

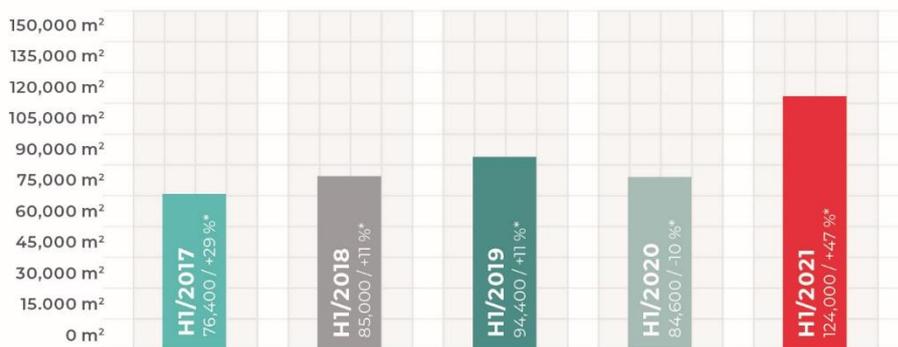
PRESS RELEASE

H1 2021: Highest take-up in the Stuttgart market for industrial and logistics properties in seven years

- 46% increase in take-up compared to previous year
- 100,000 mark exceeded again for first time in five years
- Almost every second square metre let in the Ludwigsburg district
- Retail accounts for highest share of rented space for the first time at 40%
- 5,001 to 10,000 m² size category in the lead
- Prime rent up 12.3% to highest level to date of EUR 7.30/m²
- Forecast: Strong demand creates hope of higher annual take-up than in 2020

Stuttgart, 26 July 2021 – In the first half of 2021, 124,000 m² of industrial and logistics properties was brokered by all market participants as tenants or owner-occupiers in the Stuttgart metropolitan region. This was the conclusion reached by Realogis, the leading consultant for industrial and logistics properties and business parks in Germany, with 70 experts. “Stuttgart enjoyed its strongest first six months in the last seven years. It was about 46% higher than in the previous year,” commented **Adriano Borgia, Managing Director of Realogis Immobilien Stuttgart GmbH**.

■ Take-up of logistic property and industrial space in the economic region of Stuttgart H1 2021



Copyright: Realogis

*Percentage change compared to the first half of the previous year

The two major deals with Hofmeister GmbH (20,800 m²) and Parker Hannifin GmbH (7,083 m²) for existing properties in Ludwigsburg were particularly instrumental in the record take-up.

“At the same time, the market has exceeded the 100,000 mark again for the first time,”

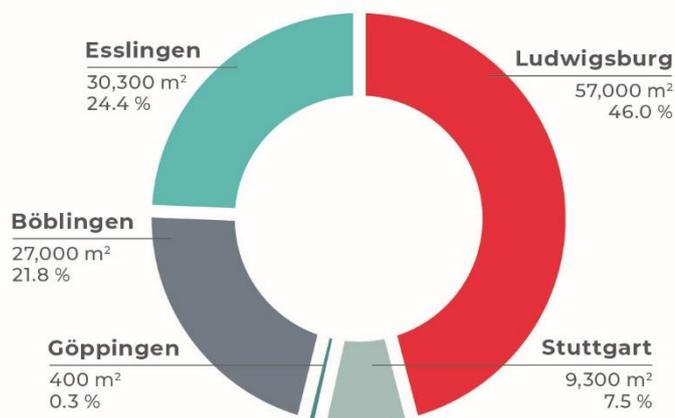
Adriano Borgia added. The closest it had come to this before was in H1 2019 at 94,400 m², a period marked by the major Daimler deal in the Rems-Murr-Kreis district for 42,000 m². Take-up in H1 2020 was 84,600 m², with H1 2017 seeing the weakest performance at 76,400 m². This explains why the record take-up in H1 2021 was a substantial 34% higher than the current five-year average of 92,880 m².

A look at the last five years also shows that take-up in the first six months of a year rose steadily from 2017 onwards, consistently approaching the 100,000 level – until, that is, the first half of 2020, which saw a fall of 10% on account of the pandemic.

