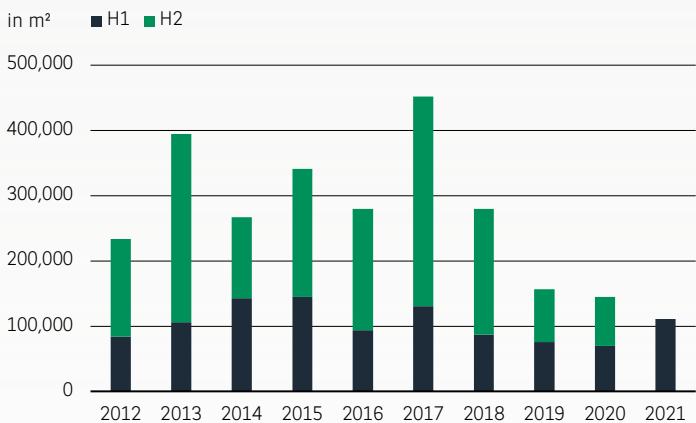


At a Glance Q2 2021

LOGISTICS MARKET DÜSSELDORF

Light industrial and logistics take-up

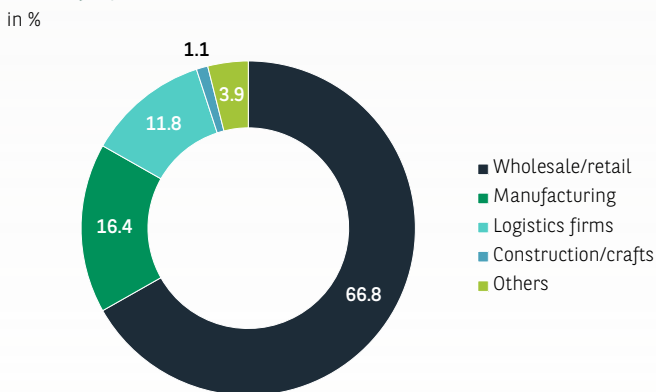


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➤ STRONG RESULT IN THE FIRST HALF-YEAR

After an already good start to the year, the Düsseldorf logistics and storage market was also able to record a strong second quarter. Consequently, take-up at the end of the first half of the year was 111,000 m², 59 % up on the previous year. How good the result is can be seen from the fact that the ten-year average was also topped by 6 %. Despite the Corona environment, it represents the best half-year take-up in the last four years. The supply available in the short term, especially of larger spaces in the city area, continues to be very limited. Thus, it is not surprising that by far the majority of the take-up took place in the peripheral locations of the market area. As expected, retail companies were particularly active and were also responsible for two of the three largest deals in the first half of the year, all of which were realised in the outer periphery. As in many other major logistics locations, companies from the e-commerce environment and the food trade are currently increasingly demanding logistics space.

Take-up by sector

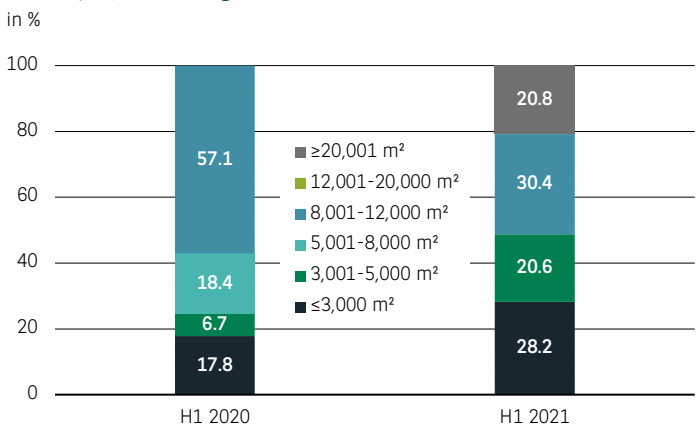


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➤ WHOLESALE/RETAIL CONTRIBUTES TWO-THIRDS OF TAKE-UP

In the first half of the year, the market was dominated by wholesale/retail, which was by far the leader of the industry groups with a take-up share of about two thirds. This means that they have surpassed their long-term average of around 40 % by far. At the same time, they are also responsible for the majority of deals, which indicates that their demand extends to all market segments. Manufacturing companies follow in second place, contributing 16 % to the result, which is more or less on their usual level. Logistics firms are still clearly underrepresented, accounting for just under 12 %. This is also due to the fact that there is still too little supply in the large-scale existing property segment, which means that in many cases it is not possible to find properties in the Düsseldorf market area at short notice.

Take-up by size category



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➤ SMALLER DEALS ACCOUNT FOR ALMOST HALF OF THE TOTAL

In contrast to the same period of the previous year, one major deal of over 20,000 m² was registered, so that this size category contributed around 21 % to the result. However, the majority of the take-up is accounted for by smaller deals with a letting area of up to 5,000 m², which contribute almost half of the result and underline the overall lively market activity and the broad demand base. In addition, contracts between 8,000 and 12,000 m² account for 30 % of take-up.

