

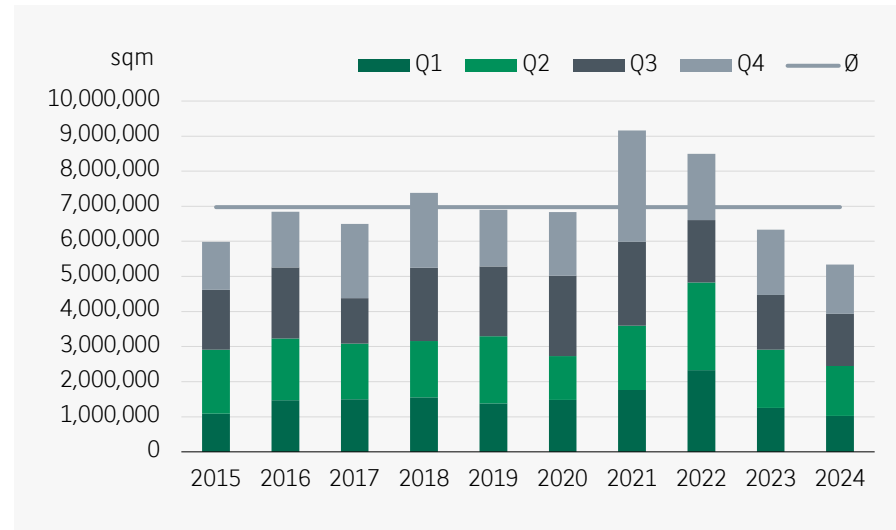


GERMANY

REPORT LOGISTICS MARKET

2024

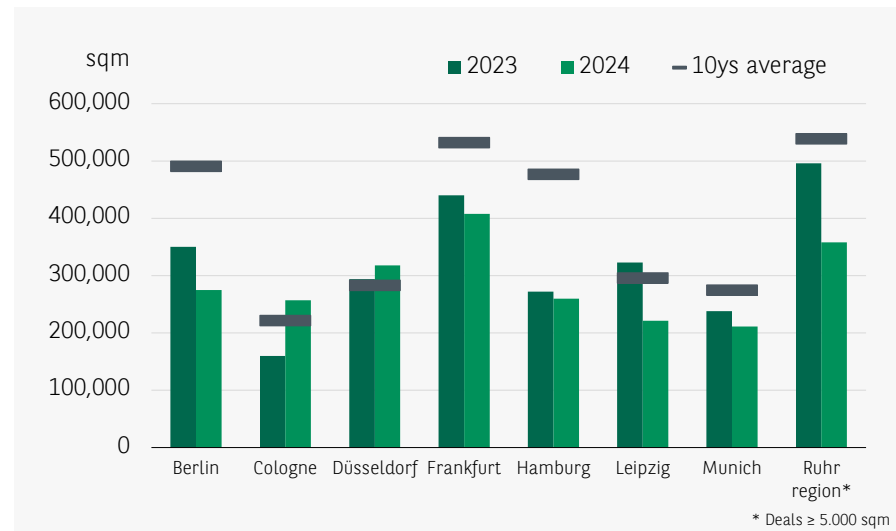
Development of light industrial and logistics take-up Germany



