

LOGISTICS MARKET STUTTGART

AT A GLANCE
Q4 2023

195,000 m²

TAKE-UP

-39 %

2023 vs. 2022

-2 %

IN COMPARISON TO
10-YEAR AVERAGE

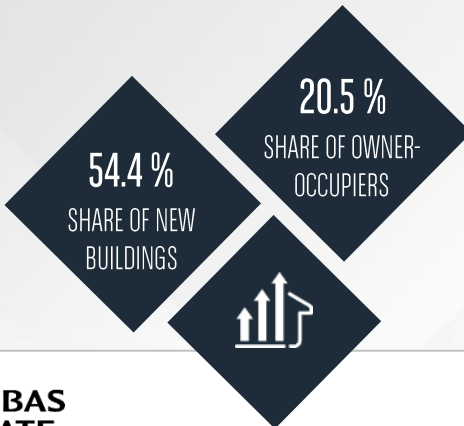
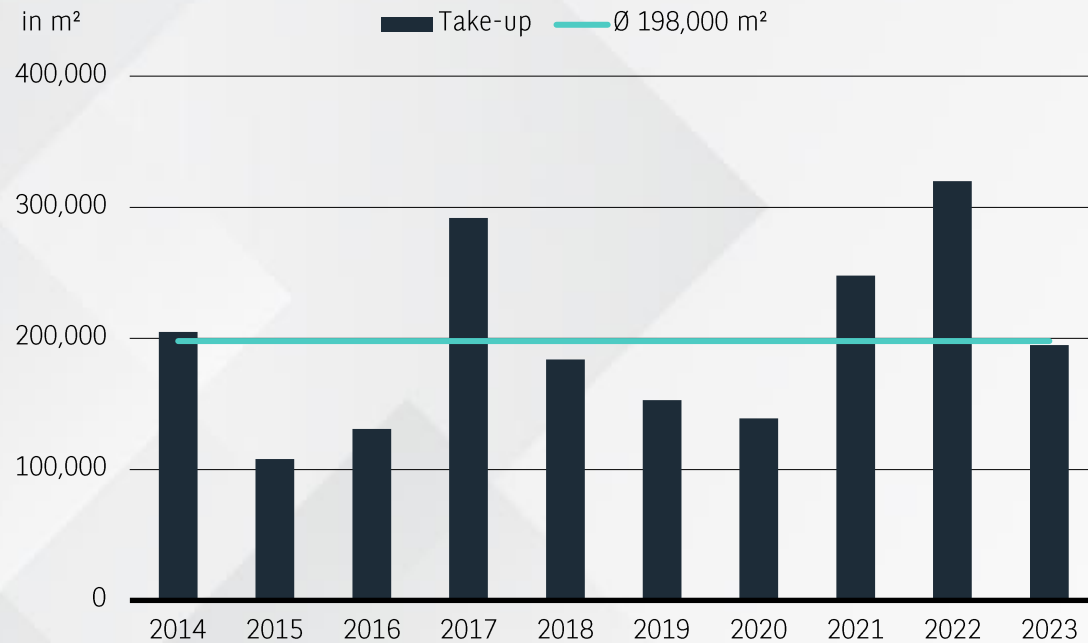


