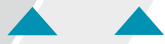


YoY Change 12-Month Forecast

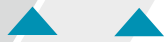
3.5 m

Take-up (cum.), m²



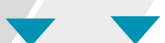
EUR 6.43*

Prime Avg. Rent, m²/month



3.30%*

Prime Avg. Yield (NIY)



*Average of prime over five major markets

ECONOMIC INDICATORS

YoY Change 12-Month Forecast

10.4%

GDP Growth (Q2 2021 vs. Q2 2020)



99.7

Business Climate Sentiment: Current Situation (Jun 2021)



103.7

Business Climate Sentiment: Expectations (Jun 2021)



Source: National Statistical Office, ifo institute, Index: 2015=100

Signs of economic recovery

Following a steady decrease in the numbers of new Covid-19 infections and the increase in the number of vaccinated persons, easings of pandemic-related restrictions took place and the second quarter showed the first signs of recovery in the bricks-and-mortar retail trade and tourism, however retail sales in shops decreased by 4% in the first five months of 2021 compared to the same period last year, while online sales increased by 27% and maintained the numbers of B2C deliveries at a high level. The numbers for new orders in manufacturing are higher than before the crisis, but output in manufacturing is still suffering from supply shortfall, especially of semiconductor chips. The ifo Business Climate index rose in May and June to values last seen in the first months of 2019, driven in particular by positive business expectations. In July, sentiment clouded. While companies evaluated their current business situation as good, their expectations for the coming months were less optimistic than in previous months due to ongoing supply bottlenecks and concerns over newly rising infection numbers.

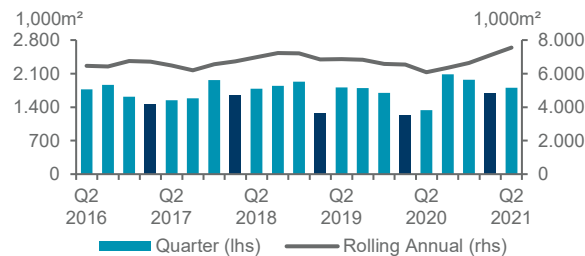
Take-up at a record level

New lets and owner occupations deals concluded in the first half of the current year amount to 3.5 million m² of warehouse and logistics space. Compared to H1 2020 take-up increased by 36%, furthermore, no other first half of the last decade saw a higher result. It is apparent that structural changes in manufacturing and the strong e-commerce are driving demand for all kinds and almost all size categories of warehouse and distribution spaces. The three major sectors, transport/logistics, retail and manufacturing contributed almost equal proportions of the H1 take-up figures. In particular, spaces for city-logistics are sought after, but are however hard to find. Tenants with near term requests need to compromise about the quality of space in order to satisfy their requirements on time. Therefore, more re-lettings in existing stock took place than in previous periods. Given the increases in land prices and building costs the number of construction starts for owner-occupation decreased and more firms prefer a pre-lease.

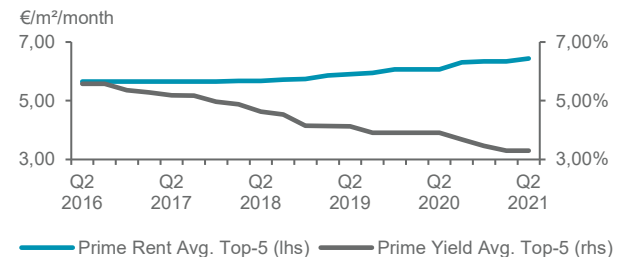
Rents up – yields down

In Q2, prime rents for large modern assets increased by 3.8% in the Frankfurt market and by 3.2% in Hamburg while prime rents in Berlin, Dusseldorf and Munich maintained their Q4 2020 level. Prime yields maintained their Q1 2021 level. Compared to 12 months earlier, compression was 60 bps in the top-5 markets and ranges between 45 bps and 65 bps elsewhere. The y-o-y rent increase was strongest in Berlin (12%), followed by Cologne (8.0%) and Frankfurt (7.1%). The highest rents are achieved in Munich (€7.70 m²/month), followed by Frankfurt (€6.75 m²/month).

INDUSTRIAL TAKE-UP



INDUSTRIAL RENTS & YIELDS



MARKET STATISTICS

Markets	Prime Rent*	Change YoY	Outlook YE 2021	Prime Yield	Change YoY	Outlook YE 2021
Berlin	5.60	12.0%	Up	3.30%	-60 bps	Down
Dusseldorf	5.60	0.0%	Up	3.30%	-60 bps	Down
Frankfurt	6.75	7.1%	Up	3.30%	-60 bps	Down
Hamburg	6.50	4.8%	Up	3.30%	-60 bps	Down
Munich	7.70	6.9%	Up	3.30%	-60 bps	Down
Top-5 Markets	6.43	6.1%	Up	3.30%	-60 bps	Down
Other Markets	4.88	2.9%	Up	3.60%	-49 bps	Down
Germany	5.53	4.4%	Up	3.48%	-47 bps	Down

*Rental rates reflect Euro per m² per month. Germany top-5 and Germany totals reflects average of prime of included markets

SELECTED LEASE TRANSACTIONS Q2 2021

Property	Market	Tenant	m ²	Type
Panattoni Park Würzburg Ost, Dettelbach	Würzburg	s.Oliver	78,000	Pre-let, completion 2024
Distribution Center, Paderborn	Other	Aldi Regionalges. Schloß Holte	50,000	Pre-let, completion Q3 2022
Panattoni Park Hamburg Nord, Nützen	Hamburg	Riess Ambiente	40,900	Pre-let, completion Q2 2022
Hillwood Distribution Center, Kleinostheim	Frankfurt	ID Logistics	40,000	Pre-let, completion Q1 2022

SELECTED SALES TRANSACTIONS Q2 2021

Property	Market	Seller / Buyer	m ²	Price (€ million)
Spectrum, Hamburg (SALB)	Hamburg	Fiege Logistik / DWS Group	80,000	~ 189
2 Assets, Worms/ Offenbach a.d.Q.	Various	Aquila Capital / BentallGreen Oak (BGO)	121,000	~ 160
3 Assets, Rheinberg, Bergkamen, Malsch	Various	Goodman / Warburg HIH	99,000	~ 135

SELECTED CONSTRUCTION COMPLETIONS Q2 2021

Property	Market	Major Tenants	m ²	Owner / Developer
Fiege Mega Center (extension), Ibbenbüren	Münster	Fiege	30,000	Fiege Real Estate
Airbus Central Warehouse, Waltersdorf	Erfurt	Airbus Logistik	44,000	Airbus
Distribution Center, Magdeburg	Magdeburg	Hankook	40,000	Baytree

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