Foreword

While in generally 2009 was the most difficult business year for real estate agents compared to the last 20 years, we recorded the best year of our still young but very successful company history. In the areas of letting as well as investment we were able to increase our turnover considerably and even stronger we continue to head for our company’s fifth anniversary leaving the “year of the crisis 2009” behind.

The positive result of our work also arose from a relative stability of the office market in the Ruhr Area. The decline in take-up of space was rather in the range of typical market fluctuations. Catastrophic market collapses caused by the crisis did not appear until today.

Our corporate management corresponds with these characteristics and mentality of the region. We are committed to continuity, sustainability and stability, too. Organic growth with visual judgement – also in the alleged boom years 2007/2008 – led to the fact that we were able to extend our business fields in a weaker environment (or maybe actually because of it). The expansion of our business did not occur due to increased volume but significantly by the gaining of prior-year market shares of the competition.

Also in 2009 Cubion again mediated the largest office lease contracts of the year accompanied by real estate brokers in the important cities of the Ruhr Area. A most influential market position for the Ruhr Area which is awarded to us meanwhile in many places, we were hence able to confirm and expand. After we concluded the largest office space deal arranged by real estate agents in Dortmund in 2008, we achieved this in Bochum as well as in Essen. Further large deals made Cubion the unchallenged front leader in the area of office space agency in Essen in 2009. Our marketing performance therefore was positioned remarkably above the runner-up.

Finally we thank our long lasting business partners for the confidence.

Stefan Orts
Markus Büchte MRICS
Our market worldwide.

All business is local – if not, we have strong partners.

Germany – NAI Apollo.

We are exclusive network partners of NAI Apollo. Almost nationwide we offer well-founded expertise to our customers in the areas of consultancy and agency, investment, valuation, research as well as asset management, property management, and construction management.

NAI Apollo belongs to the market leaders on the brokerage of commercial properties in the Rhein-Main area, one of the most important property markets in Germany. Nationwide round 100 staff members work at the locations Frankfurt, Berlin, Munich, Stuttgart, Düsseldorf, Essen, Cologne, Mülheim/Duisburg, Dresden and Leipzig.

NAI Global awarded as “Global Broker of the Year”

The Private Equity Real Estate Magazine – PERE has awarded NAI Global as “Global Broker of the Year” at the annually PERE Awards. The rewith the only worldwide network of owner-operated real estate organisations relegate CB Richard Ellis on rank two and Jones Lang LaSalle on rank three.

“2009 was a year in which the world of private investors of real estates experienced frightening turbulences. All the more it is a great award, currently being elected by our readers at this year’s award – this also mirrors the confidence of our readers in the future of NAI Global. This honour is a proof for the quality and the commitment of NAI Global and its experts in the areas of private equity and finance around the globe”, says Jeffrey M. Finn, NAI Global president & CEO.

Worldwide – NAI Global.

The network NAI operates successfully since 1978 and is the only worldwide network, which is an owner-operated real estate organisation of this size. In the year 2009 NAI Global concluded transactions of the amount of more than 32 billion $ and manages more than 19 million square metres of commercial spaces. Customers of NAI Apollo are among others the fortune 1,000 companies and institutions, which are serviced in this network. With headquarter in Princeton, New Jersey, the NAI Global network consists of about 5,000 staff members in 325 offices in more than 55 countries.

NAI Global belongs to the Top 5 real estate brokerage agencies worldwide according to NREI’s Brokerage Survey 2009 and ranks first among all owner-operated networks worldwide (status 08/08).

Our market in the metropolis Ruhr.

CUBION Immobilien.

Your reliable partner for sales nationwide and commercial lettings in the Ruhr Area.

Many years of market experience
Since five years from now on we are successfully operating in the region and beyond. Within this time we became firmly established for commercial properties. Our team leaders dispose of more than 85 years professional experiences on the whole and several millions of arranged square metres in that time.

Market research
We do not copy, we do not invent, but take our task as deliverer of information for important real estate decisions very seriously. Therefore you may expect detailed and examined research from us. We know the figures behind the figures – also this distinguishes us from others. Rarely we are the first who publish figures, but those with profound researched figures. This is how we understand research.

Our customers benefit from very large market transparency we are able to offer by our long lasting detailed research.

Advantage of an owner-operated company
We count on values and fortes of an owner-operated company. Every action arises from our business-minded personality and therefore is focused on a long-term nature and sustainability. For the benefit of our clients and at the same time for our own.

