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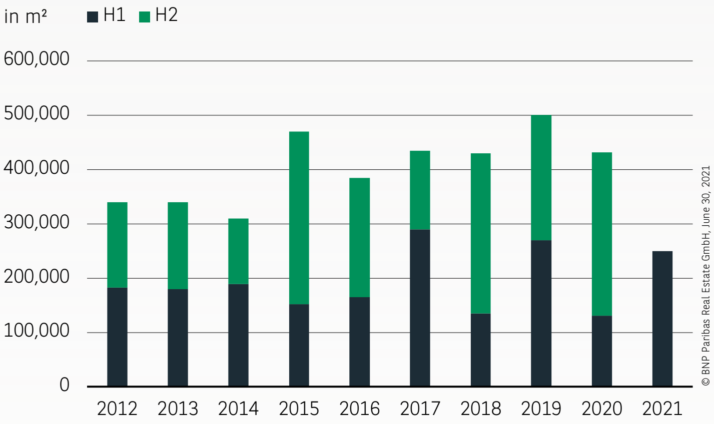
RESEARCH

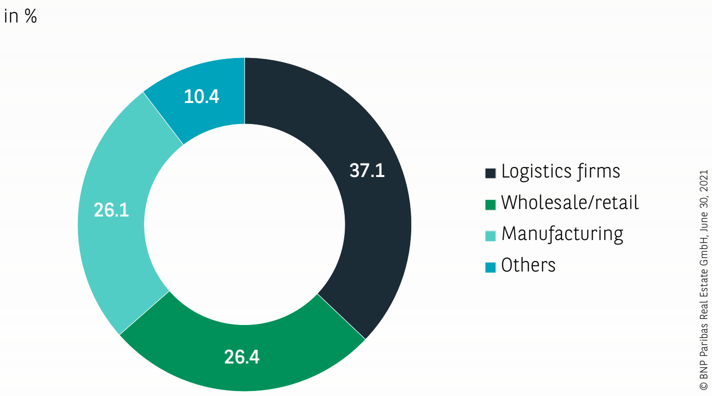
At a Glance Q2 2021

LOGISTICS MARKET BERLIN

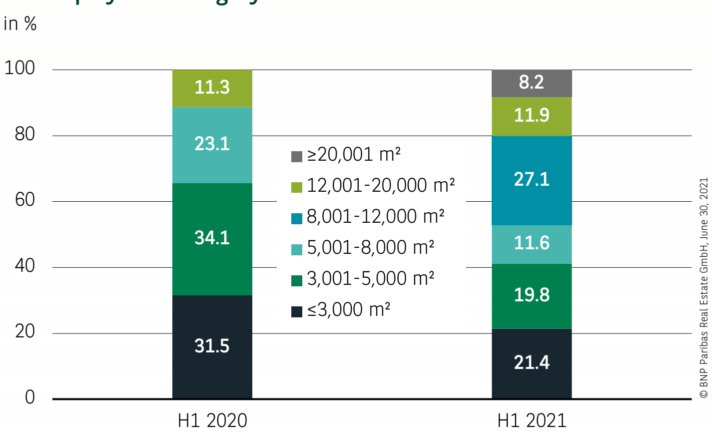
Light industrial and logistics take-up



Take-up by sector



Take-up by size category



STRONG FIRST HALF-YEAR

The Berlin market for storage and logistics space (including the surrounding area) was extremely dynamic in the first half of 2021. With a take-up of 250,000 m², the long-term average was exceeded by almost 30 % and the relatively weak result of the previous year was even topped by more than 90 %. Although the second quarter was somewhat subdued compared to the start of the year with a registered take-up of 100,000 m², it was still a quarterly result slightly above average. The overall very good performance is also remarkable against the background that in the past in most years larger owner-occupier deals were responsible for significant shares of take-up. Currently, however, they do not play any role at all, thus the entire take-up is generated on the rental market. Clear evidence of the very broad demand for space available at short notice is the very high number of registered contracts, 70 in total. Only once in the last 10 years was a higher dynamic recorded at this time in the year.

AUTOMOTIVE SUPPLIERS WITH LARGE DEALS

The distribution of take-up by sector is led by a wide margin by logistics firms (37 %). Although they do not account for a major deal yet, they generated more than 90,000 m² and thus achieved their second-best result of the last 10 years. Wholesale/retail companies, which are usually very active in Berlin, currently account for only 26 %, as they contribute an average number but, unlike in previous years, mainly small to medium-sized deals. Meanwhile, manufacturing companies, which achieved more than 60,000 m², are unusually strong. The good performance is being driven by the automotive sector. With the leases signed by the suppliers Gestamp for 20,500 m² in the GVZ Großbeeren and SAS Autosystemtechnik for 17,500 m² in Vogelsdorf, the sector has concluded the two largest deals to date.

MANY DEALS IN THE SMALL-SCALE SEGMENT

The analysis of take-up by size category shows that the good half-year result is based on a broad foundation of demand, especially in the smaller space segments. Transactions in the ≤ 5,000 m² size range accounted for more than 100,000 m², which corresponds to the second-best result ever recorded in this size segment. But the 8,001-12,000 m² segment is also particularly lively: at 27 %, activity here is higher than ever before.

