



Facts and Figures

Warehouse/Logistics Rhine-Main
Q1 2024

“The best way of obtaining information is to provide some in the first place.”

Quote from Niccoló Machiavelli

If you require any further information, please do not hesitate to contact us. We can put you in touch with our specialists who are always happy to provide you with expert support.

We look forward to hearing from you!



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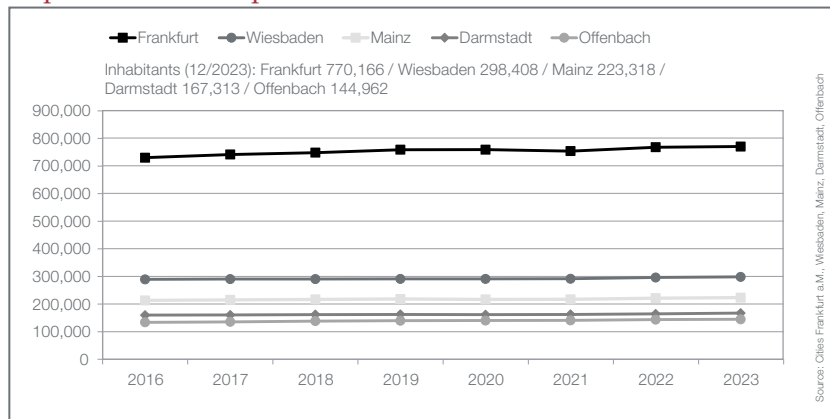
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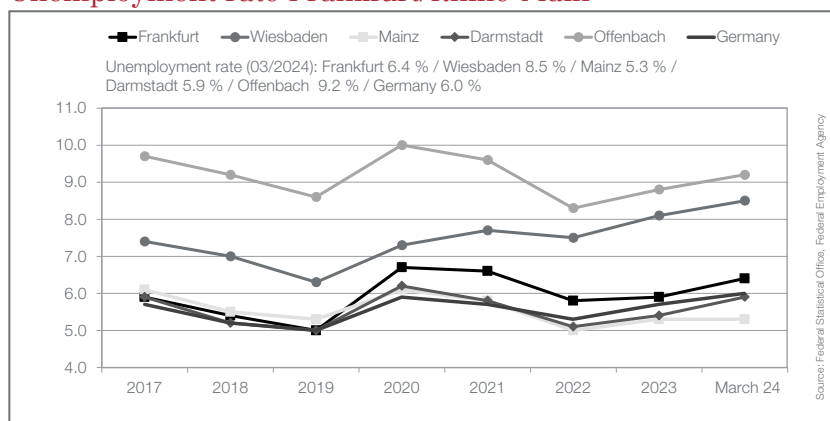
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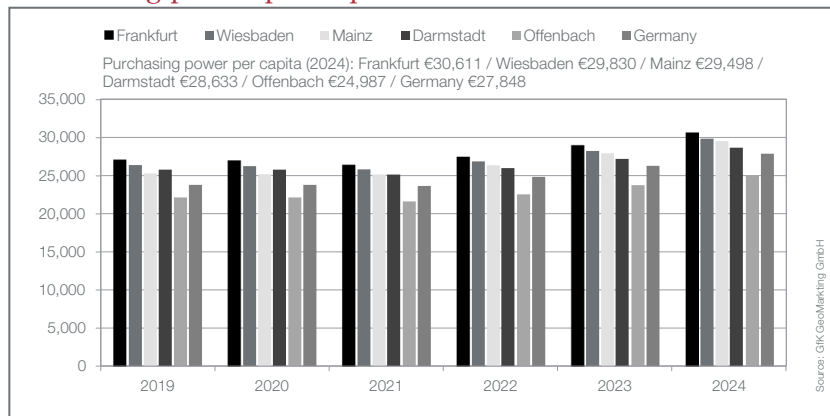
Population development Frankfurt/Rhine-Main



Unemployment rate Frankfurt/Rhine-Main



Purchasing power per capita Frankfurt/Rhine-Main



Traffic situation Frankfurt/Rhine-Main

Air traffic

Passenger numbers at Frankfurt Airport reached 12.5 million in the first quarter of 2024, which was 10.4 % higher than a year previously. The cargo volume fell 6.5 % year-on-year to 486,700 tonnes.