Working together as partners
The development of a long-lasting partnership cooperation has priority to any possibility of a “fast business”. This philosophy determines our action – its success is confirmed almost every day.

Chartered Surveyors
Since two years from now on Cubion is authorised by the Royal Institution of Chartered Surveyors to hold the title Chartered Surveyors. This award additionally is a guarantor for confident and ethical work for you.

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The metropolis Ruhr area approx. 4,435 km²
population (2009) approx. 5.2 Mn.
employees (2008) approx. 2.2 Mn.
thereof in the service sector approx. 71 %
annual purchasing power (2006) approx. € 92.4 mn
unemployment rate (December 2010)
North Rhine-Westphalia approx. 9.0 %
Metropole Ruhr approx. 11.3 %
Federal Republic of Germany approx. 8.1 %

Source: Regional Bureau for Data Processing and Statistics; SVW

The 5 largest cities of the Ruhr Area:
Dortmund 582,164 inhabitants
Essen 578,477 inhabitants
Duisburg 492,674 inhabitants
Bochum 377,164 inhabitants
Gelsenkirchen 260,900 inhabitants

The 25 top-selling companies of the metropolis Ruhr
ordered by turnover:
1. ThyssenKrupp AG Essen 53.4 bn
2. Aldi Nord/Süd Mülheim/Essen 50.3 bn
3. RWE AG Essen 49.0 bn
4. Deutsche BP AG Bochum 42.6 bn
5. Franz Haniel & Cie. GmbH Duisburg 26.4 bn
6. Unternehmensgruppe Tengelmann Mülheim 24.2 bn
7. Arcandor AG Essen 19.9 bn
8. HOCHTIEF AG Essen 19.1 bn
9. Evonik Industries AG Essen 15.9 bn
10. Bremerhaven Holding Mülheim 7.4 bn
11. Köckner & Co. AG Duisburg 6.5 bn
12. GEK Group AG Bochum 5.2 bn
13. Douglas Holding AG Hagen 3.1 bn
14. Daimler-Motoren Gruppe Essen 3.1 bn
15. NOWEDA eG Apothekergenossenschaft Essen 2.5 bn
16. NORDWEST Handel AG Hagen 2.0 bn
17. Carl Spaeter GmbH Duisburg 1.9 bn
18. INEOS Phenol Gladbeck 1.8 bn
19. MAN Ferrostaal AG Essen 1.6 bn
20. MEDION AG Essen 1.6 bn
21. WAZ Mediengruppe Essen 1.6 bn
22. Knaut Interfer SE Essen 1.4 bn
23. DWZ21 Dortmund 1.4 bn
24. Kelly International GmbH Duisburg 1.4 bn
25. ALTANA AG Wesel 1.3 bn

Figures rounded up, measured relative to on-site accounted turnover, dependent subsidiaries and branches not considered.
Source: Wirtschaftsführung; CUBION RESEARCH
Office market data Germany

