

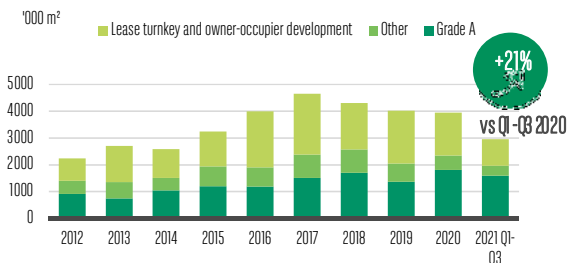
# AT A GLANCE Q3 2021

## LOGISTICS IN FRANCE

A MARKET UNSCATHED BY THE CRISIS

The French Logistics market has continued its healthy trend over the last three months, performing in line with the previous quarter. With take-up of over 1 million m<sup>2</sup>, it has enjoyed its best third quarter since 2018. Thanks to this result, take-up stands at over 2.9 million m<sup>2</sup> since the beginning of the year, an increase of 21% vs. the year-earlier period.

### Take-up



### ALMOST 3.0 MILLION M<sup>2</sup> HAVE BEEN TRANSACTED SINCE THE BEGINNING OF THE YEAR

Grade A buildings (including owner/occupier and turnkey) have dominated since the beginning of 2021, accounting for over 85% of transactions in France.

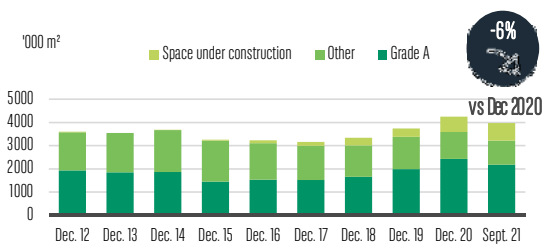
This underlying trend should continue in the coming months despite the decline in owner/occupier and turnkey schemes (-6% in a year).

Indeed, in recent years, demand for warehouses has shifted towards assets that allow occupiers to restructure their facilities quickly and easily, and

also enable them to increase flows, thereby ensuring that grade A premises are quickly snapped up.

To control their real estate costs, many companies have opted to outsource their logistics in recent months. Most deals have therefore naturally been by logistics providers. They have transacted some 1.7 million m<sup>2</sup> over the first nine months of the year and accounted for 60% of the market.

### Availability within a year



### SUPPLY UNDER CONSTRUCTION IS STILL VERY HIGH

Availability within a year stands at 3.9 million m<sup>2</sup> of warehouses as of October 1, 2021, of which three quarters in grade A premises.

Availability under construction is meanwhile still high. Around 800,000 m<sup>2</sup> was being built at the end of Q3 2021, showing that investors are still very confident in the market's fundamentals.

## XXL DEALS DRIVING THE MARKET

Once again, most French warehouse activity was concentrated along the North-South axis (78%), although the different markets saw conflicting trends.

Whereas take-up in the Paris and Lille regions has increased compared to last year, the Lyon, Marseilles and Lille areas experienced declines ranging from -7% to -31%.

Last year, XXL premises lost ground to medium-sized warehouses, but they have reprised their role as the market drivers over the first nine months of 2021. They accounted for around 40% of take-up over the period.

## Key figures

Markets	SUPPLY IN FRANCE (m²) - 1 <sup>st</sup> October 2021				TAKE-UP (m²)			
	Existing supply		Future supply		Q1-Q3 2020		Q1-Q3 2021	
	Grade A	Other	Space under construction	Planning permission granted	Grade A	Other	Grade A	Other
Aix/Marseille	170 000	97 000	-	383 000	220 000	52 000	150 000	45 000
Annecy	-	39 000	-	-	-	-	-	-
Bordeaux	28 000	27 000	-	34 000	41 000	61 000	20 000	38 000
Clermont-Ferrand	-	-	-	-	-	-	-	-
Dijon	24 000	-	-	33 000	149 000	6 000	10 000	-
Grenoble	15 000	-	-	-	11 000	-	18 000	-
Lille	275 000	170 000	258 000	1 481 000	237 000	32 000	782 000	30 000
Lyon	127 000	120 000	59 000	175 000	215 000	112 000	181 000	46 000
Metz	59 000	-	-	26 000	-	-	46 000	-
Montpellier	17 000	31 000	-	51 000	37 000	32 000	45 000	-
Mulhouse	12 000	10 000	51 000	-	-	-	38 000	-
Nancy	16 000	14 000	-	-	62 000	8 000	61 000	10 000
Nantes	89 000	50 000	25 000	36 000	96 000	5 000	18 000	-
Nice/Sophia	-	-	-	-	6 000	-	-	-
Orléans/Tours	165 000	139 000	234 000	310 000	259 000	44 000	244 000	36 000
Greater Paris	919 000	290 000	100 000	991 000	393 000	147 000	620 000	184 000
Rennes	20 000	5 000	-	19 000	-	7 000	18 000	-
Rouen	94 000	11 000	29 000	183 000	69 000	36 000	209 000	6 000
Strasbourg	71 000	19 000	-	25 000	53 000	-	30 000	10 000
Toulouse	52 000	11 000	-	66 000	41 000	24 000	57 000	7 000
<b>Total</b>	<b>2 153 000</b>	<b>1 033 000</b>	<b>756 000</b>	<b>3 813 000</b>	<b>1 889 000</b>	<b>566 000</b>	<b>2 547 000</b>	<b>412 000</b>

