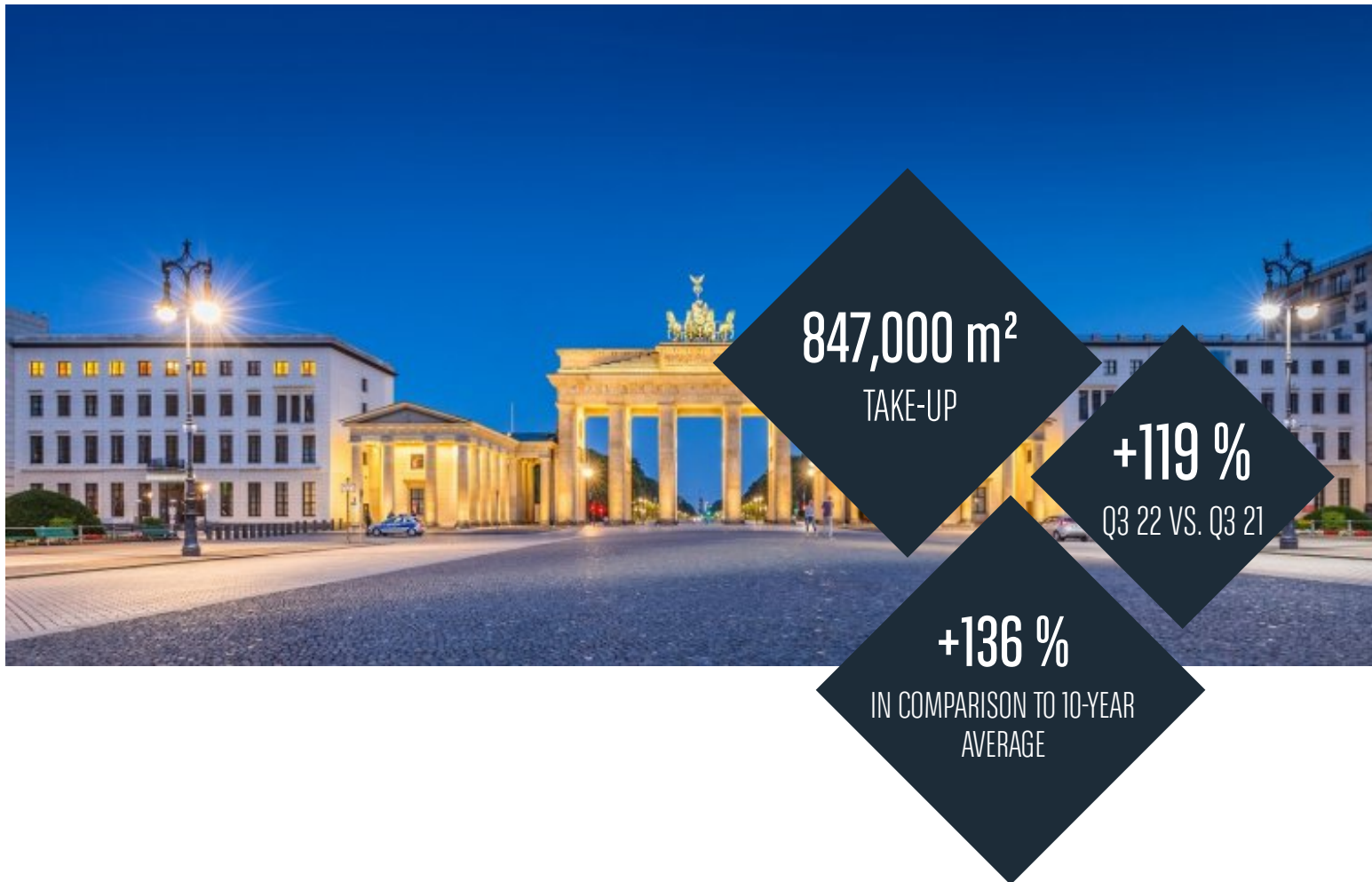


# LOGISTICS MARKET BERLIN

AT A GLANCE Q3 2022

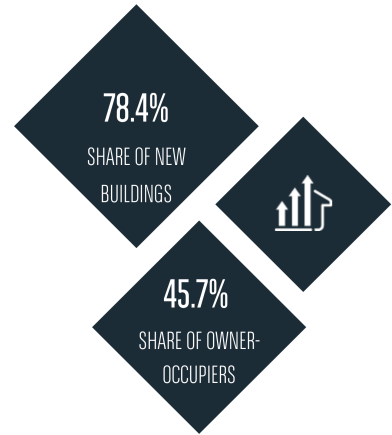
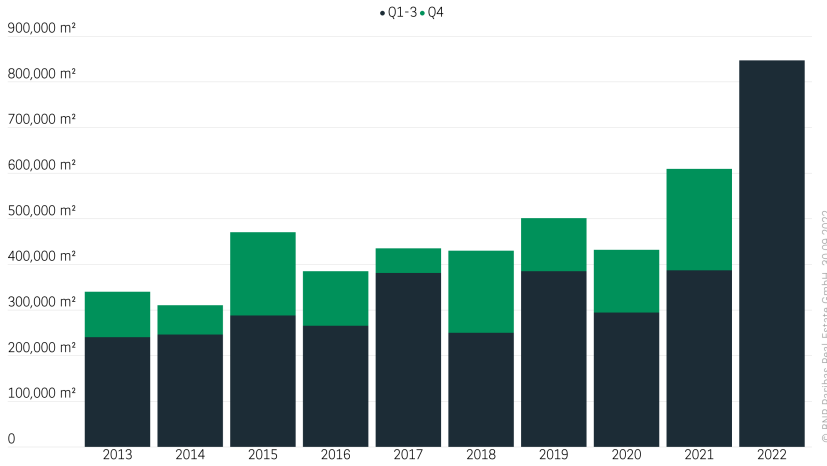


## THE MARKET REMAINS ON TRACK IN THE THIRD QUARTER

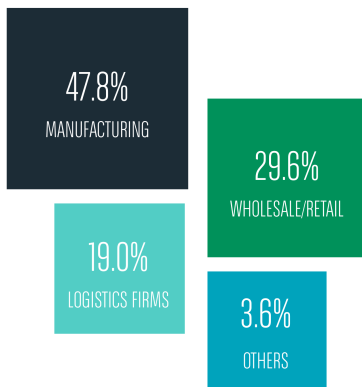
- / For a couple of months now, it was obvious that the Berlin logistics market will achieve a record result this year due to the new Tesla building in Grünheide. Accordingly, a take-up of 847,000 m<sup>2</sup> is registered at the end of the third quarter, which is more than double the previous year's result and also the long-term average.
- / But even if the Tesla take-up is factored out, there is still a new record to report. With 520,000 m<sup>2</sup> remaining, the previous year's result is also exceeded by around a third. It is particularly pleasing that the market continued to stay on course in the third quarter despite the difficult macroeconomic environment and high inflation. With a take-up volume of 138,000 m<sup>2</sup>, the Q3 result is in line with the average of the last five years.
- / One of the most important deals in the third quarter was the leasing of 30,000 m<sup>2</sup> in Oberkrämer by the logistics service provider VAH Jäger.