**Overview**

<table>
<thead>
<tr>
<th>Inventory in m²</th>
<th>Vacancy in %</th>
<th>trend</th>
<th>Vacancy in m²</th>
<th>trend</th>
<th>Letting in m²</th>
<th>trend</th>
<th>Top rent in €/m²</th>
<th>trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berlin</td>
<td>18,620,000</td>
<td>7.33%</td>
<td>1,366,000</td>
<td></td>
<td>483,000</td>
<td></td>
<td>20,00</td>
<td></td>
</tr>
<tr>
<td>Dortmund</td>
<td>2,850,000</td>
<td>4.70%</td>
<td>134,000</td>
<td></td>
<td>68,500</td>
<td></td>
<td>13.20</td>
<td></td>
</tr>
<tr>
<td>Duisburg</td>
<td>2,060,000</td>
<td>2.90%</td>
<td>59,000</td>
<td></td>
<td>60,000</td>
<td></td>
<td>13.00</td>
<td></td>
</tr>
<tr>
<td>Dusseldorf</td>
<td>8,740,000</td>
<td>12.29%</td>
<td>1,074,400</td>
<td></td>
<td>257,600</td>
<td></td>
<td>22.00</td>
<td></td>
</tr>
<tr>
<td>Essen</td>
<td>3,412,000</td>
<td>4.80%</td>
<td>165,000</td>
<td></td>
<td>111,500</td>
<td></td>
<td>13.50</td>
<td></td>
</tr>
<tr>
<td>Frankfurt</td>
<td>11,850,000</td>
<td>14.17%</td>
<td>1,679,000</td>
<td></td>
<td>350,000</td>
<td></td>
<td>39.00</td>
<td></td>
</tr>
<tr>
<td>Hamburg</td>
<td>13,150,000</td>
<td>7.00%</td>
<td>920,000</td>
<td></td>
<td>350,000</td>
<td></td>
<td>23.00</td>
<td></td>
</tr>
<tr>
<td>Cologne</td>
<td>7,350,000</td>
<td>8.64%</td>
<td>635,000</td>
<td></td>
<td>225,000</td>
<td></td>
<td>21.50</td>
<td></td>
</tr>
<tr>
<td>Munich</td>
<td>21,650,000</td>
<td>8.98%</td>
<td>1,760,000</td>
<td></td>
<td>534,000</td>
<td></td>
<td>30.00</td>
<td></td>
</tr>
<tr>
<td>Stuttgart</td>
<td>7,850,000</td>
<td>6.34%</td>
<td>490,000</td>
<td></td>
<td>165,000</td>
<td></td>
<td>13.00</td>
<td></td>
</tr>
<tr>
<td>Total 2009</td>
<td>97,532,000</td>
<td></td>
<td>8,271,400</td>
<td></td>
<td>2,594,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total 2008</td>
<td>95,409,000</td>
<td></td>
<td>7,485,500</td>
<td></td>
<td>3,331,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference in m²</td>
<td>2,123,000</td>
<td></td>
<td>784,900</td>
<td></td>
<td>739,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% change</td>
<td>2.23%</td>
<td></td>
<td>10.48%</td>
<td></td>
<td>-22.17%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Office market**

Office space take-up in m²

**Consumer Price Index Germany 2000 - 2009**

<table>
<thead>
<tr>
<th>Year</th>
<th>Course of index 2000 = 100</th>
<th>Increase compared to the prior year in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>120.61</td>
<td>20.6%</td>
</tr>
<tr>
<td>2002</td>
<td>127.27</td>
<td>5.47%</td>
</tr>
<tr>
<td>2003</td>
<td>139.39</td>
<td>9.42%</td>
</tr>
<tr>
<td>2004</td>
<td>151.93</td>
<td>8.88%</td>
</tr>
<tr>
<td>2005</td>
<td>163.15</td>
<td>7.41%</td>
</tr>
<tr>
<td>2006</td>
<td>176.56</td>
<td>8.15%</td>
</tr>
<tr>
<td>2007</td>
<td>188.73</td>
<td>7.03%</td>
</tr>
<tr>
<td>2008</td>
<td>197.34</td>
<td>4.52%</td>
</tr>
<tr>
<td>2009</td>
<td>201.89</td>
<td>2.32%</td>
</tr>
</tbody>
</table>

**Inflation rate 2000 - 2009.**

**Real growth of the GNP 2000 - 2009.**

**Growth rate of the GNP in constant prices (1995) - change in % of the prior-year**

**Source:** Cubion Research (Ruhr Area), NAI apollo (other cities)

**Economic data Germany**


**Office market data Germany**

- Office market data Germany.
The metropolis Ruhr at a glance - The cities by comparison.

The office markets of the metropolis Ruhr are absolutely remarkable. Together they are strong. Besides a constant market development and presentable letting take-ups, the region stands out by a traditionally modest building activity and a healthy supply reserve. The vacancy rates are one of the lowest nationwide.
Brief overview

In view of the office market results of the year 2009 it is noticed that Essen is not affected by the “economic crisis” or rather has been spared (yet). After two positive exceptional years in a row, the office space take-up is only falling by 13 %, which moreover is due to the lower space consumption by owner-occupiers and not due to the letting performance. One year ago we predicted that on the basis of a special offer and demand structure, a bad result for the office market in Essen is not to be expected. However, the fact that the letting performance led to the second best ever has even exceeded all expectations.

