

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

Logistics Snapshot

Q2 2021

MADRID LOGISTICS MARKET

TAKE UP 2019 - 2021	T2 2019	T2 2020	T2 2021
	88,000 sq m	165,000 sq m	280,000 sq m
TOP 3 DEALS 2 nd QUARTER	XPO LOGISTICS MARCHAMALO, GUADALAJARA	LOGISTCA CABANILLAS DEL C., GUADALAJARA	CACESA SAN FERNANDO, MADRID
	50,300 sq m	50,000 sq m	29,800 sq m

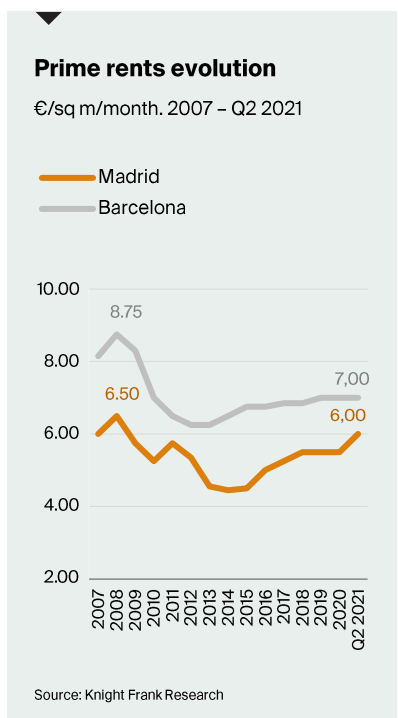
Occupier market

Madrid and Barcelona

Take-up in Madrid and Barcelona markets continues to be strong, with almost 300,000 sq m in Madrid and around 250,000 sq m in Barcelona, up more than 80% and 180% respectively, compared to the same period last year.

Despite the robust levels of take-up recorded in the 1st half of 2021, vacancy rates remained stable in Madrid and Barcelona at 7% and 3% respectively caused by new supply recently completed in both markets.

The average prime rent, in Barcelona remains constant, while in the capital it is higher than in previous years (6 €/sq m).



AVERAGE PRIME RENTS BY RINGS

	MADRID	BARCELONA
1 st ring	4.50 - 6.50	5.50 - 7.00
2 nd ring	3.75 - 4.75	4.00 - 5.25
3 rd ring	2.90 - 3.75	2.50 - 3.75

Source: Knight Frank Research

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Take-up in the main logistics markets continues to record historic figures, with take-up in the first half of the year up nearly 160% on the same period of the previous year, both in Madrid and Barcelona
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Investment market Spain

In the second quarter of the year, logistics investment recorded an exceptional figure of over €1.2 billion, which is more than 600% higher than in the same period of the previous year. The cumulative figure for the year amounts to approximately €1.6 billion, 320% more compared to the same period in 2020.

Madrid led investment in the quarter with more than 65% of the total volume, while in Barcelona it was almost 12%. In the rest of the country, cities such as Zaragoza, San Sebastián and Cádiz, among others, stand out.

Prime yields continue to compress and stand at 4.25% in both Madrid and Barcelona.

EUROPEAN PRIME YIELDS

LATEST AVAILABLE DATA | Q1 2021

BRUSSELS	4.60%
LONDON	4.00%
AMSTERDAM	3.80%
FRANKFURT	3.30%
BERLIN	3.50%
PARIS	3.75%
DUBLIN	4.25%

Source: Knight Frank Research

TOP 3 DEALS

SPAIN

MONTEPINO PORTFOLIO

VENDOR: CBRE GI / MONTEPINO
PURCHASER: BANKINTER

€814 M 1,075 €/sq m

Source: Logistics C. Markets Knight Frank

SPAIN

CLARION PORTFOLIO

VENDOR: CLARION PARTNERS
PURCHASER: DREAM INDUSTRIAL

€90 M 715 €/sq m

Source: Logistics C. Markets Knight Frank

SPAIN

PANATTONI PORTFOLIO

VENDOR: PANATTONI
PURCHASER: BROOKFIELD

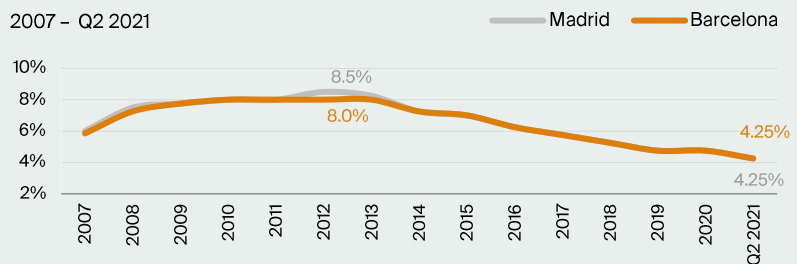
€72 M 2,730 €/sq m

Source: Logistics C. Markets Knight Frank

The second quarter of the year was particularly important because of the acquisition of three large logistics portfolios. Among them, Montepino, acquired by the Bankinter banking group, stands out. It consists of 22 logistics assets with an approximate surface area of 760,000 sq m distributed between Madrid, Barcelona, Zaragoza and Malaga.

Prime yields

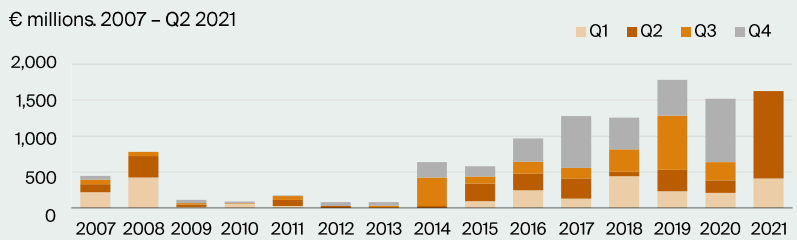
2007 – Q2 2021



Source: Knight Frank Research

Investment volume in Spain

€ millions. 2007 – Q2 2021



Source: Knight Frank Research

COVID-19: Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

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