REVIEW LOGISTICS MARKET

MUNICH Q2 2026

RESEARCH & INSIGHTS

BNP PARIBAS REAL ESTATE

Real Estate for a changing world

- SOLID TAKE-UP GROWTH Y-O-Y
- SUPPLY SHORTAGE REMAINS A DEFINING MARKET FEATURE

KEY FIGURES

85,000 △ +41.7 % y/y
Take-up (in sqm)

11.25 △ +7.1 % y/y
Prime rent (in €/sqm)

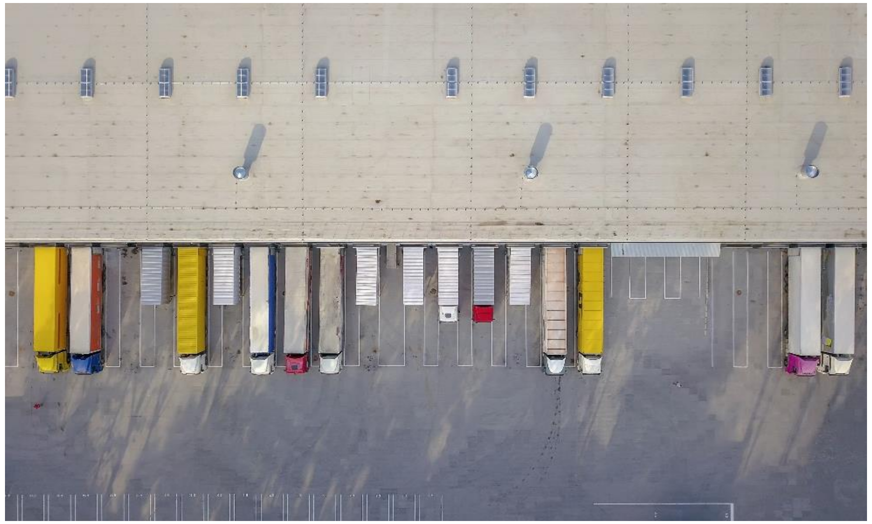
9.90 △ +10.0 % y/y
Average rent (in €/sqm)

MARKET OVERVIEW

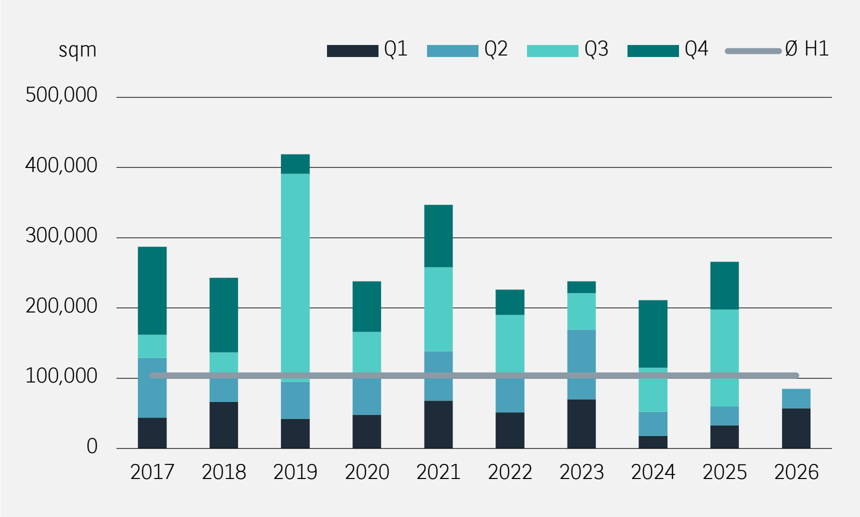
The Munich logistics and warehouse market delivered a solid performance in the first half of 2026. Total take-up reached 85,000 sqm, representing an increase of approximately 42% year-on-year. Following a particularly dynamic first quarter, market activity moderated in Q2, with take-up amounting to 28,000 sqm. As a result, the long-term average of 104,000 sqm has not yet been reached.

Against the backdrop of recently weakening economic expectations, largely driven by the conflict involving Iran, the first-half result should nevertheless be viewed positively. Importantly, the recorded take-up does not fully reflect the currently strong level of occupier demand compared to previous years. Instead, market activity continues to be constrained by the chronic shortage of available space within the Munich logistics region. Demand remains particularly strong among technology companies, manufacturing occupiers, and businesses focused on research and development activities. The largest deal recorded so far this year illustrates this trend, with a technology company from the defense sector leasing 10,000 sqm in the Schwabing-Freimann submarket.

