"Logistics is the new black"
Colliers International presents its 2019 report on the Swedish real estate market - with a focus on the logistics sector. This report presents some of Sweden’s most popular logistics sites, start-ups in these areas and Colliers International’s views on the future development of the market.
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The Rental Market:

- **Speculative development**
  In major cities flexible logistics facilities are being built speculatively without tenants. Increased speculative construction has allowed shorter, more flexible tenancy agreements and considerably faster occupancy lead times.

- **The impact of e-commerce**
  As e-commerce grows the demand for modern, large warehouses increases. Colliers is seeing many e-commerce actors choosing to establish themselves in smaller cities close to the metropolitan regions.

The Transactions Market:

- **A continued willingness to pay**
  The exit yields for the right size of logistics property in good locations continue to decline. In several cases transactions have taken place with a yield of about 5 per cent. Large mutual funds and property companies see logistics as a relatively safe investment and are prepared to pay well, very well.

- **Large numbers of transactions involving medium sized warehouses**
  An overwhelming majority of the transactions in 2018 have involved medium sized warehouses 10,000 – 30,000 sqm. This is a trend that Colliers believes will continue in 2019.

New Development:

- **Increasing numbers of logistics properties are being built on a speculative basis**
  One effect of low vacancy rates and the increased need for modern logistics space is that it favours speculative construction.

- **Risk**
  Because the risk of being left without tenants is relatively low, contract terms shorter than 10 years can be offered for the development of new, modern and generic logistics properties in prime locations.

The future:

- **“Logistics is the new black”**
  Continued strong demand for warehouses and logistics properties.

- **Increasing demand for warehouses in smaller cities near the metropolitan regions, as access to land is good and rents for new build are low.**

- **Rents are expected to be relatively stable in most areas, with some rental growth in some regions.**

- **The introduction of automation is expected to increase demand for warehouses with high ceiling heights.**

Largest leasings in terms of floor space:

- Speen Logistics – 38,000 sqm in Viared, Borås (2018)
- Rusta – 46,000 sqm in Handelö, Norrköping (2018)

Transactions:

- Aberdeen acquired XXL’s central warehouse in Pilängen, Örebro, for SEK 400 million, corresponding to a yield slightly below 5 per cent.
- Fasala acquired two logistics properties in Halmstad and Umeå, a total of 73,000 sqm with Martin & Servera as the tenant. The purchase price is estimated to have been just over SEK 1 billion.
- Shortly before the end of 2018, Arctic Securities acquired three logistics properties that are under construction in Örebro, Borås and Vansbro. On completion these properties will comprise about 48,000 sqm and have an weighted average lease term of 12 years. The deal is estimated to have been sealed for just under SEK 500 million with a yield of about 5 per cent.
- The biggest transaction of 2018 including logistics properties took place when Castellum acquired all of Sernekes properties at Säve airport. The deal comprised of three million sqm of land, including a number of existing buildings, and was made at an initial purchase price of SEK 11 billion with a potential to an additional SEK 1 billion in future building rights. Colliers International acted as sale advisor advisor in the transaction.
Logistics sites

A. Gothenburg region
The Gothenburg region, which includes Gothenburg and Borås, is Sweden’s natural centre for distribution. A decisive factor is the Port of Gothenburg, the largest port for imports and exports in the Nordic region. Over a million square metres of additional land in the port is to be made available for logistics development, and there is a plan to deepen the fairway. In addition there is good access to land in both Gothenburg and Borås and many new developments are planned or underway, both with contracted tenants and speculatively.

B. Helsingborg region
The Helsingborg region, which includes Helsingborg, Äsöttp, Angelholm, Bjuv and Båstad, has an interesting logistics location close to the E6. Sweden’s second largest container port is also situated here. Its proximity to both the Malmö region, Denmark and Germany is also a strength.

C. Northern Stockholm
Northern Stockholm, which includes Arlandastad and Rosersberg, is the leading logistics site in the Stockholm region. Of course its closeness to Stockholm, Sweden’s largest market is an important factor. Its proximity to Arlanda, Sweden’s largest airport, the E4 and a combi terminal in Rosersberg are additional advantages.

D. Örebro region
In recent years the Örebro region, which includes Örebro, Hallsberg, Arboga, Kumla and Askersund, has hosted a number of large developments. Its location is very close to Sweden’s demographic mid-point. Its infrastructure is excellent with proximity to the E18 and E20, railway links and a cargo airport. Sweden’s largest intermodal terminal is also located in Hallsberg.

E. Östgöta region
The Östergötland region, which includes Norrköping, Linköping, Mjölby, Motala and Finspång, has a great location close to the E4 and railway links. Its proximity to Stockholm is also a great advantage. There is also good access to land for development. The Port of Norrköping is one of the Baltic’s most modern and is expanding rapidly. Norrköping has an international airport and an intermodal terminal.

Up-and-coming locations

F. Eskilstuna
The Eskilstuna region, which includes Eskilstuna and Strängnäs, is on the rise. For several years Eskilstuna has unwaveringly invested in the development of the Eskilstuna Logistics Park and this is now starting to bear fruit. A number of plots have been sold, and Amazon’s expansion into the area has increased focus on the location. In addition to good access to land with planning, the geographical position and an intermodal terminal are success factors.

G. Stockholm South
The plan is for Stockholm South, which includes Södertälje and Nykvarn, to become Stockholm’s largest logistics hub. In total the Stockholm South area covers approximately 1 000 hectares. The area is largely owned by Nykvarn and Södertälje municipalities and planning is underway. The E4 and the E20 meet here and there is a port and an intermodal terminal. The Stockholm bypass will make the area even more accessible.
Since 2002 Colliers International Sweden has provided the real estate market with its expertise in the fields of industry and logistics. Colliers International offers services to property owners, logistics developers, investors, third party logistics providers, industrial enterprises and occupiers.

