

# G&B Real Estate Market Survey

Commercial | Industrial & Logistics

2022/Q1-4

## Hamburg and Environs



Photo: © Alexander Nasonov-stock.adobe.com



### Large-volume agreements lead to good end-of-year result

In 2022 take-up of space in industrial and logistics real estate in the Hamburg region totalled some 525,000 m<sup>2</sup>. This result was about 17% below the record posted in the year before, but well above the 10-year average of 507,000 m<sup>2</sup>. Year on year the total of rental agreements and construction starts for owner-occupiers was about 19% lower. The predominance of contracts for over 10,000 m<sup>2</sup> of space was a notable feature of the market. This size category accounted for 60% (324,000 m<sup>2</sup>) of the total volume of take-up. Comprising a quarter of the total, owner-occupiers followed with around 130,000 m<sup>2</sup> of take-up, some 12 percentage points higher than their share in the prior year.

### Rents at record level

Both premium and average rents rose appreciably over the course of the year to close at new record rates. The premium rent rose by 17% to € 7.50/m<sup>2</sup>/month. The average rent increased by some 9% from €5.30 to €5.80/m<sup>2</sup>. Rents were pushed chiefly by the shortage of premises which resulted in keen competition for space. In addition, a major part of the agreements recorded were signed for new-build space or premises offering new-build quality at correspondingly higher rents.

### Wholesale/retail trade dominated the market

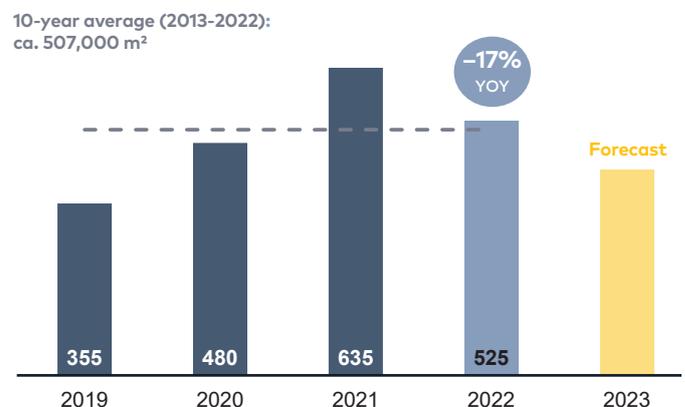
In 2022 companies in the wholesale/retail sector were especially active. Seven of the ten biggest agreements were signed by trading companies. This sector accounted for 50% of take-up (262,000 m<sup>2</sup>) and thus closed the year some 60% above its result a year before. The logistics industry, very often the predominant sector, was in second place with 172,000 m<sup>2</sup> of take-up and a market share of 33%.

### Felix Krumreich | Consultant for Industrial & Logistics

>> Many agreements for large amounts of space, mainly off-plan in new developments, led to a good take-up result and rents rising to new record highs. However, the absorption of space in the new-build developments has further aggravated the shortage of available premises. Despite ongoing high demand, it is thus to be assumed that appreciably less space will be let in 2023. <<

### Take-up of space

2019-2023 | Hamburg region | in 000s m<sup>2</sup> | incl. owner-occupiers



Source: Grossmann & Berger GmbH



# Industrial & Logistics

Hamburg and Environs | Key Facts

2022/Q1-4



## Top contracts

2022/Q1-4 | Hamburg region | Selection

1 | Aldi | ca. 42,500 m<sup>2</sup>  
Harburger Strasse |  
Stelle | Environs South-East

2 | Airbus | ca. 30,000 m<sup>2</sup>  
Waltershof | Hamburg South

3 | Pfaff Logistik | ca. 29,500 m<sup>2</sup>  
Düneberger Strasse 70 | Geesthacht | Environs East

4 | Picnic | ca. 25,000 m<sup>2</sup>  
Werner-von-Siemens-Strasse 10 | Environs North-West

5 | JYSK | ca. 24,000 m<sup>2</sup>  
Reiherstieg-Hauptdeich 39-47 | Hamburg South

