

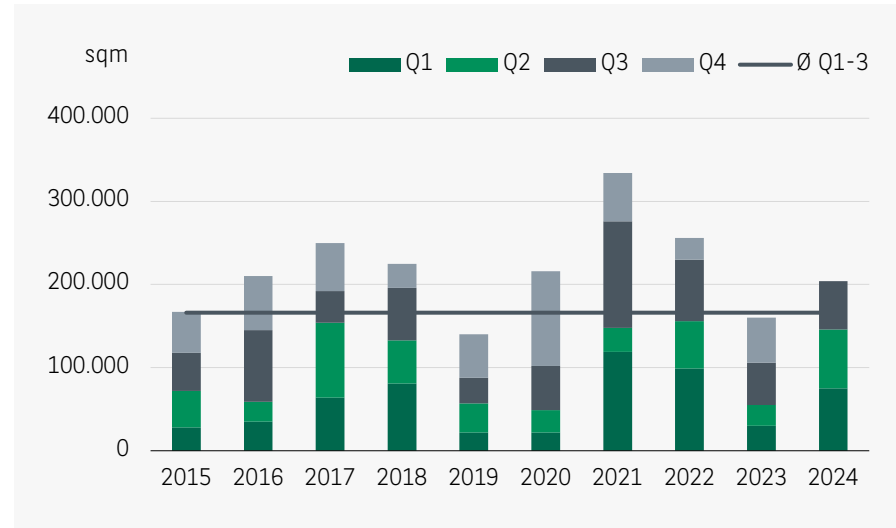


COLOGNE

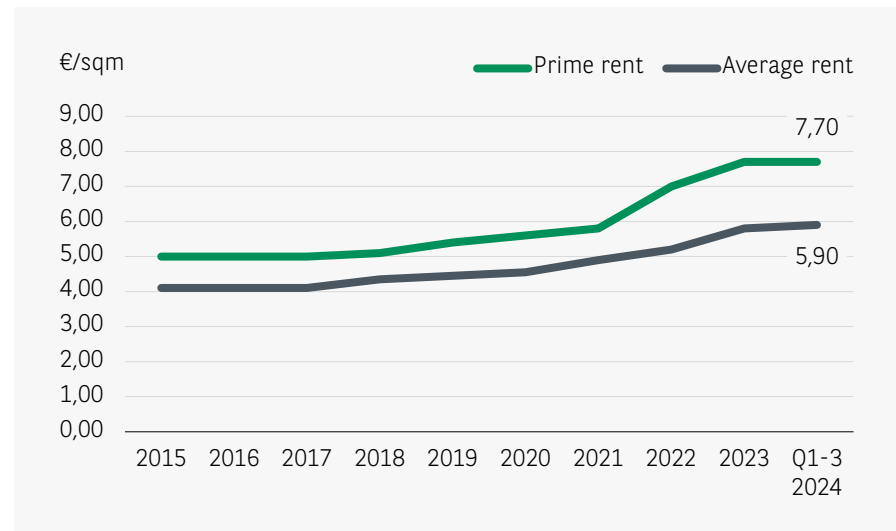
REPORT LOGISTICS MARKET

Q1-3 2024

Development of light industrial and logistics take-up



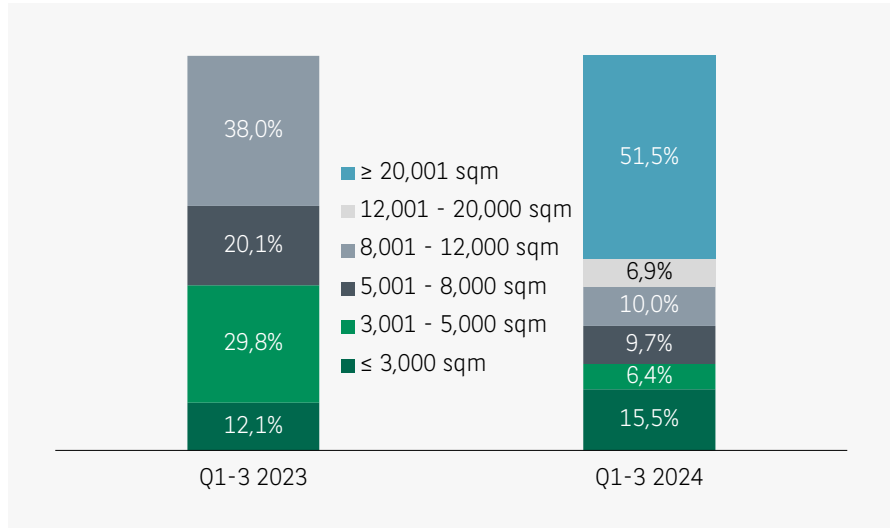
Prime and average rents



TAKE-UP SIGNIFICANTLY ABOVE AVERAGE

- The Cologne warehouse and logistics space market recorded take-up of 204,000 m² in the first nine months of the year. Thus, despite the economic uncertainties the result clearly exceeds the long-term average by 23% and almost doubles the result from the same period last year (106,000 m²). Furthermore, Cologne is the only top location in Germany that performs significantly above its ten-year average.
- Around half of the take-up is attributable to three large-scale rental agreements in existing properties alone. In the first quarter, the e-commerce company Woltu rented around 44,500 m² in an older building and is thus making use of the remaining time until the property will be converted into residential space. In addition, the logistics service provider Blitz has secured 25,400 m² of space for subletting. In the third quarter, the Chinese logistics provider Goodcang also concluded a lease agreement for 35,000 m² in Bergheim.
- This implies that the market recovery from the first half of the year continued in the third quarter, albeit not with the same dynamic. After 146,000 m² had already been taken up at the end of the second quarter, a further 58,000 m² were added in the third quarter. Against the backdrop of the weak economic phase and the wait-and-see attitude of many occupiers, this result is yet very respectable.
- As in the other top locations, rents have stabilised since the beginning of the year. The prime rent has been listed at €7.70 per m² since the end of 2023 and the average rent has also remained constant at €5.80 per m² since then.

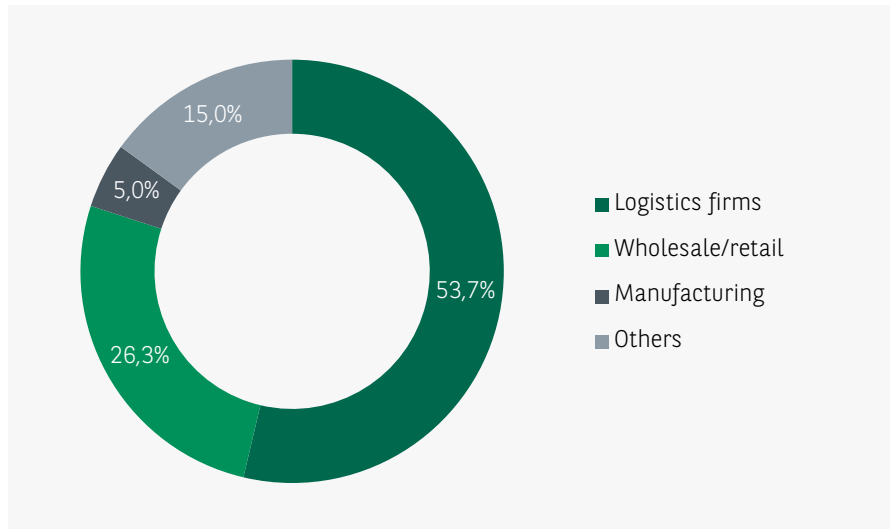
Take-up by size category



A GOOD HALF OF TAKE-UP GENERATED BY LARGE DEALS

- The distribution of take-up across the individual size categories underlines the differences compared to the same period last year. While no large-scale contracts above the 12,000 m² mark were recorded in 2023 up to the end of the third quarter, deals above 20,000 m² currently account for slightly more than half of the result. This also corresponds to a significantly above-average result in absolute terms.
