In the third quarter, the trend towards a marked increase in logistics investments that was already evident in the first half of the year gained even more momentum. At more than 2.17 bn €, the transaction volume is now over 56 % up on the already good prior-year figure and represents the second-best result ever registered. Only in the boom year of 2007 was investment turnover even higher. The long-term average has been bettered by an impressive 44 %. Logistics properties are quite clearly becoming increasingly favoured as an asset class. To a growing extent, institutional investors in particular are on the lookout for modern complexes on long-running leases which hold the promise of attractive yields with limited risks. One key factor in the rise in turnover has been the development of portfolio sales; these contributed about 930 m € (prior year: 278 m €). Especially the volume of large deals upwards of 100 m € has been growing again appreciably - so far there have been four such deals. Single properties accounted for nearly 1.25 bn €, corresponding to a rise of almost 12 %. This market segment is oriented quite clearly more to small units, resulting in an average price per transaction of only just under 12 m €.

In line with the nationwide trend, the key logistics regions have also been able to attract far more investment and exceeded the comparable prior-year result by close to 95 %. Individual developments varied however. While two regions reported declines - Berlin (55 m €) and Leipzig (5 m €) - the other regions posted increases, some of them substantial. The biggest transaction volume was generated in Munich (306 m €); it was followed by Hamburg (188 m €), Frankfurt (154 m €) and Cologne (103 m €).

The very good performance was fuelled above all by strongly buoyant demand in all segments of the market. Although, as was to be expected, the size ranking is headed by large deals of over 50 m €, with nearly 40 % of aggregate investment, all the other size brackets also registered large shares of the total. Next, with 28 %, came the 25-50 m € category, in front of the 10-25 m € class (21 %). But the bracket comprising small deals of up to 10 m € also produced a relatively high proportion of all turnover, with slightly more than 11 %.
SPECIAL-PURPOSE FUNDS STILL LEAD CLEARLY

So far this year, special-purpose funds have been the most important buyers’ grouping by a clear-cut margin, heading the rest of the field with a share of more than 36%. Well behind in second place come private investors with 16.5% of all turnover. Other groupings with double-digit percentage proportions are property firms (almost 12%) and corporates (11%). Compared with the first half of the year, when these four categories accounted for 91% of the transaction volume, the spectrum of investors has grown perceptibly, with sizeable contributions also being made by equity/real estate funds (9%), listed real estate companies (just under 8%) and project developers (nearly 5%).

FOREIGN INVESTORS STEP UP THEIR PACE

Whereas up to the middle of this year German investors played a fairly dominant role, foreign investors have now stepped up their demand substantially, so that by the end of the third quarter their contribution to the transaction volume reached 49%. In the field of portfolio deals, they actually lead quite clearly, with a share of 78%. Market players from North America are particularly active in the logistics sector, contributing more than 35% to turnover. It is also notable that three of the four large-volume, triple-digit million portfolio deals were transacted by US investors. This shows that especially investors who operate globally and have wide-ranging experience with this class of assets are exhibiting more and more confidence in German logistics properties as professionalism in this sector grows here.

PRIME YIELDS REMAIN UNCHANGED

Despite the strong demand, prime yields have remained stable up to now, but there are definite signs that pressure is increasing, so the possibility that yields may ease slightly in the coming quarters cannot be excluded. The lowest yield is that in Frankfurt (6.50%). It is followed by Hamburg and Munich (each: 6.60%) and Düsseldorf and Cologne (each: 6.80%), just ahead of Berlin (6.85%). Leipzig remains the most favourably priced of the major German logistics regions with a prime yield of 7.10%.

OUTSTANDING RESULT ALREADY CERTAIN

All the signs suggest that during the remaining months of the year demand will continue to be buoyant, with investment turnover staying high. One stimulus in this respect is the slight rise in investor interest in core plus and value-add products. Against this background, there is good reason to expect 2013 to generate the second-biggest transaction volume ever registered. It remains to be seen, though, whether the 3 bn € threshold can be passed.