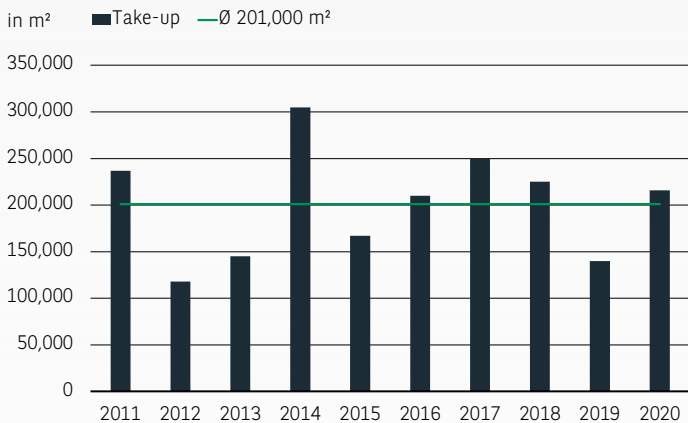




At a Glance **Q4 2020**

# LOGISTICS MARKET COLOGNE

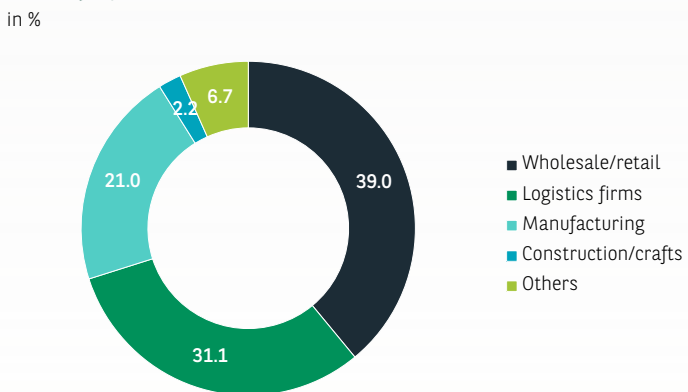
### Light industrial and logistics take-up



### ➤ SECOND HIGHEST QUARTERLY TAKE-UP IN HISTORY

The Cologne logistics market recorded a brilliant final quarter 2020. With a take-up of 114,000 m<sup>2</sup>, an impressive new quarterly high was registered. Thus, in 2020, a year marked by the Corona pandemic, leasing activity picked up considerably in the second half of the year after two weaker opening quarters. The third quarter was already above average with 53,000 m<sup>2</sup> take-up. The full-year result of 216,000 m<sup>2</sup> is 7 % above the ten-year average and around 54 % above the previous year's result.

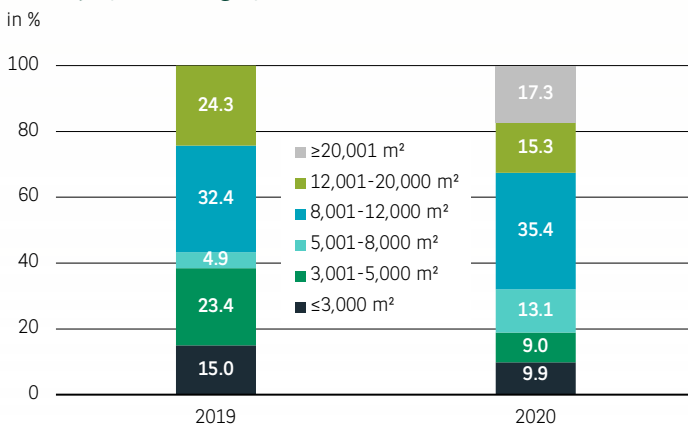
### Take-up by sector



### ➤ WHOLESALER/RETAIL AT THE TOP

In line with the nationwide trend, wholesale/retail companies were also particularly strong in the Cologne market area in 2020. After hardly making a difference in the previous year with a take-up of around 8,000 m<sup>2</sup>, the take-up of 84,000 m<sup>2</sup> now achieved by them was almost 37 % above the 10-year average and their market share is at 39 %. In addition to the large-scale project letting of an e-commerce company for 37,000 m<sup>2</sup>, it was mainly deals between 7,000 and 9,000 m<sup>2</sup> that contributed to this very good result. At 67,000 m<sup>2</sup>, the leasing performance of logistics firms was exactly on a par with the previous year. However, the solid result fell short of the long-term average by almost 17 %, which could be driven by the fact that some e-commerce and retail companies have now built up and expanded their own logistics capacities. Companies in the industry/manufacturing sector delivered a slightly above-average result with 45,000 m<sup>2</sup>. The 18,000 m<sup>2</sup> leasing by automotive supplier Marelli was particularly significant here.

### Take-up by size category



### ➤ FIRST MAJOR LEASE ABOVE 35,000 m<sup>2</sup> SINCE 2016

For the first time since 2016, a large letting beyond the 35,000 m<sup>2</sup> threshold was made in the Cologne market area. The above-mentioned project letting of around 37,000 m<sup>2</sup> is solely responsible for the 17 % market share of contracts with more than 20,000 m<sup>2</sup> of lettable space. At 33,000 m<sup>2</sup>, take-up in the size class 12,001-20,000 m<sup>2</sup> was exactly on a par with the previous year and slightly above the long-term average. In contrast, a new record of 76,000 m<sup>2</sup> was registered in the size class 8,001-12,000 m<sup>2</sup> with a total of 8 contracts.

