

# LOGISTICS MARKET GERMANY

AT A GLANCE Q1 2023

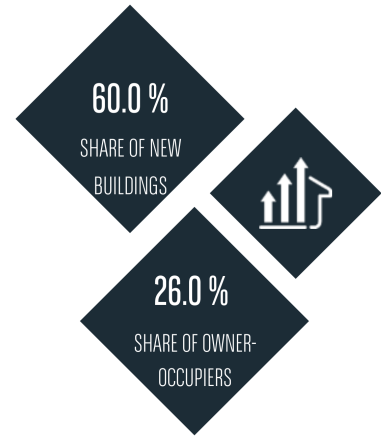
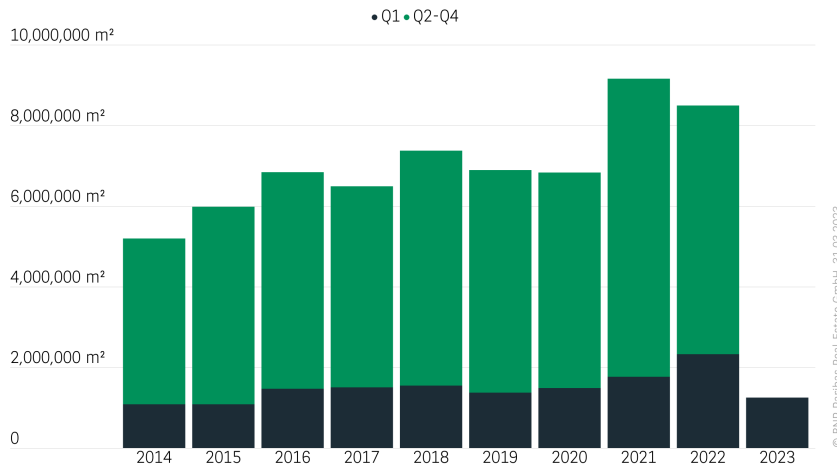


## CHALLENGING START TO THE YEAR FOR OCCUPIER MARKETS

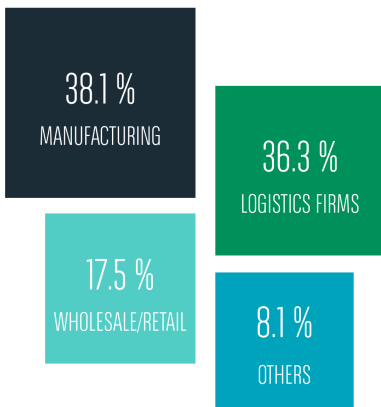
- / Overall, the German logistics market had a moderate start to 2023. In the first three months of the year, take-up of 1.25 million m<sup>2</sup> (incl. owner-occupiers) was registered. As expected, the brilliant record result from the previous year, which not least included the Tesla construction start in Grünheide near Berlin with 327,000 m<sup>2</sup>, was clearly missed by almost 46 % and the ten-year average of almost 1.5 million m<sup>2</sup> was also not reached (-16 %).
- / The disparity between supply and demand continues to dominate the market. The ongoing high demand is not reflected in corresponding take-up due to the lack of available halls in many places. In addition, the clearly clouded economic development in the winter months certainly also played a decisive role for the development of take-up. Due to the noticeable increase in rental prices, more and more occupiers are exercising their options and expiring leases are increasingly being extended, which means that there is less movement in the market overall.

# FEWER LARGE DEALS IN THE MAJOR MARKETS

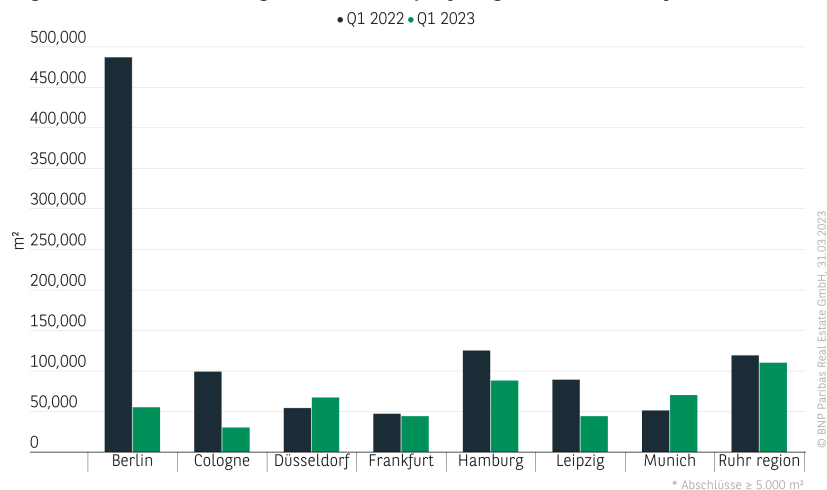
## Light industrial and logistics take-up in Germany



