

LOGISTICS MARKET LEIPZIG

AT A GLANCE Q3 2022

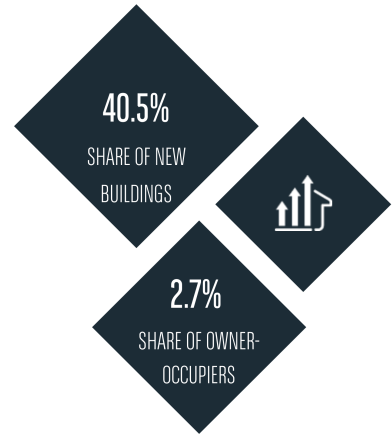
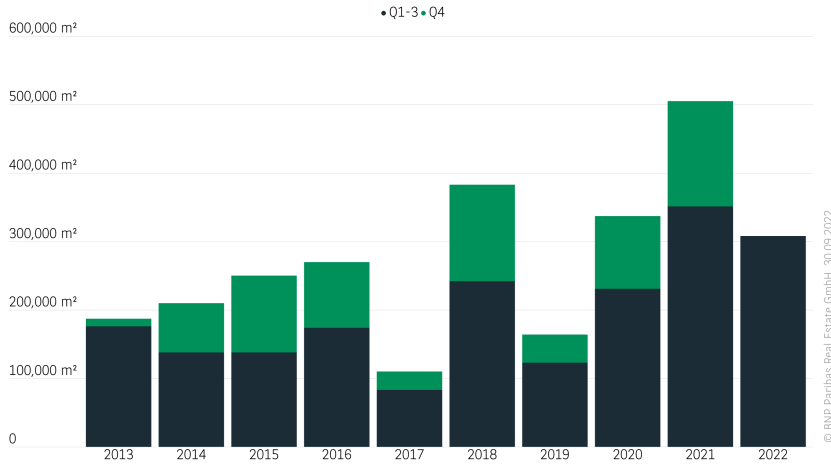


SECOND BEST RESULT IN THE LAST 10 YEARS

- / Leipzig's logistics market was very dynamic in the first three quarters. Although last year's record result was missed by around 12%, take-up still amounted to 308,000 m² in the first three quarters of the year, exceeding the long-term average by 57%. The latest result is the second-best of the past ten years.
- / The recession, which is becoming increasingly apparent, is therefore not yet reflected in take-up. Rather, the supply shortage in the Leipzig market has continued to be the determining factor in the year to date, preventing an even better performance.
- / The combination of excess demand and the recent sharp rise in construction costs has resulted in a year-on-year increase in the prime rent of 30 cents to 4.90 €/m².

LARGE DEALS DRIVE TAKE-UP

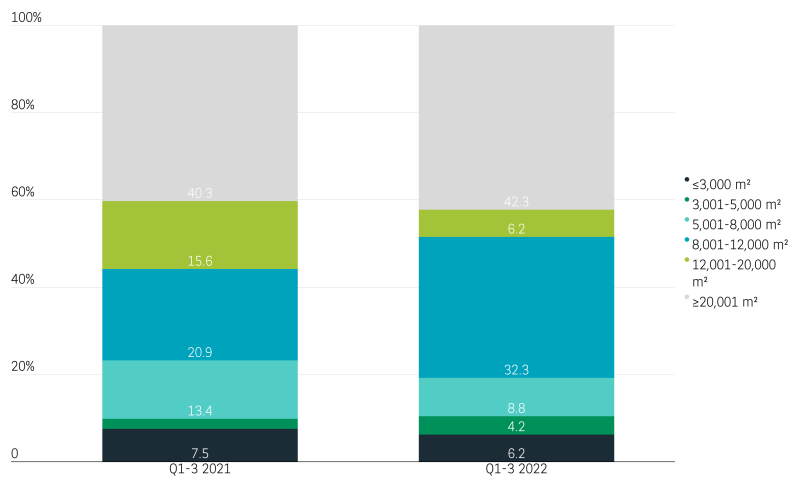
Light industrial and logistics take-up in Leipzig



Take-up by sector Q3 2022



Take-up by size category



- Leipzig has traditionally been a highly attractive location for manufacturing companies. This is currently reflected to a large extent in the distribution of take-up among the industry categories. With a proportionate 56%, manufacturing companies lead the ranking by a wide margin, which is not least due to the largest deal of the year, the expansion of the BMW plant by a further 55,000 m².
- As usual, large deals above the 20,000 m² continue to dominate market activity in Leipzig in 2022. They currently contribute around 42% to the result, which is roughly in line with the long-term average. However, unusually high momentum can also be observed in the mid-sized segment. In the 8,000 to 12,000 m² segment alone, for example, more than 10 contracts were concluded, adding up to around 100,000 m² and thus a new record.