Ludwigsburg district increases share of take-up

“The Ludwigsburg district achieved the highest take-up in the months of January to June 2021 at 57,000 m² (46%). Almost half of all newly let square metres are in this region,” explained **Joel Adam, Managing Director of Realogis Immobilien Stuttgart GmbH**. This means that the Ludwigsburg district has expanded its share by 12 percentage points against the previous year, putting it in first place once again (after 34% or 29,100 m² in H1 2020). The Ludwigsburg district has already beaten the other regions in a five-year comparison on three occasions: H1 2018 (38,300 m²/45%) and H1 2017 (34,100 m²/45%). In H1 2019, it managed only second place at 26,150 m²/28%, as in H1 2020 at 29,100 m²/34%.

■ Take-up of logistic property and industrial space by regions in the economic region of Stuttgart H1 2021



Copyright: Realogis

Coming in second at present is the Esslingen district, which accounted for 30,300 m² or 24% of total take-up in the months from January to July. This means that the Esslingen district, which came in first place in H1 2020, saw the biggest decline in importance out of all regions compared to the previous year, down 18 percentage points (after 43% or 36,100 m²). One reason for this is that only one of the top leases in the first six months

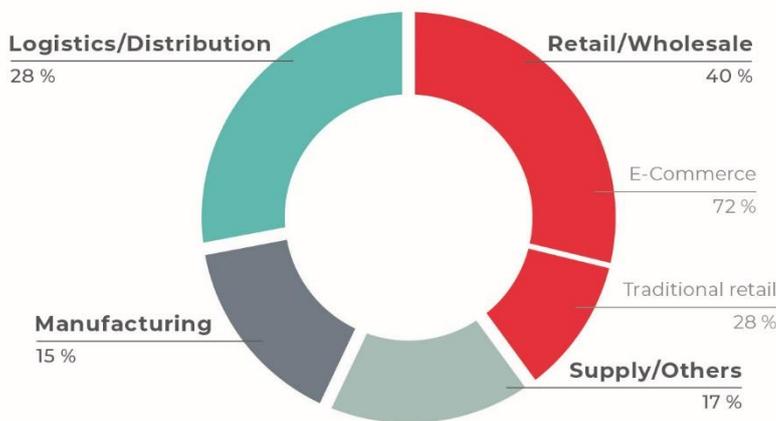
of this year was in this region (Metabowerke GmbH at 3,580 m²).

In third place came the Böblingen district with a share of 22%/27,000 m² and the highest year-on-year upturn at 16 percentage points (after 4,700 m²/6%). It was followed in fourth position by the city of Stuttgart at 9,300 m² in H1 2021 (8%) (H1 2020: 0 m²). Only 400 m² (less than 1%) was newly let in the Göppingen district (H1 2020: 0 m²) and no space was let at all in the Rems-Murr-Kreis district in H1 2021 (H1 2020: 17%/14,700 m²). The Rems-Murr-Kreis district is thus currently down 17 percentage points, the second-greatest drop after the Esslingen district.

Online retail picks up

“Retail is ahead of other sectors for the first time since 2017. After coming in last in the previous year with just 810 m²/1%, the sector topped the ranking in H1 2021 with a share of 40%/49,400 m²,” said Joel Adam. This is thanks to the Hofmeister GmbH letting of 20,800 m², a deal that accounts for 42% of take-up in the sector. A closer analysis of take-up in the sector reveals that online retail accounted for 72%/35,500 m² of take-up, with traditional retail contributing just 28%/13,900 m².

■ **Take-up of logistic property and industrial space by industry in the economic region of Stuttgart H1 2021**



Copyright: Realogis

The logistics/distribution sector – which has topped the board consistently in first half years since H1 2017 – was the number two for the first time, accounting for 35,200 m²/28% and seeing the most considerable drop out of all sectors at 35 percentage points (after 53,610 m²/63 %).

In third came the miscellaneous category “Other” with a share of 17%/21,000 m² (H1 2020: 840 m²/1%). Manufacturing brought up the rear at 15%/18,400 m² and the second-largest decline after logistics/distribution at -20 percentage points (after

35%/29,340 m²).

Size category 5,000 m² and above responsible for 56% of take-up

At 38%/46,600 m², the 5,001 to 10,000 m² size category represents the lion’s share of take-up. The size category that placed second last year gained 20 percentage points, the greatest increase in relative importance (after 18%/15,200 m² in H1 2020; i.e. more than triple the H1 2020 figure).

One in every four square metre brokered in H1 2021 was in the size segment between 3,001 and 5,000 m² (25%/30,900 m²), a rise of 16 percentage points – the second-largest of all size categories (after 9%/7,300 m² in H1 2020).

