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ANALYSIS OF THE WAREHOUSE REAL ESTATE MARKET AND PROSPECTS FOR ITS DEVELOPMENT IN UKRAINE

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Logistics in Ukraine is rather new, therefore, the sector is characterized by a shortage of everything, ranging from qualified specialists to professional warehouse premises, despite the fact that the country is characterized by the rapid development of trade in various goods, for which warehousing is an obligatory stage. Today, the Ukrainian warehouse market, according to consultants and developers, is one of the most promising areas of development. Demand for high-quality warehouse and logistics facilities significantly exceeds supply on the market. The article deals with the current state of warehouse real estate in Ukraine. The main features of the warehouse complex development are revealed. The main logistics operators were analyzed and key lease deals were identified in the first half of 2017. The article highlights the key warehouse facilities planned for commissioning in the territory of Ukraine in 2017–2018 years. Considering the demand for storage facilities, 2018 promises to be an active year for the warehouse real estate market. Despite the fact that several extension deals were completed in the first half of the year, there is a significant volume of dissatisfied market demand that is likely to be realized by the end of 2018. Given the low volume of new offer expected by the end of the year, new areas will soon be absorbed by the market against the backdrop of existing deferred demand of tenants and a shortage of new speculative supply in the market. The obtained results can be used in choosing a strategy for the development of warehouse infrastructure in the regions of Ukraine, which will increase the efficiency of the operation of the objects of logistics infrastructure.

Keywords: warehouse real estate, logistics system, developers, agreement, lease.

Formulation of the problem

Movement of material flows in the logistics chain is impossible without concentration in certain places of the necessary stocks, for storage of which designated warehouses are assigned. Problems associated with the implementation of the logistic function of storage, have a significant impact on the streamlining of the flow of material flows in the logistics chain and the magnitude of the total logistics costs.

Analysis of recent researches and publications

The urgency of the problem of the development of logistics real estate in Ukraine is that today the warehouse real estate in our country is one of the weak links. The problem of the development of warehouse real estate was considered by such domestic authors as: O. Shkodin, R. Spivak, I. Smirnov, N. Chukhrai, O. Pavlova, I. Tashbayev and others. Also, consideration of the problem of the operation of logistics services has been taking place in foreign publications for a long time. The following foreign authors are paying attention to this problem: D. Bauersox, M. Bernon, M. Christopher, R. Cooper, D. Waters, A. Harrison and others. Logistics is one of the most promising sectors of domestic real estate.

The purpose of the article is to analyze the warehouse real estate market and prospects for its development in Ukraine.

The effective economic situation and the development of enterprises and Ukraine as a whole depends on the development of logistics infrastructure, which facilitates the optimization and integration of business processes in order to reduce costs, while promoting the material flow to the final consumer and increasing the investment attractiveness of both individual regions and the national economy altogether.

The prospects for the real estate sector are due to the following features: the geographical location of Ukraine; high rates of business and trade development; shortage of quality space in the warehouse real estate market; plans for the release of warehousing operators on the Ukrainian market;

in comparison with the West, a small payback time of warehouses (up to seven years). In Europe, the payback period of such a format of objects is 20–25 years; low cost of construction of warehouse real estate in comparison with other real estate objects; high profitability of warehouse real estate – up to 18–20% per year [1].

According to a study by the professors of the European Center for Research and Information Systems in developing countries, the improvement of the quality of the transport and logistics system by 10% leads to an increase in exports by 2% and an increase in imports by 3% [2].