The still prevailing lack of high quality office spaces in Essen had no problematic impact yet as suspected. This might be associated with the macroeconomic mood that currently does not offer the right environment in order to lease high quality, new and therefore expensive office spaces. However, the “economic crisis” basically had no negative influence on the conclusion of large lease contracts in Essen. At least four conclusions of each 5,000 m² were recorded which was not achieved even in the record years 2007 and 2008. With some pride Cubion may claim that the company has brought about the largest conclusion arranged by real estate agents (7,200 m² in the Weststadt-Türme). In 2009 Cubion has placed the largest number of office spaces by a great margin among other real estate companies in Essen and also in the first quarter of 2010 again arranged the largest lease contract so far: RWE leased about 6,700 m² office space via Cubion.

Structure data

| Inhabitants (06/2009)        | 578,477 |
| employees subject to social insurance | about 80.0 % |
| contribution in the area of service |  |
| unemployment rate (04/2010)  | about 13.5 % |

Tax rates

| Trade tax collection rate (2009) | 470 % |
| Base tax collection rate (2009)  | 510 % |
Office market 2009

Take up

133,500 m² of office space were transacted in 2009 in Essen. In those 22,000 m² are included which owner-occupiers have taken. Hence take-up has turned out lower by almost 13 % compared to the prior year, but in the outcome exceeds the medium-term 5-year-average by 14 %. It needs to be noted that the record years 2007 and 2008 are included in the average value. The letting performance (take-up without owner-occupiers) examined only may be described as surprisingly positive, however in the “year of the crisis” it is the second best result achieved in the last fifteen years in Essen.

In contrast the owner-occupier rate with 16.5 % is the second lowest since more than ten years. Only in 2004 a lower rate with about 14 % was achieved which was traditionally allocated rather at about 25 % in Essen – the city of consolidated companies.

The letting performance was characterized by “large lease contracts” in the prior years. On the whole 18 contracts (prior year: 20) with more than 1,000 m² office spaces were reported which represent in total 72,000 m² of the leased space (prior year: 53,000 m²). Forthwith two mega deals were reported: The “Deutsche Bank” leased the former “Bundesbahndirektion” at the Bismarckplatz with round 18,500 m² and “GNS Gesellschaft für Nuklear-Service mbH” relocated its headquarter from Hollestraße to Weststadt. There GNS has a new building with 15,000 m² built and at the same time heralds the continuation of the success story “Weststadt” beyond the Frohnhauser Straße.

TOP 5 lettings 2008

<table>
<thead>
<tr>
<th>Top 5 Lettings 2008</th>
<th>Location</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDS Itellium</td>
<td>Theodor-Althoff-Str. 1</td>
<td>9,700 m²</td>
</tr>
<tr>
<td>RWE Systems</td>
<td>Alfredstr. 28</td>
<td>5,400 m²</td>
</tr>
<tr>
<td>Kümmerein Rechtsanwälte und Notare</td>
<td>Messeallee 2 (Rüttenscheider Tor)</td>
<td>4,200 m²</td>
</tr>
<tr>
<td>Geno-Volks-Bank Essen e. G.</td>
<td>Am Waldthauspark 4</td>
<td>3,800 m²</td>
</tr>
<tr>
<td>BDO Deutsche Warentreuhand AG</td>
<td>Max-Keith-Str. 66</td>
<td>3,000 m²</td>
</tr>
</tbody>
</table>
Locations
The office market areas “Weststadt” and “Südviertel” are both favoured by tenants due to their locations with each round 22 % relative share. The “Citykern” follows stabilising its local value with 17 %. The trend of leasing in intra-urban locations would be more clearly provable with figures if sufficient high quality spaces were available. The areas “Rüttenscheid” with 8 % (prior year: 18 %) and “Büroparks Bredeney” with only 2 % (prior year: 11 %) were weaker in 2009. Regarding office market areas we also refer to our map “Office market areas Essen” which is available in the prevailing current version on www.cubion.de.

Vacancy
Within a year’s time including available sub-lease offers, the vacancy rate increased to its level on which it has fallen to within 2008. The rate increased from 4 % to currently 4.8 %. The offer for sub-lease spaces declined considerably – a fact that cannot be insignificantly traced back to the expiring lease contracts and therefore the shift of sub-lease spaces to the usual offer.

Space quality
Still there is an “emergency of quality” on the Essen office market and meanwhile a deficit of large connected spaces (from 5,000 m²) as well. The offer of those is very easy to grasp. This situation is going to become even more problematic in the course of this year. Accordingly our current searches for office

Sectors
In the analysis of sectors the captain of the prior year “commerce, trade and transportation companies” extended its lead to 34 % (prior year 28 %). Followed by “financial services” with 19 % (determined by the large conclusion Deutsche Bank) and the third position shared by the “public sector” and “consulting services” with each 13 %.

