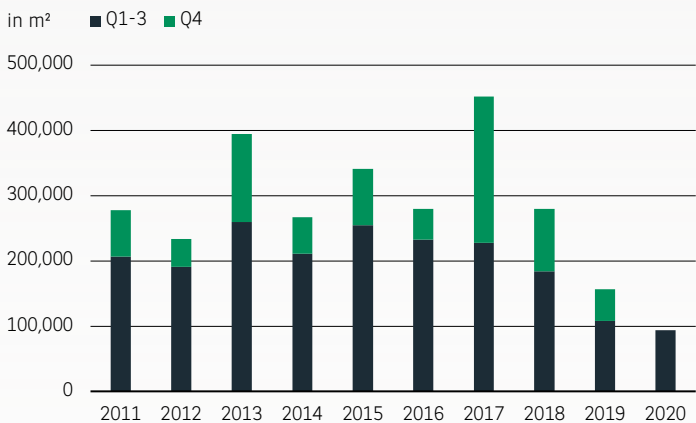


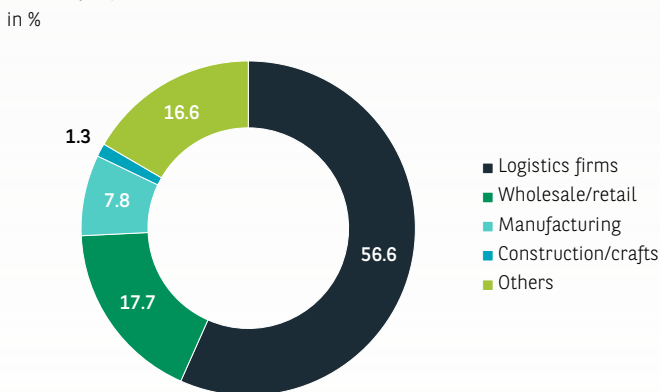
## At a Glance Q3 2020

# LOGISTICS MARKET DÜSSELDORF

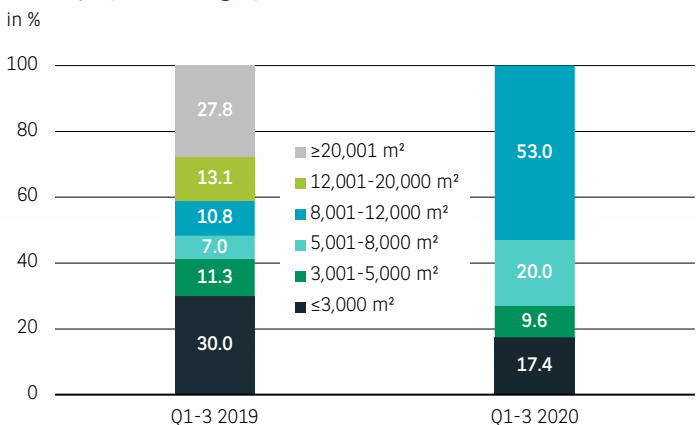
### Light industrial and logistics take-up



### Take-up by sector Q1-3 2020



### Take-up by size category



### LOGISTICS MARKET IN CRISIS MODE

The Düsseldorf logistics market reflects the effects of the Corona crisis very clearly over the course of the year. The first quarter was still very promising with a take-up of 52,000 m<sup>2</sup>. In view of the measures taken to contain the Corona pandemic, leasing activity fell sharply to just 18,000 m<sup>2</sup> in Q2. In the third quarter, on the other hand, there are signs of a moderate recovery with a take-up of 24,000 m<sup>2</sup>. In total, the take-up in the first nine months amounts to 94,000 m<sup>2</sup>, which is 13 % below the result of the same period of the previous year. In comparison to the 10-year average, this represents a decline of just over 50 %. One reason for the currently observed downward trend is certainly that potential tenants and owner-occupiers sometimes postpone their expansion plans in view of the unclear overall economic outlook. A further, no less significant obstacle, however, is the persistent shortage of space. The supply on the Düsseldorf logistics market is remains far too low, both in existing and new buildings. The mismatch between supply and demand prevents higher take-up volumes as some potential users simply cannot find appropriate logistics space.

### LOGISTICS FIRMS AS STRONG AS EVER

With a market share of almost 57 %, logistics firms have conquered a place in the sun to which the owner-occupier deals of Yusen Logistics in Langenfeld (10,500 m<sup>2</sup>) and Logiflex in Mönchengladbach (10,000 m<sup>2</sup>) contributed noticeably. In second place come the retail companies with almost 18 %. Particularly worth mentioning is the online beverage supplier Flaschenpost proceeding with its expansion plans by renting 9,000 m<sup>2</sup> in Langenfeld. With a share of almost 8 %, the manufacturing sector ranks well below the long-term average of around 20 %.

### NO MAJOR DEAL SO FAR

In the distribution of take-up according to size categories it is noticeable that in the current year 2020 not a single large deal of 12,000 m<sup>2</sup> or more has been signed. In the last ten years there has always been at least one deal of this volume in a comparable period. On the other hand, the medium size segment between 5,001 and 12,000 m<sup>2</sup> dominates - albeit at a lower level - with a market share of 73 %. The smaller ticket sizes up to 5,000 m<sup>2</sup> contribute a total of 27 % to the result.

