many buyer groups.

## YIELDS REMAIN STABLE

Over the past twelve months, yields on office properties (3.00%; -10 basis points) and logistics properties (3.70%; -20 basis points) have fallen slightly again, whereas no development has been observed for commercial properties (3.20 %) since 2018. No significant adjustment regarding price developments as a result of the Corona pandemic has yet been observed, so that yields have remained stable even compared with the end of the first quarter.

## Net prime yields by type of property



## RECORD RESULT FOR THE HALF-YEAR

The investment market of the capital of North Rhine-Westphalia achieved a brilliant result in the first half of 2020 and is relatively unfazed by the corona pandemic and the lengthy lockdown. On the basis of the good half-yearly result and the gradual easing of lockdown, a favourable development can also be expected for the rest of the year, despite uncertainties of a looming recession. A year-end result in line with the long-term average does not seem unlikely. From today's point of view, stable yields at the current level can also be anticipated in the coming quarters.

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