

The Logistics Market

Sweden

Q4 2022

CBRE RESEARCH

NORDICS REAL ESTATE MARKET SNAPSHOT

KEY PERFORMANCE INDICATORS (Q4 2022)



Logistics Occupier Market Overview

The occupier market continues to be very hot, with a vacancy rate at 1% despite record high construction volumes. The pipeline for 2023 is expected to be smaller, but with a higher degree of speculation.

A total of 681,600 sqm were completed in the quarter, and net absorption was an estimated 646,000 sqm. The forecasted completions for Q1 2023 totals 145,000 sqm, which is considerably lower than for the fourth quarter but somewhat higher y-o-y.

Notable leases during the quarter is Beijer Byggmaterial establishing a new central warehouse unit in Eskilstuna, run by Logent. They will with the move leave Norrköping and Postnord. The warehouse will be operational during the spring of 2024 and is expected to add 100 work opportunities to the local labor market.

A new 3PL establishment has been made in Stigamo, Jönköping. The warehouse will be a total of 25,000 sqm, and CBRE acted as the adviser.

Outdoor brand, Haglöfs will leave their current facilities in Avesta, which they have outgrown, and virtually double their space to 15,500 sqm in Logicenter’s property in Eskilstuna. Haglöfs is owned since 2010 by the Japanese group Asics.

CA Fastigheter will construct a new warehouse of 15,000 sqm for Wikholm Form in Borås. It is the first establishment in the area, with a total land surface of 100,000 sqm.

* Modern Logistics stock in major hubs in the logistics triangle

The logistics investment market

Prime logistics yields have risen during the quarter to reflect the new financing costs, reaching a level of 4.75%. The investment volumes decreased during the quarter with -12% y-o-y, which can be compared to the overall market which decreased with -60%. This underlines the continuously robust interest in investing into the sector.

The share of the total investment volume increased from 10% in 2021 to 28% in 2022. Cross border investments increased y-o-y by 14% to SEK 7.9 bn in the quarter.

The most notable deal during the quarter was Corem’s divestment of 47 assets in Gothenburg, Jönköping, Malmö, Stockholm and Västerås. The underlying property value is SEK 5.35 bn and it was acquired by Blackstone. It is also one of the largest deals in 2022. CBRE acted as the advisor on behalf of Blackstone.

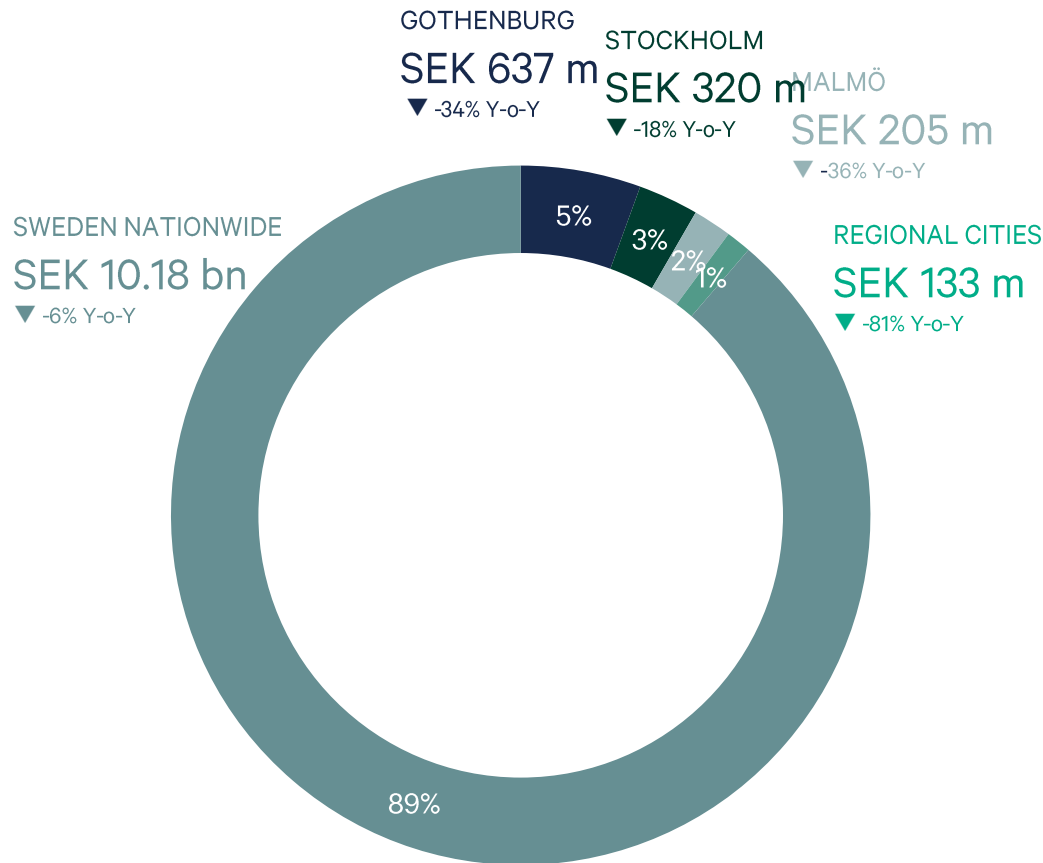
Another notable deal was ICA Fastigheter’s divestment of two prime logistics assets strategically located in Upplands-Bro and Gothenburg. The properties were acquired by Catena for SEK 500 mn, and the asset in Gothenburg is the first warehouse in Sweden to achieve a Breeam Outstanding certificate. CBRE acted as the advisor on behalf of ICA Fastigheter.

LOGISTICS TRANSACTION VOLUME

SEK 44.6 bn FY 2022*

SEK 11.8 bn Q4/2022*

▼ -12% Y-o-Y



KEY PERFORMANCE INDICATORS (Q4 2022)

NUMBER OF TRANSACTIONS

24

▼ -52% Y-o-Y

ALL INVESTMENT VOLUME IN 2022 (FY)

SEK 159 bn

▼ -52% Y-o-Y

SHARE OF TOTAL ALL SECTOR VOLUME

28%

▲ vs. 10% in 2021

CROSS BORDER INVESTMENTS

SEK 7.9 bn

▲ +14% Y-o-Y

LARGEST SINGLE TRANSACTION

Corem’s sale of 47 assets for an estimated SEK 5.35 bn to Blackstone, one of the largest deals in 2022.

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