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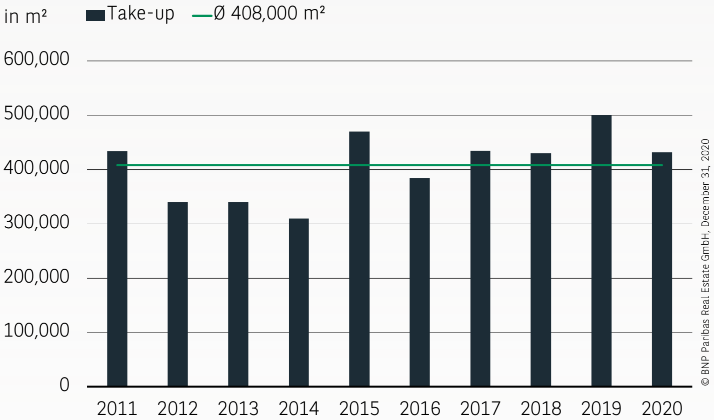
RESEARCH

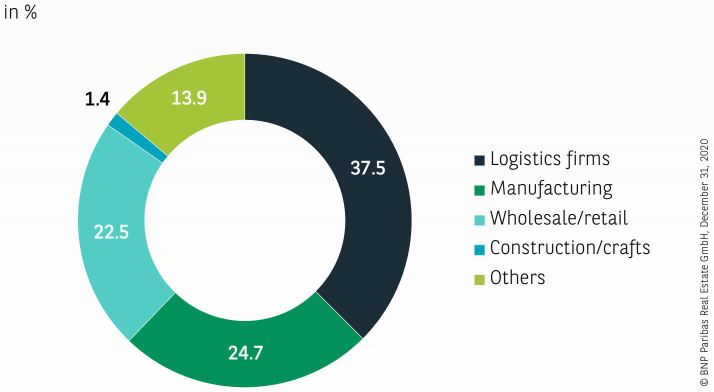
At a Glance Q4 2020

LOGISTICS MARKET BERLIN

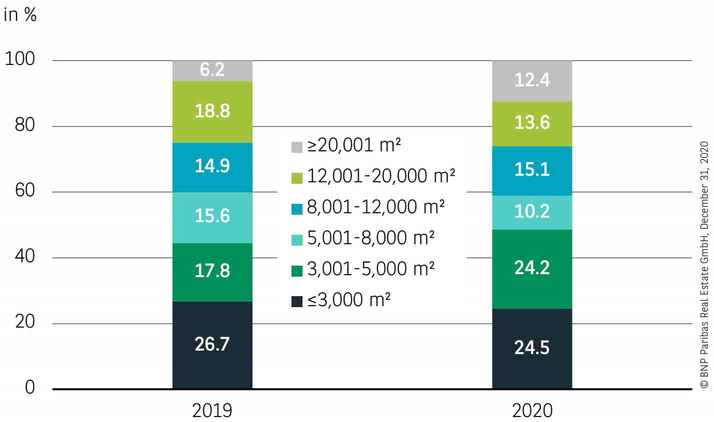
Light industrial and logistics take-up



Take-up by sector



Take-up by size category



BERLIN LOGISTICS MARKET SHOWS SOLID PERFORMANCE

Despite the great economic uncertainties in the wake of the Corona pandemic, the Berlin market for storage and logistics space can look back on a solid 12 months: With a take-up of 432,000 m², the 400,000 m² mark was surpassed for the fourth year in a row. Although the result corresponds to a decline of about 14 % compared to the previous year, it must be taken into account that 2019 was a record year. It is therefore more appropriate to look at the long-term comparison, which shows that a slightly above-average result (+6 %) was for 2020. Particularly noteworthy is the very high market momentum with almost 130 registered contracts, which was only higher in the record year 2019. If you put this in relation to take-up, it becomes clear that although market activity is very lively, deals in the small-space segments tend to be much more important than they were just a few years ago.

WHOLESALE/RETAIL ONLY IN THIRD PLACE

Against the background that e-commerce and also food logistics have been declared as the big winners of the crisis since the beginning of the Corona pandemic, the distribution of take-up by sector appears somewhat surprising at first glance. Retail companies achieve one of their weakest results to date with a share of 22.5 % only. However, this is put into perspective when one considers that large deals from this sector (which were missing in 2020) are mostly realised in built-to-suit assets and that many companies have greatly expanded their capacities on the Berlin market in this way in recent years. However, such expansion plans are always associated with a certain planning and implementation period, which is why additional short-term capacity requirements are often compensated for by logistics firms. These are then also at the top of the ranking with a share of 37.5 %.

SEGMENT UP TO 5,000 m² WITH NEW RECORD

Although the leasing of 50,000 m² by Ceva Logistics for a well-known online retailer in Königs Wusterhausen is a major deal, the market is still dominated by smaller segments. Almost half of the take-up is currently accounted for by deals with a maximum of 5,000 m², which is a new record. Not least due to the triumph of online trade, topics such as distribution by city logistics will continue to increase in importance in the coming years. Thus the dynamics in the small segments should remain high in the future.

