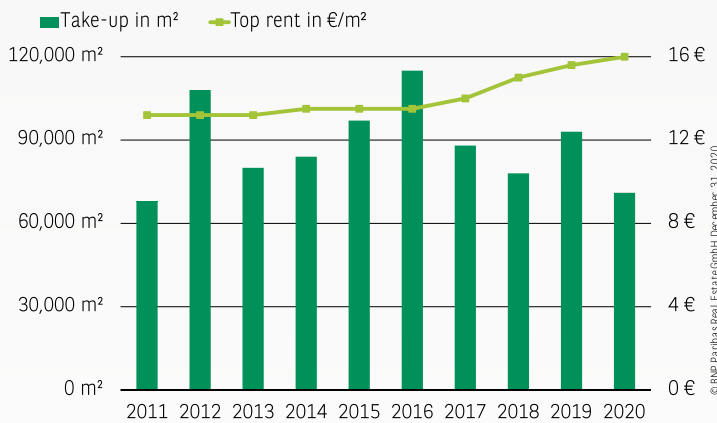




At a Glance **Q4 2020**

OFFICE MARKET DORTMUND

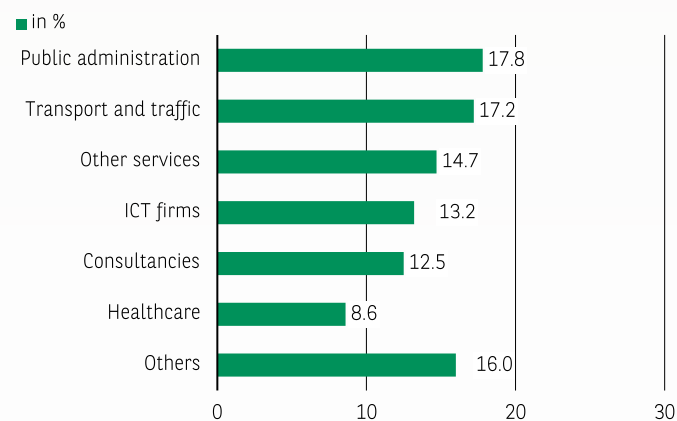
Development of take-up and top rents



▶ PANDEMIC-RELATED DECLINE IN TAKE-UP

The effects of the Corona pandemic and the related uncertainties have also clearly impacted the Dortmund office market. With a take-up of 71,000 m², the previous year's result was missed by almost 24%. It is also around 19% below the long-term average. However, in a nationwide comparison, the drop was comparatively moderate and around 10 percentage points lower than the average for Germany as a whole. The main reason for the lower take-up is the Corona crisis and the uncertainties it caused on the user side. As the second lockdown and the unchanged high infection figures made it difficult for companies to assess future developments, some planned leases or expansions were postponed into the new year or put on hold.

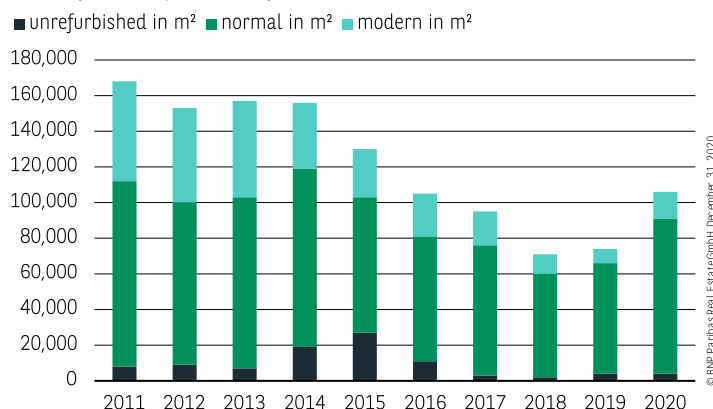
Take-up by sector 2020



▶ BROAD DISTRIBUTION OF SECTORS

There was still a lot going on in the fourth quarter in terms of the sectors involved in take-up, so that a broad spectrum of industries and a relatively balanced distribution of take-up were recorded for the year as a whole. No less than five groups each account for a share of more than 10%. This shows that the Dortmund office market can rely on widespread demand even in times of crisis. Three of the six largest deals of the year were concluded in the final quarter and, totalling 17,500 m², account for just under a quarter of the annual result. Probably the most significant deal of the last quarter, and therefore of the year, was a 7,200 m² lease closed in the heart of the City Center from Hochschule für Polizei und öffentliche Verwaltung (University of Police and Public Administration). Also noteworthy is the second largest deal signed in the last quarter by Vanderlande Industries (6,600 m² in one of Dortmund's secondary locations).

