

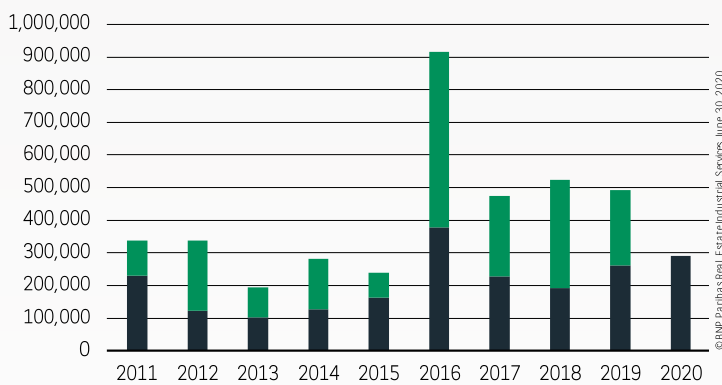


At a Glance **Q2 2020**

LOGISTICS MARKET RUHR REGION

Light industrial and logistics take-up*

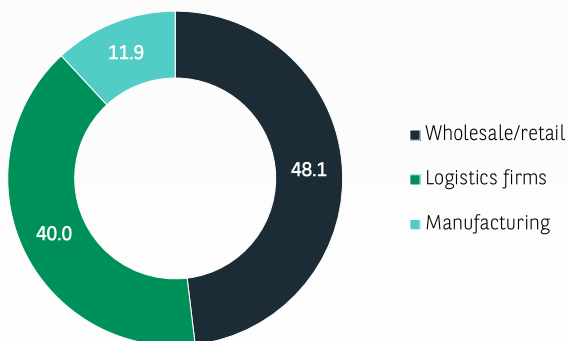
in m² ■ H1 ■ H2



* Deals ≥5,000m²

Take-up by sector Q2 2020*

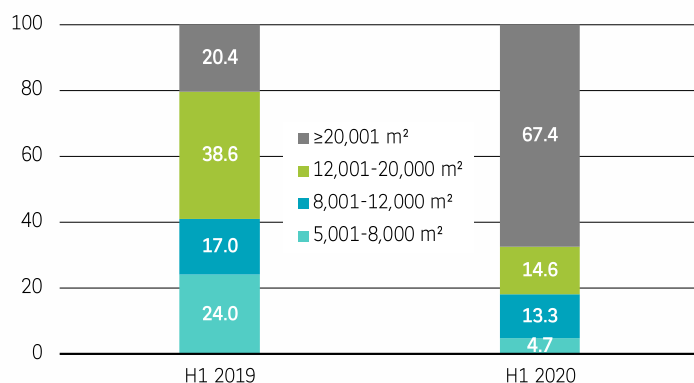
in %



* Deals ≥5,000m²

Take-up by size category

in %



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THE LOGISTICS MARKET IS BOOMING

After a very good start to the year, the logistics market in the Ruhr region also showed an excellent performance in the second quarter. With a take-up of 290,000 m² at the end of the half-year the previous year's figure was exceeded by 11% and the long-term average was topped by a remarkable 38%. At the same time the outcome represents the second best result ever recorded in the first six months. It is particularly noteworthy that the second quarter was also well above the long-term average at 119,000 m². In contrast to many other locations, the effects of the lockdown due to the Corona pandemic are not yet reflected in the Ruhr region. This is also caused by a whole series of major deals, some of which were already well in progress before the Corona regulations were introduced. The most important of these include an owner-occupier deal from the logistics company DSV in Duisburg for 54,000 m², a lease of over 39,000 m² from DHL in Bergkamen and a lease from the online provider Euzeil International in Werne for almost 33,000 m².

WHOLESALE/RETAIL AND LOGISTICS FIRMS STRONG

As expected, e-commerce companies and local suppliers, which were among the winners in the wake of the Corona crisis, contributed significantly to the very good take-up. It is therefore not surprising that trade companies lead the sector ranking with a good 48%. This puts them around 8 percentage points above their long-term average. However, compared to other major logistics conurbations, logistics service providers also contributed 40%, which is almost at their usual level. By contrast, they were somewhat more restrained at other locations due to the continuing uncertainties regarding the overall economic development. Production companies complete the leading trio with just under 12%, which means that they only account for a good half of the normal share.

LARGE DEALS ARE TAKE-UP DRIVERS

Large-scale contracts for more than 20,000 m² have made a significant contribution to the take-up to date, accounting for a good two thirds of the result. In recent years, by contrast, their share was only a good half on average. Four leases alone and one owner-occupier deal are each responsible for more than 30,000 m². This increase in the number of large contracts represents a special situation that cannot be expected every year. Accordingly, the other size categories accounted for less than in the previous year. Particularly in the smallest category of 5,000 to 8,000 m², the result was lower than normal at just under 5%, but this is also a result of too little supply.

