Intelligent Investment

Germany Logistics Market Q4 2025

REPORT

Momentum in Germany's industrial and logistics real estate market accelerates again in 2025

CBRE RESEARCH

FEBRUARY 2026

Overview

The German leasing market for industrial and logistics real estate delivered take-up of 5.2m sq m in 2025, marking growth of 6% compared with the previous year. Similar to 2024, leasing and owner-occupations captured a share of 74% and 26% respectively.

Germany's industrial and logistics real estate market developed in very different directions in 2025, depending on the region. While vacancies in many established logistics markets settled at an extremely low level, with the commensurate uptrend in prime rents, less sought-after markets in the east of Germany recorded higher vacancies.

The market performed well, however, particularly in the "blue banana" areas of Germany, with Berlin also being able to tap into the good times.

The increase in take-up is especially attributable to mid-range deal sizes as, other than in 2024, no transactions of more than 100,000 sq m were brought over the line in 2025. Growth in the size categories exceeding 20,000 sq m also dropped below average. By contrast, the segment of between 10,000 and 20,000 sq m reported growth of 20% in a year-on-year comparison, while the take-up volume in the segment below 10,000 sq m increased by 10%.

FIGURE 1

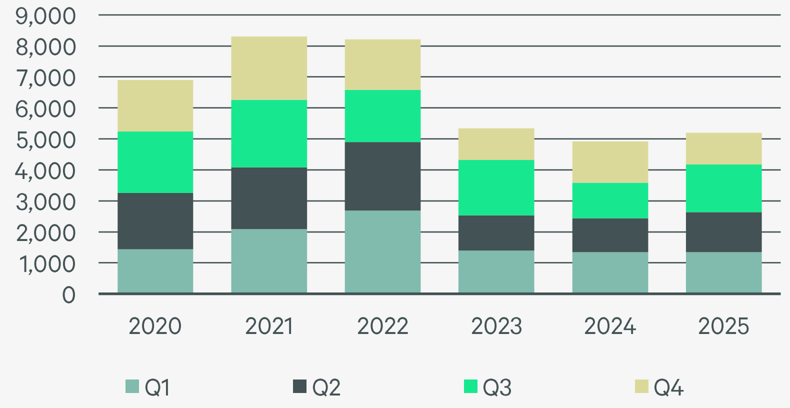
Key Performance Indicators Logistics

	2025	**Year-on-Year comparison**
Take-up	5,198,900 sq m	+5.7%
Average prime rent Top 5	€9.07 per sq m	+3.2%
Average prime rent other I&L markets	€6.84 per sq m	+0.9%
Prime yield	4.40%	0.0%-Pts.
Investment volume	€6.58bn	-12.1%

Source: CBRE Research Q4 2025

FIGURE 2

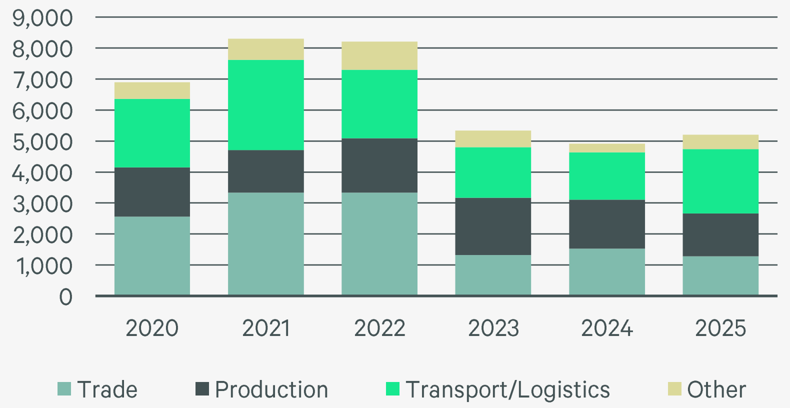
Take-up
(in 1,000 sq m)



Source: CBRE Research Q4 2025

FIGURE 4

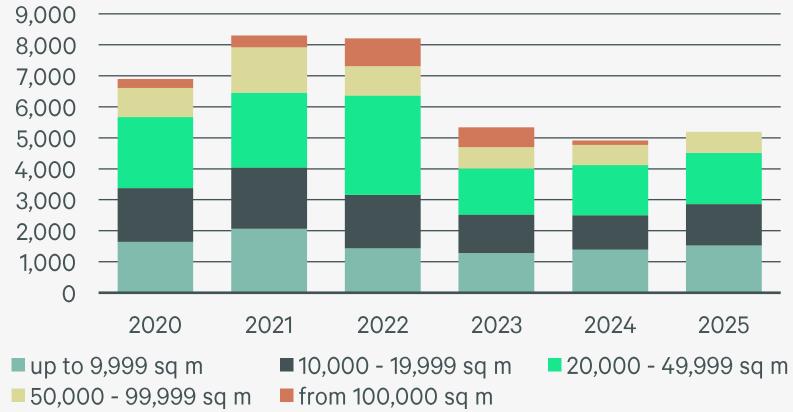
Take-up by sector
(in 1,000 sq m)