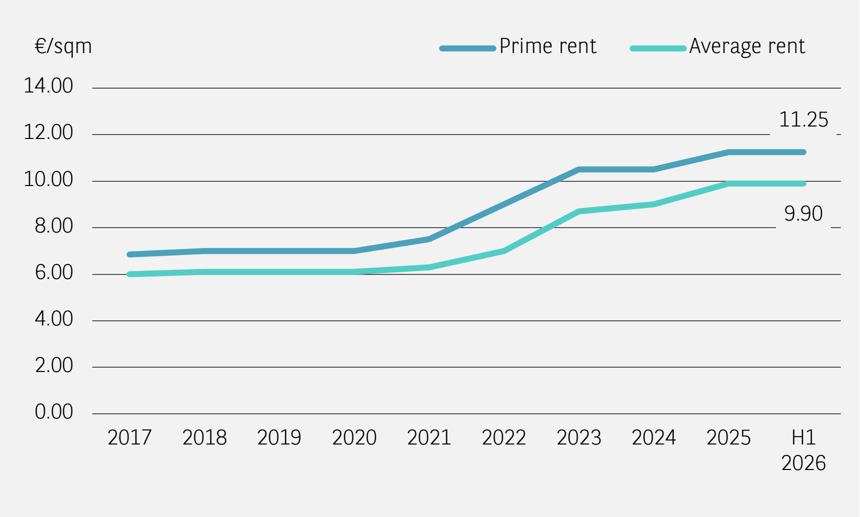
Rental levels remained stable compared to the previous quarter but increased significantly on a y-o-y basis. Prime rent currently stands at €11.25/sqm, representing growth of 7% over the past twelve months. Average rent has risen even more strongly, increasing by 10% y-o-y to €9.90/sqm. In selected cases, however, urban light industrial properties achieve rents considerably above the prime levels reported for conventional logistics space.



Development of warehouse and logistics take-up



Prime and average rents



Source: BNP Paribas Real Estate GmbH, June 30, 2026

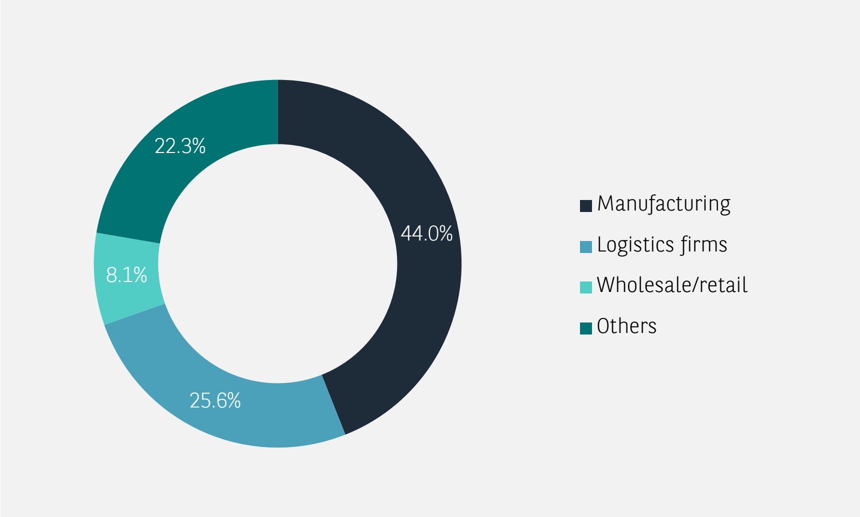
- MARKET ACTIVITY CONTINUES TO BE DOMINATED BY SMALL-SCALE LETTINGS
- MANUFACTURING SECTOR LEADS OCCUPIER DEMAND

