LOGISTICS BARCELONA — FOURTH QUARTER 2016

RECORD LOGISTICS TAKE-UP IN 2016

The Spanish economy recorded Gross Domestic Product growth of 3.2% last year. The main driver of economic activity during 2016 was private sector demand, this continuing to be based on household spending. Retail sales have been in positive territory now for a total of 29 months (year-on-year change; most recent data: December 2018; Source National Statistics Institute).

The consolidation of the logistics warehouse segment in Barcelona began in 2015 and continued throughout 2016 with total gross take-up of 606,415 m². Firms dedicated to e-commerce have actively contributed to the recovery of the sector. These companies are seeking units of considerable height. The reason behind this is that it enables them to construct a number of floors within the units, such as in the case of Amazon in El Prat de Llobregat, occupying a logistics unit constructed as a turnkey development with a footprint of 60,000 m² and which may reach a net floor area of 140,000 m² (spread over various floors).

Rents increased slightly during 2016 and it is anticipated that this trend will continue in 2017.

The vacancy rate is hovering around 4.3% for the Barcelona market and its areas of influence. There are regions with practically no vacancies, such as the ZAL and the Parc Logistic. In terms of logistics rings, the lowest volume of available floorspace is found in the local ring, with a vacancy rate below 2%. In the regional ring and discounting new developments in the performance phase, the vacancy rate is, at 5.8%, slightly higher. The vacancy rate has fallen to 4.7% in the national ring, particularly noteworthy considering that this is down from a figure exceeding 10%.

The years of development drought have led to a standstill in land development and a consequent scarcity of logistics floorspace in all rings. This is, however, most notable along the AP-7 highway between Vilafranca in the south and Granollers to the north and along the A-2 towards Igualada. Private operators have no other option but to seek out the scarce plots ready for development in existence and those obsolete factory units on extensive plots which enable acquisition, demolition and logistics development at a competitive price.

The entry onto the market of new developments will drive the figures for take-up in the final quarter of 2017 and at the beginning of 2018. Delivery of 150,000 m² of logistics floorspace is anticipated for 2017.

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Take-up volume evolution and GDP

Vacancy rate evolution

Maximum and minimum rent evolution

Logistics rings Cataluña