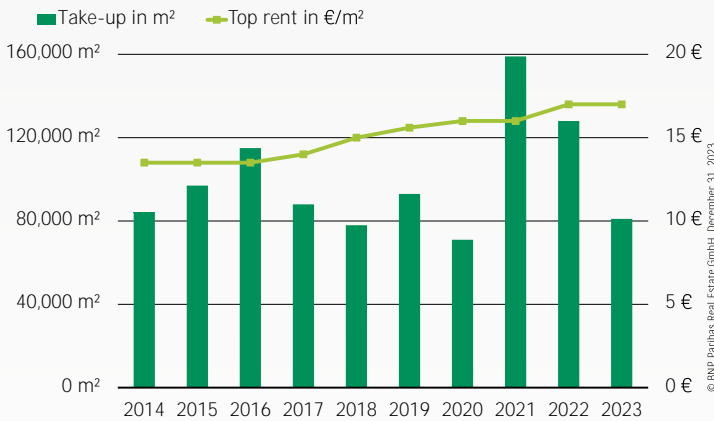




At a Glance **Q4 2023**

OFFICE MARKET DORTMUND

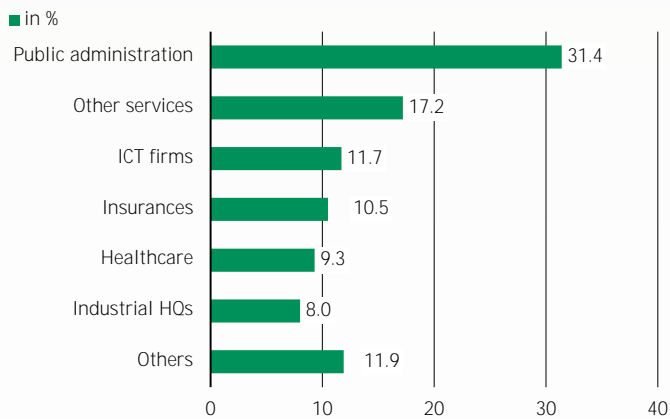
Development of take-up and top rents



➤ SIGNIFICANT DECLINE IN TAKE-UP

The absence of an economic tailwind and the ongoing debate about home office quotas impacted the Dortmund office market over the past year. Take-up of 81,000 m² registered in 2023 was around 37 % below the previous year's very strong result. Meanwhile, the long-term average was missed by almost a fifth. In a nationwide comparison, however, the decline can be considered as moderate. Especially the final quarter, in which a clear market revival was recognisable, contributed to this. Around 30,000 m² of take-up can be attributed to the last three months of the year, which corresponds to an above-average quarterly result, even in a long-term comparison. At just over 24,000 m², around one third of the take-up was achieved in the City Centre submarket, where the City of Dortmund let almost 7,000 m² for various municipal users, representing the second-largest letting of the year. The office market zones Phoenix-See (10,600 m²), Westfalendamm (8,700 m²) and the remaining city area (11,500 m²) also recorded significant take-up.

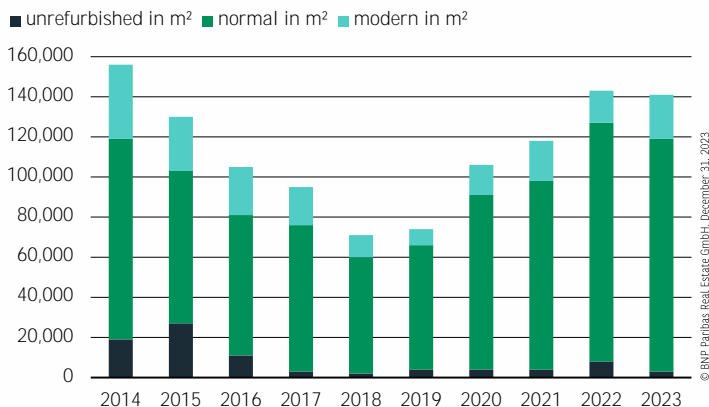
Take-up by sector 2023



➤ PUBLIC ADMINISTRATION WITH A STRONG RESULT

Driven by a number of deals in the mid-range segment, public administration took the top spot in the sector distribution with an above-average share of take-up of just over 31%. Other services follow in second place with around 17% and a take-up of just under 14,000 m². ICT companies, which topped the league last year, rounded off the podium in third place with just under 12%. Healthcare (9%) and insurance (10.5%) also made significant contributions to the overall result. The most prominent contract in the latter sector was signed by the health insurance company BIG for 7,400 m² in the Phoenix-See submarket. This letting is also the largest of the past calendar year.

