In the first half of 2013, nationwide take-up of logistics and light industrial premises totalled around 2.54 million m². Compared with the prior-year figure, that represents a rise of 14%. It also clearly exceeded the long-term average and was in fact the second-best result of the past six years. Only in the record year of 2011 was turnover in the first six months considerably higher. One reason for the very good first-half performance was the scale of owner-occupier deals. These made an exceptionally strong contribution to turnover, with over 50%. Prospective tenants, on the other hand, exhibited a certain degree of restraint, especially in the first quarter. Take-up in the major German locations (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg, Leipzig, Munich) came to 1.07 million m², equivalent to a year-on-year rise of 11%. Turnover outside these centres totalled just over 1.47 million m², an increase of more than 16%. Only in just a few submarkets, such as Munich and the Ruhr region, was take-up lower than in the same period last year.

With just a few exceptions, the positive general trend extended across all the important logistics centres. The locations registering the most clear-cut growth were Frankfurt (+41%), Leipzig (+38%), Düsseldorf (+26%) and Cologne (+19%). Appreciable declines were observed only in Munich (-32%) and the Ruhr region (-17%). Take-up in the Berlin and Hamburg markets was more or less on a par with that in the prior-year period. So the basically buoyant development was evident both in and outside the major logistics centres.

In the biggest German locations, market activity was lively in all size segments. Although the ranking was headed quite decisively by the two biggest size categories upwards of 12,000 m², with a combined share of around 50%, a considerable contribution was also made by small deals of up to 3,000 m²; these accounted for over 18% of all turnover. In the rest of Germany, outside the key centres, where only deals of above 5,000 m² are registered, there was a clear-cut predominance of large-unit contracts. Well out in front, with 53%, was the category upwards of 20,000 m², then came the 12,000-20,000 m² class, with a share of about 25%.
BROADLY SPREAD DEMAND

It is gratifying to note that the positive development of take-up, particularly in the second quarter, was fuelled by broad demand from the different business sectors. This indicates a generally stable structure and reflects a growing conviction on the part of business enterprises that the economy is likely to expand more strongly in the second half of the year. The most important source of demand in the first six months was the retail sector, which generated more than 37% of aggregate turnover. An important role in this respect is played by the ongoing extremely robust scale of consumer confidence and the healthy consumer climate. This makes retailers more ready to invest. Just slightly behind in second place in the ranking came logistics firms with a share of just over 34%. The logistics sector is also benefiting from the likely economic upswing. Good export figures and brighter prospects for global trade are currently creating a positive framework. The third important pillar of demand for logistics and warehouse space is formed by industrial and manufacturing companies and in the first half, these were responsible for over one quarter of all take-up. In this segment, too, recent order intake figures point to somewhat faster growth in the second half of this year.

PRIME RENTS LARGELY STABLE

In the second quarter of 2013, top rents continued on the whole to exhibit stability. The only movement was in Munich, where a slight rise of around 3% was registered. The top rent in the Bavarian capital is now 6.40 €/m², which puts the city ahead of Frankfurt, so that it now again stands alone as the most expensive logistics centre in Germany. The following places in the ranking remain unchanged. They are: Frankfurt with 6.20 €/m², Hamburg with 5.60 €/m², Düsseldorf with 5.10 €/m², Cologne with 4.80 €/m² and Berlin with 4.70 €/m². In the Leipzig market area and in the Ruhr region, top rents are quite a bit lower, with 4.25 €/m² and 4.20 €/m² respectively. If the strong demand is sustained during the second half, there is at least a possibility of higher top rents in other locations, too. Initial signs pointing in this direction are a reduction in incentives by owners and a relatively high number of lettings in the more expensive rental price classes.

PROSPECTS GENERALLY POSITIVE

Again the background of the conditions outlined above suggesting that the economy in both Germany and other important regions of the world is set to go on recovering, there is a marked likelihood that the second half will also bring lively markets and good take-up figures. So there is a very good chance that turnover in 2013 as a whole can exceed the average of the past five years – around 4.1 m² – by a considerable margin. But it remains to be seen whether the 5 m² threshold will be passed again or whether the result will fall just short of this.