Take-up on the Frankfurt logistics market (including the surrounding area) totalled 302,000 m² in the first half of the year, representing the second-best result of the past ten years. While the previous year’s exceptional result was a good 17 % higher, this was largely attributable to a major deal for 83,000 m². The major deals in the first half of the year include DHL Solutions in Florstadt (27,700 m²), the TOOM DIY store in Rodgau (25,000 m²) and Group 7 in Raunheim (25,000 m²). Frankfurt takes the lead among the top logistics locations nationwide, pushing Berlin (290,000 m²) and Hamburg (228,000 m²) into second and third places respectively. It has outperformed the ten-year average strikingly, by around 38 %. The sustained high demand for space is confronted by a low level of supply in all market segments, with a particularly pronounced excess in demand in the southern Rhine-Main region.

LOGISTICS SERVICE PROVIDERS CLEARLY IN THE LEAD
A breakdown of take-up by sectors shows logistics service providers in a clearly dominant position, with a share of over 60 %. This category accounted for several major deals over 10,000 m² in the first half of the year, which combined with numerous smaller transactions to enable this good result. Manufacturing companies take second place with just under 19 %, forcing trading companies, which led the rankings for the corresponding period last year, down into third place. The latter have performed below-average so far, at a good 16 %. In view of the underlying high level of demand in the segment, this share is likely to increase in the further course of the year, however.

LARGE SHARE OF MAJOR DEALS ONCE AGAIN
As in the corresponding period last year, major deals account for almost 60 % of the total take-up. The category over 20,000 m² makes up around 26 % here, while deals between 12,000 and 20,000 m² claim a share of just under 34 % and thus contribute the largest share to the overall result. The 8,000 to 12,000 m² and 5,000 to 8,000 m² segments remain under-represented, at a good 6 % and just under 7 % respectively. The small-scale range under 5,000 m² is enjoying keen demand, as reflected in high shares in overall take-up of just under 11 % for deals between 3,000 and 5,000 m² and 17 % for the size category up to 3,000 m².
LIMITED SUPPLY

The excess demand which is to be observed extends throughout virtually the entire market territory, with most size categories lacking any real choice of products available at short notice. Isolated speculative developments, which are currently in progress in the eastern Rhine-Main region, are helping to ease the supply situation somewhat. Against this background the new build share remains high, although it has fallen from 71 % in the corresponding period last year to just under 42 %. The owner-occupier share currently only stands at a good 19 %, but is likely to pick up noticeably by the end of the year. Rent levels have barely altered. The prime rent continues to stand at 6.30 €/m², with an average rent of 4.90 €/m².

OUTLOOK

In conjunction with the good underlying economic conditions, the excellent mid-term result and the sustained high demand indicate the likelihood of an overall result above the average for the past five years (482,000 m²). In view of the special prevailing requirements, the demand generated by dynamic e-commerce and the growing interest in logistics close to the city centre will have to be served almost exclusively by built-to-suit solutions. The average rent may rise slightly as a result of the high share of new buildings in the total take-up of space.