

Research Germany

Residential market Düsseldorf

Completions only slightly exceed previous year's figure



Residential market

Düsseldorf

Completions only slightly exceed previous year's figure

A total of 2,361 apartments were completed in Düsseldorf last year. Compared with the previous year, this is a slight increase of +2.2% and even exceeded the number of residential building permits (2,301). While the value of completions is still well below the previous high from 2017 (+2,813 new apartments), this level would be able to somewhat meet the future projected average demand until 2030. By 2030, 26 housing units per 10,000 residents need to be completed per year according to the median scenario. Thus, there is no mismatch between needs and completions. Compared with the other Big 8 cities,

Düsseldorf is only in the middle of the pack in terms of completed apartments, but still has the best ratio between completion levels and housing demand. In the second Corona year, Düsseldorf's population continued to decline. With a decline of only -0.2%, Düsseldorf's population had fallen to a total of 619,477 by the end of 2021. Here, net migration plays a major role. Although net migration in 2021 is more positive than in 2020 at -375 people, it still remains below the level of 2019. The reason for the stagnant, slightly shrinking population growth is the decline in immigration as a result of the Corona pandemic. Migration to the surrounding areas of Düsseldorf is continuing because, on the one hand, there is a lack of suitable and affordable housing in the city and, on the other, the surrounding areas offer a higher local recreation factor. Indeed, current prices in Düsseldorf's apartment and property market have returned to positive territory in the first half of 2022. The median rent has risen by +3.8% in the past year and is only €12.35/m². Especially in the area of smaller apartments (<45 m²), the median asking rent rose to a new high of 15.55 €/m². The owner-occupied market also posted a positive development for the first half of 2022, meaning that the positive momentum from the previous year is continuing.

Housing supply and demand for new buildings

Düsseldorf



*Additional annual need for housing units (includes also apartments in detached houses) without consideration of current construction deficits.
Source: destatis, JLL (Status: July 2022)

Selected developments under construction

Düsseldorf

Name	Location	Residential units	Completion date
Quartier Westfalenstraße Nord	Rath	ca. 500	2024
Quartier Ulmer Höh	Derendorf	370	2025
Wiesenviertel	Lichtenbroich	360	2033
Wohnprojekt Freiraum	Bilk	269	2023
Lavendelhöfe	Rath	115	2022

Source: Thomas Daily, JLL (Status: July 2022)

Rental market

Düsseldorf

Rents for smaller apartments rising rapidly

The residential market in Düsseldorf showed a positive trend in the first half of 2022 (+3.8%) after the level of the median rent remained stable in the prior-year period (+0.0%). The median rent thus rose to €12.35/m²/month. In the prime segment, Düsseldorf again recorded a strong positive development in rental prices of +8.6% after prices in the prime segment fell significantly in the same period of the previous year (-1.2%). The current top rental price is 18.30 euros/m²/month. The lower price segment (cheapest 10% of rental offers, 9.50 euros/m²/month) developed less strongly this year (+1.6%) than in the same period last year (+3.3%) and is also below the five-year average (+3.2% p.a.). The smaller apartment segment, on the other hand, posted a huge increase of +15.2% to €15.55/m²/month in the first half of 2022. This figure is more than four times the five-year average (+3.8% p.a.). The development of median asking rents in the new-build segment was also much more positive (+8.1%) than in the same period last year (+3.5%).

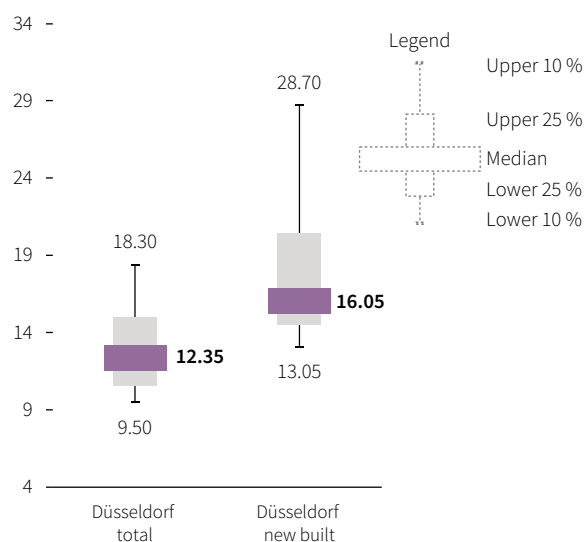
The current asking rent in the new-build segment is €16.05/m²/month. At district level, the highest average asking rents (15.00 euros/m²/month) are demanded in

district 4 on the left bank of the Rhine, while the lowest (10.15 euros/m²/month) are in district 10 in the southeast.