Development of vacant space



▶ VACANCIES STILL BELOW FLUCTUATION RESERVE

Compared to the previous year, the level of vacancies on the Dortmund office market rose by around 43% which is unsurprising given the low starting point. Thus, around 106,000 m² of office space was vacant at the end of 2020. However, it must be taken into account that the amount of vacant modern space has hardly changed in absolute terms, meaning that the quality of space most in demand by users is still very scarce at just 15,000 m². Overall, although the vacancy rate is higher year-on-year, at 3.5% it is still quite low by national standards and remains below the normal fluctuation reserve.

Major contracts

Sub-market	Company	m ²
1.1	Hochschule für Polizei und öffentliche Verwaltung	7,200
3.1	Vanderlande Industries	6,600
3.5	Swisslog	4,600
3.1	Technische Universität Dortmund	3,700
2.1	DB Schenker	3,500
3.4	Law firm	2,900

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Trends in important market indicators

	2019	2020	Trend 2021
Take-up	93,000 m ²	71,000 m ²	↗
Vacant space	74,000 m ²	106,000 m ²	↗
Space under construction (total)	45,000 m ²	38,000 m ²	↗
Space under construction (available)	11,000 m ²	23,000 m ²	↗
Top rent	15.60 €/m ²	16.00 €/m ²	→

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➤ INCREASE IN TOTAL AVAILABLE SPACE

The total supply of available space has risen significantly year-on-year by almost half to a current 129,000 m². Responsible for this development are, on the one hand, higher vacancies and on the other hand, an increase in the amount of speculative construction space. While the total volume of new construction space has fallen by 16% in an annual comparison, the space available for letting has more than doubled to 23,000 m². From a market perspective, this expansion in supply with modern quality fit-outs is very welcome.

➤ UPWARD TREND IN RENTS

Despite the slight increase, the supply of modern space remains still limited. In the lee of this development, it is no surprising that the prime rent has risen by a further almost 3%, so that it is currently at 16.00 €/m². The situation is similar for average rents. Year-on-year, they have increased by 3.5% and have now reached a level of a round 12.00 €/m².

➤ OUTLOOK

Despite the impact of the Corona pandemic on the economy and the related uncertainties, which led to lower demand, the Dortmund office market is well-equipped for the months ahead. Vacancies remain below the fluctuation threshold and the upward trend in rents is likely to continue. With the start of the vaccination campaign and a normalization of social life in the course of the year 2021, take-up is also expected to rise again. A noticeable upturn in demand can therefore be expected, particularly in the second half of the year.

Key indicators 2020

Submarkets**	Top rent* (€/m ²)		Take-up (m ²)	Vacant space (m ²)			Space under construction (m ²)		Space on offer (m ²)	
	from	to	2020	total	modern	of this, since completion	total	available	available	projected
	1		2	3	4	5	6	7	8 = (3 + 7)	9
1 City Centre										
1.1 Core City		16.00	16,100	63,200	6,300	900	1,400	1,400	64,600	2,900
2 Centre Fringe	12.50	- 14.50	8,800	18,300	4,000	0	0	0	18,300	0
3 Subcentres	12.50	- 16.00	44,400	23,000	4,700	4,100	36,600	21,600	44,600	83,100
4 Airport/ECO PORT		8.50	1,700	1,500	0	0	0	0	1,500	0
Total			71,000	106,000	15,000	5,000	38,000	23,000	129,000	86,000

* The top rent given applies to a market segment of 35 % in each case.

** The office market zone map and the key indicator table at submarket level can be found under the following link: [Office market zone map and key indicator table 2020](#)

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Further Information BNP Paribas Real Estate GmbH | Branch office Essen | Phone +49 (0)201-820 22-2 | www.realestate.bnpparibas.de