

LOGISTICS MARKET STUTTGART

AT A GLANCE
Q2 2023

47,000 m²
TAKE-UP

-70 %
H1 2023 vs. H1 2022

-41 %
IN COMPARISON TO
10-YEAR AVERAGE

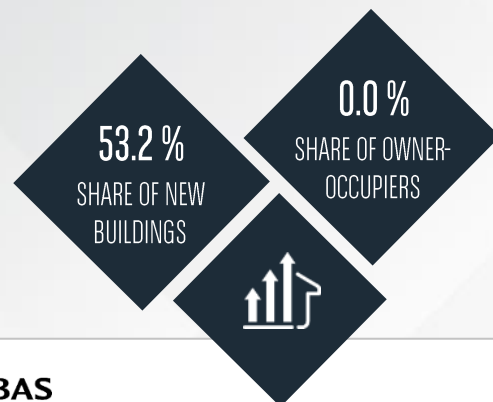
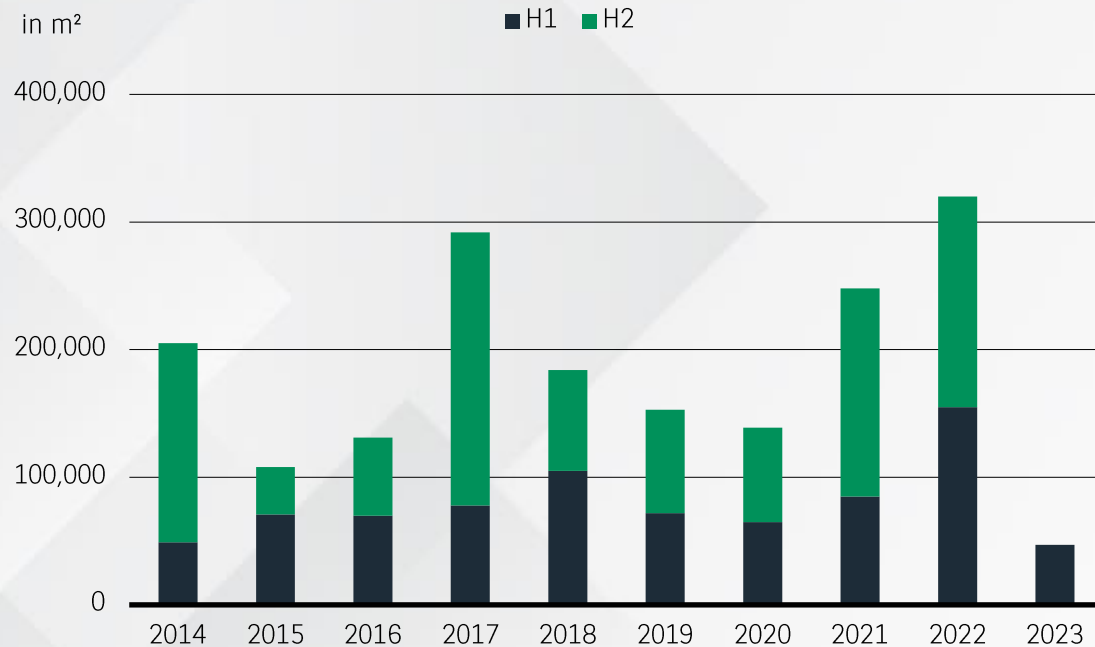


