

Briefing European Investment

March 2016



SUMMARY

2015 saw most countries surpass their previous investment peak

■ The 2015 investment volume across our survey area totalled over €245bn - a year-on-year increase of 22% and a 6% increase on the 2007 investment peak.

■ Cross border investment was for the first time over 50% of the total activity, driven by US capital. European investors also prefer to keep their capital within the continent with the majority of European cross border capital invested intraregionally.

■ High competition and low supply of prime assets is leading investors in greater diversification in terms of types of assets and geographies. The share of alternative investments has increased to almost a quarter of the

total volume last year, while the share of the regional markets is also on the rise and exceeded 60%.

■ Although offices continue to dominate investor choice accounting for 42% of the activity, the share of retail increased to a quarter of the total underpinned by large scale portfolio transactions.

■ Regional economic and geopolitical concerns and the risk of a Brexit are causing a sense of caution to investors. Investment activity has slowed down in the first two months of 2016 but we expect volumes by the end of the year to stabilise at their 2015 levels.

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“Real estate continues to compare favourably to other asset classes. Markets and sectors with further yield compression potential and positive future rental growth prospects will attract investor focus this year” Eri Mitsostergiou
Savills, European Research
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An introduction to Savills

Savills European Commercial Offices

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 - Copenhagen
 - Esbjerg
 - Frederikshavn
 - Grenaa
 - Haderslev
 - Herning
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Source: Savills

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company, established in 1855, has a rich heritage with unrivalled growth. The company now has over 700 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

In continental Europe, Savills has 48 offices covering Belgium, France, Germany, Greece, Italy, the Netherlands, Poland, Spain and Sweden. We also have associate offices in Austria, Denmark, Finland, Norway and Portugal.

Savills provides a comprehensive range of advisory and professional property services to developers, owners, tenants and investors. These include consultancy services, facilities management, space planning, corporate real estate services, property management, leasing, valuation and sales in all key segments of commercial, residential, industrial, retail, investment and hotel property.

A unique combination of sector knowledge and entrepreneurial flair gives clients access to real estate expertise of the highest calibre.

We are regarded as an innovative-thinking organisation supported by excellent negotiating skills. Savills chooses to focus on a defined set of clients, offering a premium service to organisations and individuals with whom we share a common goal. Savills is synonymous with a high-quality service offering and a premium brand, taking a long-term view of real estate and investing in strategic relationships.

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European overview



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Economic & political background

The European economy is now in its fourth year of recovery and growth continues at a steady pace. Average GDP growth of 1.6% is expected in 2016 across our survey area with Ireland (4.3%), Poland (3.4%) and Sweden (2.8%) expecting GDP growth well above the European average. The unemployment predicted to fall to 9.0% in 2016 – the lowest level since 2009 – due to labour market reforms.

In 2015, European economies benefitted from strong private consumption thanks to the improving labour market and growing disposable incomes. Private consumption is expected to continue into the first half of 2016 due to low oil prices, better financing conditions and low euro exchange rate. Political uncertainty remains a key issue across Europe with economic integration threatened by the refugee crisis. Already Denmark, Sweden and Germany have introduced border controls to stem the number of refugees, harming the Schengen agreement of free movement within the EU.

Due to renewed geopolitical risks and the economic slowdown in China, the International Monetary Fund has cut its global growth forecasts to 3.4% from 3.6% in 2015.

Investment volume surpasses 2007 peak

Low interest rates and loose monetary policy have underpinned for another year investor demand for commercial real estate in Europe. Investment volumes in the second half of 2015 surpassed the same period in 2014 by over 10% in total, while the year end figure of €245.3bn was about 22% higher year-on-year.

However, this hides various discrepancies. The countries to experience the greatest increase in investment volumes in 2015 were Norway (118%), Greece (108%) and Belgium (42%). Ireland (-14%), Austria (-16%), Denmark (-17%),

Sweden (-9%) and Finland (-3%) experienced negative year-on-year growth following weaker turnover figures in the second half of the year. Most of these markets experienced striking recovery in 2014 and activity is gradually normalising.

In half of the markets the annual turnover exceeded the investment activity of the previous peak, in 2007 or 2008. The markets which have not yet reached their potential (2015 volume as a percentage of last record high) are Denmark (50%), Finland (69%), France (87%), Italy (83%), Netherlands (70%), Portugal (64%), Spain (82%), Sweden (93%).

