

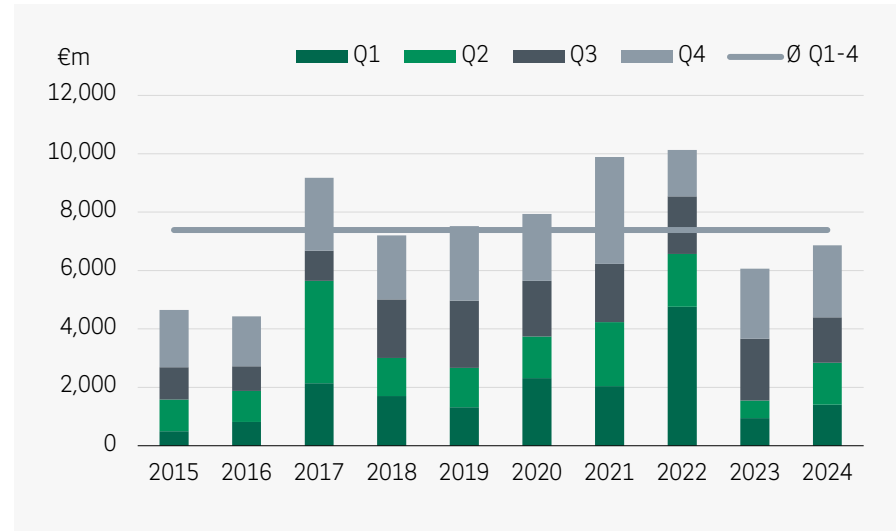
GERMANY

# REPORT

# LOGISTICS INVESTMENT MARKET

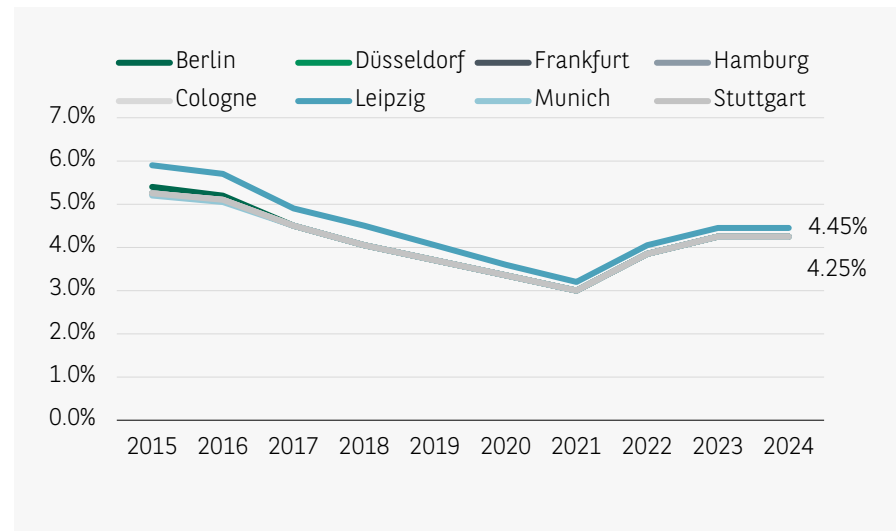
2024

## Development of logistics investment volume



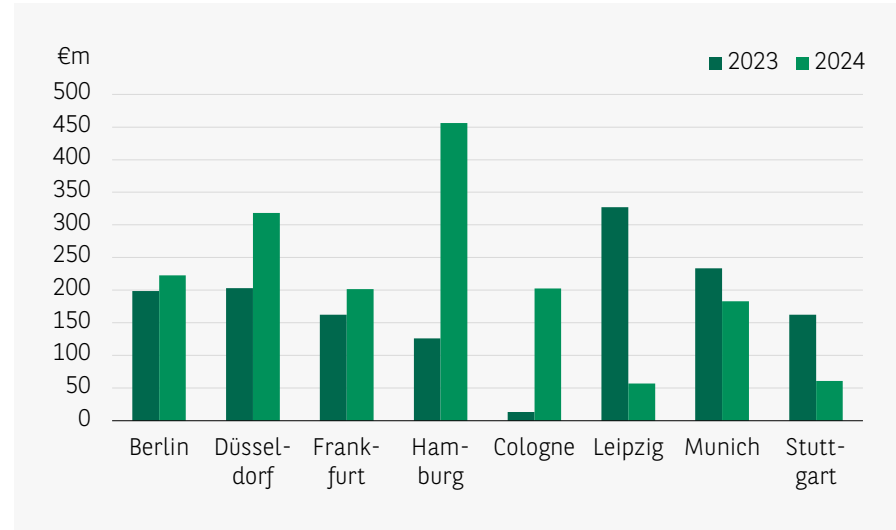
**LOGISTICS CONFIRMS TOP POSITION  
IN THE ASSET CLASS RANKING**

## Logistics net prime yields



- In 2024 investments in logistics properties successfully defended the top position they achieved for the first time in the previous year. The nationwide transaction volume amounted to €6.87 billion, which not only means the top position among the asset classes, but also a 27% share of total investment turnover. This is also an absolute record in a long-term comparison. At the same time, the result represents a 13% increase on the previous year's result. The fact that the logistics markets are currently very attractive from an investor's perspective is also demonstrated by the fact that the investment volume achieved is only seven percent below the ten-year average. No other asset class has even come close to this figure.