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TAKE-UP AT AVERAGE LEVEL

LIGHT INDUSTRIAL AND LOGISTICS TAKE-UP IN STUTTGART

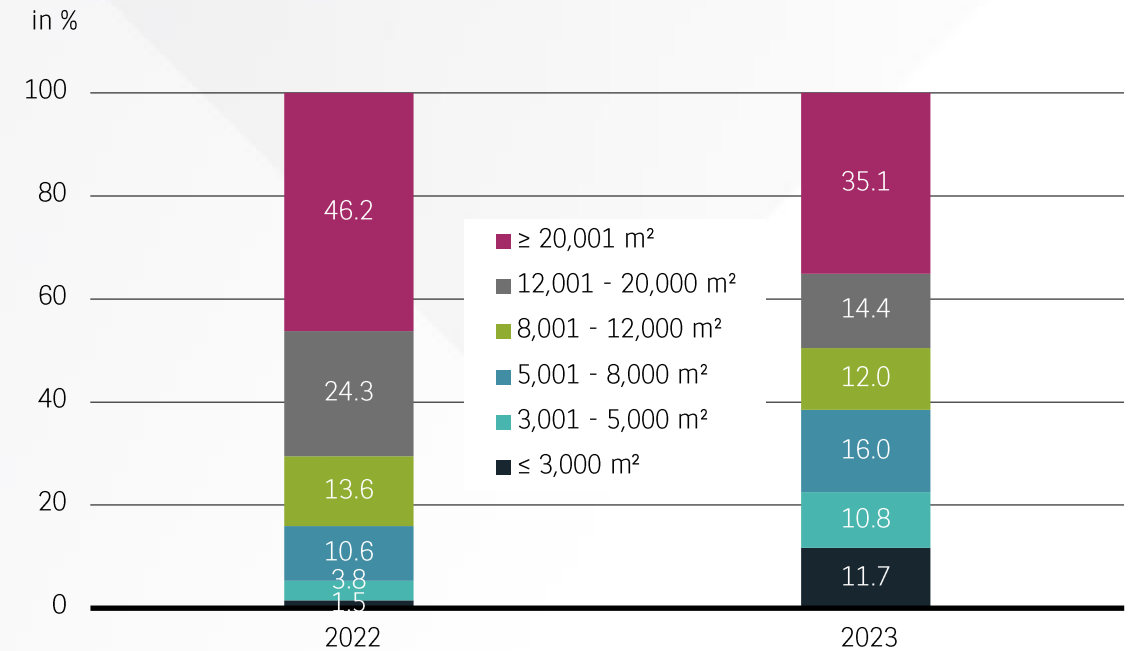


- Stuttgart's warehouse and logistics market achieved a take-up of 195,000 m² in 2023, which matches the ten-year average. Compared to the exceptional record result from the previous year, however, this represents a decline of 39 %.
- Against the backdrop of the tense economic situation, a certain reluctance regarding the occupiers was noticeable, but there is nevertheless still solid demand in all segments.
- The largest letting was TK Elevator (28,500 m²) in Esslingen. In addition, the owner-occupier expansion of Breuninger in Sachsenheim by 40,000 m² made a significant contribution to the overall take-up.
- The supply situation remains tense, particularly in the modern new-build segment, and the low level of speculative construction activity in the current economic environment means that no change is expected here in the medium term.
- Rents rose by 5 % over the course of the year to a prime rent of 8.20 EUR/m² and by 4 % to an average of 6.15 EUR/m².

MANUFACTURING COMPANIES WITH HIGHEST DEMAND

- The distribution of take-up by size category shows a comparatively homogeneous picture, which reflects the broad demand base across all segments.
- Although the two large contracts mentioned above once again account for the highest share of take-up of 20,000 m² and above, their contribution of 35 % remains at a significantly lower level than in the previous year. All other segments account for shares of between 11 % and 16 % and are therefore very close to each other.
- In terms of sector distribution, on the other hand, manufacturing companies are clearly in the lead and, with 41 %, reflect the high importance of this economic sector on the logistics market Stuttgart. Like in the nationwide, demand from wholesale/retail was rather subdued, meaning that they took second place despite the Breuninger deal, at around 34 %.
- Logistics firms also only achieved a relatively low level at 14.5 %.

