

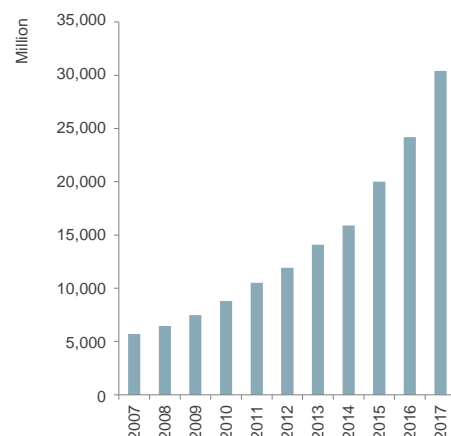
LOGISTICS SNAPSHOT

2nd QUARTER 2018

OCCUPIER MARKET MADRID AND BARCELONA

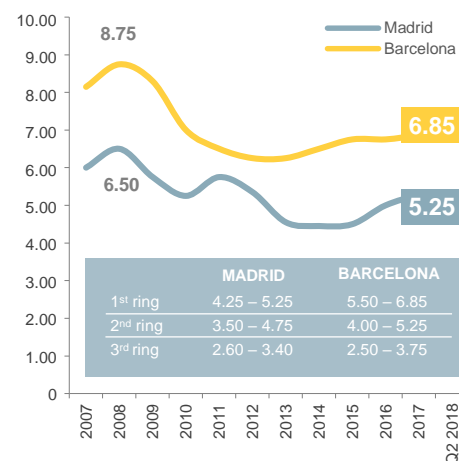
- Logistics take-up in Madrid recorded 450,000 sq m in the first half of the year, a similar level to the same period last year. In Barcelona, it exceeded 380,000 sq m, 60% higher than that of the same period in 2017.
- Logistik Service has completed two of the largest leasing deals of the quarter, with more than 60,000 sq m in its facilities in Ontígola.
- Around 60% of total Madrid take-up has taken place in the third ring, with all transactions of over 20,000 sq m occurring in both the south and A2 corridor third ring submarkets.
- Prime rents have remained stable in both Madrid and Barcelona, continuing at € 5.25 / sq m / month in the capital and € 6.85 / sq m / month in Barcelona.