Rail traffic

Frankfurt central station is the most important transport hub in Germany. More than 1,100 trains per day and almost 500,000 visitors and travellers. Frankfurt also has three other long-distance railway stations (Südbahnhof, Westbahnhof and Flughafen-Fernbahnhof).

Highway traffic

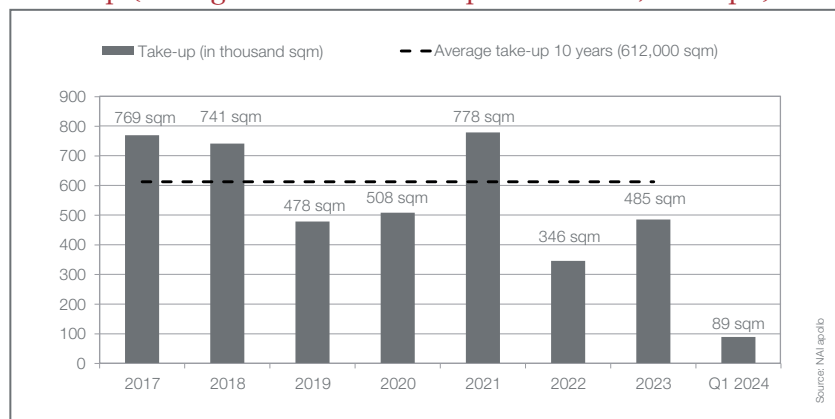
Central hub for Germany's long-distance road network with five motorway links. Frankfurter Kreuz is the busiest motorway junction in Germany with about 350,000 vehicles per day.

The Rhine-Main region continues to operate in a tough economic environment at the start of 2024, which is also now having an increasing impact on the labour market. At the end of the first quarter, the unweighted average unemployment rate for the five largest cities in the region (Frankfurt am Main, Wiesbaden, Mainz, Darmstadt, Offenbach am Main) was 7.1 %. This represents an increase of 0.3 percentage points compared to the start of the year and 0.4 percentage points compared to March 2023. Out of the five cities, Mainz has the lowest rate of 5.3 % and Offenbach the highest at 9.2%.

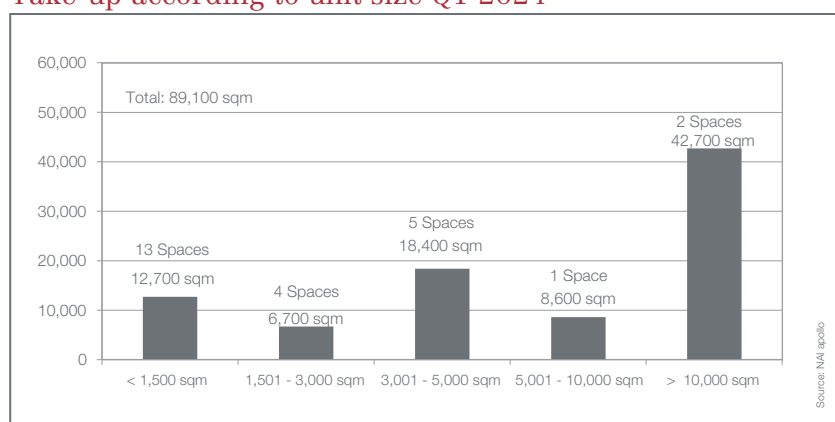
Against this background, it is no wonder that business sentiment in the region remains subdued. According to the latest economic report by the Frankfurt Chamber of Industry and Commerce at the beginning of 2024, the business climate index remains below the growth threshold (100 points) at 98 points. In terms of the different sectors, transport, industry and retail, which are the primary users of storage and logistics space, are even more pessimistic than the average of all companies surveyed. The situation is not expected to ease in the short term. The German government is forecasting marginal GDP growth of 0.2 % for 2024 as a whole. Leading research institutes are even forecasting that the economy will enter a period of stagnation this year.

In contrast to the weak economic outlook, the population trend is very positive. Growth in the region's five major cities in 2023 amounted to 0.7 %. This means that over 1.6 million people have now registered their primary residence here. The banking metropolis of Frankfurt am Main is leading the way, exceeding the 770,000 population threshold for the first time.