Unfortunately, at present, Ukraine is not one of the leaders in the development of transport and logistics services. The world ranking is based on the value of the Logistics Performance Index (LPI), which was determined by the World Bank methodology for 160 countries. In 2016, Ukraine dropped from 61 to 80 positions [3]. This is due to the fact that other countries are developing their logistics systems at a faster pace than Ukraine. The main reasons for the rating downgrade were the lack of efficiency on the part of the representatives of such services as warehousing and distribution of goods, management logistics (inventory management, integrated swimming, optimization of logistics business and processes), which was reflected in the structure of the Ukrainian market of logistics services. While in the EU and the USA, the share of freight and freight forwarding services accounted for 69.0% of the market, warehousing and distribution – 19.0% and management logistics – 12.0%, respectively, 91.3, 8.0 and 0.7%. An exception to the general rule is Kyiv, where 42% of the Ukrainian market of logistics services is concentrated, Odessa, which accounts for 35% of the market, as well as Kharkiv, Dnipro, and Lviv (by 6%). The share of other Ukrainian regions accounts for 11% of this market [2].

Describing the state of the market of logistics real estate in Ukraine, should begin with the role of warehouse complex. Warehouse complex plays an important role in the work of the modern distribution network. The efficiency of work and the developed infrastructure of the warehouse complex directly affect the successful sales policy of the enterprise, its competitiveness. Recently, players in the market of logistics real estate have become more professional and more serious approach to the design and construction of this type of construction. Logistic real estate is one of the most promising sectors of domestic real estate, and this is due to the following features:

– geographical position of Ukraine;

– high rates of business and trade development, growing business activity, a state of shortage of quality space in the warehouse real estate market;

– plans for the release of warehousing operators on the Ukrainian market;

– a small, compared with the West, the payback period of warehouse facilities (up to seven years). In Europe, the payback period of such a format of objects is 20 – 25 years;

– Low cost of construction of warehouse real estate in comparison with other real estate objects;

– high profitability of warehouse real estate – up to 18–20% per year.

In general, the development of the logistics market in Ukraine has its own distinctive features, which are due to the influence of many factors. The warehouse real estate market today is divided directly into the warehouse and complex of logistics services. Gradually, traditional warehouses lose their relevance. The list of services provided by logistics centers is constantly increasing, and with competition the quality of them increases accordingly. Entrepreneurs are striving for multiformity, preferring a warehouse complex, which includes production, warehouses, as well as office space and parking for cars.

The improvement of macroeconomic indicators in Ukraine throughout 2016 has somewhat improved the situation on the warehouse real estate market. Nevertheless, the situation in this sector remains rather complicated and improvement is expected only in the medium and long term.

The market of warehouse real estate in Ukraine is characterized by:

– the ongoing trend of the lack of a new proposal and postponement of a later period of commissioning of warehouses. This is primarily due to low rental rates for such objects in the last 3 years. In addition, the vacancy is 10–15% depending on the region, therefore tenants have what to choose;

– some recovery of demand, after the collapse of 2014–2015. According to CBRE, the volume of gross absorption in Kiev and the region reached 110,000 sq.m., up 35% from the previous year;

– reduction of the average market vacancy by 12%, we remind you that by the end of 2015 this figure was 15%. Positive changes in the retail sector and some resumption of production rates, as well as the lack of a new proposal, have been the main factors influencing the reduction of vacancy;

– a slight decrease in rental rates at the end of the year. Experts attribute this situation to some weakening of the hryvnia exchange rate at the end of 2016. So rental rates for class A warehouses fell by 9%, from $ 4.6 per sq.m. to 4.1 dollars. [4]

According to CBRE Ukraine, in the first half of 2017 there was a marked increase in demand in the market. The largest area was leased by large retailers and logistic operators: their share in the structure of gross gross acquisitions reached 57% and 31%, respectively. Thus, in the first half of the year, the total volume of lease and purchase of warehouses increased by 46% year after year and amounted to about 70,000 sq. m. Almost half of this volume was provided by the network of ATB of the Kopylov Logistic Park logistics complex with an area of †31,000 square meters. m.

But the volume of leased space year by year decreased by 16.7% and amounted to 40 000 sq. m. According to analysts CBRE Ukraine, the decline is due to the redistribution of demand between the speculative offer and objects for their own use, with the simultaneous increase in the shortage of large lots of warehouses, as well as the limited volume of new premises.