STRUCTURE OF TAKE-UP

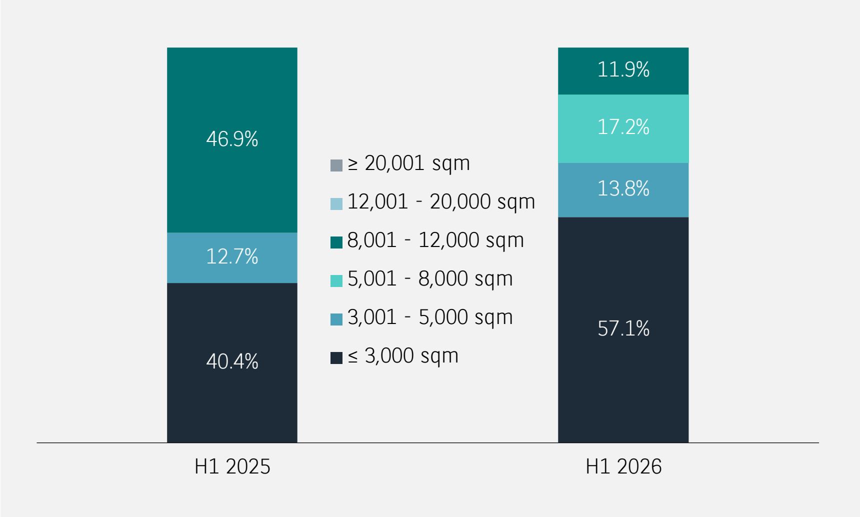
A breakdown of take-up by size category once again highlights the unique structure of the Munich logistics market. Large-scale lettings remain the exception rather than the rule. No transaction exceeding 10,000 sqm was recorded during the first half year, while smaller units continued to dominate market activity. Properties of up to 3,000 sqm accounted for well over half of total take-up. At approximately 49,000 sqm, this segment achieved its second-highest take-up of the past ten years. However, the market's fragmented structure is not primarily the result of limited demand for larger units but rather the lack of suitable supply. Owing to high land prices and increasing competition from alternative land uses, large-scale logistics developments are being realised more frequently outside the Munich market area. Within the region itself, activity is increasingly concentrated in technology and business parks.

The sectoral breakdown further underlines the market's strong manufacturing and technology-oriented profile. Industrial and manufacturing occupiers currently lead the ranking with a market share of 44%. This is reflected in the largest transaction of Q2, namely SAEKI Technologies Germany's lease of 6,400 sqm in Kirchheim near Munich. Logistics service providers followed with a share of 26%, while retailers represented only a modest 8%. However, this comparatively low retail share should be viewed in the context of the ongoing trend towards outsourced logistics solutions, with many e-commerce and retail companies increasingly relying on third-party logistics operators to fulfil their space requirements.

Take-up by sector



Take-up by size category



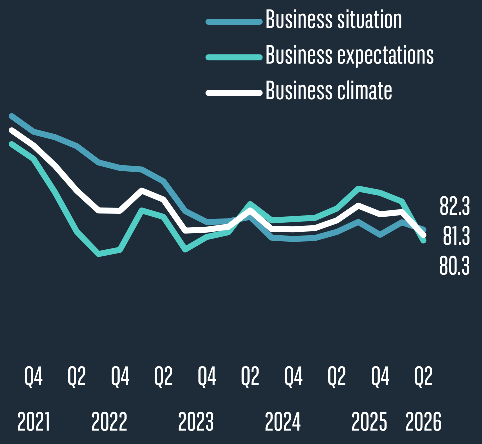
Major contracts

Quarter	Company	Location	sqm
Q1	Manufacturing	Munich	10,000
Q1	logLine express	Schweitenkirchen	8,000
Q2	SAEKI Technologies Germany	Kirchheim bei München	6,400

Source: BNP Paribas Real Estate GmbH, June 30, 2026

- INCREASE IN TAKE-UP EXPECTED IN H2
- AVERAGE RENT EDGING CLOSER TO THE €10-MARK

BVL LOGISTICS INDICATOR Index (2015 = 100)



