



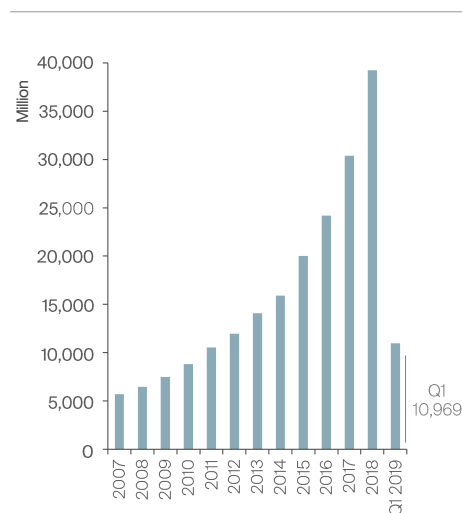
LOGISTICS SNAPSHOT

3rd QUARTER 2019

Occupier market Madrid and Barcelona

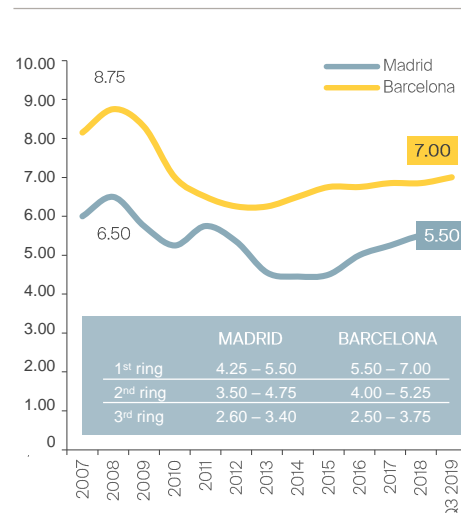
- Spanish e-commerce continues to break records, generating over €40 billion in e-commerce turnover. Levels of e-commerce turnover in Q1 2019 reached €11 billion, reflecting a 22% increase from Q1 2018.
- During Q3 2019, take-up in Madrid totalled approximately 270,000 sq m, 75% more than the first half of the year. In Barcelona take-up totalled 130,000 sq m during Q3.
- In Q3 2019, prime rents in Madrid remained stable at €5.50 per sq m per month, while in Barcelona, prime rents increased to €7.00 per sq m per month.
- The highest level of take-up during Q3 occurred in the third ring, more than 50% of the take-up, due to one of the largest logistic lettings in Spain, comprising approximately 100,000 sq m, let to Carrefour in Azuqueca de Henares, largely down to Merlin Properties.

GRAPH1
E-Commerce turnover
Spain. 2007 - Q1 2019



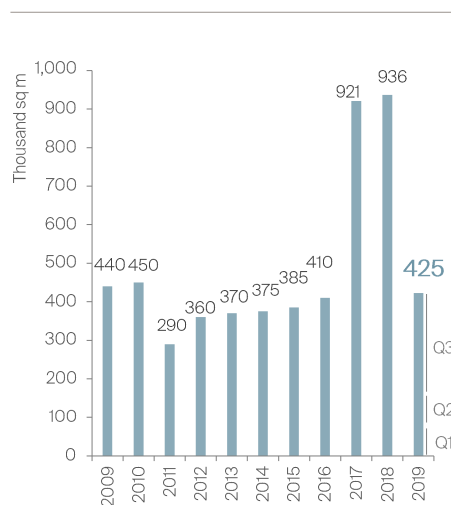
Source: CNMC | ONTSI. Latest available data.