Major contracts

Quarter	Company	Location	Area (m ²)
Q2	E-commerce company	Mönchengladbach	23,000
Q2	Logistics firm	Ratingen	11,800
Q2	Wholesale/retail company	Grevenbroich	11,200
Q1	Coca-Cola	Mönchengladbach	10,600
Q1	E-commerce company	Düsseldorf	4,400

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Key figures logistics market

	H1 2020	H1 2021	Trend remaining year
Prime rent	6.00 €/m ²	6.10 €/m ²	➔
Average rent	5.10 €/m ²	5.30 €/m ²	➔
Take-up	70,000 m ²	111,000 m ²	➔
- Share of owner-occupiers	24.7 %	0.0 %	➔
- Share of new buildings	73.1 %	8.5 %	➔

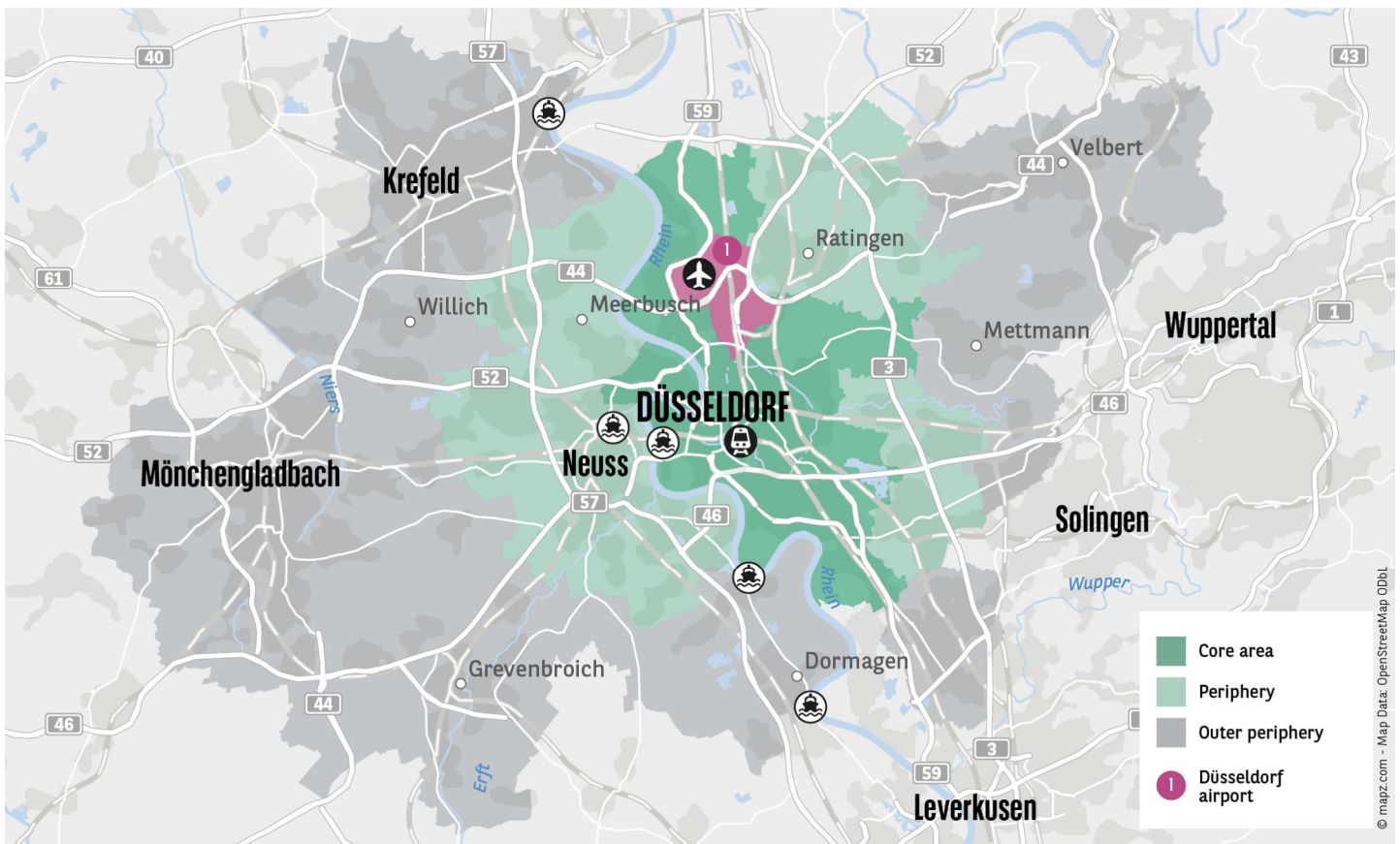
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RENTS HAVE INCREASED SLIGHTLY

The good demand even during the pandemic is reflected in the rents, which are showing an upward trend. In the last twelve months, the prime rent has risen by almost 2 % to 6.10 €/m². The average rent has even increased by around 4 % in the same period to now 5.30 €/m². It is also noteworthy that no significant owner-occupier take-up has been recorded in the first half of the year and that the share of new construction in the result is very low at only 8.5 %. This can be interpreted as an indication of the limited availability of development plots, which makes a significant expansion of supply difficult.

OUTLOOK

The year-to-date shows that there is generally a high demand for logistics space. With sufficient supply, take-up could probably have been even higher. Against the backdrop of a noticeable economic upturn, from today's perspective there is good reason to believe that demand is likely to increase even more in the second half of the year. Nevertheless, the annual result will certainly also depend on the available supply, which could be somewhat limiting. The most likely scenario appears to be a take-up close to the long-term average. At the same time, there is strong indication that the average rent could still increase slightly in the further course of the year.



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Further Information BNP Paribas Real Estate GmbH | Branch office Düsseldorf | Phone +49 (0)211-52 00-00 | www.realestate.bnpparibas.de