STUTTGART
INNOVATIVE METROPOLITAN REGION WITH MANY FACES
Surrounded by vineyards whose vines extend into the city, the Wilhelma Zoo and a large number of parks, Stuttgart is one of the greenest cities in Germany. And one of the sunniest. Just like the heat which gathers in the region in summer, a mass of innovative power is also concentrated in the region. Stuttgart has already been a trailblazer a number of times in the past, for example with the first green pedestrian zone in 1953 and the first petrol-powered automobile in 1886. The capital of Baden-Württemberg with just over 600,000 inhabitants is rightly proud of its history. But it does not look back. On the contrary: In Stuttgart they are actively shaping the future. In no other city are so many patents registered. In hardly any other region in Europe is so much money invested in research and development. The metropolitan region of Stuttgart is thanks to engineering and the automotive and property sectors the strongest economic region in Germany – ahead of Munich and Frankfurt am Main. Major construction projects such as Stuttgart 21 also place the city in the international spotlight. Not to mention numerous initiatives and projects concerning electromobility and sustainability, leading universities, a number of excellent science and research companies and an emergent start-up scene. There is hardly a sector in which Stuttgart is not setting the tone.
STUTTGART SMART Metropolis

Age structure of inhabitants

- 0-18 years: 16%
- 18-30 years: 18%
- 30-45 years: 23%
- 45-60 years: 20%
- 60-65 years: 5%
- 65-75 years: 8%
- +75 years: 10%

+6th biggest city in Germany

GDP: +1.5% in 2018 (Baden-Württemberg)

Employment: +2.2% (workplace Stuttgart) in 2018 compared to the previous year

+47,500 inhabitants in the last 20 years

STUTTGART HAS BEEN ONE OF GERMANY’S STRONGEST ECONOMIC REGIONS FOR YEARS. THE STATE OF BADEN-WÜRTTEMBERG AND THE STUTTGART REGION ARE AMONG GERMANY’S BIGGEST AND MOST IMPORTANT ECONOMIC LOCATIONS.

Mercedes, Porsche, Bosch – it is still the big names from the automotive and engineering industries that make the region the strongest metropolitan region in terms of exports, secure jobs and create new ones. However, it is not only the global players, but above all the small and medium-sized enterprises (suppliers, service providers, IT and software companies such as Mahle, Mann+Hummel, Stihl and Trumpf) that form the backbone of the region. They, their innovative capability and international competitiveness in the age of Industry 4.0 are attracting the attention of an increasing number of exciting start-ups and numerous initiatives and projects which support them and make them fit for the industrial future. Stuttgart’s diverse finance sector with banks, insurance companies and other financial service providers is also growing in importance.

JOBS BY INDUSTRY 2018

- Services (not including retail) 65%
- Retail, transport, hotels and restaurants 15%
- Manufacturing 16%
- Construction 3%
- Others 1%

Source: Statistisches Amt, Landeshauptstadt Stuttgart 2019

Partner search in industry – START UP THE FUTURE initiative

Initiated by Allianz Industrie 4.0 Baden-Württemberg and the German Engineering Association (VDMA), one of the most influential trade associations in Europe, the START UP THE FUTURE initiative brings established engineering companies and young tech start-ups together. The platform provides companies with the opportunity to find tailor-made solutions and competent innovation partners outside of their own organisation.

www.startup-the-future.de/en/

ICT FIRMS Stuttgart

28,920 employees June 2018
+21% since 2013
+6.4% since 2017

Source: Federal Employment Agency 2019
STUTTGART IS A DIGITAL HUB

IN 2017 STUTTGART WAS APPOINTED AS ONE OF TWELVE DIGITAL HUBS IN GERMANY BY THE FEDERAL MINISTRY FOR ECONOMIC AFFAIRS.

In the hubs young start-ups, established companies and excellent academic institutions team up in order to create digital innovation together, speed up innovation processes in individual sectors and drive forward the digital transformation. Stuttgart submitted its application under the motto “driving.future.industries”. Building on its strengths, the city wants to facilitate the emergence of the new leading industries of the future (among others mobility, smart products, Industry 4.0).

Due to its strong economic structure, Stuttgart benefits especially from a dynamic economic context. This is reflected in the property markets, which have developed very positively in recent years. The chances of future increases in rent levels and therefore property values remain high. If you also take into account the broad SME structure, which accounts for the stable development and low volatility, the capital of Baden-Württemberg currently offers excellent conditions for successful and sustainable investments.