- Logistics service providers and retail companies clearly dominate the demand side due to the aforementioned largest contract signings. While logistics firms are responsible for 54% of take-up and are therefore well above their ten-year average, retail companies only slightly exceed this in absolute terms. Manufacturing companies have been clearly underrepresented to date.

Take-up by sector



Major contracts

Quarter	Company	Location	sqm
Q1	Woltu	Cologne	44,500
Q3	Goodcang	Bergheim	35,000
Q1	Blitz	Cologne	25,400
Q2	Logistics firm	Cologne	14,000
Q2	Logistics firm	Cologne	10,500

OUTLOOK

- Supported by large-scale lettings in existing stock, the Cologne logistics market achieved an above-average take-up result. It is also worth noting that more space was again taken up in the smaller size categories, resulting in significantly more contracts overall than in the same period of the previous year.
- The further development of Cologne's logistics market will be strongly influenced by economic momentum, with the current sluggish economy also acting as a drag on other top locations. Nevertheless, a moderate but noticeable economic upturn and a further improvement in sentiment can be expected in the coming months. This should provide an additional tailwind for users, especially those who are heavily dependent on the economy. The cyclically sensitive manufacturing companies in particular, which have so far only had a below-average market share, could benefit from this and help to stabilise the recovery on the Cologne logistics market.
- The supply of space is likely to increase by the end of the year due to speculative project developments that are nearing completion. While there is excess demand, particularly in the smaller-scale space segment and in central locations, it is currently becoming increasingly apparent in the large-scale new-build sector that some companies are tending to wait and see how the economy develops and are delaying major rental decisions.
- With the start of the final quarter, there is much to suggest that the positive trend in take-up is likely to continue in the coming months. A significantly above-average result above the 250,000 m² mark by the end of the year seems quite realistic.

