



YoY
Change

12-Month
Forecast

93,000m²
Take-Up (cum.)



9.9%
Vacancy Rate



395,000m²
Under Construction



€38.00
Prime Rent, €/m²/month



LABOUR MARKET

YoY
Change

98.4

ifo Employment Barometer
Germany (Jun 2023)



226,900

Dusseldorf Office Employees
(Jun 2023)



6.9%

Dusseldorf Unemployment Rate
(Jun 2023)



Sources: ifo-Institut, Moodys Analytics, Federal
Employment Agency

ECONOMIC OVERVIEW

The economic recovery in the Dusseldorf economic region is faltering. According to the economic survey conducted by the Dusseldorf Chamber of Commerce and Industry in April, the current business situation at the majority of companies was stable in the spring, but the majority of expectations for the coming months were pessimistic. In addition to high inflation and high interest rates, the labor market was now increasingly cited as the biggest business risks. Almost half of the companies surveyed (45%) rated high labor costs and the shortage of skilled workers as a major risk. Here, the high wage agreements of recent months are a particular burden on the business outlook.

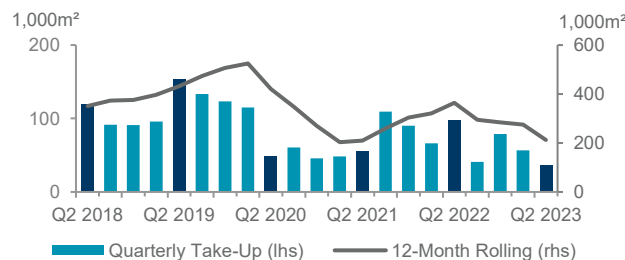
TAKE-UP

The office leasing market in Dusseldorf achieved a historically low take-up volume of just 93,000m² in the first half of 2023. The result is 43% below the equivalent period last year. The last time there was a half-year take-up below 100,000m² was in 2005. In particular, the number of large letting transactions above 5,000m² remained very low during the year. No lettings of this size were registered in the months of April to June - and so the lease contract signed by Hengeler Müller in the "Trinkhaus Karree" with 9,600m² in the first quarter in the CBD submarket remains the largest letting in the year to date. The Corona pandemic has reduced the space requirements of many companies. The market share of the all-important revenue-generating large leases over 5,000m² has declined significantly in the Dusseldorf office market. Since 2020, their share of office take-up has averaged around 23% per year, compared to 37% previously.

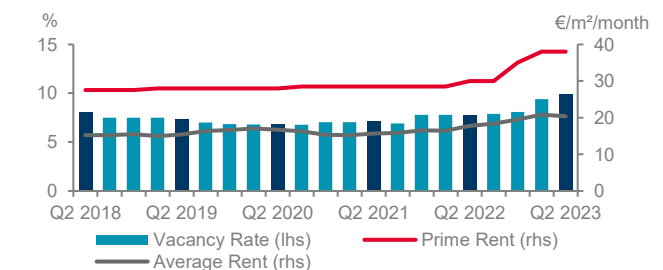
VACANCY

The office vacancy rate continued to rise and stood at 9.9% at the end of the 2nd quarter. The vacancy rate is therefore currently 9.9%. Compared with the previous year, the available supply of space has increased by almost 29%. In the 1st quarter, the vacancy rate rose primarily due to a significant increase in the amount of subletting space on offer. Although this trend did not worsen in Q2, year-on-year the sharp increase in sublet space remains the main driver of vacancy. Currently, 129,000m² of sublet space is available.

TAKE-UP



VACANCY & RENT





COMPLETIONS

Only a small amount of office space has been completed so far in 2023. The volume of only around 8,500m² is almost 51,000m² less than a year earlier. Currently, around 62,500m² of office space is nearing completion in 2023, so the volume for the year as a whole is likely to rise to 71,000m². A total of 395,000m² of office space is currently under construction, of which 145,200m² alone is expected to come onto the market in 2025. Overall, the pre-letting rate for projects in the years 2023-2026 is around 36%, which is lower than in equivalent period last year (43%).

