



FRANKFURT

REPORT LOGISTICS MARKET

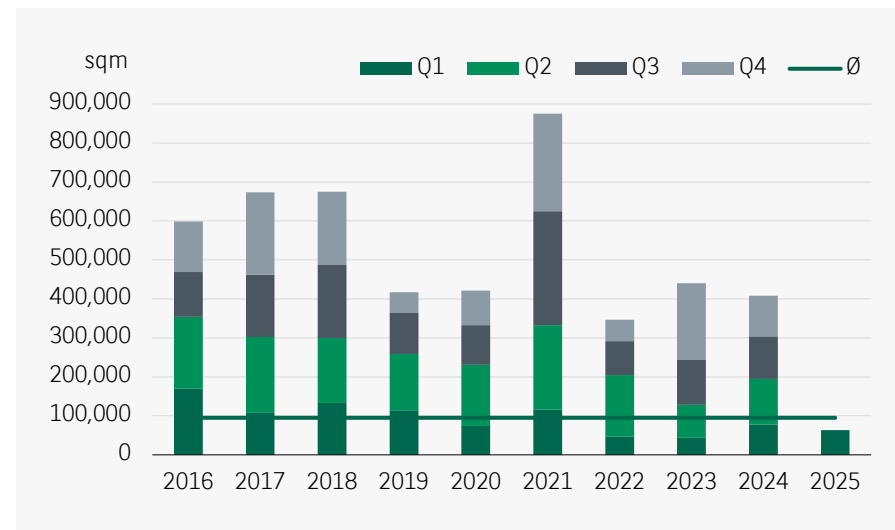
Q1 2025



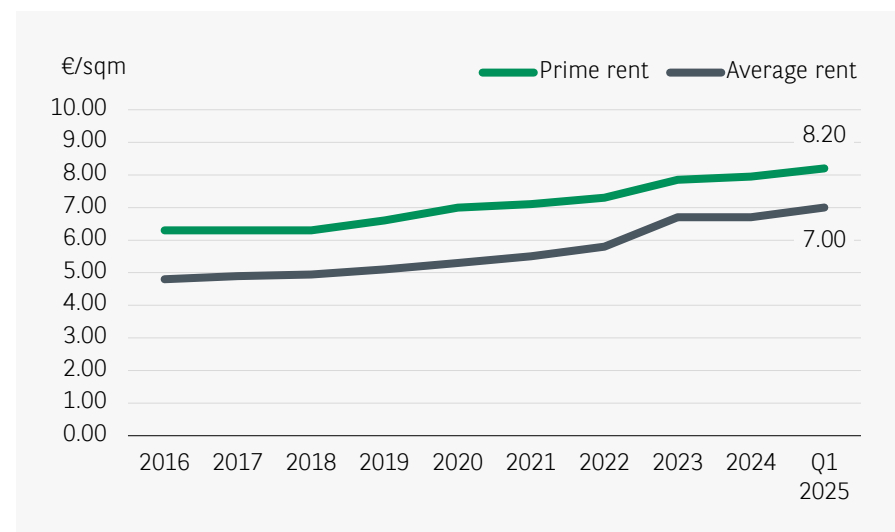
BNP PARIBAS
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REAL ESTATE for a changing world