Rental price bands for listed apartments

Düsseldorf – H1 2022

Asking rent in €/sqm/month

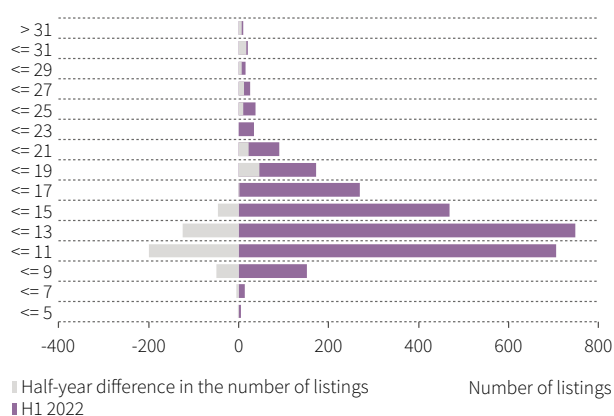


Source: JLL. VALUE Marktdaten (Status: July 2022)

Distribution of rental listings by price group

Düsseldorf

Price group in €/sqm/month

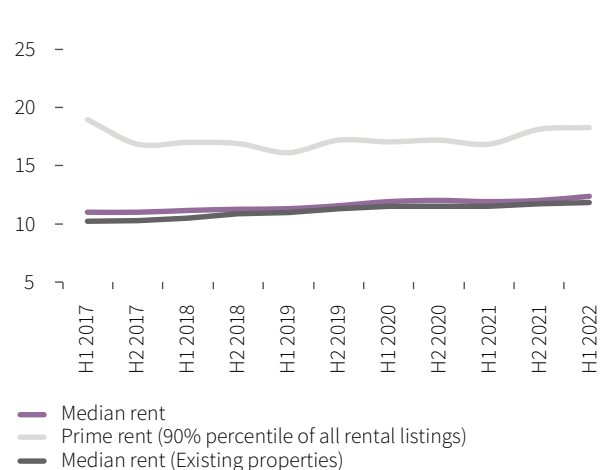


Source: JLL. VALUE Marktdaten (Status: July 2022)

