

LOGISTICS MARKET FRANKFURT

AT A GLANCE Q2 2022

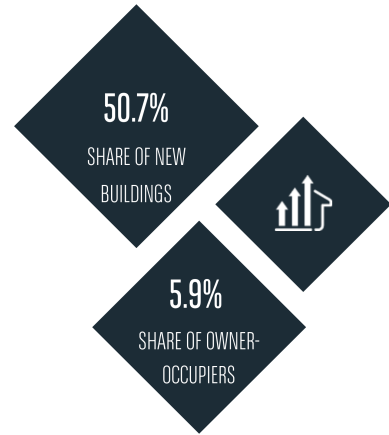
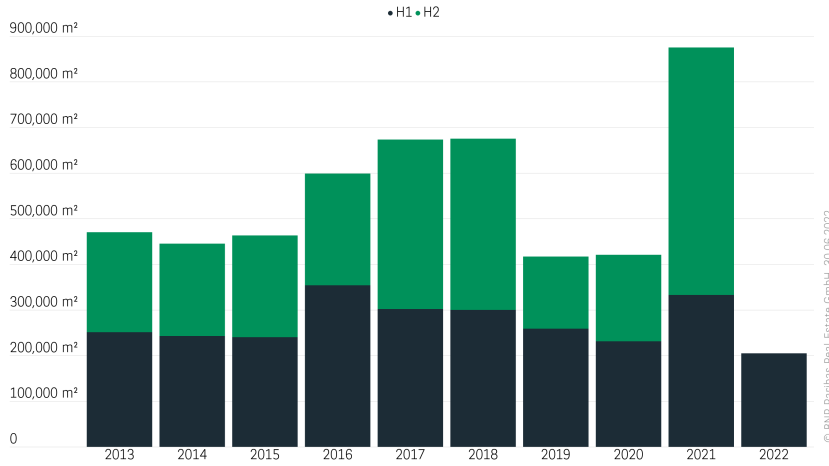


BELOW-AVERAGE RESULT, BUT STRONG Q2

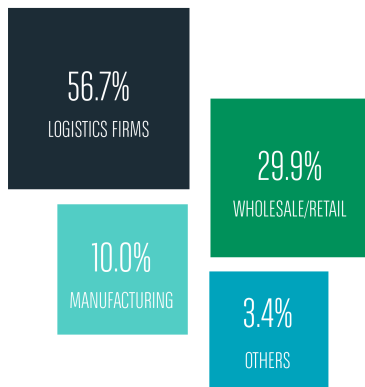
- / Even though the Frankfurt logistics market, with a take-up of 205,000 m², clearly missed both the previous year's result (-38 %) and the long-term average (-25 %) at mid-year, a significantly increased letting dynamic was recorded in the second quarter.
- / Thus, with a total of 158,000 m², 77 % of the total take-up was accounted for by the second quarter alone, which, viewed separately, was also one of the strongest in a comparison of the A-cities.
- / The recovery of market activity is also reflected in the fact that four of the five registered major deals over 10,000 m² were made in the last three months.
- / In a 12-month comparison, the development of rents in the top segment (+4%, 7.30 €/m²) and above all in the average segment (+7%, 5.70 €/m²) continued to be dynamic.

LOGISTICS FIRMS: HIGH VOLUME DUE TO BIG DEALS

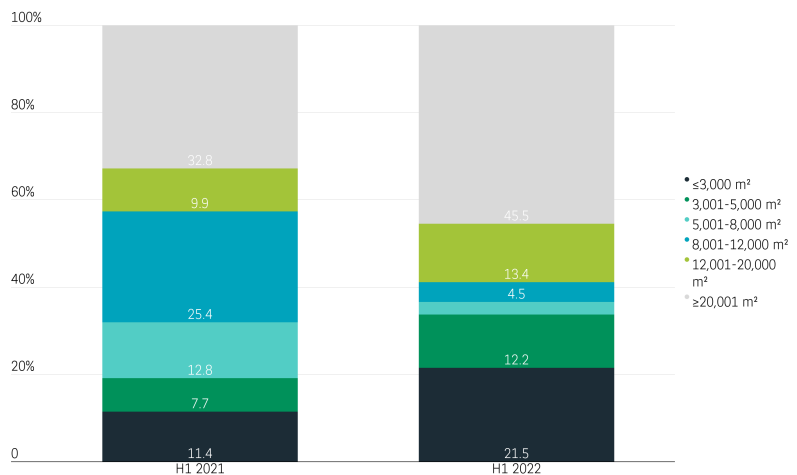
Light industrial and logistics take-up in Frankfurt



