

LOGISTICS MARKET MUNICH

AT A GLANCE Q1 2022

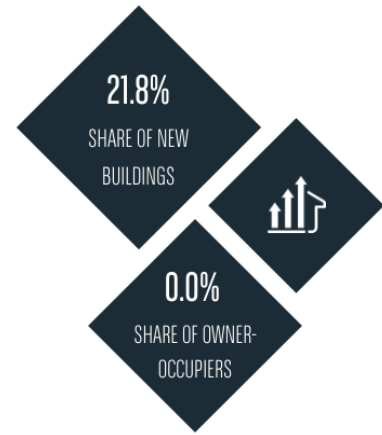
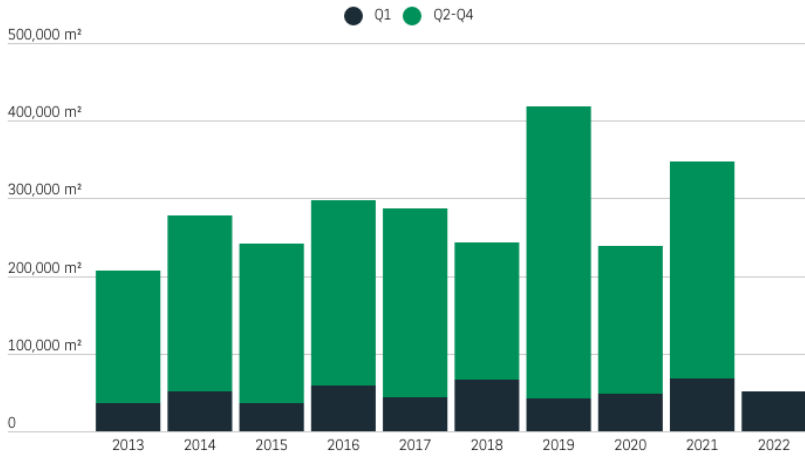


SOLID START TO THE NEW YEAR

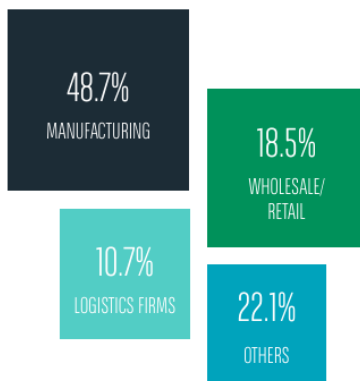
- / With take-up of 51,000 m², the Munich logistics market got off to a solid start in the new year. Although the previous year's result was missed by 25%, the latest result is at the average level of the past 10 years (+2%).
- / At the beginning of the year, the Munich market was again characterized by the imbalance between supply and demand, which is absolutely typical for this market. Across all sectors, a dynamic development in requests was also registered in the first quarter, especially in retail and e-commerce. However, the product shortage remains an important bottleneck. Particularly in the large-area segment above 10,000 m², there are currently hardly any vacancies in stock, leaving companies either with the option of pre-letting in the core area or moving to the periphery.
- / Despite the shortage of supply, prime rents remained stable at a very high level of 7.50 €/m². Compared with the same quarter of the previous year, this represents an increase of 4.2%

MAJOR DEALS AND OWNER-OCCUPIER TRANSACTIONS STILL RARE

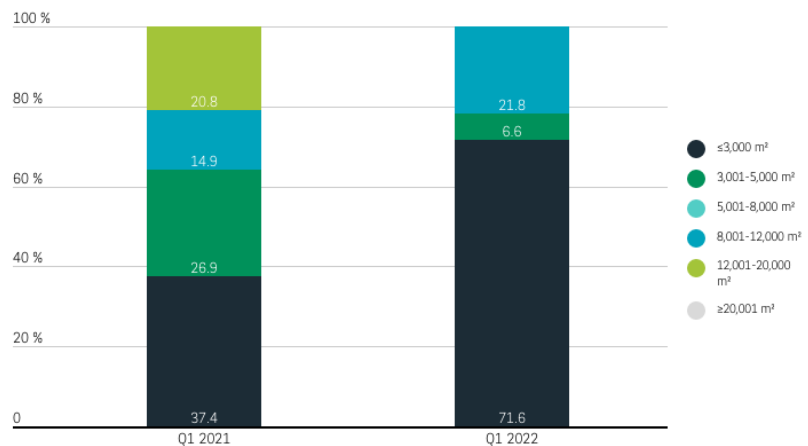
Light industrial and logistics take-up in Munich



Take-up by sector Q1 2022



Take-up by size category Q1 2022



- / The current result shows an unusual transaction dynamic for Munich in terms of size classes. With almost 37,000 m² of take-up resp. a market volume of almost 72 %, an unprecedented high result was achieved for deals under 3,000 m². Thus the market has a good basis for the rest of the year.
- / By the end of March, no contract for more than 12,000 m² of space had been successfully concluded, which isn't uncommon for the Munich market. Accordingly, the latest result is once again likely to be only a snapshot in the further course of the year.
- / For the third year in a row, no owner-occupier deal was closed in Q1.
- / Companies from the manufacturing sector contributed almost 50% of take-up to the Q1 result, retail companies a further 18.5% and logistics firms a below-average of 11%.

