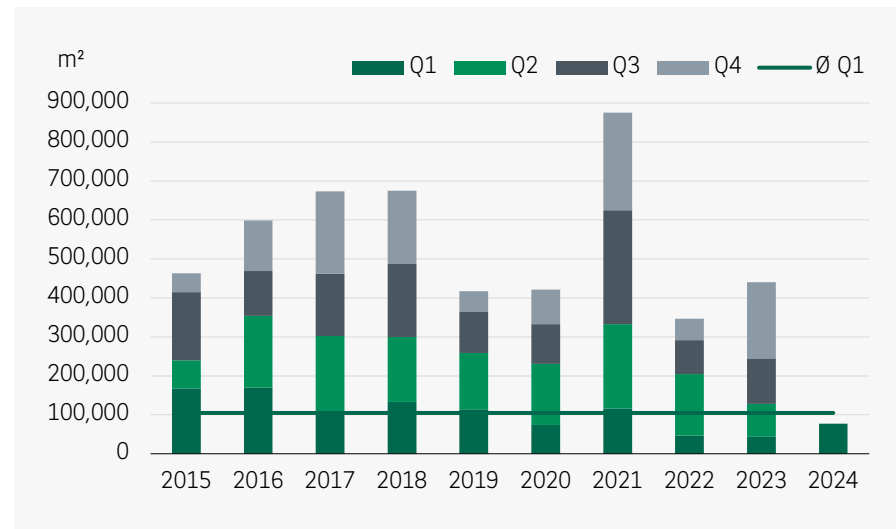


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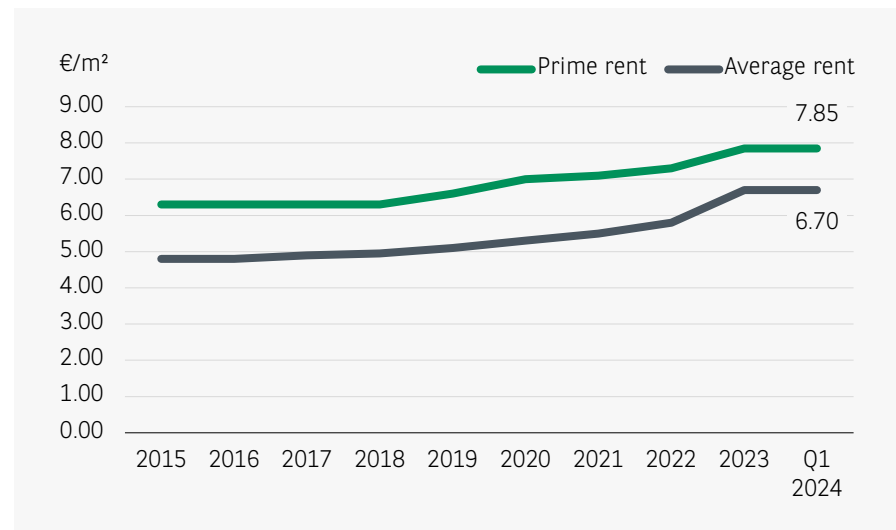
REPORT LOGISTICS MARKET

