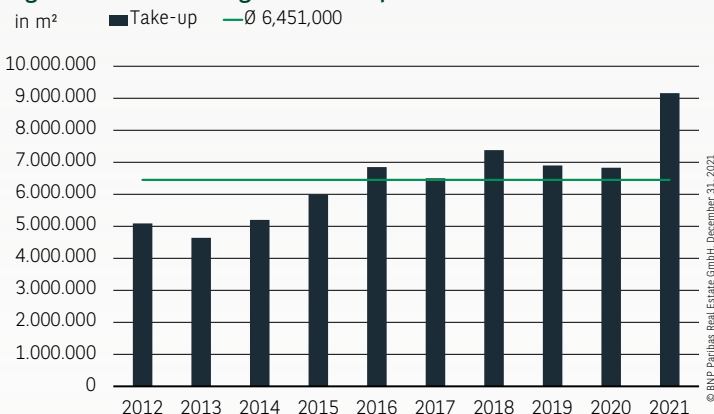




At a Glance **Q4 2021**

LOGISTICS MARKET GERMANY

Light industrial and logistics take-up



Light industrial and logistics take-up by region

	2020 (m²)	2021 (m²)	Change (%)
Important logistics markets			
Berlin	432.000	609.000	41,0%
Cologne	216.000	334.000	54,6%
Düsseldorf	145.000	303.000	109,0%
Frankfurt	421.000	875.000	107,8%
Hamburg	488.000	641.000	31,4%
Leipzig	337.000	505.000	49,9%
Munich	238.000	347.000	45,8%
Stuttgart	139.000	248.000	78,4%
Subtotal	2.416.000	3.862.000	59,9%
Other locations*			
Ruhr region	669.000	683.000	2,1%
Other logistics regions (see map)	1.323.000	1.617.000	22,2%
Rest of Germany	2.424.000	2.998.000	23,7%
Subtotal	4.416.000	5.298.000	20,0%
Total Germany	6.832.000	9.160.000	34,1%

© BNP Paribas Real Estate GmbH, December 31, 2021

* Deals ≥5,000 m²

RECORD TAKE-UP IN PREVIOUSLY UNKNOWN DIMENSIONS

The fact that the logistics markets have developed very strongly despite the Corona pandemic and tend to be among the winners has not been a secret for some time. However, with the record take-up of 9.1 million m² (incl. owner-occupiers) achieved in 2021, they are advancing into a new, previously unknown dimension. This exceeds the previous year's result by 34 % and the ten-year average by a impressive 42 %. However, the exceptional nature of the result is particularly evident in the fact that even the previous record from 2018 was topped by a further 24 %. To achieve such a result, many things have to come together to create demand. These include the continuing boom in e-commerce, as well as the reorganisation of supply chains due to bottlenecks with primary products or restructuring processes in the industrial sector, such as e-mobility. A significant expansion of new construction activities has also helped, which has eased the supply bottleneck somewhat, even if there is still too little space available in most regions.

INCREASE IN TAKE-UP IN ALL IMPORTANT MARKETS

The fact that all the major logistics hubs were able to increase their take-up shows how broadly positioned the increase in demand is. The take-up of 3.86 million m² corresponds to an increase of 60 %. This also represents a new all-time high; never before has the 3 million m² mark been surpassed. In total, four markets (Berlin, Frankfurt, Cologne, Leipzig) set new records. Frankfurt has taken the lead, more than doubling the previous year's figure (875,000 m²; +108 %). The other places are taken by Hamburg (641,000 m²; +31 %), Berlin (609,000 m²; +41 %) and Leipzig (505,000 m²; +50 %). Düsseldorf (303,000 m²; +109 %) shows the strongest increase. But take-up also increased noticeably in Stuttgart (248,000 m²; +78 %), Munich (347,000 m²; +46 %) and Cologne (334,000 m²; +55 %).

REMARKABLE TAKE-UP ALSO IN OTHER REGIONS

Very high take-up can also be observed outside the major logistics hubs. In total, just under 5.3 million m² of take-up was generated here, which corresponds to a plus of 20 % and, as expected, represents a new record. The 2 % increase in take-up in the Ruhr region seems relatively modest. This is due to the excellent result of the previous year. Nevertheless, the second-best result of all time was achieved. The 12 logistics regions that BNPPRE regularly analyses in addition to the conurbations also increased their take-up by a good 22 % to over 1.6 million m².