Take-up by sector

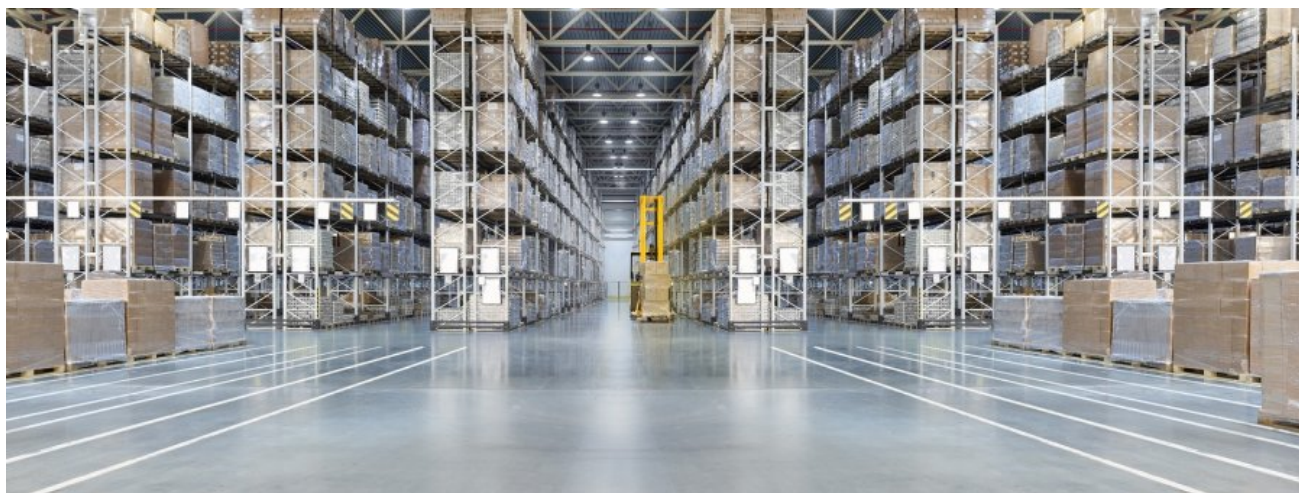


Take-up by size category



- / In the middle of the year, logistics firms were able to break away at the top of the industry ranking: Thanks to major contracts such as the expansion of the logistics centre from B+S Logistik in Hammersbach (40,000 m²) or the construction of a new air freight hall for DHL in Frankfurt's Cargo City South (28,000 m²), this demand group accounts for a take-up share of almost 57%.
- / However, retail companies were also active again, with almost 30%, ahead of the manufacturing sector (10%).
- / With regard to the size categories, it is noticeable that in addition to the largest category of deals from 20,000 m² (share of 46%), the group of contracts up to 3,000 m² (almost 22%) also generated an above-average volume. At the same time, the mid-sized segments between 3,000 and 20,000 m² are still underrepresented, mainly due to supply.

