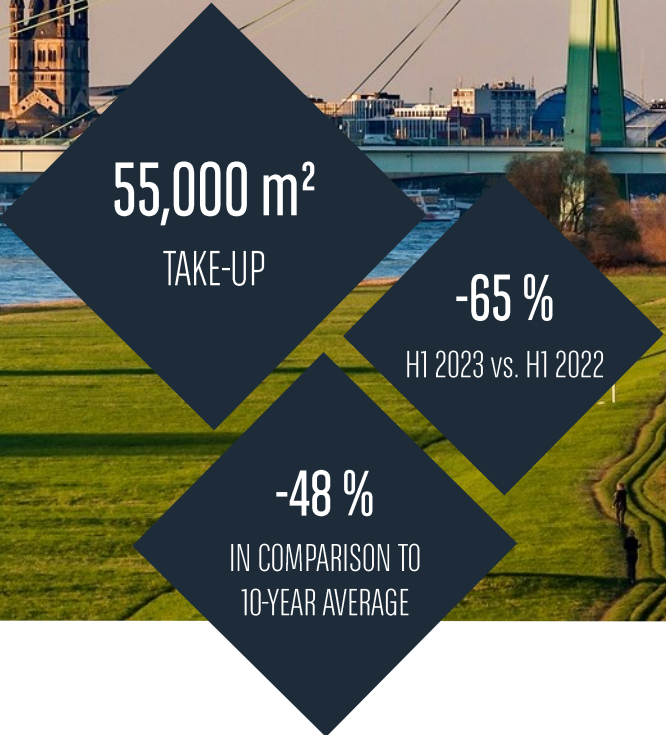


# LOGISTICS MARKET COLOGNE



AT A GLANCE  
Q2 2023

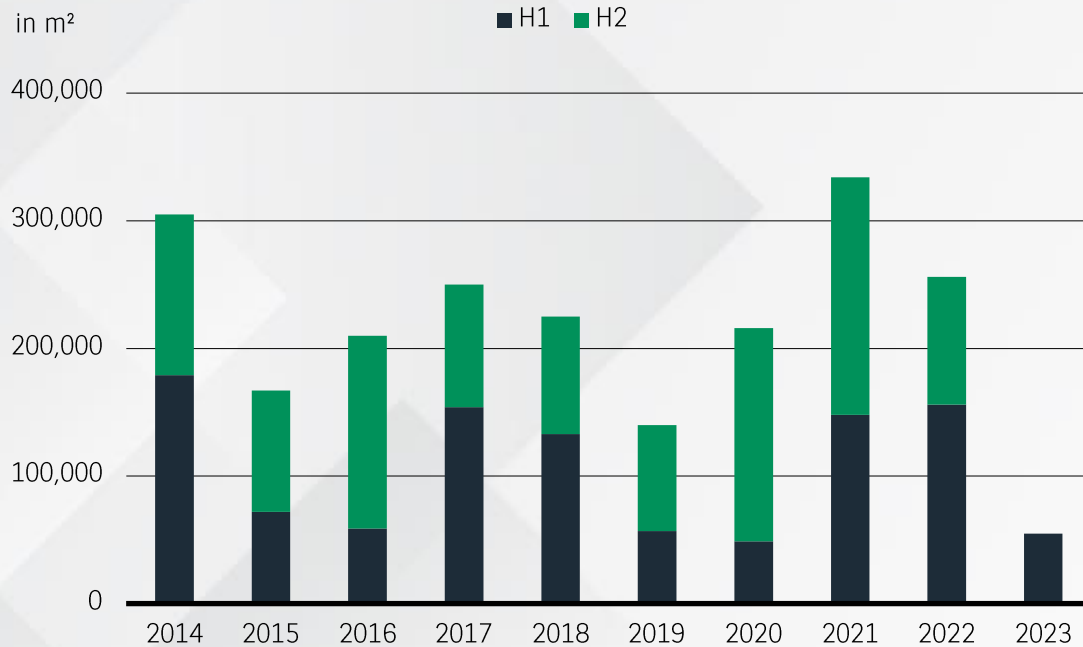


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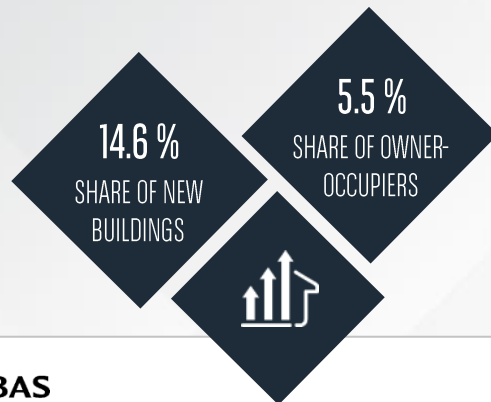
Real Estate for a changing world

# SUPPLY SHORTAGE AFFECTS TAKE-UP

## LIGHT INDUSTRIAL AND LOGISTICS TAKE-UP IN COLOGNE



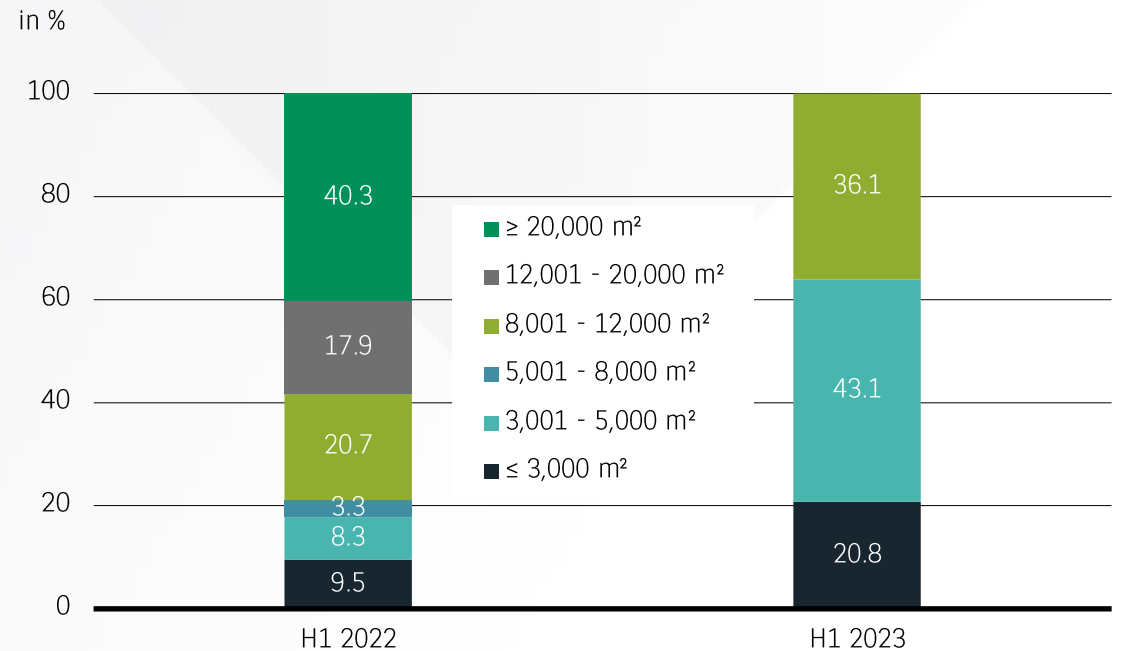
- The Cologne warehouse and logistics market achieved a take-up of 55,000 m<sup>2</sup> in the first half of 2023. This represents a decline of 65 % compared with the corresponding result for the previous year as well as -48 % compared with the ten-year average. In other years, there have also been half-year results of a similar magnitude, which were generally compensated over the year. Currently, in addition to the continuing economic uncertainties, the lack of available space throughout the market area is primarily responsible for the low take-up.
- This applies in particular to the large-space segment of the market, where it is not possible to meet the corresponding demand. There are hardly any market-adequate properties available in the existing stock and new construction activity is currently too low to provide any short-term relief.
- The development in rents is dynamic: both the prime and average rents have risen by around 10 % year-on-year to 7.50 €/m<sup>2</sup> and 5.50 €/m<sup>2</sup> respectively.



