In the first quarter of 2015, take-up in the warehouse and logistics premises market of the Ruhr region (counting just deals upwards of 5,000 m²) set a new record, with a total of 120,000 m². That was about three times the prior-year figure and exceeded the five-year average by 67%. Demand increased in the entire market area, especially in the western parts such as Duisburg and Mülheim. Since modern premises remain in short supply, would-be users frequently have to opt for built-to-suit projects, which helps to explain why the new-build proportion of take-up is over 70%. This segment generally involves large premises upwards of 10,000 m². That includes the biggest lease registered so far, for a complex of 30,000 m² in Duisburg acquired by the logistics firm of Simon Hegele and geared to BREEAM certification on completion. Compared with the prior-year period, the owner-occupier proportion has risen by nearly 6 percentage points to around 44%.

As was to be expected, the business-sector distribution of take-up was headed by logistics firms, with a share of 59%. This sector was responsible for the largest number of deals and the biggest new leases. In second place came manufacturers, with the relatively high share of just over 29%, fuelled both by large relocations and also by some business expansions. The wholesale/retail sector, which is frequently well represented in this market, has so far not been very active in the segment upwards of 5,000 m² and has generated just under 12%. No other sectors made any contribution at all.

Whereas in the same period last year, the spread of take-up across the size classes presented a balanced picture, this year has seen a shift toward the bigger size categories. The largest share, more than 51% of the total, was gained by the 12,000-20,000 m² bracket. Unlike last year, the biggest category, upwards of 20,000 m², is also represented, admittedly by just one deal but that gives this category a share of about 25%. On the other hand, the 5,000 to 8,000 m² segment saw its share halved, to just over 15%. The 8,000-12,000 m² class also registered a year-on-year decline, to just over 8%.
RISE IN PRIME RENT

The high new-build proportion and the built-to-suit solutions have brought about a rise of 2% in the prime rent, taking it to 4.40 €/m². That is the figure obtained above all in the western part of the Ruhr region in the Duisburg area. The average rent has also climbed, by nearly 6% to 3.80 €/m². In view of the ongoing bottleneck in the supply of modern logistics premises of over 5,000 m², it is gratifying to note that in the Duisburg area there are now – for the first time in quite a while – some speculative project developments. These will probably be completed by the end of this present year.

OUTLOOK

The positive turnover trajectory looks set to continue, so that the year-end result will probably surpass the long-term average of 276,000 m². Since new-build complexes will frequently remain the only way of meeting requests for premises, the ratio of newly constructed space to total take-up is likely to stay at its present high level or even expand somewhat. Increasingly, built-to-suit properties are being realised with lease periods of less than 10 years. Because of all the construction activity, there is a growing shortage of plots of land ready for building on; as a result, securing available sites is assuming more and more strategic importance. The now higher prime rent can be expected to firm up at its present level.