Colliers International Sweden operates throughout Sweden and has offices in Stockholm and Gothenburg. A well-developed network of Colliers International offices in Sweden and abroad provides international strength. Our EMEA Industry & Logistics team is where most of our experts on Europe are represented. Through our network, Colliers International can provide its expertise, along with our contacts with property owners, tenants and investors from all over Europe.

With our unique experience of both logistics and the real estate sector, Colliers International’s experts can create value in the development, project management, new build/refurbishment, sale and leasing of industrial properties and premises. By letting out vacancies for property owners, or developing existing space, Colliers International contributes to cost savings and increased revenue for its clients. Colliers International’s experts can manage everything from marketing vacant premises/properties to finding suitable tenants, coordinating viewings, assisting in negotiations and drawing up contracts.

Many of Colliers International customers are located in locations that are rich in logistics such as Jönköping, Stockholm, Borås, Gothenburg and Malmö, while the company’s experts have contacts throughout Sweden and the Nordic countries. Through colleagues in Colliers’ international logistics network, customers also gain access to multiple marketing channels in the international arena.
Scope

This report presents the market situation in Sweden and focuses on the geographical areas that Colliers International considers most relevant to the industry and logistics sector based on a letting and transaction perspective. Market data and forecasts for rental rates and yields are presented for each area.

The material in the report is mainly based on modern logistics properties of 10,000 sqm and above. Rental rates and yields represent market values and not prime levels. The rental rate bands are based on the new build of logistics properties and existing logistics stock. What these have in common are modern standards with regard to entrance doors, access systems, marshalling areas, ceiling heights, load bearing capacity etc.

In parts of the report, such as the analysis of future markets and development, Colliers International has made its own assessments, and these are based on market expertise and in part on external sources.
Colliers International sees an increased demand for warehouse and logistics facilities. In demand are above all modern warehouses with a high ceiling height and good floor load. Driving development are factors such as increased e-commerce and warehouse automation. Demand is strong above all in the metropolitan regions Stockholm, Gothenburg and Malmö. In these metropolitan regions, ever more flexible logistics facilities are being built speculatively, with no tenants at the start of the project. Demand for small logistics facilities close to large cities is also good.

Large facilities, such as central warehouses, are often built in small cities, as access to land is greater, the price for land is lower and rent levels are therefore lower. This means that even outside the metropolitan regions, in locations with good infrastructure favourable to logistics, the demand for logistics properties is increasing. This mainly applies to locations in southern and central Sweden, due to their proximity to Sweden’s demographic mid-point and most major markets. Locations such as Eskilstuna, Örebro, Jönköping and Borås are popular and there have been a number of developments in recent years. In these locations speculative construction is unusual and bespoke facilities, customised to the needs of the tenant, are more common.

Traditionally, the developers of new build logistics properties have required long lease agreements, often up to 10 years. Following the signing of a lease agreement the construction lead time has been approximately a year. This has meant long time margins on the part of tenants, and the need for long-range forecasting regarding the organisation’s need for premises. Increased speculative construction has allowed shorter and more flexible lease agreements, for which there is a great demand from tenants.

From the perspective of the property owner shorter lease agreements have the advantage of allowing the renegotiation of rental rates at an earlier stage. This assumes that property owners believe in increased rental rates and stable future demand.
The Transactions Market

The transaction volume on the Swedish property market in 2018 was SEK 160 billion (regarding transactions worth SEK 40 million or more). This is an increase of 7 percent over 2017 and indications are a strong 2019. Over the course of the past year offices and housing were the most capitalised sectors and accounted for 21 and 31 per cent of total investment volume respectively.

The underlying criteria for a continued favourable development in the property market are considered to be good. Economic growth remains good in both Sweden and Europe. GDP is expected to grow by 2.5 per cent in 2018 but is then set to ease to 2.0 per cent in 2019. The employment rate in Sweden is at a record high and inflation is currently above the target inflation rate. The forecast of Sweden’s central bank, Riksbanken, remains conservative because the current level of inflation is largely being driven by rising energy prices. For this reason the bank sees an incentive in continuing with an expansionist monetary policy, albeit with cautious increases in the repo rate in the year ahead.

Logistics property
Investment in warehouses/logistics properties accounted for 5 percent in 2018. In total there were some thirty transactions, of which a large proportion (over 40 per cent) were in the metropolitan areas, and purchases were mainly by specialised investors in logistics like Catena and Prologis. The average size of the properties in these transactions was approximately 15 000 sqm with an overwhelming majority being medium-sized warehouses of 10 000 - 30 000 sqm.

The yield in certain transactions has crept down to 5 per cent and in one transaction it has been below that. This occurred when Aberdeen acquired XXL’s central warehouse in Örebro for SEK 400 million, corresponded to a yield of slightly less than 5 per cent. The warehouse comprises 43 000 sqm and is fully let to XXL with a remaining lease term of about 10 years.

Another transaction that confirms the appeal of logistics properties took place just before the end of 2018 when Arctic Securities purchased three logistics properties under construction in Örebro, Borås and Vansbro. On completion these properties will comprise about 48 000 sqm and have an weighted average lease term of 12 years. The deal is estimated to have been for just under SEK 500 million with a yield of approximately 5 per cent.

The biggest transaction of 2018 including logistic properties took place when Castellum acquired all of Sernekes properties at Säve airport. The deal comprised of three million sqm of land, including a number of existing buildings, and was made at an initial purchase price of SEK 1.1 billion with a potential to an additional SEK 1 billion in future building rights. Colliers International acted as sale advisor in the transaction.

It is worth noting that foreign capital accounted for 40 per cent of investments, with actors such as Prologis, Aberdeen and Pareto leading the way.
New Development

To classify a modern logistics building, the following criteria must be met:

- Cross-dock terminal or distribution centre/warehouse/central warehouse
- Internal ceiling height to beams of at least 10 metres (does not apply to cross-dock terminals)
- Several weatherproof loading dock houses
- High floor load, at least 30 kN/sqm
- Environmentally classified

New development in the industrial and logistics sector can be divided up as follows:

Build to suit (BTS)
BTS means that a property owner only erects a building after signing a lease. The building is erected in accordance with the specification that the tenant considers necessary to conduct its business. Generally the tenant gets a product that is fully customised according to its wishes, including specific tenant improvements, and signs a minimum 10 year lease.