Key figures logistics market Germany

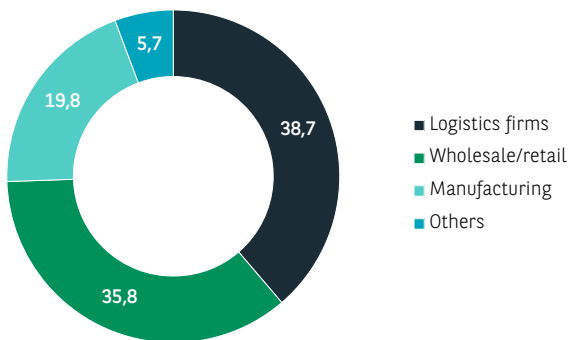
	2020	2021	Trend 2022
Take-up	6.832.000 m ²	9.160.000 m ²	➔
- Share of owner-occupiers	36,0%	25,9%	↗
- Share of new buildings	67,7%	64,9%	➔

© BNP Paribas Real Estate GmbH, September 30, 2021

© BNP Paribas Real Estate GmbH, December 31, 2021

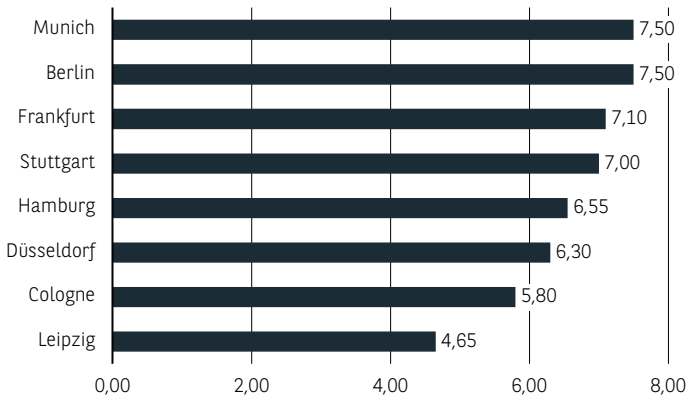
Take-up by sector

in %



© BNP Paribas Real Estate GmbH, December 31, 2021

Top rents in important logistics markets

■ in €/m²

© BNP Paribas Real Estate GmbH, December 31, 2021

Major contracts

Quarter	Company	Location	Area (m ²)
Q4	E-Commerce Company	Großenkneten	189.000
Q3	Edeka	Marktrechwitz	100.000
Q4	Zalando	Gießen	100.000
Q1	BLG Logistik	Bremen	95.000
Q3	Rhenus	Wesel	81.000
Q2	Edeka	Neumünster	80.000

© BNP Paribas Real Estate GmbH, December 31, 2021

SLIGHTLY HIGHER SUPPLY ABSORBED VERY QUICKLY

The supply situation remains tight in many logistics regions. Although the supply was expanded somewhat in the short term due to the stronger new construction activity in the course of the year, the high demand has not changed the basic supply-and-demand relationship. However, at least enough new product was created so that the share of new construction in the overall result is at the long-term level of just under 65 %, and this despite a significant increase in take-up. The situation is different for owner-occupiers. At around 26 %, their share is the lowest in the last ten years. Rising construction costs and land prices combined with a very low supply of land in commercial areas often make it difficult for them to implement their plans. At the same time, brownfield sites, which are tending to increase, are often both too expensive and too complex to prepare for owner-occupiers.

