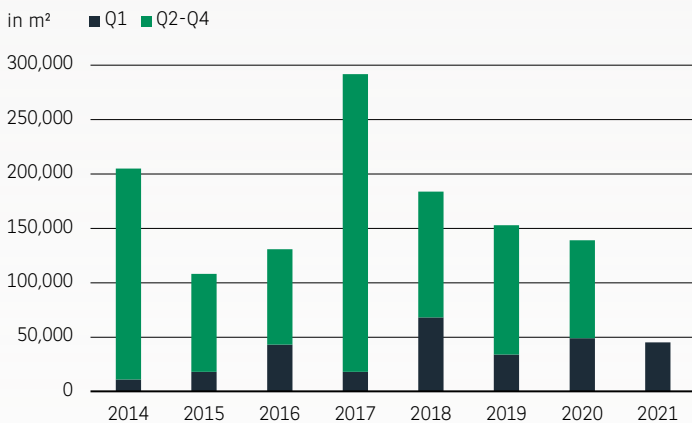


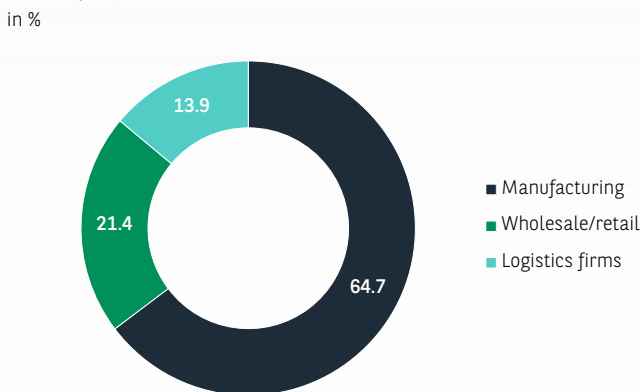
At a Glance Q1 2021

LOGISTICS MARKET STUTTGART

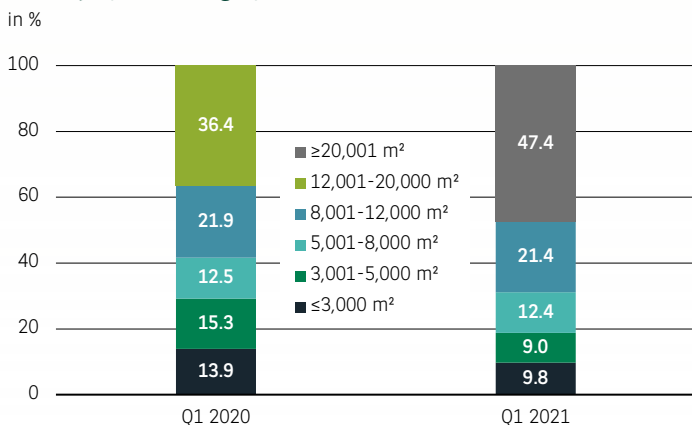
Light industrial and logistics take-up



Take-up by sector



Take-up by size category



➤ ABOVE-AVERAGE START TO THE YEAR

The Stuttgart market for storage and logistics space once again recorded a pleasing result at the beginning of the year. With a take-up of 45,000 m², the previous year's volume was just missed, but it is still a remarkable 25 % above the long-term average. Since the outbreak of the Corona pandemic, the Stuttgart logistics market has proved to be extremely stable. Even if some industries are temporarily experiencing somewhat lower demand due to the difficult economic conditions, the strongly expanding e-commerce sector is able to compensate for this gap in demand to a large extent. As a result, a clear surplus in demand can be observed, especially for spaces with more than 3,000 m² and a modern quality fit-out. Demand in the immediate vicinity of the conurbations is also increasing due to e-commerce companies and the growing importance of last-mile logistics. New buildings by owner-occupiers were again of particular importance for the Swabian metropolis in the first quarter, accounting for 56 % of the result.

➤ MANUFACTURING COMPANIES NUMBER 1

Once again, the distribution of take-up in the logistics market reflects the outstanding importance of the manufacturing sector for Stuttgart's economic region. With a contribution of around 65 %, this sector is at the top of the ranking. This share is based, among other things, on the largest deal of the year so far: Porsche is building 21,000 m² of storage and logistics space in Sachsenheim. The second pillar of the good result is wholesale/retail companies with a share of around 21 %. This sector can also report a major deal with Amazon's lease of 9,500 m² in Korntal-Münchingen. In addition, logistics firms contribute around 14 % to the volume.

➤ MAJOR DEAL SHAPES THE MARKET

The analysis of take-up by size category shows a familiar breakdown at the beginning of the year. Due to the previously mentioned large owner-occupier deal, the size category above 20,000 m² dominates the quarterly result with a share of 47 %. A comparable proportion as in the previous year is achieved by the segment between 8,000 and 12,000 m², which is also at the same level in absolute terms. The remaining take-up is distributed among the smaller size categories with shares of 9 to 12 % each. This shows that, in addition to the major large deals, the smaller contracts are also important drivers of take-up.