Other: Grade B and C, cross-dock and refrigerated warehouses

BNP Paribas Real Estate - Research - October 2021



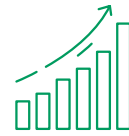
**3.0 M** m<sup>2</sup>

LOGISTICS TAKE-UP  
IN FRANCE



**87%**

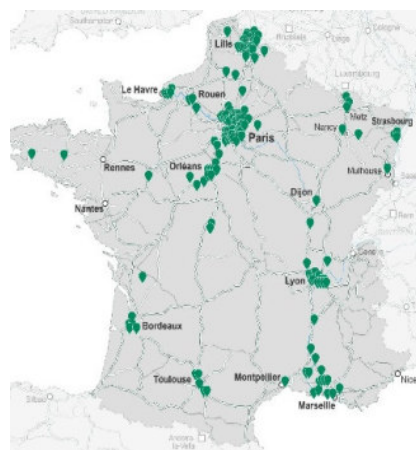
GRADE A TAKE-UP  
IN FRANCE



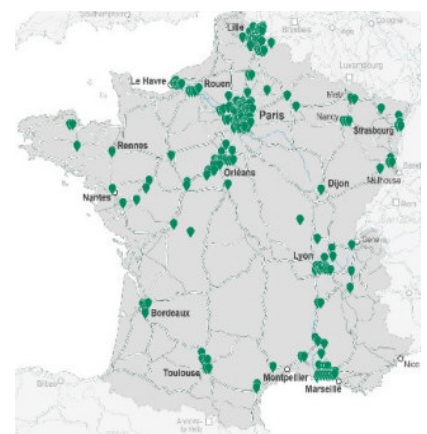
**756,000** m<sup>2</sup>

UNDER CONSTRUCTION  
IN FRANCE

## Take-up Q1-Q3 2021



## Supply within a year - 1<sup>st</sup> October 2021



Rents have changed very little over the last quarter.

Prime rents only increased in Lyon and Marseilles, to respectively € 50 and € 46/m<sup>2</sup>/yr as of end September 2021 vs. € 49 and € 45/m<sup>2</sup>/yr at the end of the previous quarter.

## € 2.7 BN OF INVESTMENT SINCE THE BEGINNING OF THE YEAR

Investment in logistics real estate continues to flourish, up 22% compared to the same period in 2020. Logistics attracted € 2.7bn of investment over the first nine months of the year. This year, the segment accounts for 18% of total investment in commercial real estate in France, ahead of Retail. Portfolio transfers accounted for over 70% of the figure, including the OMEGA portfolio sold by Clarion Gramercy and the OPTIMUS portfolio bought by Hines.

Everything points to this trend continuing. Once again, the last quarter is shaping up very promisingly, which should result in an excellent 2021 overall.

Investors' keen appetite for assets is squeezing yields further. The prime yield in Logistics has narrowed to 3.5% and several deals are currently being negotiated below this threshold.