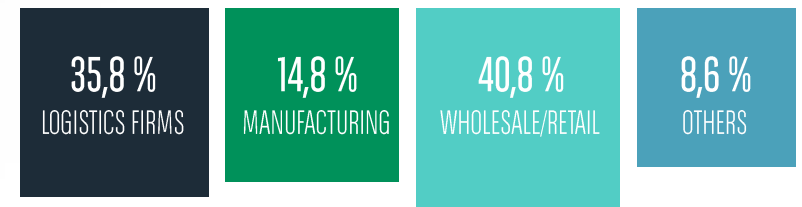
# NO MAJOR CONTRACTS TO DATE

- The distribution of take-up by size class reveals the main difference from the strong prior-year result. Whereas currently the largest registered contract comprises just 11,000 m<sup>2</sup> (retail company in Cologne), last year already more than 90,000 m<sup>2</sup> were recorded in the larger segments from 12,000 m<sup>2</sup>.
- Market activity was particularly lively in the category between 3,000 and 5,000 m<sup>2</sup>, which also made an above-average contribution in absolute terms with 43 %.
- In terms of take-up by sector, wholesale/retail companies are in first place with 41 % and increased their value in absolute terms compared with the previous year. Logistics firms follow with 36 %, while manufacturing companies are still underrepresented at around 15 %.
- Due to the current economic environment and the lack of development land, owner-occupiers have been quite cautious to date and contribute only around 6 % to take-up.