The UK accounted for almost 40% of the total turnover last year, followed by Germany at 22.5% and France at 10.3%, confirming once again the dominance of the core markets in the investment activity.

The January-February investment volumes from RCA indicate a normalisation of activity since the beginning of the year. The total volume of commercial transactions is almost 30% lower compared to the first two months of last year, but in line with 2014.

Cross border investment higher than domestic

Cross border investment was a key driver of activity last year. Its share increased to over 50% to overcome for the first time the domestic volume of investment. Cross border investors are driving the peripheral markets in Portugal (87%), Spain (57%) and Ireland (57%) and Italy (63%). In Spain however, domestic investors are closing in on cross border investors due to the presence of the SOCIMIs (Spanish REITs); cross border investors outspent domestic buyers also in Poland (82%), Netherlands (69%) and Germany (61%).

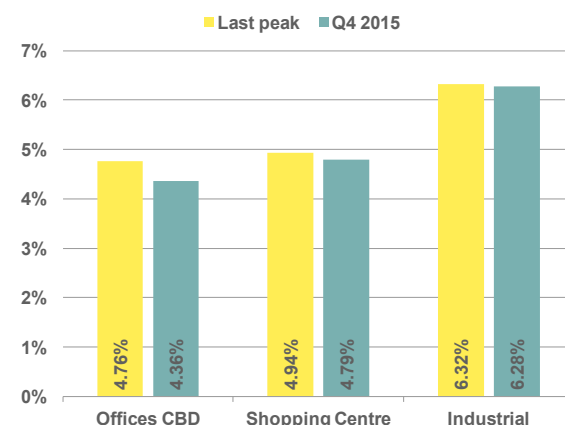
Cross border investment activity is driven by US capital, which accounted for almost one third of the total turnover but is also underpinned

by intraregional flows of capital, as the majority of European cross border capital is invested within Europe. According to RCA, almost €52bn of British, German, French, Swedish and Dutch capital was invested in the global commercial markets in 2015, 83% of which was placed in Europe. UK investors were the most active intraregional investors in 2015, they spent over €16bn, followed by the French at about €12.5bn and the German at close to €9bn. Top market destinations for British overseas investors were Paris, Berlin, Frankfurt, Oslo and Hamburg with over €1.9bn invested in Paris alone and €1.03bn invested in Berlin. Swedish investors tend to prefer their regional markets of Helsinki, Copenhagen and Oslo, benefiting from geographical and cultural ties. The Dutch also invested a large percentage of their cross border capital in neighbouring countries with Copenhagen and Frankfurt being among the favoured destinations for capital.

Portfolio deals and mega deals remain important

Last year several countries witnessed the completion of mega deals, involving in most cases portfolio transactions, a trend that we have witnessed growing over the past

GRAPH 1
Prime yields vs. past peak



Graph source: Savills

two years. About 10% of the total was generated by single deals which were over €1bn in size, with €11bn transacted in Germany, €6.8bn in the UK and €5.1bn in France. About a quarter of the transaction volume was attributed to portfolio sales. There were countries where the share of the value of portfolio deals was higher than the share of single transactions due to the magnitude of their lot sizes. This was the case in Spain (61%), Finland (59%), Norway (55%), Portugal (57%) and Sweden (55%). It is notable that these markets share some common characteristics: smaller overall in size, therefore offering less single opportunities of significant size, at their upswing of their market cycle (peripheral) and some are dominated by domestic players (Nordic). Investors choose to enter these market places through portfolio acquisitions achieving quick, diversified exposure often in a new market for them.

Greater diversification across assets and geographies

In terms of asset types (office, retail, industrial, other), offices continue to dominate investors' choice of asset class with 42% of the volume share, followed by retail investments at 25%, up from 22% last year. The share of retail was particularly high in Portugal (69%), Poland (54%) and Norway (52%), supported by retail portfolio transactions that took place last year.

High competition for the best

properties and low supply of new product in the market is leading investors in greater diversification in terms of types of assets and geographies.

The share of 'Other' has been on the increase with a share of 24% recorded in 2015, well above the nine year average of 17%. 'Other' includes a variety of asset types, from hotels to student housing, leisure and healthcare. It reflects the rising interest of investors into 'alternative' asset types, in search of better returns, countercyclical performance and long-term growth.

