

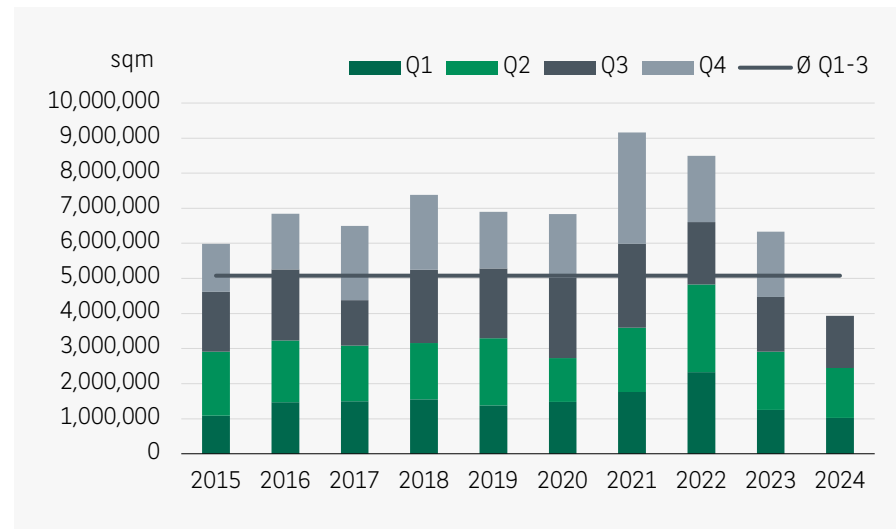


GERMANY

# REPORT LOGISTICS MARKET

Q1-3 2024

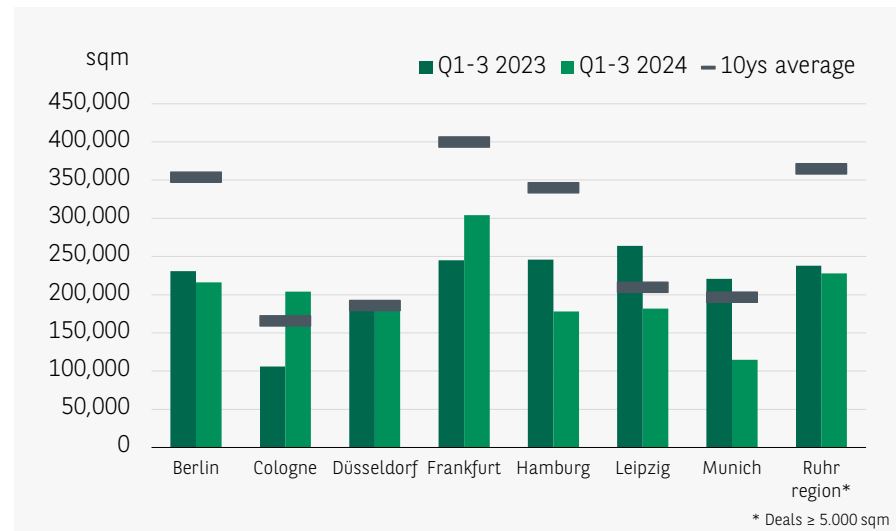
## Development of light industrial and logistics take-up Germany