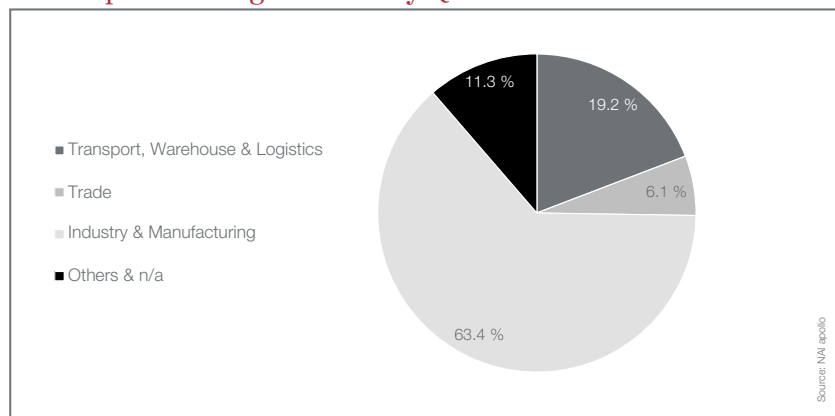
Take-up (lettings and owner occupation – in 1,000 sqm)



Take-up according to unit size Q1 2024



Take-up according to industry Q1 2024



Definition market area

NAI apollo defines the Frankfurt/Rhine-Main market area for logistics and warehouses as the relevant available logistics and warehouse space between the cities of Butzbach in the north and Worms in the south, as well as between Bingen in the west and Aschaffenburg in the east.

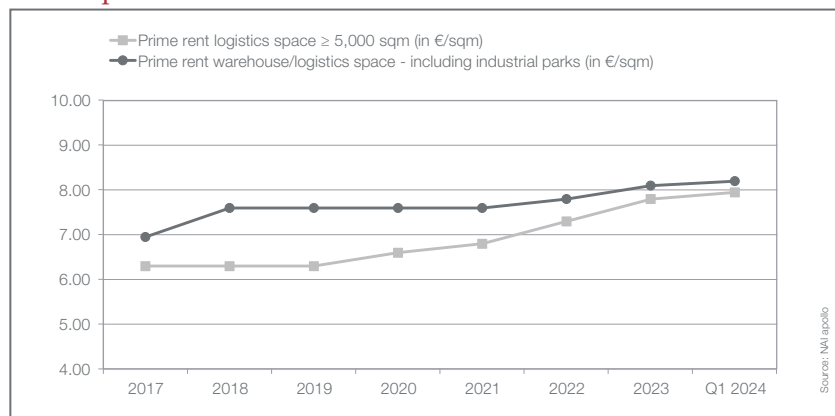
The City of Frankfurt am Main forms the central point of the sub-market described.

Space take-up by tenants and owner-occupiers on the warehouse and logistics market in the Rhine-Main region amounted to 89,100 sqm during the first three months of the year. Although this falls far short of the positive prior quarterly result of 172,800 sqm at the end of 2023, the figure was 43.4 % higher compared to the first quarter of 2023. In addition, the latest result compares favourably with the past five years as it is 5.1% higher than the average for this period. However, it remains significantly below the ten-year average, which currently stands at 122,600 sqm.

Subletting in the past three months has not even come close to the level of last year's quarterly figures. In contrast, we saw an increase in the new-building segment. Lettings in new developments and owner-occupier projects generated a total of over 51,000 sqm at the start of the year. Such a high level of take-up in this segment has not been seen in a single quarter in the past two years. Owing to the simultaneous decline in market activity in existing properties, new buildings increased their share of take-up to 57.8 % (Q1 2023: 28.7 %). A key contribution came from the largest deal in the year to date, namely a project development by Bork in Butzbach where a new logistics centre for the Bosch Home Comfort Group is being built and provides more than 30,000 sqm.

In terms of the different size categories, Bosch's lease signing in Butzbach also means that the segment above 10,000 sqm accounted for the highest take-up of around 43,000 sqm. Compared to the previous year, this segment has also seen the strongest growth, quadrupling in size. However, a comparison with the immediately preceding quarter is sobering since large deals then generated a volume of 108,000 sqm. At the same time, subletting agreements played a significant role here.

Development of rents Frankfurt am Main



Selection of large current project developments Q1 2024

Langenselbold – 20,000 sqm

Speculative development of a total of approx. 20,000 sqm of hall and 4,000 sqm of office space. The first building phase of 10,000 sqm has already been let. The second project phase is under construction and is expected to be completed in November 2024.

