

LOGISTICS MARKET LEIPZIG

AT A GLANCE
Q3 2023

264,000 m²

TAKE-UP

-14 %

Q3 2023 vs. Q3 2022

+29 %

IN COMPARISON TO
10-YEAR AVERAGE

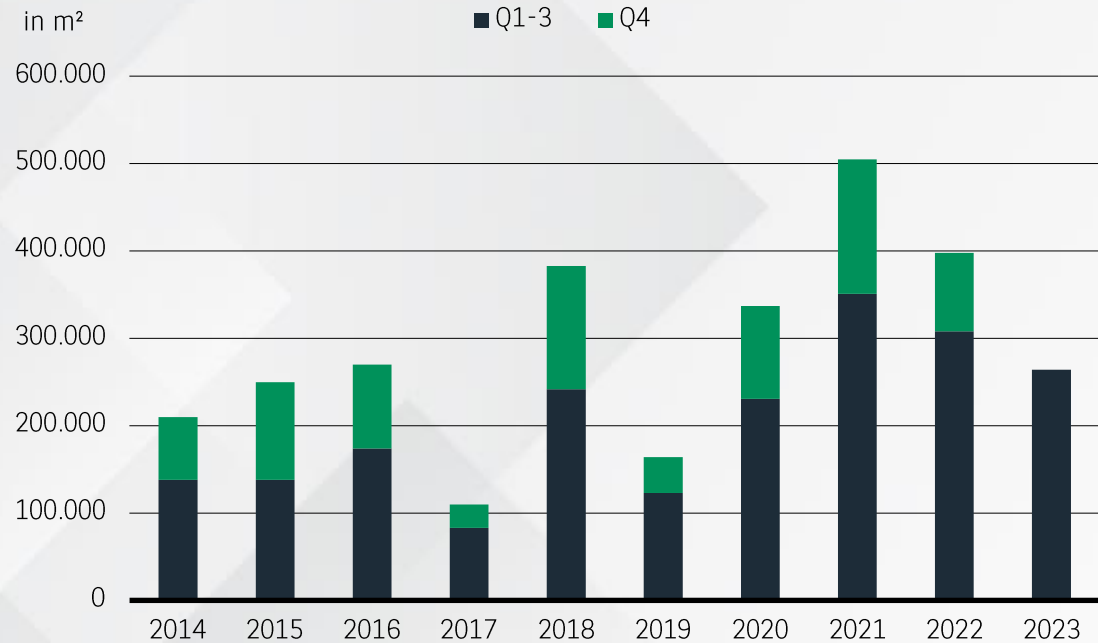


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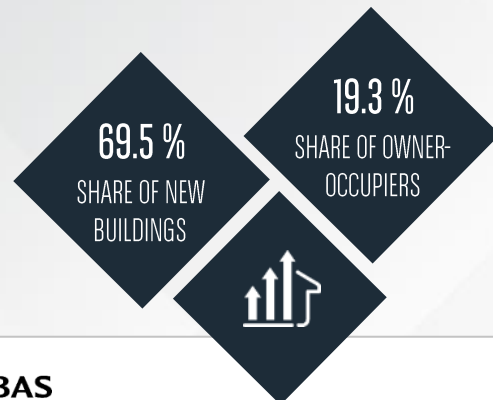
Real Estate for a changing world

