

2.45 m

Take-up (cum.), m²

YoY Change 12-Month Forecast



€8.49*

Prime Avg. Rent, m²/month



4.50%*

Prime Avg. Yield



*Average of prime over five major markets
Prime Yield = Net Initial Yield

ECONOMIC INDICATORS

0.05%

GDP Growth Germany
(Q2 2024 vs. Q2 2023)

YoY Change 12-Month Forecast



88.3

Business Climate
Sentiment: Current
Situation (Jun 2024)



89.0

Business Climate
Sentiment: Expectations
(Jun 2024)



Sources: Moody's Analytics, ifo institute,
Index: 2015=100

GERMAN ECONOMY FIGHTS AGAINST STAGNATION

Germany's economy gained in dynamism in the second quarter, supported by wage increases that were significantly higher than inflation, which led to a recovery in private consumption. This consumption-driven upturn is likely to continue for the rest of the year, although leading indicators of the ifo business climate signal downside risks. In June, the ifo Business Climate Index fell to 88.6 points, compared to 89.3 points in May. This is due to pessimistic expectations, although assessments of the current business situation have remained stable. The German economy is still struggling to break out of stagnation. Due to the ongoing structural problems, the Hamburg Institute of International Economics (HWWI) expects the German economy to experience only a slight upturn in 2024 and 2025. Average economic growth is expected to be just 0.25% in 2024 and 1% in 2025.

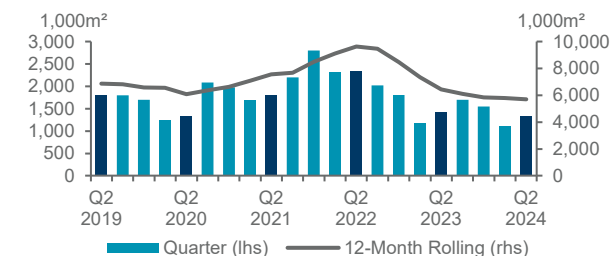
TAKE-UP DECREASING IN GERMANY, BUT STABLE IN THE TOP-5 MARKETS

The economic challenges continue to affect demand for logistics and industrial space, with the result that take-up remained below average in the first half of the year: New lettings and owner-occupiers totalled around 2.45 million m² of logistics, warehouse and industrial space in Germany in the first half of the year. The result is 6% below the previous year's figure and 25% below the H1 5-year average. This is the lowest result since the first half of 2013. Due to the economic uncertainties, large occupiers are particularly reluctant to take on new leases and are increasingly deciding against relocation in the course of "stay-versus-go" processes. A total of 660,000m² was registered in the top-5 markets, roughly the same as in the same period last year. Nevertheless, the result is 30% below the H1 5-year average. The investment transaction volume for logistics and industrial properties totalled around €2.60 billion in the first half of the year. This corresponds to an increase of 53% compared to the equivalent period last year, but a decrease of 24% compared to the H1 5-year average.

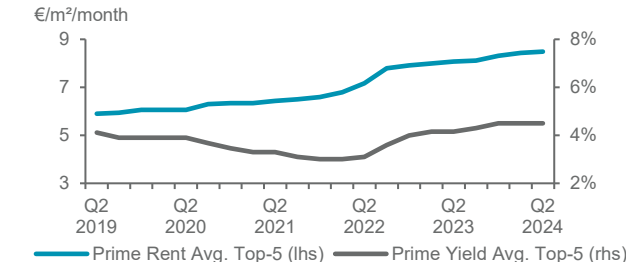
CONTINUING RISE IN PRIME RENTS AND PRIME YIELDS

The average logistics prime rent rose by 4% in Germany as a whole and by 5% in the top-5 markets over the last twelve months. The reason for the increase is the continuing demand for high-quality space in very good locations with a low supply of adequate space. Munich is the most expensive location at €10.75/m²/month. The prime yield in the top-5 markets rose by 35 basis points over the 12-month period to stand at 4.50% by the end of June. Compared to the previous quarter, this corresponds to a sideways movement.

TAKE-UP



RENTS & YIELDS LOGISTICS



MARKETBEAT GERMANY

Logistics & Industrial Q2 2024



MARKET STATISTICS

Markets	Prime Rent (€/m ² /month) *	Change YoY	Outlook YE 2024	Prime Yield*	Change YoY	Outlook YE 2024
Berlin	7.20	0%	Up	4.50%	35bp	Stable
Düsseldorf	8.00	3%	Up	4.50%	35bp	Stable
Frankfurt	8.50	7%	Stable	4.50%	35bp	Stable
Hamburg	8.00	1%	Up	4.50%	35bp	Stable
Munich	10.75	13%	Stable	4.50%	35bp	Stable
Top-5 Markets	8.49	5%	Stable	4.50%	35bp	Stable
Outside Top-5**	6.27	3%	Stable	4.77%	32bp	Stable
Germany**	6.66	4%	Stable	4.73%	33bp	Stable

*Rents/yields for top-5 markets, outside top-5 and Germany reflect average of the respective prime values of the included markets / clusters

**Germany = 24 Logistics-Industrial-clusters, Outside Top-5 = 20 clusters, bp = basis points

SELECTED LEASE TRANSACTIONS Q2 2024

Property	Cluster	Tenant	m ²	Type
Logistics centre, Bischweier	Upper Rhine	Mercedes-Benz	109,000	Pre-let
Logistics centre, Alsfeld	Central Germany	Nordwest Handel	68,000	Owner-ccupier
Logistics centre, Hückelhoven	Cologne Bay	Lidl	64,000	Pre-let
Logistics centre, Cologne	Cologne Bay	Recht Logistics group	45,000	Pre-let

SELECTED SALES TRANSACTIONS Q2 2024

Property	Cluster	Seller / Buyer	m ²	Price (€ million)
Logistics portfolio - 12 Logistics centres: Bavaria, Baden-Wuerttemberg, North Rhine Westphalia, Saxony	Nationwide	Branicks Group / P3	269,000	Confidential
Industrial park, Ettlingen	Rhine-Neckar	aam2core Holding / Elite Partners Capital	120,000	Confidential
Amazon Logistics centre, Helmstedt	Outside	Baum Gruppe / Ampega	54,000	Confidential
Panattoni Park, Voerde (lower rhine)	Duisburg-Lower Rhine	Panattoni / Clarion Partners	67,000	~75

*speculative development project still without pre-letting

ARND STERNBERG

Head of Logistics & Industrial Agency Germany

+49 211 540 898 75 / arnd.sternberg@cushwake.com

STEPHAN HAEGELE

Partner – Logistics & Industrial Investment

+49 69 50 60 73 133 / stephan.haegele@cushwake.com

HELGE ZAHRT, MRICS

Head of Research & Insight Germany

+49 40 300 88 11 50 / helge.zahrt@cushwake.com

SEBASTIAN BECKER

Research Consultant

+49 40 300 88 11 49 / sebastian.becker@cushwake.com

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