



# Snapshot

INDUSTRIAL MARKET

H2 2023

GENEVA | SWITZERLAND



# Overview

**In 2023, Geneva's industrial property market revealed a dual trend: a strong resilience in the rental segment facing economic uncertainties, contrasted by a significant decline in the investment side.**

## Letting

The rental market has enjoyed continued success, stimulated by strong demand for modern and accessible spaces. This dynamic has been consolidated by the commercialisation of new projects and the rezoning of areas that were originally industrial. As a result, the availability rate stabilised at 1.8 %.

The addition of new surfaces in ZIPLO and the anticipation of innovative projects in ZIMEYSA planned for 2024, promise to maintain this positive trend, responding to a growing need to diversify industrial spaces.

## Investment

With regard to the investment market, 2023 saw a slowdown, mainly due to a more cautious stance on the part of institutional investors given the rising interest rates, with a transaction volume down 70.2 % compared to the previous year.

However, significant transactions, such as the acquisition of a site in Meyrin by Audemars Piguet, reflect a growing confidence in Geneva's industrial sector. This confidence is bolstered by a valuable environment that offers a skilled workforce and optimal accessibility, among other things.

With favourable conditions and expectations of interest rate easing, the market is well positioned for a rebound in 2024, consolidating Geneva's reputation as an attractive industrial hub.

## Key indicators in 2023

**103.3 M**

Transactions volume *in CHF*

**4.74 M**

Stock *in m<sup>2</sup>\**

**1.8 %**

Availability rate\*

**4.7 %**

Prime gross yield

### Letting

Total stock	4,740,000 m <sup>2</sup> SBP
Available area	86'8000 m <sup>2</sup> SBP
<i>Availability rate*</i>	1.8 %
Pipeline <i>by 2026</i>	280,000 m <sup>2</sup> SBP
Prime rent	340 CHF/m /year <sup>2</sup>

### Investment

Transaction volume 2023	CHF 103,269,800
<i>Change compared with 2022</i>	- 70.2 %
Transaction volume H1 2023	CHF 72,332,000
Transaction volume H2 2023	CHF 30,937,800
Prime gross yield	4.7 %

\*Taking into account all mixed-use areas in ZIAs and ZDIAs, as well as those outside ZI, without including the portion intended for tertiary activities (see RZIAM).

Sources: OCSTAT, SITG and SPGI



# Letting

In 2023, Geneva's industrial space rental market benefited from a post-Covid rebound, mainly thanks to the vitality of the precision and chemicals sectors, which are driving the local industrial dynamism.

This momentum is being reinforced by projects that signal a move towards diversification of uses and improved accessibility, in response to user demand.

In a situation of increasing demand, 2023 experienced a growth in the real estate stock with the delivery of 35,400 sqm of new industrial space, mainly concentrated in the ZIPLO, thanks to the SPARK (Skills Park) project.

Comprising two buildings focusing on training and professional reintegration, SPARK is the result of a public-private partnership aimed at enriching the canton's educational offerings.

By 2026, Geneva will welcome a series of innovative projects, two-thirds of which are located in the ZIMEYSA, such as Métiers Vernier, CP des Ateliers, Rubix, EK11, B10, Quartz'Up, Hive 7 and BB26, which together will add more than 280,000 sqm of space for a variety of uses.

With their ability to offer density, flexibility, accessibility and sustainability, these initiatives promise to transform Geneva's industrial landscape, by aligning with the needs of SMEs and key industries.

The framework conditions in which Geneva's industrial fabric operates play a key role in this growth dynamic, thanks to the support of the Fondation pour les terrains industriels (FTI).

Geneva's industrial sector, which has seen a remarkable 6.4 % increase in employment in 8 years, bears witness to Geneva's attractiveness as a sustainable and dynamic industrial hub.

The trend towards the creation of mixed zones, improved accessibility and the consolidation of services indicate that the positive momentum in the rental market is set to continue in 2024.

## MARKET OUTLOOK

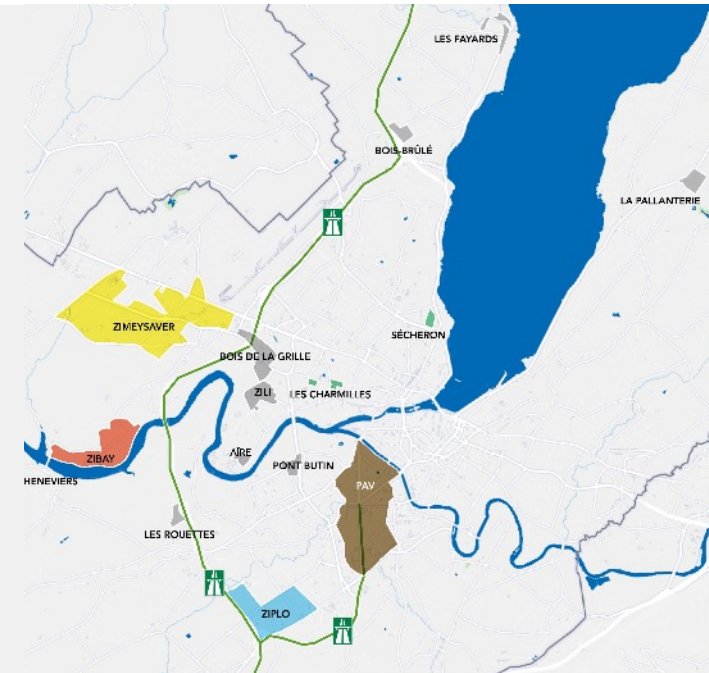
	Offices/High-tech	Light industrial	Logistics
<b>Offer</b>	ZIMEYSA →	ZIMEYSA →	ZIMEYSA →
	ZIPLO →	ZIPLO →	ZIPLO →
	Canton →	Canton →	Canton →
<b>Demand</b>	ZIMEYSA →	ZIMEYSA →	ZIMEYSA →
	ZIPLO →	ZIPLO →	ZIPLO →
	Canton →	Canton →	Canton →
<b>Rent</b>	ZIMEYSA →	ZIMEYSA →	ZIMEYSA →
	ZIPLO →	ZIPLO →	ZIPLO →
	Canton →	Canton →	Canton →