TOP 5 lettings 2009

<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
<th>Size (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deutsche Bank</td>
<td>Bernackiplatz 1</td>
<td>18,600</td>
</tr>
<tr>
<td>GNS Ges. für Nuklear-Service</td>
<td>Frohnhäuser Straße</td>
<td>15,200</td>
</tr>
<tr>
<td>Universität Duisburg-Essen</td>
<td>Berliner Platz 6-8</td>
<td>7,200</td>
</tr>
<tr>
<td>RAG Montan</td>
<td>Zollverein</td>
<td>7,000</td>
</tr>
<tr>
<td>Caritas</td>
<td>Am Porscheplatz 1 (Caritas-Haus)</td>
<td>3,000</td>
</tr>
</tbody>
</table>

Glückaufhaus (completion 2009)

Development demand sectors

Essen 2009.
Lease contracts taken by locations (in %)

Glückaufhaus (completion 2009)
Completions

Indeed the completions of new buildings with round 49,000 m² in 2009 finally have exceeded the 10-year-average after seven years, but are not able to counteract the lack of the offer for contemporary and attractive office spaces in Essen. Currently there are only 3,000 m² vacant office spaces from this new building volume available – but those are partially reserved or are in final negotiations.

Rents

At the moment the top rents in Essen can be achieved in the office market areas “Rüttenscheid” and “Weststadt”. Compared to the prior year, they slightly increased at round 13.50 €/m². A further growth is not to be expected currently as long as the building cost development does not demand something else. The average rent has given in a little bit for a second time and currently is at 8.50 €/m² (2008: 8.75 €/m²).

Prospects 2010.

A serious forecast for 2010 can rarely be performed for which reason we would like to leave it to some trends that are clear from our point of view:

The special structures on the side of offer and demand will provide stability in the office market in Essen in 2010, too. Even if the weak economy appears time-delayed, the office market in Essen will not have to survive a crisis. According to current assessments, there are less than 4,000 m² vacant spaces of the round 106,000 m² on the market, which completion is expected in 2010. The vacancy rate below 5 % can be regarded as moderate. Even in the case of declining demand there will be no space surplus and certainly no excessive supply of high quality office spaces. Rents on top as well as average will remain stable due to this reason among others. Also the year 2010 is going to generate some interesting, also large lease contracts. Good approaches for this were already recorded in the first days of the year. We are dampened optimistically.

For all relevant office market areas in Essen, Cubion publishes a detailed rent index. The map “office market areas Essen 2010/2011” is available for free on www.cubion.de or request as print at our office.
Brief overview

Once again another office letting year in Dortmund ended with a less strong final quarter and despite macroeconomic unfavourable basic conditions led to a conciliable total result. Space take-up 2009 was considerably above the 10-year-average and marginally exceeded the 5-year-result that at least includes the record result of 2007.

The vacancy rate was still on a moderate but not too low level so that in 2010 a sufficient office space offer can be expected as well. Also due to the fact that after four poor years, in 2010 a large volume of completions of more than 70,000 m² will be achieved. Besides already fully leased (office building Rheinische Straße 1 at the “Dortmunder U”) or completely for one’s own used projects (new building Volkswohlbund), also theoretical established spaces will have a positive impact on the market on the supply side (WestfalenTower). The reserve for supply was calculated to 4.7 % at the end of 2009. These are all indicators for a healthy market.

67,500 m² office space were let in 2009, 3,000 m² by owner-occupiers. The mere letting performance therewith was marginally at 16 % above the average of the last five years.

The letting result in 2009 was not only falsified by a few exceptional large single conclusions and may be described as sustainable. This also as in 2009 no considerable interim leasings of short contract durations were submitted in the result.

40 % of the leased spaces apply on the “Citykern”, the most popular office market area by far.

Structure data

- Inhabitants (06/2009): 582,184
- Employees subject to social insurance contribution in the area of service: about 80.0 %
- Unemployment rate (04/2010): about 14.8 %

Tax rates

- Trade tax collection rate (2009): 450 %
- Base tax collection rate (2009): 470 %
Take-up

With round 70,500 m² transacted office space on the whole, marginally the average of the prior five years (69,100 m²) was exceeded. However, for this reason the result was almost 10 % below the prior years’ (77,500 m²). In view of the economical environment though this is a respective result – the more so as the long-term 10-year-average was exceeded by almost 10 %.

