

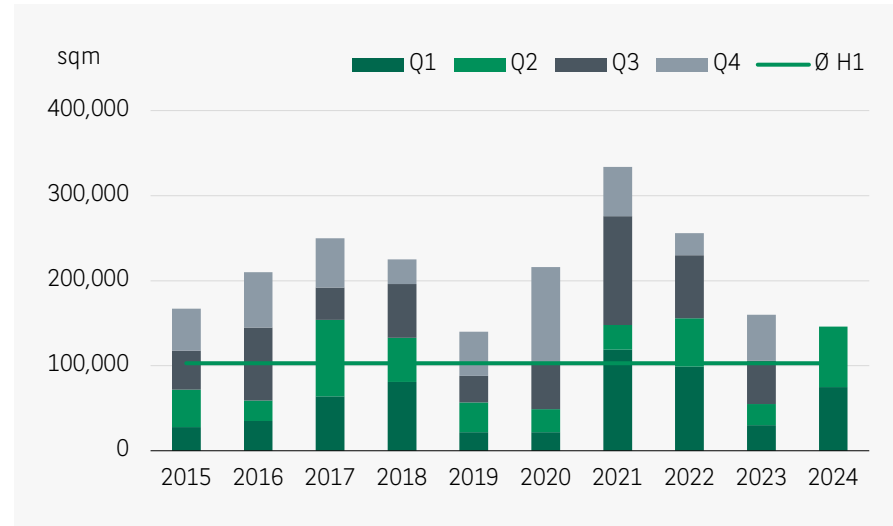


COLOGNE

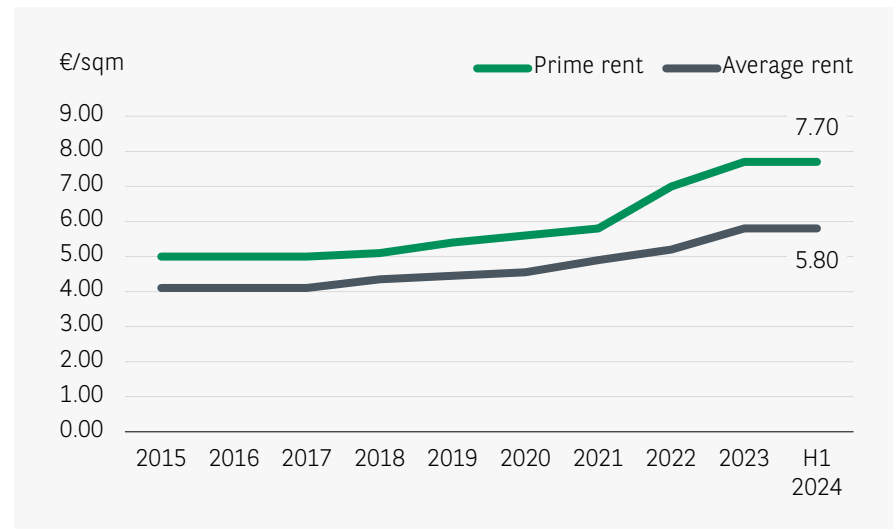
REPORT LOGISTICS MARKET

H1 2024

Development of light industrial and logistics take-up



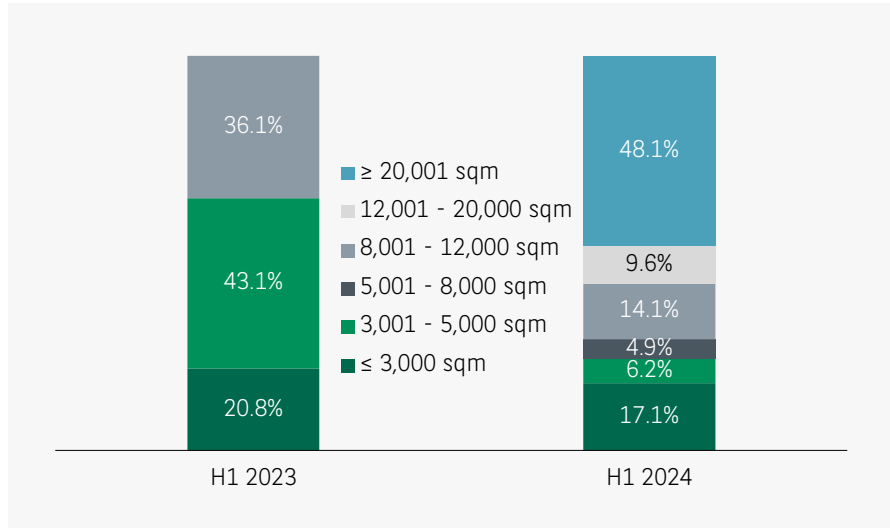
Prime and average rents



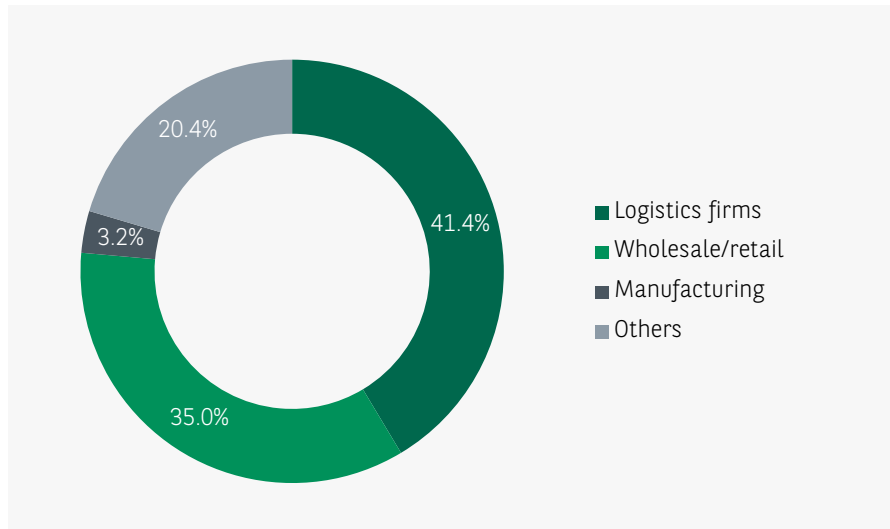
DUE TO MAJOR DEALS: ONLY GERMAN TOP MARKET WITH ABOVE-AVERAGE HALF-YEAR RESULTS

- Despite the challenging market environment driven by the overall sluggish German economy and the continued decrease of supply, the Cologne logistics market can report good letting momentum at mid-year.
- With take-up totalling 146,000 sqm, the logistics region of the Rhine metropolis is the only German top market to close the first half of the year with an above-average result. The Cologne market area exceeded the very weak result of the previous year by a solid 165% and outperformed the long-term average by a remarkable 42%. The good result is also apparent in nationwide comparison. In H1 2024, Cologne's take-up is above the average for the most important markets of around 122,000 sqm.
- It is also pleasing that the lively market activity is not only reflected in the high take-up level, but also in a good number of deals. Nevertheless, the excellent result would not have been possible without the e-commerce furniture retailer Woltu, which took 44,500 sqm in an older existing building. It was one of the largest deals of the last five years. However, Woltu will use the property only until it can be converted to residential use. It is also worth noting that this contract and overall around 85% of H1 take-up was generated in the core area of Cologne's logistics region, which emphasises the importance of well-connected logistics space close to the city centre.
- As in other markets, rents are now stabilising. Since the end of 2023, the prime rent has stood at €7.70 per sqm and the average rent at €5.80 per sqm.

Take-up by size category



Take-up by sector



LARGE DEALS AND LOGISTICS FIRMS IMPORTANT PILLARS

