

Return to normal



Michaël Zapatero
Consultant
de Crombrughe & Partners

Following a relatively good 2012, the Liege market was once again been characterised last year by weak take-up. This was essentially kept low by a lack of new product meeting current norms in terms of market expectations. However, local operators indicate that almost 200,000 m² are currently being envisaged in the medium term.

With its office stock of some 485,000 m², Liege is the largest city in the Walloon region, accounting for almost half of all Walloon stock. Around 70% of the office stock is located downtown (left bank) mainly along the large avenues, such as Boulevard de la Sauvenière and Boulevard d'Avroy. Approximately 40 % of the stock involves second-hand buildings.

Unpretentious take-up

Following a record volume in 2012 (around 42,000 m² of which the majority was acquisition was for own occupation), take-up in 2013 totalled some 10,000 m², which corresponds to a take-up slightly lower than in 2009 and 2010. Despite this decrease Liege remains the most active Walloon city (take-up equating to the Flemish cities of Leuven and Mechelen). This low take-up is to be seen in parallel with the current low level of supply of modern or new buildings in Liege. According to various agents operating in the city, demand is much superior to supply. This limited supply is set to evolve over time, however, given the number of new projects being considered. The low current vacancy level of approximately 1.5 % risks suffering from this, however...

New office developments on the way in Guillemins station district

The local authorities plan to create around 100,000 m² of offices, including the construction of the Befimmo **Finance tower** of 38,800 m² located on **Rue du Paradis** (delivery in 2015). At the end of 2013, Fedimmo (a 100% subsidiary of Befimmo) launched an international call for tenders for developing the remaining surface area within the parcel. This re-conversion, for which a certain degree of mixed use will have to be taken into account, will not be able to start, however, before the vacating and destruction of the current finance tower. Works are therefore not expected to start before 2017.

In the same district, the SNCB-Holding is considering project on the **Rue du Plan Incliné**, consisting of the demolition of the former ABX warehouse and the current car park on its own land (+ 20,000 m²) and the construction of a building representing a total gross area of 65,500 m² (net offices area = 48,000 m²) with 1,240 parking spaces.

The SPF Finance having opted for the Paradis Tower of Fedimmo, the project's phasing seems to have been taken into account. The first phase, scheduled for the site located between the station and the car park, will involve some 12,500 m² and 300 parking spaces. Negotiations regarding the occupation of this by the SRIW took place during 2013. According to the communal authorities, no permit request has yet been established, however.

And finally, bearing witness to the renewal of the district, a mixed use project is being envisaged by the Circus group at the junction of the Rue Guillemins and the square of the same name. Little information is as yet available but the local authorities have recently issued an initial opinion. In time, around 5,000 m² are set to be constructed here.

A certain degree of uncertainty continues to exist with regard to the phasing of the development of the station district, therefore. Overall, along with the major projects cited above, a general revitalisation of the district is being planned in order to ensure a link between the left bank (Guillemins district) and the right bank (including the Médiacité site). The arrival of the tram in 2017 will play an important part in this revitalisation.

Offices in the Cadran Area and the Val Benoît site

Other projects of a certain size are also under study in the city centre, such as the one by property developer Buelens (Lyge Invest SA) - total surface area of 11,000 m² and 100 parking spaces) - in the **Cadran area**. The building is set to be located against the blind wall of the Academy of Arts, on the heights of the Place Saint-Lambert. Permits have been granted and delivery is expected in 2016. This is the only speculative office project of any size which has been authorised in the city centre. As well as the large urban project around Guillemins station, the city aims to revitalize certain areas, such as the redevelopment of the **Val Benoît** site (rehabilitation carried out by the Liege province development agency (SPI)), which was previously a university campus of 8 ha., now dedicated to technologies and economic activities. The real estate project aims mainly at reconverting existing buildings, completed by new constructions. The space will thus be reserved for economic activities (25,000

to 30,000 m²). But the site will also accommodate public utilities (17,000 to 21,000 m²) (including premises already occupied by Forem) as well as some 100 residential units (11,000 to 20,000 m²) and office space (7,000 to 20,000 m²). The first office space is expected in 2015.

