

YoY Change 12-Month Forecast

€635 m

Transaction Volume (cum.)



3%

Share of Foreign Capital



5.10%

Office Prime Yield, net



27%

Share Office Investment Volume



ECONOMIC INDICATORS

YoY Change 12-Month Forecast

7.7%

Düsseldorf Unemployment Rate (Jun 2024)



224,900

Düsseldorf Office Employees (Jun 2024)



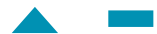
4.25%

ECB Interest rate (Jun 2024)



2.53%

10-Year Government Bond Yield (Q2 2024)



Sources: Federal Employment Agency, ECB, Moody's Analytics

TWO LARGE SINGLE TRANSACTIONS RESPONSIBLE FOR POSITIVE RESULT

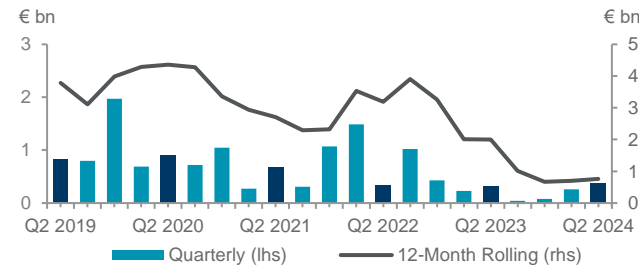
After recent weak quarterly transaction volumes, the Düsseldorf investment market has gradually stabilized again. The commercial real estate investment market in Düsseldorf and the extended logistics market area achieved a transaction volume of €635 million in the 1st half of 2024. This represents an increase in transaction volume of 17% compared to the previous year. Two major transactions contributed significantly to the increase in the first six months: the 35% takeover of the "K11" property and the sale of the former Galeria department store to the City of Düsseldorf for over €100 million each. Overall, transaction activity remained only slightly above the previous year's level with 23 sales (21 transactions). Institutional investors remained cautious due to high interest rates, although their share of capital rose from 17% in the previous year to 25%.

Office properties have become the strongest asset class on the Düsseldorf investment market in the year to date, with a transaction volume of €170 million and a proportion of 27%. This represents a slight increase in transaction volume of 3% compared to the equivalent period last year. Structural change in the office sector and uncertainties regarding future space requirements are having a strong impact on the market, particularly for older existing properties outside of central locations.

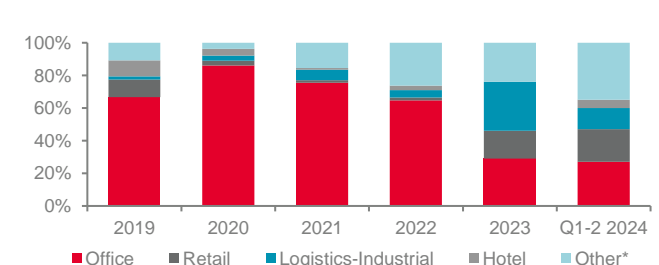
The investment volume with retail properties was strongly influenced by the sale of the former Galeria department store for over €100 million, which increased the total retail volume to €130 million and a 20% proportion of the total commercial transaction volume.

Sales of logistics and industrial properties achieved a transaction volume of around €90 million in the 1st half of the year (13% proportion of total transaction volume), which corresponds to a decrease of around 50% compared to the equivalent period last year. All transactions were registered in the municipalities surrounding Düsseldorf.

COMMERCIAL TRANSACTION VOLUME*



SHARE OF TRANSACTION VOLUME BY ASSET CLASS



*Office, Retail, Logistics-Industrial, Hotel, Other (Leisure, Health Care, Mixed Use, Development Plots)

HIGH PROPORTION OF HIGH-RISK INVESTMENTS

While there were no core transactions in the office segment, investors and owner-occupiers took advantage of the favorable market situation for core-plus and value-add investments, which account for 90% of the office transaction volume. The focus here is particularly on possible repositioning measures as well as potential for value appreciation through refurbishments.

There are still hardly any core transactions. The high 30% proportion is primarily the result of the B&L Group's acquisition of the 35% take-over in "Kil". Higher-risk investments from the value-add and opportunistic segment were mainly made by land purchases and, in some cases, retail and office properties for conversion purposes. These include the former Galeria department store of the insolvent Signa Holding, which the City of Düsseldorf acquired for the construction of the new opera house.