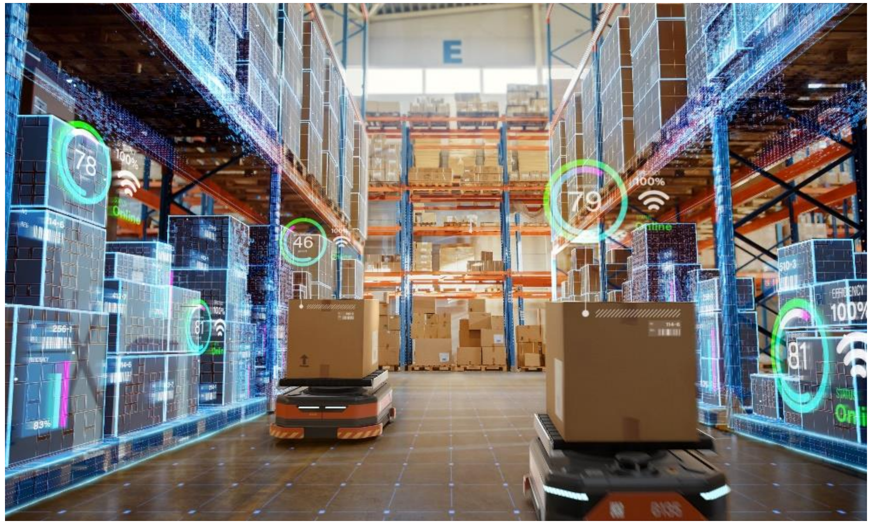
Source: BVL/ifo

OUTLOOK

Munich once again confirmed its position as one of Germany's most resilient logistics markets during H1 2026. Strong occupier demand from technology-driven industries, research-intensive businesses and the rapidly expanding defense sector supported a significant increase in take-up despite a challenging economic backdrop. The growing concentration of these industries within the Munich region is reflected in several prominent expansion and investment projects and is likely to reinforce demand fundamentals over the medium term.

While geopolitical risks and economic uncertainty remain elevated, particularly in relation to developments in the Middle East, the market outlook remains constructive. A number of larger leasing transactions are currently progressing towards completion and should provide a meaningful boost to market activity during the second half of the year. Consequently, a further increase in take-up can be expected over the coming quarters.

Supply constraints continue to be the defining feature of Munich's logistics market. The persistent shortage of modern, immediately available space, combined with high development costs, is sustaining upward pressure on rents. Against this backdrop, the market appears well positioned for further rental growth, with the €10.00/sqm average rent threshold now firmly within reach.



Logistics market data Munich

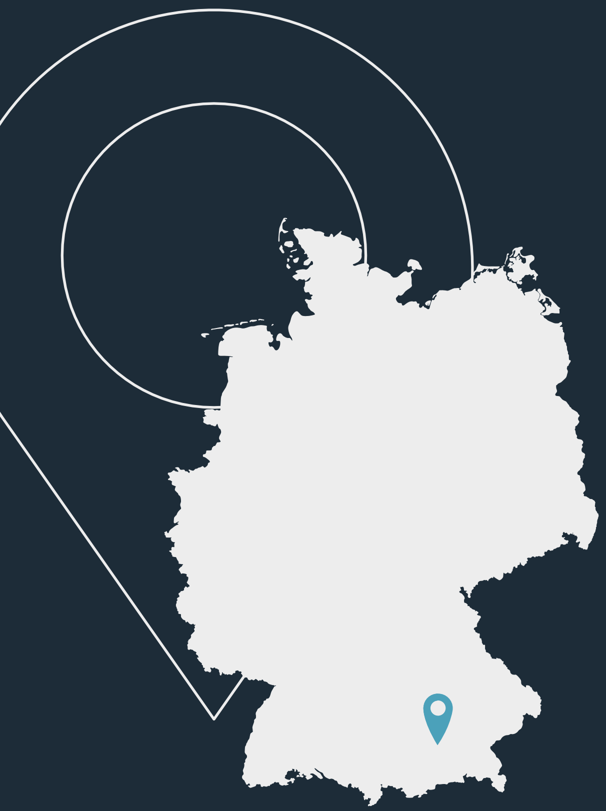
RENTS AND TAKE-UP	H1 2025	H1 2026	%-DIFFERENCE
Prime rent (in €/sqm)	10.50	11.25	7.1%
Average rent (in €/sqm)	9.00	9.90	10.0%
Total take-up (in sqm)	**60,000**	**85,000**	**41.7%**

SECTORS	H1 2025	H1 2026	LONG-TERM Ø
Logistics firms	32.4%	25.6%	31.0%
Wholesale/retail	27.4%	8.1%	19.0%
Manufacturing	35.9%	44.0%	41.4%
Others	4.3%	22.3%	8.6%

