

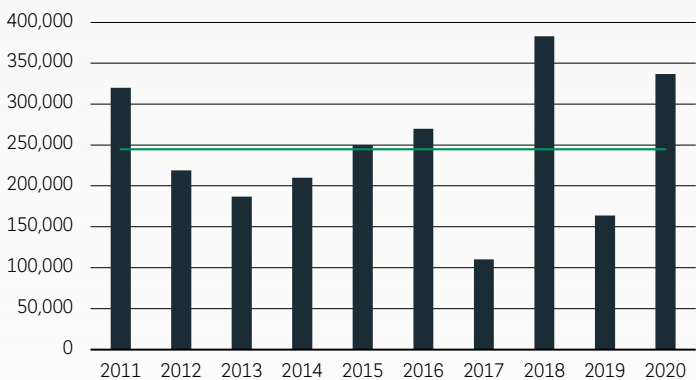


At a Glance **Q4 2020**

LOGISTICS MARKET LEIPZIG

Light industrial and logistics take-up

in m² ■ Take-up — Ø 245,000 m²



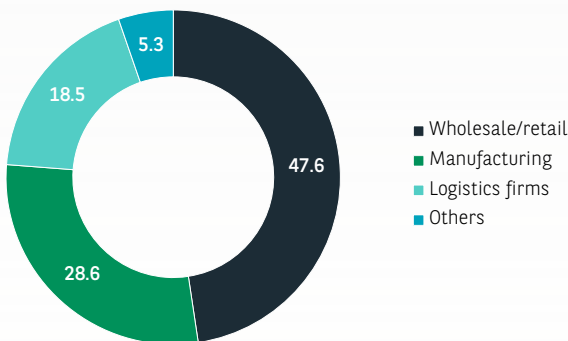
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➤ ABOVE-AVERAGE PERFORMANCE

The Leipzig market for logistics and storage space was not impressed by the crisis year 2020 and showed a very positive development over the course of the year. With a take-up of 337,000 m², not only was the previous year's result exceeded by an impressive 105 %, but also the long-term average by almost 38 %. At the same time, it is the second highest volume ever registered. Responsible for this impressive result was, among other things, a strong second quarter, in which 183,000 m² space was taken up and thus a good 54 % of the total result for the year. Although the logistics market in the Saxon metropolis also registered a slight decline in demand from individual sectors that were particularly affected by the lockdown measures, retail and production companies more than compensated for this gap with above-average demand. In the segment of modern storage and logistics space, a clear surplus in demand can be observed at the end of the year due to the limited supply.

Take-up by sector

in %



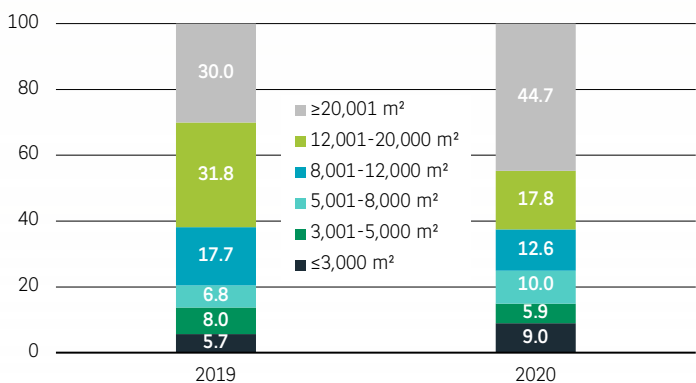
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➤ TWO SECTORS ARE PARTICULARLY RESISTANT TO THE CRISIS

The wholesale/retail companies, which are among the beneficiaries of the Corona pandemic due to the increased online trade, are at the top of the ranking with around 48 %. In addition to the two largest deals of the year (82,000 m² in Großkugel; 27,500 m² in Halle), this sector also recorded the highest volume of the last ten years. Industrial/manufacturing companies also made a significant contribution to the successful result generating 29 % market share. This sector was even able to register a deal for 20,000 m² in the last quarter with the leasing of 24,300 m² by the machine manufacturer Meyer Burger. Equally note-worthy is the DB Schenker deal (20,000 m²) in Halle in the fourth quarter, as a result of which logistics firms also increased their market share towards the end of the year.

Take-up by size category

in %



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➤ LARGE DEALS DOMINATE MARKET ACTIVITY

As in the record year of 2018, the exceptionally high take-up in the Leipzig market area is based on a high number of large deals with a volume of over 20,000 m². This size segment accounted for around 45 % of take-up volume. However, the fact that the size classes below 5,000 m² also achieved an above-average result in terms of absolute volume shows the broadly diversified demand across all space segments.

Major contracts

Quarter	Company	Location	Area (m ²)
Q2	Relaxdays	Großkugel	82,000
Q2	Flaconi	Halle	27,500
Q2	Dräxlmaier Group	Leipzig	25,000
Q4	Meyer Burger	Bitterfeld-Wolfen	24,300
Q4	Schenker Logistik	Halle	20,000

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RENTS SHOW SLIGHT INCREASE

While logistics rents remained stable in the market area of the Saxon metropolis in 2018 and 2019, a slight increase was observed in the course of 2020. The prime rent, which is achieved for space with modern fit-out in inner-urban locations near important transport hubs and in the vicinity of the automotive industry, rose by 10 cents and was quoted at 4.60 €/m² at the end of the year. At the same time, the average rent also increased by 10 cents and currently stands at 3.80 €/m². Also noteworthy is the rising rent development in the peripheral locations, which are in particular demand by e-commerce companies due to their convenient transport connections.