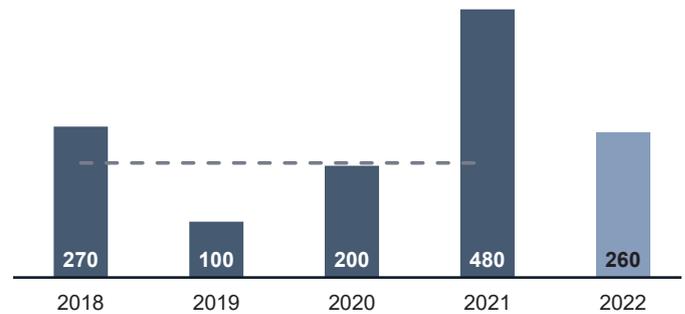
## Transaction volume

2018-2022 | Hamburg | Industrial & Logistics | in € m

10-year average (2012-2021):  
ca. €205m

year-on-year  
change

-46%



Source: Grossmann & Berger GmbH

## Market outlook | Industrial & logistics

Shortage of space hampers letting activity

**Take-up of space:** Despite general economic uncertainty, it is to be assumed that the demand for industrial and logistics space will remain high. The good letting result in 2022 and the shortage of available space could, however, slow the progress of take-up. Therefore 2023 is expected to produce a much smaller letting volume.

**Rents:** Since the amount of space available will not be substantially higher in 2023 and there is still a great deal of competition for any vacant space, rents could well rise during the year.

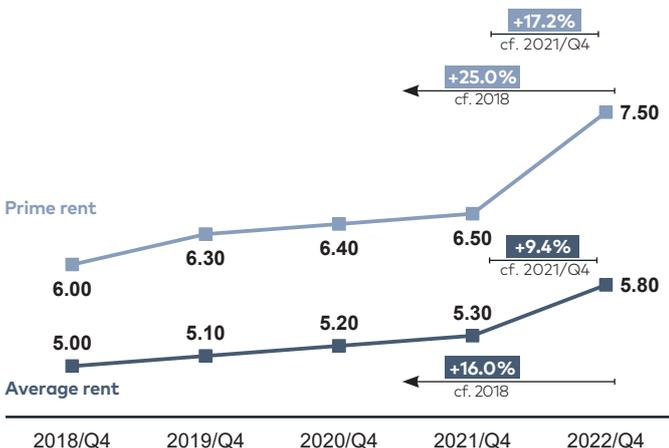
**Available space:** The supply of logistics space in the Hamburg region is set to remain problematic in the foreseeable future. Since the market has already absorbed many new developments, the supply of available space will remain limited.

**Transaction volume:** With a trading volume of some €260m, industrial and logistics property assets posted a result roughly 46% below the record set in 2021. Rising interest rates, coupled with political and economic uncertainties, made investors very wary. What happens to the base rate and the political situation in Eastern Europe will be the main factors influencing future developments. If and when interest rates settle and investors can plan for the future with greater certainty, the market could rally during the course of the year.

**Yields:** Following years of yield compression, prime returns have risen appreciably. Depending on whether and how often the base rate is raised, yields could grow in 2023.

## Industrial & logistics rents

2018-2022/Q4 | Hamburg region | in €/m<sup>2</sup>/mth (net)