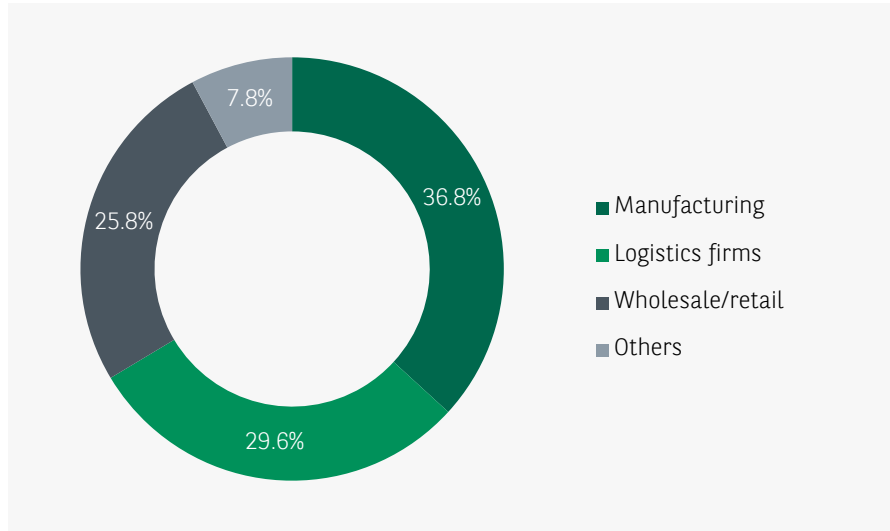
TAKE-UP BELOW PREVIOUS YEAR'S RESULT

- The German logistics market achieved take-up of around 5.3 million sqm in 2024. This result is almost 16% below the previous year's level and 24% below the ten-year average. After a very subdued start to the year, demand improved, which led to an increase in take-up in the following quarters and constant take-up over the course of the year.
- In particular, the ongoing difficult economic environment combined with only very moderate GDP forecasts for Germany indicate that the necessary impetus for comparably high warehouse and logistics take-up as in previous years is currently missing. It is especially the large-scale contracts of over 20,000 sqm that have not been concluded on a similar scale to prior years.
- Take-up on the top logistics markets (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Leipzig and Munich) totaled 1.95 million sqm and was therefore only 6.1% lower than the previous year (-24% compared to the 10-year average). Of these, Düsseldorf (318,000 sqm; +8.2%) and Cologne (257,000 sqm; +60.6%) are the only markets that were able to increase their results year-on-year and are also well above the ten-year average at +12% and +16% respectively.
- However, the highest take-up was recorded in Frankfurt (408,000 sqm; -7.3%). Berlin (275,000 sqm; -21.4%), Hamburg (260,000 sqm, -4.4%) and Cologne ranked behind Düsseldorf which took second place. Leipzig achieved 221,000 sqm (-31.6%) and Munich 211,000 sqm (-11.3%). In addition, the Ruhr region ended the year with take-up of 358,000 sqm (-27.8 %).

Take-up in important logistics markets



Take-up by sector



MANUFACTURING COMPANIES WITH HIGHEST SHARE OF TAKE-UP

- In terms of distribution by sector, manufacturing companies are in the lead with 36%. In addition to restructuring and consolidation measures, this segment also includes changes in the automotive industry. This is reflected in the two largest contracts of the year: BMW's new battery plant in Straßkirchen (150,000 sqm) and a new logistics centre for Mercedes-Benz in Bischweier (100,000 sqm).
- Logistics firms were considerably more active during the year than indicated by their market share of around 30%, as they often utilise their available space capacity before securing additional space through new lettings. Overall, there are also significantly more tenders in this segment, meaning that demand is likely to increase again in the future.
- Although retail companies did not match the high take-up of the e-commerce boom years with 26%, they increased their absolute result from the previous year. It is especially noteworthy that these companies are responsible for the highest take-up in the large-scale segment. These include lettings such as Nordwest Handel in Alsfeld (70,000 sqm), Fressnapf in Nörvenich (68,000 sqm) and Lidl in Hückelhoven (64,000 sqm).
- Prime rents in the individual logistics hubs rose only slightly in isolated cases over the course of the year, resulting in an average increase of 2%. The highest rent of €10.50 per sqm continues to be achieved in Munich, while Düsseldorf recorded the strongest growth of +8% to €8.50 per sqm.

