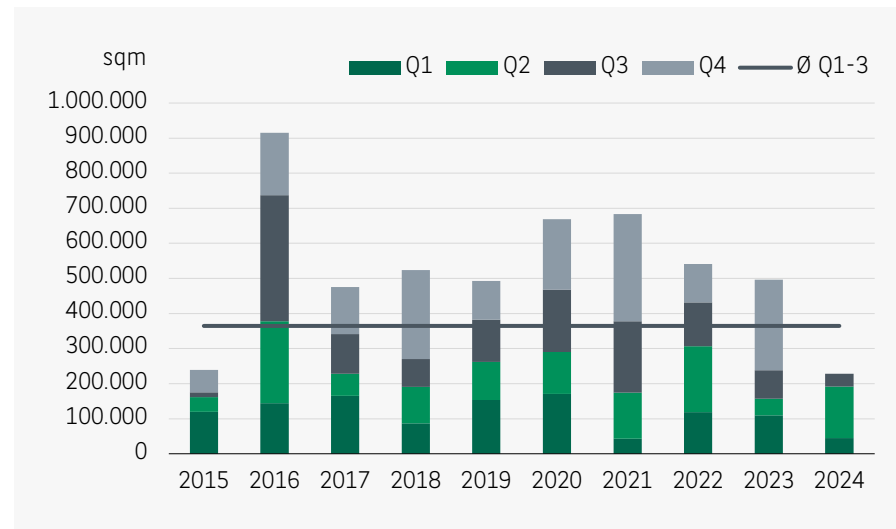


○ RUHR REGION

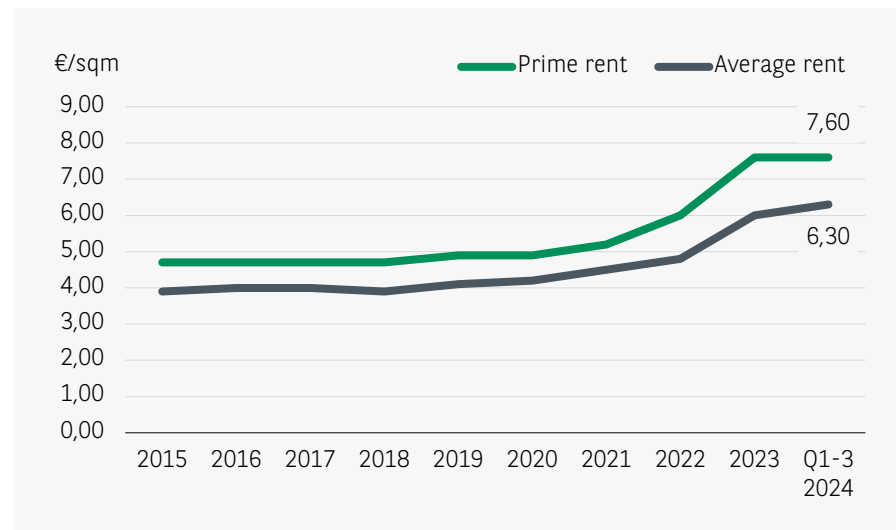
REPORT LOGISTICS MARKET

Q1-3 2024

Development of light industrial and logistics take-up $\geq 5,000$ sqm



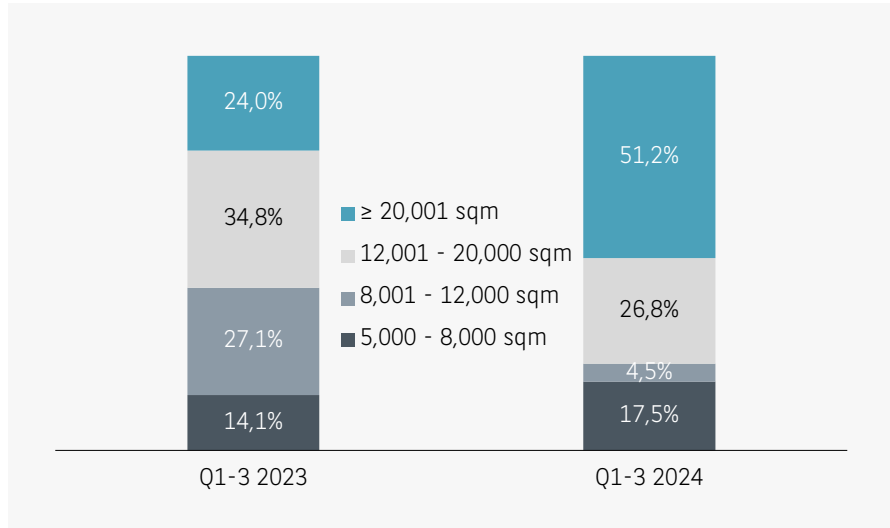
Prime and average rents



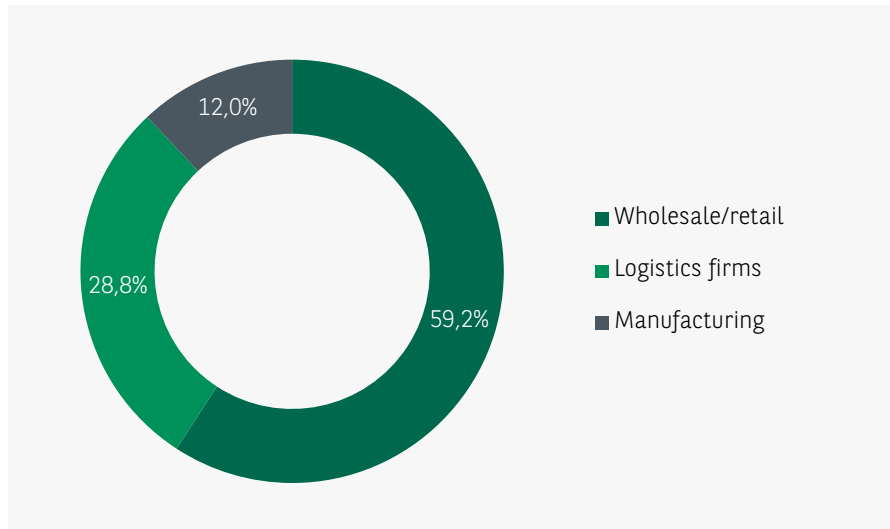
RESULT IN THE RANGE OF THE PREVIOUS YEAR, BUT ABOVE AVERAGE COMPARED TO TOP LOCATIONS

- Even if this is not yet sustainably reflected in the interim results for the first three quarters, the demand situation on the logistics market in the Ruhr region can be assessed as remaining constant in the current year. On the one hand, the polycentric logistics region is unable to keep pace with its long-term average (365,000 m²; -38%) with take-up of around 228,000 m². On the other hand, after the first nine months of the year it has more or less confirmed its volume from the same period of the previous year (238,000 m²; -4%), putting it in second place in the location ranking behind the Frankfurt logistics region (304,000 m²).
- Accordingly, it can be stated for the Ruhr region, as for most other top markets, that the high take-up volumes of the years up to 2023 cannot yet be realised again in the current market environment. However, if the continuing challenging conditions are taken into account, the somewhat weaker result in a long-term context is put into perspective.
- In the year to date, the second quarter has been particularly strong in terms of take-up (147,000 m²), with the five largest deals of the first nine months recorded in this quarter alone. By contrast, deals with significantly more than 10,000 m² were absent in the third quarter, which meant that take-up was significantly lower (around 36,000 m²) despite the comparable number of deals in the last three months.
- Instead of the upward trend of recent years, prime rents are now tending to move sideways (€7.60 per m²; no change since Q4 2023). The average rent is currently quoted at a high €6.30 per m² (+3% in Q3).

