

PRESS RELEASE

Berlin logistics market continues to fly high

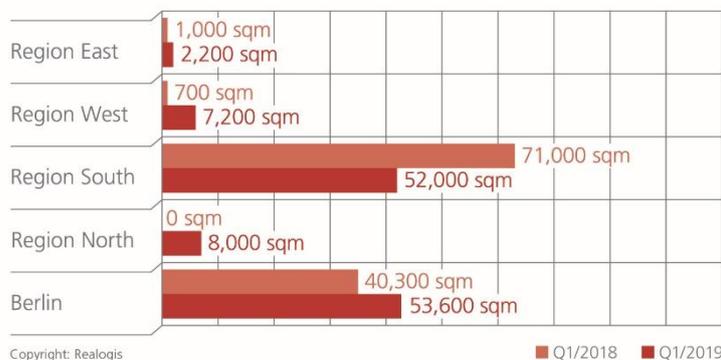
Berlin, 16 April 2019 – According to the latest market report from Realogis – the leading real estate consulting firm for logistics and industrial space as well as business parks in Germany – the logistics market in Berlin continues to be marked by lively activity and continuing high demand. With an achieved take-up of 123,000 sqm by all market participants during the first quarter of 2019, the Berlin metropolitan region increased by 9% compared to the previous year (Q1 2018: Approx. 113,000 sqm). “Thus, the current result is 15% over the five-year average and is second only to 2017,” commented **Ben Dörks, Department Head at Realogis Immobilien Berlin GmbH**.

>> Take-up of logistics property and industrial space in the greater Berlin area



Locations in the inner-city area experienced particularly strong sales in the first three months (43%, 53,600 sqm) as well as the southern region (42%, 52,000 sqm). The north (7%, 8,000 sqm) and the east (2%; 2,200 sqm) played a minor role.

>> Take-up of logistics property and industrial space by regions in the greater Berlin area
Q1/2018 vs. Q1/2019



The users came predominantly from retail; from January to March 2019, retailers signed new leases with a total of 50,200 sqm of logistics space and thus contributed 41% to the overall result. Of this, e-commerce alone accounted for 38,200 sqm of the space and thus

more than three quarters of the take-up (76%); the us due to Berlin's growing population and the changed purchasing behaviour of end customers.

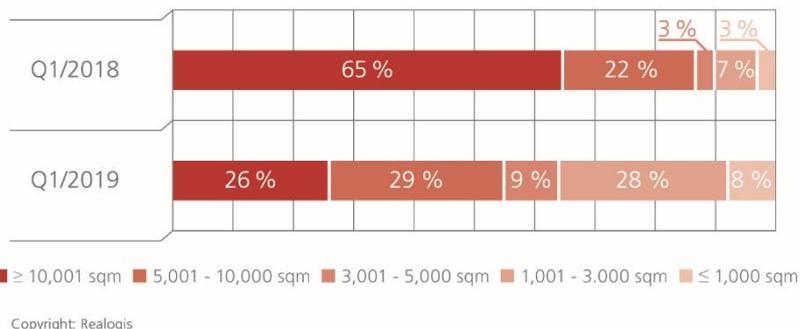
The logistics sector – also leading during the same period last year – contributed 27% (33,600 sqm) during Q1 2019, and production companies contributed 4% (5,200 sqm). With 28% (34,000 sqm), the category “Supply/Others” reached second place for the first time. In this quarter, this includes, predominantly, service companies in the area of trade fairs and events.

>> Take-up of logistics property and industrial space by industry in the greater Berlin area
Q1/2018 vs. Q1/2019



However, the distribution according to size categories appears to be balanced: the “10,001+ sqm” segment accounted for 26% (32,300 sqm), the “5,001–10,000 sqm” segment for 29% (35,400 sqm) and the “1,001–3,000 sqm” segment for a total of 8% (35,000 sqm). The units “below 1,000 sqm” (8%, 9,100 sqm) and “3,001–5,000 sqm” (9%, 11,200 sqm) play a minor role, as they did last year.

>> Take-up of logistics property and industrial space by size in the greater Berlin area
Q1/2018 vs. Q1/2019



With regard to the rental prices, a plus of 8% for prime rents and 6% for average rents was observed compared to the same period last year. In absolute figures, the prime rents and average rents are at the level of Q4 2018 at EUR 6.80/sqm and EUR 5.50/sqm, respectively. However, this means the rents have changed by +39% (prime rents) and +34% (average rents) within the last two years.

>> Prime and average rents of logistics property and industrial space in Berlin*

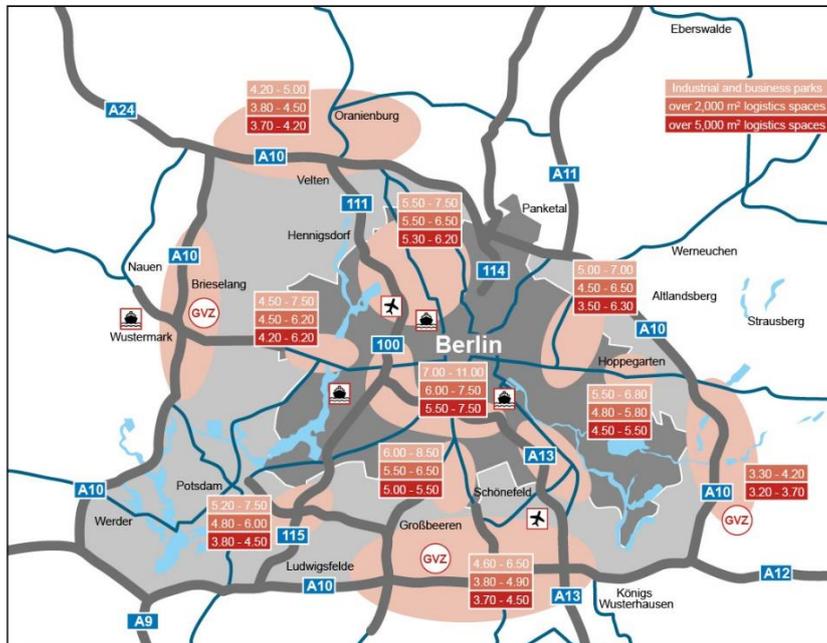


The most significant sources of take-up on the Berlin logistics market in Q1 2019 included:

- | | | |
|----------------------|-------------------|--------------------|
| - E-Commerce company | Schönefeld | approx. 31,000 sqm |
| - Kaluza & Schmid | Mühlenbecker Land | approx. 8,000 sqm |
| - Hermes | Berlin | approx. 7,800 sqm |
| - Nagel Group | Wustermark | approx. 7,000 sqm |

“We expect that the second quarter of 2019 will be weaker. As yet, we still have not been able to register a major request; however, we have had a few enquiries concerning the segment of around 5,000 sqm and have generally received a lot of enquiries for smaller units,” according to Ben Dörks. “We are currently expecting a half-year result of approx. 200,000 sqm.”

Logistics Property Market Berlin: Rental Prices 2019 (€/m²)



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Realogis is the leading German consulting company for letting and investments in industrial, logistics and commercial properties in Germany. Realogis provides nearly 60 experts looking after the real estate needs of national and international companies and private and institutional investors. The Realogis Group is operating its own branches at the key German logistics locations. Active throughout Germany since 2005, the first mover in the growth market of logistics real estate reported a turnover of EUR 13.24 million in 2018.

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