

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

Q3 2021

## MADRID LOGISTICS MARKET

<b>TAKE-UP</b> 2019 - 2021	Q1-Q3 2019	Q1-Q3 2020	Q1-Q3 2021
	<b>425,000 sq m</b>	<b>700,000 sq m</b>	<b>940,000 sq m</b>
<b>TOP 3 DEALS</b> 3 <sup>rd</sup> QUARTER	CEVA ILLESCAS, TOLEDO	INDITEX PARLA, MADRID	TAISA LOGISTIC ALOVERA, GUADALAJARA
	<b>36,000 sq m</b>	<b>25,300 sq m</b>	<b>17,800 sq m</b>

### Occupier market

#### Madrid and Barcelona

During 3<sup>rd</sup> Quarter take-up in Madrid accounted for 200,000 sq m, cumulatively reaching almost 940,000 sq m, over 35% more compared to the same period last year. In Barcelona take-up reached 165,000 sq m (in Q3) and 665,000 accumulated, more than double compared to the same period in 2020.

Thanks to increasing e-commerce, new developments continue to be unstoppable, keeping availability rates steady in both Madrid (7%) and in Barcelona (3%).

The average prime rent in Barcelona is increasing, while it remained stable in Madrid.



#### AVERAGE PRIME RENTS BY RINGS

	MADRID	BARCELONA
1 <sup>st</sup> ring	4.50 - 6.00	5.50 - 7.50
2 <sup>nd</sup> ring	3.75 - 4.75	4.00 - 6.00
3 <sup>rd</sup> ring	2.90 - 3.75	2.50 - 4.00

Source: Knight Frank Research

**Take-up in Madrid this year is on track to break a new record. It is expected that 2021 will close with more than one million square meters leased.**



## Investment market Spain

The 3<sup>rd</sup> Quarter closed with an investment volume of nearly €415 M, more than 65% higher than the same period of the previous year. The cumulative figure for the year amounts to approximately €2 billion, around 60% more compared to the same period in 2019, which until now had been the record year.

Madrid continues to position itself as one of Europe's leading markets having registered almost 75% of the total volume in Spain during the last quarter, while in Barcelona it was around 15%.

Prime yields continue to compress and fall to 4.00% in both Madrid and Barcelona because of the sector's great dynamism.

### EUROPEAN PRIME YIELDS

#### LATEST AVAILABLE DATA | Q2 2021

BRUSSELS	4.60%*
LONDON	3.75%
AMSTERDAM	3.70%
FRANKFURT	3.30%
BERLIN	3.50%
PARIS	3.75%
DUBLIN	4.25%

Source: Knight Frank Research. \* Q1 2021 Data.

## TOP 3 DEALS

### BARCELONA, GUADALAJARA AND TOLEDO

#### CENTUM PORTFOLIO

VENDOR: PULSAR IBERIA & KKR  
PURCHASER: P3 LOGISTIC

**€108.3 M** 1,230 €/sq m

Source: Logistics C. Markets Knight Frank

### GUADALAJARA, TOLEDO AND MADRID

#### MERIDIA PORTFOLIO

VENDOR: MERIDIA CAPITAL  
PURCHASER: STARWOOD CAPITAL

**€85 M** 840 €/sq m

Source: Logistics C. Markets Knight Frank

### MADRID

#### PROJECT NES

VENDOR: UBS REAL ESTATE  
PURCHASER: SAVILLS INV.

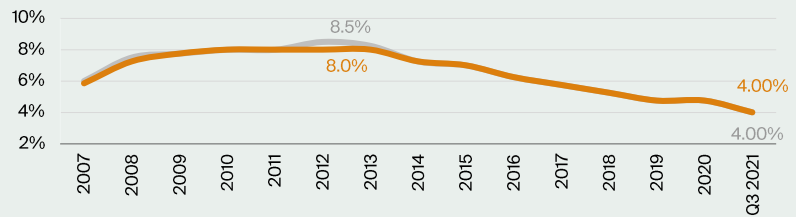
**€51.6 M** 1,475 €/sq m

Source: Logistics C. Markets Knight Frank

During the third quarter of the year purchases of large logistics portfolios continue. P3 logistic acquired five logistic assets of Pulsar Iberia and KKR in different locations, totalling an area of more than 110,000 sq m, for around €110M. Starwood is involved in another major transaction by acquiring a portfolio of four assets from Meridia of over 100,000 sq m combined, for €85M.

### Prime yields

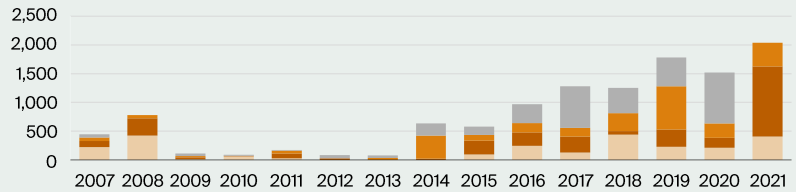
2007 - Q3 2021



Source: Knight Frank Research

### Investment volume in Spain

€ millions. 2007 - Q3 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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