An overarching vision and close knowledge of local markets in the service of real estate projects in Europe: build, buy, sell, rent, invest, value, appraise, manage and be advised.

Established in 32 countries.
5,400 employees.

Source: www.realestate.bnparibas.de 2019

STUTTGART SMART METROPOLIS

110,000 employees
Manufacturers and direct suppliers

45% of turnover of the whole industry

73,400 employees
2nd most important employer in the Stuttgart region

Source: Wirtschaftsförderung Region Stuttgart GmbH 2019
A PERFECTLY CONNECTED CITY WITH A CLIMATE FRIENDLY VISION

RANKED 8TH among Germany’s international commercial airports

More than 140 destinations

Source: Stuttgart Airport 2019

**ICE - direct connection**

- **Paris** in 3h10
- **Frankfurt** in 1h30

Source: Stuttgart Airport 2019

**A8 and A 81** connect Stuttgart to all major European business centres

Source: Obea Communication 2018

**Stuttgart Main Station**

**Airport**

**Stuttgart Port**

- **Highway**
- **S-Bahn (urban railway)**
- **ICE (future train tracks)**
- **ICE (current train tracks)**

Source: Obea Communication 2018

SCALE-UP! STUTTGART’S AIRPORT WILL BE CLIMATE-NEUTRAL

2050 is the magic number, this is the year when Stuttgart Airport will be operated on a climate-neutral basis. At the terminals there are already over 30 charging points for electric cars whose energy comes 100 per cent from renewable sources. As part of the “scale-up!” project launched in 2016, numerous vehicles used by the airport, from the apron shuttle bus to the luggage transporter, have been replaced by electrically-driven vehicles. As a result 250,000 litres of diesel were saved in the first year alone.

logSPACE experiments with logistics

Full streets in residential districts, traffic noise, emissions, the booming online commerce and a growing population require new concepts for business and logistics traffic in cities. In order to enable the zero-emission delivery of parcels in the future, the city of Stuttgart has launched in cooperation with Wirtschaftsförderung Region Stuttgart and the Fraunhofer IAO the pilot project “logSPACE – Alternative Delivery Concepts for Stuttgart City Centre”. Together with logistics service providers such as UPS, more efficient and more environmentally-friendly delivery concepts are being developed, tested and evaluated.

Number of commuters

← 244,502
→ 91,858

180 km of cycle paths

The share of cycle traffic is expected to increase from 5% to 20% in future

Source: Federal Employment Agency 2019
Source: Landeshauptstadt Stuttgart 2019
MAJOR URBAN DEVELOPMENTS OF TOMORROW

1. **Stuttgart-Vaihingen Synergy Park**
   With over 20,000 employees, the Synergy Park is the biggest industrial park in Stuttgart. All signs continue to point to growth: Daimler AG and Allianz AG are building new offices which will be available by 2020 and will house in total nearly 9,000 employees. Both designs envisage modern new builds with green areas and areas for public use. Daimler AG is planning four new buildings which enclose an area open to the public. Allianz AG is also planning urban office areas with flexible building structures and areas which can be used by the public.

2. **VAI Campus**
   On the 195,000 square metre site of the former Eiermann Campus in Stuttgart-Vaihingen work will start in 2020 on the construction of a new district: the VAI Campus. A modern district with a mix of housing, commercial space and offices. The aim of the ambitious project is to embed the four listed buildings of the former IBM headquarters built by Egon Eiermann cleverly in the surrounding area and to connect the whole district with the city of Vaihingen by means of innovative construction, housing and mobility concepts.
   [www.vaicampus.de](http://www.vaicampus.de)

3. **Stuttgart 21**
   This is one of Germany’s biggest, and most contentious construction projects: the moving of Stuttgart railway station below ground and the reorganisation of the city’s rail traffic. Two of the biggest advantages are the connection of the airport to long-distance traffic and the shortened journey time on the Munich-Paris route due to the development of the Stuttgart-Ulm section. On the site of the former railway facilities an area of approx. 100 hectares will become available. A unique opportunity for innovative urban development concepts.
4. **Stuttgart’s Cultural Mile**

The B14 owes its nickname “cultural mile” to the important cultural buildings which line it, from the state parliament to the opera. The city of Stuttgart has been discussing this prominent road for decades. The eight to ten-lane architectural eyesore will disappear together with the traffic and the area will be opened up to pedestrians.