Major contracts Q2 2020

Quarter	Company	Location	Area (m²)
Q2	DSV	Duisburg	54,000
Q2	DHL	Bergkamen	39,000
Q1	E-commerce company	Witten	35,000
Q2	Retail company	Duisburg	34,000
Q1	Euziel International	Werne	32,900

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Key figures logistics market Ruhr region*

	H1 2019	H1 2020	Trend remaining year
Prime rent	4.70 €/m²	4.90 €/m²	➔
Average rent	3.90 €/m²	4.10 €/m²	➔
Take-up	262,000 m²	290,000 m²	➔
- Share of owner-occupiers	11.1 %	21.9 %	➔
- Share of new buildings	44.1 %	62.0 %	➔

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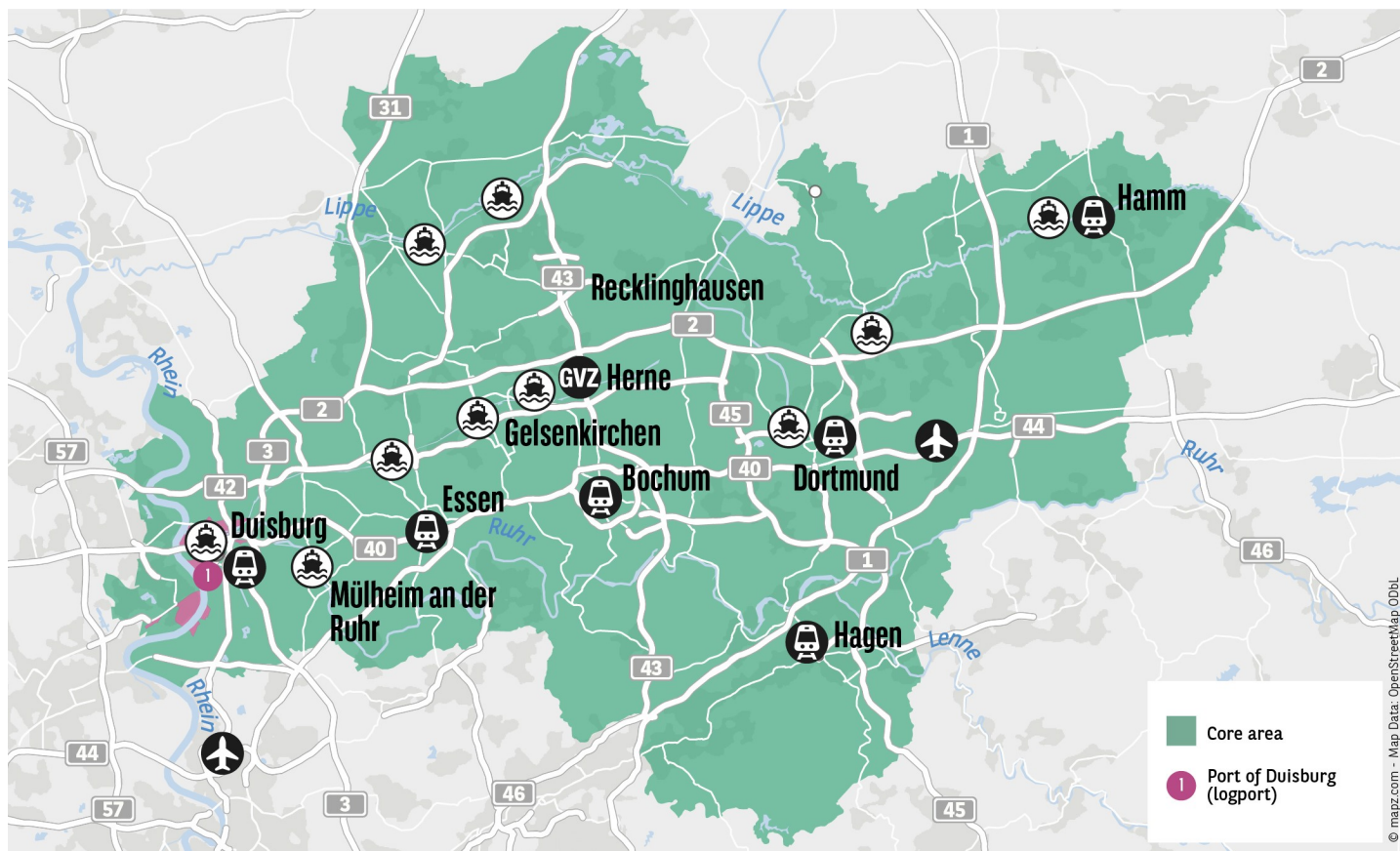
* Deals ≥5,000m²

RENTS STABLE IN THE FIRST HALF OF THE YEAR

After both prime and average rent levels had picked up noticeably in the second half of 2019, they remained stable in the first half of 2020 despite the Corona crisis and lockdown. As a result, the top rent stays at 4.90 €/m² and the average rent at 4.10 €/m². Although the new construction share of take-up has climbed to 62% compared to the previous year, it is still below the long-term average. Particularly noteworthy is the comparatively low overall share of owner-occupier contracts, which only amounts to just under 22%.

OUTLOOK

The further development of the logistics market in the Ruhr region will also depend on how quickly the German economy as a whole recovers. However, the fact that the retail companies that are less affected by the Corona effects appreciate the location advantages of the Ruhr region is a cause for optimism. Nevertheless, it remains to be seen whether take-up in the second half of the year can again benefit from a number of major contracts. For the year as a whole, however, a result beyond the 500,000 m² threshold does not appear entirely unrealistic from today's perspective. In terms of rents, a sideways development is currently the most likely scenario.



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