€ 2.7 billion

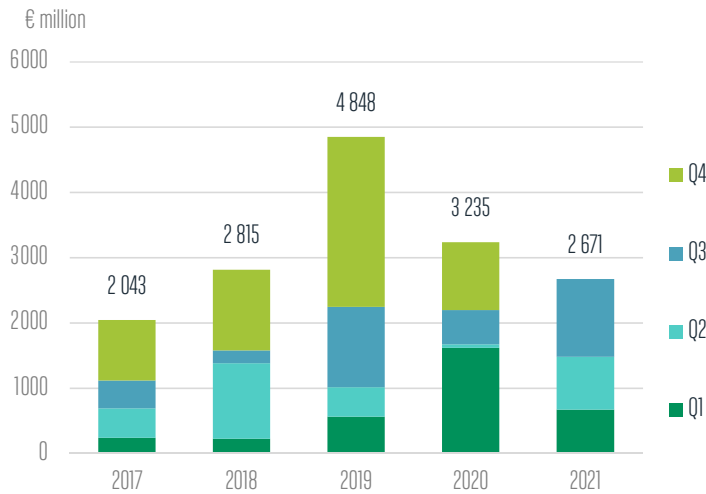
Logistics investment  
Q1-Q3 2021



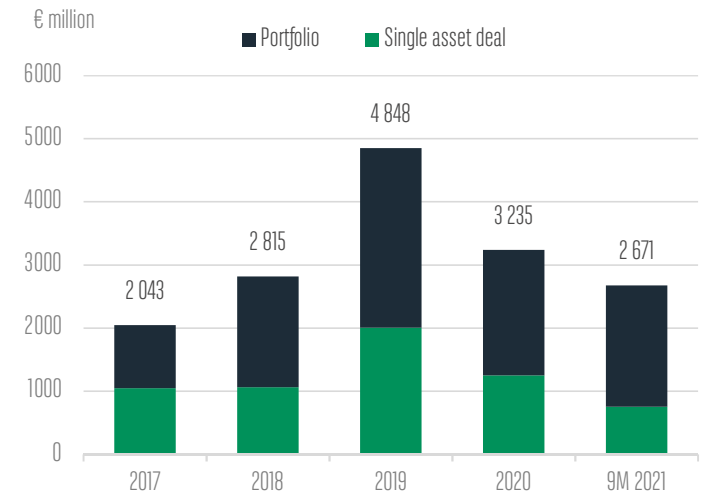
3.50%

Logistics  
Prime yield

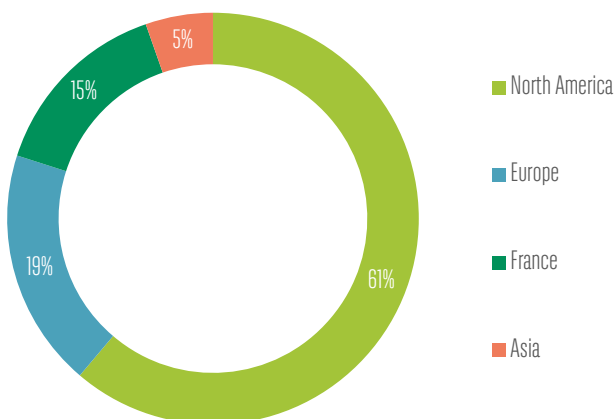
### LOGISTICS INVESTMENT IN FRANCE



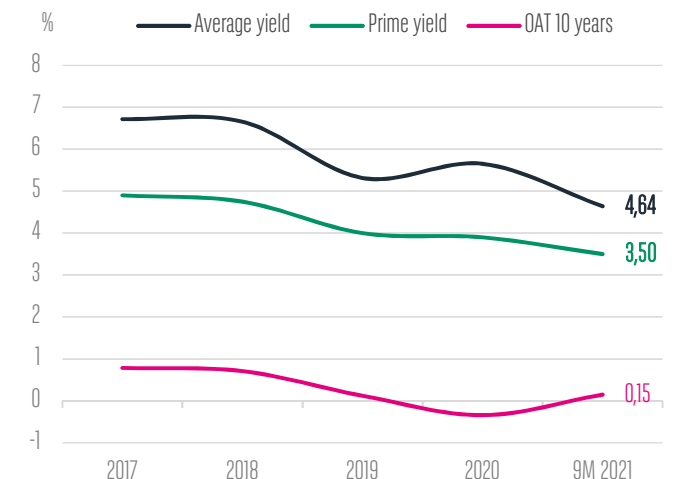
### LOGISTICS INVESTMENT IN FRANCE



### Investors' nationality - Q1-Q3 2021



### Yields and French bond



# LOCATIONS

(OCTOBER 2021)

## HEADQUARTER

167, quai de la Bataille de  
Stalingrad  
92867 Issy les Moulineaux Cedex  
Tél. : +33 (0)1 55 85 20 04

## ÎLE-DE-FRANCE

**Parc des Portes de Paris**  
40 rue Victor Hugo  
Bât 264 / 4ème étage  
93300 Aubervilliers  
Tél. : +33 (0)1 49 93 70 73

**Immeuble Tennessee**  
8 allée Rosa Luxembourg  
BP 30272 Eragny  
95615 Cergy Pontoise Cedex  
Tél. : +33 (0)1 34 30 86 46

