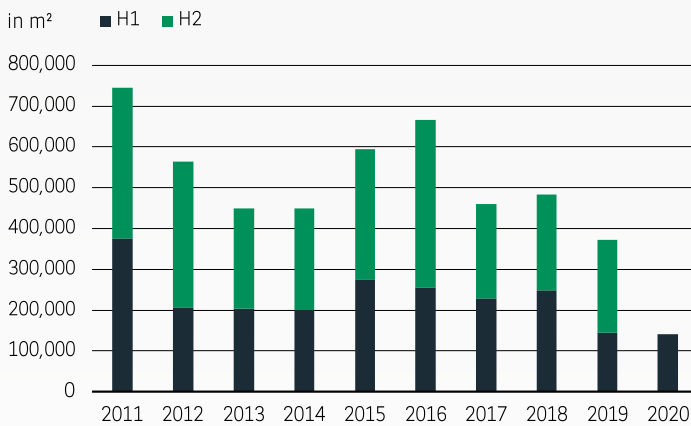


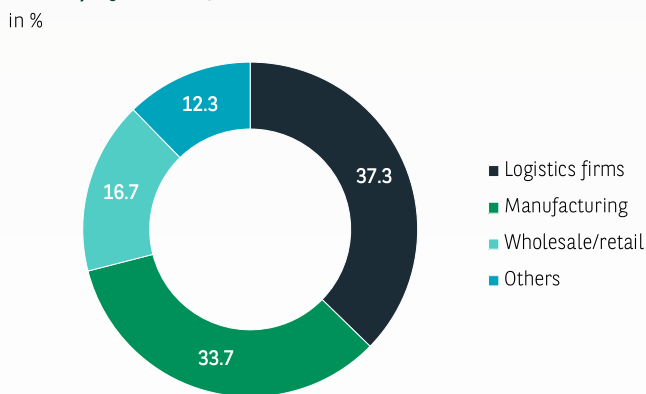
At a Glance Q2 2020

LOGISTICS MARKET HAMBURG

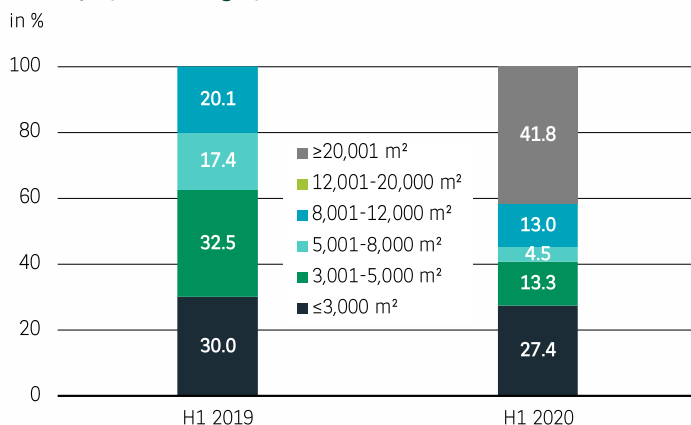
Light industrial and logistics take-up



Take-up by sector Q2 2020



Take-up by size category



WEAKEST RESULT SINCE 2008

While the Hamburg market for warehouse and logistics space (including the surrounding area) was the only metropolis in Germany to reach the 100,000 m² mark in the first quarter, market activity came to an almost complete stop in the second quarter. With a total of 141,000 m² the lowest half-yearly volume since the financial crisis of 2008 was achieved. Looking only at the take-up of space over the past three months, 38,000 m² represents the lowest quarterly figure since the data collection for warehouse and logistics space began. While last year the Hanseatic logistics market was still mainly limited by the shortage of supply, the Corona shock caused an additional slowdown on the demand side, which caused the majority of tenants to postpone their rental decisions and expansion plans indefinitely. The few deals registered in the letting sector were mostly in the small-scale segment. In view of the prevailing economic uncertainties - especially with regard to international import and export business - it remains to be seen whether the Hamburg market will quickly recover in the second half of the year.

TAKE-UP BY INDUSTRY - SAME SAME, BUT DIFFERENT

As one of the leading European trade hubs, the port of Hamburg traditionally ensures that logistics service providers are usually well ahead in the distribution of take-up by sector. In 2020, with a share of around 37%, they will again be the most active group of player for the fifth year in a row. However, the absolute figure of 52,600 m² does not even correspond to the long-term average. The cool down in the global economy and the collapse in international goods traffic in the wake of the Corona pandemic have had a negative impact on the freight levels of many logistics companies. Similar trends can also be observed in the retail sector, which has led to companies being much more restrained in their demand for new space.

LARGE DEALS DISTORT THE MARKET SITUATION

While the size category above 20,000 m² reached a total of just 29,000 m² in the whole of the previous year, this figure has already more than doubled after the first half-year in 2020 (59,000 m²). This means that just two deals account for more than 42% of the total market. The demand in the small-scale segment up to 3,000 m² has remained relatively stable. More than 70% of all contracts signed were in this space category.

