Intelligent Investment

Germany Logistics Market Q1 2026

REPORT

Germany's industrial and logistics real estate market off to sound start to the year

CBRE RESEARCH

MAY 2026

Overview

Germany's investment market for industrial and logistics real estate delivered take-up of 1.3m sqm in first quarter of 2026, reflecting a year-on-year decline of 2%. Take-up corresponded to the level posted by first quarters over the past three years Measured by take-up, Hamburg proved to be the strongest market, followed by the Ruhr region, with both markets exceeding the 100,000 sqm mark in the first quarter.

While the general economic conditions are challenging, this is not reflected to the same degree across Germany's industrial and logistics real estate market. Big Box vacancy, for instance, has declined by 0.3%-points to 4.7% since the end of 2025, ultimately also because of the downtrend in speculative construction. Accordingly, take-up in new construction dropped 21% to 526,000 sqm compared with the first quarter of 2025.

Prime rent expressed as an average of the Top 5 markets rose by 4.1% year on year to 9.21€/sqm/month also for this reason. Average rents presented a very disparate picture across the various logistics regions.

Aside from this, the Berlin market continued on its recovery trajectory, with take-up advancing to 82,000 sqm, accompanied by declining vacancies. A year ago, this logistics region was still struggling with a significant increase in vacancies. The logistics markets of Hamburg, Frankfurt/Rhine-Main and Munich have meanwhile been characterized more strongly again by shortage of space, which has never been fully resolved.

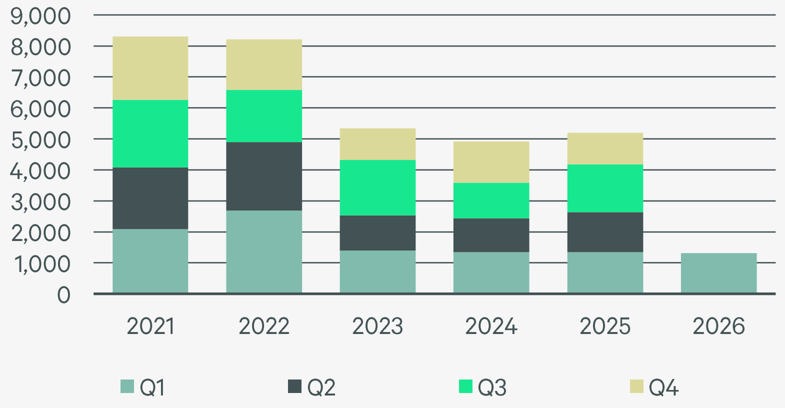
FIGURE 1
Key Performance Indicators Logistics

	Q1 2026	**Year-on-Year comparison**
Take-up	1,316,400 sq m	-1.9%
Average prime rent Top 5	€9.21 per sq m	+4.1%
Average prime rent other I&L markets	€6.84 per sq m	+0.8%
Prime yield	4.40%	0.0%-Pts.
Investment volume	€1.40bn	+16.2%

Source: CBRE Research Q1 2026

FIGURE 2

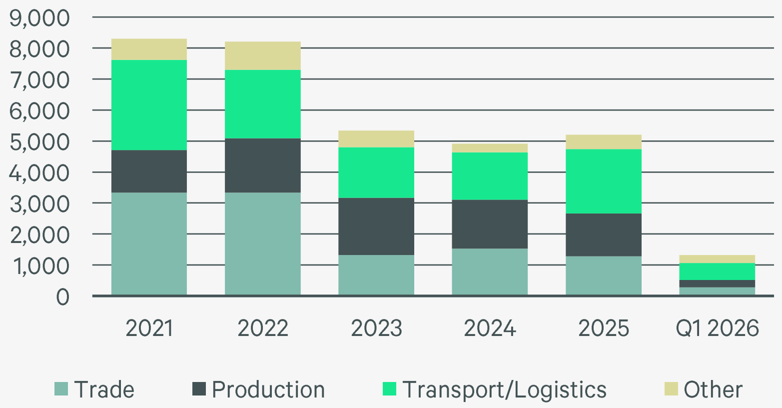
Take-up (in 1,000 sq m)