Source: CBRE Research Q4 2025

FIGURE 3

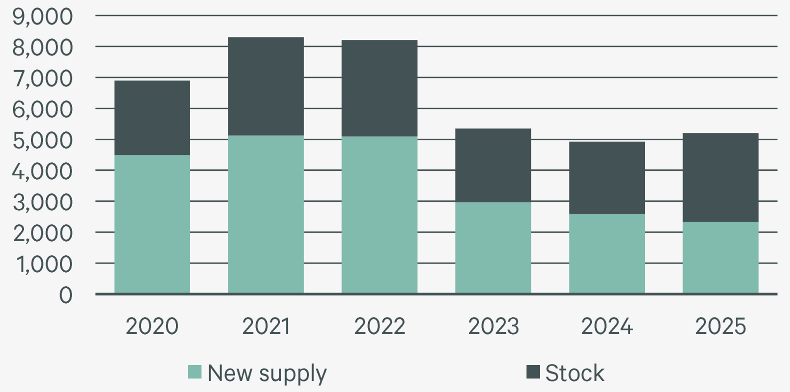
Take-up by size-class
(in 1,000 sq m)



Source: CBRE Research Q4 2025

FIGURE 5

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



Source: CBRE Research Q4 2025

Trends

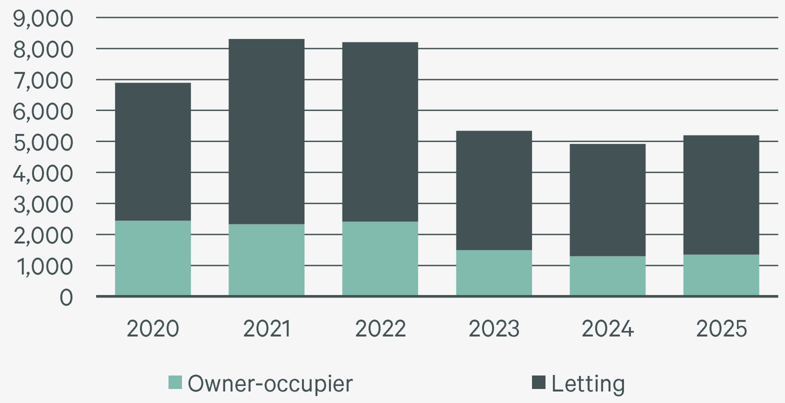
The Ruhr region that generated take-up of 528,000 sq m proved to be the most active market in 2025, with Frankfurt/Rhine-Main in second place at 485,000 sq m. Both of these markets recorded marked growth. The uptrend in market activity in and around Berlin was particularly pronounced, delivering take-up of 431,000 sq m. Following sustained momentum throughout the year, the Berlin logistics market has now stabilized after recently rising vacancies. Against the backdrop of stronger demand and a contracting pipeline, vacancy rates can be expected to trend down gradually in 2026.

The market situation will nevertheless remain challenging in the eastern part of Germany. The vacancy rate around the Leipzig/Halle region, for instance, rose 6.6%-points to 15.7% over the course of 2025. Expressed as a nationwide average, the vacancy rate in the Big Box segment increased 1.1%-points to 5.0% in 2025. Virtually full occupancy continues to prevail in the logistics hubs of Frankfurt/Rhine-Main, Munich and Hamburg.

Excess demand has pushed up prime rent for contemporary logistics properties in many locations. The sharpest growth was recorded in Munich (up eight percent to €11.00 per sq m and month), Frankfurt/Rhine-Main (up 6% to €8.70) and Stuttgart (up 6% to €8.50). Leipzig, on the other hand, sustained a decline of 2% to €5.90. The low level of take-up in 2024, rising vacancies in some regions, and the challenging economic environment have caused many developers to hold back. In this context, take-up in new buildings declined notably, by 10% to around 2.3m sq m. Conversely, take-up in existing properties advanced considerably, reporting year-on-year growth of 23% to 2.9m sq m. The decline in new buildings is attributable to fewer speculative developments. Some developers have called a halt to speculative construction projects, opting instead for the process of preparing to build and waiting for build-to-suit opportunities. At the same time, existing properties were vacated due to economic considerations, above all in the west and south of Germany, and were often swiftly subsequently relet.

