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Real Estate for a changing world

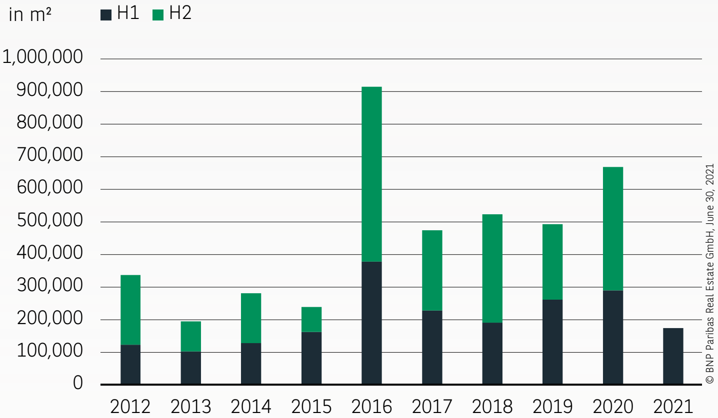
RESEARCH

At a Glance Q2 2021

LOGISTICS MARKET RUHR REGION

Light industrial and logistics take-up*

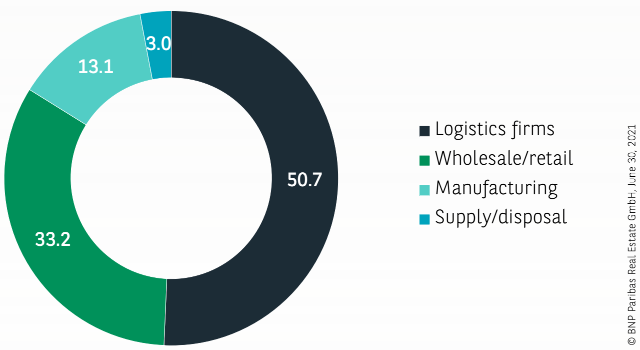
in m²



* Deals ≥5,000 m²

Take-up by sector*

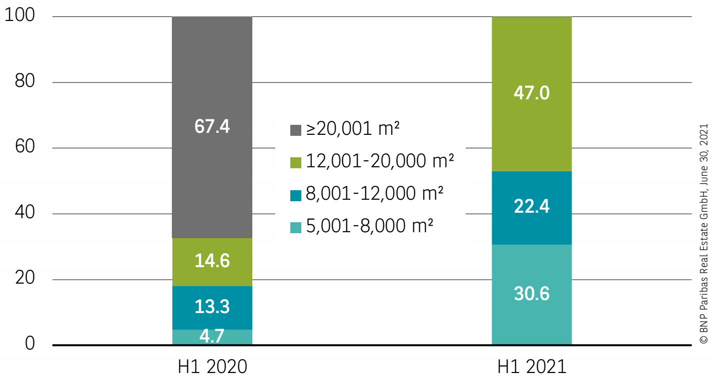
in %



* Deals ≥5,000 m²

Take-up by size category

in %



DECREASED VOLUME WITH INCREASED NUMBER OF DEALS

At first glance, the result for the logistics market in the Ruhr region, with a take-up of 174,000 m² and a decline of around 40 % compared to the previous year and just under 15 % compared to the long-term average, suggests that market activity was rather restrained in the first half of the year. However, the reason for the weaker result is by no means fewer deals - the number of deals recorded was even higher than in 2020 - but a significantly lower average volume per letting of around 10,000 m² instead of 21,000 m². Both the existing and the new-build segments made substantial contributions to the result, each accounting for around half of the take-up. Among the new-build properties, the leasing to the full-service provider Hellmann Worldwide Logistics in the new logistics centre in Werne (20,000 m²), which has been under construction since the end of April, is particularly noteworthy. In contrast, owner-occupiers, who account for around 29 % of take-up on average over many years, did not make an appearance in the first six months.

CHANGE OF POSITION AT THE TOP

While there was no way of getting past wholesale/retail in the sector ranking in recent years, it is the logistics firms who are setting the tone in the demand groups at mid-year. With around 88,000 m² and a take-up share of almost 51 %, they achieved results that were well above the long-term average in both absolute and relative terms. In addition to the Hellmann Worldwide Logistics contract, they can also benefit from several other contracts in the mid-range segment. The wholesale/retail sector is represented with around one third of the total balance, to which not least the online supermarket Picnic contributed with its fourth fulfilment centre in Germany (16,700 m²). The trio is rounded off by manufacturing companies, which account for a further 13 % through single, rather smaller deals.

NO BIG ONES, BUT MANY MEDIUM-SIZED CONTRACTS

The distribution of take-up across the different size categories clearly shows that the overall result of the Ruhr area was weaker compared to the previous year only due to the absence of large deals. While the largest category of deals with over 20,000 m² remained unoccupied in the first half of the year, all other segments were able to increase their take-up above average. This is most noticeable in the case of leases between 12,000 and 20,000 m², which account for a share of 47 % and thus rank ahead of leases between 5,000 and 8,000 m² (just under 31 %) and 8,000 and 12,000 m² (around 22 %).