## Sector indicators

	Rent CHF/sqm			Availability
	Offices/High-tech	Light industry	Logistics	% of stock
● ZIMEYSAVER	from 260 to 300	from 200 to 250	from 170 to 195	2.0 %
● ZIPLO	from 270 to 340	from 240 to 290	from 190 to 220	3.5 %
● ZIBAY	from 180 to 220	from 200 to 220	from 150 to 180	2.5 %
● PAV	from 280 to 340	from 220 to 250	from 150 to 200	1.5 %
● City (excl. PAV)	from 260 to 320	from 200 to 250	-	2.5 %

\*Taking into account all mixed-use areas in ZIAs and ZDIAs, as well as those outside ZIs, without including the portion intended for tertiary activities (see RZIAM).

Sources: OCSTAT, SITG and SPGI





# Investment

In 2023, the Geneva investment market in industrial space slowed, mainly due to a more cautious approach by institutional investors in response to rising interest rates.

This climate was characterised by a significant reduction in the transaction volume, marking an inflection point compared with previous trends.

Transactional data showed a decline to 23 deals from the 37 recorded in 2022. The average transaction size also declined, to CHF 4.49 million, in contrast to CHF 9.36 million the previous year.

More revealing still, the structure of the market has shifted, with users now predominating, accounting for more than two-thirds of exchanges, compared with just one-third previously.

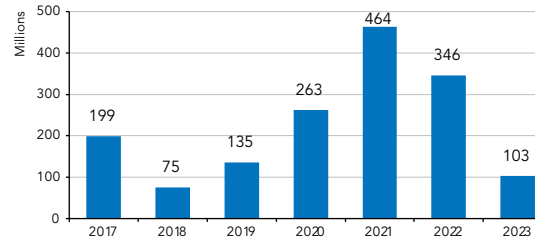
At the heart of these developments, Audemars Piguet's acquisition of the emblematic Uhlmann-Eyraud site, for CHF 20.5 million, and its ambition to double capacity in Meyrin illustrate renewed confidence in Geneva's industrial heritage and the influence of the watchmaking sector.

This initiative is part of a favourable environment in Geneva, supported by price regulation in development zones, a diverse and skilled workforce, and excellent accessibility.

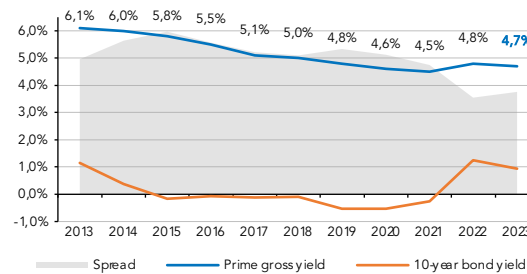
These favourable framework conditions, combined with easing interest rates and inflation, point to a buoyant industrial property investment market in 2024.

Geneva is thus well placed to maintain its attractiveness and economic vitality in the industrial sector.

**TRANSACTION VOLUME IN CHF**



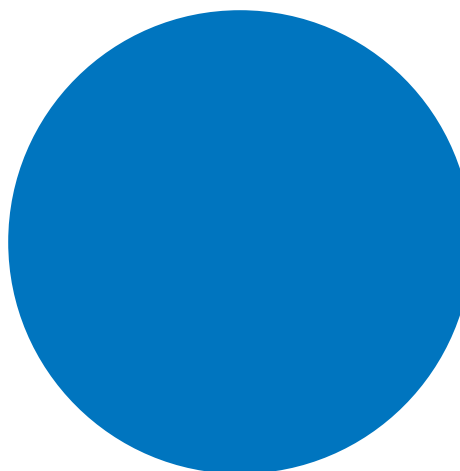
**ESTIMATED PRIME GROSS YIELD**



## Top 5 transactions in 2023

	Address	Typology	Sector	Area sqm	Price CHF	CHF/sqm
1	Route du Bois des Frères 48	Datacenter	ZILI	1'600	20'500'000	12'813
2	Chemin du Grand Puits 28	Workshop	ZIMEYSAVER	6'000	20'500'000	3'417
3	Avenue Eugène Lance 38ter	Offices / Workshop	PAV (ZI)	1'340	11'300'000	8'433
4	Rue du Bois-du-Lan 8	Offices / Warehouse	ZIMEYSAVER	1'798	9'200'000	5'116
5	Rue Jacques Grosselin 54	Warehouse	PAV (ZI)	1'225	6'200'000	5'061





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