Butzbach – 31,000 sqm

Development of a new logistics centre with about 31,000 sqm of hall space by Bork Projektentwicklung in Magna-Park Rhein-Main in Butzbach for the Bosch Home Comfort Group, which already has two halls here.

Wiesbaden / Mainz-Kastel – 40,000 sqm

Speculative development of about 40,000 sqm of modern logistics space in Mainz-Kastel, near the A66 and A671. The building should be ready for occupancy at the end of 2024.

Source: NAI apollo

Selection of large completed developments Q1 2024

Offenbach – 4,000 sqm

Completion of an approx. 4,000 single tenant property in the Offenbach city area that is leased by the company Danfoss.

Dreieich – 5,800 sqm

Completion of a commercial and logistics property with around 5,800 sqm of hall space as well as a 1,400-sqm mezzanine and 1,450 sqm of office space in the Dreieichenhain city district on federal highway 661. The property has been fully let to pharmaceutical manufacturer Biotest AG.

Hanau – 28,000 sqm

Completion of the commercial and logistics park "Holzpark Hanau" by INBRIGHT with a total of approx. 28,000 sqm on the B43a highway in the Hanau city area. The property has already been acquired by AEW.

Source: NAI apollo

Outlook next 12 months

Stock	➡
Vacancy	➡
Take-up	➡
Prime rent	↗
Average rent	↗

Source: NAI apollo

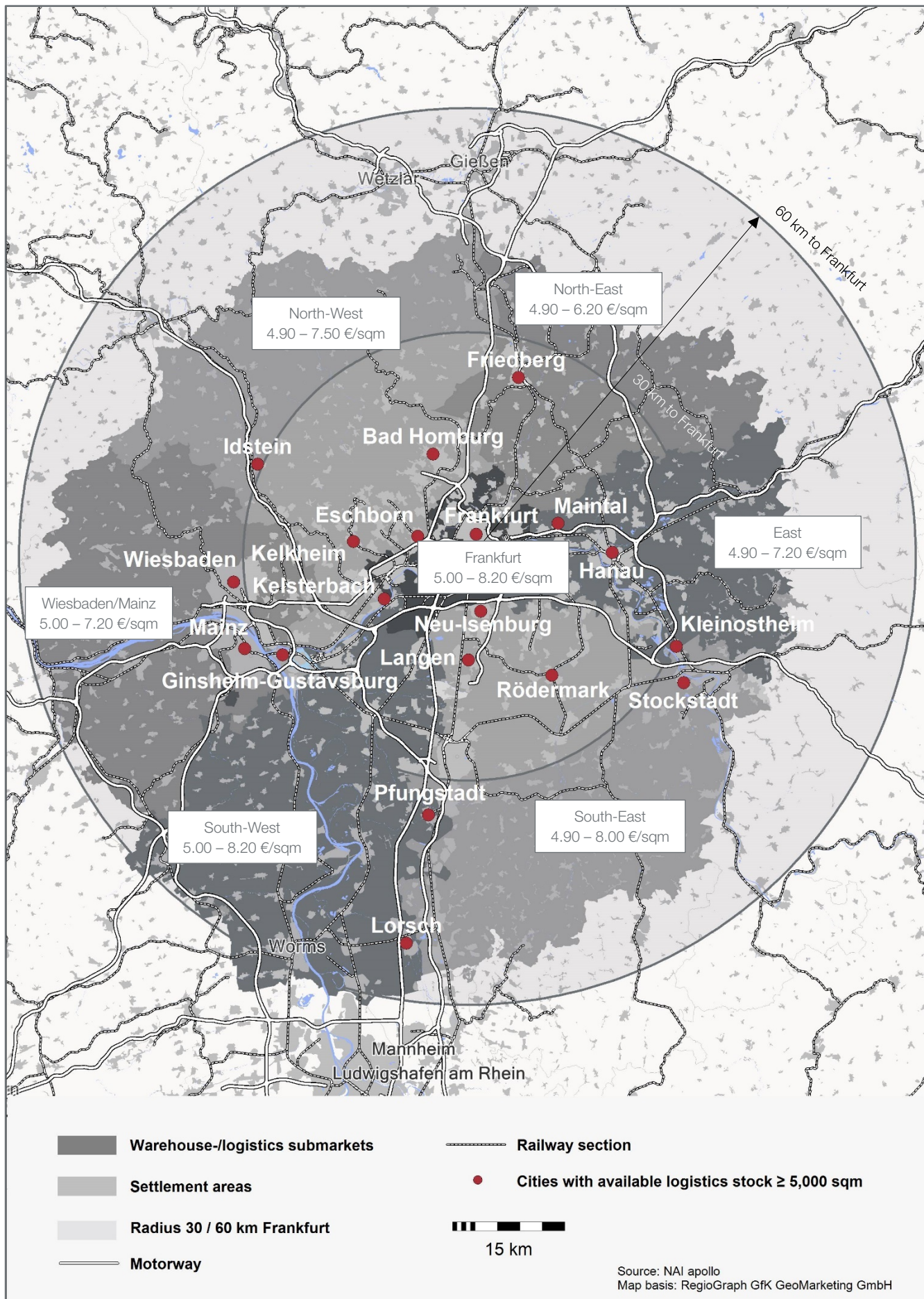
The segment including spaces between 3,000 sqm and 5,000 sqm was in second place with 18,400 sqm in the first three months of 2024. This represented a significant increase compared to both the previous quarter and the previous year. Market shares of all other segments were lower compared to the previous year.