## Take-up by sector

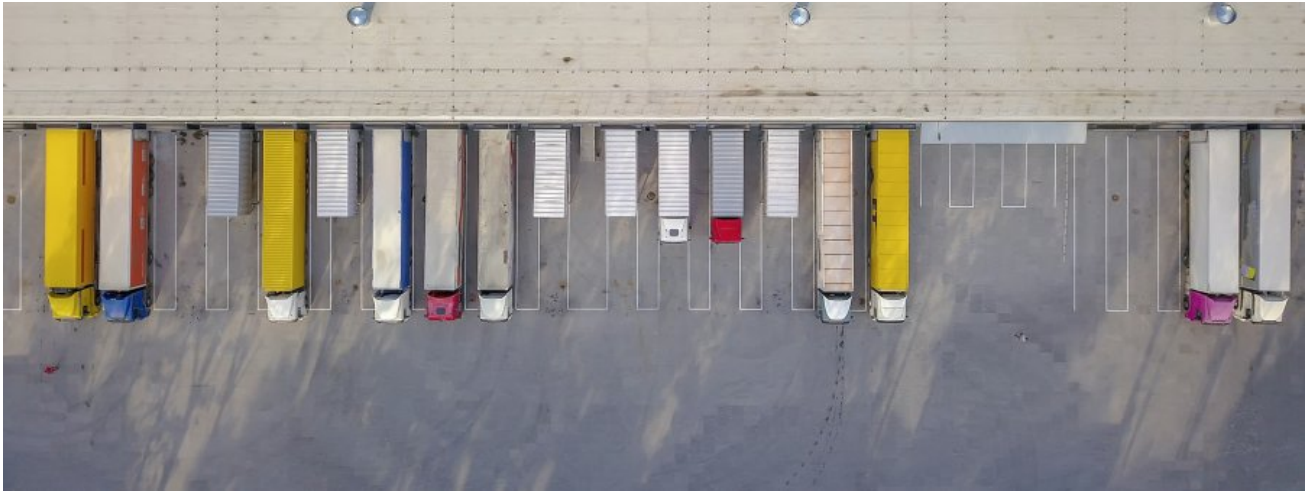


## Light industrial and logistics take-up by region in Germany

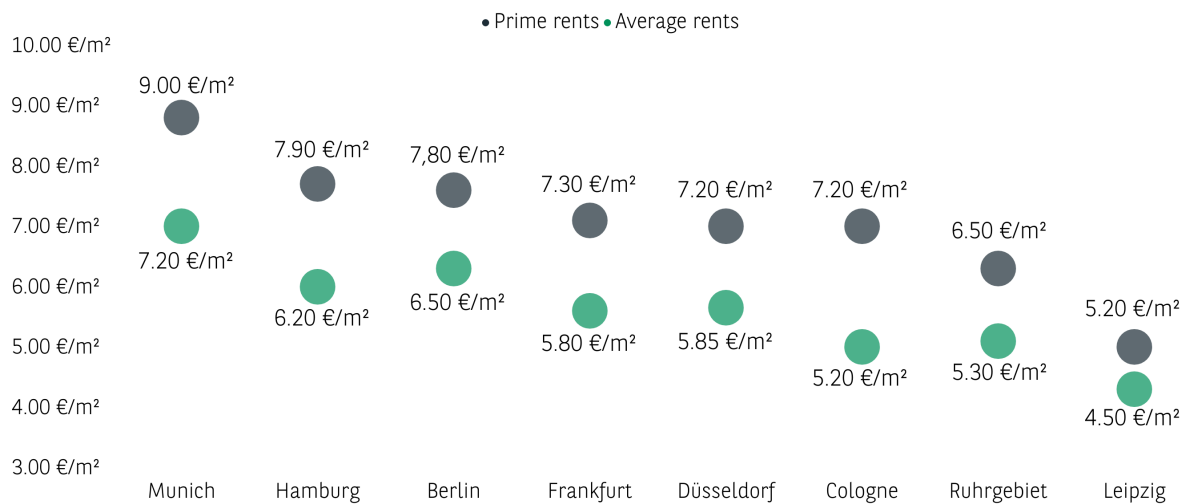


- / The major logistics regions (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Leipzig, Munich) got off to a predominantly moderate start to the year. With a combined take-up of 398,000 m², they remain 30 % below the ten-year average. Above all, the supply-related low number of larger deals has a very strong impact on the Q1 result.
- / Hamburg has the highest take-up among the major logistics hubs at 88,000 m² (-30 %), but like Berlin (55,000 m², -89 %), Frankfurt (44,000 m², -6 %), Leipzig (44,000 m², -51 %) and Cologne (30,000 m², -70 %) it remains below the previous year's figure. In contrast, record results were registered in Munich (70,000 m², +37 %) and Düsseldorf (67,000 m², +24 %), where larger contracts have already been concluded.
- / Outside the top agglomerations, take-up totals 852,000 m² and is thus below the figures of the past record years - but only 7% below the ten-year average.