Key figures logistics market Cologne

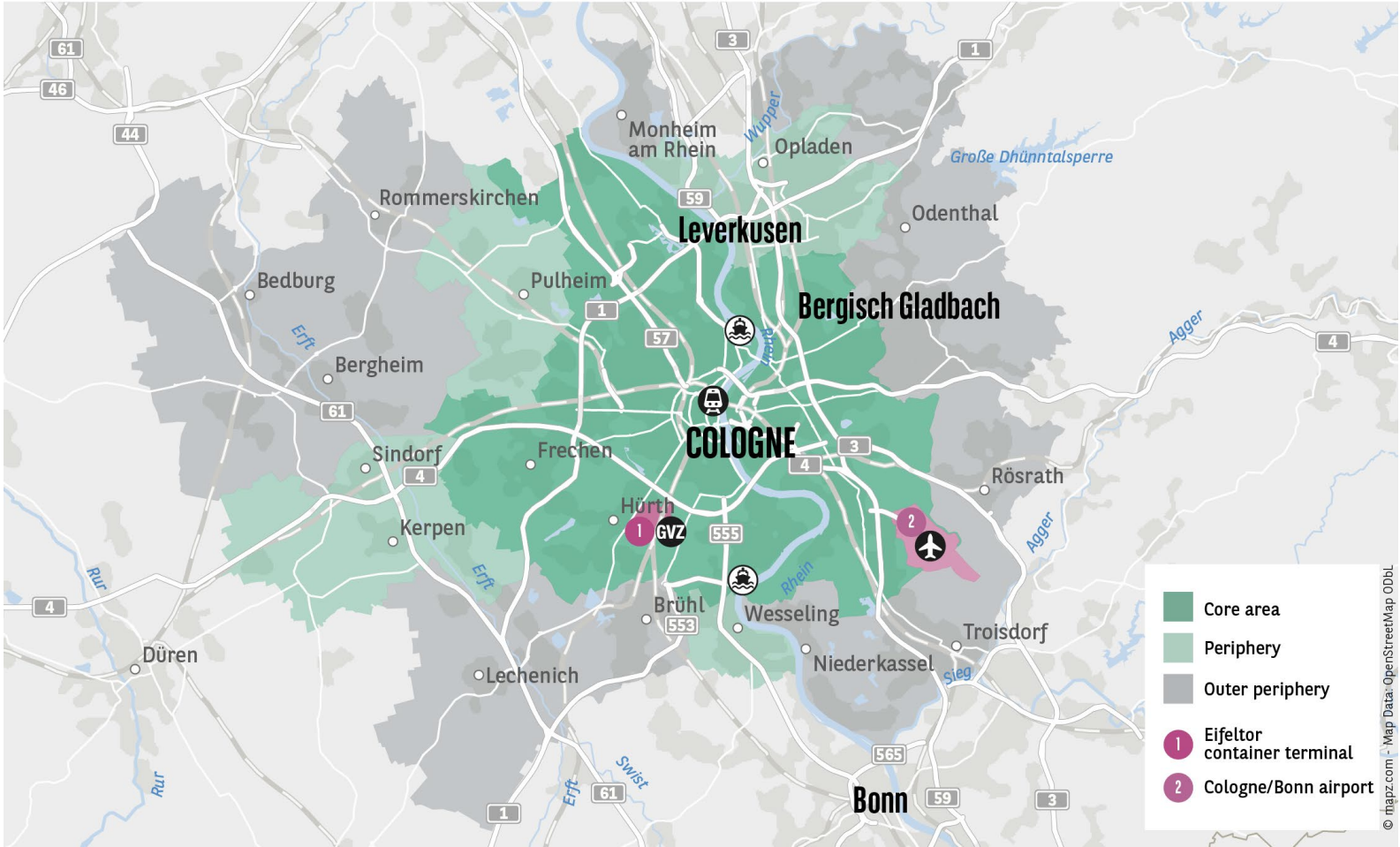
RENTS AND TAKE-UP	Q1-3 2023	Q1-3 2024	%-DIFFERENCE
Prime rent (in €/sqm)	7.50	7.70	2.7%
Average rent (in €/sqm)	5.50	5.90	7.3%
Total take-up (in sqm)	106,000	204,000	92.5%

SECTORS	Q1-3 2023	Q1-3 2024	LONG-TERM Ø
Logistics firms	34.8%	53.7%	37.8%
Wholesale/retail	44.4%	26.3%	28.7%
Manufacturing	15.8%	5.0%	20.5%
Others	5.0%	15.0%	13.0%

SIZE CATEGORIES	Q1-3 2023	Q1-3 2024	LONG-TERM Ø
Share of deals > 20,000 sqm	0.0%	51.5%	24.6%
Share of deals ≤ 20,000 sqm	100.0%	48.5%	75.4%

OWNER-OCCUPIERS/NEW BUILDING SHARE	Q1-3 2023	Q1-3 2024	LONG-TERM Ø
Share of owner-occupiers	2.8%	5.1%	9.6%
Share of new buildings	7.1%	0.0%	36.4%

**LOGISTICS
MARKET
COLOGNE**



CONTACT

BNP Paribas Real Estate GmbH

THE CORNER | Im Klapperhof 3-5 | 50670 Cologne

Phone +49 (0)221-93 46 33-0

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