The mere letting performance was at 67,500 m² and surprised with a value above the prior year level (64,000 m²). Therefore there was few reason to worry in Dortmund what was not taken as granted in many cities nation-wide. There was no talk about an economic crisis with impact on the office space market at all.

The number of relevant lease contracts has declined by more than 30 %: we have registered merely 88 lease contracts (prior year: 115). Thereby the demand was dispersed relatively balanced to the different space segments to some extent so that the letting result was not influenced only by large contracts.

Locations

Still the city centre of Dortmund is the leading force in terms of popular locations. Vicinity to the main station as criteria for the office space search has obtained more and more priority since a couple of years. More than 40 % of all spaces were leased in the “Citykern” in 2009 – the prior year level was almost 43 %. The “office boulevard B1” and the “Stadtkrone Ost” finished second (13.2 %) and third (12.7 %). All other office market areas – compare our current office market area map on www.cubion.de – were below 10 % letting share.

From our point of view the letting rate would be higher in the city centre if there were sufficient spaces with high quality equipment. Unfortunately this is not the case at the moment so that demand drifts in direction to “office boulevard B1” due to quality, not due to location.

TOP 5 lettings 2008

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIG direkt gesund</td>
<td>Rheinische Str. 1 (Dortmunder U)</td>
<td>13,000</td>
</tr>
<tr>
<td>Stadt Dortmund</td>
<td>Südwall 5-7</td>
<td>4,340</td>
</tr>
<tr>
<td>Sterns</td>
<td>Lüdersstr. 11-13</td>
<td>3,800</td>
</tr>
<tr>
<td>TEDI GmbH &amp; Co. KG</td>
<td>Brackeler Hellweg</td>
<td>2,600</td>
</tr>
<tr>
<td>BIG direkt gesund</td>
<td>Sermerteichstr. 50</td>
<td>1,800</td>
</tr>
</tbody>
</table>
The companies coming from the area “EDP, IT, telecommunication” were the most demanding sector with round 23% (prior year round 9%). This result was significantly influenced by the large contract conclusion of the “Deutsche Telekom AG” who will install a modern new call centre at the Schützenstraße. Followed by “consulting companies” with about 21% and “other services” with round 18%, which have reduced their relative share intensely compared to 2008 (34%).

Despite a slight increase, Dortmund is still on a healthy level regarding sufficient offer supply: only 4.7% of the vacant spaces are available for a new letting on the market. A year before the vacancy rate was round 4%. At a supply reserve of this volume is definitely speaking for a “healthy vacancy” which is necessary for an interplay of offer and demand.

For all relevant office market areas in Essen, Cubion publishes a detailed rent index. The map “office market areas Essen 2010/2011” is available for free on www.cubion.de or request as print at our office.
The problem regarding quality of the office space offer was limited relieved by completions of new buildings in the course of 2009 as of those only a few were available. This shall change in the upcoming year because then speculative new spaces will come to the market. Fortunately the share of office space offer with common utility was reduced by more than 14 % in the course of the year. This predominantly occurred by letting - not by demolition. On the one hand this development can be interpreted as an evasion to low high quality offers. On the other hand the letting of rather low-priced and therefore simply equipped spaces was observed throughout the Ruhr Area in 2009.

Completions

On the whole 24,000 m² office space were established – hence significantly more than in the prior years 2007 (17,400 m²) and 2008 (14,500 m²); however a low offer in order to gain an advantage regarding sustainable quality for the space offer. The largest constructed building was the expansion of the Signal-Iduna-premises with about 7,500 m².

For 2010 we expect a large completion volume of more than 70,000 m². The “Westfalentower” at the B1, the new headquarter of the “Volkswahl-bund” at the Cityring and also the office project for the “BIG Direktionskrankenkass” at the Dortmunder U effect this volume among others. Due to today’s status there are still about 40 % of the spaces available so that in the course of this year an influence in the vacancy rate in terms of quantity and quality may be expected.

Rents

In total a stable price level is to be certified in Dortmund for 2009. The average rent has even slightly changed upwards and with 8.50 €/m² is still on a moderate and stable level. The average rent is mostly influenced by a large number of older and therefore low-priced spaces. Even here the low offer of modern spaces has its impact. The realised effective top rent was 13.20 €/m² and with it 20 cent above the prior year level, however still slightly below the top rent level of 13.50 €/m² in Essen.