Speculative development
As fewer premises come onto the market, and tenants have an urgent need to leave older, ineffective warehouses, there are increasing numbers of speculative developments. The changing behaviour patterns of consumers mean that tenants need to react quickly. This means that lead times for drafting building design documents and building permit applications, and for construction, are often not included in their time schedules. This means that generic buildings that can easily be adapted to the needs of the tenants should be constructed. The location of the building on the property is crucial to speculative development. This is where there is the potential to cater to different types of activity; for example some activities require larger holding/marshalling areas than others.

A new, modern facility delivers many advantages such as better running costs, environmental classification, load bearing capacity and ceiling height. While older premises do not meet today’s needs in the same way, vacancy rates among these premises are still low, especially in metropolitan regions where there is still a high demand for logistics space. The reason for this is that not everyone needs modern logistics, and some companies can manage with older premises that are suitable for their business activities.

For a real estate company to be prepared to take the risk of a speculative project the following criteria often need to be met:

- Speculative development requires an extremely good location, or proximity to a large market, criteria that usually coincide
- The vacancy rate for modern and older industrial and logistics properties should be low, both for its own stock and that of others
- There must be demand based on strategic circumstances and a dynamic market
- The product being delivered should be generic and constructed according to certain standardised criteria to open up the potential for different types of activity
New developments 2018

In 2018 approximately 565,000 sqm of modern logistics properties were completed in Sweden, this is an increase by about 10 per cent over the previous peak in 2017. A total of 28 developments in the range 10,000 sqm – 46,000 sqm have been completed. Among the largest developments are Rusta’s 46,000 sqm expansion in Norrköping, Apotea’s logistic centre in Morgongåva with 38,000 sqm and Speed Groups establishment in Borås, also with 38,000 sqm.

The average size of logistics buildings above 10,000 sqm completed over the course of the year was approximately 20,000 sqm. Over the year it was again the Gothenburg region in which most new builds took place. In total 12 new developments have been seen in these regions which corresponds to 42 percent of the total new developed space.
The Future of Logistics

It is a fact that transition is underway where the spotlight is on logistic properties with a growing group of stakeholders.

The range of tenants has also increased, above all online retailers who have a gut feeling for the demands of end customers. These online retailers are preparing to meet consumer demand for rapid delivery, and are looking at various types of automated solution. The cost of automation is significant, and to be cost effective high volumes are required. Sweden has a low population density and high labour costs, this impacts efficiency and makes last mile logistics harder than it is in ahead of the trend London for example.

While today investors can browse the transaction market for logistics properties, in all probability this will soon become harder. Colliers believes that units of 30 000 sqm or larger will to an ever lesser extent be of interest on the transaction market.

When large central warehouses are automated and tenants realise that automation costs more than the property, tenants will increasingly own the properties in which they operate. Tenants will regard these properties strategically, too sensitive for production outages and therefore important to control themselves. The economic boom has led to a cash rich tenants who are now more than capable of financing automation and acquisitions of properties themselves. It is thought that when markets weaken, and cash reserves need to be replenished, JV structures will become more common between tenants and/or property owners and foreign investors.

Like commercial developments close to urban areas that have had to give way to housing, large solitary owner occupied central warehouses will slowly disappear. The intermediate sector, with 10 000 sqm to 30 000 sqm multi-let warehouses that are flexible and can accommodate a tenant’s journey of expansion from medium to large logistics warehouse, will become the most attractive on the transactions market. Property owners who can offer a portfolio of properties can acquire recurring and loyal tenants more easily.

Recent years have seen rental growth which we expect to continue as a result of the increasing price of land. We consider that those property owners who can offer tenants a broad range of premises will have the strongest rental growth. A range of premises can mean offering medium-sized companies a basic automated warehouse while they grow and accumulate cash reserves, to then give them the opportunity to fully automate it or move to a fully automated warehouse.

Our conclusion is that a great part of the transactions in the future will include mid-sized logistic properties. This is mainly due to the ongoing process of converting small warehouses and logistic properties into peri-urban areas, but also because of the increase in self-owned central distribution depots.
"Logistics is the new black"

Logistics is basically about flows - efficient flows. An item is moved from point A to point B. Over the years advanced systems have been developed to handle the flow of goods. Infrastructure, communication, carriers and properties have been developed to streamline these flows. What happens when flows change at an ever more accelerated pace? The goods still have to move from point A, the manufacturer, to point B, the end customer. But now the flow is not through a bricks-and-mortar shop, but increasingly directly from the warehouse to the consumer. These new flows impact the entire logistics structure, and this very much includes the properties through which the goods pass on their journey to the consumer. This accelerating transition means that logistics are becoming ever more important, something increasingly on the minds of the interested parties on the logistics chains.

Flows that change the property market

- The total flow of goods (in tonnes) across the country’s borders is projected to steadily increase over the next few years. Exports will increase by 2.2 per cent annually and imports by 3% annually. This means an increase of 139 million tonnes from 2012 – 2040.
- Domestically, volumes will increase by 1.4 per cent annually. From 213 million tonnes in 2012 to 295 million tonnes in 2040.
- E-commerce sales are forecast to increase sharply from 10 per cent in 2018 to between 22 and 33 per cent in 2025. This means a 12 – 23 per cent reduction in sales through bricks-and-mortar shops and that the number of shops selling consumer durables is expected to decrease by 6 000 – 11 000 in the same period.