- Relegated only by the Ruhr region (around 117,000 sqm), the Cologne logistics market recorded the highest take-up with large lettings of 20,000 sqm or more (approx. 70,000 sqm) in H1 2024. Thanks to the retail company Woltu (44,500 sqm) and the sub-letting of the logistics firm Blitz (25,400 sqm), large deals accounted for 48% of take-up in the market. However, the smallest category of up to 3,000 sqm was also particularly dynamic, accounting for around 70% of registered contracts and 17% of the volume.
- The influence of the aforementioned major contracts is also reflected in the sector ranking, which was dominated by logistics firms (41%) and the retail sector (35%). By contrast, only a few smaller lettings and a very low market share of 3% were reported from the manufacturing sector at the mid-year point.

Major contracts

Quarter	Company	Location	sqm
Q1	Woltu	Cologne	44,500
Q1	Blitz	Cologne	25,400
Q2	Logistics firm	Cologne	14,000
Q2	Logistics firm	Cologne	10,500

OUTLOOK

- Driven by two large-scale deals and a solid number of contracts, the Cologne logistics market can look back on a very good first half of the year. However, it should be noted that most of all the large scale deals which were completed in older premises are not a given and stand out in the current market phase. Rather, the ongoing requests are largely focussed on smaller or medium-sized spaces and less on the very large big boxes, which are usually responsible for high take-up.
- It is particularly noteworthy that the current result was achieved without any owner-occupier contracts or lettings in the new-build segment. In the new-build sector, the completion of a number of speculative projects is expected to increase the share of take-up in this quality segment in the short term. This would also mean that peripheral locations, which have remained underrepresented over the course of the year to date but where many of those projects are under construction, will attract additional demand in the coming quarters.
- Against the backdrop of the general conditions outlined above, it can be assumed that take-up in the second half of the year will build on the good demand base at mid-year and also achieve a result above the long-term average for the year as a whole. However, this is unlikely to lead to further increases in rents; at present, the stabilisation trend is expected to continue, both at the peak and on average.