## TAKE-UP BY SIZE CATEGORY



## TAKE-UP BY SECTOR



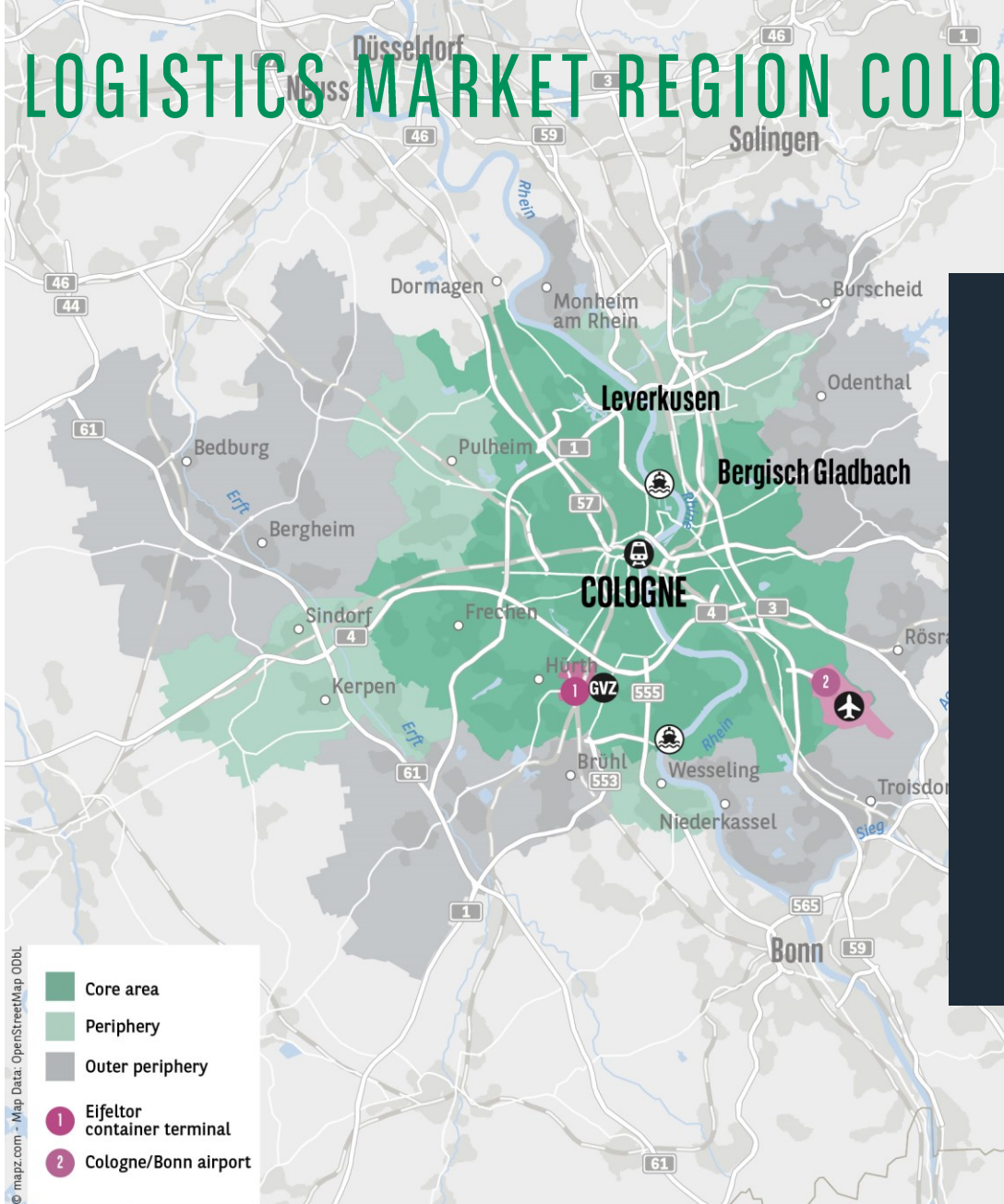
## KEY FIGURES

Rents	H1 2022	H1 2023	%-Difference
Prime rent (in €/m <sup>2</sup> )	6.80	7.50	10.3%
Average rent (in €/m <sup>2</sup> )	5.00	5.50	10.0%
Take-up and sectors	H1 2022	H1 2023	Long-term average
Total take-up	156,000 m <sup>2</sup>	55,000 m <sup>2</sup>	106,000 m <sup>2</sup>
Logistics firms	25.4%	35.8%	30.8%
Wholesale/retail	10.9%	40.8%	26.3%
Manufacturing	39.7%	14.8%	26.2%
Others	24.0%	8.6%	16.6%
Size categories	H1 2022	H1 2023	Long-term average
Share of deals > 20,000 m <sup>2</sup>	40.3%	0.0%	19.8%
Share of deals ≤ 20,000 m <sup>2</sup>	59.7%	100.0%	80.2%
Owner-occupiers/new building share	H1 2022	H1 2023	Long-term average
Share of owner-occupiers	0.9%	5.5%	11.9%
Share of new buildings	30.7%	14.6%	38.0%

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- Demand is expected to remain generally good for the rest of the year. Although some occupiers are acting more cautiously than in the previous year, the lack of available space remains the limiting factor in the Cologne market area.
- As there are no signs of a significant relief in the supply situation any time soon, it will probably only be possible to realise large-scale requests in isolated cases in the second half of the year. In conjunction with the noticeable rise in rents, occupiers are also increasingly tending to extend existing rental agreements.
- Against this background, take-up is unlikely to reach the long-term average (234,000 m<sup>2</sup>). As a result of the continuing discrepancy between supply and demand, rental price levels are likely to rise further, both at the peak and on average.

# LOGISTICS MARKET REGION COLOGNE



**MAJOR CONTRACTS**

11,000 m<sup>2</sup>  
Wholesale/retail  
Cologne

8,800 m<sup>2</sup>  
Arcrese  
Cologne

4,600 m<sup>2</sup>  
Karadag  
Cologne

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