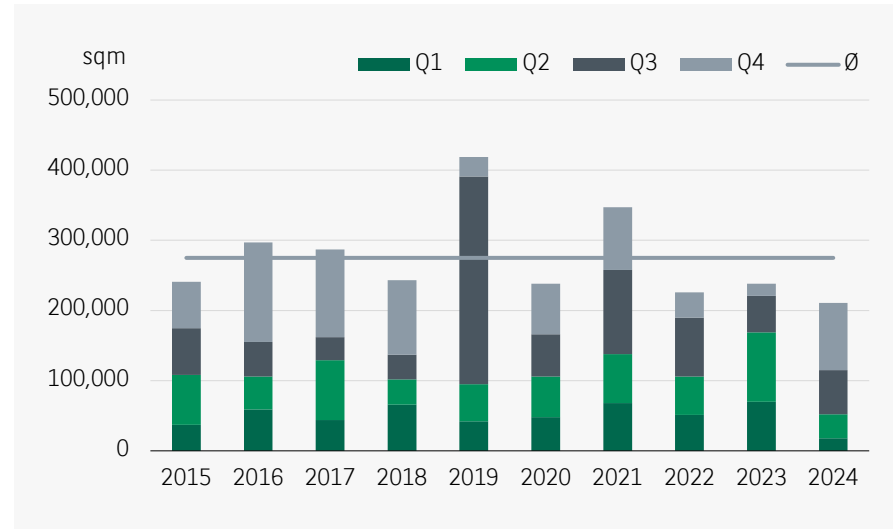


MUNICH

REPORT LOGISTICS MARKET

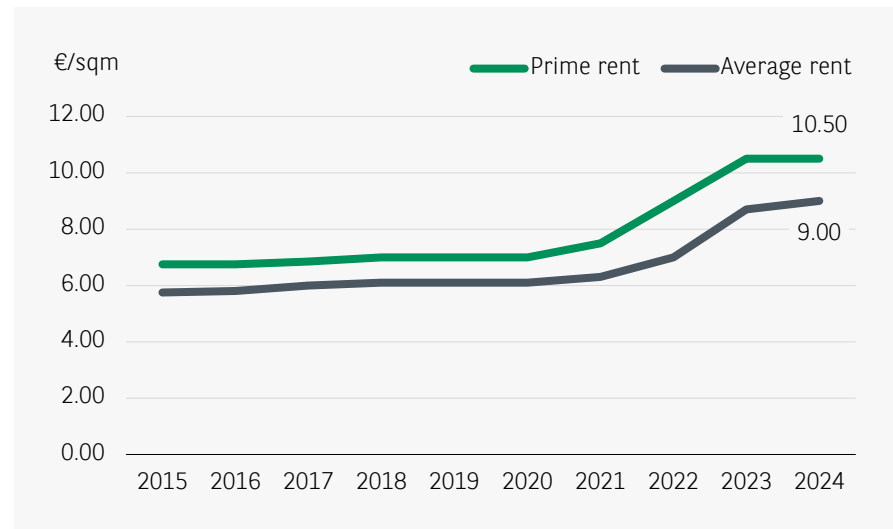
2024

Development of light industrial and logistics take-up



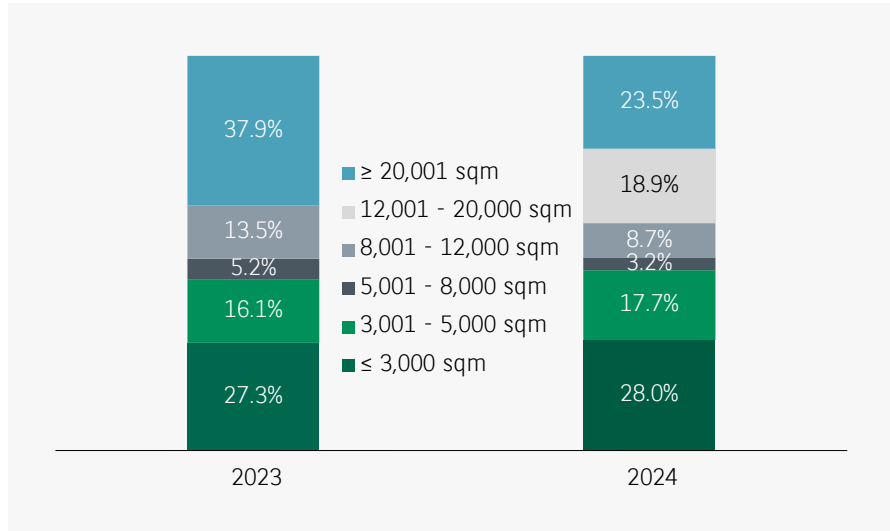
**TAKE-UP INCREASED NOTICEABLY
OVER THE COURSE OF THE YEAR**

Prime and average rents

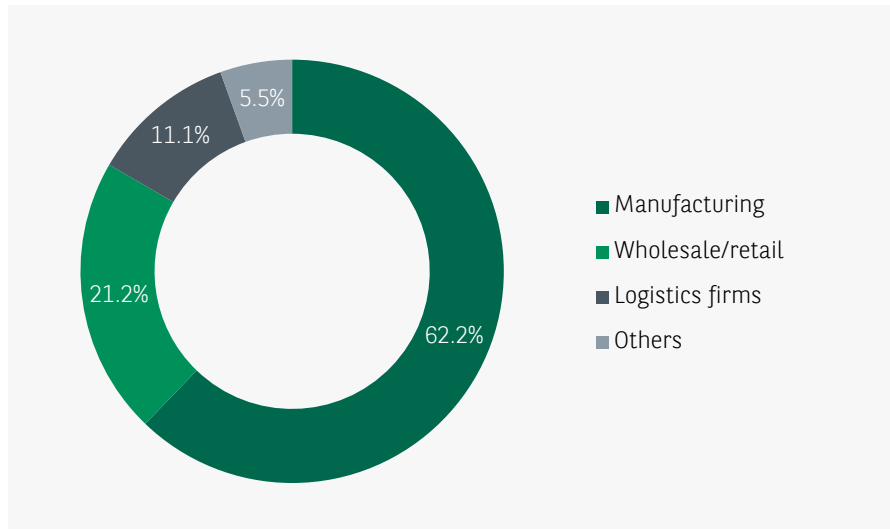


- The Munich warehouse and logistics market achieved a take-up of 211,000 sqm in 2024. This corresponds to a decline of around 11% compared to the previous year and 23% compared to the ten-year average. It is noteworthy that the market was able to increase significantly from quarter to quarter despite the difficult economic conditions after a rather weak start to the year.
- This overall very solid result is attributable to several large-scale contracts that are rather unusual for the Munich market, which is generally characterised by a very limited supply, particularly in the modern large-scale segment. These include, on the one hand, the contract signed by Isar Aerospace in Vaterstetten for around 26,000 sqm of production space in a new build-to-suit property in the fourth quarter, generating significant take-up, and, on the other hand, the rental agreement signed by a manufacturing company for around 23,500 sqm in an existing building in Munich, which was also recorded in the fourth quarter.
- Along with the rental agreements for Thyssen Krupp Automotive in Allershausen from the third quarter and a retail company in Erding from the second quarter, both of which were concluded for new-build space and are in the region of 20,000 sqm, an above-average new-build share of almost 45% was recorded for 2024.
- While the prime rent, which is at a high level of €10.50 per sqm, has remained stable over the course of the year, the average rent has increased in small steps to €9 per sqm.

Take-up by size category



Take-up by sector



MANUFACTURING COMPANIES CLEARLY IN LEAD