These changes will lead to the creation of new pathways for efficient flows. Certain areas will become more attractive for the development of logistics properties and some less attractive. The increased volume of goods mean that logistics properties will be regarded as a safer investment than in the past. More actors are focussing on developing and investing in logistics properties. This means that the supply of logistics properties is increasing sharply and in recent years we have seen logistics properties being built speculatively in the hope of attracting tenants during the construction period. The question then arises of how many properties are needed to satisfy this increasing demand? And is there a risk that too many logistics properties will be built? Which would result in increased vacancy rates and declining rental levels. The declining costs of new build and low yields have created a unique situation where, in many cases, new build provides lower rents than existing, older logistics properties. This means that many older logistics properties will become vacant when tenants leave to move into newly constructed modern logistics properties. Despite these signals indicating an increased supply of logistics properties, we see that the demand for logistics real estate in the leading logistics sites remains strong. There is still plenty of room to develop additional logistics properties before supply and demand reach equilibrium. This dissonance of supply and demand has attracted a great deal of attention, and has meant a growing interest in logistics and logistics properties. “Logistics is the new black”.

SOURCES

https://www.trafikverket.se/contentassets/7f63a6b6130267f85b00006852a678b2f/trafikverkets_prognos_godstransporter_2040_trafikverkets_basprognoser_2018.pdf
This section presents selected logistics hubs around the country. Colliers has selected the most prominent areas for logistics operations today and locations that are on the rise.
Borås

Logistics site | Viared
Municipality | Borås
Population of Borås municipality | 111,026
Unemployment in Borås municipality | 7.5%

In brief

• Borås is a growing logistics location due to its easy access to national road 40, only about 60 km from Gothenburg.

• The distance between Landvetter airport and Borås is approximately 40 km.

• Viared, which is located on national road 40 just west of Borås, is a very attractive logistics hub.

• Borås is well-known for its textile industry and several prominent companies such as Gina Tricot, Ellos, Oscar Jacobson are located there.

• Traditionally, mail order companies such as Ellos and Cellbes have been based in Borås. Today, these are largely online retailers, and other e-commerce retailers such as Stayhard, Jotex, Bubbleroom and Nelly have established themselves in Borås.

Previously

• Logicenters built a 38,000 sqm warehouse in Viared for Speed Logistics. This was ready for occupancy in the autumn of 2018 and will result in about 400 jobs. A further expansion of 45,000 sqm is planned for completion in the autumn of 2019.

• In Viared Logistic Contractor is building a new logistics facility for Continental Däck which has already been sold to Arctic Securities at a yield of approximately 5.0%. The facility will be approximately 21,000 sqm and will be used for the warehousing and distribution of tyres. It is estimated that it will be ready for occupancy in the summer of 2019.

• Bockasjö is building a warehouse in Viared for Ellos. The property will be constructed in two stages. Stage 1 is 34,650 sqm. The property will expand by an additional 18,200 sqm in a second stage and will be ready for occupancy in autumn 2019.
The future

- A new double track high speed railway is planned between Gothenburg and Borås. This will improve communications between the cities and to Landvetter Airport.

- The logistics park at Viared is being extended by approximately 90 hectares of land for industrial use.

- A new comprehensive municipal plan has recently been adopted by the Borås Stad municipality allowing denser housing and the development of new land for industrial use.

- By 2035 the town is expected to have grown by 30 000 people.

- A pilot project in autonomous transport with Volvo, Chalmers and others, aims to move goods the Port of Gothenburg to Borås for transhipment to companies in Viared. The driverless vehicles will take bus chassis from the factory in Viared back to the port for onward export.

“The Viared logistics park is being extended by approximately 90 hectares of land for industrial use”
Eskilstuna

Logistics site | Eskilstuna Logistics Park
Kommun | Eskilstuna
Municipality | Eskilstuna
Population of Eskilstuna municipality | 104,709
Unemployment in Eskilstuna municipality | 13.2%

In brief

- Eskilstuna is a classic Swedish industrial city which is undergoing intense change and growth.
- Eskilstuna’s location next to the E20 about 110 km from Stockholm makes it a popular location for logistics.
- In 2003 the Eskilstuna intermodal terminal was constructed; today this is one of the largest in the Stockholm region and one of the leading terminals in Sweden.
- Eskilstuna Airport’s focus is entirely on commercial cargo.
- The Eskilstuna Logistics Park is located near the airport, east of central Eskilstuna. The area covers approximately 400 hectares and is directly connected to the motorway and the airport.

Previously

- In 2017 Amazon Web Services secured 200,000 sqm of land in the Eskilstuna Logistics Park to build a new data centre. The data centre was completed in 2018.
- In 2017 the Rockwool industrial group secured 180,000 sqm of land in the Eskilstuna Logistics Park for future development (Colliers International was advisor in this deal).
- In the spring of 2018, Bockasjö signed an options contract for 159,000 sqm of land in the Eskilstuna Logistics Park. This land borders Bockasjö’s existing 23,000 sqm logistics property, which is leased to Sportamore. As part of the project, two more buildings of 27,000 and 31,000 sqm are planned.
- In the autumn of 2018, Logicenters purchased 100,000 sqm of land in the Eskilstuna Logistics Park with the option of construction on 60,000 sqm. The first stage of Logicenters’ investment in the site will be a modern 36,000 sqm logistics facility for DHL.
“Eskilstuna Logistics Park is growing by 600 hectares”

The future

- A new comprehensive municipal plan is being drawn up and is set to increase land for planning and exploitation in Eskilstuna Logistics Park by 600 hectares.
- Up to 200 000 sqm purchased by companies is planned for logistics/industrial facilities, which will be developed in the near future.
- Work is in progress at several levels to strengthen the electricity infrastructure in the region, over time this will benefit both new commercial development and new housing.
- New regional rail traffic will start fully in 2019, this will lead to a single large labour market region.
- Planning is underway to expand the Eskilstuna intermodal terminal so as to meet the needs of the market in the future.
- Rail infrastructure developments in Eskilstuna has been started.
Gothenburg
Hisingen

Logistics sites | Backa, Arendal, Tagene, Säve and the Port of Gothenburg
Municipality | Gothenburg
Population of Gothenburg municipality | 564,039
Unemployment in Gothenburg municipality | 7.3%

In brief

• Gothenburg and Hisingen are often considered to be Sweden’s best logistics site.
• The largest port in the Nordic region, handling 40.5 million tonnes of goods in 2017, is located there.
• Ro/Ro terminal and container terminal.
• Intermodal railway network for containers and roadtrailers.
• There are large logistics hubs here with the capacity to handle more goods and companies.
• A new comprehensive municipal plan for 2022 will contain large areas for disruptive activities, including 3 million sqm at Säve Airport.

