

YoY
Change

12-Month
Forecast
270,000Take-Up, m²**7.0%**

Vacancy Rate

**223,000**Under Construction, m²**€28.50**Prime Rent €/m²/month

LABOUR MARKET

YoY
Change**95.5**Ifo Employment Barometer Germany
(Dec 2020)**267,000**Dusseldorf Office Employees
(Dec 2019)**8.0%**Dusseldorf Unemployment Rate
(Dec 2020)

Source: ifo-Institut, Riwis, Federal Employment Agency

ECONOMIC OVERVIEW

Unemployment in Düsseldorf rose again to around 8.0% at the end of 2020. At the end of the previous year, the rate was still around 6.5%. The coronavirus crisis thus had a significant impact on the Düsseldorf's labour market and the number of people on short-time work (approx. 255,000 employees) also reached a new peak. Overall, the economic situation improved slightly towards the end of the year, and this applies in particular to companies in the industrial and digital sectors. Regarding the expected ebbing of the pandemic and the progress of the vaccination campaign, the retail sector, which has been badly affected, is still cautiously optimistic for 2021.

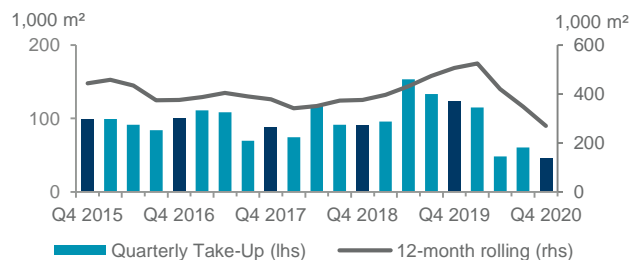
TAKE-UP

Düsseldorf's office leasing market recorded total take-up volume of 270,000m² in 2020. Compared with the record of 2019, the area let has almost halved, decreasing by 47%. In the fourth quarter, take-up totalled 45,800m², which makes it the weakest final quarter since records began. There was a lack of large letting transactions of 5,000m² or more. The largest fourth quarter deal was the letting of around 4,250m² of office space in the Airport City submarket to Deutsche Glasfaser Holding. The increased number of leases in the fourth quarter is largely attributable to small-scale office lettings of up to 500m². Almost a third of all leases concluded were in this size category. The largest letting of the year remains the leasing of 33,500m² by the Oberfinanzdirektion in the City East submarket, followed by ThyssenKrupp Elevator AG with 9,120m² in the North submarket. Overall, 2020 thus remains a year with few major deals. Only six major leasing transactions were registered, in stark contrast to twenty the previous year.

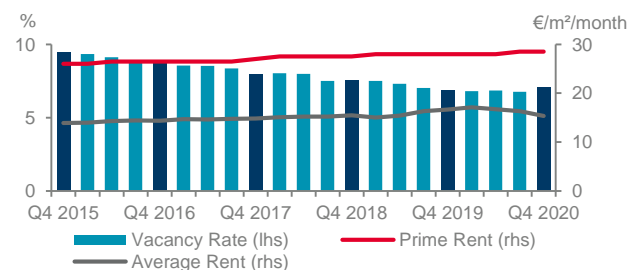
VACANCY

At the end of the year, the office vacancy rate stood at 7.0%, a slight increase compared to the equivalent figure for the previous year. Overall, vacant office area thus increased by around 4% to 647,000m².

TAKE-UP



VACANCY & RENT



COMPLETIONS

In 2020, a total of around 136,000m² of office space was completed. Thus around 40,000m² more office space was completed than in the previous year. In 2021, the completion volume will be only slightly lower, at approximately 126,000m². The still high pre-letting rates of around 76% are noteworthy, meaning that only approximately 30,000m² of office space is available.

RENTS

At the end of the fourth quarter, the achievable prime office rent was €28.50/m²/month in the Central Business District (CBD) submarket. The prime rent has remained at a consistently high level since the second quarter. Depending on the quality of the property and floorspace, it is also possible to achieve lettings at levels in excess of the prime rent.

The weighted average rent for the past 12 months is currently €15.32/m²/month. Compared with the equivalent period the previous year, this represents a decline of around 8% and is primarily attributable to the lower number of high-priced major leasing transactions in high-quality properties and locations.