STRONG RESULT AT THE END OF THE THIRD QUARTER

LIGHT INDUSTRIAL AND LOGISTICS TAKE-UP IN LEIPZIG



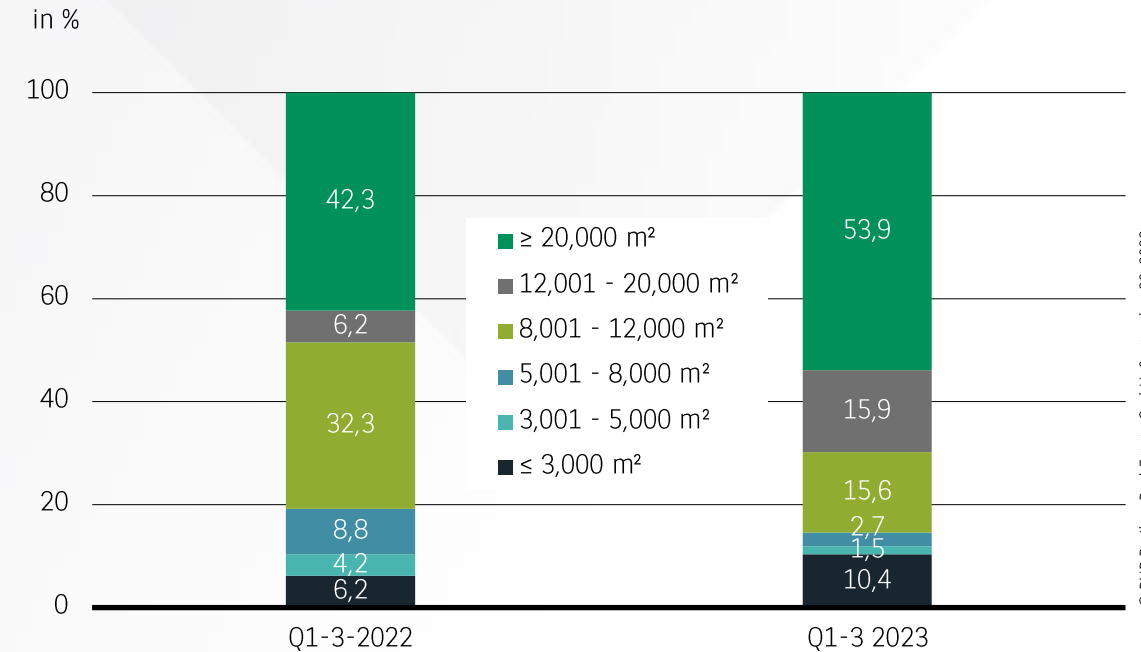
- Despite the economic downturn, Leipzig's logistics market has remained very solid so far this year. Although the strong result of the previous year was missed by around 14 %, the 264,000 m² currently registered corresponds to the third-best result of the past 10 years. Accordingly, the current interim result exceeds the long-term average by almost a third.
- Even though demand for logistics space continues to be very robust in almost all sectors, one segment in particular is currently standing out: driven by the shift towards e-mobility, many car manufacturers are expanding their logistics capacities for e-components such as batteries. With the leasing of 86,000 m² by a German premium manufacturer in Bitterfeld-Wolfen and the start of construction of a BMW logistics centre in Industriepark Nord (35,000 m²), the two largest deals of the year are in this sector.
- The rent level increased once again in the third quarter. The top rent is currently 5.80 €/m² (+20 cents compared to Q2) and the average rent stands at 4.70 €/m² (+25 cents).



PRODUCTION COMPANIES CONTRIBUTE MORE THAN HALF OF TAKE-UP

- The distribution of take-up by sector impressively reflects the large lettings from the automotive segment. Production companies currently account for around two-thirds of take-up, which is a new record both in relative and absolute terms. In addition, only logistics firms still contribute a noteworthy 23.5 % of take-up. Wholesale/retail companies, which are usually strongly represented in Leipzig, have hardly made an appearance so far with a share of 3 %.
- Driven by the aforementioned deals, completions above the 20,000 m² mark set a new record with around 142,000 m². However, the fact that the solid performance of the Leipzig logistics market is not based solely on a few large deals is particularly evident from the fact that a high number of small deals below 3,000 m² also set a new record in this segment (27,000 m²).
- While the owner-occupier share of 19 % is in line with the average of the last five years, the share of new builds is well above average at around 70 %.