RENTS

The prime office rent in Dusseldorf at the end of Q2 2023 is €38.00/m²/month and is mainly achieved in the Central Business District (CBD) submarket. Compared with the 2nd quarter of the previous year, the prime rent level has increased by €8.00/m²/month. Some of the project developments and refurbishments in the CBD area are primarily responsible for the strong rental growth. The prime office rent will remain at least at this level until the end of the year.

The weighted average rent is currently €20.35/m²/month and has risen by 15% over the past 12 months. Nevertheless, rental price momentum slowed down for the first time in the 2nd quarter. Compared with the equivalent period last year, the average rent decreased by 2%. The decline is primarily attributable to the low number of high-priced and large-scale lettings.

SELECTED PROPERTY DEVELOPMENT PROJECTS

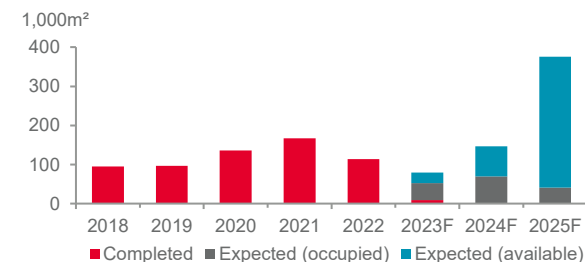
Property/Project	Submarket	Status	Year of Completion	Office Space m ²	Owner
Toniq1	North	Under Construction	2023	12,600	Langen Immobilien
Vertikum	City	Completed	2023	3,300	AEW Europe
NewH	CBD	Completed	2023	2,800	6B47

MARKET STATISTICS

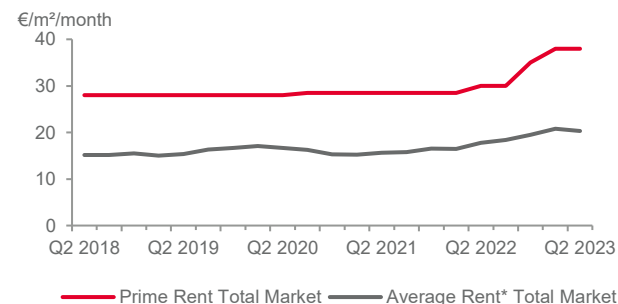
Selected Submarkets	Take-Up YTD (m ²)	Completions YTD (m ²)	Space under Construction Current Quarter (m ²)	Prime Rent Current Quarter (€/m ² /month)	Average Rent* Current Quarter (€/m ² /month)
CBD	18,300	5,100	52,800	38.00	31.20
Kennedydamm	14,000	0	97,200	27.00	20.50
Medienhafen	9,900	0	56,900	28.00	21.90
Airport-City	8,700	0	0	18.00	16.95
Total Market Dusseldorf	93,000	8,500	395,000	38.00	20.35

* Weighted Average Rent (12 months)