Growth in demand from retailers was observed mainly in facilities under the control of logistics operators. Thus, the largest deal in the segment of logistics warehouses of operators was the lease of Metro Cash & Carry 14 000 square meters. m in the complex FM Logistic [5]

On the other hand, it is expected that lease activity will increase significantly during the second half of the year. If last year gross take-up mainly consisted of crossings, during the first six months of 2017 several agreements were concluded on expansion. Among the largest lease deals in the first half: expansion of the national logistics operator New Mail, which leased 8,600 square meters. m in the complex Omega I. [4]

In the first half of 2017, only small (less than 5,000 sq. M.) And medium (5,001–10,000 sq. M) were completed, with the largest share accounting for transactions up to 5,000 sq. M. m: about 82%. Need for more than 10,000 square meters. m was satisfied by the acquisition of facilities or expansion in the warehouses of logistics operators.

In the first half of the year, small warehouses appeared on the market. The new offer contains 4 100 square meters. m in the 3rd turn of SAN factory and 4 100 square meters. m in the warehouse complex «Happy 2». However, despite the appearance of 8,200 square meters. m new areas, the total supply in the market decreased by 2.1% to 1.25 million square. m. Since the commissioning of the 3rd turn of Unilogic Park (22,000 sq. m.) was postponed to the next year, the volume of warehouse space planned for the second half of 2017 is only 1,100 sq. m. m in the next line of warehouse complex SAN factory. Thus, it is expected that the volume of the new speculative proposal in 2017 will be approximately 9,300 square. m. [5]

At the same time, a limited number of facilities under construction and increased demand from key tenants have encouraged developers to build warehouses for their own use. It is expected that about 34,000 square meters. m of storage space for own use will be put into operation by the end of 2017. New warehouses will be represented by the 6th Section (7,000 sq. M.) Of the 3rd stage of the FM Logistic complex and the Terminal Novaya Poshta warehouse complex (20,000 sq. M) [5].

Table 1

Key lease agreements in the first half of 2017

Tenant	Activities	Owner	Track	Area, sq. м	Type
DSV	Logistic operators	San factory III	Kyev	4100	Rent
Argo	Wholesale and retail trade	MLP Chaika	Zhytomyr (M-06, E-40)	1500	Rent
Business Group	Logistic operators	UKR DC	Odessa (M-05, E-95	1448	Rent
Business Group	Logistic operators	RLC	Chernigov (M-01, E-95)	4300	Rent
Rhenus	Logistic operators	West Gate Logistic	Житомир (M-06, E-40)	4500	Rent
Malbi	Production	ICT	Vyshneve	6000	Rent
«Нова Пошта»	Logistic operators	Omega 2	Chernigov (M-01, E-95)	8600	Rent
«АТБ»	Wholesale and retail trade	Kopylov Logistic park	Zhytomyr (M-06, E-40)	31000	Selling
Viessman	Production	Amtel	Odessa (M-05, E-95)	1300	Rent

Table 2

Key storage facilities scheduled for 2017–2018

Name	Developer	Area, sq. m	Satu	Date of commissioning
San factory (3 turn)	Sky Devolopment	4100	Completed	2017
Happy 2	Local developer	4100	Completed	2017
FM Logistic(Section 5, 3 turn)	FM Logistic	7000	Completed	2017
San factory (4 turn)	Sky Devolopment	1100	It is being built	2017
FM Logistic(Section 6, 3rd turn)	FM Logistic	7000	It is being built	2018
New Mail Terminal	Mail Terminal	20000	It is being built	2018
Amtel (2 turn)	Amtel Properties	52000	Project	2018
Unilogic Park III	MEPX	22000	It is being built	2018
Warehouse complex	Local developer	3500	Project	2018

The level of vacancy continued to decline during the first half-year and amounted to 9.5% at the end of June, which is 2.5 cents. n less than at the end of 2016. The main preconditions for reducing the vacancy was the increase in demand from lessees, the limited volume of new construction and the reduction of speculative supply in the market.