5. **Böblingen Airport**

Böblingen-Sindelfingen Airport is one of the biggest urban development projects in South Germany. High-quality service, commercial and living space is being built on a site of 80 hectares. By 2025 around 7,000 jobs will be created and 1,600 residential units for approx. 4,000 inhabitants will be built. At the same time generous green areas and an artificial lake will be created.*

6. **IBA 2027 StadtRegion Stuttgart**

These are important questions of our time: How do we live and work in the digital and global age? 100 years after Stuttgart’s Weissenhof Estate was built (its Le Corbusier homes are now a UNESCO world heritage site), the IBA 2027 StadtRegion Stuttgart will deliver an exciting response.

7. **Neckarpark Development Area**

On the 22-hectare site of the former goods station, the city of Stuttgart is developing a new district with approx. 450 homes, a sports pool, hotels and service and commercial businesses. The construction work is progressing energetically and highly efficiently. The combination of nearly zero energy buildings and heat recovered from wastewater will make the newly developed area environmentally and economically sustainable.

* www.flugfeld.info
FOCUS ON THE REAL ESTATE MARKET

OFFICE PROPERTIES

215,000 m²
in 2018
on a long-term average

<table>
<thead>
<tr>
<th>Office rents*</th>
<th>City centre</th>
<th>Subcentres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top rent</td>
<td>24.00 €/m²</td>
<td>17.00 €/m²</td>
</tr>
<tr>
<td>Average rent</td>
<td>18.00 €/m²</td>
<td>14.00 €/m²</td>
</tr>
</tbody>
</table>

Average take-up in the last 5 years

Prime yield 3.15%

WAREHOUSE AND LOGISTICS SPACE

228,000 m²
Average take-up in the last 5 years

<table>
<thead>
<tr>
<th>Logistics rents*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top rent</td>
</tr>
<tr>
<td>Average rent</td>
</tr>
</tbody>
</table>

*Q4 2018

This two-page spread has been written in collaboration with the Research department of BNP Paribas Real Estate.
RESIDENTIAL PROPERTIES

HOUSING STOCK 2017

74,844 residential buildings
312,371 apartments

Source: Statistical Office, Landeshauptstadt Stuttgart

COMPLETIONS

2,129 apartments in 2017
1,960 apartments average in the last 5 years

Source: Statistical Office, Landeshauptstadt Stuttgart

RENTS IN STUTTGART*

<table>
<thead>
<tr>
<th>Age of building</th>
<th>2018</th>
<th>Development 2014-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>New-build</td>
<td>17.50 €/m²</td>
<td>+31%</td>
</tr>
<tr>
<td>Existing</td>
<td>15.60 €/m²</td>
<td>+38%</td>
</tr>
</tbody>
</table>

Source: IDN Immodaten.net; own calculations 2019

SALES RESIDENTIAL PROPERTIES

2017
3,064 apartments
3,949 €/m²
Average selling price

IN THE LAST 5 YEARS
3,545 apartments
3,241 €/m²
Average selling price

Source: Stuttgart Land Valuation Committee - Property Market Report 2015 – 2018

VACANCY RATE
Stuttgart
0.6% (2017)
> HALVED SINCE 2013

Sources: empirica; CBRE Group (CBRE-empirica-Leerstandsindex)

*Average quoted rents, €/m², excluding heating
Sources: IDN Immodaten.net; own calculations 2019
Researchers estimate that in 2050 two thirds of people will be living in metropolises. What does this mean for infrastructure, building planning and mobility? In the winter semester 2018/19 the HFT (Hochschule für Technik) Stuttgart offered a Master’s degree course in Smart City Solutions in English which is unique in this form worldwide. Modules cover over three semesters ‘smart’ urban planning and buildings, ‘smart’ infrastructure (energy, mobility, resource management, resilience), smart city project management, financing and digitalisation.
Industry 4.0 poses completely new challenges to companies and their employees. Lifelong learning are the magic words of our time. In order to provide professionals and trainees with the best-possible preparation for the changes in the workplace and the requirements of digitalisation, in 2016 the Ministry for Economic Affairs, Labour and Housing funded the establishment of 16 learning factories 4.0 in vocational schools to the total tune of 6.8 million euros. After a new tender in June 2018, the Ministry of Economic Affairs is currently supporting the construction of 21 more learning factories with 4.8 million euros. The learning factories 4.0 are labs which in terms of layout and equipment resemble industrial automation solutions and in which the basics for application-related processes can be learned. The learning factories thereby help to make the abstract concept of Industry 4.0 tangible for trainees and employees.