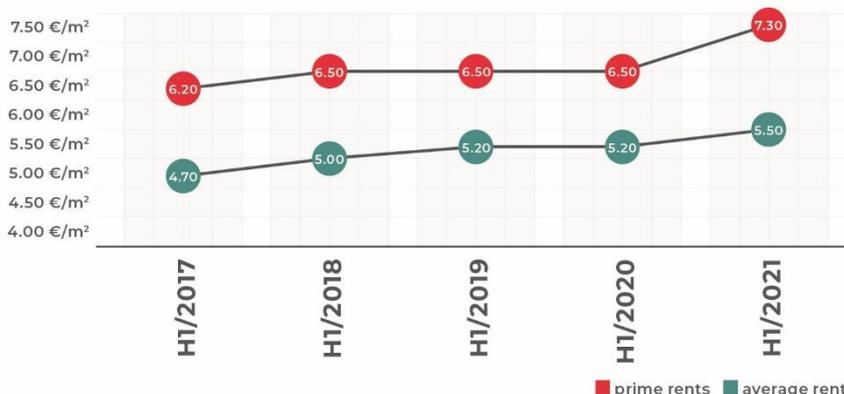
The 10,001 m² and above size category accounted for 18%/21,900 m². Down by 37 percentage points, this category has fallen the furthest of all (in H1 2020 more than half of all square metres were in this category at 55%/46,500 m²).

This was followed by the 1,001 to 3,000 m² category with a share of 16%/20,300 m² (H1 2020: 11%/9,400 m², representing growth of 5 percentage points) and the smallest spaces of less than 1,000 m² at 3%/4,300 m² (down 4 percentage points after 7%/6,200 m²).

Prime and average rent reach highest levels to date

Prime rents increased by a significant 12.3% in H1 2021 to their highest level to date of EUR 7.30/m², even surpassing the five-year average of EUR 6.60/m² by 10.6%. “Rents for trophy properties, which had been stagnating at H1 2018 levels, are currently gaining momentum rapidly and enjoying the strongest upturn of the last five years,” commented Adriano Borgia.

■ Prime and average rents of logistics property and industrial space in the economic region of Stuttgart H1 2021