Conclusion

Given the extremely low volume of the new offer, new areas will be quickly absorbed by the market. It is expected that the average market vacancy will continue to decline by the end of 2018, and the declared rental rates will gradually begin to increase. In general, the market demonstrates the necessary positive dynamics. However, further changes in rental rates and capital costs of facilities will depend on the distribution of demand between supply of warehouse space, leasing and facilities being built for own use, as well as overall economic and financial stability in the country.

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АНАЛІЗ РИНКУ СКЛАДСЬКОЇ НЕРУХОМОСТІ ТА ПЕРСПЕКТИВИ ЙОГО РОЗВИТКУ В УКРАЇНІ

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Логістика в Україні є доволі новим напрямом, тому для галузі характерний дефіцит всього – починаючи від квалі-фікованих спеціалістів і закінчуючи професійними складськими приміщеннями, незважаючи на те, що країна характеризується бурхливим розвитком торгівлі різними товарами, для якої складування – обов' язковий етап. Сьогодні український ринок складської нерухомості, за оцінюванням консультантів і девелоперів, є одним із найперспективніших напрямів розвитку. Попит на якісні складські та логістичні приміщення значно перевищує пропозицію на ринку. У статті розглядається сучасний стан складської нерухомості в Україні. Виявлені особливості розвитку складського комплексу. Проаналізовано основних логістичних операторів та виявлено ключові угоди оренди за перше півріччя 2017 року. В статті висвітлені ключові складські об'єкти, які заплановані для введення в експлуатацію на території України у 2017–2018 роки. Розглядаючи попит на складські приміщення, 2018 обіцяє бути активним роком для ринку складської нерухомості. Незважаючи на той факт, що декілька угод з розширення були завершені у першому півріччі, існує значний обсяг незадоволеного попиту на ринку, що вірогідно реалізується до кінця 2018 року. З огляду на низький обсяг нової пропозиції, очікуваний до кінця року, нові площі будуть швидко поглинуті ринком на тлі існуючого відкладеного попиту орендарів та дефіциту нової спекулятивної пропозиції на ринку. Отримані результати можуть бути використані при виборі стратегії розвитку складської інфраструктури в регіонах України, що дозволить підвищити ефективність функціонування об'єктів логістичної інфраструктури.

Ключові слова: складська нерухомість, логістична система, девелопери, угода, оренда.

АНАЛИЗ РЫНКА СКЛАДСКОЙ НЕДВИЖИМОСТИ И ПЕРСПЕКТИВЫ ЕГО РАЗВИТИЯ В УКРАИНЕ

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Логистика в Украине довольно новое направление, поэтому для отрасли характерен дефицит всего – начиная от квалифицированных специалистов и заканчивая профессиональными складскими помещениями, несмотря на то, что страна характеризуется бурным развитием торговли различными товарами, для которой складирования – обязательный этап. Сегодня украинский рынок складской недвижимости, по оценкам консультантов и девелоперов, является одним из самых перспективных направлений развития. Спрос на качественные складские и логистические помещения значительно превышает предложение на рынке. В статье рассматривается современное состояние складской недвижимости в Украине. Выявлены особенности развития складского комплекса. Проанализированы основные логистические операторы и выявлены ключевые договора аренды за первое полугодие 2017 года. В статье освещены ключевые складских объекты, которые запланированы для ввода в эксплуатацию на территории Украины в 2017–2018 годы. Рассматривая спрос на складские помещения, в 2018 году обещает быть активным годом для рынка складской недвижимости. Несмотря на тот факт, что несколько сделок по расширению были завершены в первом полугодии, существует значительный объем неудовлетворенного спроса на рынке, достоверно реализуется до конца 2018 года. Учитывая низкий объем нового предложения, ожидаемый к концу года, новые площади будут быстро поглощены рынком на фоне существующего отложенного спроса арендаторов и дефицита нового спекулятивной предложения на рынке. Полученные результаты могут быть использованы при выборе стратегии развития складской инфраструктуры в регионах Украины, что позволит повысить эффективность функционирования объектов логистической инфраструктуры.

Ключевые слова: складская недвижимость, логистическая система, девелоперы, соглашение, аренда.