Major contracts Q1-3 2020

Quarter	Company	Location	Area (m <sup>2</sup> )
Q1	Yusen Logistics	Langenfeld	10,500
Q2	Logiflex	Mönchengladbach	10,000
Q3	Wisag	Krefeld	10,000
Q1	Flaschenpost	Langenfeld	9,900
Q1	Bohnen Logistik	Mönchengladbach	9,400

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RENT INCREASES CONTINUE

Despite the rather low market dynamics, the upward trend in rents on the Düsseldorf logistics market continues driven by the drastic shortage of supply. In addition, a considerable proportion of take-up is accounted for by project developments with correspondingly modern facilities. The prime monthly rent increased by around 11 % compared to the previous year and is now quoted at 6 €/m<sup>2</sup>. The average rent rose by 4 % to 5.10 €/m<sup>2</sup>. The top rent is mainly achieved for new buildings in the south of Düsseldorf, with the increased cost of land playing an ever greater role in pricing. Overall, rents are stable throughout the market area, with pressure only being exerted on old properties in peripheral locations.

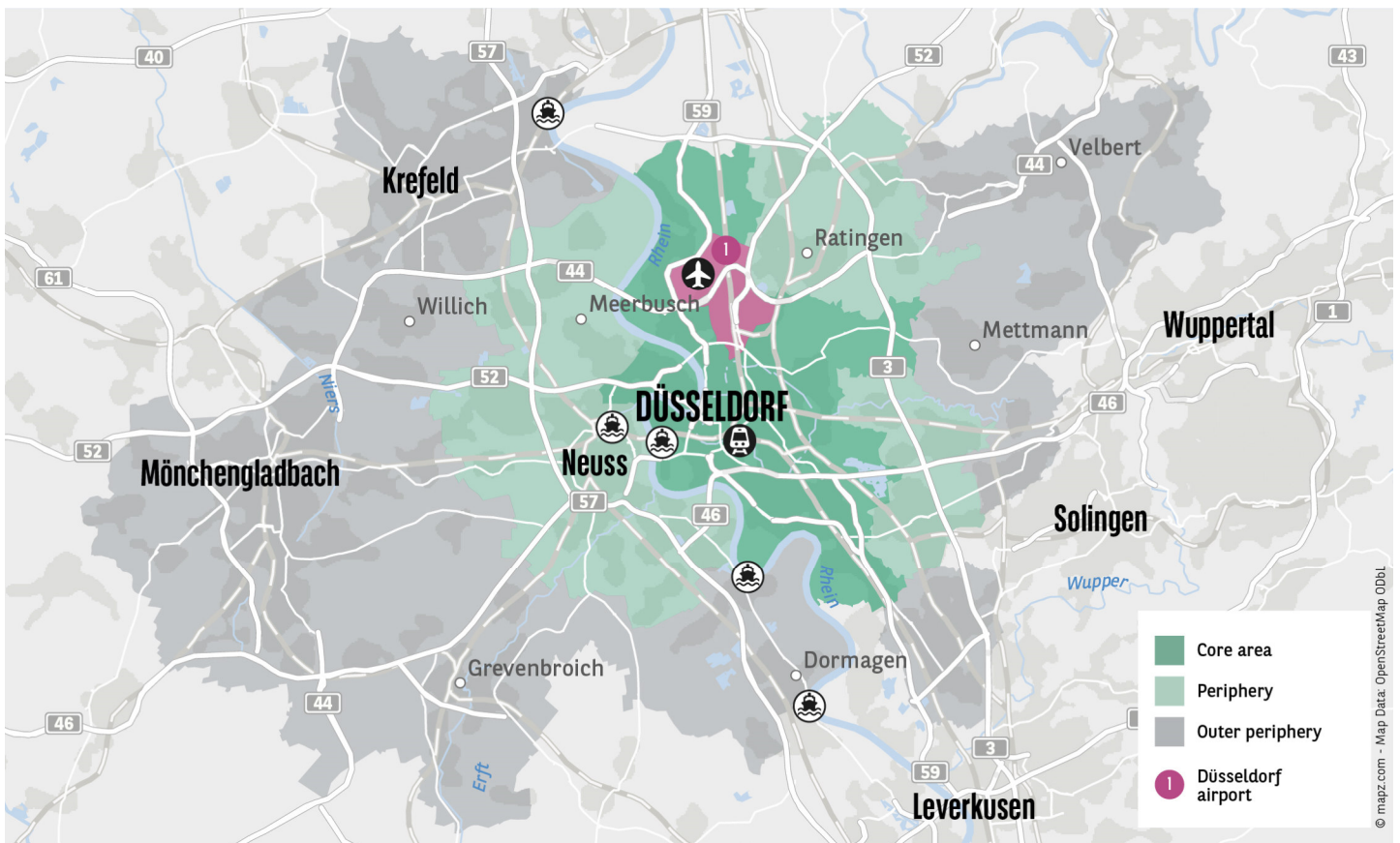
Key figures logistics market Düsseldorf

	Q1-3 2019	Q1-3 2020	Trend remaining year
Prime rent	5.40 €/m <sup>2</sup>	6.00 €/m <sup>2</sup>	➔
Average rent	4.90 €/m <sup>2</sup>	5.10 €/m <sup>2</sup>	➔
Take-up	108,000 m <sup>2</sup>	94,000 m <sup>2</sup>	➔
- Share of owner-occupiers	42.8 %	18.3 %	➔
- Share of new buildings	60.6 %	65.2 %	➔

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OUTLOOK

The Düsseldorf logistics market is currently struggling with several burdening factors at the same time: A restrained demand side due to the Corona pandemic meets a still insufficient supply. Nevertheless, the market seems to have bottomed out, so a noticeable revival of market activity in the fourth quarter is likely. Here, the focus is particularly on the beneficiaries of the crisis, such as e-commerce companies. Unlike in Frankfurt or Leipzig, for example, these players have not yet been able to leave their mark on the Düsseldorf logistics market.



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