LOGISTICS FIRMS AND RETAIL SECTOR VERY STRONG

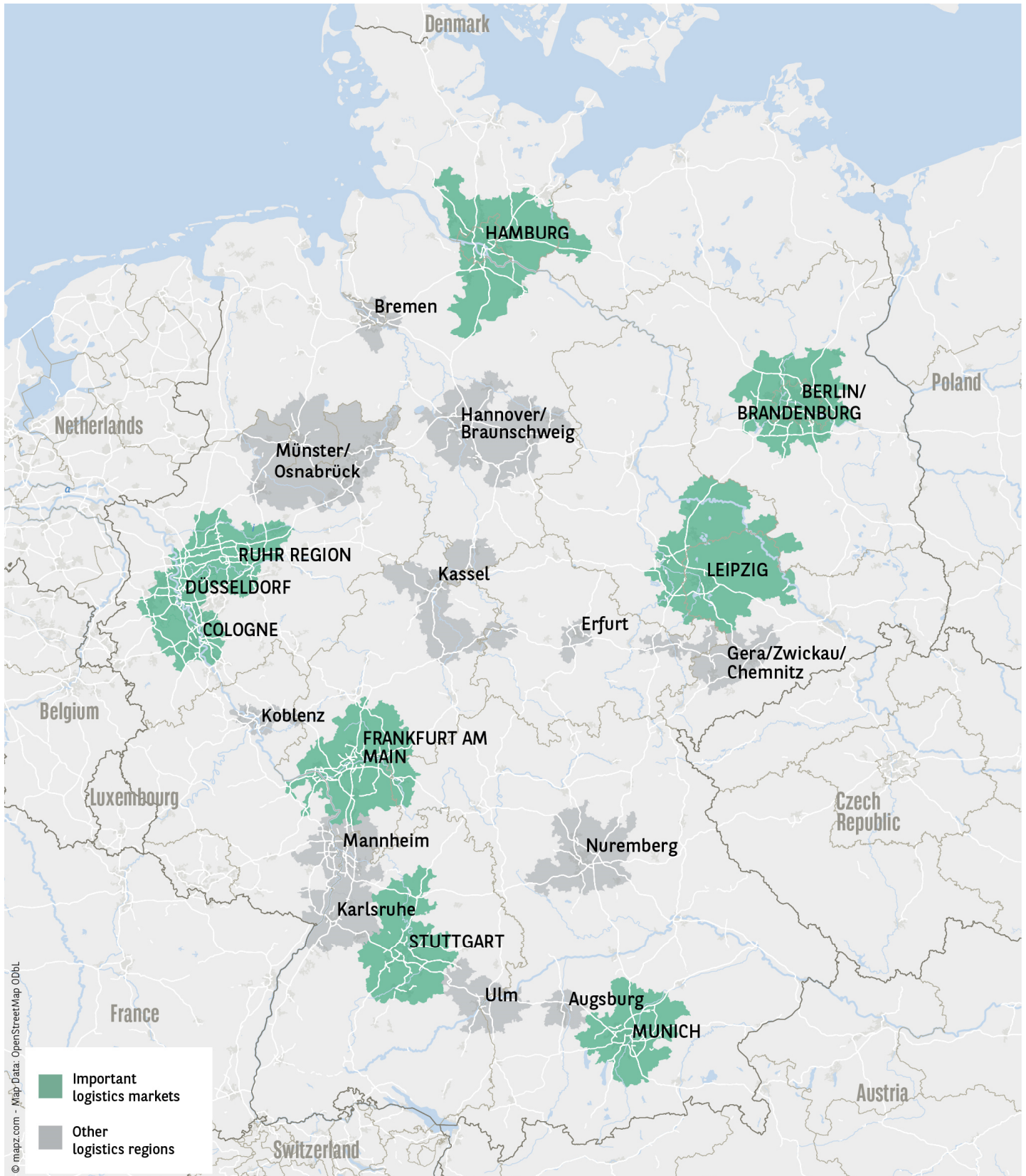
It is pleasing that all important industry groups contributed extensively to the excellent result. The largest contribution to take-up, 39 %, was made by logistics firms, who set a new record in absolute terms with 3.5 million m² and exceeded the 3 million m² threshold for the first time. The situation is comparable for the wholesale/retail sector, who finish second, narrowly beaten (36 %). With 3.3 million m², they also absorb more space than ever before within a year and also break the 3 million m² mark for the first time. The leading trio is completed by manufacturing companies, which account for almost 20 % and thus remain below their ten-year average in relative terms. Nevertheless, just under 1.8 million m² is a very good result.

RENTS UP ACROSS THE BOARD

The strong demand combined with the increased construction costs has caused rents to rise noticeably year-on-year in almost all markets. On average, the top rent of the major logistics markets increased by a good 3 %. The strongest increases were recorded in Munich (7.50 €/m²; +7 %) as well as Berlin (7.50 €/m²) and Hamburg (6.55 €/m²), where they each rose by around 4 %. The increase in average rents was even higher, averaging just under 4 %. Here, Cologne with around 8 % and Leipzig and Berlin with over 5 % each show the most dynamic development.

OUTLOOK

Very high demand and well above-average take-up are also expected for 2022. This is supported on the one hand by the industry trends outlined above, which will continue for some time and provide additional demand impulses, and on the other hand by the economic recovery, which is very likely to accelerate in the course of the year. The limiting factor will remain the supply, which could only compensate for the growth in demand, at least partially or in the short term, if more brownfield developments are included. Against this backdrop, from today's perspective everything speaks for a further increase in rental prices.



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: 31.12.2021

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