

European Logistics Take-up Levels Finished 2022 Just 6% Below Record Levels Seen in 2021

2 years ago



The latest research from global real estate advisor, [CBRE](#), shows that logistics take-up levels across Europe totalled 31.3m sqm in 2022, 6% lower than 2021 which saw record take-up levels of 33.4m sqm.

There was over 22m sqm of new supply brought to the region throughout the year. However, the average vacancy rate remained low at just 2.6% in Q4 2022 compared to 2.8% in Q4 2021, partly due to increased financing costs, which contributed to a slowdown in the growth of completions. Whilst the vacancy rate fell year-on-year, there was a slight increase when compared to Q3 2022, as take-up levels slowed in the final quarter of the year.

In turn, average prime rents for the region increased more than 20% year-on-year, with a rise of 4% in Q4 2022 alone. London, Warsaw and Prague saw the largest increases over the year, at 38%, 36% and 32% respectively.

Focusing on Poland, the 36% increase in prime rents in Warsaw was driven by a drop in new stock coming to the market. CBRE's research showed completions fell 61% year-on-year in Poland in Q4, with a decrease of 72% when compared to Q3 2022. As a result, the vacancy rate in Poland remained stable at 4% in the final quarter, whilst prime rents increased a further 4%, highlighting the trends visible across the wider region.

Mark Cartlich, Senior Director, EMEA Industrial & Logistics, CBRE, said: "The tightness of supply coming to the market is underpinning rents at their current levels and whilst macro-economic conditions will make

the year ahead more challenging, demand levels have remained healthy across a diverse mix of occupiers.”