Previously

• In 2015 the development of logistics sites was started on Hisingen. This covered about 1,100,000 sqm of land with the option of constructing approximately 500,000 sqm of logistics facilities. At the end of 2018 only 140,000 sqm logistics space remained, and it is expected that this will be filled shortly.
• Serneke sold the entire Säve Airport in December of 2018 to Castellum. The area comprises about 2.75 million sqm for warehousing and logistics development. Colliers International acted as the advisor on the sale.
• The conflict at the Port of Gothenburg meant a reduced flow of 240,000 TEU goods in redirected containers.
• The new intermodal terminal in the Port of Gothenburg area opened in January 2018.
• The railway to the port has been upgraded to double track, some sections are already in operation while others are being phased in.
“A new terminal for the Port of Gothenburg and deepening the fairway are being planned”

The future

- Deepening the fairway in the Port of Gothenburg is being planned. This will make it possible for Scandinavia’s largest port to handle the largest container vessels.

- An expansion of the Port of Gothenburg is also being planned, with a new terminal and area of quays to the west of the current container port.

- The port of Gothenburg will start developing an additional 400 000 sqm of land at Halvorsäng, earmarked for logistics as part of the Hisingen Logistics Park.

- Säve Airport with 3 million sqm of land is being developed for mixed logistics and industrial use.

- In addition to the areas already developed, further commercial activities are planned as part of a new comprehensive municipal plan.

- Major expansion of Gothenburg’s transportation and logistics innovation centres. A large number of new concepts are being developed and tested in real-world environments, including by Lindholmen Science Park, RISE, the Volvo companies, Geely and Zenuity. One example is the SEK 290 million Triple F initiative (Fossil Free Freight).
Gothenburg
East

Logistics sites | Partille, Mölnlycke, Härryda, Landvetter
Municipalities | Partille, Härryda
Population of Gothenburg municipality | 564,039
Unemployment in Gothenburg municipality | 7.3%

In brief

- East Gothenburg with logistics hubs such as Partille, Mölnlycke, Härryda and Landvetter is interesting from a logistics perspective as it lies along national road 40 and E20, close to Landvetter Airport.
- Landvetter Airport, located about 25 km from Gothenburg, is Sweden’s second largest airport handling 6,785,520 passengers (2017) and flying to about 90 destinations. There is, among other things, a hangar divided into two freight terminals.
- National road 40 is mostly a two-lane dual carriageway between Gothenburg and Jönköping.
- It is about 25 km from Landvetter Airport to the Port of Gothenburg.

Previously

- Bockasjö and Swedavia are collaborating on the development of Landvetter Logistics Park. Approximately 175,000 sqm of land is planned allowing approximately 100,000 sqm of new build logistics space. Bockasjö already has one property in the area, the Härrydaterminal, with Schenker as a tenant. The Härrydaterminal is 50,440 sqm.
- In Härryda municipality, about 12 km south east of Gothenburg, a new commercial area comprising of 160,000 sqm has been established. The area is called Bårhult business park and Härryda municipality controls most of the land (115,000 sqm).
- Bring opened its new 15,000 sqm logistics centre in Mölnlycke business park in 2018. The property is owned by Catena.
“20 billion is being invested in infrastructure, including the West Link Project”

The future

- A new double track high speed railway is planned between Gothenburg and Borås with a stop at Landvetter Airport.
- The new railway will allow more goods to be carried on the Western Main Line because of the easing of pressure on traffic services.
- On a national level the plan is to invest considerable resources on upgrading the Western Main Line, which is an important transport route for goods.
Helsingborg

In brief

- Helsingborg has Sweden’s second largest container port and has a large intermodal terminal. The port area covers approximately 800,000 sqm and in total there are three different ports each with different operational activities.

- Helsingborg is an important logistics hub for rail and truck traffic along the E4 and E6. This is in addition to the port and intermodal terminal.

- There is a ferry crossing between Helsingborg and Helsingör in Denmark.

- Tostarp industrial park is located outside central Helsingborg next to the E6 and E20. Catena owns approximately 270,000 sqm of land in the area with an option for new build.

- ICA has a 100,000 sqm central warehouse in Långeborga, Helsingborg.

Previously

- At year end 2018, construction of the new Plantagen facility in Helsingborg was completed. This warehouse covers 15,000 sqm and was built by Logistic Contractor.

- In the autumn of 2018, Catena Fastigheter completed a 30,400 sqm facility in Tostarp outside of Helsingborg on behalf of Nowaste Logistics. Nowaste Logistics will use this facility to host logistics for the Bygghemma-owned online furniture retailer Trademax and its sister company Furniturebox.

- In the autumn of 2018, Catena acquired an existing industrial property in Helsingborg when engineering company Benzlers sold its 11,800 sqm factory at Lussebacken.
The future

- Refurbishment of the industrial sidings connected directly to the Skånebanan railway.
- A detailed development plan is underway on a new industrial estate in Välluv covering approximately 150,000 sqm alongside the E4/E6.
- E-commerce Park of Sweden in Helsingborg, Sweden’s only e-commerce incubator, is actively working to attract online retail start-ups to the region.

“20 billion is being invested in infrastructure, including in the West Link Project”
In brief

- Jönköping, Nässjö and Vaggeryd are all part of the Jönköping region.
- The Jönköping region has three intermodal terminals.
- Jönköping is the hub for a number of major roads and including the E4. There is also an airport in Jönköping.
- The LogPoint industrial estate in Jönköping is an industrial estate that stretches from Torsvik in Jönköping municipality to Södra Stigamo in Vaggeryd municipality. This development area covers a total area of approximately 480 hectares. IKEA, Bring and Adito among others are established there.
- Logistic Park Nässjö is located in Nässjö, close to the main railway line and national road 40. Jysk and the Intersport warehouse are among those located there. Nässjö also has an intermodal terminal, the Höglandsterminalen.

