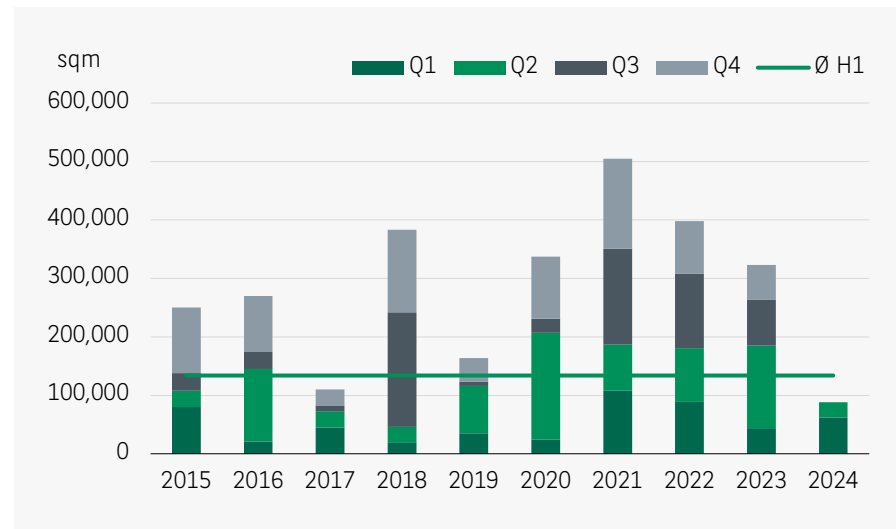


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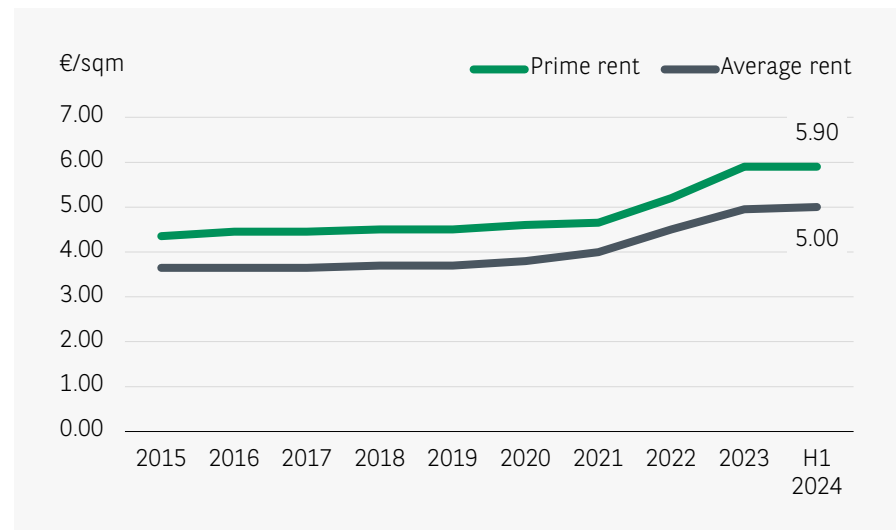
REPORT LOGISTICS MARKET