- It is particularly pleasing that the positive trend is being driven by both individual transactions (share: 52%) and portfolio deals (share: 48%). Logistics properties occupy a prominent position in the portfolio segment in particular. With an investment volume of a good €3.3 billion, they are responsible for 54% of all portfolio transactions in the commercial investment market. At the same time, they were able to increase their absolute volume with package sales by more than half compared to the previous year.
- As expected, the slight reduction in key interest rates by the central banks has not yet been directly reflected in purchase price levels. As a result, stabilization was also largely observed in the fourth quarter, meaning that most yields have not changed. The net prime yields for logistics properties remain at an average of 4.25% in A-locations.

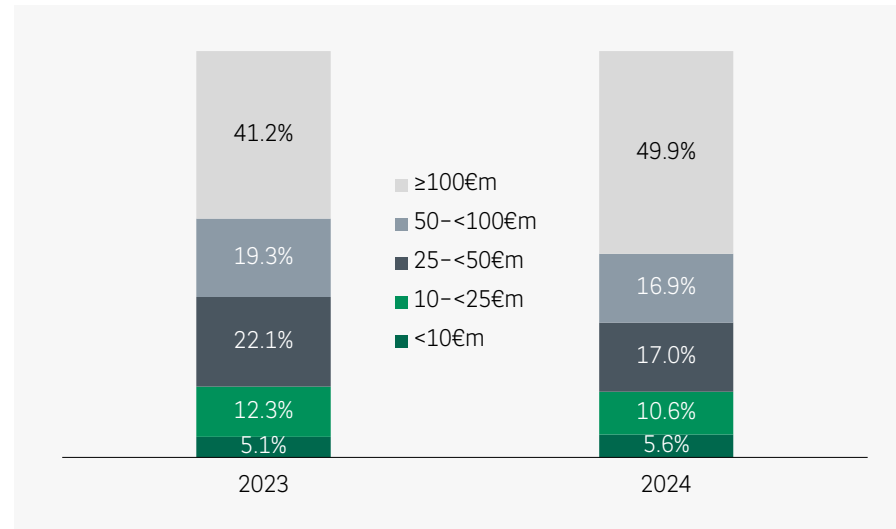
## Logistics investments in significant locations



