

# LOGISTICS MARKET COLOGNE

AT A GLANCE Q4 2022

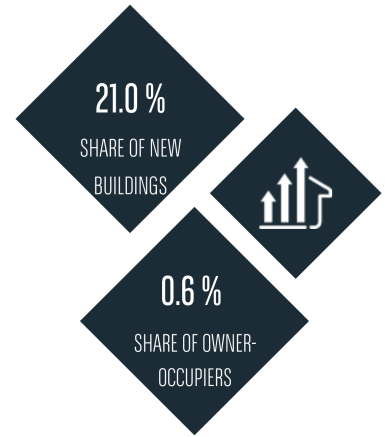
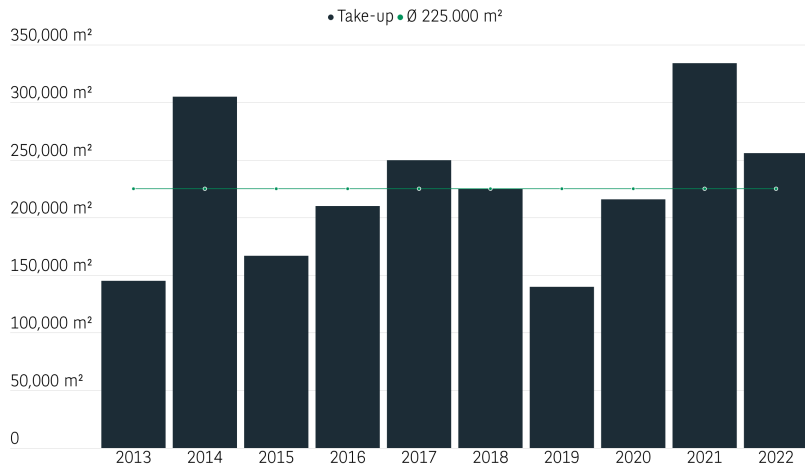


## DOMSTADT REMAINS ON COURSE

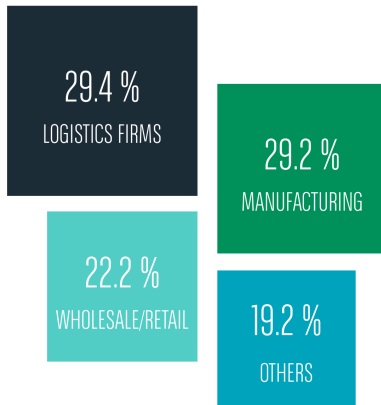
- / The Cologne logistics market recorded a take-up of 256,000 m<sup>2</sup> in 2022, exceeding the long-term average (225,000 m<sup>2</sup>) by around 14 %. This means that the current overall annual result represents the third-best result of the past 10 years. However, the cathedral city was unable to match the record result of the previous year (334,000 m<sup>2</sup>) and fell short of this by almost 23 %.
- / In the course of the year, only a few new building spaces came onto the market, so that their share of take-up for the year as a whole was only 21 %, which is clearly below average.
- / Due to increased construction costs and the continuing shortage of space available at short notice, the dynamic development of rents continued in 2022. In a 12-month comparison, the prime rent rose by 21 % to 7.00 €/m<sup>2</sup>. The average rent also recorded an increase of 6 % to 5.20 €/m<sup>2</sup>.

# LOGISTICS & MANUFACTURING AHEAD

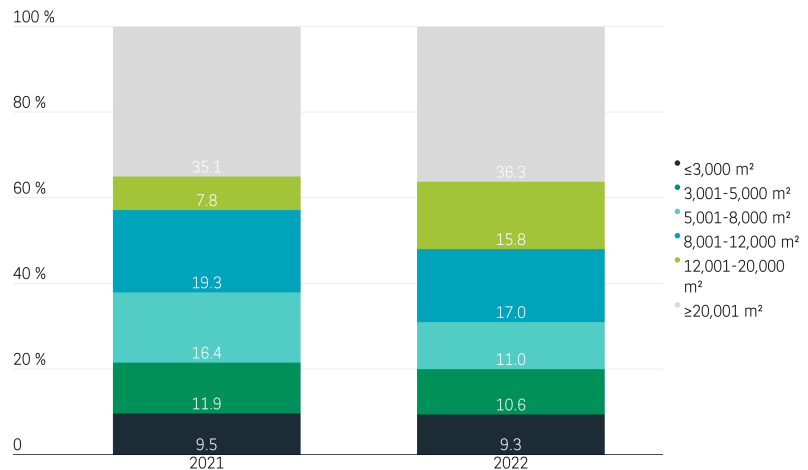
## Light industrial and logistics take-up in Cologne



## Take-up by sector



## Take-up by size category



- / The distribution of take-up among the demand groups is dominated in equal parts by logistics firms and manufacturing companies. Both sectors achieve around 29 % and 75,000 m² of take-up respectively. The wholesale/retail companies, which are traditionally important for the Cologne market, are in third place in the sector split with around 22 %.
- / In terms of size class distribution, large lettings > 20,000 m² stand out with around 36 % of take-up, including the contract signed by Production Resource Group for around 20,300 m² in the first quarter, which was advised by BNPPRE. The size segment between 12,000 and 20,000 m² also recorded an above-average result of almost 16 %.
- / In general, market activity in the smaller segment is also comparatively dynamic. The size category below 5,000 m² contributes around 20 % or 51,000 m² to take-up.