COMPLETIONS

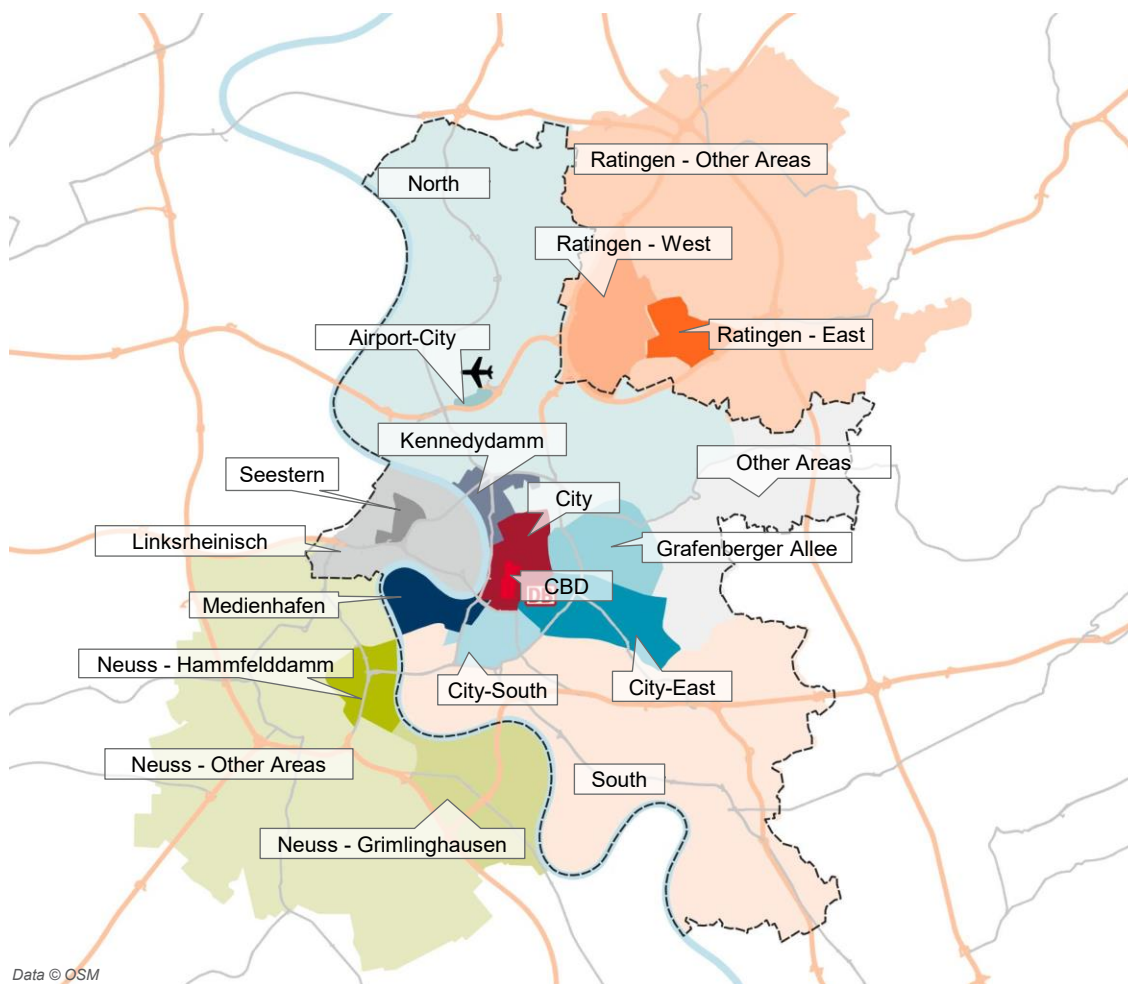


RENTS





SUBMARKET OVERVIEW



Data © OSM

RENTAL PRICE RANGES Q2 2023

Submarket	€/m ² /Month
CBD	19.50 - 38.00
City	12.00 - 32.00
Medienhafen	17.00 - 28.00
Kennedydamm	16.00 - 27.00
City-South	12.50 - 24.00
Linksrheinisch	7.50 - 22.00
Grafenberger Allee	11.50 - 20.00
Airport-City	14.50 - 18.00
City-East	9.50 - 17.50
Seestern	9.50 - 16.50
North	8.00 - 16.50
Ratingen - East	9.50 - 16.00
South	8.00 - 13.50
Neuss - Hammfelddamm	7.00 - 11.50
Neuss - Grimlinghausen	5.00 - 10.00
Neuss - Other Areas	4.50 - 9.50
Ratingen - West	6.50 - 9.50



MARKETBEAT

DUSSELDORF

Office Market Q2 2023



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