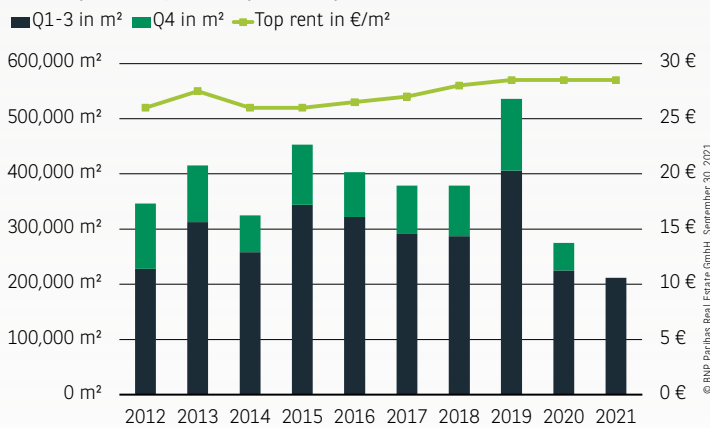




At a Glance **Q3 2021**

OFFICE MARKET DÜSSELDORF

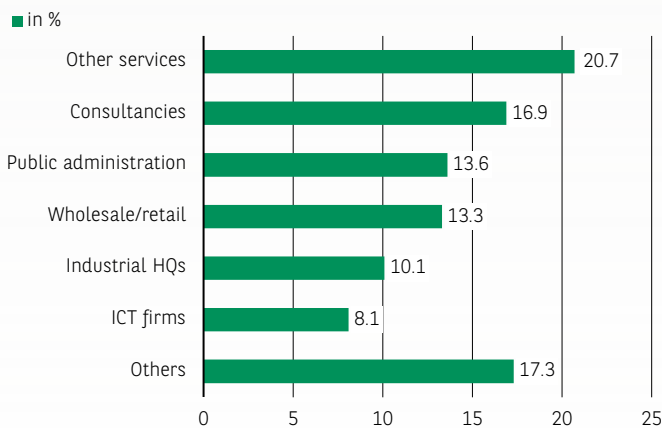
Development of take-up and top rents



➤ CATCH-UP MOVEMENT IN THE THIRD QUARTER

The Düsseldorf office market achieved an overall moderate result by the end of the third quarter. With 212,000 m², the long-term average was missed by 26.5%. The already weak result of the previous year was also undercut by just under 6%. However, the relatively low take-up somewhat hides the fact that the market is certainly lively. By the end of September, for example, almost 370 deals had been registered, which is even more than in the record year 2019. In addition, a clear revival of the market in terms of take-up has also become apparent in the past three months. With 104,000 m², take-up in the third quarter alone was roughly the same as in the previous six months. This recovery is attributable not least to two major transactions: On the one hand, the BIMA has leased a good 12,600 m² in Lichtenbroich for the Hauptzollamt. Secondly, Alltours is expected to move into its new 10,600 m² headquarters on the Rheinuferpromenade in 2023.

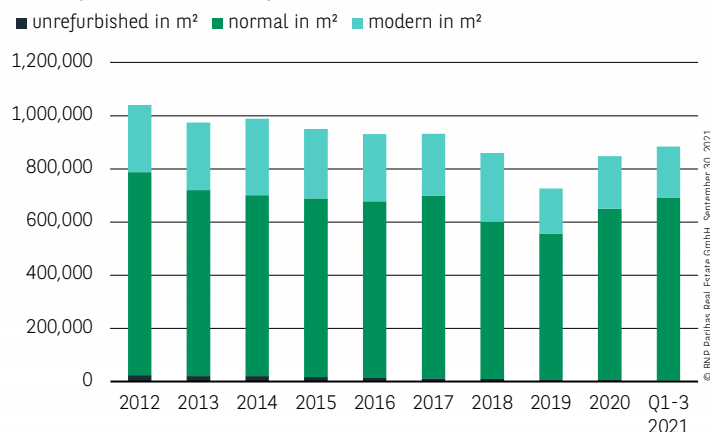
Take-up by sector Q1-3 2021



➤ VERY BROAD SPECTRUM OF DEMAND

The distribution of take-up by sector currently shows a comparatively broad mix, which is clear evidence of the diversified demand base in the Rhine metropolis. The ranking is led by the category other services (just under 21%). As usual in Düsseldorf, consultancies also achieve a good result with a share of around 17%. Behind them, there is a head-to-head race, which is won by public administration just ahead of retail companies. Other noteworthy results are reported by the administrations of industrial companies (10%) and ICT companies (8%).