KEY FIGURES



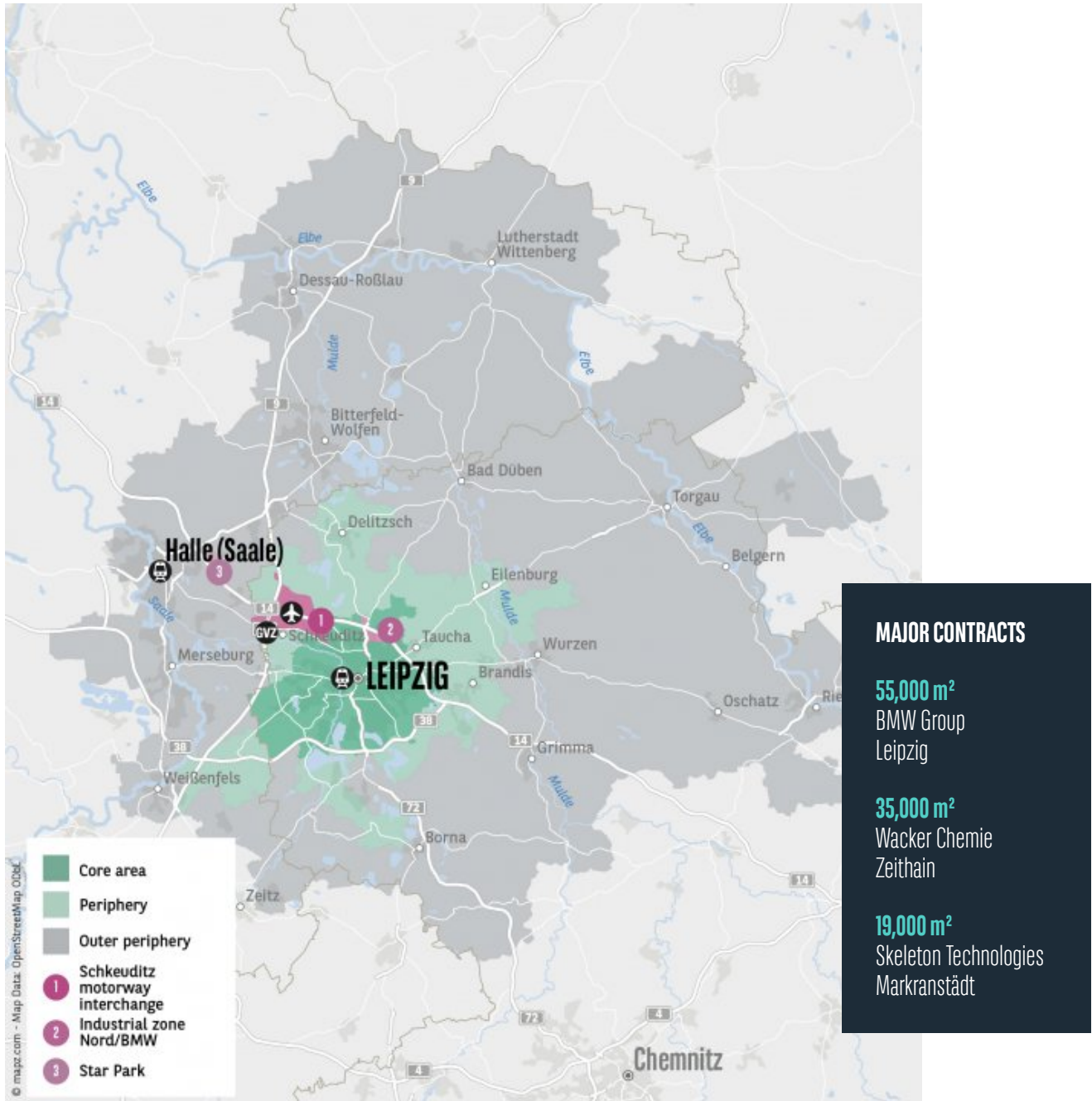
Rents	Q1-Q3 2021	Q1-Q3 2022	%-Difference
Prime rent (in €/m ²)	4.60	4.90	6.5%
Average rent (in €/m ²)	4.00	4.10	2.5%
Take-up and sectors	Q1-Q3 2021	Q1-Q3 2022	Long-term
Total take-up	351,000 m ²	308,000 m ²	196,000 m ²
Logistics firms	24.7%	22.6%	33.4%
Wholesale/retail	44.0%	19.5%	32.5%
Manufacturing	27.5%	55.6%	27.8%
Others	3.8%	2.3%	6.3%
Size categories	Q1-Q3 2021	Q1-Q3 2022	10-Year average
Share of deals > 20,000 m ²	40.3%	42.3%	43.3%
Share of deals ≤ 20,000 m ²	59.7%	57.7%	56.7%
Owner-occupiers/new building share	Q1-Q3 2021	Q1-Q3 2022	10-Year average
Share of owner-occupiers	15.8%	2.7%	31.0%
Share of new buildings	51.9%	40.5%	56.4%

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OUTLOOK

- / The high momentum on the Leipzig logistics market has so far remained unbroken. However, as in all other locations, further development in the coming months depends on the extent of the looming recession and the further development of the energy crisis. It therefore remains to be seen whether it will be possible to break through the 400,000 m² barrier for the second time in history by the end of the year. From today's perspective, however, this certainly seems within the realm of possibility.
- / Even if a short-term drop in user demand currently seems fairly unlikely, cost calculation is proving challenging for many project developers these days given the rapidly changing framework conditions. This could lead to a further intensification of the shortage in supply. Taking these factors into account, a further increase in rental prices is expected by the end of the year, with prime rents likely to break through the €5.00/m² mark for the first time ever.

LOGISTICS MARKET REGION LEIPZIG



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