Learning factories 4.0

The most important reason for investing in Stuttgart is stability. There is hardly any volatility when it comes to rents and multipliers; significant movements, that is to say increases, have only been seen in recent years. This is down to the huge attractiveness of local companies, the close connection between applied research and practice-oriented development, which goes hand in hand with the high implementation competence of the people who work here.

About Württembergische

- Württembergische Lebensversicherung AG is the biggest institutional investor of the Wüstenrot & Württembergische Group (W&W).
- Of an investment portfolio of over 35 billion euros, currently around 2.6 billion euros are invested in real estate across the Group.
- Württembergische Lebensversicherung AG currently has a very high share invested in real estate (approx. 8.0 per cent) compared to the industry average. The main focus of the investment strategy is the multi-centre home market of Germany.

Source: http://www.wasset.de 2019
People have always been fascinated by the view from above. In Stuttgart it is the Television Tower that provides a bird's-eye view of the city and its surrounding vineyards. The 360-degree Tower app works like a digital telescope: In addition to the view, users are provided with further information about the region on their own smartphone or tablet. By clicking on the tourist attractions displayed, users obtain interesting facts relating to tourism, industry and technology, descriptions, information about opening hours, event information and access to other media such as images and films.

**Kulturinsel Stuttgart**

Once a goods station, today an area for alternative and creative cultural projects: Since 2012 the Kulturinsel (Cultural Island) has been bustling with Stuttgart’s creative minds. On the site of a former goods station a unique venue for music, art, culture and meeting has emerged. Bands and DJs perform concerts, local residents meet to do gardening in the Inselgrün (Island Green) urban gardening project and actors meet for rehearsals.

[www.kulturinsel-stuttgart.org](http://www.kulturinsel-stuttgart.org)
Book a bike or a car, take a bus or tram, borrow books or go swimming: The Stuttgart Services project has developed with the PolygoCard an electronic ticket which not only allows uncomplicated use of local public transport, but also gives users single-point access to regional offerings. In a practical credit-card format, it replaces monthly tickets and membership cards, and it can even be used as a credit card.

www.mypolygo.de/
An intelligent energy supply is essential for a sustainable future. With the combination of energy and communication grids, the smart grids, the main components of energy infrastructure – from energy production to transfer, distribution and to storage – can be understood using information and communications technology and adapted flexibly to the actual energy consumption. Over 1.1 million euros were made available by the state of Baden-Württemberg for local projects. [www.smartgrids-bw.net](http://www.smartgrids-bw.net)

Sustainability Days

Sustainability needs commitment and awareness. In private and in public. Just how many citizens, companies, administrative bodies and organisations are already active can be seen at Baden-Württemberg’s annual Sustainability Days. As part of the European Sustainability Week, sustainable behaviour can be seen, understood and experienced. Anyone can take part – and commitment is on the rise: while there were already 400 actions in the start-up year 2012, there were over 1,700 actions in Baden-Württemberg in 2018 with topic ranging from e-mobility to sustainable behaviour.

Stuttgart Region Landscape Park

Orchards and vineyards, river valleys and forests: The landscapes around Stuttgart are diverse. Verband Region Stuttgart is committed to the protection of the “Stuttgart Region Landscape Park” and its further development. In close cooperation with municipalities, districts and associations, master plans are gradually being developed.
Real-life laboratories in Stuttgart

When creating a city worth living in, everyone has to pitch in. Immigration, climate change and the digitalisation of our everyday life are society’s demands which require strong interaction between business, municipalities, citizens and science. New approaches and solutions need to be found which are viable for the future and realistic. In order to test solutions under real-life conditions and with all of the important players, the Ministry for Economic Affairs is making around 8 million euros available for seven research projects in “real-life laboratories”. In Stuttgart digital processes and simulations will be used to involve citizens in urban development. In this way urban districts will become “real-life laboratories of change”.

Air pollution control

Clean air is an issue particularly in conurbations affected by pollutants from industry and transport. The city of Stuttgart is especially affected due to its basin location – accordingly great efforts are being made to improve the air quality and thereby the quality of life. Among other things the expansion of local public transport and cycle paths, intensive cleaning operations and the fine dust alarm provide some relief. With some initial success, because fine dust values fell for the first time in 2017.
Metropolis

Stuttgart city: www.stuttgart.de/en/

Stuttgart tourism: www.stuttgart-tourist.de/en

Stuttgart region: www.region-stuttgart.de/english

Federal State

Ministry of the Environment, Climate Protection and the Energy Sector: www.um.baden-wuerttemberg.de/en


State of Baden-Württemberg: www.baden-wuerttemberg.de/en
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