ONLY PRIME OFFICE YIELD CONTINUES TO RISE QUARTER-ON-QUARTER

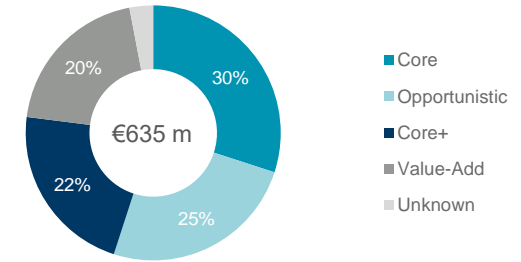
The market for core office investments remains subdued, with little willingness to invest and sell on the part of institutional investors. The prime yield for core office properties rose slightly to 5.10% at the end of the 2nd quarter, which represents an increase of 10 basis points compared to the 1st quarter and 85 basis points compared to the 2nd quarter of 2023.

The prime yield for high-street retail properties in prime locations was unchanged on the previous quarter at 4.45% and was therefore 35 basis points higher than in Q2 2023. Core logistics properties also remained unchanged quarter-on-quarter at 4.50%, but rose by 35 basis points in a 12-month comparison.

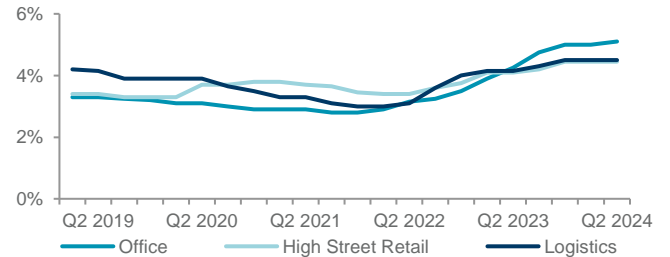
Outlook

- The increased volume and number of registered transactions strengthen hopes for a continued moderate upward trend. In view of the high demand for attractive office space in prime locations, investors are increasingly looking at ways of repositioning and increasing the value of office properties close to city centers.
- The inflation rate is gradually approaching the European Central Bank's 2% target. The majority of financial experts in the current ZEW interest rate expectations survey do not expect any further interest rate cuts in July. Depending on the inflation data, a further interest rate cut in September is realistic.
- Cushman & Wakefield expects prime yields to move sideways for the rest of the year.

TRANSACTION VOLUME BY RISK CATEGORY Q1-2 2024

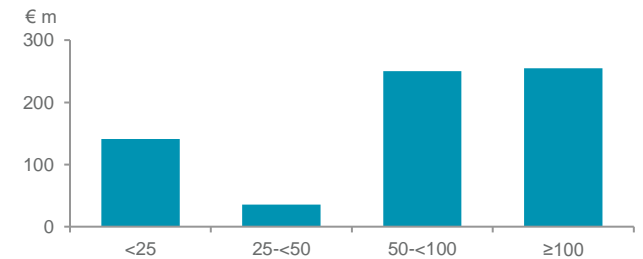


PRIME YIELD BY ASSET CLASS*



* Net initial yield

TRANSACTION VOLUME BY SIZE CATEGORY Q1-2 2024*



* Each size category in euro million

MARKET STATISTICS Q1-2 2024

MARKET	Transaction Volume (€ bn)	Share of Office Volume	Share of Retail Volume	Share of Logistics-Industrial Volume	Share of International Capital	Office Prime Yield*	Retail High Street Prime Yield*	Logistics Prime Yield*
Düsseldorf	0.64	27%	20%	13%	3%	5.10%	4.45%	4.50%
YoY Change	17%	-3pp	-1pp	-18pp	-47pp	85bp	35bp	35bp
Top-7 Markets	6.00	25%	21%	10%	30%	4.91%	4.46%	4.50%
YoY Change	46%	-8pp	10pp	-6pp	-5pp	87bp	47bp	35bp
Germany	11.16	21%	22%	23%	37%	-	-	-
YoY Change	22%	-5pp	3pp	4pp	8pp	-	-	-

*Prime yield is net initial yield, displaying achievable values. Prime yield Germany = Average of Top-7 Markets
pp = percentage points; bp = basis points

SELECTED TRANSACTIONS 2024

Property / Address	Quarter	Type Of Use	City	Vendor / Buyer	Price (€ million)
K11, Schadowstraße 32-54 (35% Share)	Q1	Mixed Use	Düsseldorf	Centrum Gruppe / B&L	Confidential
Am Wehrhahn 43	Q1	Hotel	Düsseldorf	Atenor / Wilhelm von Opel'sche Forst- und Grundstücksgesellschaft	Confidential
Former Galeria-Store, Am Wehrhahn 1	Q2	Retail	Düsseldorf	Signa / City of Düsseldorf	~100
Werdener Straße 4	Q2	Office	Düsseldorf	Branicks Group / VIB Vermögen	~65

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