- Smaller contracts of up to 5,000 sqm made their usual high contribution to take-up in Munich at just under 46%, once again forming the solid basis of demand in the logistics market. While large-scale contracts for over 20,000 sqm (23.5%) and the 12,000 to 20,000 sqm category (19%) made above-average contributions to the result, comparatively limited activity was recorded in the segment between 5,000 and 12,000 sqm, which is characterised by a lack of supply (12%).
- In terms of sector distribution, manufacturing companies dominate with a share of over 62% and their take-up is also well above the long-term average in absolute terms. Supported by the completion in Erding, retail companies follow in second place with around 21%. The third-placed logistics firms are underrepresented with 11% and are only responsible for a number of smaller lettings of up to 5,000 sqm.

Quarter	Company	Location	sqm
Q4	Isar Aerospace	Vaterstetten	26,000
Q4	Manufacturing	Munich	23,500
Q3	Thyssen Krupp Automotive	Allershausen	20,000
Q2	Wholesale/retail	Erding	19,900
Q4	Wholesale/retail	Pfaffenhofen an der Ilm	10,300

OUTLOOK

- The outlook for 2025 remains challenging against the backdrop of the continued weakening economic development. Although the Munich logistics market is generally characterised by excess demand, the current slowdown in dynamism and companies' willingness to sign contracts is nevertheless reflected in a comparatively low number of contracts.
- However, the large-scale lettings from 2024 also illustrate that new-build space will be quickly absorbed by the market, even in the current market environment, as long as it is available. The generally insufficient supply is likely to remain the most important limiting factor on the Munich logistics market. The noticeable rise in rents, which has also been a result of this, is another reason why companies are in some cases coming to terms with existing space and are more likely to extend their contracts than switch to other premises.
- Against this backdrop, it can be assumed that take-up in 2025 will be of a similar magnitude to previous years and should therefore amount to between 200,000 and 250,000 sqm.
- Further slight increases in both prime and average rents cannot be ruled out over the course of the year.