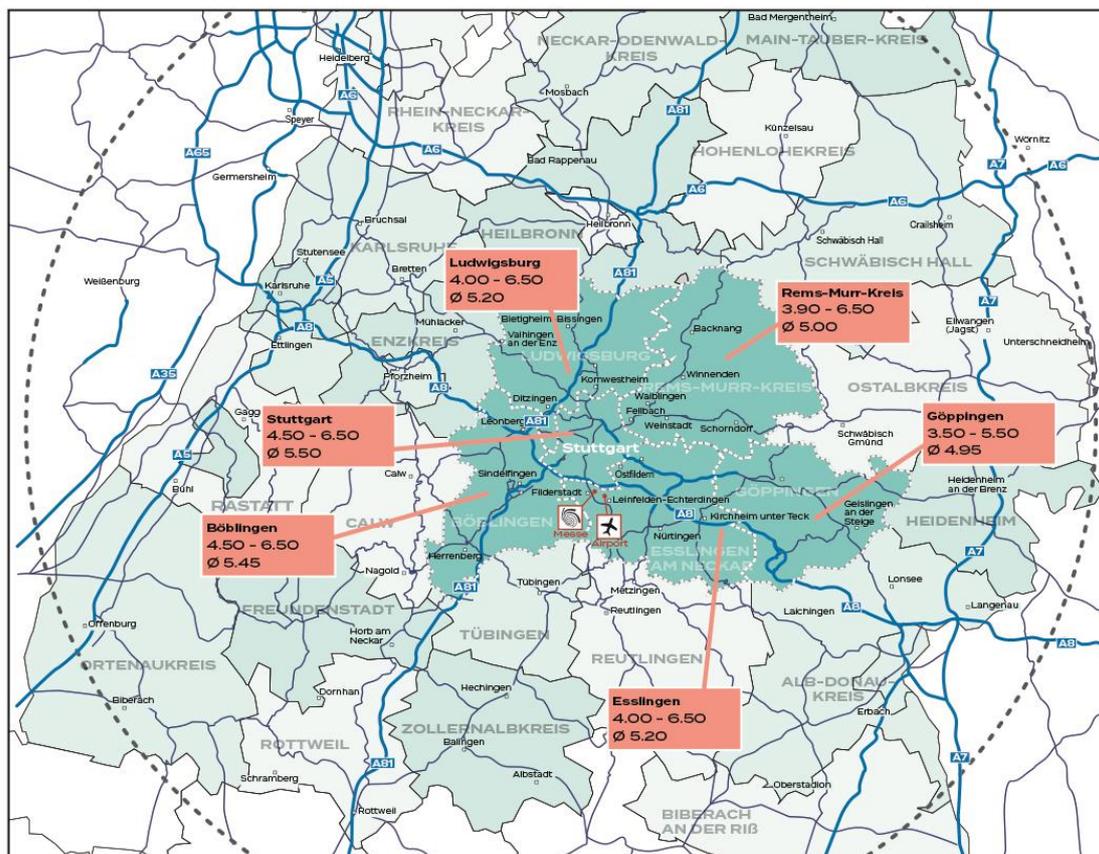
Copyright: Realogis

While prime rents rose by 6.9 percentage points in H1 2017 (from EUR 5.80/m² to EUR 6.20/m²) and by 4.8% to EUR 6.50/m² in H1 2018, they stalled at this level in the first six months of 2019 and 2020.

By contrast, average rents have risen consistently in the last five years (with the exception of H1 2017 and H1 2020), although growth of around 3% on average since H1 2017 is more moderate on the whole than for prime rents (which averaged annual growth of about 4.8%). In H1 2021, they achieved a new high of EUR 5.50/m², representing an upturn of 5.8% on the previous year level of EUR 5.20/m². Average rents are 7.4% higher than the five-year average of EUR 5.12/m².

The absolute price gap between average and prime rents was higher last year than in previous years at EUR 1.80/m² (H1 2018 and H1 2019: EUR 1.30/m²).

■ **Logistics Property Market Stuttgart: Rental Prices H1/2021 (€/m²)**



Outlook

“We expect to see strong demand in the months from July to December 2021,” said Joel Adam. “Despite the acute shortage of space, total take-up of around 140,000 m² in the previous year will almost certainly be exceeded.”

Lessors with highest take-up

Name of company	Take-up	Type	Region	Sector
E-Commerce company	20.800 m ²	Existing property	Ludwigsburg	Retail/ Wholesale
Parker Hannifin GmbH	7.000 m ²	Existing property	Ludwigsburg	Manufacturing
ZaSu Group GmbH	3.800 m ²	Existing property	Böblingen	Logistics
Metabowerke GmbH	3.580 m ²	Existing property	Esslingen	Retail/ Wholesale

Graphics: Graphics can be printed free of charge citing the source: “Realogis – www.realogis.de”

Media contact REALOGIS:

SH/Communication – Agentur für Public Relations

Silke Westermann

Presse

Fritz-Vomfelde-Straße 34, D-40547 Düsseldorf

Tel: +49/211/53 88 3-440

E-Mail: s.westermann@shcommunication.de

Corporate contact REALOGIS:

REALOGIS Holding GmbH

Silja Schuppler

Marketing

Rundfunkplatz 4, 80335 München

Tel: +49/89/51 55 69 17

E-Mail: s.schuppler@realogis.de

www.realogis.de

REALOGIS. No. 1 for industrial and logistics properties

The REALOGIS Group is Germany's leading player for the consulting and brokering of industrial, logistics and commercial properties.

Founded in 2005 as a pioneer for the asset class of logistics and industry, the owner-operated group has enjoyed healthy growth, is crisis-resistant and knows the German market like no other. Realogis is represented in the country's seven top logistics locations of Berlin, Düsseldorf, Frankfurt am Main, Hamburg, Leipzig, Munich and Stuttgart, while a dedicated organisational unit ensures transparency in around 15 additional regional logistics markets. 70 real estate professionals advise national and international companies from the fields of logistics, e-commerce, retail and industry as well as private and institutional investors. Quick, flexible, regional, customer-oriented and with a high volume of transactions.

Realogis' four core competencies are arranging highly creditworthy tenants for new and existing properties, assisting investors with property investments and project development, outstanding service for locating or selling sites, and the development and implementation of holistic property strategies.

In short, Realogis creates more room for its customers' success in every sense. Further information: <https://www.realogis.de/>