# KEY FIGURES



## Top and average rents in important logistics markets

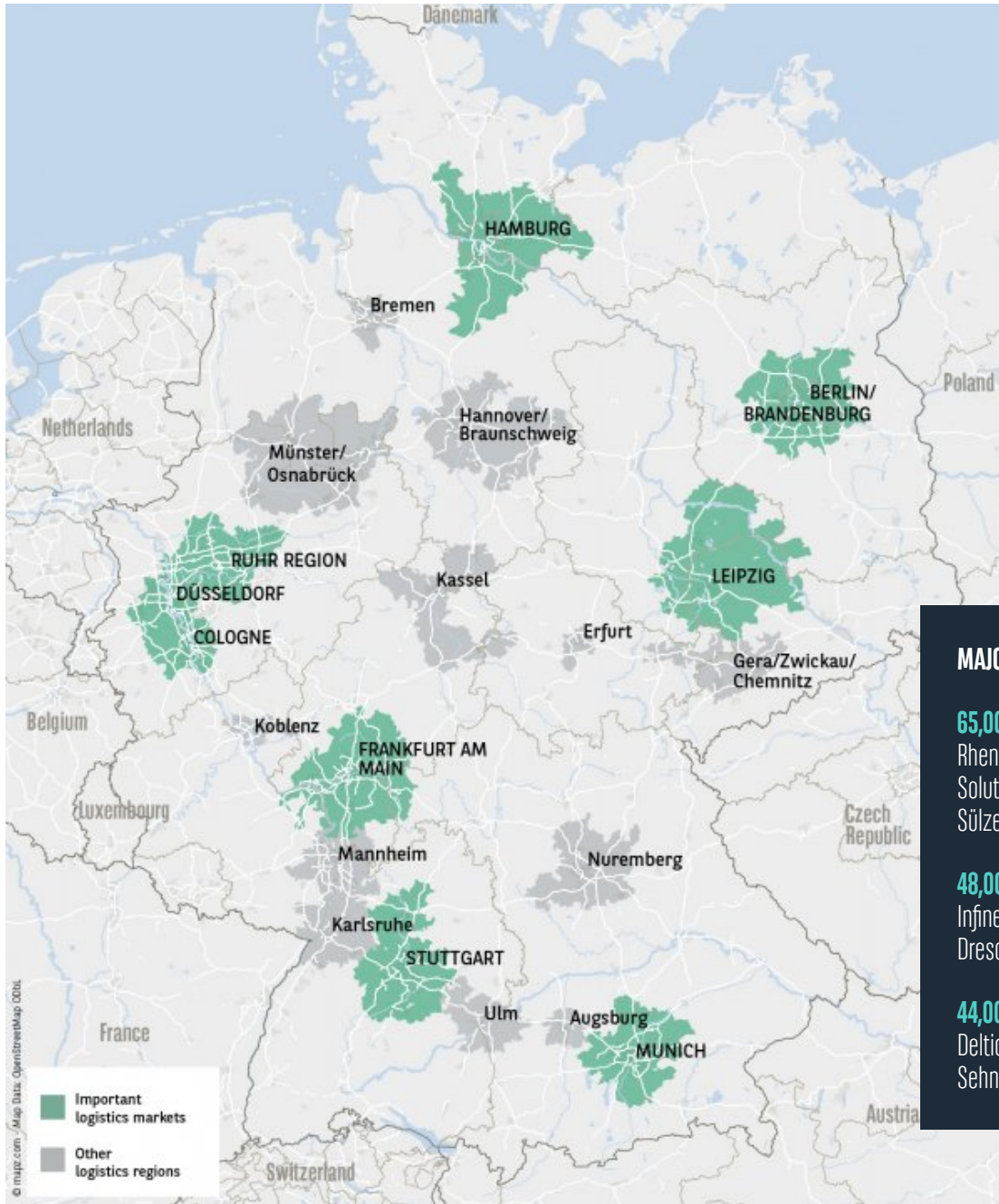


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## OUTLOOK

- / With the start of spring, the outlook for the German economy is brightening and the leading institutes are now all predicting moderate but positive GDP growth for the year as a whole. The danger of a recession seems to have been averted, supply chains are functioning noticeably better than last year and the Chinese markets are open again.
- / In the slipstream of a German economy picking up speed again, the market dynamics on the logistics markets should also increase, although more and more tenants are considering lease contract extensions to avoid higher rents. It is very likely that take-up will pick up again, particularly in the second half of the year, so that the pressure on rent levels is expected to remain, also against the background of continued high construction costs.
- / Prime and average rents are assumed to continue to rise, not least in view of the increasing ESG requirements.

# LOGISTICS MARKET REGIONS IN GERMANY



**MAJOR CONTRACTS**

- 65,000 m<sup>2</sup>**  
Rhenus Warehouse Solutions Sülzetal
- 48,000 m<sup>2</sup>**  
Infineon Dresden
- 44,000 m<sup>2</sup>**  
Delticom Sehnde

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