**SLOW START TO THE YEAR**

In the Düsseldorf office market, take-up of office space in the municipal area totalled 74,000 m² in the first quarter of 2018, which equates to a reduction of just over 31% compared to the same period of the previous year. In the overall Düsseldorf market, which includes besides the municipal area the office market zones in the Periphery, take-up totals 78,000 m². Take-up in Düsseldorf at the start of the year is therefore around 14% below the 10-year average. The main reason for the relatively poor start is that, unlike in the previous year, no major deals were recorded in the first quarter of 2018. The letting of 4,700 m² of office space to the Oberfinanzdirektion (Regional Finance Office) in the office market zone Düsseldorf North and the deal completed by the business centre operator Regus for 4,100 m² in the CBD are the biggest contracts concluded in the first quarter.

**BALANCED INDUSTRY MIX**

The lack of major deals at the start of the year is also reflected in the distribution of take-up by sector: Unlike in the previous year, when the banking sector dominated clearly with two major deals, currently an unusually heterogeneous industry mix can be seen. Only consultancies have been able to break away slightly from the pack with a share of almost 17% of the total result. No other industry gets close to the 10% mark, with the result that the collective category other services and industrial HQs make it onto the podium with only 9 and 8% of take-up respectively.

**LITTLE CHANGE IN AMOUNT OF VACANT SPACE**

In the entire market region the amount of vacant space at the end of the first quarter totals 957,000 m², which equates to an increase of 31,000 m² or just over 3% compared to the same period of the previous year. The increase in vacant space in the municipal area (+ 4,000 m²) has no impact here; the vacancy rate remains 7.5%. In the overall market the vacancy rate rose in the same period from 9.9 to 10.2%. In particular the office market zones in the Periphery account for this, where compared to the first quarter of 2017 an increase in vacant office space of 27,000 m² was recorded. At individual submarket level, the office market zone Seestern again has the biggest amount of vacant space. New tenants are sought here for in total 114,000 m² of office space.
REDUCTION IN SPACE UNDER CONSTRUCTION

At the end of the first quarter of 2018 space under construction in the entire Düsseldorf market region totalled 186,000 m² and was therefore just over 9 % below the figure for the same period of the previous year. It also needs to be taken into account that most of this space has already been allocated to tenants or owner occupiers. Only 47,000 m² or just over 25 % is still available to the market, which is by far the smallest share among the Top 6. The total space available (vacant space + available space under construction) has increased by just over 4 % to around 1 million m².

SLIGHT INCREASE IN TOP RENT

After the top rent had been stable since the second quarter of 2016 at 26.50 €/m², it rose at the end of 2017 to 27 €/m². The highest rent is still achieved in the office market zone CBD. It is noticeable that the highest rents have increased in almost all office market zones, such as in Medienhafen, where 24.50 €/m² is now paid (Q1 2017: 21.50 €/m²).

The development of average rents on the other hand produces a mixed picture, whereby a positive trend can be seen in particular in the Periphery.

OUTLOOK

The Düsseldorf office market has shown two different faces at the start of the year: A fall in take-up is seen alongside a broad-based increase in top rents. If a higher number of major deals are also concluded in the remainder of the year, a take-up in the region of the ten-year average (371,000 m²) is still entirely possible. This would accordingly also have a positive effect for the reduction of vacant space.