TAKE-UP BY SIZE CATEGORY



TAKE-UP BY SECTOR



OUTLOOK

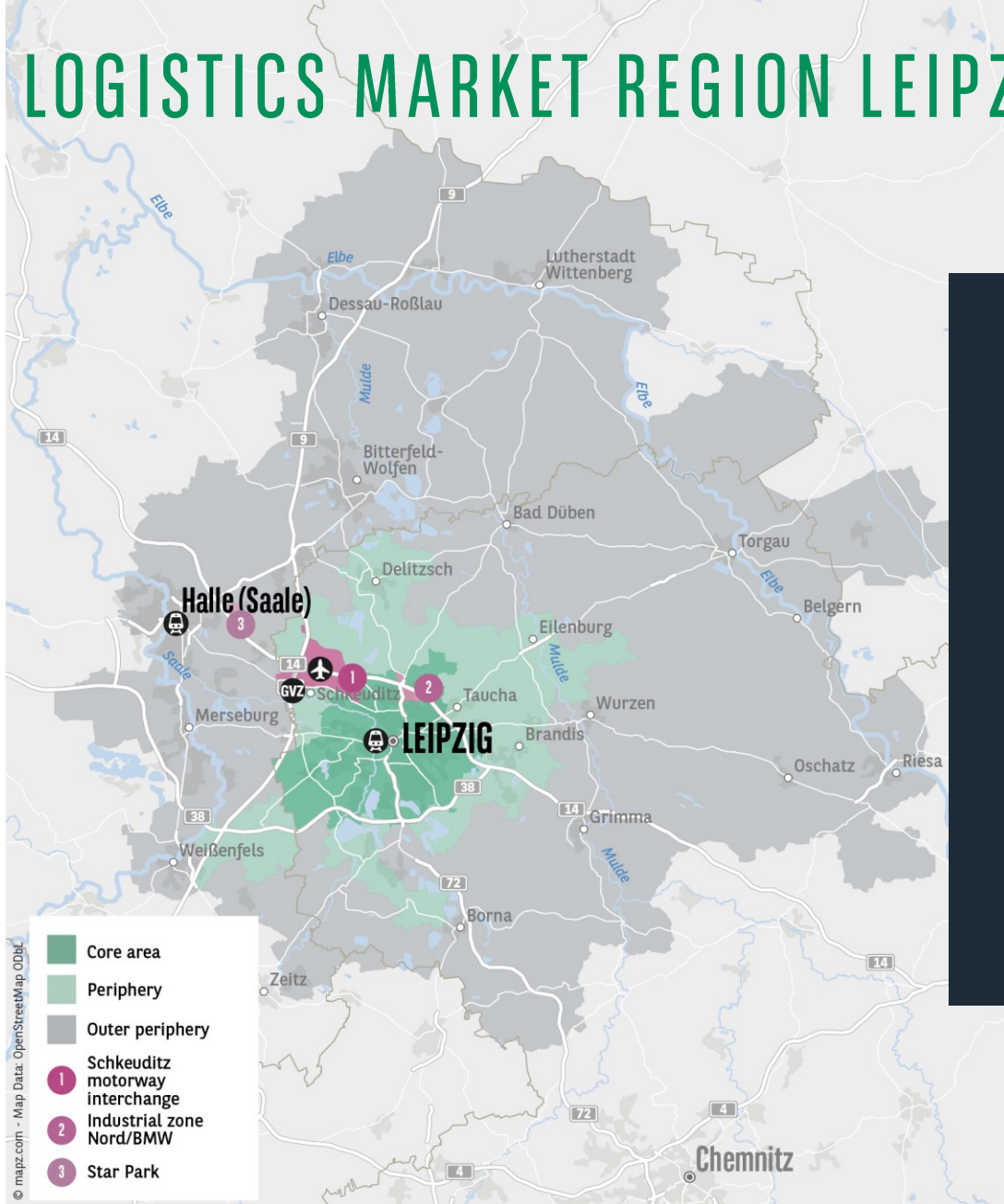
KEY FIGURES

Rents	Q1-3 2022	Q1-3 2023	%-Difference
Prime rent (in €/m ²)	4.90	5.80	18.4%
Average rent (in €/m ²)	4.10	4.95	20.7%
Take-up and sectors	Q1-3 2022	Q1-3 2023	Long-term average
Total take-up	308,000 m ²	264,000 m ²	205,000 m ²
Logistics firms	22.6%	23.5%	32.0%
Wholesale/retail	19.5%	3.4%	27.6%
Manufacturing	55.6%	66.7%	33.7%
Others	2.3%	6.4%	6.7%
Size categories	Q1-3 2022	Q1-3 2023	Long-term average
Share of deals > 20,000 m ²	42.3%	53.9%	44.7%
Share of deals ≤ 20,000 m ²	57.7%	46.1%	55.3%
Owner-occupiers/new building share	Q1-3 2022	Q1-3 2023	Long-term average
Share of owner-occupiers	2.7%	19.3%	29.3%
Share of new buildings	40.5%	69.5%	57.7%

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- The Leipzig logistics market continues to enjoy stable demand and is currently one of the few large German logistics agglomerations that have not recorded any losses on average over many years. Market activity is also expected to remain brisk in the final quarter, with the result that the 300,000 m² threshold is likely to be significantly exceeded for the fourth year in succession.
- While the shortage of space is likely to remain the dominant issue in many market segments, there are signs of a slight recovery in supply in the medium size segment of 5,000 to 10,000 m², although demand remains constant.
- Accordingly, rents, especially in the segment of high-quality new-build space, are likely to increase slightly once again. However, the increase will no longer reach the very pronounced momentum of the previous quarters.

LOGISTICS MARKET REGION LEIPZIG



MAJOR CONTRACTS

86,000 m²
Manufacturing
Bitterfeld-Wolfen

35,00 m²
BMW Group
Leipzig

21,000 m²
SMP
Leipzig

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