With less core product available in capital cities investors are expanding their focus in regional markets. Last year the share of investment in capital markets vs. regions dropped further from 42% to 39% of the total. Investment into capital cities compared to other regions varied across our survey area. Austria, Greece, Denmark and Ireland saw the commercial investment into the capital dominate the overall investment volumes whereas Germany, Poland and Italy saw a more widespread distribution of capital across the country.

Yields

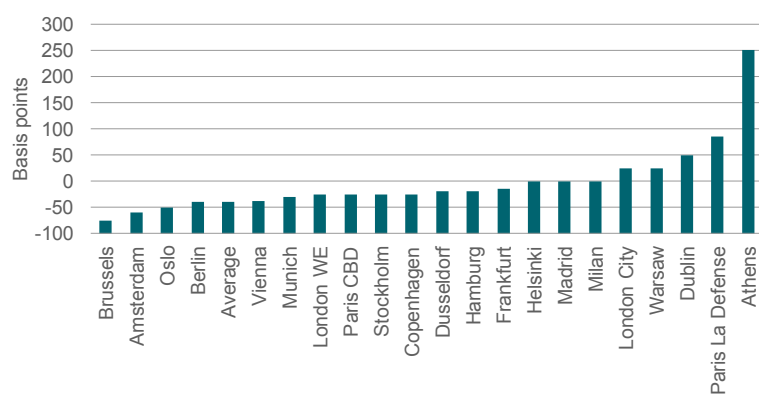
The average prime yield for CBD offices in the core markets is 4.0% and 5.45% in the periphery – a year-on-year shift of -30 and -82 basis points respectively. Prime CBD office yields hardened across nearly all markets with Athens and Helsinki recording no movement

in yields. The highest annual yield compression for prime CBD offices were seen in Milan (-110bps), Madrid (-100bps) and Brussels (-75bps). In Q4 2015, most markets have surpassed their previous top pricing levels of 2007, except from Athens, Dublin, London City, Paris La Defense and Warsaw where prime CBD yields are still above their previous low and Helsinki, Madrid and Milan where are in par.

The trend was similar for shopping centre yields which also compressed in the majority of markets or remained static. The average prime shopping centre yield in Q4 2015 was 4.8% 35bps lower compared to the year before. Peripheral markets saw a deeper dip of 54bps compared to core where the average yield moved in by 20bps to 4.2%. Although average prime SC yields in the core markets have already passed since Q2 2014 their previous record low of 4.6% (achieved in Q3 2007), average prime SC yields in the peripheral markets are still 100 basis points above their 2007 levels offering the possibility of further yield compression.

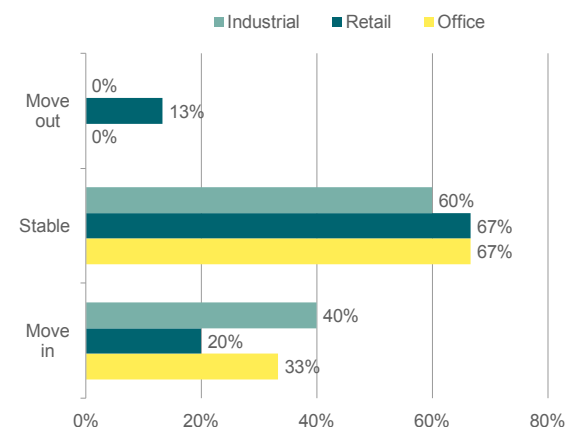
The average industrial yield went down to 6.3%, 66bps lower than a year ago. This also brings it for the first time in line with the previous low peak of Q3 2007. ■

