The Spanish economy continues to show signs of strength with third-quarter GDP growth achieving 0.7% (Source: Bank of Spain).

After the slow recovery of the logistics sector and the drought of real estate development in recent years, the logistics market environment has changed positively. It is being supported by improving the economic outlook (private consumption, retail sales growth), the expansion of electronic commerce and the investors’ demand for logistics assets.

The activity of logistics lease contracts maintains its good tone in the Barcelona market and between July and September 2016, 148,400 m² of logistic spaces have been occupied. The accumulated take-up since the beginning of the year (Q1-Q3) amounts 381,200 m² and exceeds the annual take-up totals since 2007.

The average size of the deals was 8,000 m² in the third quarter and 60% of the take-up was contracted in the second ring followed by 25% in the third ring.

The rent levels of the new contracts continue to increase and the asking-price in the Parc Logistic has gone from 6 to €6.5/m²/month. The lack of logistics warehouse available continues to increase rents.

To this backdrop it must be added the high levels of occupation in the first ring and the scarcity of available quality spaces. All this figures makes us think optimistically about the construction of new logistics spaces.

There are currently 112,000 m² under development.

Total take-up in 2016 is not expected to equal the 2015 figure, mainly due to the lack of surface area. The forecasted take-up for the current year is 470,000 m² and prime yield of logistics warehouses in Barcelona stand at 6.2% at the end of September and is expected to fall to 6.1% by the end of the year.