Development of vacant space



➤ SIDEWAYS MOVEMENT IN VACANCIES

The vacancy volume on the Dortmund office market has fallen slightly by a good 1% over the last 12 months and stood at 141,000 m² at the end of the year. At 4.5%, the vacancy rate remains below the fluctuation reserve. The vacancy volume has fallen, particularly in unrefurbished space and space with normal fit-out standards. Meanwhile, the volume of vacant space in the modern space segment has risen to 22,000 m². However, the amount of modern space available at short notice in the city centre, which is preferred by tenants, is very limited at around 5,000 m².

Major contracts

Sub-market	Company	m ²
3.4	BIG	7,400
1.1	City of Dortmund	6,900
2.2	Local tax Office	5,300
3.3	TÜV Nord	3,800
2.1	Land NRW	3,300
3.2	Thyssen Krupp	2,400

© BNP Paribas Real Estate GmbH, December 31, 2023

Trends in important market indicators

	2022	2023	Trend 2024
Take-up	128,000 m ²	81,000 m ²	➔
Vacant space	143,000 m ²	141,000 m ²	➔
Space under construction (total)	99,000 m ²	77,000 m ²	➔
Space under construction (available)	14,000 m ²	2,000 m ²	➔
Top rent	17.00 €/m ²	17.00 €/m ²	➔

© BNP Paribas Real Estate GmbH, December 31, 2023

➔ HARDLY ANY AVAILABLE SPACE UNDER CONSTRUCTION

Around 77,000 m² of office space is currently under construction, which corresponds to a year-on-year decline of a good 22%, but represents a rather high volume for the Dortmund market. The majority of these projects are already fully let. At the end of 2023, the pre-letting rate was around 97%, meaning that only 2,000 m² of the space under construction is still available for rent in the remaining urban area.

➔ PRIME RENT REMAIN STABLE

The prime rent achieved for modern properties in very good locations in the city centre remains unchanged at €17/m². Overall, prime rents in the individual submarkets are stable to rising compared to the previous year. The positive development of the Stadtkrone East submarket is particularly noteworthy, as evidenced by the rise in average rents there (€16.50/m²; +7%). The average rent in the Dortmund market area as a whole currently stands at €12.90/m².

➔ OUTLOOK

The economic uncertainties were also clearly noticeable on the Dortmund office market in 2023. Overall, letting activity on the market was noticeably lower than in the previous year. However, in the course of 2024, the environment should improve and the German economy should stabilise and return to growth, so that the Dortmund market should also experience a slight upturn. Due to the increasing shortage of space, take-up is likely to remain at a similar level to 2023. Meanwhile, the already low vacancy volume is likely to fall further. An increase in prime rent is currently the most likely scenario due to the shortage of supply, particularly in the high-quality space segment.

Key indicators 2023

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	2023	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		24,400	73,400	5,100	0	0	0	73,400	5,000
2 Centre Fringe	14.00 - 16.50		16,200	36,900	8,900	0	0	0	36,900	0
3 Subcentres	13.50 - 17.00		38,400	29,000	8,000	0	71,000	2,000	31,000	30,000
4 Airport/ECO PORT	12.00		2,000	1,700	0	0	6,000	0	1,700	0
Total			81,000	141,000	22,000	0	77,000	2,000	143,000	35,000

* 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 2023](#)

All rights reserved. At a Glance is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate GmbH.

The statements, notifications and forecasts provided here correspond to our estimations at the time when this report was prepared and can change without notice. The data come from various sources which we consider reliable but whose validity, correctness or exactness we cannot guarantee. Explicitly, this report does not represent a recommendation of any kind, nor should it be regarded as forming a basis for making any decisions regarding investment or letting or renting property or premises. BNP Paribas Real Estate can accept no liability whatsoever for any information contained or statements made herein.

Imprint Publisher and copyright: BNP Paribas Real Estate GmbH | Prepared by: BNP Paribas Real Estate Consult GmbH | Status: December 31, 2023

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