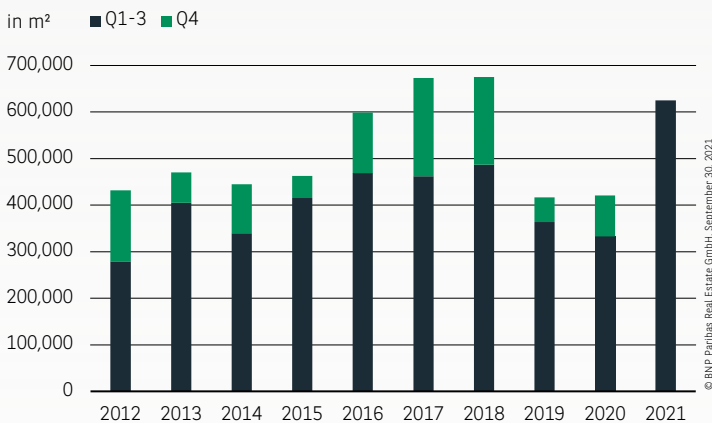


At a Glance Q3 2021

LOGISTICS MARKET FRANKFURT

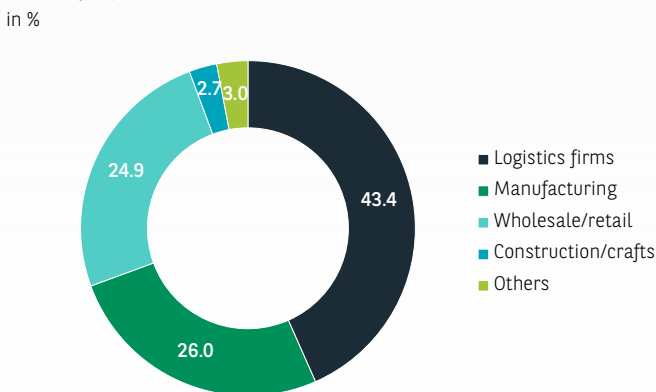
Light industrial and logistics take-up



FRANKFURT MARKET WITH GERMAN BEST MARK

The Frankfurt logistics market is about to break all records. So far this year, take-up (including owner-occupiers) has reached around 625,000 m². This is the highest volume ever recorded for a German logistics market at the end of September. In terms of the Frankfurt market area alone, the current result is almost 88 % above the figure for the same period last year and almost 50 % above the ten-year average. The Main metropolis is benefiting from various factors. On the one hand, more and more industrial companies are restructuring their supply chains. Against the backdrop of supply difficulties for primary products, especially from Asia, many companies are deciding to relocate storage and production capacities to Germany in order to reduce global dependencies and become more crisis-resistant overall. On the other hand, the central location in Germany and especially the proximity of the Rhine-Main and Rhine-Neckar metropolitan regions speak more than ever for the Frankfurt location.