NO RELIEF ON THE SUPPLY SIDE



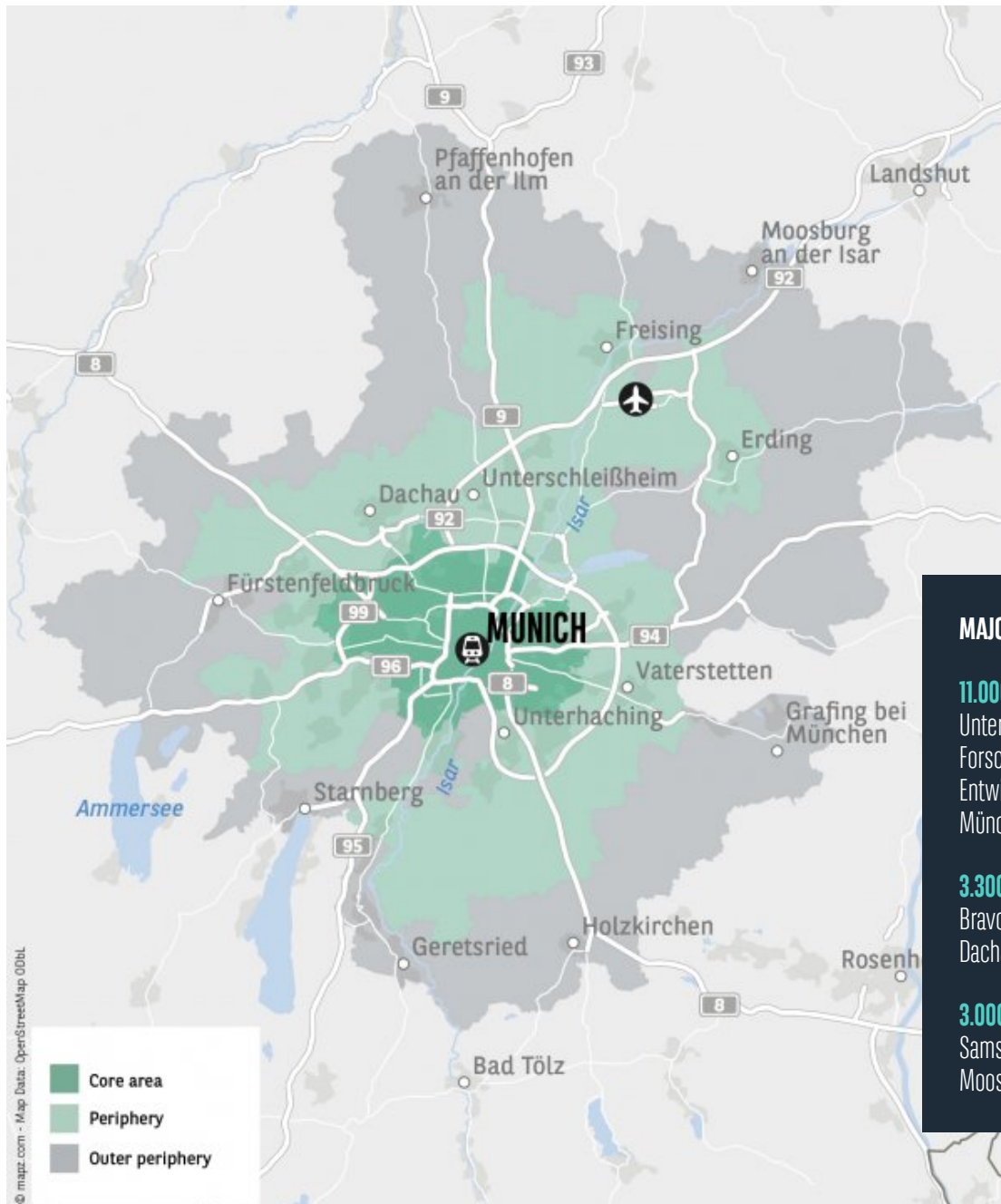
Rents	Q1 2021	Q1 2022	%-Difference
Prime rent (in €/m ²)	7.20	7.50	4.2%
Average rent (in €/m ²)	6.20	6.30	1.6%
Take-up and sectors	Q1 2021	Q1 2022	10-Year average
Total take-up	68,000 m ²	51,000 m ²	50,000 m ²
Logistics firms	26.4%	10.7%	26.2%
Wholesale/retail	22.3%	18.5%	32.4%
Manufacturing	43.6%	48.7%	32.8%
Others	7.7%	22.1%	8.7%
Size categories	Q1 2021	Q1 2022	10-Year average
Share of deals > 20,000 m ²	0.0%	0.0%	0.0%
Share of deals ≤ 20,000 m ²	100.0%	100.0%	100.0%
Owner-occupiers/new building rates	Q1 2021	Q1 2022	10-Year average
Share of owner-occupiers	0.0%	0.0%	8.5%
Share of new buildings	8.2%	21.8%	21.6%

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OUTLOOK

- / Despite the generally gloomy economic conditions, the Munich logistics market is heading for a very solid annual result. The demand side presents itself comparatively strong in spring 2022. Both for trading companies and for companies from the industry and manufacturing sector, the current level of requests are indicating increasing transaction activity in the coming months.
- / In the Munich market area as a whole, the supply shortage will remain market-dominating. There are only a few projects under construction and these are also not expected on the market until 2023. In addition, high pre-lease rates are emerging even before completion. Short-term requests will continue to be served primarily in peripheral locations.
- / Rental levels are expected to increase further in Munich driven by the rise in construction costs and the continuing supply shortage.

LOGISTICS MARKET REGION MUNICH



MAJOR CONTRACTS

11.000 m²
Unternehmen aus
Forschung und
Entwicklung
München

3.300 m²
BravoBike
Dachau

3.000 m²
Samsung
Moosburg

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