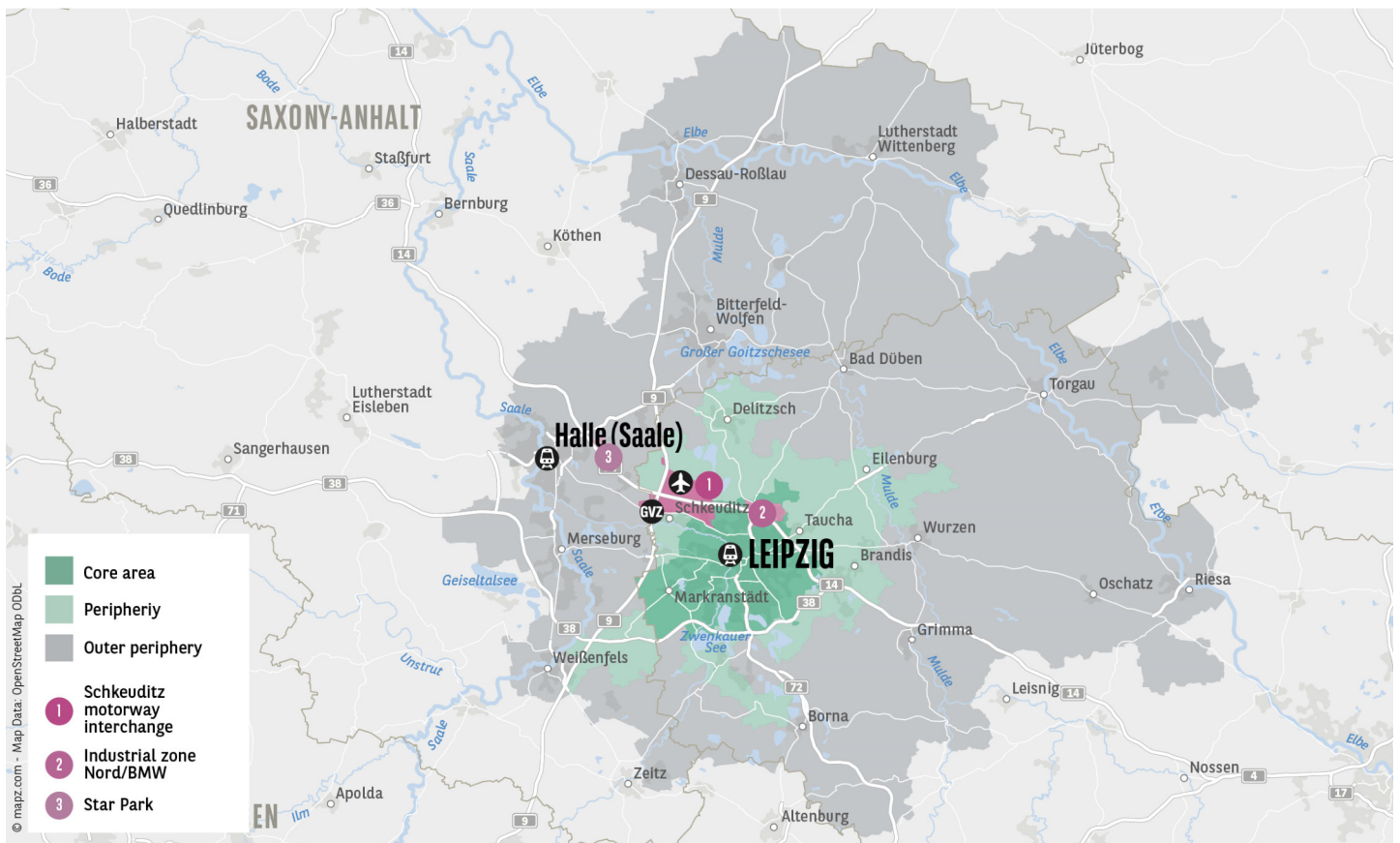
Key figures logistics market Leipzig

	2019	2020	Trend 2021
Prime rent	4.50 €/m ²	4.60 €/m ²	➔
Average rent	3.70 €/m ²	3.80 €/m ²	➔
Take-up	164,000 m ²	337,000 m ²	➔
- Share of owner-occupiers	45.7 %	10.5 %	➔
- Share of new buildings	61.3 %	61.3 %	➔

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OUTLOOK

The boom metropolis of Leipzig can look back on a dynamic year with high demand. Despite the as yet unforeseeable general economic conditions in the new year, the outlook for the near future is positive due to the strong demand from e-commerce companies as well as production companies, whose business activity had already picked up significantly by the end of the year. Against the backdrop of generally high demand and the low supply of market-adequate space, stable or slightly rising rents are the most likely scenario from today's perspective.



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Further Information BNP Paribas Real Estate GmbH | Branch office Leipzig | Phone +49 (0)341-711 88-0 | www.realestate.bnpparibas.de