We see the prospects for the office-letting year 2010 retained optimistically. A delayed decline in demand on the market cannot be felt so far; precise demands in all states of negotiations and various sizes exist. Incentives should still play an important role in terms of winning tenants. However, we do not expect a significant fall of the average rent. In fact again low-priced properties will be focus of interest, but then contract conclusions in relative expensive new buildings will present a counter balance in average.

The volume of turnover is expected to be at about 65,000 m² in the area of the 10-year-average. However, this result will depend on the decision of a few large tenants who think about new spaces in Dortmund.
Brief overview

The dynamic development of the inner harbour, after the area is almost completely developed, has naturally lost momentum what can be read in the space take-up tabulated by office market areas. The city centre and the adjacent office zone Duissern/Neudorf have benefited from this development. Duisburg presents itself as a stable and steady office market today, which neither suffers from decrease in turnover nor larger lease price declines even in recessive times. Also a relatively weak year in the most popular and important office market area can change this.

The current collection method of office spaces by the “Bergische Universität Wuppertal”, which Cubion has supported as sponsor, lately confirmed well-known facts – a very low vacancy rate and an absolutely insufficient office space offer. On the one hand this stabilizes the market development as lack of excessive supply leads to relatively constant rents – also in times of decreasing demand. On the other hand it slows the further dynamic of Duisburg’s office market immensely. Especially in terms of large connected spaces there is a lack of choice in Duisburg. Just recently several times companies searching for office spaces in the Ruhr Area have therefore early averted their eyes from Duisburg. It’s a pity, as we believe!

<table>
<thead>
<tr>
<th>Structure data</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Inhabitants (06/2009)</td>
<td>492,674</td>
</tr>
<tr>
<td>employees subject to social insurance</td>
<td>about 67.0 %</td>
</tr>
<tr>
<td>contribution in the area of service</td>
<td></td>
</tr>
<tr>
<td>unemployment rate (04/2010)</td>
<td>about 14.9 %</td>
</tr>
</tbody>
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<table>
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<th>Tax rates</th>
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</table>
Locations

The office market area inner harbour has lost further relatively shares of the letting performance and represents here just over 10 %. This low value cannot only be explained by an insufficient offer at this location, the more so as in 2009 a few sublease spaces have come to the market there. Besides the low offer compared to prior years in the inner harbour, from our point of view the factor that expensive new buildings were less demanded in the “times of the crisis” plays a larger role than in the years before.

Sectors

The companies coming from “commerce, trade and transportation companies” remained the most demanding sector in Duisburg with round 35 % (prior year 44 %). Followed by “other services” with 20 % and “financial services” with round 16 % which could expand their relatively shares strongly compared to 2008 and have displaced the “public sector” and “consulting companies” from the ranks 2 and 3.

Office market Duisburg 2009

Take-up

A proper last quarter has led Duisburg to a result for the office market year 2009 which may be regarded as satisfactory in view of the macroeconomic circumstances. The letting performance stayed behind the prior year result by round 15 %; the total turnover was only round 12 % below the prior year level. A decline that should not surprise at all after the last three good years being above-average.

At least both, the letting and the total turnover have exceeded the long-term 10-year-average by 20 %, respectively 3 %. The 5-year-average of 64,000 m² (letting performance) and 75,000 m² (turnover) however could not be achieved.

The number of relevant analysed lease contracts remains with 126 on a relatively constant level (2008: 117; 2007: 128) and underlines the wide and sound basis the office market Duisburg stands today.

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Vacancy

Again and again the low vacancy rate in Duisburg was contested, what then was explained by an obvious incorrect office space supply. Due to this in the middle of 2009 initialized by the GFW Wirtschaftsförderung Duisburg the current office space supply collection occurred by the Bergische University Wuppertal, which among others was also financially supported by Cubion. According to the identified supply based on scientific criteria, the vacancy rate was corrected and determined with round 3.4% in 2009. With that, the rate really was above the then assumed level (end of 2008: 2.1%), however still in an alarming low area. Following the supply reserve has declined significantly and was at about 2.9% at the end of the year.