GRAPH 2 Prime CBD achievable yields vs. past record low



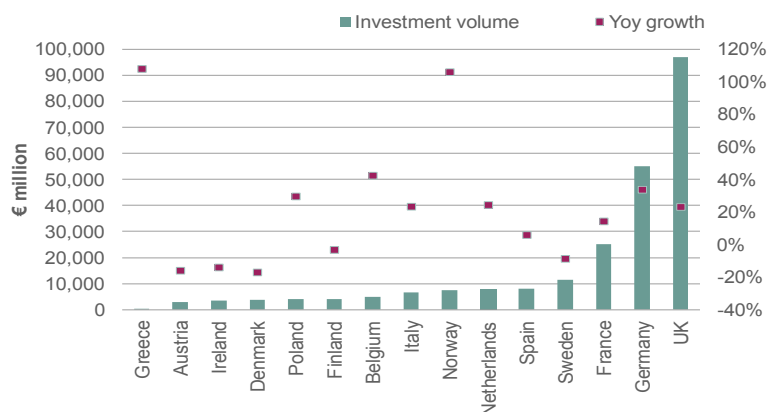
Graph source: Savills

GRAPH 3 Prime yield 2016 six-month outlook



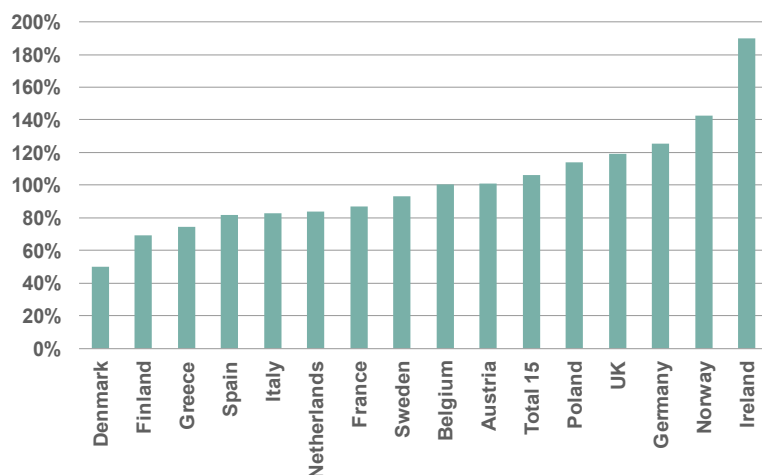
Graph source: Savills

GRAPH 5
2015 full-year investment volume and yoy growth



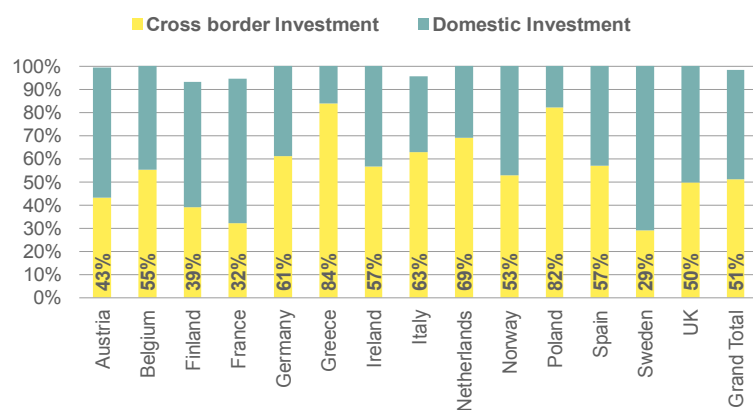
Graph source: Savills

GRAPH 6
2015 investment volume vs. previous peak



Graph source: Savills

GRAPH 7
Cross border investment more than 50% of the total



Graph source: Savills

OUTLOOK

Real estate still favourable despite economic uncertainty

2016 has started with higher uncertainty about the state of the world economy. Geopolitical risks, the slowdown of the Chinese economy, stock market volatility and the risk of a Brexit in Europe have caused a sense of caution to investors.

The real estate markets continue to compare favourably to other asset classes and in Europe there are a few markets which are still in their upswing phase, mainly the peripheral markets of Italy, Greece and in a more advanced stage Spain and Ireland.

There are also sectors that have emerged as interesting long-term investment alternatives to the traditional asset types, such as student housing, senior housing and healthcare, which attract a rising share of investment along with hotels and mixed use developments.

Investors are expected to focus this year in these long-term strategies, in alternative assets, in value add opportunities and in regions within core markets such as the UK, Germany and France. They are also expected to show preference to the markets with future rental growth potential, such as Dublin, Madrid, Stockholm and Berlin.

Increasing uncertainty around the Brexit referendum in June, may affect transactional volumes in the UK. The impact in European property investment activity should be limited and we expect volumes to stabilise broadly at their 2015 levels. Compared to the previous market cycle peak, some jurisdictions have not reached yet their potential and these could also show some further growth in activity such as Italy, Netherlands, Spain and France.