Development of rental prices

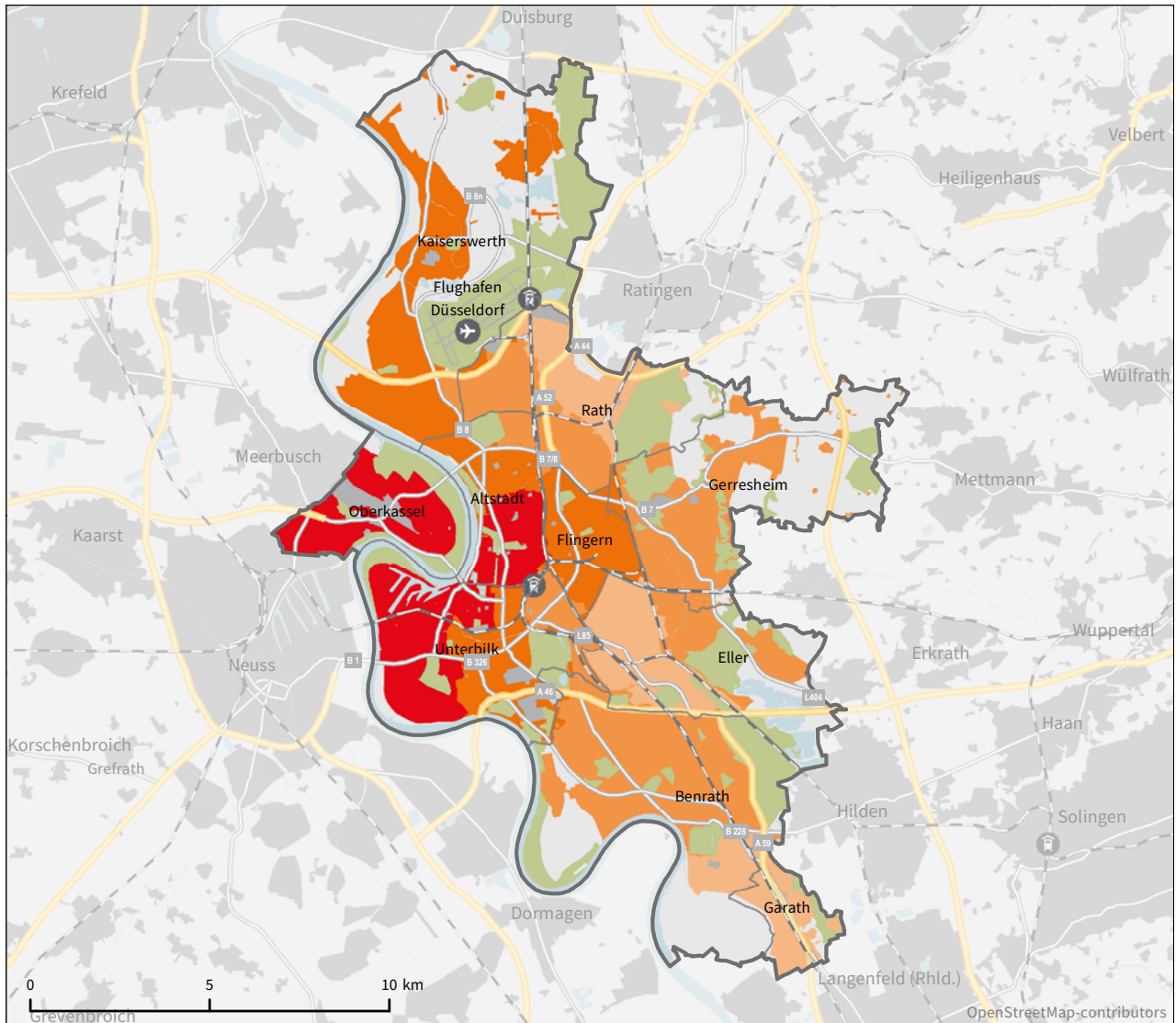
Düsseldorf

Asking rent in €/sqm/month



Source: JLL. VALUE Marktdaten, IDN immodaten (Status: July 2022)

Asking rental prices Düsseldorf



Rent Level

Average in €/sqm/month on postcode level

< 10.00

12.00 < 13.00

Water Area

Industrial or
Traffic Area

10.00 < 11.00

≥ 13.00

Green Area

Other Area

11.00 < 12.00

Source: JLL, VALUE Marktdaten

Market for condominium apartments

Düsseldorf

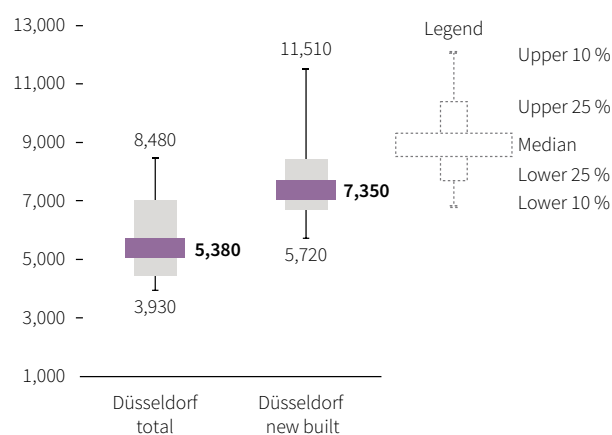
Median asking prices continue to rise, significant increase in new build segment

The median asking prices for condominiums in Düsseldorf continued to develop positively in the first half of 2022. The current level of the median price has risen by +12.1% and thus stands at €5,380/m². Compared with the same period of the previous year (+12.9%) and compared with the five-year average (7.7% p.a.), the momentum in purchase prices continues. This is primarily due to the development of asking prices in the prime segment, where growth most recently stood at 13.1%, roughly three times the five-year average (+4.6%). The current top price in Düsseldorf in the first half of 2022 is 8,480 euros/m². In the lower price segment (3,930 euros/m²), there was sustained and significant growth of +14.9%, which is roughly in line with the average of recent years (+12.2% p.a.). In the new-build segment (+18.2%), momentum increased almost sixfold compared with the previous year (+3.2%). The current asking price in new construction is quoted at 7,350 euros/m². The highest median asking prices are in District 4 on the left bank of the Rhine at 7,110 euros/m², while the lowest are listed in the southeastern City District 10.