Development of light industrial and logistics take-up



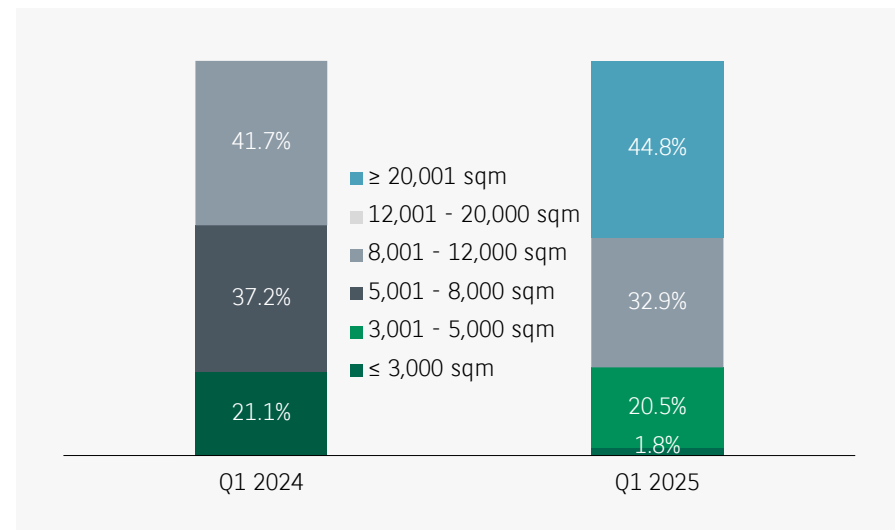
Prime and average rents



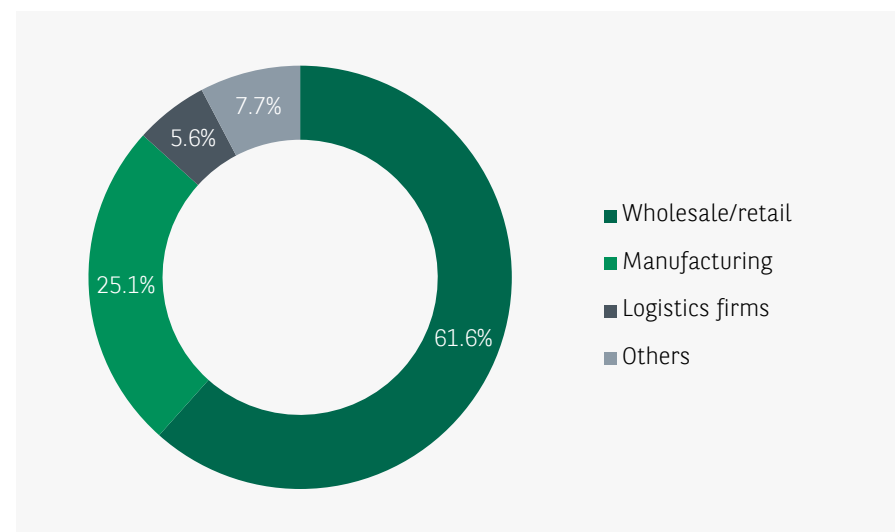
SOLID START TO THE YEAR COMPARED TO PREVIOUS YEARS AND OTHER TOP MARKETS

- The Frankfurt logistics market has made a solid start to 2025 overall, without recording extraordinarily high take-up volume. Although the result of around 63,000 sqm is below the long-term average of 95,000 sqm, a look at the last three years shows that the q1 results of between around 50,000 and 80,000 sqm can certainly be considered appropriate in the current market phase.
- This is also confirmed by the comparison with other top logistics markets, with only Hamburg (125,000 sqm) and Düsseldorf (101,000 sqm) standing out, while the other major locations have not yet been able to exceed the 80,000 sqm mark.
- In addition to the take-up achieved, rising confidence and the expectation of an economic upturn as well as the hope for only limited global and geopolitical disruptions led to an increase in demand. The fact that this impetus did not always result in contracts being concluded is often due to very specific occupier requirements. In this context, examples include chemical companies that are sensitive to groundwater as well as occupiers from the pharmaceutical and tyre industries, who sometimes fail in their search for space due to a lack of availability.
- The pressure on rents remains high and emphasises the attractiveness of the logistics region. Frankfurt is therefore one of the few major logistics hubs where rents have risen. Prime rent (€8.20 per sqm) and average rent (€7.00 per sqm) have increased by 3% and 4% respectively since the end of the year.

Take-up by size category



Take-up by sector



ALNATURA DEAL CHARACTERISES TAKE-UP DISTRIBUTION

- The distribution of take-up by size category in the first quarter was dominated in particular by the largest deal of the year to date, which was accounted for by the organic supermarket Alnatura (deals of 20,000 sqm or more with 45%). Alnatura will occupy around 28,000 sqm in a project development in Groß-Rohrheim. The size segment of between 8,000 and 12,000 sqm (33%), which includes lettings to the timber wholesaler Becher in Hanau and the industrial company Atletica Deutschland in Bodenheim, each with between 10,000 and 11,000 sqm, was also more extensively involved in the market. The smaller contracts of up to 5,000 sqm also account for 22% of take-up.
- The aforementioned major deals were also the decisive factor in the sector ranking: according to this, the retail segment (62%) took first place ahead of the manufacturing sector (25%) and logistics service providers (6%).

Major contracts

Quarter	Company	Location	sqm
Q1	Alnatura	Groß-Rohrheim	28,000
Q1	Holzgroßhändler Becher	Hanau	10,500
Q1	Atletica Deutschland	Bodenheim	10,100

OUTLOOK

- In the first quarter, the Frankfurt logistics market was able to set a good overall basis for the rest of the year. Above-average q1 take-up as recorded in Frankfurt, particularly in individual years between 2016 and 2021, does not yet appear realistic again, but there are increasing signs that demand will pick up noticeably in the months to come.
- It will then be important for potential occupiers to have a corresponding supply available. In this respect, the bottleneck could ease somewhat in the short or medium term, particularly in the modern segment, due to selective building completions in the coming months and quarters.
- In the competition between the top logistics regions, Frankfurt can certainly benefit from its many different and very variously orientated sub-locations in the period of consolidation. In this context, the large catchment area of the Rhine-Main and Rhine-Neckar regions and the multimodal locations between the Frankfurt city area and the airport, which primarily attract logistics and industrial companies and ensure a very broad range of occupiers, should be mentioned.
- Assuming that the economic recovery accelerates as forecasted, there is a good chance that take-up will also pick up again in the second quarter. However, it remains to be seen for the time being whether Frankfurt can once again take the lead among the major locations, as it did in mid-2024, and reach the 200,000 sqm mark. Rental prices in the absolute premium segment continue to show a slight upward trend, even if this is no longer likely to be as dynamic as in recent years.