## REGIONS

**Parc du Golf - Bât 33**  
350, rue Jean René Guillaibert  
Gauthier de la Lauzière  
Les Milles  
13290 Aix-en-Provence  
Tél. : +33 (0)4 42 90 72 72

**ANNECY**  
**PAE Des Glaisins**  
19, avenue du Pré-de-Challes  
74940 Annecy-Le-Vieux  
Tél. : +33 (0)4 50 64 12 12

26 Allée Marie Politzer  
64200 Biarritz  
Tél. : +33 (0)5 59 22 62 00

**BORDEAUX**  
**Immeuble Opus 33**  
61-64, quai de Paludate  
33800 Bordeaux  
Tél. : +33 (0)5 56 44 09 12

**DIJON**  
**Immeuble Le Richelieu**  
10, boulevard Carnot  
21000 Dijon  
Tél. : +33 (0)3 80 67 35 72

**Immeuble Le Grenat**  
285 rue Lavoisier  
38330 Montbonnot  
Tél. : +33 (0)4 76 85 43 43

100, Tour de Lille  
Boulevard de Turin  
59777 Euralille  
Tél. : +33 (0)2 20 06 99 00

**Sillex 1**  
15 rue des Cuirassiers  
69003 Lyon  
Tél. : +33 (0)4 78 63 62 61

**MARSEILLE**  
44, boulevard de Dunkerque  
CS11527-13295 Marseille  
Cedex 2  
Tél. : +33 (0)4 91 56 03 03

**METZ**  
**WTC-Technopôle de Metz**  
2, rue Augustin Fresnel  
57082 Metz cedex 3  
Tél. : +33 (0)3 87 37 20 10

**Immeuble Le Triangle**  
26, allée Jules Milhau  
CS 89501  
34265 Montpellier Cedex 02  
Tél. : +33 (0)4 67 92 43 60

**Beverly Plaza**  
15, rue de Copenhague  
67300 Schiltigheim  
Tél. : +33 (0)3 89 33 40 50

**Immeuble Quai Ouest**  
35 avenue du XX<sup>ème</sup> Corps  
54000 Nancy  
Tél. : +33 (0)3 83 95 88 88

14, mail Pablo Picasso  
BP 61611  
44016 Nantes Cedex 1  
Tél. : +33 (0)2 40 20 20 20

**Immeuble Phoenix - Arénas**  
455, promenade des Anglais  
06285 Nice Cedex 3  
Tél. : +33 (0)4 93 18 08 88

16, rue de la république  
45000 Orléans  
Tél. : +33 (0)2 38 62 09 91

**Centre d'affaires Athéas**  
11, rue Louis Kerautret-Botmel  
35000 Rennes  
Tél. : +33 (0)2 99 22 85 55

**Immeuble Europa**  
101 Boulevard de l'Europe  
76100 Rouen  
Tél. : +33 (0)2 35 72 15 50

**STRASBOURG**  
**Beverly Plaza**  
15 rue de Copenhague  
67300 Schiltigheim  
Tél. : +33 (0)3 88 22 19 44

**Immeuble Elipsys**  
8/10 rue des 36 Ponts  
CS 84216  
31432 Toulouse Cedex  
Tél. : +33 (0)5 61 23 56 56

29, rue de la Milletière  
37100 Tours  
Tél. : +33 (0)2 47 44 70 58

# CONTACT

## RESEARCH FRANCE

**Guillaume JOLY**  
Head of Research France  
guillaume.joly@bnpparibas.com

**Nora JACINTHO**  
Logistics and industrial analyst  
nora.jacintho@bnpparibas.com

## TRANSACTION

**Laurent BOUCHER**  
Head of Advisory France  
Tél. : +33 (0)1 47 59 23 35  
Laurent.boucher@bnpparibas.com

**René JEANNENOT**  
Head of Letting for Logistics & light industrial teams  
Tél. : +33 (0)1 49 93 70 22  
Rene.jeannenot@bnpparibas.com

**Franck POIZAT**  
Partner  
Head of Letting & Investment Logistics teams  
Tél. : +33 (0)1 47 59 17 34  
Franck.poizat@bnpparibas.com

KEEP-UP-TO-DATE WITH BNP PARIBAS REAL ESTATE'S NEWS WHEREVER YOU ARE

 #BEYONDBUILDINGS



www.realestate.bnpparibas.com



**BNP PARIBAS**  
**REAL ESTATE**

Real Estate  
for a changing  
world