Major contracts Q2 2020

Quarter	Company	Location	Area (m ²)
Q1	Airbus	Hamburg	30,600
Q1	Spedition Mickleit	Hamburg	28,000
Q2	Orgrimmar Supply Chain	Buchholz	9,300
Q1	Senator International Spedition	Hamburg	9,000
Q2	arko	Bad Oldesloe	6,300

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Key figures logistics market Hamburg

	H1 2019	H1 2020	Trend remaining year
Prime rent	6.20 €/m ²	6.30 €/m ²	➔
Average rent	4.90 €/m ²	4.95 €/m ²	➔
Take-up	145,000 m ²	141,000 m ²	➡
- Share of owner-occupiers	6.8 %	29.0 %	➔
- Share of new buildings	4.5 %	29.0 %	➔

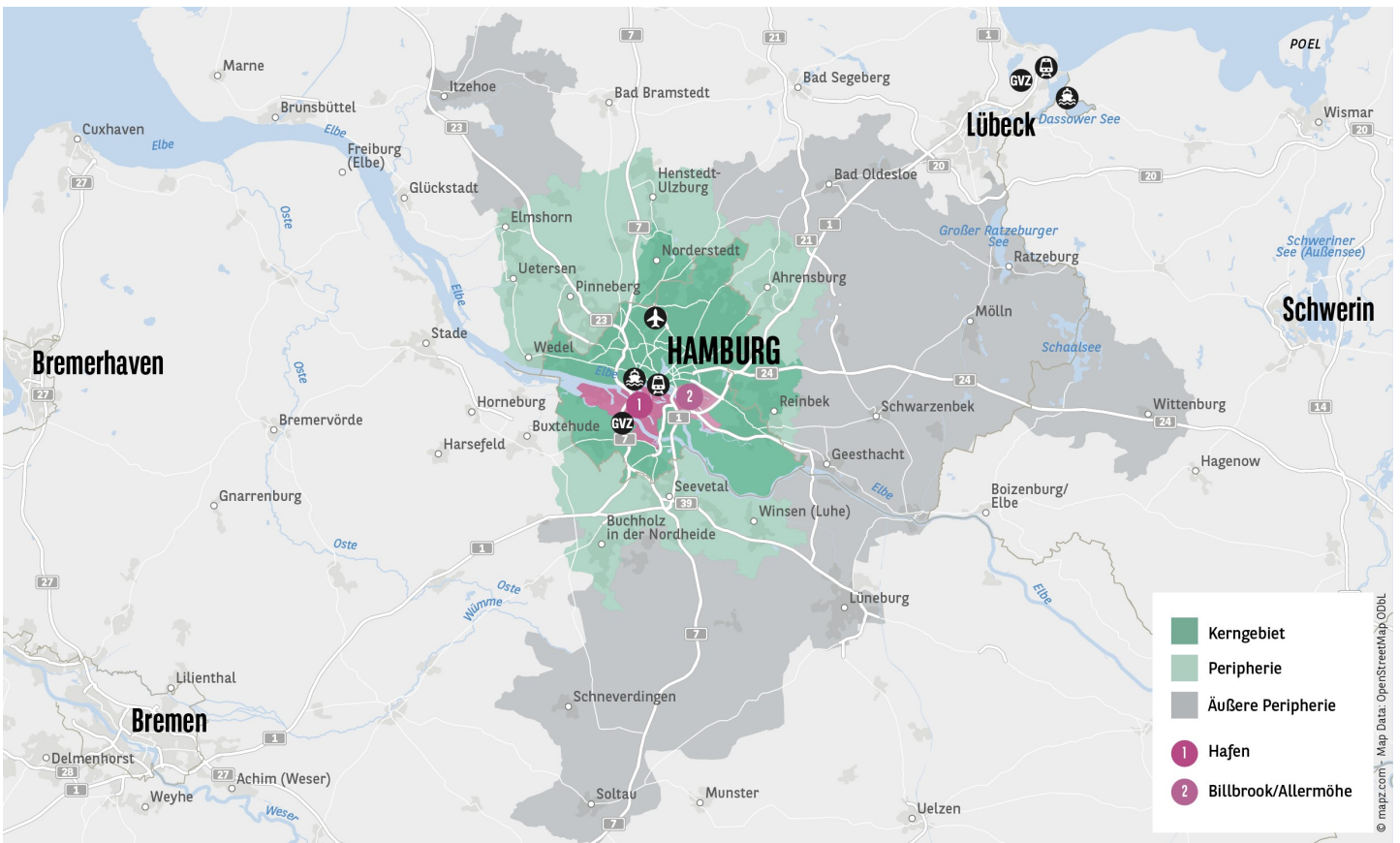
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RENTS ALMOST STABLE OVER THE LAST 12 MONTHS

In the Hanseatic city, many of the existing buildings in particularly sought-after locations such as the port or Billbrook/Allermöhe are at an advanced stage of their economic life cycle. At the same time, the scarcity of suitable land means that it is almost impossible to realise new projects that are in line with the requirements of the market. Coupled with the Corona shock, which has led to an at least temporary decline in demand, a sideways development of rents has occurred. This means that they have remained unchanged for a year. The top rent is still quoted at 6.30 €/m² and the average rent at 4.95 €/m².

OUTLOOK

While there are already signs of a recovery on many other logistics markets in the major conurbations, the market mood in Hamburg's logistics market remains restrained. On the one hand, the Elbe metropolis with its globalised universal port is increasingly dependent on the development of the world economy, which is currently not only affected by COVID-19 but also by geopolitical uncertainties such as the Brexit or the trade conflict between the USA and China. On the other hand, the local logistics market is struggling with structural problems, since a large part of the existing space no longer meets today's standards of modern space. This leads necessarily to significantly longer searching times for companies willing to expand.



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