

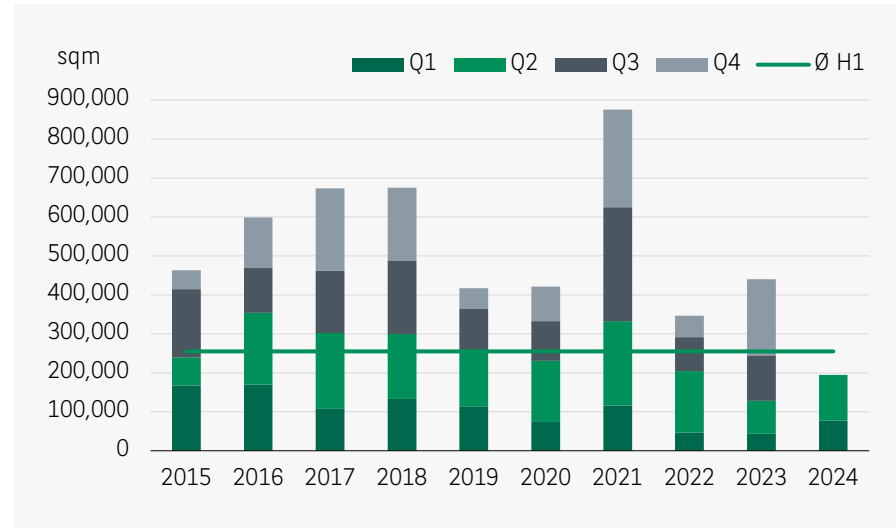


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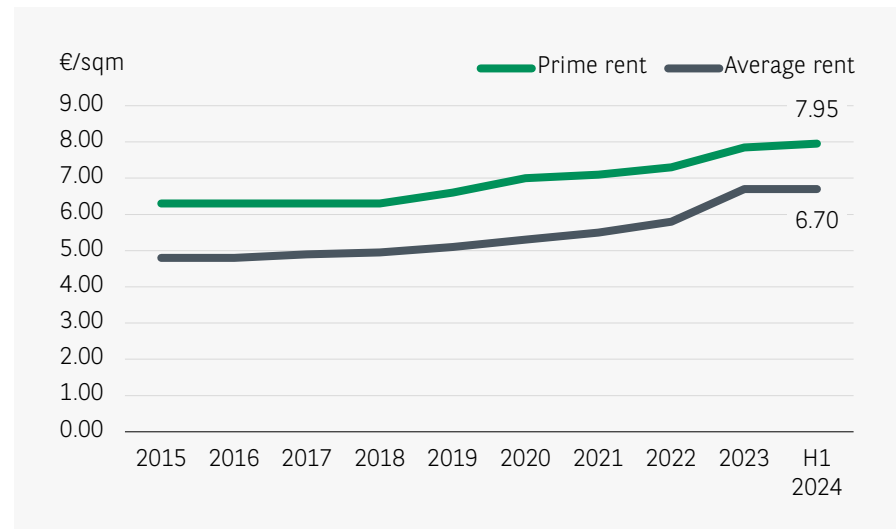
REPORT LOGISTICS MARKET

