

# Logistics Snapshot

Q1 2024

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.

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## Positive quarter for occupancy, with a trend towards small and medium-sized transactions

- ▶ Regarding the investment market, a rebound in activity is anticipated in the coming months, with projections suggesting that the year could surpass €2 billion.

### OCCUPIER MARKET MADRID AND BARCELONA

In the first quarter of 2024, Madrid has recorded logistics take-up of approximately 252,000 sq m, in line with the quarterly average of the last two years.

Regarding the quality of the warehouses, 90% of the contracted surface has been of high or very high quality (Grade A and B+).

Over 50% of the take-up has been witnessed in the third ring, primarily due to two large transactions involving newly constructed assets: 80,150 sq m in Ontígola and 47,500 sq m in Cabanillas del Campo.

During this period, approximately 64,000 sq m of new space have been delivered to the market. The majority of the new stock is located in the second ring, comprising 39%, followed closely by the first ring, with 37%.

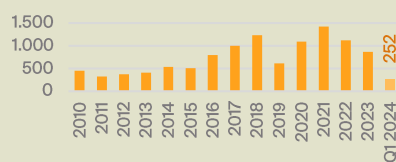
The availability rate has remained stable, standing at 7.3%, similar to the levels recorded towards the end of 2023.

Rents also remain stable, as the prime rent currently stands at €6.50 sq m in Madrid, with a forecast of a slight increase in the coming months.

Regarding the Barcelona market, it has recorded approximately 92,000 sq m of logistics take-up during the first quarter of the year, representing a decrease of around 45% compared to the quarterly average of the last two years.

Its prime rent remains constant at €8 sq m, reaching up to €10/sq m in some areas of El Prat and Sant Boi.

**Madrid take-up**  
Thousand sq m



Source: Knight Frank Research

## Madrid

Take-up Q1 2024

**252,000 sq m**  
(224,000 sq m Q1 2023)

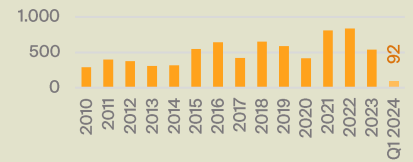
Top 3 occupancy deals Q1 2024

**80,000 sq m** | Toledo  
Inditex | Ontígola

**47,500 sq m** | Guadalajara  
Pepco | Cabanillas del Campo

**18,450 sq m** | Madrid  
Makita | Madrid (Vicálvaro)

**Barcelona take-up**  
Thousand sq m



Source: Knight Frank Research

### Average prime rents by rings

	MADRID	BARCELONA
1 <sup>st</sup> ring	5.25 – 6.50	6.50 – 10.00
2 <sup>nd</sup> ring	4.50 – 5.00	5.00 – 6.50
3 <sup>rd</sup> ring	3.75 – 4.15	4.00 – 4.75

### Average prime rents



Source: Knight Frank Research

## INVESTMENT MARKET

### SPAIN

During the first quarter of the year, total investment volume has reached just over €200 million, with close to 60% of this volume concentrated in the Madrid market, mainly driven by Azora's acquisition of the CBRE IM portfolio.

Currently, there are numerous transactions in advanced negotiation stages, indicating a significant increase in investment in the coming months. Additionally, logistics assets continue to be highly valued by investors, and the potential reduction in interest rates is also expected to contribute to increased activity. There is also a resurgence of portfolios being observed, although unlike previous years, there is now a greater emphasis on homogeneity among the assets they comprise. Therefore, 2024 is expected to be a pivotal year, possibly surpassing €2 billion by the end of the year.

Regarding prime yields, they remain stable at the levels recorded at the end of the previous year, standing at 5.40% in Madrid and 5.25% in Barcelona.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



James Cowper-Coles  
Director Capital Markets Logistics  
+34 600 919 105  
[James.Cowper-coles@es.knightfrank.com](mailto:James.Cowper-coles@es.knightfrank.com)



Adrián Romero-Amich  
Director Logistics Leasing and Development  
+34 600 919 125  
[adrian.romero-amich@es.knightfrank.com](mailto:adrian.romero-amich@es.knightfrank.com)



Research  
Daniel Caprarin  
Head of Research, Marketing & PR  
+34 600 919 087  
[Daniel.caprarin@es.knightfrank.com](mailto:Daniel.caprarin@es.knightfrank.com)

# Spain

Investment volume Q1 2024

**€201 M** (415 M€ Q1 2023)

Top 3 investment deals Q1 2024

**€97 M** | Madrid portfolio

Vendor: CBRE IM | Purchaser: Azora  
Capital value: 500 €/sq m  
Source: Capital Markets Knight Frank

**€38 M** | Burgos

Vendor: Panattoni | Purchaser: Accolade  
Capital value: 880 €/sq m  
Source: Capital Markets Knight Frank

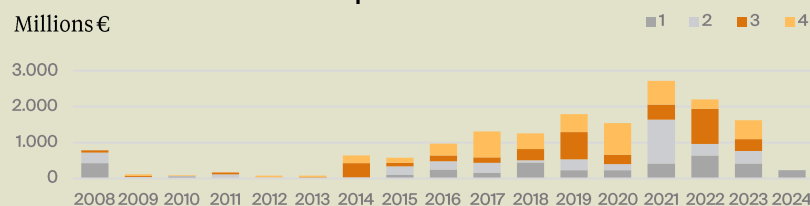
**€18.5 M** | Bilbao

Vendor: Tenneco | Purchaser: Corum AM  
Capital value: 605 €/sq m  
Source: Capital Markets Knight Frank

► The largest transaction of this quarter was carried out by Azora, with the acquisition of Project Royal from CBRE IM for around €100 million. The portfolio consists of 11 properties located in the Corredor del Henares, with a total area of ca. 195,000 square meters. The assets are leased to major national and international logistics operators, including Siemens, Factor 5, Grupo Carreras, and ID Logistics, among others.

### Direct investment volume in Spain

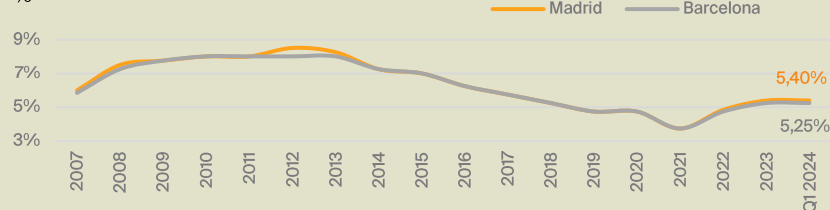
Millions €



Source: Knight Frank Research

### Prime yield

%



Source: Knight Frank Research

### Europe prime yields | Q1 2024

Amsterdam	5.25%*	=
Bucarest	7.75%	=
Paris	4.75%	=
Dublin	5.00%	=
Brussels	4.90%	=

Source: Knight Frank Research. \*Q4 2023.