Key figures logistics market Frankfurt

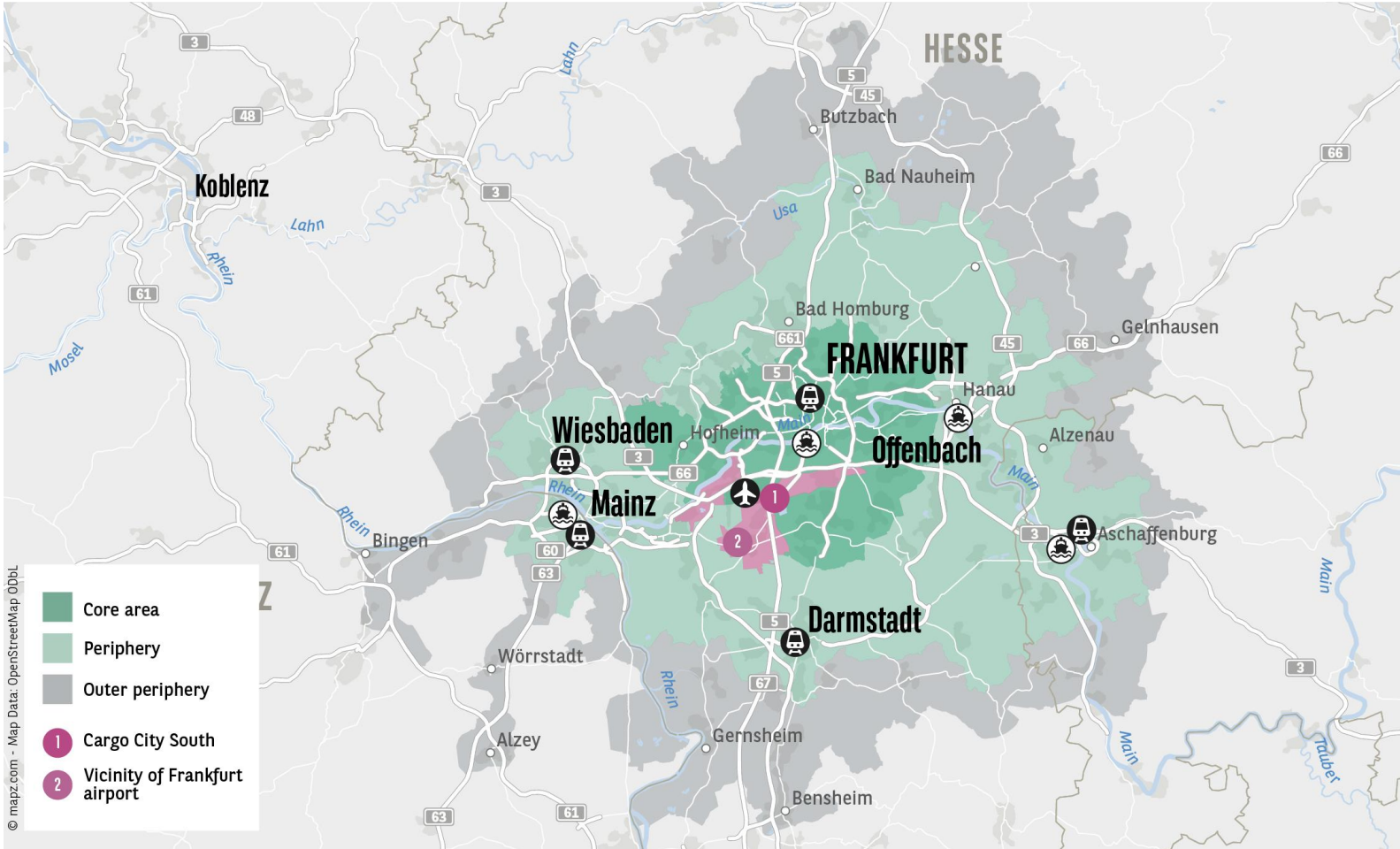
RENTS AND TAKE-UP	Q1 2024	Q1 2025	%-DIFFERENCE
Prime rent (in €/sqm)	7.85	8.20	4.5%
Average rent (in €/sqm)	6.70	7.00	4.5%
Total take-up (in sqm)	77,000	63,000	-18.2%

SECTORS	Q1 2024	Q1 2025	LONG-TERM Ø
Logistics firms	53.5%	5.6%	28.1%
Wholesale/retail	8.1%	61.6%	37.3%
Manufacturing	32.7%	25.1%	25.7%
Others	5.7%	7.7%	8.9%

SIZE CATEGORIES	Q1 2024	Q1 2025	LONG-TERM Ø
Share of deals > 20,000 sqm	0.0%	44.8%	24.7%
Share of deals ≤ 20,000 sqm	100.0%	55.2%	75.3%

OWNER-OCCUPIERS/NEW BUILDING SHARE	Q1 2024	Q1 2025	LONG-TERM Ø
Share of owner-occupiers	0.9%	7.7%	12.3%
Share of new buildings	40.9%	69.3%	54.6%

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MARKET
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CONTACT

BNP Paribas Real Estate GmbH

Goetheplatz 4 | 60311 Frankfurt am Main

Phone +49 (0)69-298 99-0

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