H1 2024

Development of light industrial and logistics take-up



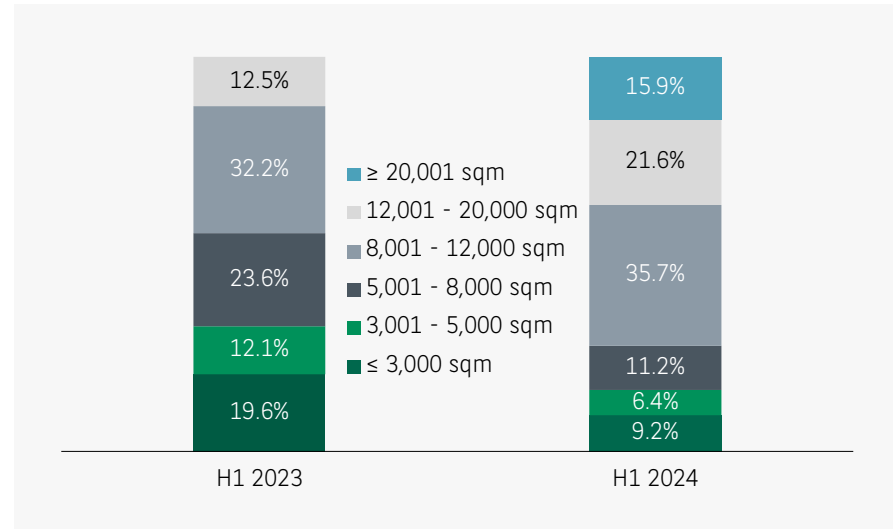
Prime and average rents



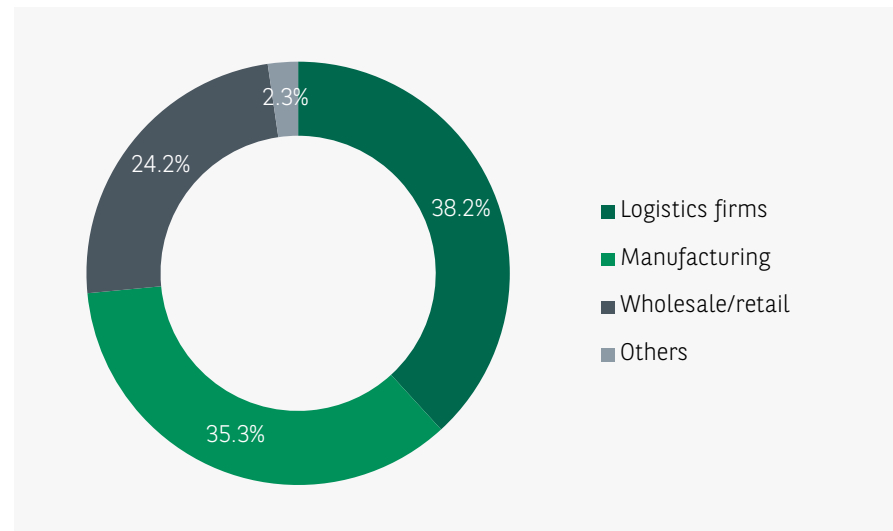
NOT YET BACK IN THE AVERAGE RANGE, BUT TOP IN AN Y-O-Y AND LOCATION COMPARISON

- In a generally challenging market environment due to the still comparatively weak economic development and the continuing supply bottlenecks, the Frankfurt logistics market was able to take the lead among the top markets in the middle of the year.
- With take-up totalling 195,000 sqm, the current result is 24% short of the long-term half-year average, but the increase in take-up of 52% compared to the previous year and the top ranking in a comparison of locations show that the logistics region of the Main metropolis has achieved a good interim given the current framework conditions.
- The fact that the share of new builds in take-up reached 64%, which is the highest figure among the most important logistics markets, is a positive sign. In this segment in particular, there was a lack of supply and letting momentum in many locations due to the difficult market conditions for project developments. Although the high proportion of take-up in Frankfurt is pleasing, it can only be seen as a snapshot due to the continuing shortage of supply.
- Overall, rents have stabilised at the level reached at the turn of the year. The prime rent rose marginally by 1% to €7.95 per sqm in the second quarter. The average rent has remained stable at €6.70 per sqm since the end of 2023.

Take-up by size category



Take-up by sector



DEMAND VERY MUCH FOCUSED ON MEDIUM-SIZED DEALS

- In terms of the distribution of take-up across the size categories, the decisive demand impetus can currently be observed in the medium-sized segments: At 57%, the bulk of the volume was generated by deals between 8,000 and 20,000 sqm. The largest contract by far was signed by owner-occupier DHL for 31,000 sqm in Florstadt. This gives large deals a market share of just under 16 %, while smaller contracts of up to 8,000 sqm account for a further 27 %.
- In the sector ranking, logistics firms, the industrial sector and the retail sector are the three most important occupier groups, each with high take-up contributions. Logistics firms (38%) are in first place, partly due to the DHL deal, production companies (35%) benefit not least from the expansion of Siemens at the Ostend site and the new distribution centre for Aldi Süd in Mörfeld-Walldorf stands out in the wholesale/retail sector (24%).

Major contracts

Quarter	Company	Location	sqm
Q2	DHL	Florstadt	31,000
Q2	Aldi Süd	Mörfelden-Walldorf	15,000
Q2	Fahrrad Denfeld Radsport	Bad Homburg	14,000
Q2	Siemens	Frankfurt	13,000
Q1	Gebr. Thomaidis	Hanau	12,000

OUTLOOK

- Despite the challenging market conditions, the Frankfurt logistics market was comparatively resilient and ended the first half of the year as the logistics location with the highest take-up.
- The Frankfurt logistics region benefits from its strategically favourable location between the Rhine-Main and Rhine-Neckar regions, which enables market participants to serve both sales regions from one location, especially in the current consolidation phase. In addition, there is currently increased demand registered for regions with a strong manufacturing base such as Kassel, Koblenz and Mannheim. Also for peripheral locations in southern or central Rhineland-Palatinate, which have a better supply situation and a more moderate rent level than the core area a rise in demand has been recorded.
- The expansion efforts in the retail and e-commerce sector, which are increasingly being registered again, are also ensuring increased letting momentum in the Frankfurt market area as well as in other locations.
- Another important demand trend that has emerged is the high proportion of take-up in the new-build segment (64%) compared with other locations, as well as the high level of momentum on the owner-occupier side (45%). Given that ever fewer projects are being initiated on a speculative basis and land for the development of owner-occupier properties is in short supply, the supply situation will continue to tighten in the future, as is already the case in other German top logistics markets.
- Overall, for the second half of the year take-up is likely to remain above the previous year's level but below average. Less momentum is expected in the development of rents, although slight upward movements are still possible.