Development of vacant space



➤ SLIGHT INCREASE OF VACANT SPACE

The amount of vacant space stabilized in the course of the third quarter or even declined slightly. It currently totals 884,000 m², which corresponds to a vacancy rate of 9.2%. However, only around 22% of the vacant space has the modern fit-out standard preferred by tenants. Within this segment, there has even been a slight decline of 3% since the start of the year. In the particularly sought-after City Centre locations, only 24,500 m² of modern standard space is still available. The vacancy rate here has fallen by 70 basis points to 5.2% over the course of the year.

Major contracts

Sub-market	Company	m ²
4.1	BIMA Hauptzollamt	12,600
1.2	Alltours	10,600
4.1	SPIE Deutschland & Zentraleuropa	4,700
4.4	Mitsubishi Chemical Europe	4,400
3.1	Picknick	3,000
2.6	Deutsche Glasfaser Holding	3,000

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➤ STRONG INCREASE OF PROJECTED SPACE

Around 273,000 m² of office space is currently under construction. Only a good fifth of this, however, is still available to the rental market. The high pre-letting rate is clear evidence that, despite the relatively high level of vacancies in the Rhine metropolis, the supply/demand ratio in the modern space segment is in some cases quite tense.

➤ RENT LEVEL MOSTLY STABLE

Despite the uncertain economic situation of the past 1.5 years, the prime rent has remained stable at 28.50 €/m² since the end of 2019 due to the short supply of modern space. In contrast, the average rent is subject to significantly greater fluctuations. Compared to the previous quarter, it has fallen slightly by 10 cents to 16.20 €/m², but is still around 7% higher than at the same time last year and thus at pre-pandemic level.

Trends in important market indicators

	Q1-3 2020	Q1-3 2021	Trend remaining year
Take-up	225,000 m ²	212,000 m ²	↗
Vacant space	789,000 m ²	884,000 m ²	→
Space under construction (total)	244,000 m ²	273,000 m ²	↗
Space under construction (available)	67,000 m ²	61,000 m ²	↘
Top rent	28.50 €/m ²	28.50 €/m ²	→

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➤ OUTLOOK

Even if, from today's perspective, it is likely that the market will continue the recovery of the past three months, the overall result for the year will probably be significantly below average. Nevertheless, the 300,000 m² mark is likely to be surpassed. Similarly, a further stabilization of vacancy levels is currently the most realistic scenario. Accordingly, no major changes are expected in rents either.

Key indicators Q1-3 2021

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	Q1-3 2021	total	modern	of this, since completion	total	available	available	projected
	1	2	3	4	5	6	7	8 = (3 + 7)	9	
1 City										
1.1 CBD/Banking District	28.50		25,500	30,500	16,500	1,500	8,000	5,500	36,000	88,500
1.2 Inner City	26.50		26,000	51,000	8,000	0	15,000	3,000	54,000	25,000
2 Office Centres	14.50 - 25.00		73,500	212,000	104,500	27,500	122,500	32,500	244,500	207,500
3 Centre Fringe	14.50 - 24.00		9,500	46,000	7,000	0	74,000	0	46,000	113,500
4 Subcentres	14.00 - 22.00		59,500	198,500	30,000	0	53,500	20,000	218,500	323,500
Total Düsseldorf			194,000	538,000	166,000	29,000	273,000	61,000	599,000	758,000
5 Periphery	10.00 - 15.00		18,000	346,000	26,000	2,000	0	0	346,000	91,000
Total			212,000	884,000	192,000	31,000	273,000	61,000	945,000	849,000

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

** The relevant office market zone can be found on our website under "Research".

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Further Information BNP Paribas Real Estate GmbH | Branch office Düsseldorf | Phone +49 (0)211-52 00-00 | www.realestate.bnpparibas.de