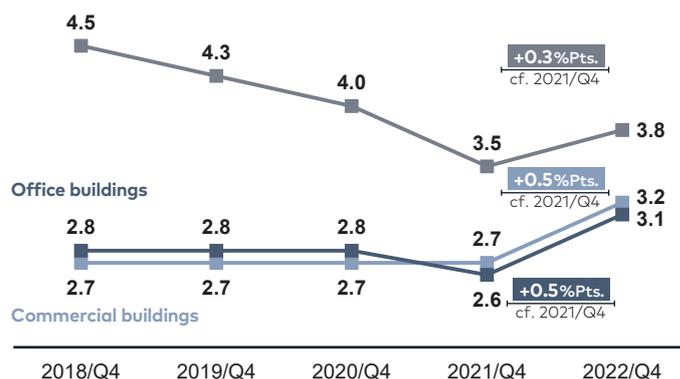


Source: Grossmann & Berger GmbH

## Prime yields

2018-2022/Q4 | Hamburg | (Net) initial yield | in %

Industrial/logistics

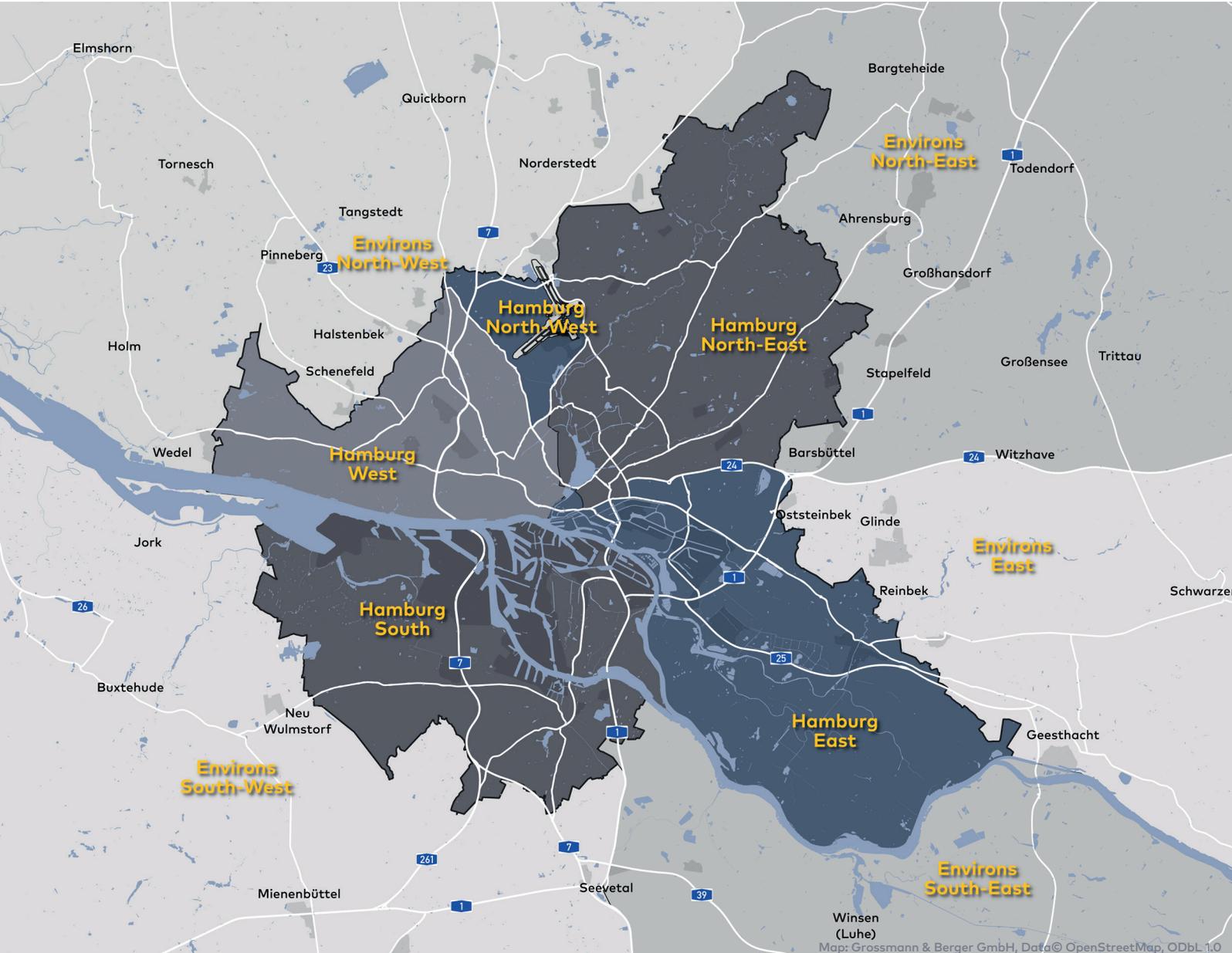


Source: Grossmann & Berger GmbH

# Industrial & Logistics

Hamburg and Environs | Sub-markets

2022/Q1-4



## Hot Spots

2022/Q1-4 | Hamburg region | distribution of space take-up

**Hamburg**  
267,100 m<sup>2</sup> | -29%  
Take-up of space  
year-on-year change

**Environs**  
257,900 m<sup>2</sup> | ±0%  
Take-up of space  
year-on-year change

- 1 | Hamburg South**  
151,700 m<sup>2</sup> | -12%
- 2 | Hamburg East**  
90,800 m<sup>2</sup> | -47%
- 3 | Hamburg North-East**  
13,700 m<sup>2</sup> | -6%
- 4 | Hamburg West**  
7,200 m<sup>2</sup> | -43%
- 5 | Hamburg North-West**  
3,700 m<sup>2</sup> | -35%

- 1 | Environs North-East**  
80,900 m<sup>2</sup> | +569%
- 2 | Environs North-West**  
58,800 m<sup>2</sup> | -46%
- 3 | Environs South-East**  
56,700 m<sup>2</sup> | -13%
- 4 | Environs East**  
49,900 m<sup>2</sup> | +501%
- 5 | Environs South-West**  
11,600 m<sup>2</sup> | -82%



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We draw your attention to the fact that all statements made here are non-binding. Most of the information is based on third-party reports. The sole intention of this market survey is to provide general information for our clients.

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