MARKET AT A GLANCE

The Düsseldorf office leasing market generated 74,000 sqm in take-up in Q1 2018, falling significantly short of its excellent previous-year result (down 32%). While two major deals were signed for a combined 34,000 sqm in Q1 2017, none of the leases signed in Q1 2018 involved more than 5,000 sqm. The sharp drop in vacancy we saw in the past few quarters decided to take a short breath at the start of 2018. Vacancy rose slightly to 543,300 sqm due to a number of tenants vacating properties, putting the current vacancy rate at 7.3%. Average rents fell somewhat short of 2017 year-end results at €15.20 per sqm. Prime rents in the CBD, which are currently recorded at €27.00 per sqm, are expected to rise slightly over the course of the year.
INVESTMENT Q1 2018
DÜSSELDORF

KEY FACTS
[Change year-on-year]
Transaction Volume [+14%]
€0,4 bn
Most Important Property Type
Office (€ 0,368 bn)
Prime Yield Office [-50 bp]
3.5 %
Largest Buyer Group
Open-ended Funds/Special Funds
Outlook 2018
Transaction Volume ➔ Prime Yield ➔

TRANSACTION VOLUME (TAV, bn €)

<table>
<thead>
<tr>
<th>Year</th>
<th>TAV (bn €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>0,40</td>
</tr>
<tr>
<td>2017</td>
<td>2,74</td>
</tr>
<tr>
<td>2016</td>
<td>2,18</td>
</tr>
</tbody>
</table>

ORIGIN OF CAPITAL (TAV in %)

- International Buyers: 54%
- International Sellers: 7%

IMPORTANCE OF PROPERTY TYPES (Prime Yield)

- Office: 92% (3.5%)
- Retail: 0% (3.3%)
- Logistics: 0% (4.65%)
- Hotel: 0% (4.9%)

TOP 3 BUYER GROUPS (TAV in %)

- Open-ended Funds/Special Funds: 40%
- Developers: 16%
- Opportunity Funds/Private Equity Funds: 14%

TOP 3 SELLER GROUPS (TAV in %)

- Developers: 49%
- Asset-/Fund Managers: 20%
- Open-ended Funds/Special Funds: 14%

MARKET AT A GLANCE

Properties and building sites changed hands on Düsseldorf’s commercial investment market for a total of €400m during Q1 2018, up 14% yoy. Market activity was also brisk in Düsseldorf’s surrounding areas, generating an additional transaction volume of around €150m. The sale of the Fürst & Friedrich property development to M&G Real Estate for more than €100m was the largest transaction recorded in the city of Düsseldorf. Foreign investors managed to pull in a very high share buy-side in Q1 2018 with 54%. German investors dominated the scene in terms of selling activity. Yield compression for top-notch office properties in Düsseldorf has continued in recent months. Prime CBD yields are currently listed at 3.5%. Total 2018 transaction volume for the city of Düsseldorf is expected to come in at roughly €2.5bn.

Contact: Lars Zenke | Director | E-mail: Lars.Zenke@colliers.com | T:+49 211 862062-48

Copyright © 2018 Colliers International Deutschland GmbH.
This document has been prepared by Colliers International for advertising and general information only. Colliers International makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers International excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Colliers International and/or its licensor(s). © 2018. All rights reserved.