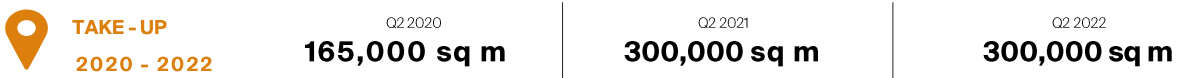


The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

Logistics Snapshot

Q2 2022

MADRID LOGISTICS MARKET



Occupier market

Madrid and Barcelona

The take-up in the 1st half of the year in Madrid reached 610,000 sqm. More than 40% of the total area has been contracted in the 3rd ring of Madrid, while the 2nd ring of Madrid has seen the highest number of transactions. The trend in Barcelona is positive, with 390,000 sq m registered in the 1st half of the year, not far off the figure for 2021 and exceeding previous years.

In terms of road freight transport, the positive trend of recent years continues, 2021 closed with 11% more than 2020. In the 1st quarter of the year, some 375,000 tonnes were transported.

Average prime rents rise slightly in Madrid and Barcelona to €6.25 sqm/month and €7.75/sqm/month respectively.

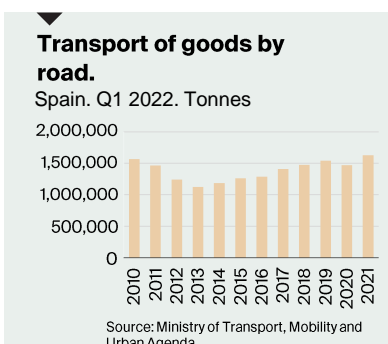


AVERAGE PRIME RENTS BY RINGS

	MADRID	BARCELONA
1 st ring	5.00 - 6.25	5.50 - 7.75
2 nd ring	4.00 - 4.75	4.00 - 6.00
3 rd ring	3.00 - 3.85	2.50 - 4.00

Source: Knight Frank Research

◆◆
The take-up recorded in the Madrid market during the first half of the year follows the good performance of 2021, when the historical evolution was largely surpassed.
 ◆◆



Investment market Spain

The second quarter closed with a volume of close to €270 million, and in the year-to-date the registered investment exceeds €1.0 billion. Although the figures are lower than those achieved in the previous year, the sector is in a good moment, due to the large number of on-market operations that are expected to be closed in the coming months.

This quarter, markets outside Madrid and Barcelona (together they account for around 20% of total investment), such as Alicante, Zaragoza, Seville and Valencia, have become more important.

Prime yields rose slightly to 3.90% in both Madrid and Barcelona.

EUROPEAN PRIME YIELDS

LATEST AVAILABLE DATA | Q1 2022

LONDON	3.25%
AMSTERDAM	3.40%
FRANKFURT	3.00%
BERLIN	3.30%
PARIS	3.00%
DUBLIN	4.00%

Source: Knight Frank Research.

TOP 3 DEALS

VARIOUS

PAN-EUROPEAN CROSSBAY PORTFOLIO

VENDOR: THOR EQUITIES
PURCHASER: CROSSBAY

€72 M N.A €/sq m

Source: Logistics C. Markets Knight Frank

VALENCIA

VALENCIA WAREHOUSES

VENDOR: NEINVER LOGISTICS
PURCHASER: IBI LION

€65 M 1,083 €/sq m

Source: Logistics C. Markets Knight Frank

BARCELONA

WAREHOUSE ABACUS PICTET

VENDOR: ABACUS
PURCHASER: PICTET

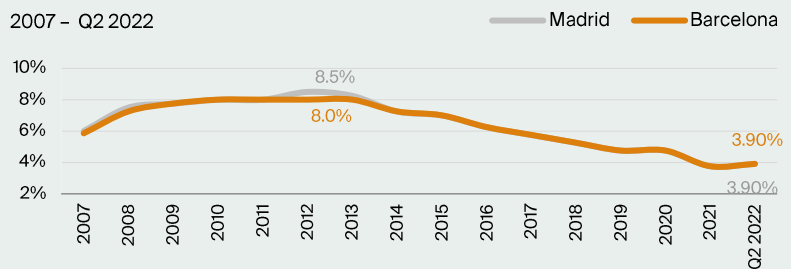
€29.3 M 1,185€/sq m

Source: Logistics C. Markets Knight Frank

Of note in the second quarter of the year was the purchase by the Crossbay fund of a pan-European portfolio of logistics warehouses, 8 of which are located in Spain in Madrid, Barcelona, Seville and Vigo markets, for around €72M from the Thor Equities fund. Another of the most important operations of the quarter is the purchase of a warehouse in Valencia by Ibi Lion from Neinver Logistics for around €65m.

Prime yields

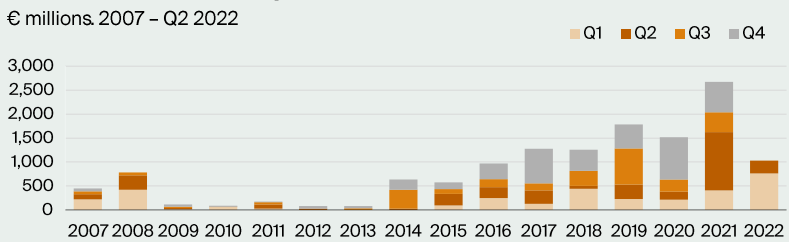
2007 – Q2 2022



Source: Knight Frank Research

Investment volume in Spain

€ millions. 2007 – Q2 2022



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.

Capital Markets

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