Prime and average rents in important logistics markets

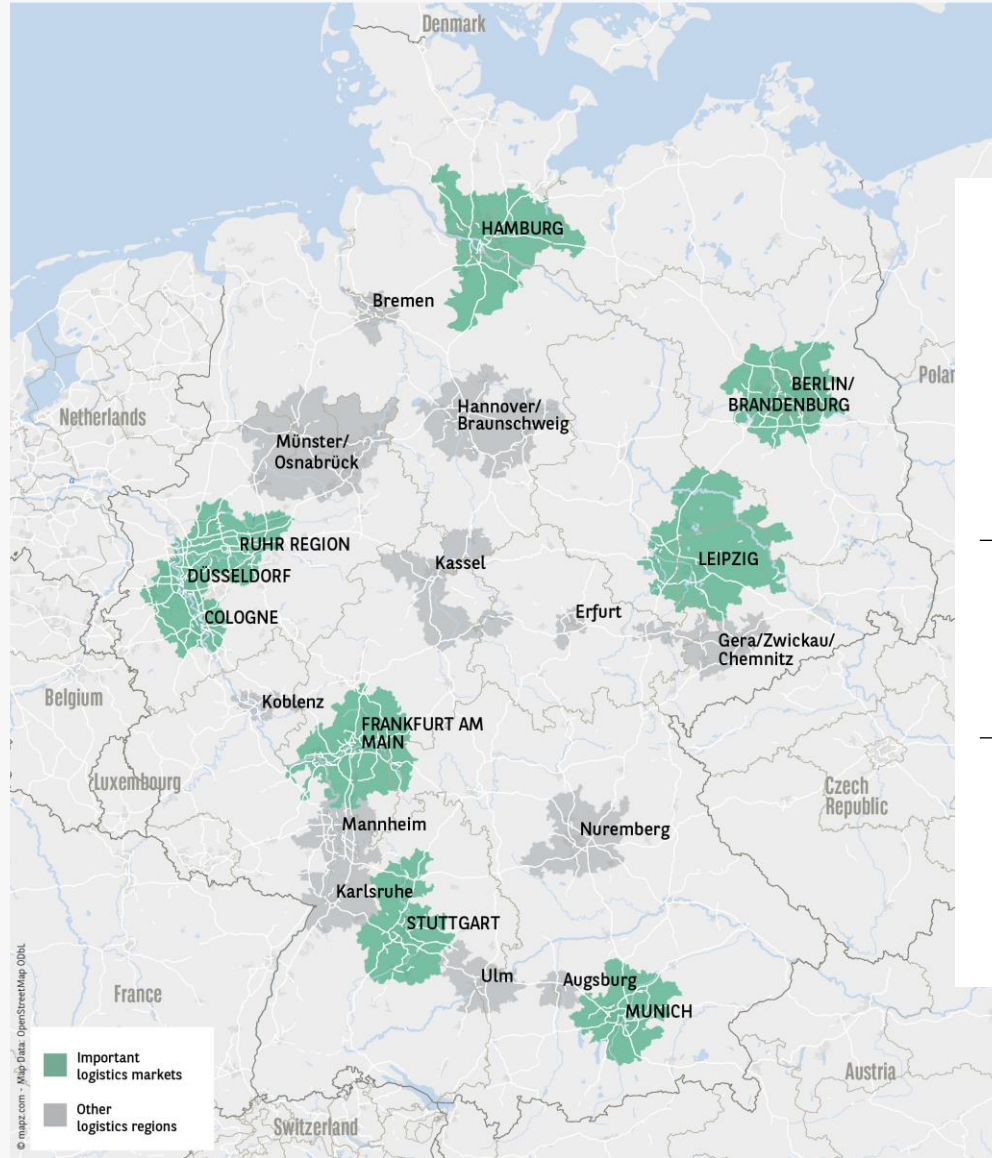


- The general conditions for the further development of the warehouse and logistics market are unlikely to change much in 2025. The current forecasts of the leading German economic institutes assume modest growth in gross domestic product of well below 1% at best, which means that the economic environment will remain challenging.
- However, the political decisions to be expected at national and international level should become clearer over the course of the year, giving companies more planning security.
- Positive signals also emanate from falling interest rates, a lower inflation rate and rising wages, which should have a positive effect on domestic demand. Increasing corporate investment and rising private consumer spending should also further revitalise demand for warehouse and logistics space.
- Against this backdrop, it can be assumed from today's perspective that the nationwide take-up will initially remain stable and will only increase significantly once there is a noticeable economic upturn. The somewhat larger supply in some cases will result in opportunities to rent modern properties in good locations at short notice.
- In terms of rents, both prime and average rents in the top markets could continue to rise slightly.

Key figures logistics market Germany

	2023	2024	CHANGE %
Important logistics markets			
Berlin	350,000	275,000	-21.4%
Cologne	160,000	257,000	60.6%
Düsseldorf	294,000	318,000	8.2%
Frankfurt	440,000	408,000	-7.3%
Hamburg	272,000	260,000	-4.4%
Leipzig	323,000	221,000	-31.6%
Munich	238,000	211,000	-11.3%
Subtotal	2,077,000	1,950,000	-6.1%
Other locations (≥ 5,000 sqm)			
Ruhr region	496,000	358,000	-27.8%
Other logistics regions (see map)	1,420,000	1,112,000	-21.7%
Rest of Germany	2,338,000	1,916,000	-18.0%
Subtotal	4,254,000	3,386,000	-20.4%
Total Germany	6,331,000	5,336,000	-15.7%
Share of owner-occupiers	34.2%	29.8%	-4.4%pts
Share of new buildings	66.5%	61.2%	-5.3%pts

LOGISTICS MARKET GERMANY



Major contracts

150,000 SQM

BMW
Straßkirchen

100,000 SQM

Mercedes-Benz Group
Bischweier

68,000 SQM

Fressnapf
Nörvenich

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