Finally in terms of yields, as most markets have already exceeded their previous peak in terms of pricing, we expect that prime yields will stabilise in most markets this year, especially core ones, whilst we expect to see more yield conversion from the peripheral markets in Europe.

“In 2016 investors are expected to focus in the regions of the core markets, in value-add opportunities and alternative assets” Eri Mitsostergiou, Savills European Research

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Among the most prominent transactions of 2015 was the sale of the office and retail complex Wien Mitte (90,000 sq m) for about €500m to Morgan Stanley, making it one of the biggest transactions ever in Austria. Other notable transactions include the sale of the office property "Haus an der Wien" (14,000 sq m) for €94m to German investor Allianz and the sale of office properties space2move (46,000 sq m) and Green Worx (16,800 sq m) to Union Investment.

Due to the low interest rates and the expensive monetary policy of the European Central Bank, strong investment activity is expected for 2016. A major driving force for the investment market is the increasing number of highly solvent international investors. While Austrian and German investors still remain the biggest group, the number of international investors has risen significantly in the past year. In particular, Asian and North American investors are – often for the first time – entering the Austrian market and are mostly interested in large-scale investments. However, they tend not to invest directly but rather indirectly through asset management companies. As a result the number of transactions exceeding €100m will remain high. In 2015 for instance, six large-scale transactions accounted for 38% of the total transaction volume.

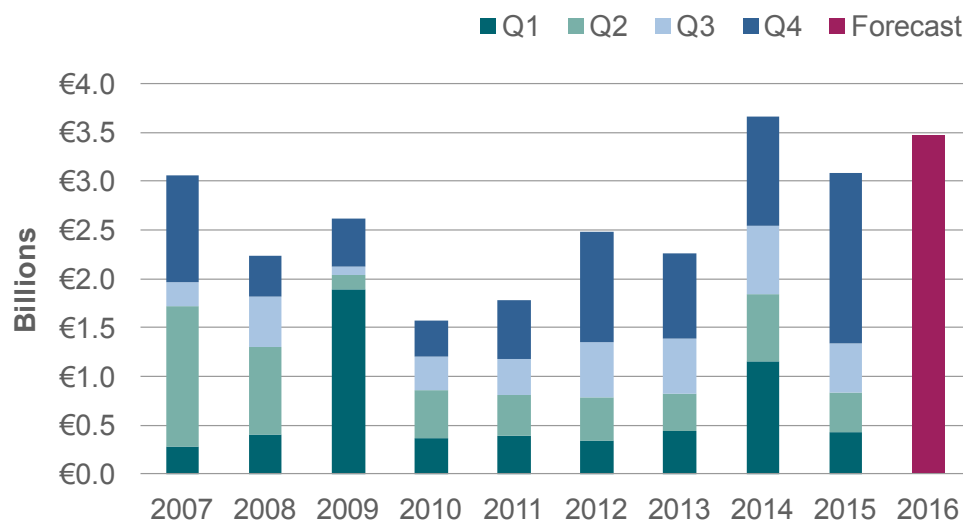
Demand for top properties exceeds supply significantly. This is also due to the fact that deliveries both in the office and the retail segment have hit new record lows. In 2017, several new top office properties will be finished and demand from investors for those will likely be very high. Currently, demand has shifted to other segments (core+, value added), which also promise somewhat higher yields. In retail,

the lack of new shopping centres leads to a shift in demand towards retail parks which have become an interesting investment alternative with yields currently at 5.8%. Overall, yields will remain under pressure in 2016 and are currently 4.5% for office properties, 4.75% for shopping centres and 3.75% for high street properties. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	↘
Retail	↘
Industrial	→

GRAPH 1
Austria Investment volume 2007-2016



Source: EHL

TABLE 1
Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
Wien Mitte	Vienna	€500m	Morgan Stanley	Office/Retail
Haas Haus	Vienna	€107m	Attila Dogudan Privatstiftung	Retail
Haus an der Wien	Vienna	€94m	Allianz RE Germany	Office
Rivergate	Vienna	€189m	Dream Global REIT	Office

