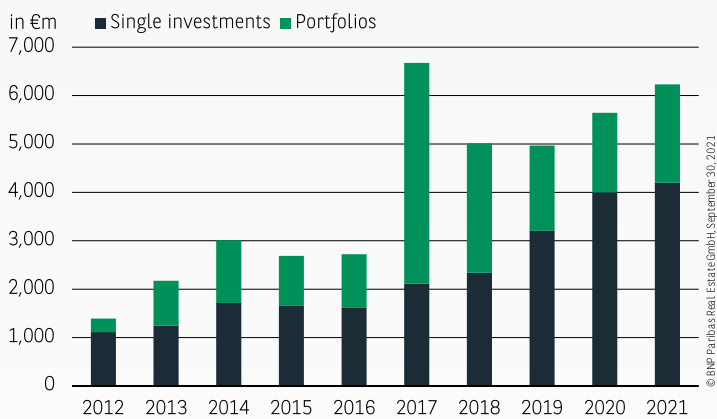




At a Glance **Q3 2021**

# LOGISTICS INVESTMENT MARKET GERMANY

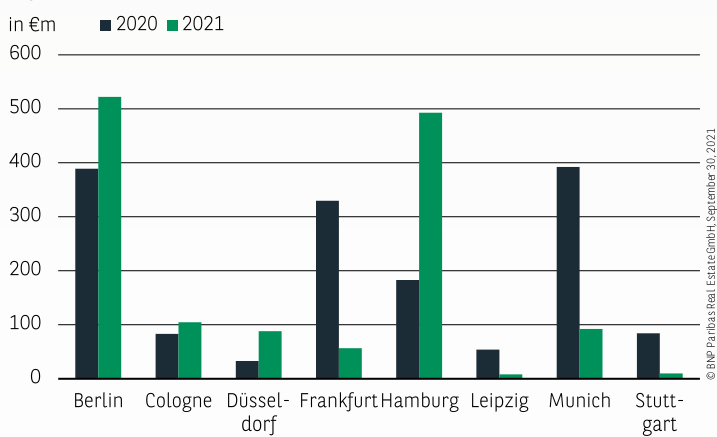
## Logistics investments in Germany Q1-3



### LOGISTICS INVESTMENTS REMAIN IN THE FAST LANE

The high momentum on the logistics investment market continues unabated. In the first three quarters, €6.2 billion was invested in this asset class, which is another 10% higher than in same period last year. The volume is thus close to the record volume of 2017, which was mainly characterised by large portfolio transactions. Currently, however, single deals have reached a new peak value and exceeded the €4 billion mark for the first time ever. At more than €2 billion, portfolios registered the third-highest volume on record and saw an impressive rise of 23% year-on-year. Overall, an unprecedented number of more than 200 registered transactions underlines the high level of market activity and the broad demand in all size classes. The average volume per deal fell from €35 million in the previous year to €30 million.

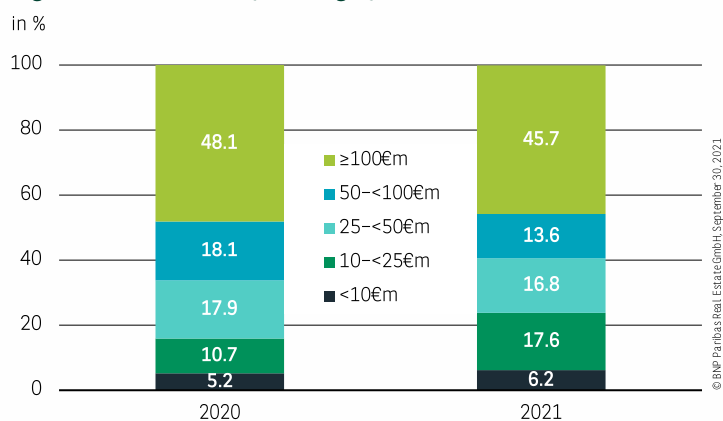
## Logistics investments in important markets Q1-3



### BERLIN AND HAMBURG NECK AND NECK

A very different picture emerges in the major real estate markets: Berlin and Hamburg stand out with slightly more and slightly less than half a billion euros respectively. They thus saw a considerable rise in investment volume over the previous year and both recorded their best result of the past ten years. Apart from the latest top performers, only Cologne reached a triple-digit investment volume with €105 million. Some of the other locations remained significantly below this level and thus also achieved below-average results. Against the background of the overall dynamic development of the logistics sectors, it becomes apparent that the weaker results are due to the lack of product in more central locations of the large hubs. The general lack of space for logistics uses implies that companies are often forced to move to peripheral locations - and thus outside the market areas.