Purchase price bands for condominiums

Düsseldorf – H1 2022

Purchase price in €/sqm

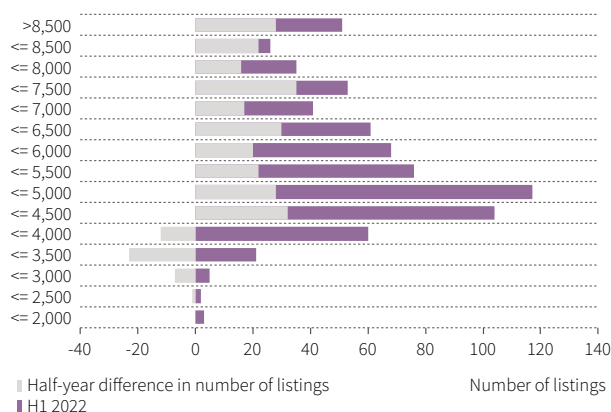


Source: JLL. VALUE Marktdaten (Status: July 2022)

Distribution of condo listings by price group

Düsseldorf

Purchase price group in €/sqm

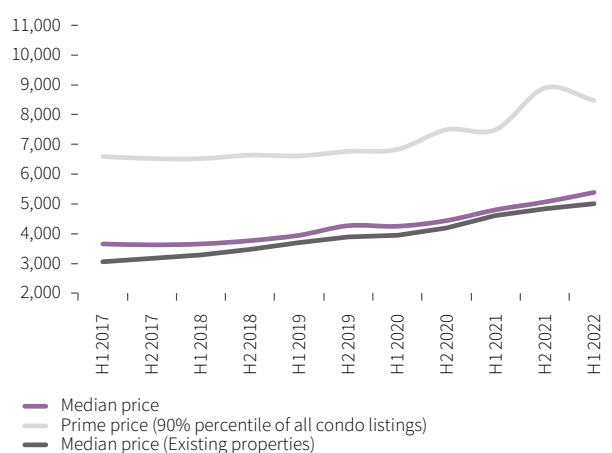


Source: JLL. VALUE Marktdaten (Status: July 2022)