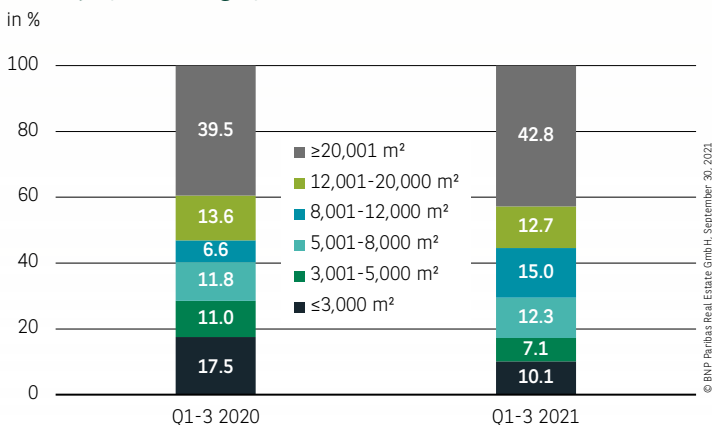
Take-up by sector



STRONG TAKE-UP IN ALL SECTORS

All sectors are active above average in 2021, most of all logistics firms, who have set a new record with a take-up of around 271,000 m² to date. Their result is almost 58 % above the ten-year average. The industrial and production companies, which were already very strong last year, have also shifted up another gear. Their most recent result is 82.5 % above the long-term average, with two deals in excess of 40,000 m² standing out in particular alongside numerous contracts in the mid-sized segment. Retail companies perform above average for the second year in a row with a take-up of around 156,000 m². In addition to three deals above 10,000 m², it is also mainly transactions in the mid-sized segment that are making an impact here. The spectrum of new occupiers ranges from e-commerce companies to food retailers and textile firms.

Take-up by size category



LARGE DEALS DRIVE THE MARKET

The number of deals with space beyond 20,000 m² is currently particularly high. So far they have contributed almost 268,000 m² to take-up, which is more than ever before. The market activity for deals over 35,000 m² is especially remarkable, with a total of four contracts. Transaction activity for space between 8,001 and 12,000 m² is also conspicuously strong with almost 94,000 m² (10-year average: just under 49,000 m²). This implies that they are also at an unprecedented level.

Major contracts

Quarter	Company	Location	Area (m ²)
Q1	Hager Group	Hammersbach	44,000
Q2	ID Logistics	Kleinostheim	41,000
Q3	PepsiCo Deutschland	Hammersbach	40,000
Q3	B+S Logistik	Alzenau	37,400
Q3	DHL Supply Chain	Florstadt	32,000

© BNP Paribas Real Estate GmbH, September 30, 2021

Key figures logistics market

	Q1-3 2020	Q1-3 2021	Trend remaining year
Prime rent	7.00 €/m ²	7.10 €/m ²	➔
Average rent	5.35 €/m ²	5.50 €/m ²	➔
Take-up	333,000 m ²	625,000 m ²	➔
- Share of owner-occupiers	24.6 %	17.5 %	➔
- Share of new buildings	70.4 %	62.9 %	➔