Key figures logistics market Frankfurt

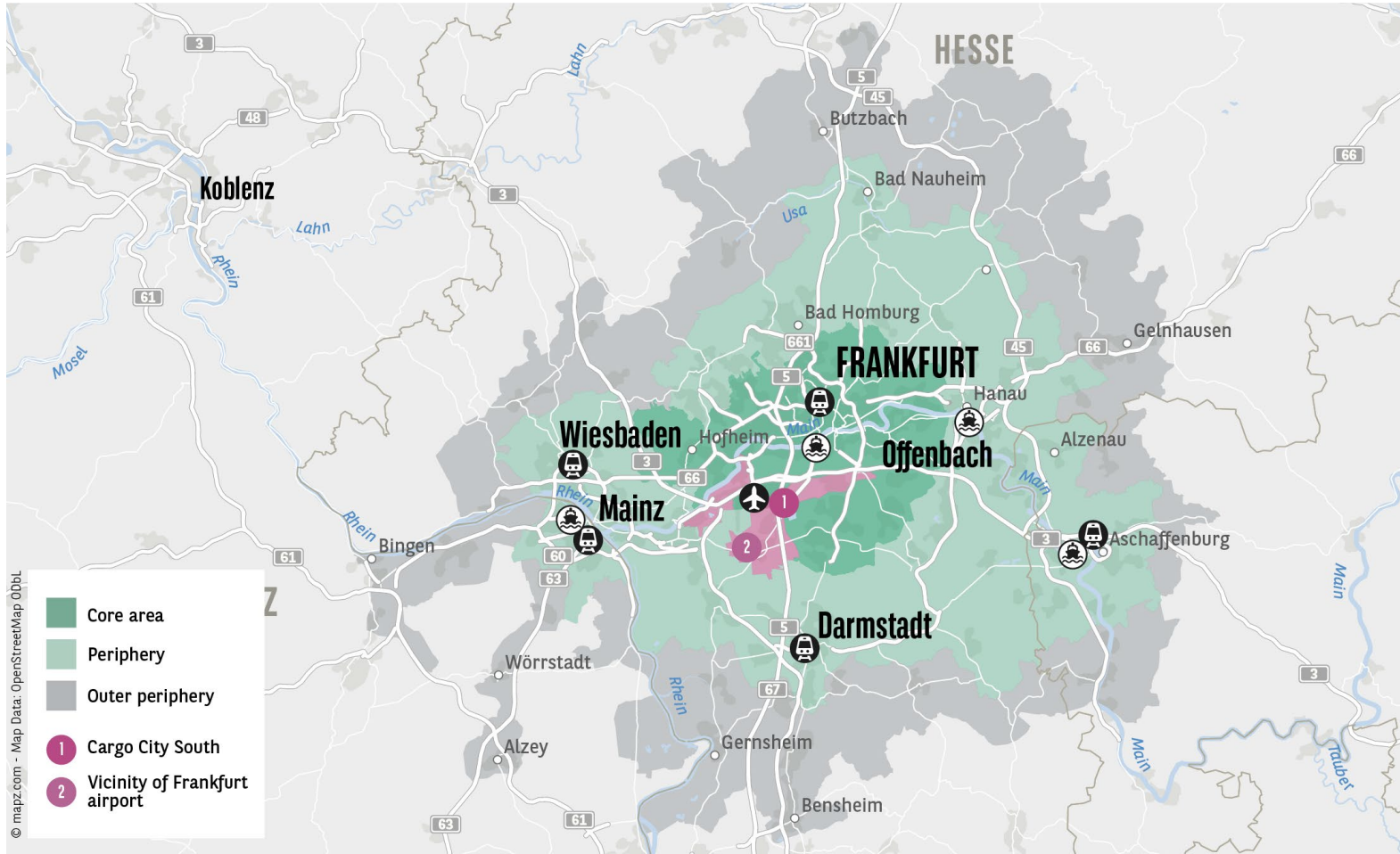
RENTS AND TAKE-UP	H1 2023	H1 2024	%-DIFFERENCE
Prime rent (in €/sqm)	7.50	7.95	6.0%
Average rent (in €/sqm)	6.20	6.70	8.1%
Total take-up (in sqm)	128,000	195,000	52.3%

SECTORS	H1 2023	H1 2024	LONG-TERM Ø
Logistics firms	40.3%	38.2%	39.0%
Wholesale/retail	22.3%	24.2%	31.8%
Manufacturing	29.7%	35.3%	22.4%
Others	7.7%	2.3%	6.8%

SIZE CATEGORIES	H1 2023	H1 2024	LONG-TERM Ø
Share of deals > 20,000 sqm	0.0%	15.9%	27.4%
Share of deals ≤ 20,000 sqm	100.0%	84.1%	72.6%

OWNER-OCCUPIERS/NEW BUILDING SHARE	H1 2023	H1 2024	LONG-TERM Ø
Share of owner-occupiers	16.3%	45.3%	24.6%
Share of new buildings	45.0%	64.0%	55.9%

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