Previously

- In 2017 Intersport decided to move its warehouse to Nässjö. They lease 22 000 sqm from Castellum. Since year-end 2017 the automated warehouse in Nässjö supplies both its shops and e-commerce alike.
- In 2018 Pantos Logistics established a central tyre warehouse in Nässjö for Hankook Tire. The warehouse covers about 12,000 sqm and is owned by the Norwegian company NRP.
- In 2018 Logicenters acquired a newly built logistics property in Torsvik south of Jönköping. The vendor was Reach Fastigheter. The warehouse covers 20 000 sqm with AD Bildelar are tenant.
- In 2018 it was decided that Babyshop would extend its warehouse in Stigamo, Jönköping, by 22 550 sqm to a total area of 43 000 sqm. The property owner is Logicenters.
- The Tolust property company signed a lease agreement with Freja Transport & Logistics for a new 5 500 sqm logistics property at Torsvik in Jönköping. It became ready for occupancy in the autumn of 2018.
The future

- High speed trains are planned between Malmö and Stockholm via Jönköping, the Europabanan railway.
- Preparation for phase 2 of Southern Stigamo, 170 hectares, is underway for additional logistics development. The land is expected to be ready for construction in 2020.
- As the city grows rapidly, warehousing and industry are moving to external logistics hubs.
Malmö

Logistics sites | Malmö Industrial Park, Sunnanå Municipality | Malmö Population | 333 633
Unemployment in Malmö municipality | 14.7%

In brief

- Malmö has an extensive, well-developed infrastructure with two airports in the region, of which Kastrup in neighbouring Copenhagen is Scandinavia’s largest airport.
- The region also has a well-developed rail network and the E20, E22 and E65 meet here.
- The Öresund Bridge creates the potential for rapid and efficient transport to Europe.
- In 2014 a new detailed development plan was adopted for the Malmö Industrial Park. Eventually this area will cover up to a million square metres in Norra Hamnen in central Malmö, with direct connections to sea, rail and goods vehicle traffic. The largest railway junction in Southern Sweden is directly connected to it.
- The Malmö Kombiterminal (intermodal terminal) is strategically located for cost effective and environmentally efficient transport in Sweden and in Europe. Here intermodal goods are transhipped between trains and goods vehicles. In 2018 SEK 100 million was invested in new cranes.

Previously

- During 2018 Malmö council assigned IKEA land in Norra Hamn for the erection of a logistics building with 100 000 sqm floor space, along with an option for a further adjacent 50 000 sqm.
- In Sunnanå, outside Malmö, Catena has started on its fourth development. This development consists of two buildings totalling 36 000 sqm. A tenancy agreement for 5 800 sqm has been entered into with DS Smith and for 6 000 sqm with Lekia. They are expected to be ready for occupancy in the third quarter of 2019.
- In 2018, Wihlborgs sold four industrial properties in Elisedal and Fosie to Corem for SEK 144 million. These properties with a total area of 20 000 sqm are mainly warehouses and are 98% leased.
- Skanska’s 19 500 sqm Kubiklager (warehouse) in Norra Hamnen is completed, and the first tenant, Stena Line Onboard, is moving in.
“900,000 sqm land for industrial use in Norra Hamnen”

The future

- Refurbishment of the industrial sidings connected directly to the Skånebanan railway.
- Norra Hamnen is expected to be fully developed by mid-2020, the area will be 900,000 sqm.
- The infrastructure in Norra Hamnen has been developed in order to increase capacity and facilitate the flow goods between terminals and CMP’s port facilities. This means that new roads, bridges and thoroughfares are being built to streamline the movement of goods between ships, goods vehicles and rail transport.
Norrköping/Linköping

Logistics sites | Norrköping, Linköping, Mjölby, Motala, Finspång
Municipalities | Norrköping, Linköping, Mjölby, Motala, Finspång
Population of Norrköping/Linköping municipalities | 140,927/158,520
Unemployment in Norrköping/Linköping municipalities | 12.1%/6.1%

In brief
- The Östergötland region which includes Norrköping, Linköping, Mjölby, Motala and Finspång, is one of the most popular logistics sites in Sweden.
- The Östergötland region has a strategic location with good motorway and rail links.
- The Port of Norrköping is one of the Baltic’s most modern and is expanding rapidly.
- Norrköping has an international airport. PostNord has a terminal in Norrköping and Rusta and Stadium have large warehouses here.

Previously
- Rusta extended its existing warehouse in Norrköping in 2018 from 65,000 sqm to 114,000 sqm. Rusta’s warehouse was acquired by NRP at the end of 2017.
- In 2018 PostNord and the giant sports retailer Stadium decided on a major partnership and on the automation of the e-commerce warehouse in Norrköping.
The future

- Norrköping is investing a billion in expanding its deep sea port for the logistics industry.
- A freight yard and electrified track to a new extended intermodal terminal.
- The long-term development of 250 hectares for commercial use with access to the four transport modes.
- The goal of the municipality is within three years, to establish a physically sustainable cluster of logistics expertise jointly the Linköping and Norrköping municipalities, the Östergötland region and Linköping University.
- Logistics is a prioritised area in the region’s “smart specialisation” strategy.
Stockholm Arlanda Airport

In brief

- Arlandastad is a popular logistics hub located about 40 km north of Stockholm alongside the E4. The area is in close proximity to Arlanda, Sweden’s largest airport.

- The area is also close to the East Coast Line.

- The area around Arlanda Airport is undergoing significant development with new hotels, retail, DRIVELAB motor testing site etc.

- John Deere, Beijer Bygg, DSV and Bring all have facilities in the area.

Previously

- Bockasjö has entered into a lease agreement with Bring that, together with IKEA, will be conducting e-commerce logistics in a 26,000 sqm property in Arlandastad. The facility was ready for occupancy in late 2017.

