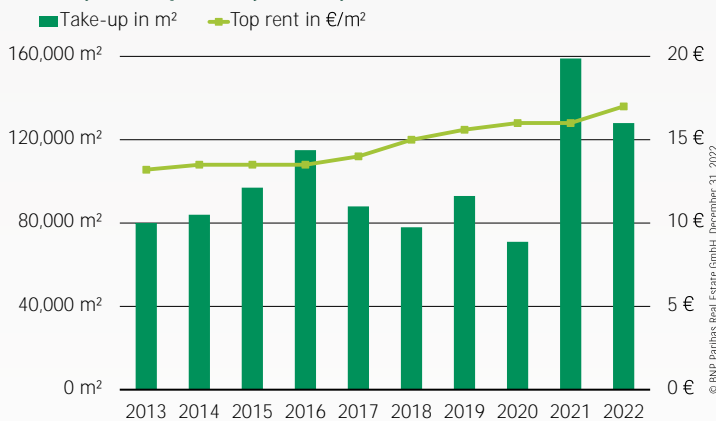




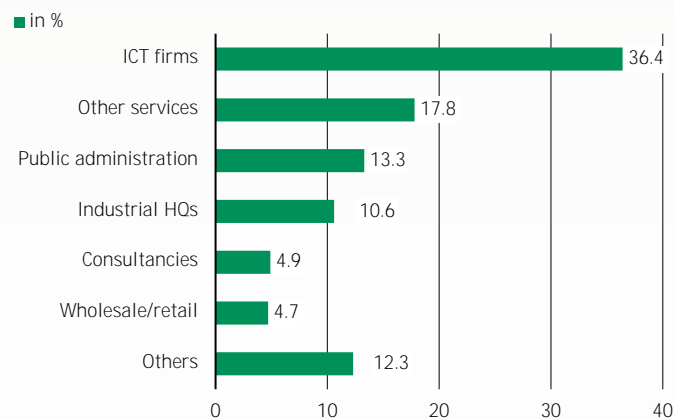
At a Glance **Q4 2022**

OFFICE MARKET DORTMUND

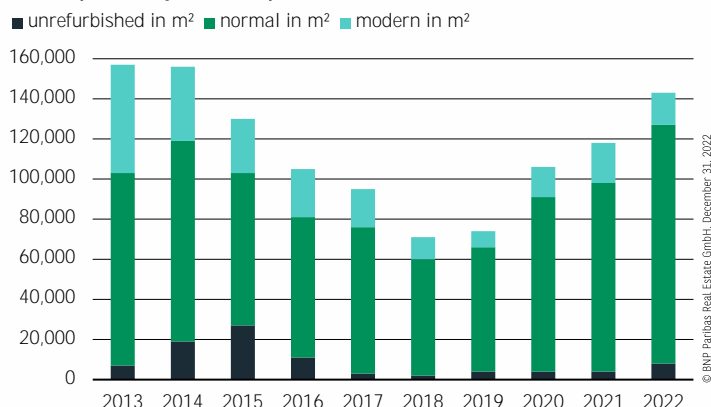
Development of take-up and top rents



Take-up by sector 2022



Development of vacant space



➤ ANNUAL RESULT ABOVE THE 10-YEAR AVERAGE

After recording a very clear record result in the previous year, the Dortmund office market continued to present itself significantly above the long-term average in 2022. At the end of the third quarter the Dortmund market had already reached a six-digit take-up with 101,000 m². With 27,000 m² in the fourth quarter, letting activity has slowed down noticeably, but the annual result still amounts to 128,000 m², which represents the second-best take-up so far and noted almost 29% above the 10-year average. The strong performance was mainly driven by the owner-occupier deal of 44,000 m² by the IT service provider Materna, which contributed a good third of the total take-up. The largest contract in Q4 was concluded by a service company with 4,400 m² in the centre fringe. Overall, the Dortmund office market confirms the performance of the previous year as well as its attractiveness as an office location. In addition to the large lettings as drivers of take-up, the majority of the medium and smaller size classes also exceeded the average results.

➤ MAJOR CONTRACTS INFLUENCED SECTOR DISTRIBUTION

The very good annual result on the Dortmund office market, as described above, is characterised by large lettings, especially the Materna contract. The company, which specialises in digitalisation, has contributed significantly to the market share of the ICT firms sector, which is by far the largest demander on the Dortmund office market. However, other services (18%), public administration (13%) and industrial companies present themselves as further important segments and indicate a broad demand base despite the influence of the large lettings. Smaller demanders are also present in the Dortmund office market such as consultancies (5%) and retail companies (5%). The collective category "others" has a volume of 12%.

➤ LIMITED AVAILABILITY OF MODERN SPACE

The vacancy in Dortmund's office market has risen by 21% over the last 12 months and now stands at 143,000 m² at the turn of the year. Despite the increase, the vacancy rate of 4.7% is still below the fluctuation reserve. The vacancy volume has risen above all in unrefurbished space and space with a normal standard fit-out. Meanwhile, in the modern space segment, the vacancy has fallen to 16,000 m². In the core city in particular, the short-term availability of modern space is severely limited, with a volume of only 2,000 m².

Major contracts

Sub-market	Company	m ²
3.3	Materna Information	44,000
3.2	Thyssenkrupp nucera	9,000
2.2	Other services	4,400
3.4	ICT-firms	3,700
3.2	Wholesale/retail	3,200
3.1	Technische Universität	3,100

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➤ HIGH PRE-LETTING RATE

There is currently around 99,000 m² of office space under construction, which is less than in the previous year but a rather high volume for the Dortmund market. Most of this space is already let or has been initiated by owner-occupiers. At the end of 2022, the pre-letting rate marks at around 86%, leaving only 14,000 m² of space under construction for the letting market. Only 2,000 m² is located in the core city.

➤ RISING RENTS OVER THE PAST YEAR

Driven by another high take-up and an ever decreasing supply in the modern space segment, the prime rent rose again by 0.50 €/m² to now 17.00 €/m² in the last quarter. This represents an increase of 6% over the previous year. At the same time, the average rent continued the upward trend seen since 2015 and reached a new high of 13.20 €/m² in 2022.

Trends in important market indicators

	2021	2022	Trend 2023
Take-up	159,000 m ²	128,000 m ²	➔
Vacant space	118,000 m ²	143,000 m ²	➔
Space under construction (total)	130,000 m ²	99,000 m ²	➔
Space under construction (available)	19,000 m ²	14,000 m ²	➔
Top rent	16.00 €/m ²	17.00 €/m ²	➔

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➤ OUTLOOK

For the second year in a row, the Dortmund office market is looking back on a strong year in which above-average take-up, rising rents, high construction activity and equally high pre-letting rates were recorded. However, it is highly unlikely that the Dortmund office market will be able to fully escape the influence of an expected economic slowdown in the coming winter months. However, as soon as the German economy has returned to a growth path, letting activity in Dortmund's generally well-positioned market should accelerate and bring rising prime and average rents along.

Key indicators 2022

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	2022	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		17.00	13,500	69,400	2,000	0	2,000	2,000	71,400	0
2 Centre Fringe	15.00	- 15.50	13,300	43,500	10,500	0	0	0	43,500	0
3 Subcentres	13.50	- 17.00	100,700	25,600	3,500	1,000	91,000	12,000	37,600	19,000
4 Airport/ECO PORT		11.50	500	4,500	0	0	6,000	0	4,500	0
Total			128,000	143,000	16,000	1,000	99,000	14,000	157,000	19,000

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* The top rent given applies to a market segment of 3-5 % 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 2022](#)

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