H1 2024

Development of light industrial and logistics take-up



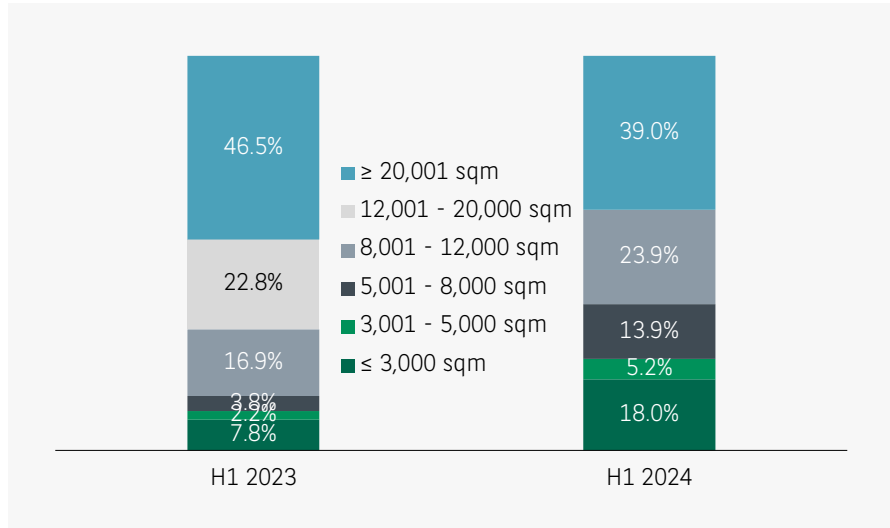
Prime and average rents



HARDLY ANY MAJOR DEALS, BUT DYNAMIC IN THE SMALL-SPACE SEGMENT

- The Leipzig logistics market recorded take-up of 88,000 sqm in the first half of the year. This corresponds to a decrease of 52% compared to the same period of the previous year and, at -34%, also deviates significantly from the ten-year average. After a good start to the year with an above-average result, the second quarter mainly saw smaller deals, meaning that there were no further drivers of take-up. At 62%, the majority of the result were also attributable to owner-occupiers.
- In H1, take-up in almost all other major logistics locations and also across the entire German logistics market was below the long-term average. Due to the persistently weak economic development, many companies are noticeably more cautious when it comes to renting new space, particularly in the large-scale segment, and tend to extend existing rental agreements where possible.
- While Leipzig's supply within the city boundaries is still too low and, due to a lack of suitable development plots, consists mainly of existing space that is becoming vacant, the supply in the peripheral area is growing due to the progress of construction and the completion of project developments that have not yet been let.
- Following the significant increase in 2022 and 2023, rents stabilised in the first half of the year 2024 and are thus following the nationwide trend of largely moving sideways. Accordingly, the prime rent remains at €5.90 per sqm, while the average rent is €5 per sqm.

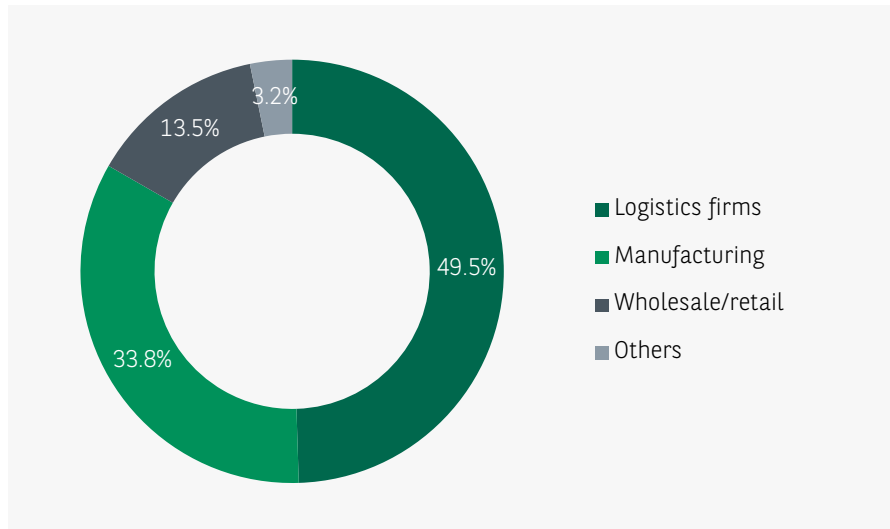
Take-up by size category



LOGISTICS FIRMS STRONGEST SECTOR

- Take-up by size category is dominated by the larger deals in the first quarter. Almost 39% is accounted for by the 20,000 sqm and above category, which includes the new DHL building in StarPark in Halle with around 34,000 sqm. The segment between 12,000 and 20,000 sqm remains completely unoccupied, while the 8,000 to 12,000 sqm category accounts for 24 % of take-up, which includes Opes Solar Mobility in Zwenkau (10,800 sqm) and ThyssenKrupp Automotive Systems in Leipzig (10,000 sqm).
- In terms of sector distribution, logistics firms generated almost half of take-up due to the large-scale DHL development. Manufacturing companies are responsible for 34% of the result, while wholesale/retail companies contribute 13.5%. This means that the latter two sectors are still underrepresented in a long-term comparison.

Take-up by sector



Major contracts

Quarter	Company	Location	sqm
Q1	DHL Supply Chain	Halle (Saale)	34,000
Q1	Opes Solar Mobility	Zwenkau	10,800
Q1	ThyssenKrupp Automotive Systems	Leipzig	10,000
Q1	Slam Deutschland	Oschatz	6,200
Q2	Tesvolt	Lutherstadt Wittenberg	6,000

OUTLOOK

- The demand momentum for the second half of the year depends very much on the further economic development. Due to the currently rather weak economic conditions, many companies are postponing their expansion plans for the time being and are waiting for a noticeable economic upturn. This applies in particular to the large-scale segment, where only one contract was signed in the first half of the year and which therefore made a significantly lower absolute contribution to take-up than in the past five years in particular.
- While the leading economic institutes are forecasting only slight economic growth for Germany until the end of the year, the global economy should provide more momentum. Nonetheless, it must be expected that take-up for the year as a whole will not reach the ten-year average (295,000 sqm).
- On the supply side, it can be assumed that the division of the market described above will continue, with an insufficient supply of space in Leipzig's city centre and a greater supply in the outer periphery. The large-scale speculative property developments currently under construction are expected to be completed in the coming quarters and will not be fully absorbed by the market by then.
- Against this backdrop, hardly any changes are to be expected for rents initially. However, it remains to be seen how the increasing supply of new-build space in the periphery will affect the development of rents.