Take-up by size category



Take-up by sector



LARGE DEALS AND RETAIL DOMINATE THE MARKET

- Even though the third quarter did not make any further contributions in the large scale segment the majority of the overall result was generated in the big box segment. Overall, deals in the 20,000 m² and above category accounted for 51% of market activity and recorded a significant increase in take-up. The mid-sized category between 12,000 and 20,000 m² accounted for 27% and recorded average take-up, while smaller contracts of up to 12,000 m² generated 22% and a lower volume than in the previous year.
- In terms of occupier groups, the result in the retail sector is particularly pleasing. Following its weak phase in the previous year, the sector is now on the road to recovery throughout Germany. Not least due to the contracts signed by the e-commerce furniture retailer Euziel in Essen and Duisburg, the retail sector accounts for 59% of the total and is also responsible for most of the contracts signed. Logistics firms contributed a further 29%, while production companies remained underrepresented at 12%.

Major contracts

| Quarter | Company | Location | sqm |
|---------|--------------------|----------|--------|
| Q2 | Euziel | Essen | 38,600 |
| Q2 | EDA Cloud | Dortmund | 30,100 |
| Q2 | Euziel | Duisburg | 27,000 |
| Q2 | Flexispot | Werne | 20,900 |
| Q2 | Trans Service Team | Duisburg | 16,000 |

OUTLOOK

- Although the Ruhr region logistics market cannot yet report a fundamental turnaround after the first three quarters, the overall lively market activity with a good position in the location ranking gives grounds for optimism for the final quarter.
- On the demand side, the renewed momentum in the retail and e-commerce sector should be emphasised in particular as this occupier group has helped the Ruhr region to achieve very high results in the past, especially in the years with the strongest take-up volumes.
- In contrast, the rise in construction activity has so far only made a small contribution to letting volumes in a long-term comparison. However, as the completion of several speculative project developments is planned for q4 2024, the share of take-up generated in the new built segment is likely to increase soon.
- On the supply side, a very heterogeneous development is currently emerging in the various sub-locations of the market area: while a slight surplus of supply is now crystallising in some regions, requests for space continue to exceed supply, particularly in the central Ruhr area.
- Against the backdrop of the general conditions outlined above, a sustained solid letting momentum can be expected for the coming months. From today's perspective, however, it remains to be seen whether the previous year's result of around 496,000 m² will come within reach.
- In terms of rents, the trend towards stabilisation in the prime segment is likely to continue for the time being.

Key figures logistics market Ruhr region

| RENTS AND TAKE-UP | Q1-3 2023 | Q1-3 2024 | %-DIFFERENCE |
|-------------------------|----------------|----------------|--------------|
| Prime rent (in €/sqm) | 6.90 | 7.60 | 10.1% |
| Average rent (in €/sqm) | 5.60 | 6.30 | 12.5% |
| Total take-up* (in sqm) | 238,000 | 228,000 | -4.2% |