GRAPH2
Prime rent evolution
€/sq m/month. 2007 - Q3 2019



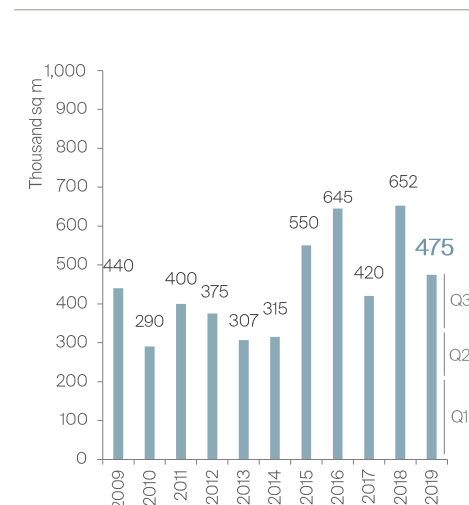
Source: Knight Frank Research

GRAPH3
Take-up evolution
Madrid. 2009 - Q3 2019



Source: Knight Frank Research

GRAPH4
Take-up evolution
Barcelona. 2009 - Q3 2019



Source: Knight Frank Research

GRAPH5
TOP3 | Main occupier transactions
Madrid Market. Q3 2019

CARREFOUR | AZUQUECA HEN., GUADALAJARA

99,000 sq m

MEDIA MARKT | PINTO, MADRID

30,000 sq m

TALENTUM | GETAFE, MADRID

22,000 sq m

Vacancy rate

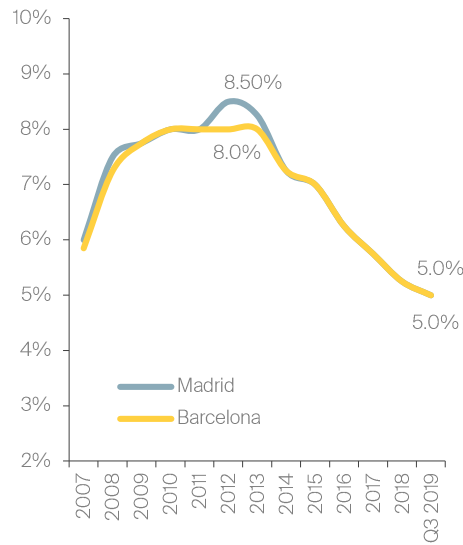
MADRID: 6%

BARCELONA: 3.5%

Investment market

- During Q3 2019 levels of Spanish investment volume totalled an unprecedented €750 m. This has contributed to a total investment volume of €1.3 billion in 2019 thus far, exceeding figures from previous years.
- Prime yields have remained stable at 5%, in both Madrid and Barcelona, with further yield compression expected in the final quarter of 2019.
- The most significant deal in Q3 was the sale of Colonial's portfolio for €427m, representing approximately 75% of investment in Q3. This logistics portfolio comprises assets across Madrid, Barcelona and Sevilla.
- After Madrid and Barcelona, Zaragoza has dominated the investment market, highlighted by a total of €118m in 2 transactions. The sale of Pikolin's distribution centre via a Sale & Leaseback being the standout deal.

GRAPH6
Prime yield evolution
2007 - Q3 2019



Source: Knight Frank Research

GRAPH7
Prime yields in European cities
Latest available data (Q2 2019)

	YIELD
Brussels	5.25%
London	4.00%
Amsterdam	4.25%
Frankfurt	4.00%
Berlin	4.50%
Paris	4.50%
Dublin	5.25%

Source: Knight Frank Research.
*Net yields for London, Paris y Dublin.

GRAPH8
TOP 3 | Investment transactions
Q3 2019

PORTFOLIO COLONIAL

(MADRID-TARRAGONA-SEVILLA)

VENDOR: COLONIAL | PURCHASER: PROLOGIS

€427 M | €903 /sq m

Source: Knight Frank

AMAZON EL PRAT

(EL PRAT DE LLOBREGAT)

VENDOR: AMAZON | PURCHASER: KFIM/KREA INVESTMENT CORP.

€143 M | €684 / sq m

Source: Knight Frank

PLAZA ZARAGOZA PIKOLIN

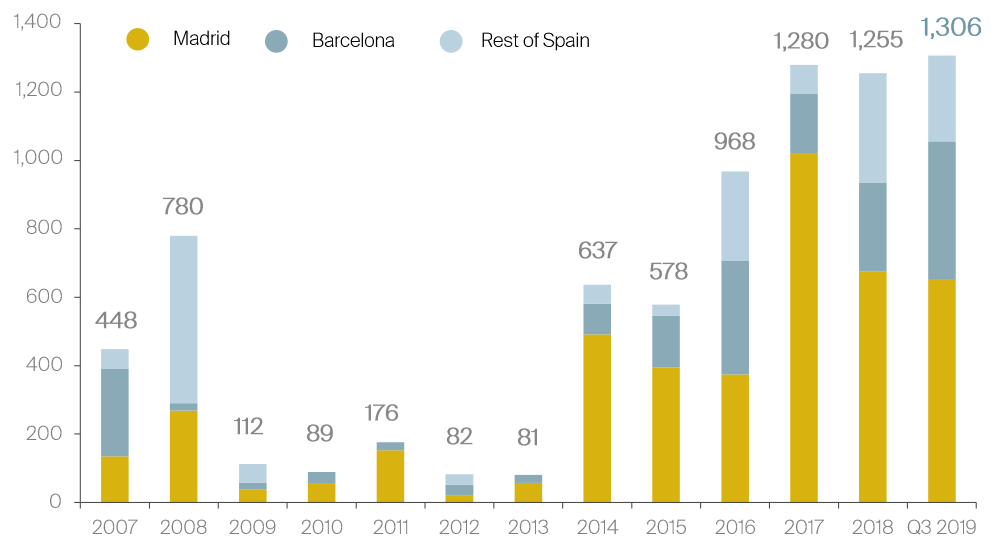
(ZARAGOZA)

VENDOR: PIKOLIN (SALE&LEASEBACK) | PURCHASER: ROEBUCK

€78 M | €841/sq m

Source: Knight Frank

GRAPH9
Evolution of investment volume in Spanish logistics assets
€ millions. 2007 - Q3 2019



Source: Knight Frank Research

RESEARCH

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