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SO FAR NO LARGE DEALS

LIGHT INDUSTRIAL AND LOGISTICS TAKE-UP IN STUTTGART

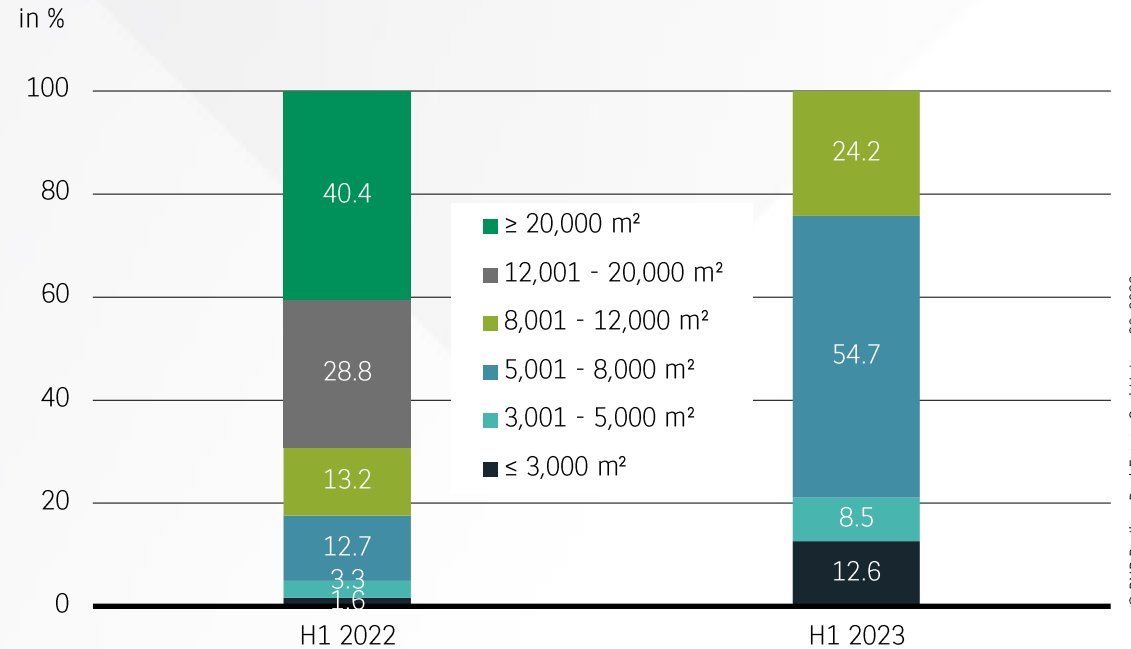


- The Stuttgart market for warehouse and logistics space achieved a take-up of 47,000 m² in the first half of 2023. After the record result from the previous year (155,000 m²), the market generated a relatively weak result in the middle of the year, which is 41 % below the ten-year average. In addition to the changed macroeconomic conditions, the insufficient supply also plays an important role in this development.
- Against this background, no large-scale contracts have been recorded to date. The largest deals comprise two contracts in new developments: firstly, Dachser rented around 11,300 m² in Rottenburg, and secondly, a manufacturing company around 7,000 m² in Korntal-Münchingen.
- As in most other top logistics markets, the rental level has continued to rise over the past twelve months. The prime rent has increased by 14 % to 8.10 €/m², the average rent by 11 % to 6.10 €/m².

MANUFACTURING STRONG AS USUAL

- The distribution of take-up by size category illustrates the differences compared to the same period last year. While by mid-2022 more than two thirds of the result was achieved in the space segments of 12,000 m² and above, these categories have not yet been occupied at all. Currently, contracts from 5,000 to 8,000 m² contribute more than half of the take-up with 55 %, while a further 24 % is accounted for by the 8,000 to 12,000 m² class.
- The strong industrial base of Stuttgart's economy is regularly reflected in the logistics figures. Accordingly, the manufacturing segment is also currently contributing the main share to take-up in the sector distribution with almost 58 %. Supported by the Dachser deal in Rottenburg, logistics firms account for 28 %. By contrast, contracts from wholesale/retail companies have not yet been recorded in the market area.
- Owner-occupiers have also not yet become active, whereas the share of new construction is at a comparatively high level of around 53 %.

