BIGGEST TAKE-UP EVER
At 28,000 m², take-up in Dortmund in the three months of 2016 was three-quarters higher than in the prior-year period, with the strong demand giving the office market the best start to a year ever registered. In particular, the City Centre posted buoyant market activity, with a total of 11,000 m². It was followed by Rheinlanddamm and Westfalendamm, with a combined take-up of 9,000 m². Even the subcentres accounted for 8,000 m². The largest lease, for premises of 4,100 m² in the City Centre, was concluded by a medical care centre. Other sizeable contracts were signed by an IT firm in the Technology Park (2,800 m²) and by Wilo SE on Rheinlanddamm (2,500 m²). So the new record was fuelled by a whole number of lease contracts upwards of 1,000 m².

HEALTHCARE HEADS RANKING
Thanks to the large City Centre contract, healthcare moved up into first place in the sources-of-demand ranking with just over 23 % of all take-up. The headquarters of industrial companies, which frequently occupy the top slot, had to be content with second place, with just under 19 %. They were closely followed by public administration (almost 18 %). ICT firms performed much better than last year, gaining a take-up share of over 17 %. A further decisive contribution to the total was made by other services, with just over 12 %. The remaining sectors posted only low take-up figures. So altogether, the distribution of turnover in the first quarter was relatively balanced.

FURTHER FALL IN VACANCY
Vacancy now stands at 121,000 m², the lowest level since the beginning of 2010. It represents a year-on-year decline of almost 19 %. This is due chiefly to the more than 35 % fall in the volume of empty ordinary-quality premises. Modern vacancy has also shrunk, but to a much lesser degree, with a decline of 6 %. This means that unoccupied space offering modern specifications, the kind preferred by potential tenants, now amounts to 32,000 m², which is only just over one quarter of aggregate vacancy. More than 52 % of all vacant space is located in the City Centre, where the volume has actually expanded by almost 7 %. The biggest reduction in vacancy (almost 44 % to 28,500 m²) was in the Centre Fringe office market zone. But even in the subcentres, the volume has fallen by over 29 %.
MORE SPACE UNDER CONSTRUCTION

At the end of the first quarter of 2016, space under construction totalled 30,000 m², which was more than 36 % above the comparable prior-year figure. But the volume of this that is still available for letting – which is the more important factor from the market angle – has actually contracted by nearly 19 % to 13,000 m², equivalent to a proportion of just over 43 % of the total. That contrasts with just under 73 % in the prior-year period. Building activity is currently confined entirely to the subcentres, especially the Phoenix complex, where the market zone Phoenix-See tops the table with 14,400 m², of which almost 89 % is still available. The 9,600 m² of space being created in the Phoenix-West zone, on the other hand, has all been taken-up already. The overall supply of space (vacancy plus available premises under construction) has declined by nearly 19 %.

PRIME RENT REMAINS STABLE

The prime rent, obtained in Core City, is still 13.50 €, the highest level in the past ten years. In isolated cases involving first-class premises, an even slightly higher rent has been noted. Rental price levels in the other submarkets have remained predominantly steady. In the Phoenix-West office market zone, however, the top rent has risen to 12 €/m².

OUTLOOK

Thanks to strong demand and the favourable economic prospects, the very good start to the year is likely to be followed by a further growth in take-up. Given a reduction in vacancy and an ongoing decline in overall space availability, the Dortmund office market can be expected to develop in positive fashion in 2016 as a whole. The prime rent should remain stable.