TAKE-UP BY SIZE CATEGORY



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TAKE-UP BY SECTOR



OUTLOOK

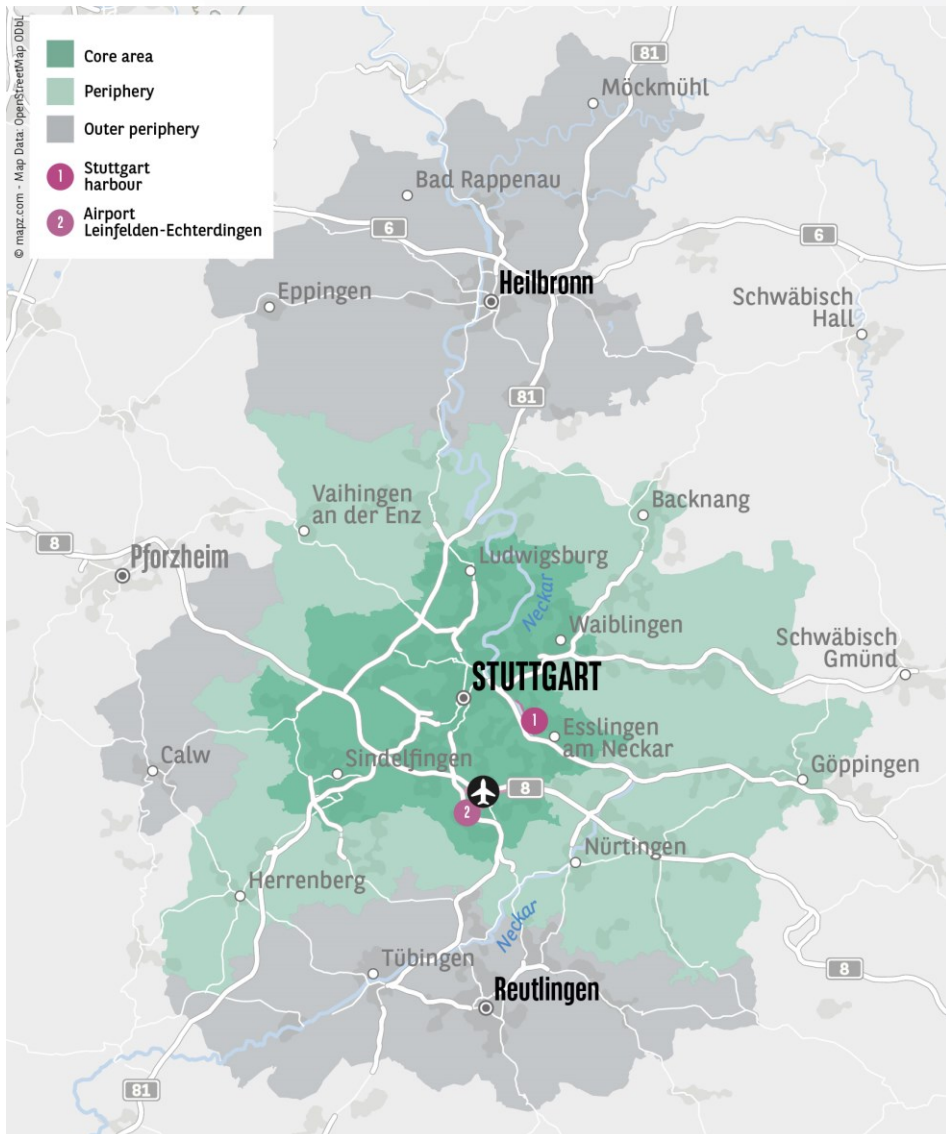
KEY FIGURES

Rents	2022	2023	%-Difference
Prime rent (in €/m ²)	7.80	8.20	5.1%
Average rent (in €/m ²)	5.90	6.15	4.2%
Take-up and sectors	2022	2023	Long-term average
Total take-up	320,000 m ²	195,000 m ²	198,000 m ²
Logistics firms	28.9%	14.5%	24.1%
Wholesale/retail	41.1%	33.7%	21.6%
Manufacturing	26.2%	40.5%	45.7%
Others	3.8%	11.3%	8.6%
Size categories	2022	2023	Long-term average
Share of deals > 20,000 m ²	46.2%	35.1%	25.3%
Share of deals ≤ 20,000 m ²	53.8%	64.9%	74.7%
Owner-occupiers/new building share	2022	2023	Long-term average
Share of owner-occupiers	28.6%	20.5%	26.6%
Share of new buildings	61.1%	54.4%	51.2%

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- Considering the general economic conditions, demand is expected to remain stable overall in 2024. The level of take-up will also depend to a not insignificant extent on the tight supply side.
- Due to the low level of new construction activity and very limited availability of land for logistics and industrial uses, the market is dependent on movements in existing space sector. In some cases, this leads to companies arranging themselves with space that does not actually (fully) meet their requirements in terms of fit-out and location and may well be located outside the market area. In addition, due to the low supply and the increased market rents for alternative spaces, more and more lease extensions are being observed in existing properties.
- A further increase in rents is to be expected due to the excess demand and the high costs of new construction, taking into account the ESG criteria.

LOGISTICS MARKET REGION STUTT GART



MAJOR CONTRACTS

40,000 m²
Breuninger
Sachsenheim

28,500 m²
TK Elevator
Esslingen am Neckar

12,900 m²
EDEKA Südwest
Holzgerlingen

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