**Major contracts**

Quarter	Company	Location	Area (m <sup>2</sup> )
Q4	E-commerce company	Cologne	37,000
Q4	Marelli	Cologne	18,000
Q4	Logistics firm	Kerpen	15,000
Q4	Amazon	Troisdorf	12,000
Q3	Spedition Rheinland Hilde Freund	Kerpen	11,000

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**RENTS WITH UPWARD TREND**

Compared to the end of 2019, the prime rent has risen by almost 4 % to 5.60 €/m<sup>2</sup>. At 2 %, the increase in the average rent was somewhat more moderate. Both the prime rent and the average rent have been registered at the current level since Q2 2020. While a sideways movement is expected for the prime rent in 2021, a further increase is on the horizon for the average rent. It is primarily the continuing supply shortage that is putting pressure on the rent level. In 2020, around 88,000 m<sup>2</sup> were taken up in projects or space under construction, which once again underlines the lack of modern space in existing buildings.

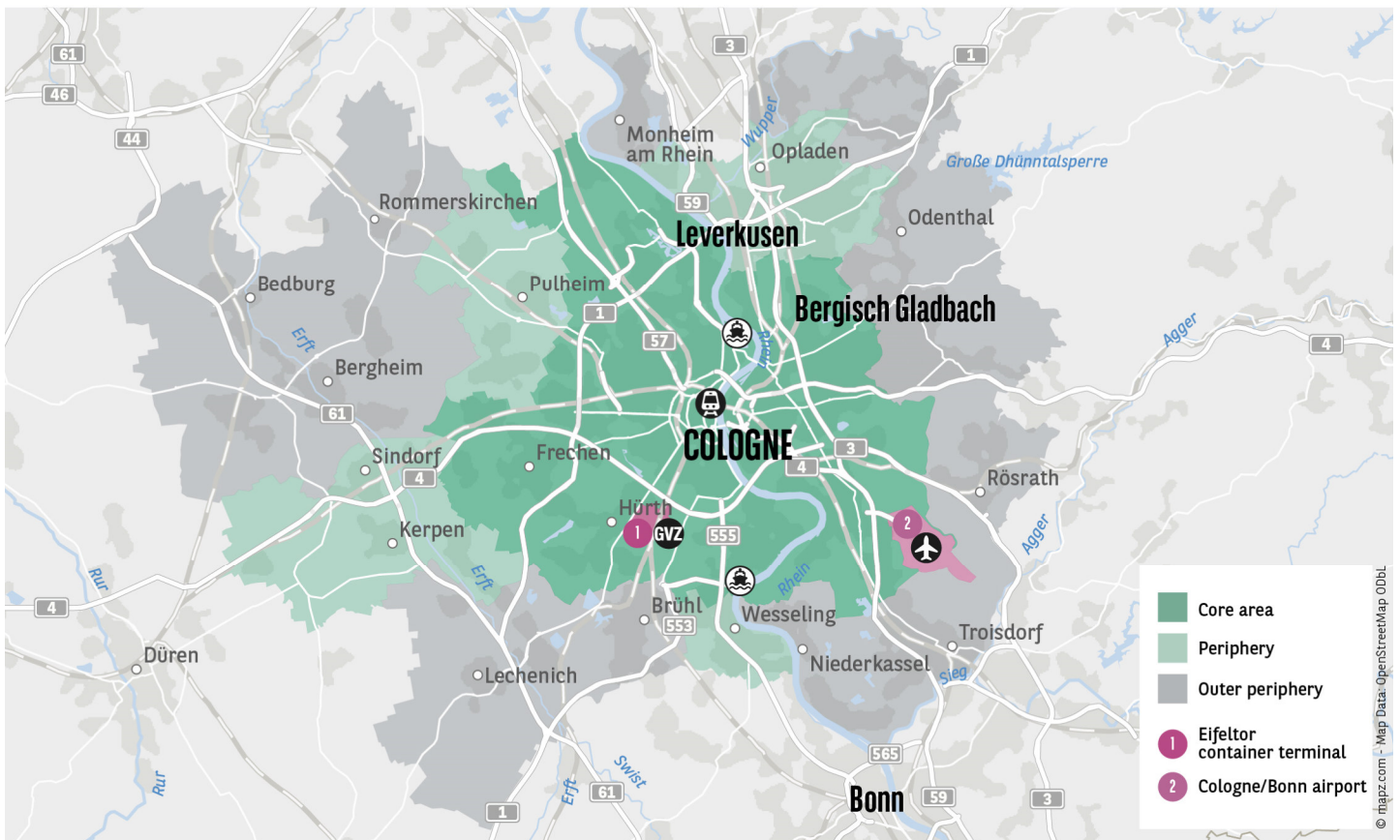
**Key figures logistics market Cologne**

	2019	2020	Trend 2021
Prime rent	5.40 €/m <sup>2</sup>	5.60 €/m <sup>2</sup>	➔
Average rent	4.45 €/m <sup>2</sup>	4.55 €/m <sup>2</sup>	➔
Take-up	140,000 m <sup>2</sup>	216,000 m <sup>2</sup>	➔
- Share of owner-occupiers	6.2 %	5.3 %	➔
- Share of new buildings	56.9 %	46.6 %	➔

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**OUTLOOK**

Demand for space in the Cologne market area is likely to remain at a high level in 2021, and a result slightly above the previous year's level is well within the realms of possibility. On the one hand, there are signs of an overall economic recovery with rising vaccination rates and the prospect of coming out of the lockdown, and on the other hand, continued high demand for space from the e-commerce sector was already registered at the end of 2020.



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