Vast industrial re-conversion projects in Seraing

The town of Seraing has established a master-plan covering an area of 800 hectares and involving a total renewal of the former industrial backbone of the town (CMI Cockerill, ArcelorMittal) including the creation of a leisure centre, green areas, housing, retail, a **new administrative centre** and the largest themed commercial centre in Europe. The whole project will take several years. A new multi-modal public transport station is also part of the plan. The new Administrative Centre (first concrete

element of the Master Plan), located on the Place Kuborn, will shortly be delivered. This building with its contemporary architecture will accommodate 200 employees. The conversion of former industrial hangars into a large mixed use project should also be mentioned here. The **Gastronomia** project will comprise around 3,325 m² of retail space dedicated to food on the ground floor and some 1,250 m² on the mezzanine. These latter areas will be for a business centre, with delivery scheduled in 2018.

The mixed use nature of this former industrial eyesore will also be ensured by projects such as the **Neotica complex** where residential accommodation and a large park are scheduled.

On the left bank of the Meuse, a re-conversion of two iconic residential towers into two office towers at Jemeppe, located at the entrance to the motorway, is also under study.

The E.Lyge office building project developed by real estate developer Buelens will offer a total surface area of 11,000 m² and 100 parking spaces in the Cadran area on the heights of the Place Saint-Lambert. This is the only speculative office project of any size which has been authorised in the city centre.



The new commune Administrative Centre located on the Place Kuborn, first concrete element of the Seraing Master Plan, will shortly be delivered. This building with its contemporary architecture will accommodate 200 civil servants



The **Cristal Park** project also forms part of this urban revitalisation, whose aim is to restore the Val Saint Lambert site to its former stature. Cristal Park is planned around a retail village, which will focus on household and leisure goods (60,000 m² GLA), and a leisure centre with indoor ski-slope, a water park, restaurants, cafés and outdoor leisure activities (26,000 m²). There will be four residential developments, a business park of ten office buildings (16,000 m²), a 120-room three star hotel and the new crystal glassworks.

Delivery of the first 'office' phases is scheduled for 2017. Dependent on demand, certain lots initially planned for offices may be re-designated as residential accommodation in order to avoid over-supply on the market.

In Herstal, in the northern suburbs of Liege, few projects of any size are currently being considered. The Administrative Centre should nevertheless be mentioned, with delivery scheduled for 2015.

New developments will not be sufficient to meet demand

The delivery of these projects is therefore eagerly awaited in order to stimulate take-up and respond

to demand for quality buildings. On the other side of the coin, the destiny and management of offices which do not correspond to market expectations will have to be considered in order not to create additional structural vacancy in second level buildings.

Despite the numerous assets of the city (new TGV station, Liege Airport, central location and good motorway accessibility), average rents in Liege remain very reasonable compared with Brussels and vary between €100 /m²/year and €130/m²/year for new and prime space, and between €80 and 95/m²/year for second-hand buildings. Prime rents remained stable at €130 in 2013. This level was recorded for the ULg's 1,200 m² letting in the downtown area.

Michael Zapatero
Consultant ■



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In this section within the Pro-realestate.be information platform you will find detailed description of town planning and land development master plans in Liege and its periphery : projects of a 'district-wide' size, involving a high degree of mixed use (offices, residential, retail, infrastructure) and integrating sustainability and mobility concerns. In the search box of the www.pro-realestate.be/projects web page, enter the name of the project to see the detailed presentation:

- **Coronmeuse** | An eco-district in the making
- **Seraing master plan** | Revitalising a former industrial zone
- **Val Benoît** | Rehabilitation of the former Liege university site
- **Cristal Park** | Transforming an historical industrial site into a retail village and leisure centre
- **Guillemins District** | The Calatrava station boosts the redevelopment
- **Trilogiport** | Intermodality in a major key
- **Au fil de l'eau** | A mixed project to revitalise the heart of Verviers city