Major contracts

Quarter	Company	Location	Area (m²)
Q3	CEVA Logistics	Königs Wusterhausen	54,000
Q4	Rhenus Home Delivery	Hoppegarten	17,300
Q3	Gestamp	Großbeeren	15,000
Q1	Vivantes	Berlin	13,700
Q4	Stadler Pankow	Schönwalde-Glien	12,700

Key figures logistics market Berlin

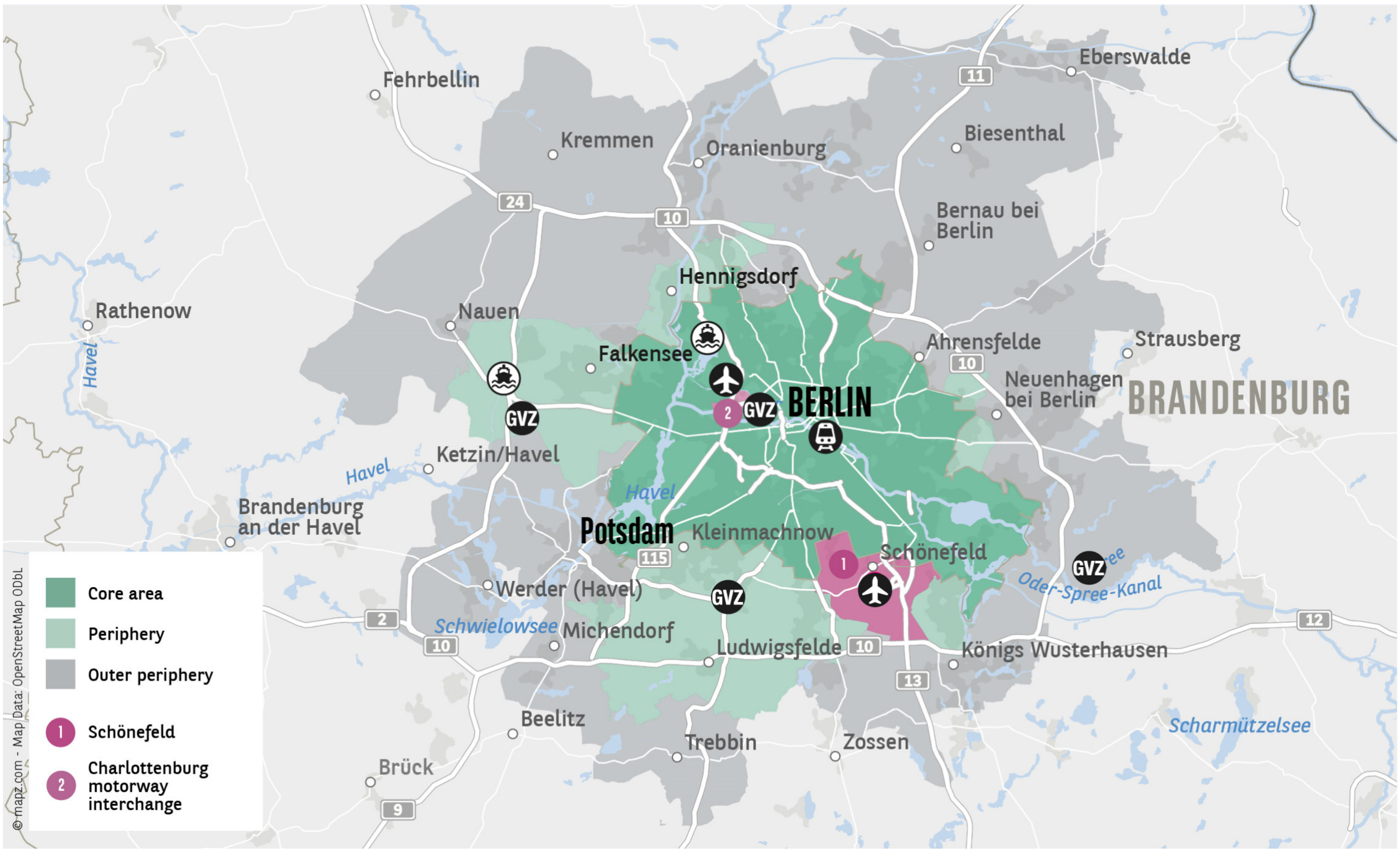
	2019	2020	Trend 2021
Prime rent	7.20 €/m²	7.20 €/m²	→
Average rent	5.90 €/m²	5.90 €/m²	→
Take-up	501,000 m²	432,000 m²	↘
- Share of owner-occupiers	8.7 %	8.5 %	→
- Share of new buildings	47.7 %	45.8 %	→

SO FAR ONLY LITTLE IMPULSES FROM TESLA

Berlin's logistics market is still clearly divided into two parts. While there is still a shortage of logistics space in areas close to the city centre along the city motorways, which is where the top rent of 7.20 €/m² is being achieved, the supply situation is still relatively relaxed in the capital's immediate surroundings. Although a whole series of previously speculatively built space has been let in the recent past, there has been a steady flow of new developments so far, which facilitates the realisation of large scale space requirements at short notice. Noticeable settlements in connection with the new TESLA plant in Freienbrink have not been observed so far. However, it can be assumed that a certain dynamic will develop here in the coming quarters, which is likely to have a particular influence on the supply of space along the south-eastern part of the motorway ring road.

OUTLOOK

Since the logistics industry was only negatively affected by the Corona pandemic in parts, it can be assumed that the Berlin logistics market will be able to continue the positive trend of recent years in 2021. In particular, the capital's importance as a consumer market for online trade and the TESLA settlement should continue to provide positive impetus. From today's perspective it is likely that the 400,000 m² mark will be exceeded for the fifth year in a row.



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