DEMAND HIGH, SUPPLY STILL A LIMITING FACTOR



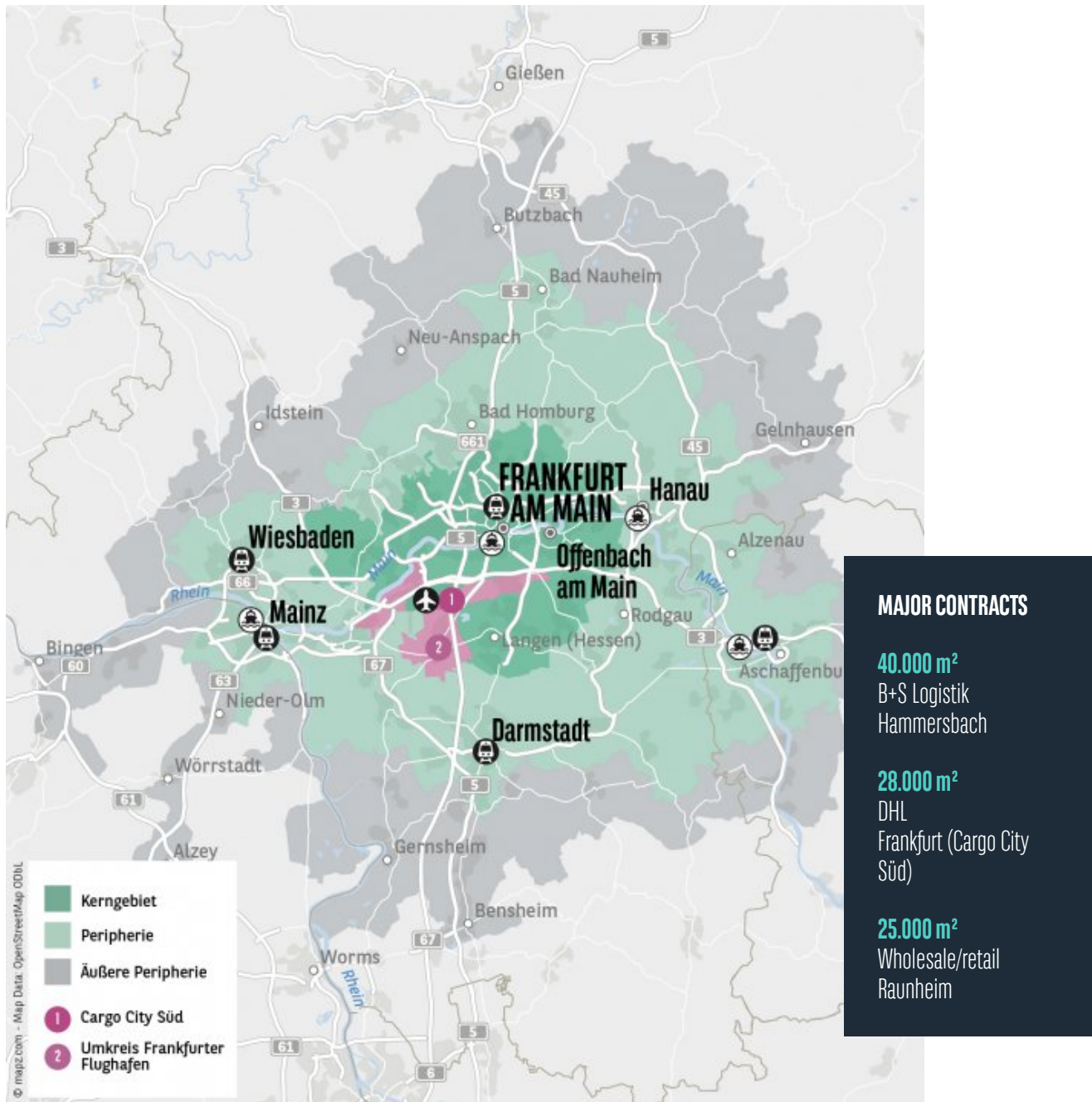
Rents	H1 2021	H1 2022	%-Difference
Prime rent (in €/m ²)	7.00	7.30	4.3%
Average rent (in €/m ²)	5.35	5.70	6.5%
Take-up and sectors	H1 2021	H1 2022	Long-term average
Total take-up	333,000 m ²	205,000 m ²	272,000 m ²
Logistics firms	35.0%	56.7%	42.6%
Wholesale/retail	24.2%	29.9%	33.5%
Manufacturing	31.2%	10.0%	17.5%
Others	9.6%	3.4%	6.4%
Size categories	H1 2021	H1 2022	Long-term average
Share of deals > 20,000 m ²	32.8%	45.5%	33.2%
Share of deals ≤ 20,000 m ²	67.2%	54.5%	66.8%
Owner-occupiers/new building shares	H1 2021	H1 2022	Long-term average
Share of owner-occupiers	12.0%	5.9%	29.1%
Share of new buildings	64.0%	50.7%	56.6%

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PERSPECTIVES

- / After a moderate start of the year, the Frankfurt logistics market has picked up momentum and in the last three months has benefited in particular from the fact that some large-scale requests have met with a corresponding supply.
- / Overall, however, a discrepancy between supply and demand continues to be observed and occupiers are increasingly seeking to take advantage of lease renewal options in order to avoid higher rental terms and time-consuming search processes.
- / For the second half of the year, the demand situation is expected to remain good, although it remains to be seen whether and to what extent the continuing economic and geopolitical uncertainties will affect the willingness of potential users to conclude contracts.

LOGISTICS MARKET REGION FRANKFURT



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