Development of purchase prices for condominiums

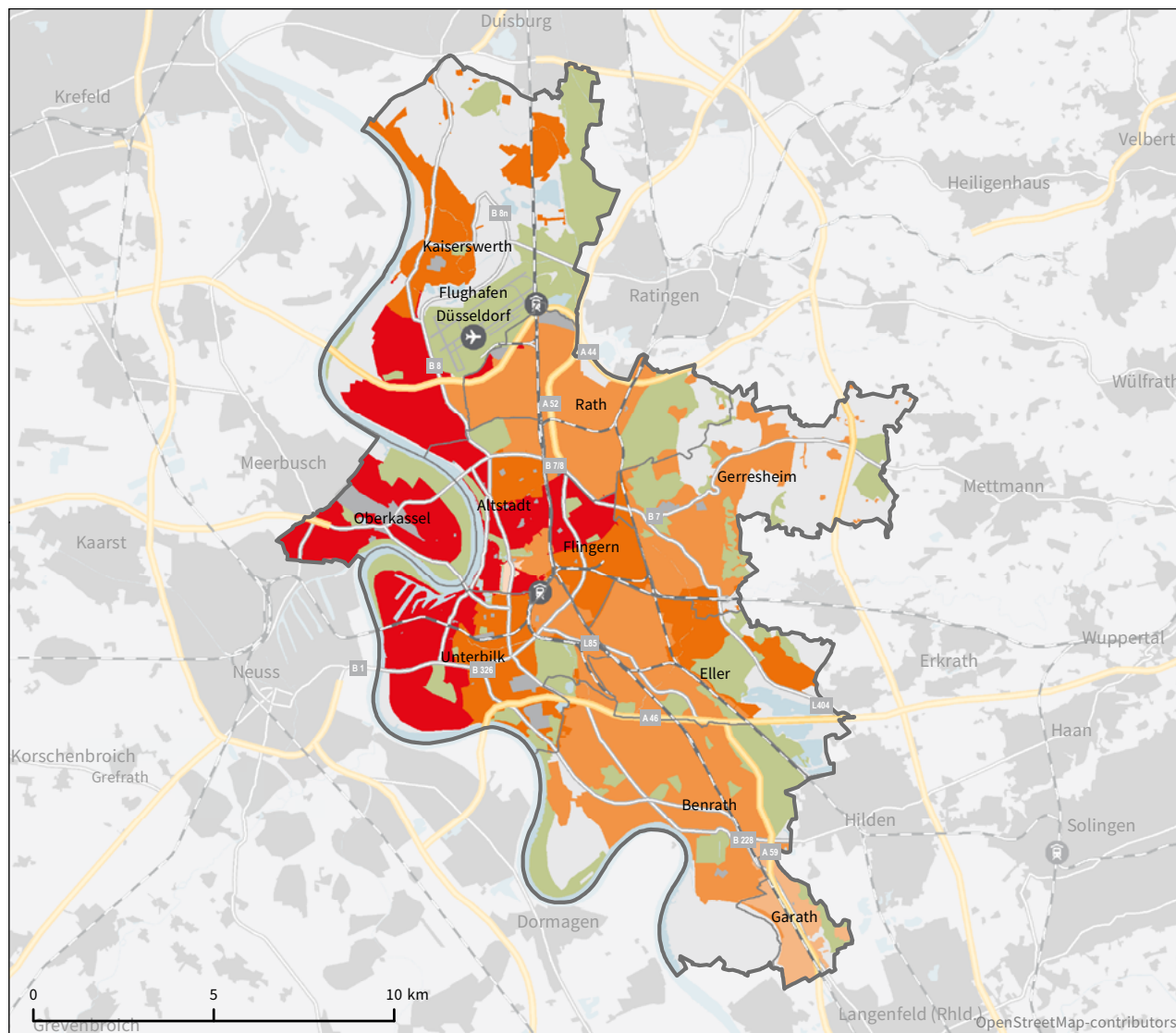
Düsseldorf

Purchase price in €/sqm



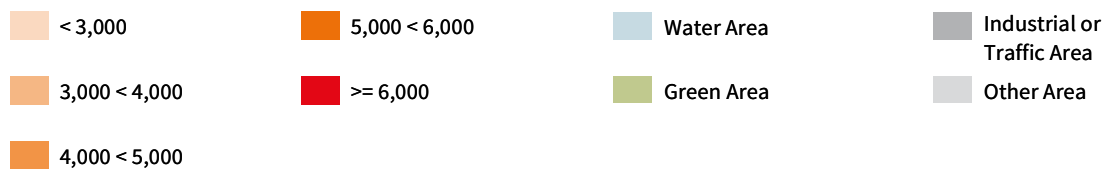
Source: JLL. VALUE Marktdaten, IDN immodaten (Status: July 2022)

Asking condominium prices Düsseldorf



Condominium price level

Average in €/sqm on postcode level



Source: JLL. VALUE Marktdaten



Contacts

Michael Bender

Head of Residential Germany
Frankfurt
+49 (0) 69 2003 2333
michael.bender@eu.jll.com

Ralf Kemper

Head of Valuation & Transaction
Advisory Germany, Frankfurt
+49 (0) 69 2003 1092
ralf.kemper@eu.jll.com

Helge Scheunemann

Head of Research Germany
Hamburg
+49 (0) 40 350011 225
helge.scheunemann@eu.jll.com

Roman Heidrich

Lead Director Valuation &
Transaction Advisory, Berlin
+49 (0) 30 203980 106
roman.heidrich@eu.jll.com

Sebastian Grimm

Lead Director Valuation &
Transaction Advisory, Frankfurt
+49 (0) 69 2003 1196
sebastian.grimm@eu.jll.com

Authors

Dr. Sören Gröbel

Director Research, Berlin
+49 (0) 30 203980 151
soeren.groebele@eu.jll.com

Sandra Baumgarten

Senior Research Analyst
+49 (0) 89 290088 174
sandra.baumgarten@eu.jll.com

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