Q1 2024

Development of light industrial and logistics take-up



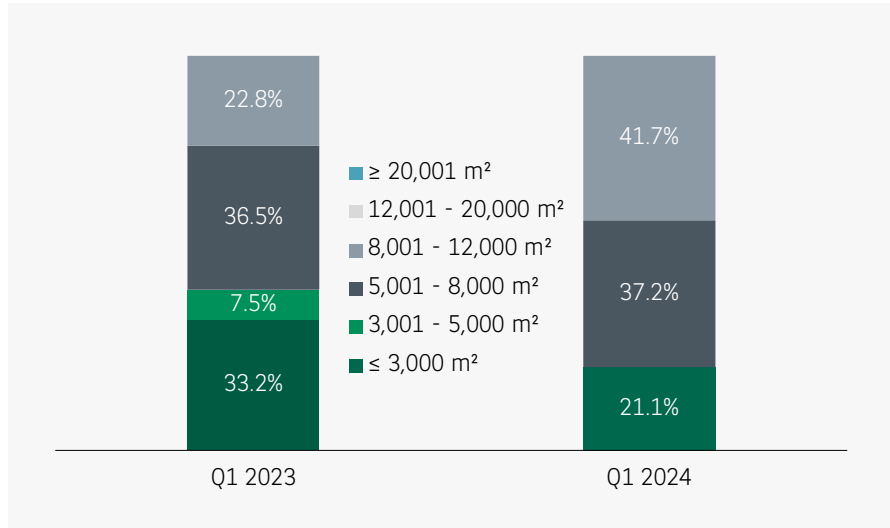
Prime and average rents



STABILISATION OF PRIME AND AVERAGE RENT

- In the first three months of 2024, the Frankfurt warehouse and logistics market registered a take-up of 77,000 m². This result is around 27% below the long-term average (Ø10 years: 105,000 m²). However, the figure for the same quarter of the previous year was exceeded by 75%. Against the backdrop of a relatively weak economic situation and a structurally challenging market environment, the Frankfurt take-up represents a comparatively solid start to the year.
- Demand for rental space in the Frankfurt market area remains stable and slightly exceeds the available supply. The general excess demand is particularly evident for space with short-term availability and short letting terms. Requests from the industrial and transport sectors continue to outweigh those from the retail sector (especially B2C food and e-commerce).
- After an increased number of lease options were drawn in the previous quarters, the number of requests has now risen again significantly. However, space is also being offered for subletting to a greater extent.
- In comparison to previous years, rental price momentum has recently slowed considerably. Both the average rent and the prime rent remain unchanged compared to the fourth quarter of 2023 at 6.70 €/m² and 7.85 €/m² respectively.

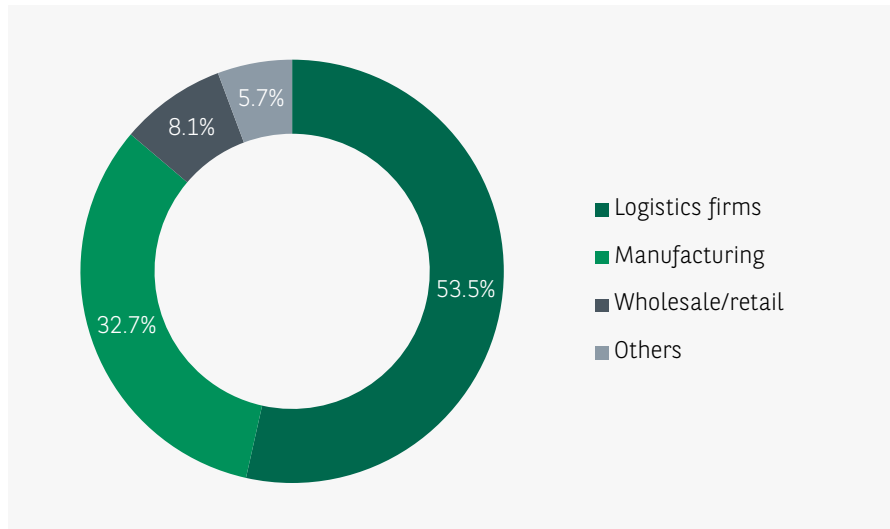
Take-up by size category



MEDIUM-SIZED SEGMENTS DOMINATE

- At just under 54%, logistics firms have the highest market share since the first quarter of 2015 (10-year average: 35%). In absolute terms, at 42,000 m², this figure is also 12% above the long-term average. Industrial and manufacturing companies accounted for an above-average share of 33% (Ø10 years: 24%). In contrast, a small contribution of around 6,000 m² or 8% has been registered by wholesale/retail companies (Ø10 years: 33%).
- The distribution by size category shows a concentration of take-up in the two medium-sized segments between 5,000 and 12,000 m². These two segments account for around 79% of total take-up (Ø10 years: 33%). However, no major lettings of over 12,000 m² have been reported in the Frankfurt market area yet.

Take-up by sector



Major contracts

Company	Location	m²
Gebr. Thomaidis	Hanau	12,000
MSK Pharamalogistic	Bensheim	11,300
Sauer Product	Dieburg	8,600
N.N.	Idstein	8,000
Shaoke / SK Express Germany	Butzbach	7,100

OUTLOOK

- The Frankfurt logistics market was able to defy the relatively weak economic situation in the first quarter of 2024. The increase in the supply and the absorption are currently fairly balanced. In general, there is excess demand in the market area. Various project developments are still under construction, but speculative new builds are on the decline.
- Despite a slight fall in construction costs, prime rents remain at a high level due to ongoing inflation, the existing interest rate plateau and the continued shortage of building land. From today's perspective, stable rents are the most likely scenario for the remainder of the year.
- In anticipation of an improving economic environment, particularly from the second half of the year onwards, occupier confidence is likely to return as well as stability in the market and the number of new requests to increase noticeably. A slight increase in take-up is therefore expected over the course of the year. However, a take-up in the region of the previous year's very strong result is probably an excessively ambitious target for the end of the year.