Companies from the industrial and manufacturing sectors had already recorded significant increases in take-up over the course of last year, and also represented by far the most important user group in the first quarter of 2024 with 56,500 sqm. Compared to Q1 2023, this equates to more than a tenfold increase in take-up. As a consequence, this sector's market share increased by almost 55 percentage points compared to the previous year. In contrast, retailers as well as transport, warehousing and logistics companies, the two groups that dominated the market in the past, have lost ground.

The economic situation in both Germany and the Rhine-Main region will remain challenging in the coming months. It is not uncommon for rental decisions to be reconsidered, postponed or completely abandoned. At the same time, demand for warehouse and logistics space is high. Particularly in the large-scale segment, it is still the case that requests cannot be met owing to the lack of available space that meets demand.

There is also a shortage of smaller spaces that fulfil user requirements in terms of location, facilities and quality. Large new speculative project developments that would provide short-term relief are also not in sight because of the continuing high construction and financing costs, but primarily owing to the absence of suitable building plots. As expected, this imbalance between supply and demand is reflected in rising rents.

Submarkets, rents (including industrial parks) and available logistics stock Q1 2024



Logistics strongholds

Average and prime rent for logistics space (≥ 5,000 sqm) Q1 2024

	Average rent in €/sqm	Prime rent in €/sqm
Berlin	7.00	8.20
Düsseldorf	6.40	7.90
Frankfurt/Rhine-Main	6.50	7.95
Hamburg	6.50	8.25
Munich	8.30	9.50

Source: NAI Apollo

Prime yields Q1 2024

	Prime office yields	Prime retail yields	Prime logistics yields
Berlin	4.40 %	4.15 %	4.40 %
Düsseldorf	4.50 %	4.30 %	4.40 %
Frankfurt a. M.	4.50 %	4.30 %	4.40 %
Hamburg	4.45 %	4.25 %	4.40 %
Munich	4.40 %	4.10 %	4.40 %
Total	Ø = 4.45 %	Ø = 4.20 %	Ø = 4.40 %

Source: NAI Apollo

Frankfurt/Rhine-Main

Top take-up Q1 2024

Property + Location	Tenant / owner occupier	Utility area in sqm
Butzbach	Bosch Home Comfort Group	approx. 31,000
Hanau	Gebrüder Thomaidis GmbH	approx. 12,000
Dieburg	Sauer Product GmbH	approx. 8,600
Offenbach	Danfoss GmbH	approx. 4,000
Kelsterbach	Opus Logistics GmbH	approx. 3,800

Source: NAI Apollo

Top investments Q1 2024

Property + Location	Purchaser	Utility area in sqm
Logistics property / Egelsbach	Frasers Logistics and Commercial Trust	approx. 27,000
Logistics property / Dietzenbach	maincubes	approx. 13,800
Logistics property / Messel	Bowery	approx. 12,500

Source: NAI Apollo

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