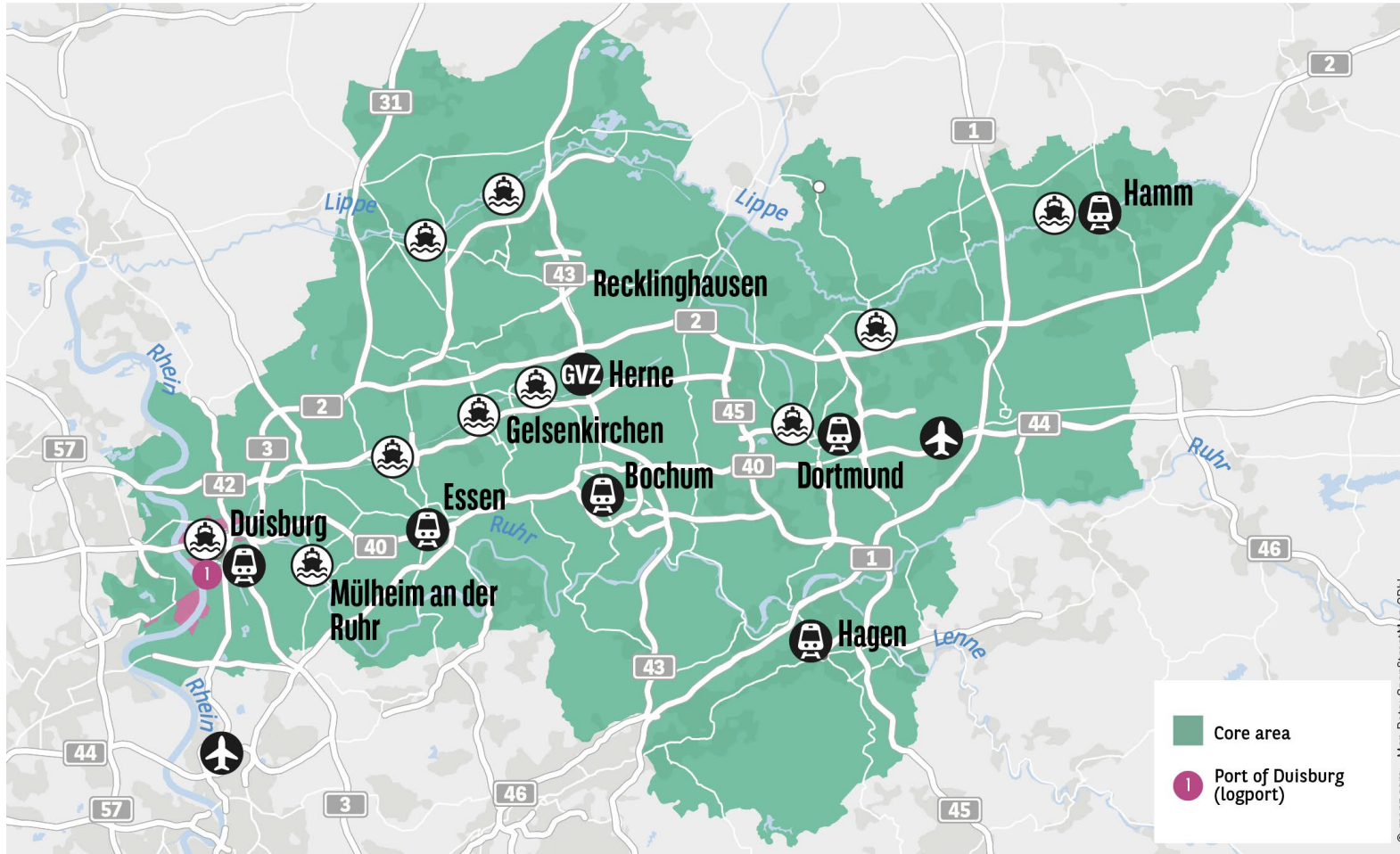
| SECTORS | Q1-3 2023 | Q1-3 2024 | LONG-TERM Ø |
|------------------|-----------|-----------|-------------|
| Logistics firms | 56.6% | 28.8% | 41.8% |
| Wholesale/retail | 10.2% | 59.2% | 39.9% |
| Manufacturing | 26.9% | 12.0% | 16.9% |
| Others | 6.3% | 0.0% | 1.4% |

| SIZE CATEGORIES | Q1-3 2023 | Q1-3 2024 | LONG-TERM Ø |
|-----------------------------|-----------|-----------|-------------|
| Share of deals > 20,000 sqm | 24.0% | 51.2% | 49.3% |
| Share of deals ≤ 20,000 sqm | 76.0% | 48.8% | 50.7% |

| OWNER-OCCUPIERS/NEW BUILDING SHARE | Q1-3 2023 | Q1-3 2024 | LONG-TERM Ø |
|------------------------------------|-----------|-----------|-------------|
| Share of owner-occupiers | 0.0% | 0.0% | 22.8% |
| Share of new buildings | 54.8% | 31.6% | 63.2% |

* Deals ≥ 5,000 sqm

LOGISTICS MARKET RUHR REGION



CONTACT

BNP Paribas Real Estate GmbH

Kö-Quartier | Breite Straße 22 | 40213 Düsseldorf

Phone +49 (0)211-52 00-00

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