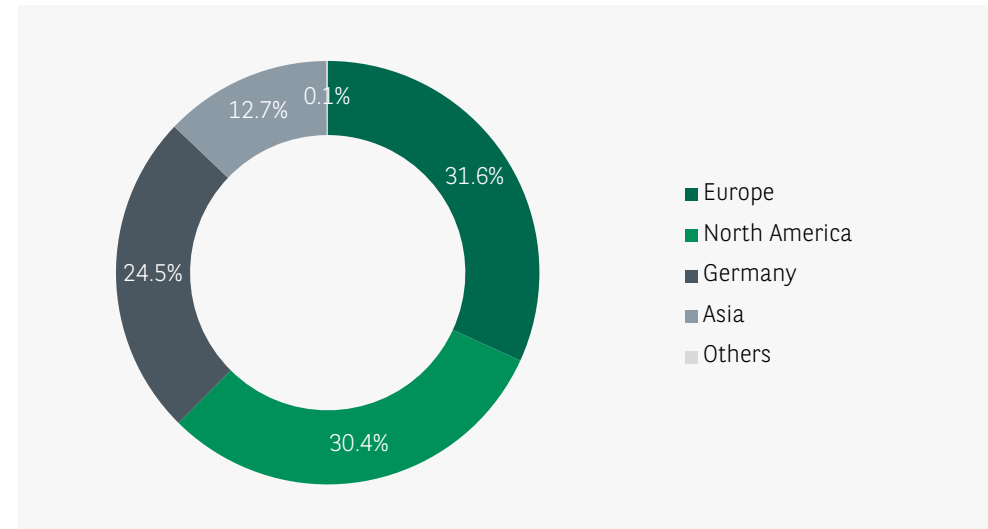
## FOREIGN INVESTORS PARTICULARLY ACTIVE

- The major logistics hubs account for a good €1.7 billion of turnover. This corresponds to around a quarter of the transaction volume. With the exception of Munich and Stuttgart, more was invested in all market regions than in the previous year. The most was invested in Hamburg with €456 million and in Düsseldorf with €318 million. Results of around €200 million each were achieved in Berlin (€223 million), Cologne (€203 million), Frankfurt (€202 million) and Munich (€183 million).
- Investor interest, particularly in large-volume properties and packages, has increased noticeably. A total of 19 transactions in the three-digit million range were recorded. Of these, a good 94% are attributable to foreign buyers. This indicates that large-volume logistics transactions in particular continue to be an extremely attractive asset class for foreign investors. In terms of the total volume of logistics investments, the proportion of foreign investors is a good 75%.

## Logistics investments by € category



## Logistics investments by origin of capital 2024



## OUTLOOK

- The logistics markets have benefited by far the most from the upward trend and the improvement in sentiment on the investment markets. It is particularly pleasing that this trend accelerated over the course of 2024. In the fourth quarter alone, €2.47 billion was invested, which corresponds to a 36% share of the annual result. It is particularly noteworthy that this also exceeded the ten-year average for the fourth quarter by 6%.
- This development suggests that the pricing phase has probably been completed and that buyers and sellers have agreed on a price level that is acceptable to both sides. This theory is supported by the very high proportion of foreign investors, which at 75% is one of the highest figures ever recorded. International investors in particular are expecting considerable future potential for value appreciation and consider the current phase to be extremely good timing for entering the German logistics market.
- Against this backdrop, there is much to suggest that the logistics investment markets should continue to benefit from the overall improvement in sentiment and rising purchase prices in conjunction with a further fall in key interest rates in 2025. This means that there is little to prevent a renewed increase in transaction volumes. How high this will be, however, remains to be seen and depends not least on Germany's economic development.
- In addition to a higher investment volume, yields are also expected to fall across the board. This is mainly due to the likely further fall in key interest rates and increasing competition on the investor side. The most likely scenario is a yield compression of 10 to 20 basis points over the course of the year.

### Key facts logistics investment market Germany

INVESTMENT VOLUME	2023	2024	CHANGE
Total (€m)	6,064	6,868	+13.3%
Portfolio share	35.2%	48.3%	+13.1%pts
Share above €100 million	41.2%	49.9%	+8.7%pts
Share of major markets	23.5%	24.8%	+1.3%pts
Share of foreign investors	47.7%	75.5%	+27.8%pts

NET PRIME YIELDS	2023	2024	CHANGE
Berlin	4.25%	4.25%	0bps
Düsseldorf	4.25%	4.25%	0bps
Frankfurt	4.25%	4.25%	0bps
Hamburg	4.25%	4.25%	0bps
Cologne	4.25%	4.25%	0bps
Leipzig	4.45%	4.45%	0bps
Munich	4.25%	4.25%	0bps
Stuttgart	4.25%	4.25%	0bps

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