Major contracts

Company	Company	Location	Area(m²)
Q2	Hellmann Worldwide Logistics	Werne	20,000
Q2	Picnic	Mülheim a. d. Ruhr	16,700
Q2	Alt FineCom Finishing - eCommerce-Logistics	Mülheim a. d. Ruhr	14,900
Q2	Active Ants	Dorsten	10,000

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Key figures logistics market Ruhr region*

	H1 2020	H1 2021	Trend remaining year
Prime rent	4.90 €/m²	4.90 €/m²	→
Average rent	4.10 €/m²	4.30 €/m²	→
Take-up	290,000 m²	174,000 m²	↗
- Share of owner-occupiers	21.9 %	0.0 %	→
- Share of new buildings	62.0 %	48.7 %	↗

* Deals ≥5,000 m²

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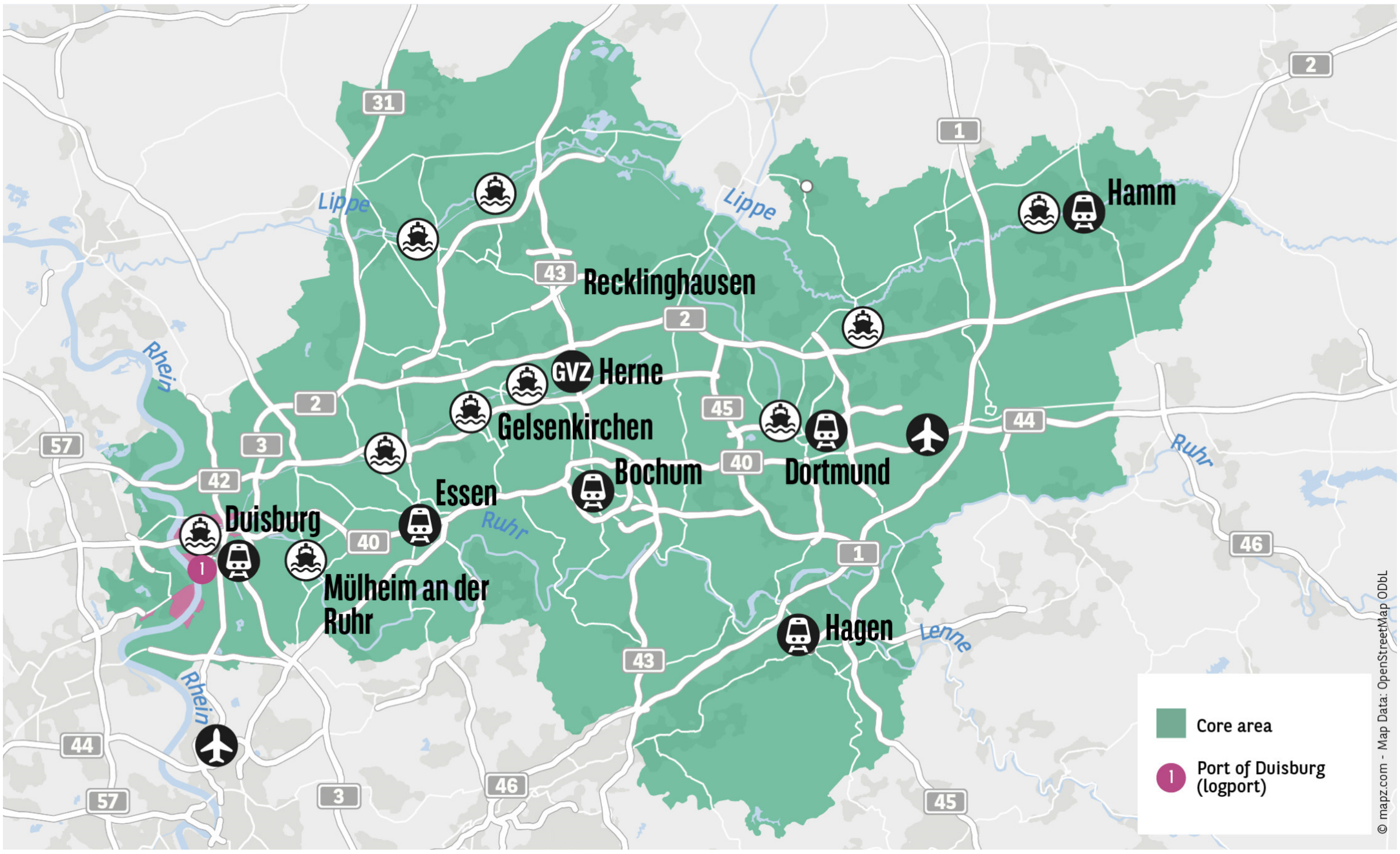
RENTS STABLE, SUPPLY HIGHER IN THE EASTERN RUHR AREA

While both the top and average rents increased noticeably at the end of 2019, they have remained stable since, even in the wake of the Corona crisis. The prime rent therefore remains at 4.90 €/m², while the average rent has increased slightly by 5 % to 4.30 €/m² in a twelve-months comparison. This is achieved not only in Duisburg, but also in the central and eastern Ruhr region, where the district of Unna in particular has succesfully established itself as an important focus of demand. The availability of space in the two sub-regions mentioned is different: While the supply situation in Duisburg is very tight, the eastern Ruhr region in particular still has some speculatively built new developments where space is currently available at short notice.

OUTLOOK

Although logistics market in the Ruhr region cannot report a further increase in volume at the end of the first half of the year after two increases in a row, this is not an indication of more subdued market activity. Rather, the increases in take-up apart of the major deals speak for the broad demand base in the Ruhr region. If one or two "big deals" could be announced in the second half of the year, a result in the range of the long-term average of around 440,000 m² will be on the horizon.



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