Source: CBRE Research Q1 2026

FIGURE 4

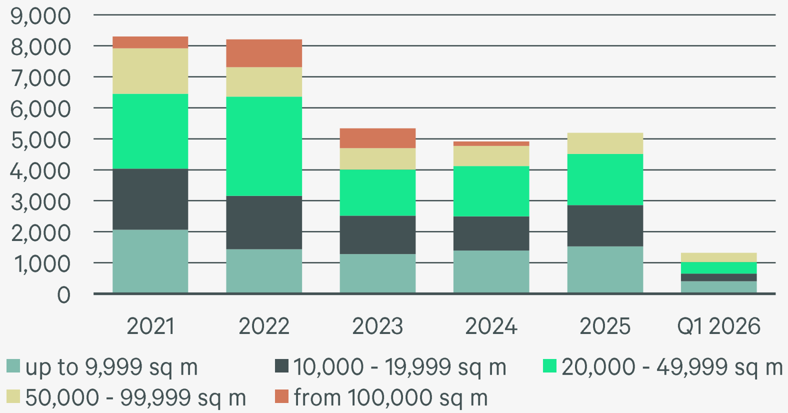
Take-up by sector (in 1,000 sq m)



Source: CBRE Research Q1 2026

FIGURE 3

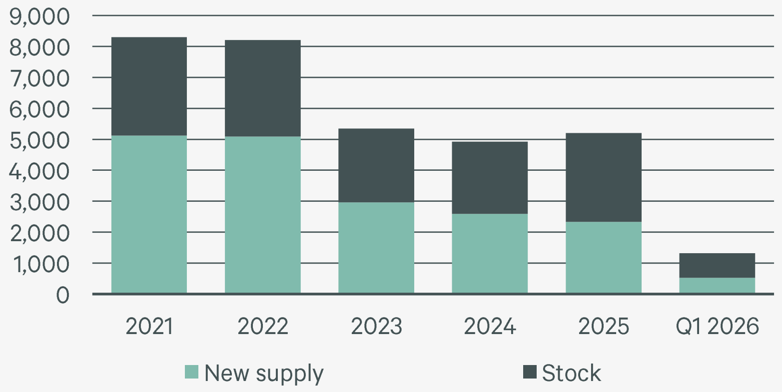
Take-up by size-class (in 1,000 sq m)



Source: CBRE Research Q1 2026

FIGURE 5

Take-up by stock vs. new supply (in 1,000 sq m)



Source: CBRE Research Q1 2026

Trends

The demand from Chinese e-tailers and their allied logistics companies already observed back in 2025 also continued in the first quarter of 2026. The demand for space has now extended to regions outside North Rhine-Westphalia. In the first quarter, companies from China captured a share of 13%. Whether production facilities of Chinese traders in Germany can be expected in the future due to the abolition of the duty-free privilege for small packages from China remains to be seen.

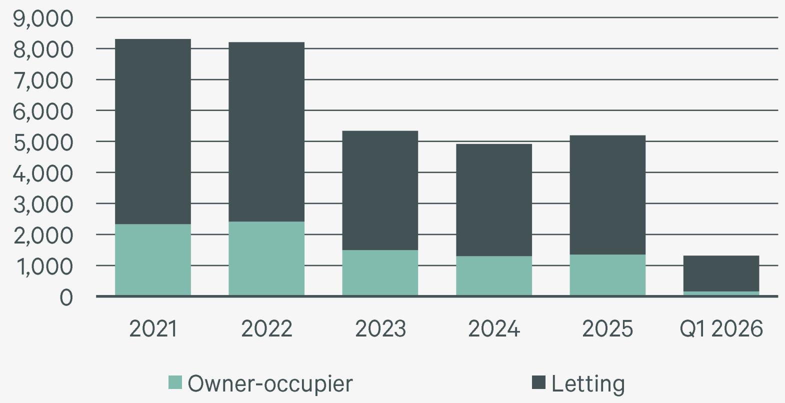
The most active market in the first quarter was Hamburg, with a take-up of approximately 124,000 sqm - accounting for 9% of total take-up. The Ruhr region followed in second place with 111,500 sqm, and the logistics region around Cologne came in third with just under 100,000 sqm. While take-up in the Ruhr region declined by approx. 14% compared to the same period last year, the Cologne market saw disproportionately strong growth (+290%) due to several existing spaces becoming vacant and being re-leased immediately.