FIGURE 6

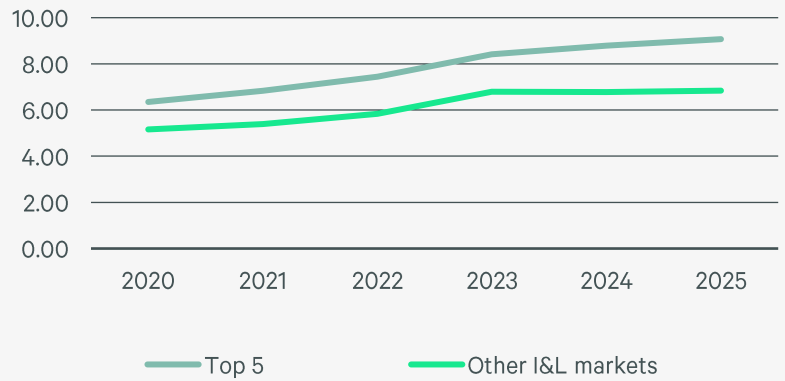
Take-up by letting vs. owner-occupier (in 1,000 sq m)



Source: CBRE Research Q4 2025

FIGURE 7

Average prime rent (in €/sq m/month)



Source: CBRE Research Q4 2025

Outlook

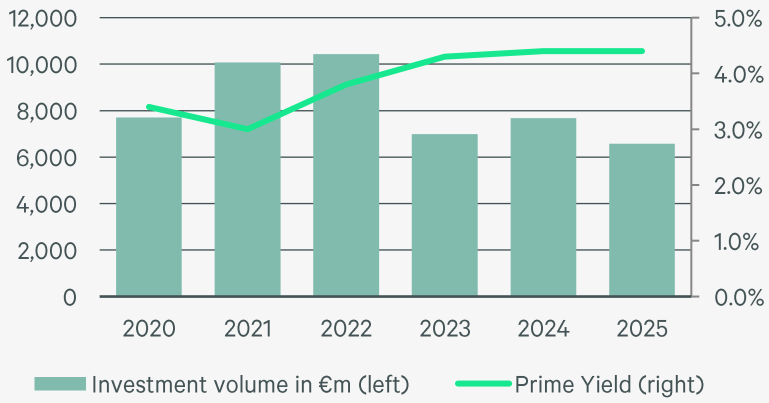
In terms of the demand for space, the most active sector proved to be transport and logistics companies with 2.1m sq m, accounting for a share of 40%. This group was followed by production companies with 1.4m sq m (share of 27%), along with retail companies with 1.3m sq m (including e-tailers – share of 25%). As far as large take-up by transport and logistics companies is concerned, e-tailers from China and their logistics providers played a key role. Defense companies whose growing relevance was the subject of debate over the course of 2025 were virtually non-existent, however.

We anticipate another slight increase in take-up in 2026, also because defense companies could become increasingly active as owner-occupiers in the market, driven by the growing demand for specialized storage space to house defense and military equipment in response to the rapidly changing geopolitical situation. At the same time, service providers for Chinese e-tailers are expected to continue in their role as tenants but in regions other than North-Rhine Westphalia that was their focus in 2025. Generally speaking, there are signs of a market recovery for many, but not all, e-tailers. How Germany's economy develops will remain a determinant, now and in the future. As soon as Germany's economy starts to show signs of notable growth, this will impact demand in the industrial and logistics real estate market.

A volume of 3.2m sq m is under construction in the current development pipeline, with a good one million sq m still available for leasing at year-end 2025, which is 11% less than in the previous year.

FIGURE 8

Investment volume and net initial yield (NIY)



Source: CBRE Research Q4 2025

Contacts

Research

Dr. Jan Linsin
Managing Director
Head of Research Germany
jan.linsin@cbre.com

Capital Markets & A&T Services

Kai F. Oulds
Managing Director
Head of Industrial & Logistics
kai.oulds@cbre.com

Capital Markets

Tom Franke
Managing Director
Head of Logistics Investment
tom.franke@cbre.com

Valuation Advisory Services

Kristine Kühn
Director, Team Leader Industrial & Logistics
Valuation Advisory Services
kristine.kuehn@cbre.com

CBRE