- In June 2018 Logicenters acquired a logistics facility in Arlandastad for approximately SEK 230 million from Skanska, with occupancy in 2019. There was already an agreement in place with Adirot Logistics for the construction of a new 24,600 sqm warehouse. The facility will be ready for occupancy in the second quarter of 2019.

- Corem has a 20,000 sqm new build warehouse property available in Arlandastad.

- Fastpartner has a 12,000 sqm new build warehouse property available in Arlandastad.

- E-Road Arlanda, a four kilometre long electrified road, was opened in April 2018 and runs between Arlanda (Cargo City) and PostNord’s terminal in Rosersberg, an innovative concept that allows fossil-free transportations.
The future

- New detailed development plans for commercial developments are being drawn up for Rosersberg and Arlandastad and the areas in between.

- Investment in the expansion of Märsta station and the widening of the E4 south from Arlanda fell outside the national plan, but the municipality is working actively to change this.

- Hotels and offices are being built at Arlanda in accordance with Swedavia’s expansion plan for both the airport and the area.

- The new exhibition centre Scandinavian XPO will promote increased flows of both goods and people.
Stockholm
Brunna

Logistics site | Brunna Logistics Park, Greenhub Bro
Municipality | Upplands-Bro
Population of Upplands-Bro municipality | 27,614
Unemployment in Upplands-Bro municipality | 6.5%

In brief

- Brunna Logistics Park is located along E18, between Bro and Kungsängen to the north of Stockholm, about 30 km from Arlanda Airport. The logistics park covers approximately 250,000 sqm.

- NCC has been one of the major developers in the Brunna Logistics Park including the Hälsobrunnen (2015), Önskebrunnen (2017) and Lyckobrunnen (2018) projects.

- GreenHub Bro in Upplands-Bro is owned by Stendörren and consists of approximately 1.4 million sqm. There is an opportunity to develop approximately 400,000 sqm of new logistics facilities here. Previously Coop had its central groceries warehouse here. This warehouse covers about 130,000 sqm.

Previously

- In 2017 Logicenters acquired Önskebrunnen.

- In the autumn of 2018 Zalando’s new 30,000 sqm warehouse was completed in Brunna. The warehouse was built by Logicenters. The development was awarded 2018 Logistics Development of the Year by the magazine Intelligent Logistik.

- At the end of 2018 Bythjul Norden leased a 11,319 sqm warehouse property from Logicenters.

- Castellum is building a new 8,800 sqm warehouse in Brunna, this is expected to be completed in the first quarter of 2019.

- Stendörren is to build a new 56,500 sqm central warehouse in GreenHub Bro about for Dahl Sweden. This is expected to be completed in 2020/2021.
“165 hectares of land for industrial use in two new detailed development plans”

The future

- Work on the zoning plan is underway to add approximately 100 hectares to the existing industrial estate in Nygård.
- Work on a zoning plan is underway for the new 65 hectare Klövberga industrial estate.
Stockholm
Jordbro

Logistics sites | Jordbro, Albyberg
Municipality | Haninge
Population of Haninge municipality | 88 037
Unemployment in Haninge municipality | 7.2%

In brief

• Jordbro, located in Haninge municipality about 25 km south of Stockholm, is one of the largest commercial sites in the Stockholm region with approximately 180 companies and about 4 000 employees.

• Jordbro is a popular area for warehousing, distribution and manufacturing.

• Coca-Cola, Åhléns, ICA (with its e-commerce warehouse) and Dagab are among those companies established in Jordbro.

• Rail tracks run to some ten properties in the area.

• Jordbro is an old industrial estate and land availability is limited so new development is also restricted.

Previously

• In 2016 Logistic Contractor built a new 36 000 sqm warehouse for Axfast.

• In September 2018 Corem Property Group purchased a portfolio of nine properties in Jordbro from Kaj Nilsson Holding AB. These properties have a total rentable area of 33 000 sqm and were bought at an underlying property value of SEK 385 million.

• Albyberg business park, where a number of companies have established themselves, lies a few kilometres from Jordbro. Phase 1, approximately 330 000 sqm, is expected to be fully developed in 2019 and planning is underway for a new 500 000 sqm phase. Among other things there is approximately 18 500 sqm warehouse space constructed speculatively by Albybergfastigheter.
“500 000 sqm land for industrial use in Albyberg”

The future

- Planning is underway in Albyberg business park for a new phase of 500 000 sqm land for industrial use.

- The municipality’s urban development plan contains a long-term ambition to transform Handen, Vega and parts of Brandbergen into a medium-sized city, “Haninge Stad”. It is estimated that by 2030 the city will have a population of 30 000, today the population is 18 000.
Stockholm Nykvarn

Logistics site | Stockholm South
Municipality | Nykvarn
Population of Nykvarn municipality | 10,660
Unemployment in Nykvarn municipality | 3.5%

In brief

- Nykvarn is located by the E20 about 14 km west of Södertälje.
- Nykvarn is part of the 1,000-hectare Stockholm South area. The area is owned by Nykvarn and Södertälje municipalities. Planning is being undertaken, the goal being for the area to become the largest logistics hub in the County of Stockholm.
- The area is situated approximately 80 km from both Skavsta Airport in Nyköping and Arlanda Airport.
- It is about 15 km from the Port of Södertälje.
- The area is close to the Svealand Railway and both the E20 and E4.

Previously

- In 2017 Logicenters built a new warehouse for Aditro Logistics. The warehouse had an area of about 25,200 sqm, of which 18,000 sqm ground floor and a 7,200 sqm mezzanine.
- Kilenkryssen is carrying out planning work on approximately 350,000 sqm in the area.
- In 2018 Catena acquired approximately 450,000 sqm in Nykvarn municipality from Smedberg Logistik- & Industrimark AB. At this point, zoning is being conducted for the area.
“Stockholm's largest logistics hub is planned for this site”

The future

- Work is underway on new detailed development plans for about 600 hectares in the Stockholm South area. The land will mostly be used for logistics.