SELECTED PROJECT DEVELOPMENTS

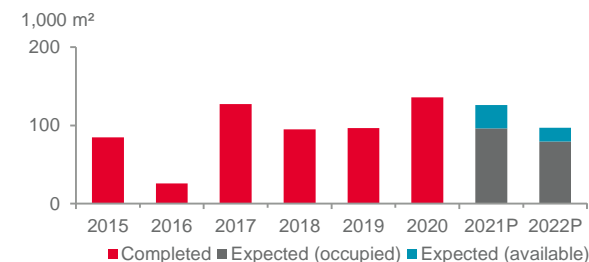
Property/Project	Submarket	Status	Year of Completion	Office Space m ²	Owner
OBRKSSL	Linksrheinisch	Completed	2020	22,000	Patrizia AG
Mizal Minor	City-Süd	Under construction	2021	17,300	R+V Versicherung
The Oval	Kennedydamm	Under construction	2021	15,200	Gerchgroup
Smart Office	Airport-City	Under construction	2021	14,000	Düsseldorfer Liegenschaftsgesellschaft

MARKET STATISTICS

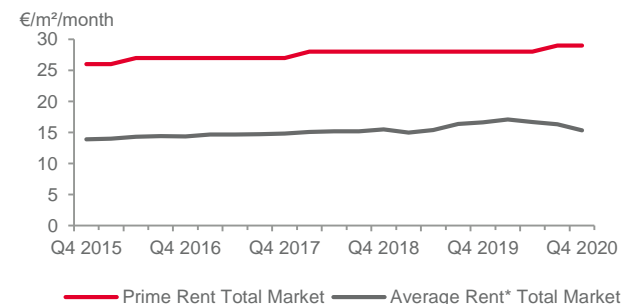
Selected Submarkets	Take-Up 2020 (m ²)	Completions 2020 (m ²)	Space under Construction Q4 2020 (m ²)	Prime Rent Q4 2020 (€/m ² /month)	Average Rent* 2020 (€/m ² /month)
City-Ost	46,400	2,500	3,100	15.00	13.59
City	26,700	4,700	22,400	26.50	17.37
Airport-City	26,100	14,500	33,100	17.50	16.21
CBD	14,800	6,500	8,600	28.50	22.78
Total Market Dusseldorf	270,000	136,000	223,000	28.50	15.32

* Weighted Average Rent (12 months)