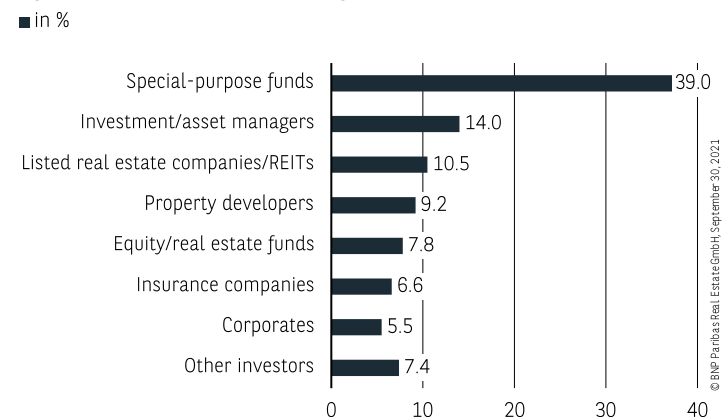
## Logistics investments by € category Q1-3



### EVERY SIZE CLASS ABOVE AVERAGE

In the distribution of investments by size class, large-volume deals once again generated the highest investment volume with a market share of almost 46%. Particularly noteworthy, however, is the high volume of investments in the €10 to €25 million segment, which contributes almost 18% to the overall result and thus secures second place. With more than one billion euros, considerably more was invested in properties in this class than ever before. A further almost 17%, and thus also more than one billion euros, is accounted for by deals between €25 and 50 million.

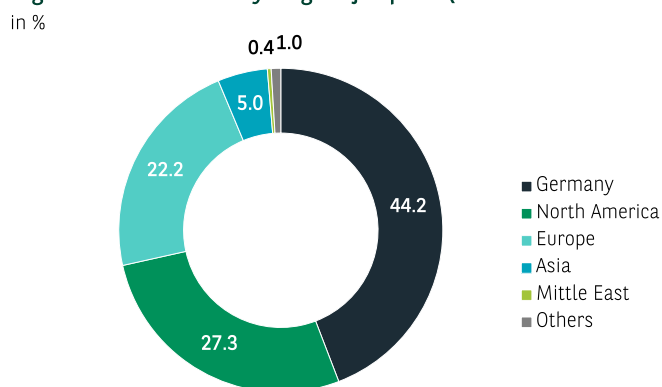
**Logistics investments by buyer group Q1-3 2021**



**SPECIAL-PURPOSE FUNDS DOMINATE THE MARKET**

Special-purpose funds are by far the most active buyer group, leading the distribution with 39% and accounting for more than €2.4 billion. They are ahead in both individual and portfolio transactions and increased their result from the same period last year by another 53%. Many institutional investors place their capital through corresponding fund structures, which continue to gain in importance. Investment/asset managers (14%) and listed real estate companies/REITs (10.5%) contributed a double-digit share to the volume as well. Also noteworthy is the high proportion of property developers (a good 9%), who are reacting to the high demand for logistics space by securing land and properties with potential.

**Logistics investments by origin of capital Q1-3 2021**



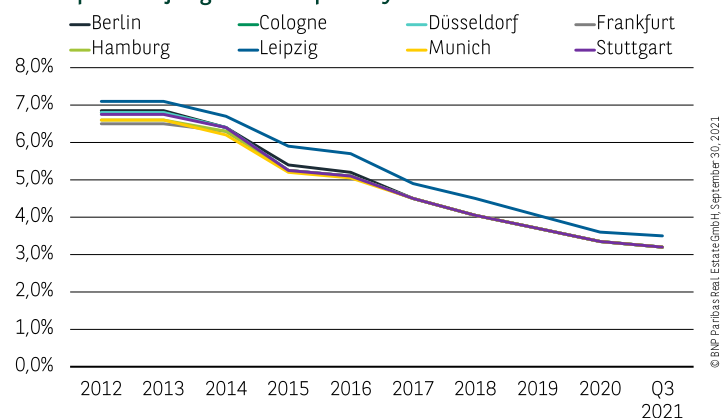
**FOREIGN INVESTORS ARE MAKING SIGNIFICANT GAINS AGAIN**

While the logistics investment market generated more capital from Germany than from foreign buyers in the past two years, this trend has now reversed. At 44%, the share from Germany is also lower in absolute terms than the record result from the same period in the previous year (-15%), but still at the second-highest level of the past ten years. In terms of foreign capital, both investors from North America (a good 27%) and Europe (around 22%) have set new highs by a wide margin compared to previous years. In contrast to previous years, when they were responsible for large portfolio transactions, Asian investors have been less active so far. With a share of 5%, they are clearly below their long-term average.

**PRIME YIELDS CONTINUE TO WEAKEN**

After the net prime yields had initially stabilised at the level reached in the past quarters, they have currently fallen again. At 3.20%, they are now 15 basis points below the previous level and 30 basis points below the value from the third quarter of 2020. This development reflects the unabated high demand and the simultaneously limited supply of core properties.

**Development of logistics net prime yields**



**OUTLOOK**

The general conditions for logistics investments remain excellent, so that the high demand for German logistics properties from national and international investors is likely to continue unabated. For the final quarter, which is usually particularly strong in terms of investment volume, a total of at least €2 billion is therefore expected - as on average over the last five years. Only the lack of product could have a somewhat dampening effect on the result.

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Further Information BNP Paribas Real Estate GmbH | Christopher Raabe, Head of Logistics & Industrial Advisory | Phone +49 (0)40-348 48-0 | christopher.raabe@bnpparibas.com | www.realestate.bnpparibas.de