# STRONG DEMAND BY TRADING COMPANIES

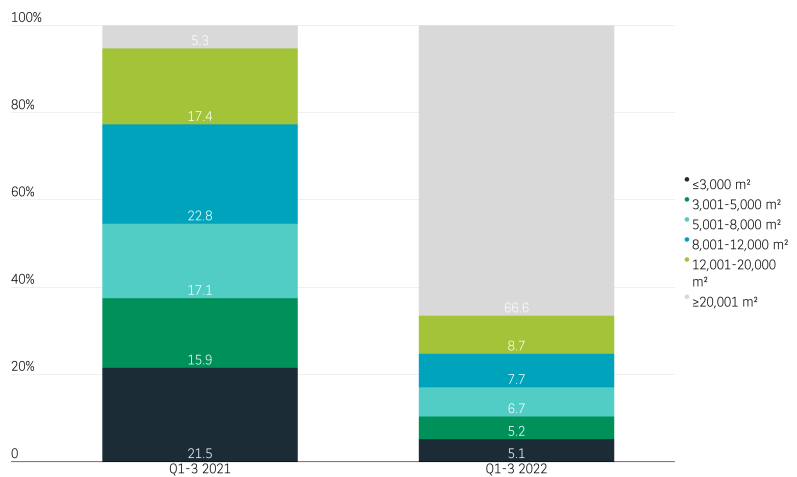
## Light industrial and logistics take-up in Berlin



## Take-up by sector



## Take-up by size category



- / It is unsurprising that the sector distribution is primarily determined by the special influence of Tesla. Manufacturing companies have generated almost 48% of take-up until the end of September. Trading companies are also very active with high letting volumes. If it wasn't for the Tesla deal, their market share would amount to 48% including Tesla it is almost 30%.
- / Excluding Tesla, the market share of manufacturing companies would be below average. Nevertheless, they generated 80,000 m² which still corresponds to the second-best result ever recorded.
- / The dynamic rent development underscores the attractiveness of the Berlin logistics market also in challenging times. In the past twelve months, the prime rent has risen by a good 4% to 7.50 €/m². The average rent has even risen by more than 8% to currently 6.50 €/m².