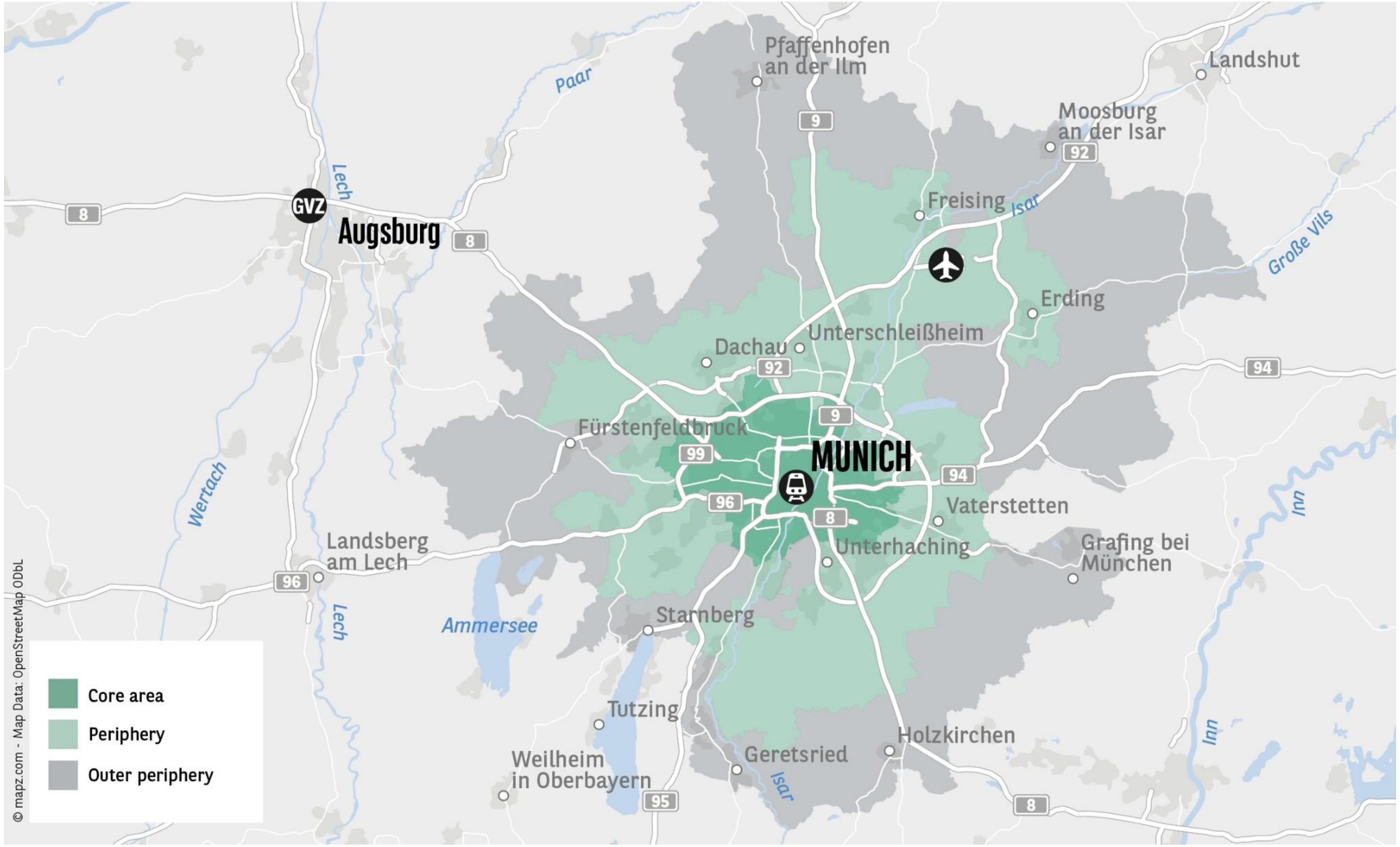
SIZE CATEGORIES	H1 2025	H1 2026	LONG-TERM Ø
Share of deals > 20,000 sqm	0.0%	0.0%	8.5%
Share of deals ≤ 20,000 sqm	100.0%	100.0%	91.5%

OWNER-OCCUPIERS/ NEW BUILDING SHARE	H1 2025	H1 2026	LONG-TERM Ø
Share of owner-occupiers	0.0%	0.0%	10.6%
Share of new buildings	6.0%	10.0%	19.7%

Source: BNP Paribas Real Estate GmbH, June 30, 2026



LOGISTICS MARKET MUNICH



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LEARN MORE

MARKET REPORTS

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