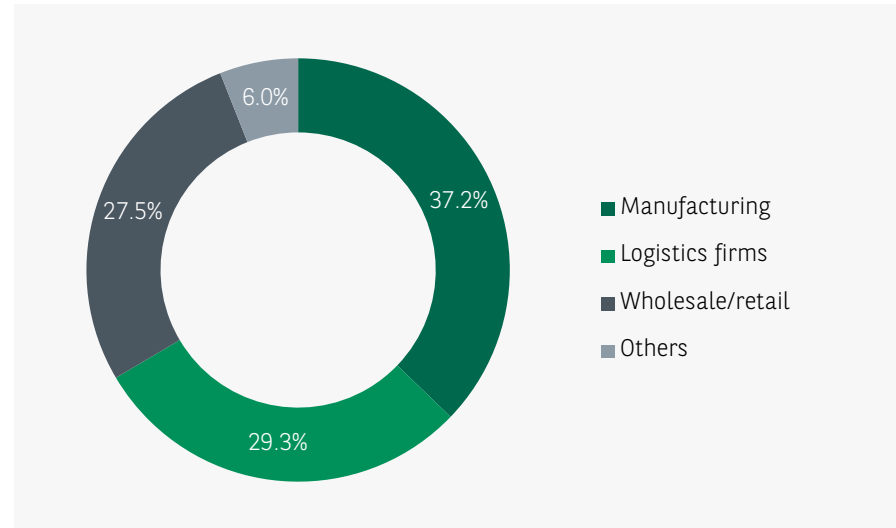
**SLIGHT DECLINE IN TAKE-UP, BUT 3RD QUARTER CONFIRMS POSITIVE MARKET TREND**

- With take-up of almost 4 million m<sup>2</sup> in the first three quarters of 2024, the nationwide logistics market was unable to keep pace with its long-term average of around 5 million m<sup>2</sup> (-22%), but after a subdued start to the year there has been a noticeable market revival in recent months, which is reflected in increased demand and rising take-up. This is a pleasing result in view of the continuing challenging economic conditions.
- In the current market environment, the high letting volumes of 2021 and 2022 can no longer be realised despite the broad demand base. While the continued weak economic development is not providing enough impetus, the falling inflation and the recent interest rate cuts by the ECB and FED are sending out positive signals. Against this backdrop, logistics take-up has fallen by around 12% compared to the same period last year, but a positive trend has been observed since the weak first quarter. The last three months performed even slightly better than the second quarter. It is also pleasing to note that the take-up of around 1.5 million m<sup>2</sup> generated in Q3 is just above the average of all isolated quarterly results since Q1 2023.
- It is also particularly noteworthy that the number of registered contracts has risen noticeably over the course of the year and that the third quarter has approached the average of the past five years. In order to achieve a higher take-up result, there is currently a lack of large-scale contracts above the 20,000 m<sup>2</sup> mark, of which there were significantly more in previous years.