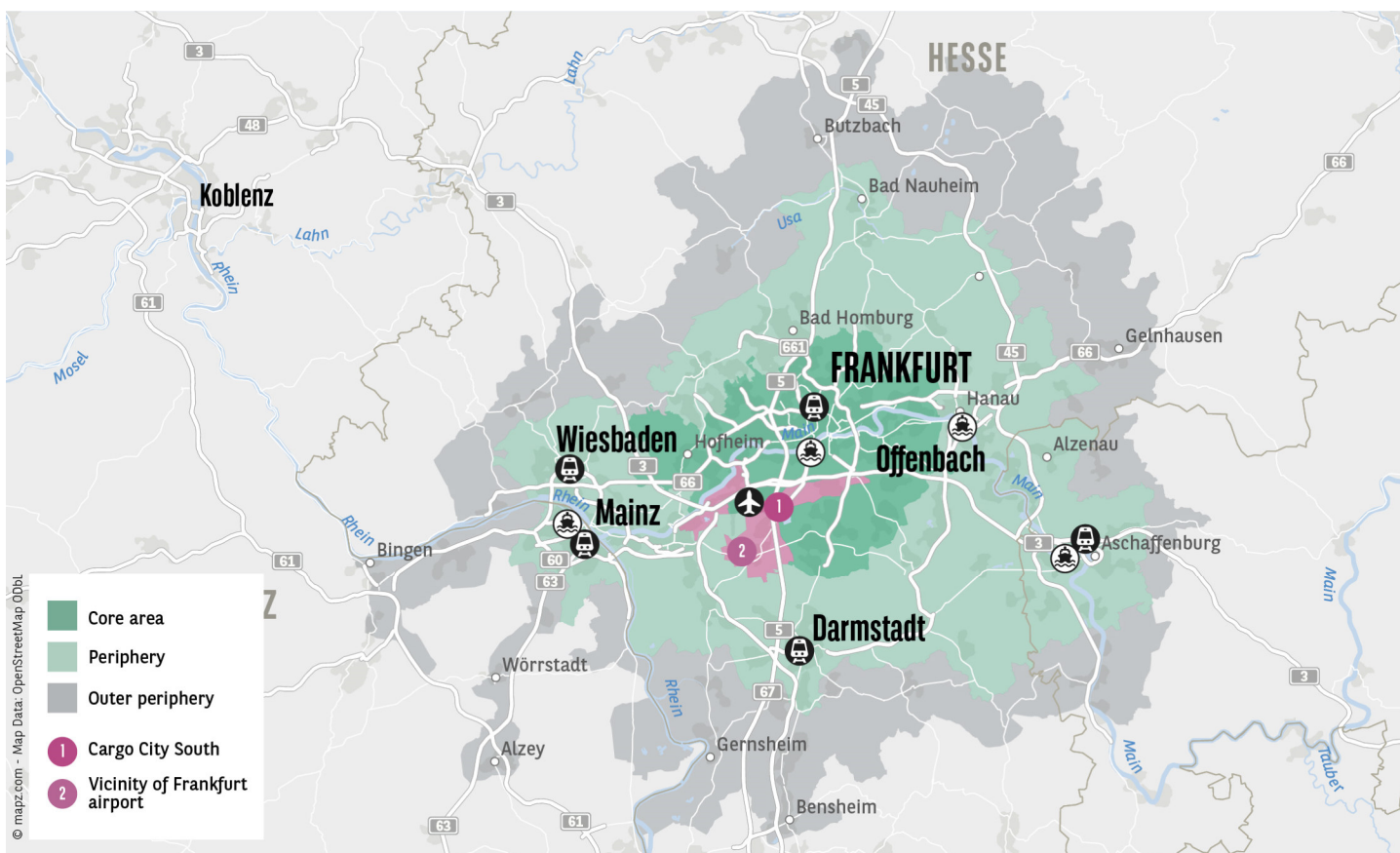
© BNP Paribas Real Estate GmbH, September 30, 2021

➔ RENT LEVELS CONTINUE TO RISE

The volume of available space in the Frankfurt market area continues to decline. Demand pressure is high. There is a shortage of space, especially in well-connected locations close to motorways. The project developments currently under construction bring only little relief overall and speculatively built space is usually quickly absorbed by the market. The situation is further complicated by the fact that most new builds do not have the large volumes required by many companies, as a lot of projects are currently designed on a rather small scale. In view of the continuing shortage of supply, the rent level has increased. The prime rent has risen again for the first time since Q3 2020. It is currently quoted at 7.10 €/m² (+1.4 % compared to Q3 2020). The average rent has climbed for the second quarter in a row to 5.50 €/m² (+2.8 % year-on-year).

➔ OUTLOOK

A high level of transaction activity will also be characteristic of the Frankfurt market in the final quarter of the year. The boom in e-commerce will ensure continued high demand from retailers, while the ongoing optimisation of supply chains is likely to keep demand for space high among industrial companies. The strong demand in combination with falling supply and, not least, rising construction costs will put further upward pressure on rents.



All rights reserved. At a Glance is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate GmbH.

The statements, notifications and forecasts provided here correspond to our estimations at the time when this report was prepared and can change without notice. The data come from various sources which we consider reliable but whose validity, correctness or exactness we cannot guarantee. Explicitly, this report does not represent a recommendation of any kind, nor should it be regarded as forming a basis for making any decisions regarding investment or letting or renting property or premises. BNP Paribas Real Estate can accept no liability whatsoever for any information contained or statements made herein.

Imprint Publisher and copyright: BNP Paribas Real Estate GmbH | Prepared by: BNP Paribas Real Estate Consult GmbH | Status: 30.09.2021

Further Information BNP Paribas Real Estate GmbH | Branch office Frankfurt | Phone +49 (0)69-298 99-0 | www.realestate.bnpparibas.de