- A new detailed development plan for Mörby part 5 comprising approximately 130 hectares came into force in August 2018. Planning for roads, water and sewerage is underway and groundworks will begin at the start of 2019.

- The sale of plots (in Mörby part 5) will start in mid-2019.

- The detailed development plan for Mörby part 7, about 300 hectares, is being drawn up. The plan is due to go out for consultation at the beginning of 2019.

- The municipality granted planning notification for Mörby part 6 in October 2018. This plan covers another 250 hectares of land for industrial use.
Stockholm Rosersberg

Logistics site | Stockholm North Logistics Centre
Municipality | Sigtuna
Population of Sigtuna municipality | 47,146
Unemployment in Sigtuna municipality | 6.9%

In brief

- Rosersberg is located just south of Arlanda Airport, about 35 km north of Stockholm.
- Rosersberg has an excellent location for logistics and is one of the sites with the highest rents for logistics facilities in Sweden.
- Companies such as DHL, Nokian, Optimera and Dustin have facilities here. Historically Kilenkrysset has been the most active player in the area.
- PostNord has a terminal here with 131,000 sqm and a railway hall of approximately 49,000 sqm.

Previously

- Rosersberg’s new intermodal terminal was opened in 2015. This intermodal terminal covers approximately 80,000 sqm and has a rail connection to the East Coast Line.
- At the end of 2017 Prologis av Steelwrist AB acquired a fully leased property in Rosersberg of 12,334 sqm. The property was completed in January 2017.
- In 2017 Castellum decided to start a speculative construction on a 12,200 sqm warehouse and logistics building in Rosersberg with occupancy in 2018.
- Lidl has a central warehouse in Rosersberg. This covers 44,480 sqm, but in 2018 it was decided that Logistic Contractor would expand the warehouse by 13,000 sqm to a total 57,235 sqm.
“40 hectares of land for industrial use are planned”

The future

- Continued expansion of Rosersberg, another 40 hectares of land for industrial use will be developed in the coming years.

- A new detailed development plan is being drawn up for additional industrial land between Rosersberg and Arlandastad, at Brista.

- Investment in the expansion of Märsta station and the widening of the E4 south from Arlanda fell outside the national plan, but the municipality is working actively to change this.
Stockholm Södertälje

Logistics site | Stockholm South
Municipality | Södertälje
Population of Södertälje municipality | 96,032
Unemployment in Södertälje municipality | 13.6%

In brief

- Södertälje is located about 30 km southwest of Stockholm. It is a major hub for infrastructure. Both the E4 and E20 meet here. Södertälje Syd is an important railway junction where the Svelandsbanan, Southern Main Line and the Western Main Line meet.

- The Port of Södertälje is a medium-sized Swedish port with a focus on imports and consumer products among other things. The port is also important for car imports. It is also a transhipment terminal for rail to road and sea. There is an intermodal terminal there.

- Södertälje is part of the 1000 hectare Stockholm South area. The area is owned by Nykvarn and Södertälje municipalities. Planning is being undertaken, the goal being for the area to become the largest logistics hub in the County of Stockholm.

- Scania is a large and important employer in Södertälje.

Previously

- Scania is developing a foundry facility of approximately 22,000 sqm, which will be completed in 2019.

- PEAB and Stendörren among others, own land in the Stockholm South area.
“The Port of Södertälje is growing and being developed”

The future

• Södertälje will soon start planning further land for commercial use in the Moraberg area near the E4. The development study covers an area of 110 hectares.

• Södertälje is also jointly developing an area, Södertuna, in the Järna area (2.5 square kilometres), for commercial use with private actors.

• The Södertälje lock is being rebuilt and will become approximately five metres wider and 65 metres longer.

• The East Link (high speed rail) will run between Södertälje and Linköping.

• The Port of Södertälje is being developed and receives one third of all new cars coming into Sweden and that figure is rising. This creates many jobs in Södertälje.

• Södertälje is developing approximately 140 hectares of the Stockholm South Almnäs area for logistics and industrial development.
Örebro

Logistics sites | Örebro, Hallsberg, Arboga, Kumla and Askersund
Municipalities | Örebro, Hallsberg, Arboga, Kumla and Askersund
Population of Örebro municipality | 150,291
Unemployment in Örebro municipality | 7.6%

In brief

• The Örebro region, which includes Örebro, Hallsberg, Arboga, Kumla and Askersund, is considered to be one of Sweden’s foremost logistics locations.

• Hallsberg is Sweden’s demographic centre and is usually also called the logistics mid-point of the Nordic region for rail transport. Sweden’s largest intermodal terminal located in Hallsberg.

• Örebro Airport is one of Sweden’s largest cargo airports.

• The majority of the Nordic market can be reached within 24 hours from the Örebro region. Approximately 70 per cent of the Swedish population lives in a radius of 300 km from Örebro.

Previously

• In 2017 Electrosandia built a 44,000 sqm in Örebro. The warehouse has a ceiling height of 30 metres.

• XXL Sport lease a warehouse of about 43,000 sqm in Örebro. This warehouse was sold in 2018 to Aberdeen Standard Investment for approximately SEK 400 million, at a record low yield of below 5 per cent. The previous owners, from 2015, were Pareto.

• Bockasjö has built a new parcel and mail terminal in Örebro for PostNord. This was ready for occupancy in February 2018. The terminal is located in Pilängen and is approximately 26,600 sqm.

• Lidl is building a new large central warehouse in Västra Pilängen in Örebro. The plot is approximately 177,000 sqm and the warehouse will be approximately 44,000 sqm. It will be ready for occupancy in 2019. Approximately 200-250 people will work in the facility.
“Sweden’s largest intermodal terminal is located in Hallsberg”

The future

- Business Region Örebro (BRO) is receiving increased air freight from Asia.
- The new runway at Örebro is now open and can handle the world’s largest cargo aircraft.
- New logistics hubs are planned in Örebro and an expansion of Pilängen is being examined.
- BRO has a very active marketing plan and will be busy attending trade fairs in the Nordic countries in 2019 with a focus on logistics.
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