Key figures logistics market Cologne

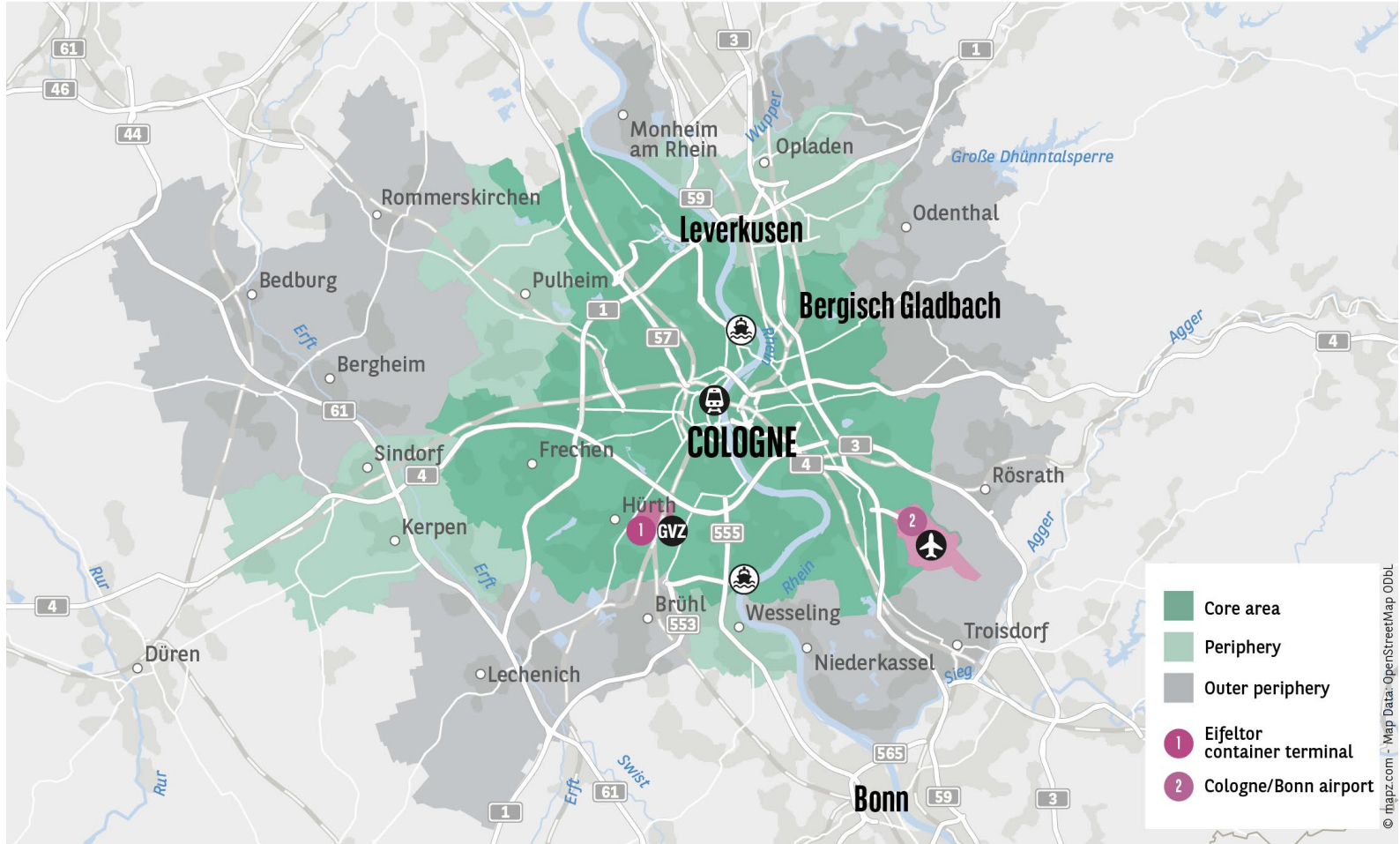
RENTS AND TAKE-UP	H1 2023	H1 2024	%-DIFFERENCE
Prime rent (in €/sqm)	7.50	7.70	2.7%
Average rent (in €/sqm)	5.50	5.80	5.5%
Total take-up (in sqm)	55,000	146,000	165.5%

SECTORS	H1 2023	H1 2024	LONG-TERM Ø
Logistics firms	35.8%	41.4%	28.3%
Wholesale/retail	40.8%	35.0%	27.5%
Manufacturing	14.8%	3.2%	25.9%
Others	8.6%	20.4%	18.3%

SIZE CATEGORIES	H1 2023	H1 2024	LONG-TERM Ø
Share of deals > 20,000 sqm	0.0%	48.1%	18.9%
Share of deals ≤ 20,000 sqm	100.0%	51.9%	81.1%

OWNER-OCCUPIERS/NEW BUILDING SHARE	H1 2023	H1 2024	LONG-TERM Ø
Share of owner-occupiers	5.5%	0.0%	9.9%
Share of new buildings	14.6%	0.0%	30.1%

LOGISTICS MARKET COLOGNE



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