Space quality

The qualitative problem of Duisburg office supply was temporarily improved a little bit in the course of the year 2009. The completion of the new building project “Looper” in the inner harbour as well as the offer of some high quality spaces as sublease has led to a decrease of the share of spaces with a good to very good utility from 12% to 19%. The share of spaces with only simple utility remained almost unchanged at round 32% within a year’s time.
Completions

The trough in terms of the volume of new building completions could not be overcome in 2009. As already in 2008 again only round 15,000 m² office spaces were established. With exception of the “Looper” at the inner harbour of Duisburg (9,600 m² office according to gif), however there were no spaces constructed for the free office market, but taken by owner-occupiers. By the end of 2009 there were only 3,000 m² available in the “Looper”. Indeed in 2010 the double of completion volume with round 33,000 m² will be expected. But again only one third of this volume will be included in the supply reserve and thus will not solve the basic problem of the lack of vacant spaces in Duisburg.

Lease Prices

On the whole a stable price level can be certified on the Duisburg office market. The average rent is at round 7.75 €/m² on a very moderate but at the same time stable level. The large number of elder out-of-time and very low-priced spaces mostly influences the average rent. Also here the low offer for modern spaces has its effect. The realised top rent clearly fell from 15.00 €/m² to 13.00 €/m² what arouse from the already mentioned circumstance that interests held off strongly in terms of leasing expensive top products in the “year of the crisis”.

Prospects 2010.

“Bit by bit, little by little”. This shall be Duisburg’s slogan for the office market year 2010. Again we expect the focal point of demand in the smaller segment from 250 to 350 m². A few contract conclusions by 1,500 m² will enrich the result in the course of the year. Unfortunately there are no respectable deals in the pipeline, unless the Deutsche Bahn bundles her commercial transport business with DB Schenker in Duisburg instead of in Frankfurt. An absolutely insufficient offer for attractive office spaces generally and especially in the city centre does not ease the situation.

A large number of small and medium lease contracts shall however underline the in the meantime existing relative stability of the Duisburg office market and in total lead to a letting performance of about 50,000 m². However, in order to achieve the average turnover of the last 10 years (2000-2009: 64,500 m²), an additional mega deal, like the vague expected project lease to the Deutsche Bahn on the Speditionsinseln in Ruhrort, is necessary. We are not able today to judge how realistic this is.

By trend the critical low vacancy rate is rather going to decline further than to increase – in contrast to the nationwide expected trend. Even if there will be a bit of relief due to the completion of the “H2-Office” at the inner harbour of Duisburg and by the vacation of larger connected spaces in the course of the year, it is very realistic that there will be a positive net absorption even in case of substandard
**DEFINITIONS**

**Letting**
All published contract conclusions of a calendar year are registered in the letting performance; the date of conclusion is relevant, not the time of occupancy.

**Conditions**
Contract extensions or conclusions with modified conditions are not regarded as letting performance.
Rental spaces below 200 m² are recorded all-inclusive as far as they are not known.

**Owner-occupier/Owner-occupancy**
Owner-occupiers are companies/institutions etc., which do not lease a building but purchase it for own purposes.
Time of purchase is considered, but not time of occupancy.

**Total take-up**
Amount of letting performance plus amount of owner-occupiers.

**Rental prices**
All rental prices are considered as base rent (rent exclusive heating costs).
The nominal rent is valid as far as the warranted incentives do not cause a market distortion (example: nominal rent €/m²/monthly 14.00 at a rent-free period of 12 months and a 5 year contract with €/m²/monthly 11.29 will be evaluated).
Rent-free times of to 3 months or corresponding monetary counter value will not be considered.

**Supply reserve/Vacancy**
Vacancy includes all rental spaces, which are ready for occupancy within 3 months.
Spaces to be reconstructed or spaces, which are not available to the market short-term, are not considered.
Sub-lease spaces are included in the supply reserve as these spaces are market relevant as well and reflect in the turnover in case of successful letting.

**Spaces**
The rental spaces are adopted in the contract as a stated figure (usually space calculation MF-G of gif = Gesellschaft für Immobilienforschung).
Office space inventory and completions are indicated in m² GFA (gross floor area).
The determining factor is not the time of the first letting performance, but the building completion.

**Net absorption**
Spaces appearing new on the market minus the outflow of office spaces and the difference between vacancy at the end and at the beginning of the examined period.
Reference / Picture credits.

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Animation of Duisburg’s inner harbour.