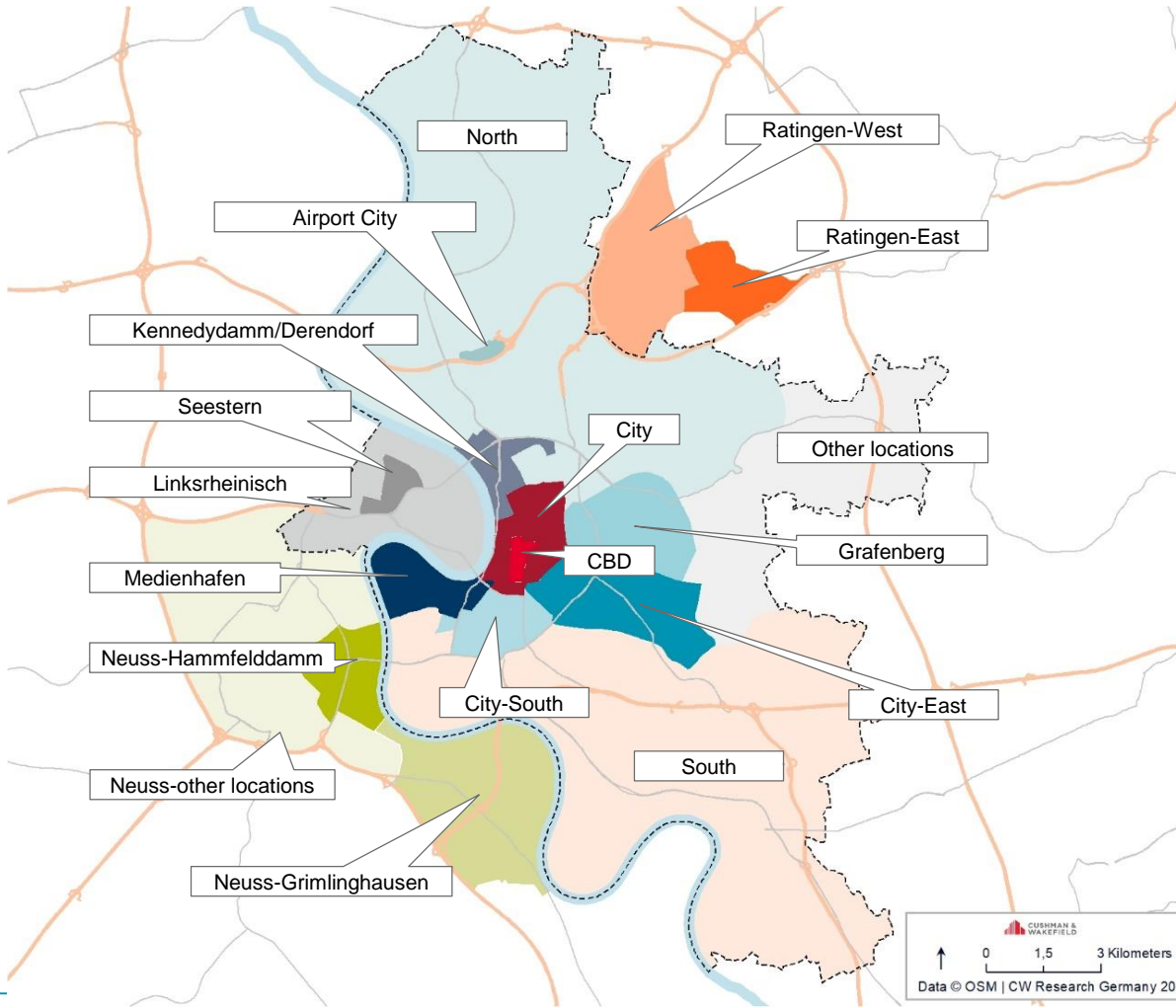
COMPLETIONS



RENTS



SUBMARKET OVERVIEW



RENTAL PRICE RANGE Q4 2020

Submarket	€/m ² /month
CBD	17.00 - 28.50
City	12.00 - 26.50
City-East	9.50 - 15.00
City-South	10.00 - 24.00
Kennedydamm/Derendorf	13.00 - 22.00
Grafenberg	9.50 - 15.00
Medienhafen	14.00 - 24.00
Airport-City	12.50 - 17.50
Seestern	9.50 - 16.50
Linksrheinisch	7.50 - 22.00
North	8.00 - 16.50
South	8.00 - 13.50
Ratingen-East	9.50 - 16.00
Ratingen-West	6.50 - 9.50
Neuss-Hammfelddamm	7.00 - 12.00
Neuss-Grimlinghausen	5.00 - 9.50
Neuss-other locations	4.50 - 11.50

OFFICE INVESTMENT MARKET

The Düsseldorf investment market achieved a total commercial real estate transaction volume of around €3.4 billion in 2020. Although this result represents a year-on-year decline of around 14%, the Düsseldorf investment market has nevertheless remained relatively unperturbed by the pandemic. Office properties remain the most popular asset class among investors, accounting for almost 86% of the total volume. In the fourth quarter, investment volume again just exceeded the one-billion-euro mark, thus almost repeating the strong result achieved at the start of the year. Here, three individual office property transactions of over 100 million euros each had a particularly positive impact. At the end of the year, the prime office yield compressed to 2.90%, a decline of 30 basis points compared with the previous year.

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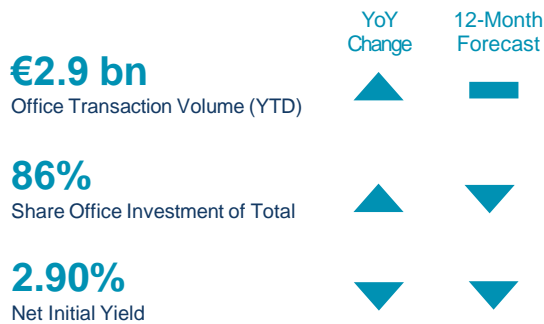
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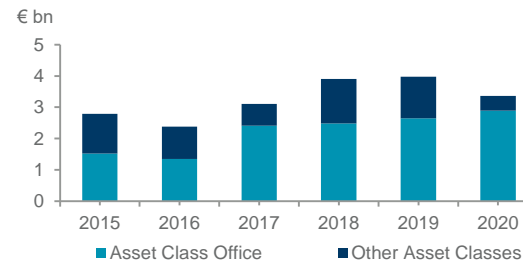
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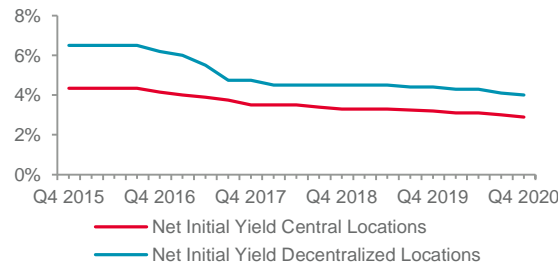
KEY FIGURES



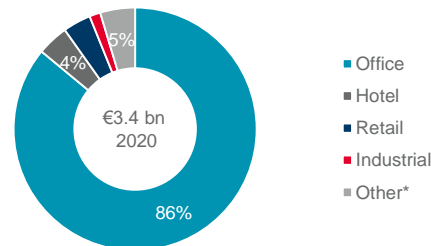
TRANSACTION VOLUME



PRIME YIELDS



TRANSACTION VOLUME BY ASSET CLASSES



*Mixed-use Property, Development Sites, Nursing Homes etc.

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