Key figures logistics market Frankfurt

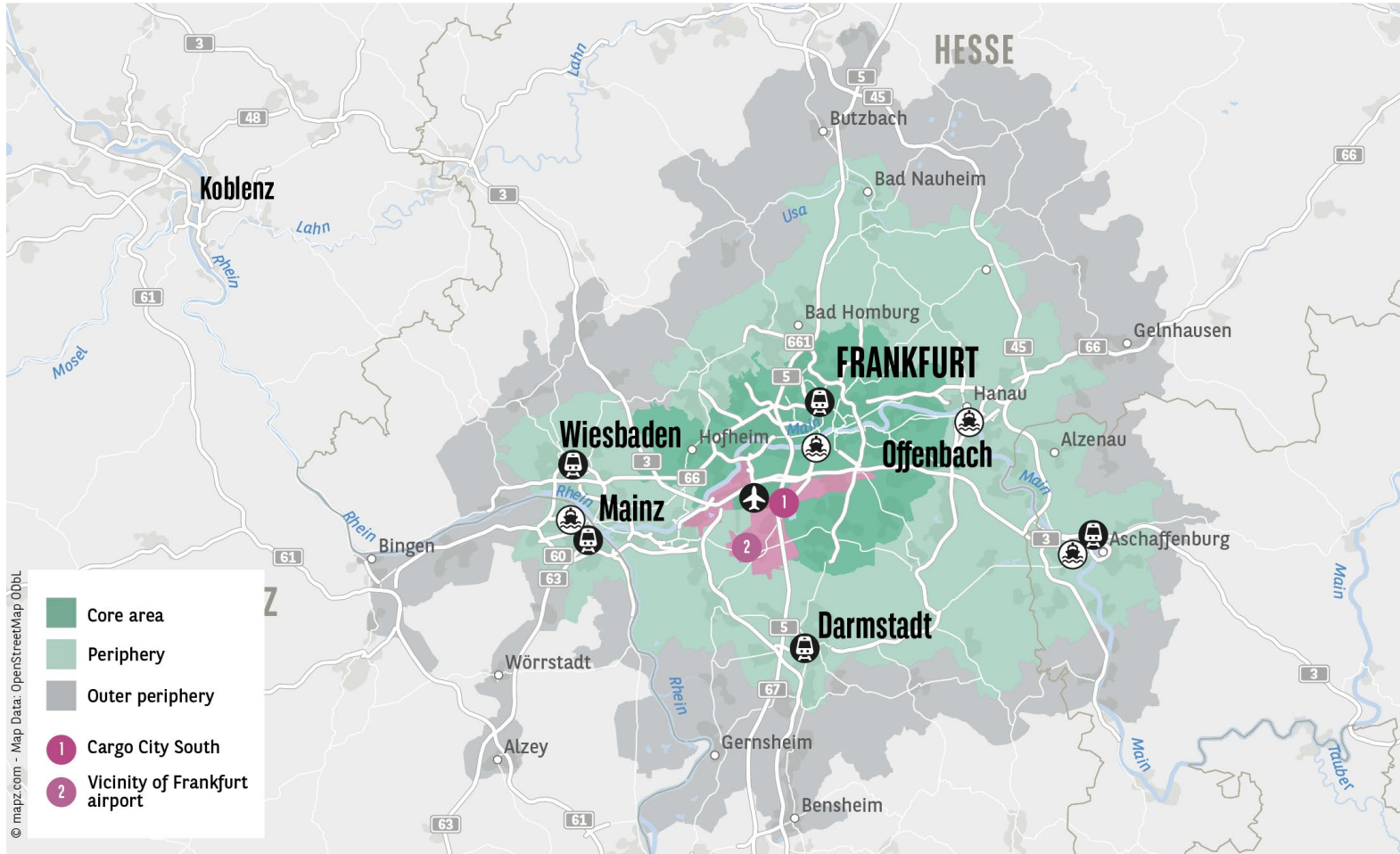
RENTS AND TAKE-UP	Q1 2023	Q1 2024	%-DIFFERENCE
Prime rent (in €/m ²)	7.30	7.85	7.5%
Average rent (in €/m ²)	5.80	6.70	15.5%
Total take-up (in m ²)	44,000	77,000	75.0%

SECTORS	Q1 2023	Q1 2024	LONG-TERM Ø
Logistics firms	36.0%	53.5%	34.7%
Wholesale/retail	21.6%	8.1%	32.9%
Manufacturing	32.7%	32.7%	24.3%
Others	9.7%	5.7%	8.1%

SIZE CATEGORIES	Q1 2023	Q1 2024	LONG-TERM Ø
Share of deals > 20,000 m ²	0.0%	0.0%	22.3%
Share of deals ≤ 20,000 m ²	100.0%	100.0%	77.7%

OWNER OCCUPIERS/NEW BUILDING SHARE	Q1 2023	Q1 2024	LONG-TERM Ø
Share of owner-occupiers	5.5%	0.9%	13.6%
Share of new buildings	49.1%	40.9%	53.1%

LOGISTICS MARKET FRANKFURT



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Edited by: BNP Paribas Real Estate Consult GmbH | As of: 31.03.2024
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