# KEY FIGURES



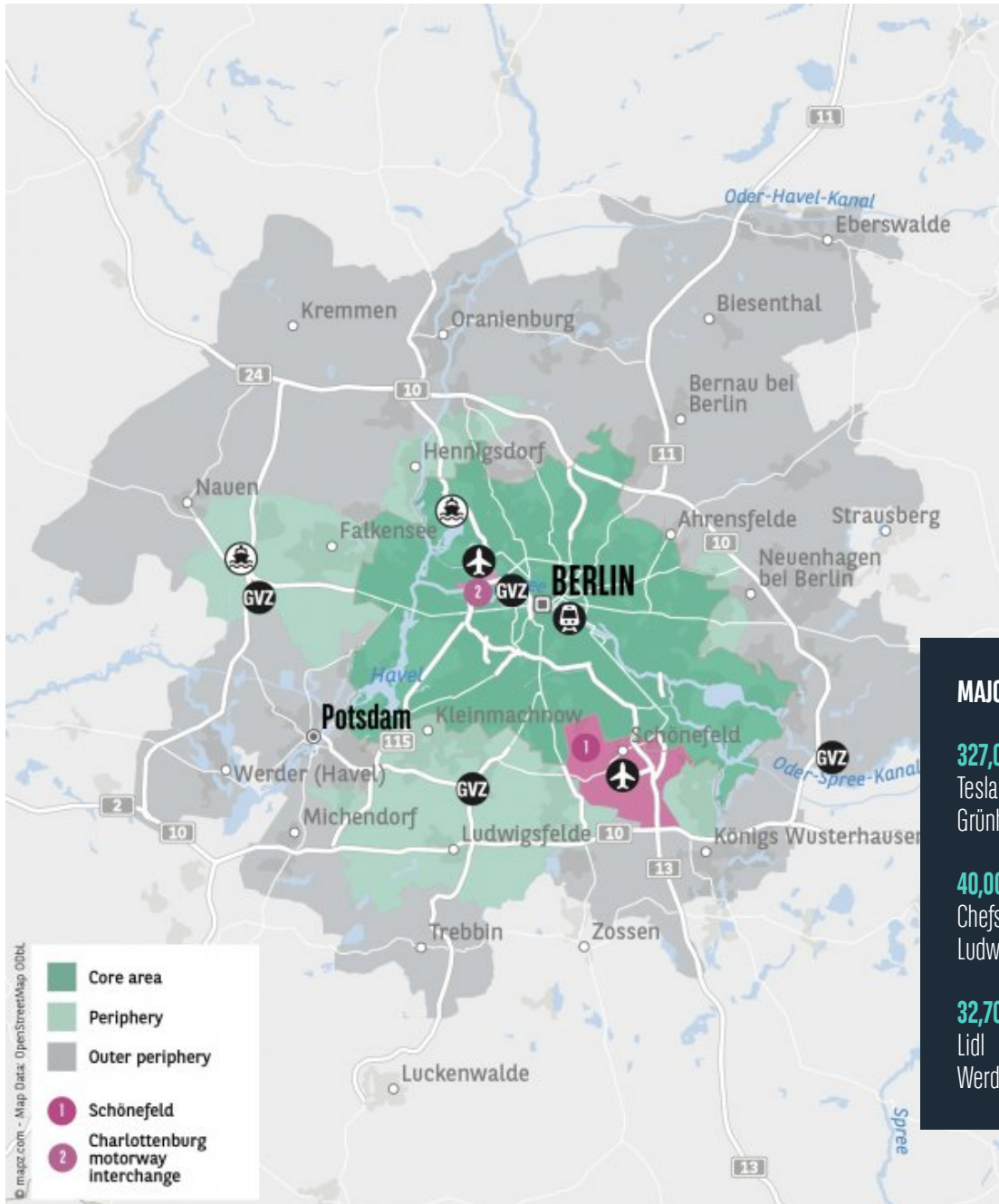
Rents	Q1-Q3 2021	Q1-Q3 2022	%-Difference
Prime rent (in €/m <sup>2</sup> )	7.20	7.50	4.2%
Average rent (in €/m <sup>2</sup> )	6.00	6.50	8.3%
Take-up and sectors	Q1-Q3 2021	Q1-Q3 2022	Long-term average
Total take-up	387,000 m <sup>2</sup>	847,000 m <sup>2</sup>	358,000 m <sup>2</sup>
Logistics firms	42.9%	19.0%	30.5%
Wholesale/retail	23.9%	29.6%	38.6%
Manufacturing	21.6%	47.8%	20.4%
Others	11.6%	3.6%	10.5%
Size categories	Q1-Q3 2021	Q1-Q3 2022	Long-term average
Share of deals > 20,000 m <sup>2</sup>	5.3%	66.6%	21.2%
Share of deals ≤ 20,000 m <sup>2</sup>	94.7%	33.4%	78.8%
Owner-occupiers/new building share	Q1-Q3 2021	Q1-Q3 2022	Long-term average
Share of owner-occupiers	1.7%	45.7%	15.2%
Share of new buildings	45.6%	78.4%	48.0%

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## OUTLOOK

- / Already by the end of September, a new record take-up is in the books. However, it remains to be seen whether annual take-up will surpass the 1 million m<sup>2</sup> threshold for the first time ever. This is likely to be a record for the ages, not only for the German capital, but for all German top logistics markets. Against the backdrop of the currently recorded demand for logistics space, there is definitely a realistic chance that this could succeed.
- / However, the looming recession is likely to be felt in Berlin's logistics market over the next few quarters. As a result, a decrease in take-up is very likely just as the postponement of a number of project developments.
- / Thus, the supply of space will remain limited over the next few quarters, making a further slight increase in rents the most likely scenario.

# LOGISTICS MARKET REGION BERLIN



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Published by: BNP Paribas Real Estate GmbH | Edited by: BNP Paribas Real Estate Consult GmbH | As of: 30.09.2022  
 Contact: Christopher Raabe, Head of Logistics & Industrial | Phone [+49 \(0\)40-348 48-0](tel:+49(0)40-34848-0)  
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