TAKE-UP BY SIZE CATEGORY



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TAKE-UP BY SECTOR



OUTLOOK

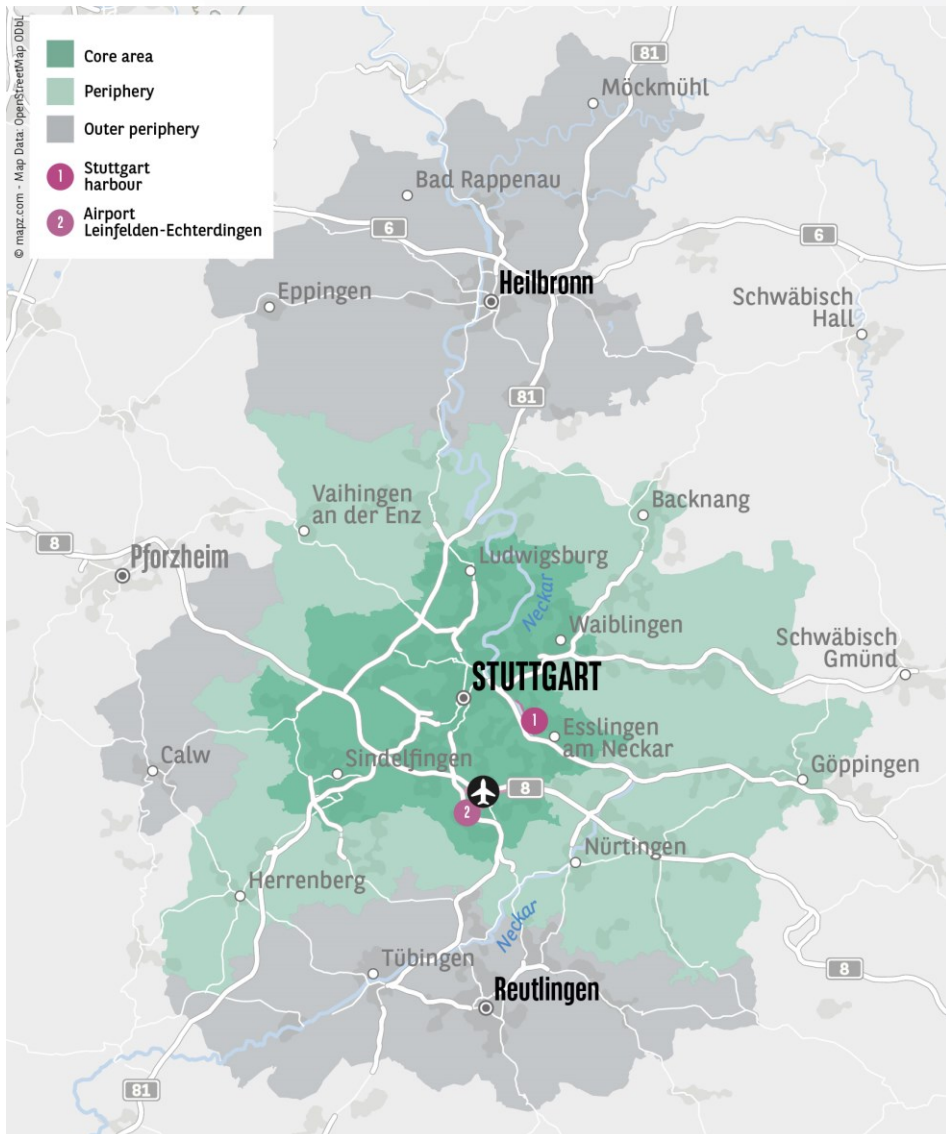
KEY FIGURES

Rents	H1 2022	H1 2023	%-Difference
Prime rent (in €/m ²)	7.10	8.10	14.1%
Average rent (in €/m ²)	5.50	6.10	10.9%
Take-up and sectors	H1 2022	H1 2023	Long-term average
Total take-up	155,000 m ²	47,000 m ²	80,000 m ²
Logistics firms	20.2%	28.4%	19.4%
Wholesale/retail	44.1%	0.0%	16.7%
Manufacturing	27.9%	57.5%	49.7%
Others	7.8%	14.1%	14.2%
Size categories	H1 2022	H1 2023	Long-term average
Share of deals > 20,000 m ²	40.4%	0.0%	19.7%
Share of deals ≤ 20,000 m ²	59.6%	100.0%	80.3%
Owner-occupiers/new building share	H1 2022	H1 2023	Long-term average
Share of owner-occupiers	53.3%	0.0%	33.6%
Share of new buildings	53.2%	53.2%	51.4%

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- Despite a slowdown of momentum due to the general economic conditions, the supply situation remains the limiting factor on the Stuttgart logistics market, so that the take-up could also have been higher if there had been an appropriate supply.
- For speculative developments already under construction, completion is not expected until 2024 for the most part; accordingly, no relief can be expected from the new construction segment in the short term. The trend towards lease extensions in existing properties is therefore continuing on the Stuttgart market as in other regions.
- Against this background, it is at least questionable whether the long-term average of around 184,000 m² can be achieved by the end of the year.
- Prime rents are likely to continue to rise due to the low supply as well as the increased construction costs and requirements for new construction space (ESG).

LOGISTICS MARKET REGION STUTTGART



MAJOR CONTRACTS

11,300 m²
Dachser
Rottenburg am Neckar

7,000 m²
Manufacturing
Kornthal-Münchingen

6,600 m²
K2 Systems
Renningen

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