Key figures logistics market Leipzig

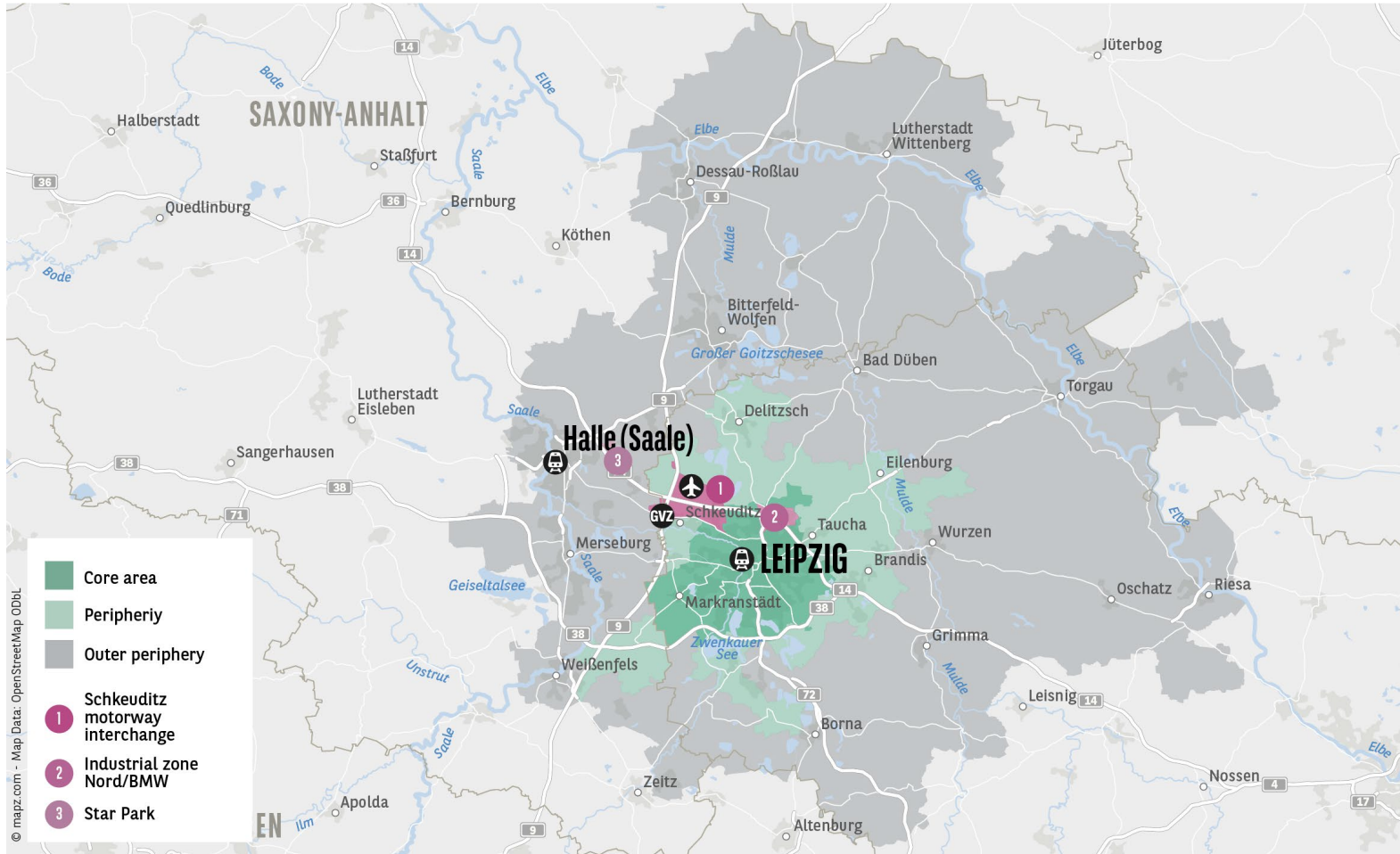
RENTS AND TAKE-UP	H1 2023	H1 2024	%-DIFFERENCE
Prime rent (in €/sqm)	5.60	5.90	5.4%
Average rent (in €/sqm)	4.70	5.00	6.4%
Total take-up (in sqm)	185,000	88,000	-52.4%

SECTORS	H1 2023	H1 2024	LONG-TERM Ø
Logistics firms	33.6%	49.5%	33.1%
Wholesale/retail	4.9%	13.5%	24.9%
Manufacturing	54.6%	33.8%	36.1%
Others	6.9%	3.2%	5.9%

SIZE CATEGORIES	H1 2023	H1 2024	LONG-TERM Ø
Share of deals > 20,000 sqm	46.5%	39.0%	38.6%
Share of deals ≤ 20,000 sqm	53.5%	61.0%	61.4%

OWNER-OCCUPIERS/NEW BUILDING SHARE	H1 2023	H1 2024	LONG-TERM Ø
Share of owner-occupiers	2.6%	61.6%	33.9%
Share of new buildings	17.4%	62.4%	52.2%

LOGISTICS MARKET LEIPZIG



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