# KEY FIGURES



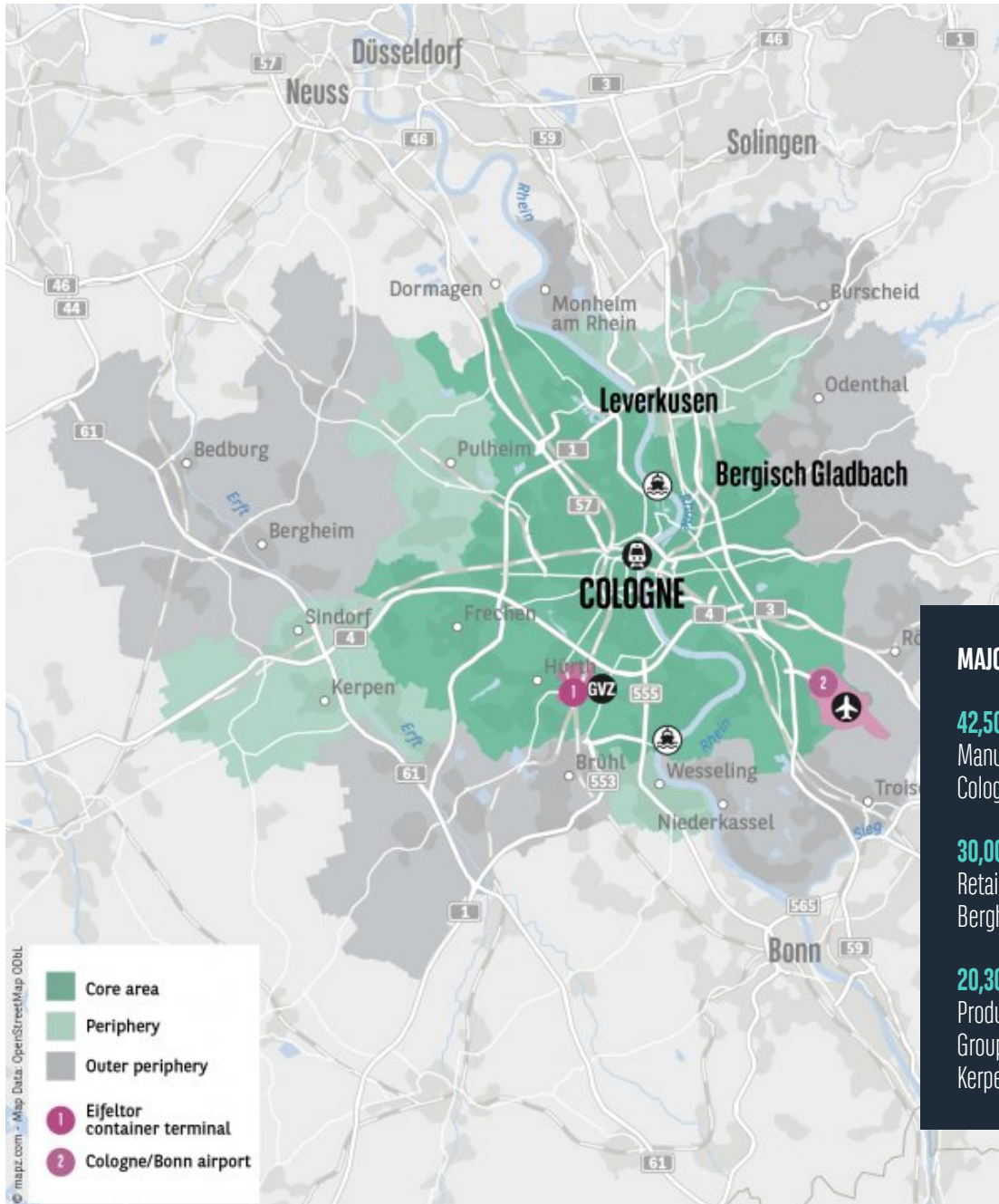
Rents	2021	2022	%-Difference
Prime rent (in €/m <sup>2</sup> )	5.80	7.00	20.7%
Average rent (in €/m <sup>2</sup> )	4.90	5.20	6.1%
Take-up and sectors	2021	2022	Long-term average
Total take-up	334,000 m <sup>2</sup>	256,000 m <sup>2</sup>	225,000 m <sup>2</sup>
Logistics firms	21.8%	29.4%	38.7%
Wholesale/retail	45.2%	22.2%	30.1%
Manufacturing	26.8%	29.2%	20.4%
Others	6.2%	19.2%	10.8%
Size categories	2021	2022	Long-term average
Share of deals > 20,000 m <sup>2</sup>	35.1%	36.3%	25.6%
Share of deals ≤ 20,000 m <sup>2</sup>	64.9%	63.7%	74.4%
Owner-occupiers/new building share	2021	2022	Long-term average
Share of owner-occupiers	26.3%	0.6%	14.0%
Share of new buildings	53.0%	21.0%	42.3%

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## OUTLOOK

- / Despite economic and geopolitical uncertainties, the Cologne logistics market was characterised by relatively high market dynamics in 2022.
- / Against the backdrop of limited availability of logistics space in the core area, demand in the Cologne market area is increasingly focussing on peripheral locations.
- / In view of the current economic influences, a restrained rental activity is to be expected at the beginning of 2023. Nevertheless, demand for 2023 as a whole is estimated to remain at the same high level as in the previous year. A slight increase in supply due to new speculative space on the market seems possible from today's perspective.
- / Due to the combination of currently high inflation, significantly increased construction costs and continued supply shortage, a further rising of rental prices in the course of the year is the most likely scenario.

# LOGISTICS MARKET REGION COLOGNE



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