## Take-up in important logistics markets



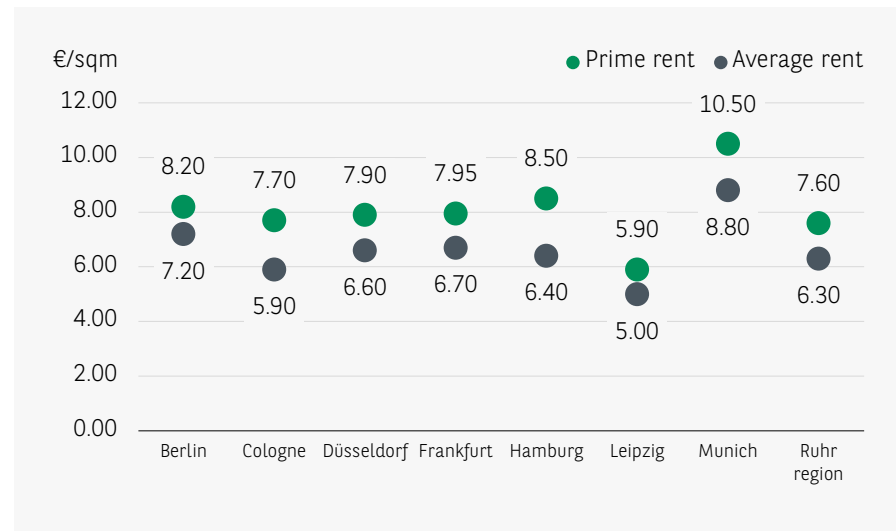
## Take-up by sector



## PRIME RENTS AT A STABLE LEVEL

- In terms of the distribution of take-up by sector, retail stands out in particular, achieving a year-on-year increase of 29% compared to the weak result in 2023. While retail companies had generated record volumes during the Covid crisis, primarily through the booming e-commerce and food sector, they had to record a historic low in 2023 and are currently on the road to recovery. Overall, however, the wholesale/retail sector is only in third place with a share of around 28% in the running year, outperformed by the strong industrial sector (37%) and logistics service providers (29%).
- The individual analysis of the top logistics markets shows an increase in take-up in three locations while a lower volume had to be recorded in four logistics agglomerations. Overall, take-up of around 1.4 million m<sup>2</sup> was registered in the seven most important markets (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Leipzig and Munich), implying that the result fell by 7% y-o-y.
- The strong rental growth of recent years continued only marginally in the first three quarters and largely turned into a sideways movement. Prime rents in the individual logistics centres have remained unchanged compared to the previous quarter - only year-on-year adjustments of 4% on average have been reported across all locations. It remains to be seen whether prime rents will continue to rise in selected markets in the coming months.