Major contracts

Quarter	Company	Location	Area (m²)
Q1	Gestamp	Großbeeren	20,500
Q1	SAS Autosystemtechnik	Vogelsdorf	17,500
Q2	Onlinehandel	Blankenfelde-Mahlow	12,200
Q1	Halla	Vogelsdorf	9,700
Q2	FIEGE Logistik	Ludwigsfelde	9,600

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Key figures logistics market

	H1 2020	H1 2021	Trend remaining year
Prime rent	7.20 €/m²	7.20 €/m²	↗
Average rent	5.90 €/m²	5.90 €/m²	↗
Take-up	131,000 m²	250,000 m²	↗
- Share of owner-occupiers	19.8 %	0.0 %	→
- Share of new buildings	48.9 %	34.6 %	↗

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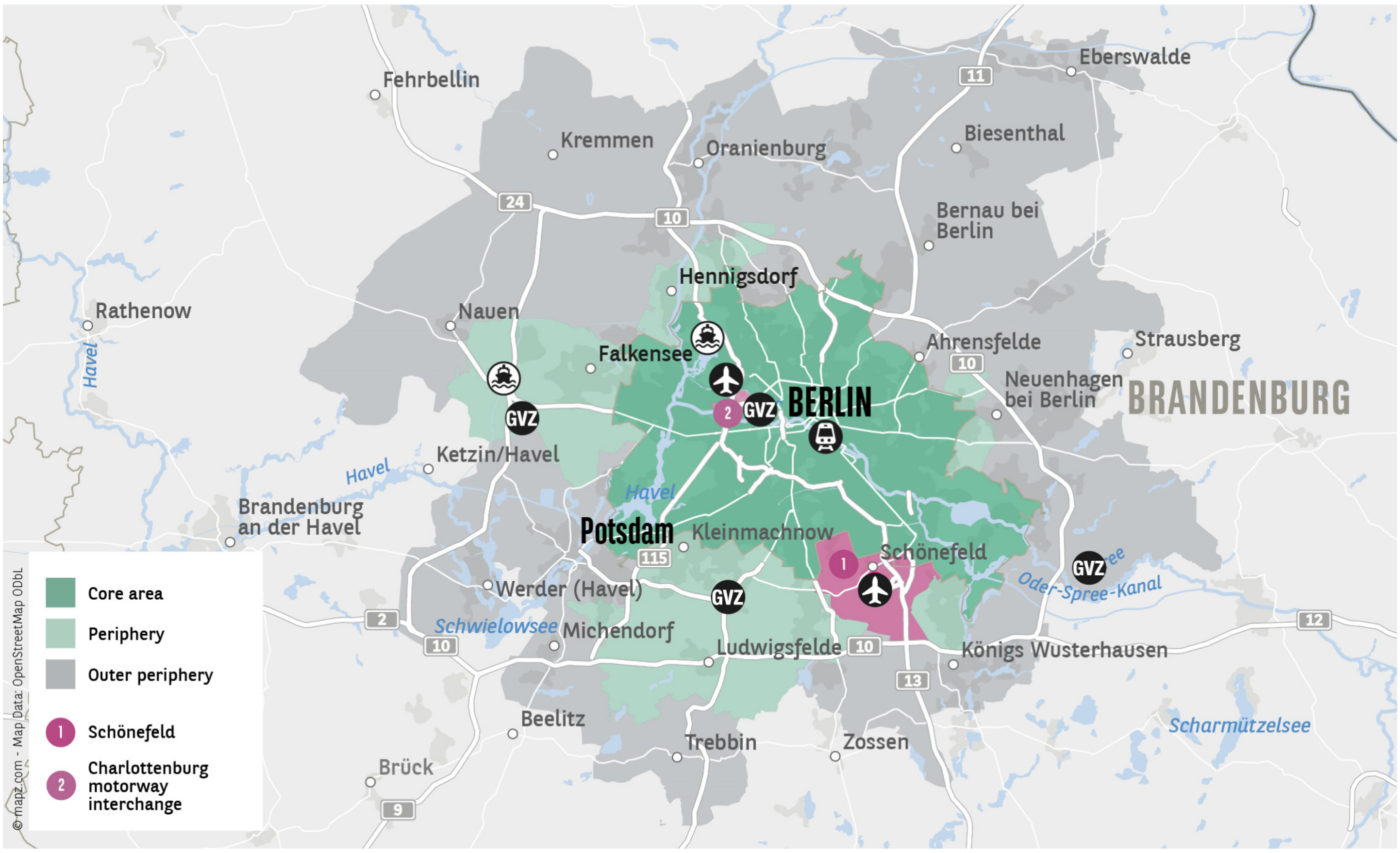
TOP RENT IS LIMITED BY THE LACK OF SUPPLY

The Berlin logistics market continues to be characterised by a noticeable shortage of supply in the central locations. In addition to the strong demand from the e-commerce sector, which relies on spatial proximity to consumer markets, the lack of employee potential in the surrounding communities is now also fuelling demand for inner-city properties. However, there is hardly any room for new developments here, not least because of the competition from other use classes. Prime rents have remained unchanged at 7.20 €/m² only because there are currently no inner-city projects underway. Otherwise, the prime rent should already have risen by around 0.30 €/m². Meanwhile, in the surrounding areas, the situation is somewhat more relaxed. Although demand is high, particularly in the south of Berlin, rents are much lower here at 4.00 to 5.50 €/m² as there is sufficient supply of modern and, above all, ready-to-occupy space with good transport links.

OUTLOOK

Since the TESLA plant will be included in the statistics with the final approval expected by the end of the year, the Berlin market is on the verge of a new record result. But even leaving this special case aside, from today's perspective, market activity is expected to be dynamic in the coming months, so that the 400,000 m² mark should be clearly broken for the fifth year in a row.



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