Major contracts

| Company | Location | Area(m ²) |
|---------------|----------------------|-----------------------|
| Porsche | Sachsenheim | 21,000 |
| Amazon | Kornthal-Münchingen | 9,500 |
| Deutsche Post | Kirchheim unter Teck | 5,500 |

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Key figures logistics market

| | Q1 2020 | Q1 2021 | Trend remaining year |
|----------------------------|-----------------------|-----------------------|----------------------|
| Prime rent | 7.00 €/m ² | 7.00 €/m ² | ➔ |
| Average rent | 5.40 €/m ² | 5.40 €/m ² | ➔ |
| Take-up | 49,000 m ² | 45,000 m ² | ➔ |
| - Share of owner-occupiers | 46.6 % | 56.4 % | ➔ |
| - Share of new buildings | 46.6 % | 56.4 % | ➔ |

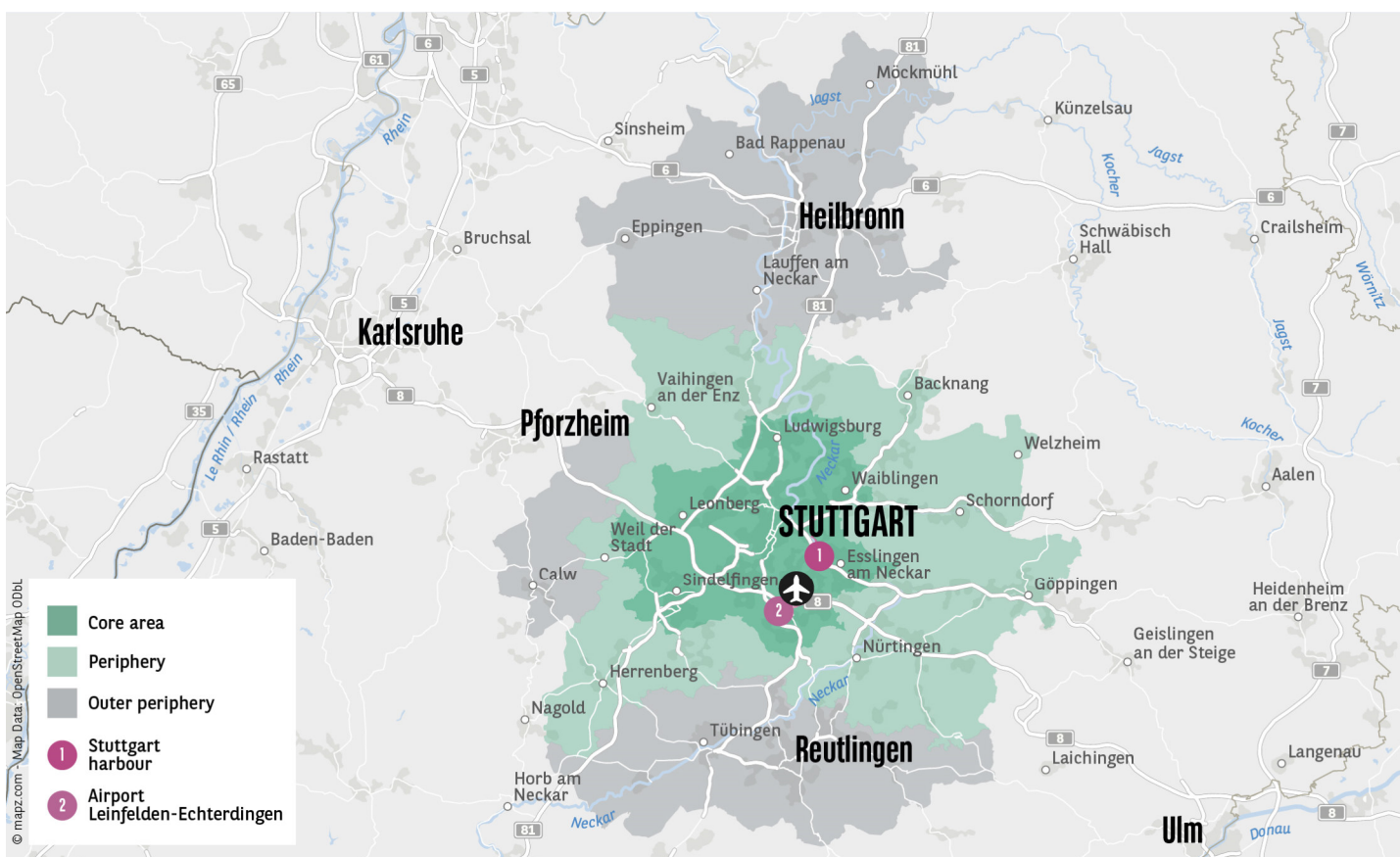
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RENTS IMPRESS WITH CONTINUITY

While Stuttgart's logistics rents last rose at the beginning of 2019, rental levels have proved extremely robust during the Corona crisis. The prime rent remains at 7.00 €/m² at the end of the first quarter of 2021. In a nationwide comparison, only the Berlin and Munich market areas (7.20 €/m²) achieve a higher top rent. The realised average rent also solid remains at 5.40 €/m².

OUTLOOK

In the lee of the good result of the first three months there is reason to look optimistically at the further development of the Stuttgart logistics market. The accelerating vaccination campaign and an accompanying normalisation of social life can probably also lead to certain catch-up effects, especially in industries that were severely affected by the crisis. It can also be assumed that the e-commerce sector will remain a significant driver of take-up in the latter of 2021. From today's perspective, an average result of around 160,000 m² for the year as a whole appears realistic. Furthermore, it can be assumed that rental price levels will remain stable.



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