## Prime and average rents in important logistics markets

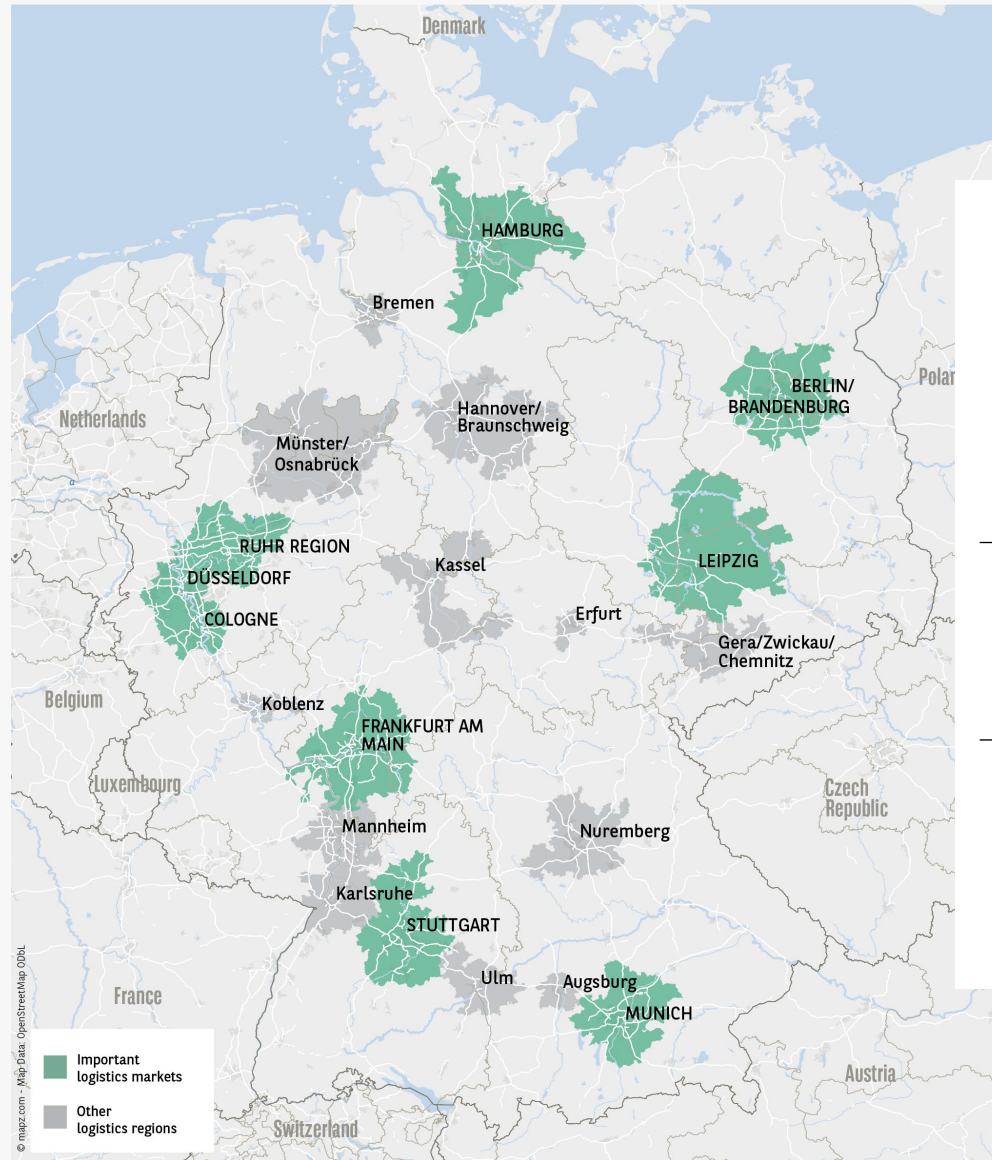


- Until the end of the year no significant changes are expected in the development of the German logistics markets. The weak economy and the resulting subdued business confidence will continue to have a limiting effect on the expected take-up. Nevertheless, the positive trend in the number of contracts and the slight increase in take-up underline the upturn in demand that has been observed over the course of the year so far.
- Although many companies are holding a wait and see position and, in case of doubt, are remaining in their existing space, there is significantly more movement in the market overall than at the beginning of the year 2024. The resurgent retail sector and the steady demand from manufacturing companies and logistics providers form a very broad basis for a further upward trend in letting volumes in the final quarter.
- In summary, from today's perspective, it is likely that total logistics take-up by the end of the year will be closer to 6 million m<sup>2</sup> than initially expected. However, the most important external influencing factors, such as the development of the global economy in particular, must be taken into account in this context, as the past has shown how directly the logistics market reacts to this. If the general conditions brighten up in the coming quarters, the logistics sector is also set for a positive market development.

## Key figures logistics market Germany

	Q1-3 2023	Q1-3 2024	CHANGE %
<b>Important logistics markets</b>			
Berlin	231,000	216,000	-6.5%
Cologne	106,000	204,000	92.5%
Düsseldorf	180,000	190,000	5.6%
Frankfurt	245,000	304,000	24.1%
Hamburg	246,000	178,000	-27.6%
Leipzig	264,000	182,000	-31.1%
Munich	221,000	115,000	-48.0%
<b>Subtotal</b>	<b>1,493,000</b>	<b>1,389,000</b>	<b>-7.0%</b>
<b>Other locations (≥ 5,000 sqm)</b>			
Ruhr region	238,000	228,000	-4.2%
Other logistics regions (see map)	1,217,000	771,000	-36.6%
Rest of Germany	1,521,000	1,541,000	1.3%
<b>Subtotal</b>	<b>2,976,000</b>	<b>2,540,000</b>	<b>-14.7%</b>
<b>Total Germany</b>	<b>4,469,000</b>	<b>3,929,000</b>	<b>-12.1%</b>
Share of owner-occupiers	34.0%	32.4%	-1.6pts
Share of new buildings	66.5%	62.6%	-3.9pts

# LOGISTICS MARKET GERMANY



## Major contracts

**150,000 SQM**

BMW  
Straßkirchen

**100,000 SQM**

Mercedes-Benz Group  
Bischweier

**68,000 SQM**

Fressnapf  
Nörvenich

## CONTACT

### BNP Paribas Real Estate GmbH

Christopher Raabe  
Head of Logistics & Industrial  
Managing Director

Hohe Bleichen 12 | 20354 Hamburg  
Phone: +49 (0)40-348 48-0  
E-Mail: [christopher.raabe@bnpparibas.com](mailto:christopher.raabe@bnpparibas.com)

All rights reserved. This report 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. That applies in particular to reproductions, adaptations, translations, photographs (analogue and/or digital), microfilming and storage and processing in electronic systems. 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  
Edited by: BNP Paribas Real Estate Consult GmbH | As of: 30.09.2024  
Further information: BNP Paribas Real Estate GmbH | Branch office Hamburg  
Photo credits: ©Zixp@ck- stock.adobe.com

LEARN  
MORE 