Against the backdrop of a weaker domestic economy and less dynamic global trade, the overall moderate decline in demand for space nationwide led to a slightly higher vacancy rate, which rose to 4.7% for big-box properties within 12 months as of the end of Q1 2026. However, there is a sometimes significant divergence in vacancy rates between individual logistics regions as a result of companies' more cautious leasing and relocation decisions.

While Munich, Hamburg, Cologne, and Mönchengladbach are fully leased, the market situation in some logistics regions – particularly in the eastern federal states (Leipzig/Halle, A4 Thuringia, and the Magdeburg region) – remains characterized by significantly higher vacancy rates that have recently risen.

FIGURE 6

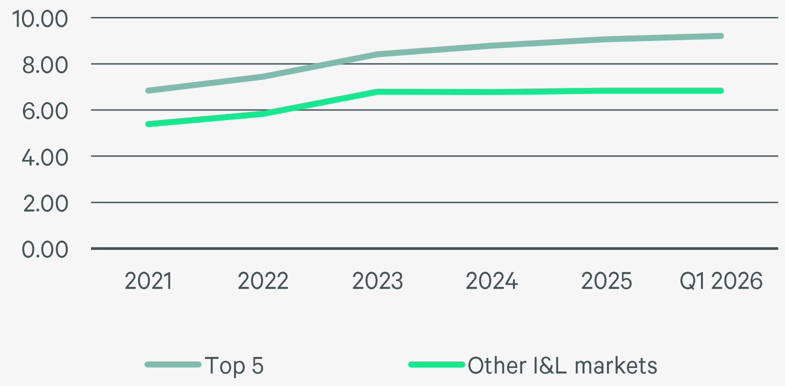
Take-up by letting vs. owner-occupier (in 1,000 sq m)



Source: CBRE Research Q1 2026

FIGURE 7

Average prime rent (in €/sq m/month)



Source: CBRE Research Q1 2026

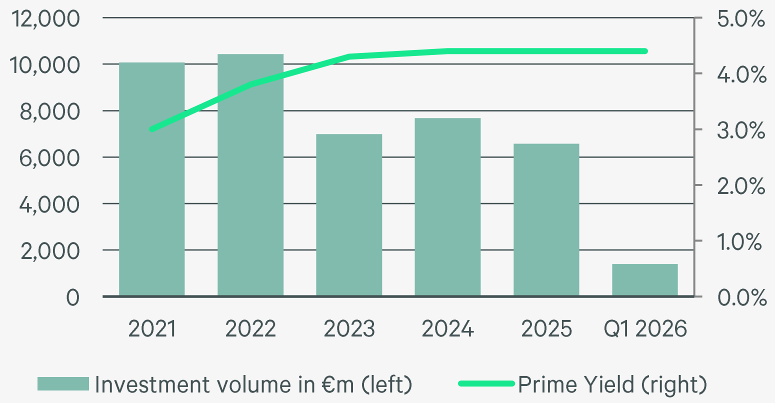
Outlook

Germany's industrial and logistics real estate market is in a structurally strong position while nevertheless remaining tied to economic developments in Germany. If economic growth turns out to be modest, as predicted at the last count, no significant developments in take-up can be expected. How – set apart from the economic trend in the logistics real estate market – the most recent geopolitical escalation in the Middle East plays out remains to be seen. The fuel crisis that will naturally have a huge impact on logistic companies' operations could prove to be a constraint. By contrast, a commensurate upturn in the need for buffer storage could drive the demand for logistics space.

A volume of 3.25m sqm is under construction in the current development pipeline, with a good 1.3m sqm still available for leasing at the end of Q1 2026.

FIGURE 8

Investment volume and net initial yield (NIY)



Source: CBRE Research Q1 2026

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