GRAPH 1
e-Commerce turnover
Spain



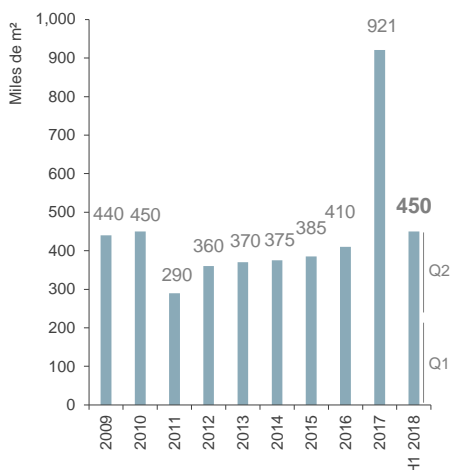
Source: CNMC | ONTSI

GRAPH 2
Variation in prime rents
€/sq m/month. 2007 – Q2 2018



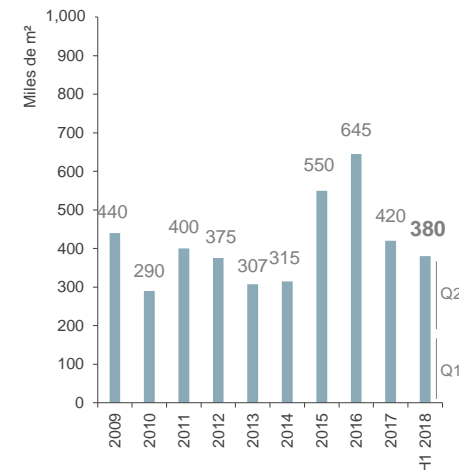
Source: Knight Frank Research

GRAPH 3
Take-up evolution
Madrid. 2009 - H1 2018



Source: Knight Frank Research

GRAPH 4
Take-up evolution
Barcelona. 2009 - H1 2018



Source: Knight Frank Research

GRAPH 5
TOP3 | main occupier transactions
Madrid market. H1 2018

DHL | ONTÍGOLA, TOLEDO

33,340 sq m

LOGISFASHION | ONTÍGOLA, TOLEDO

33,000 sq m

DSV | CABANILLAS DEL CAMPO, GUADALAJARA

22,190 sq m

VACANCY RATE

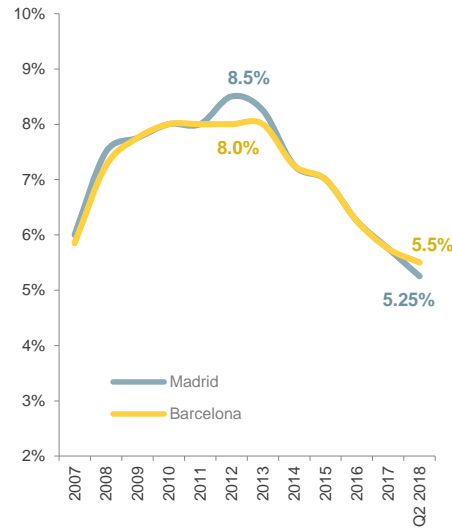
MADRID: 4.25%

BARCELONA: 3.5%

INVESTMENT MARKET

- Logistics investment in the first half of the year has been close to 450 million euros, 9% higher than the first six months of 2017.
- Corporate transactions and portfolio deals will boost direct and indirect investment up to 1 billion euros by the end of the year.
- A large majority of the speculative development projects from last year have been leased up given the unprecedented occupier demand in the market for large space warehousing. However, the market continues to be characterized in large part by built to suit schemes, currently representing 50% of total development.
- The unmatched weight of capital chasing Spanish logistics assets means that there is continued downward pressure on prime yields which are approaching 5.25% in Madrid and 5.5% in Barcelona for the best stock of the market.

GRAPH 6
Variation in prime yields
2007- Q2 2018



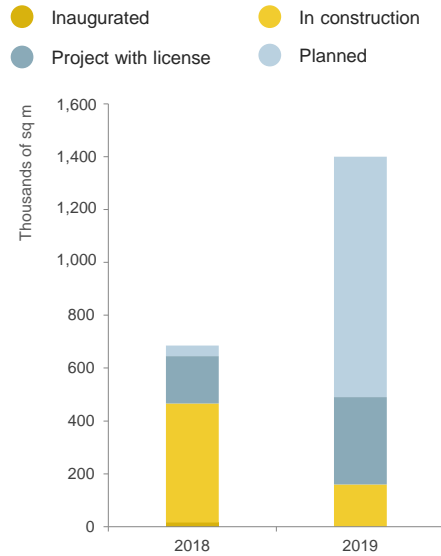
Source: Knight Frank Research

GRAPH 7
Prime yields in European cities
Latest available data

	YIELD
Brussels	5.50
London	4.00
Amsterdam	5.00
Frankfurt	4.50
Berlin	4.50
Paris	5.00
Dublin	5.25

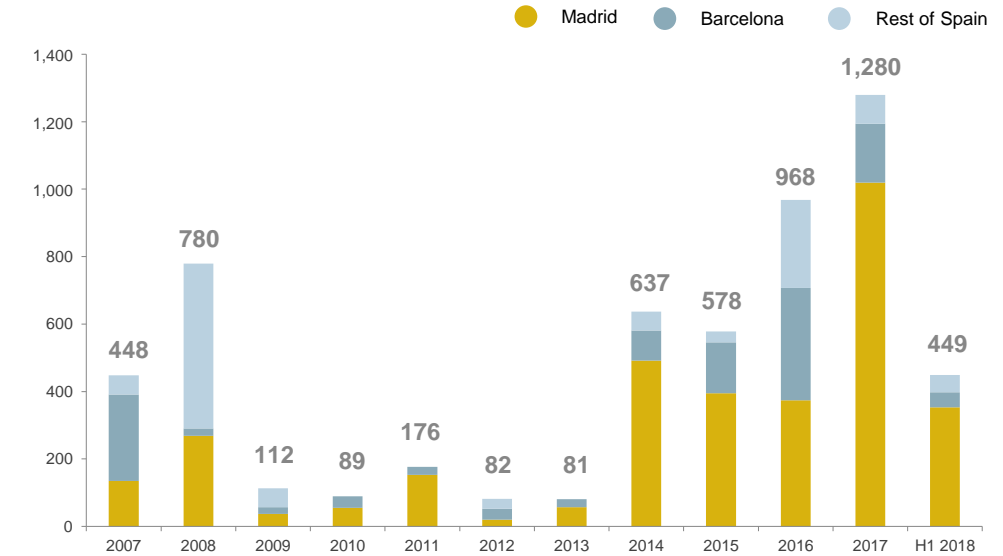
Source: Knight Frank Research

GRAPH 8
Future projects
2018 - 2019



Source: Knight Frank Research

GRAPH 9
Variation in investment volume in Spain
Millions of euros. 2007 – H1 2018.



Source: Knight Frank Research



RESEARCH

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