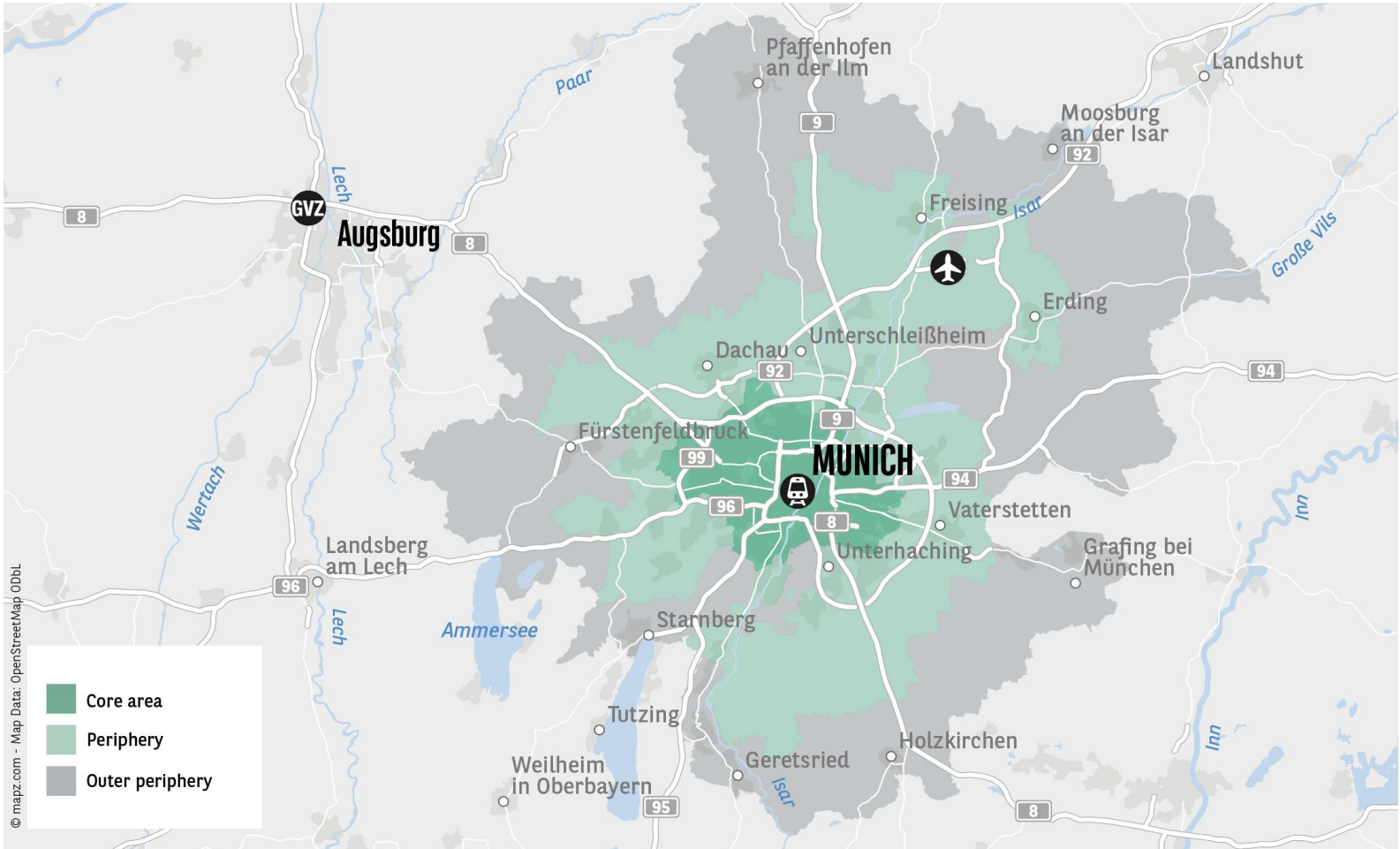
Key figures logistics market Munich

RENTS AND TAKE-UP	2023	2024	%-DIFFERENCE
Prime rent (in €/sqm)	10.50	10.50	0.0%
Average rent (in €/sqm)	8.70	9.00	3.4%
Total take-up (in sqm)	238,000	211,000	-11.3%

SECTORS	2023	2024	LONG-TERM Ø
Logistics firms	47.3%	11.1%	25.3%
Wholesale/retail	4.3%	21.2%	21.2%
Manufacturing	43.7%	62.2%	41.5%
Others	4.7%	5.5%	12.0%

SIZE CATEGORIES	2023	2024	LONG-TERM Ø
Share of deals > 20,000 sqm	37.9%	23.5%	20.5%
Share of deals ≤ 20,000 sqm	62.1%	76.5%	79.5%

OWNER-OCCUPIERS/NEW BUILDING SHARE	2023	2024	LONG-TERM Ø
Share of owner-occupiers	34.9%	0.0%	10.7%
Share of new buildings	38.1%	44.5%	36.6%



**LOGISTICS
MARKET
MUNICH**

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- Core area
- Periphery
- Outer periphery

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