Source: EHL

Belgium



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The 2015 investment volume in Belgium stood at an all-time high with over €4.7bn, compared to 2014 this is a 40% increase. 2015 was the second best year ever after the record year in 2007. The volume for 2015 was mainly boosted by retail transactions. Out of the total commercial real estate investment volume, retail reflected over €2bn or nearly 45%, office stood at 37% with €1.8bn and semi industrial and logistics at 5% with nearly €300m. Compared to 2014, the office investment market in 2015 stood 13% lower, whereas retail is 200% above the 2014 figures mainly due to a €825m shopping centre transaction. In 2015, alternative asset classes such as hotels and residential (student housing and senior residences) also saw a large increase reflecting respectively €280m (6% in 2015, 160% increase yoy) and €420m (9% in 2015, 50% increase yoy including developments).

The top 5 transactions during 2015 were Waasland/Wijnegem SC reflecting €825m, Ellipse (office - €215m), the Opera portfolio (office - €145m), Gateway (office - €140m) and the Galeries Saint-Lambert (retail - €135m).

For the first time ever, the Flanders region took over from the Brussels Capital Region as the most attractive region reflecting 50% of total investment volume, this is mainly because of the Waasland/Wijnegem retail transaction of CIC. The Brussels Capital Region reflected 30%, reflecting a 10% decrease yoy. It is also the first time that foreign investors took the lead over domestic investors in Belgium (55% vs. 45%). Asian investment reflected 20% (amongst others CIC on Waasland/Wijnegem and Taiwanese Fubon on Ellipse), last year 4%. UK investment volume stood at 6% vs. 3% last year and US investment volume stood at 10% vs. 7%.

Prime office yields saw a downward pressure of 25bps compared to H1 2015 and stand at 5.5% for standard 3/6/9 years leases. Prime office yields on long-term lease stand at 4.25%, which is an all-time low. Yields for prime retail stands at 3.50% for prime high street locations, 4.25% for prime shopping centres and 5.75% for retail warehousing. Prime logistics stand at 6.50% (-50bps yoy).

2016 already looks promising as several big deals did not finalise

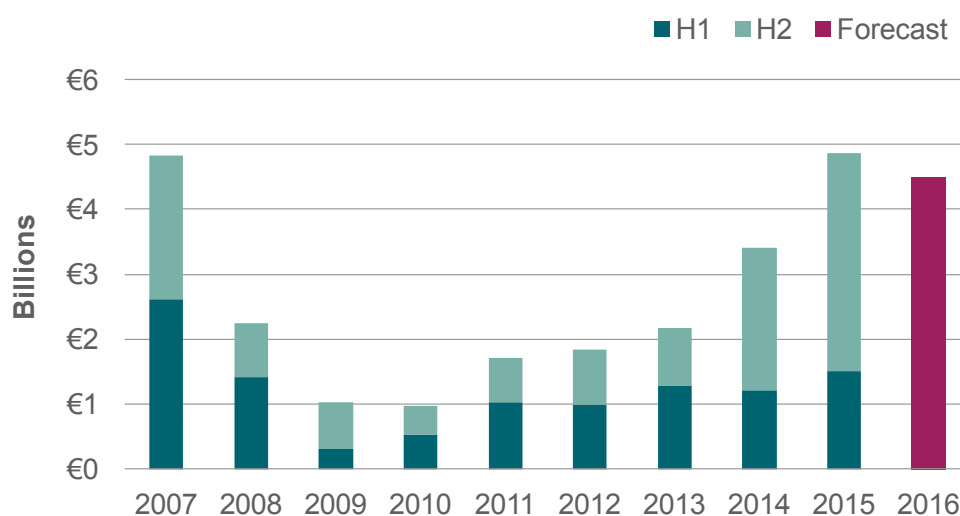
during Q4 2015 and are expected to complete in H1 2016. With regards to office transactions, we expect the closing of the Astro Tower and the Meander in the coming months. We expect the sale of shopping centres Docks Bruxsel and Médiacité and the retail high street Le Toison d'Or to complete. Furthermore, the iconic Wiltcher's Complex, offering a mixed investment opportunity of hotel, office retail and leisure and parking is on the market. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 2

Belgium Investment volume 2007-2016



Source: Savills

TABLE 2

Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
Ellipse Tower	Brussels	€215m	Fubon Life Insurance Co. Ltd	Office
SC Galeries Saint Lambert	Liège	€135m	AG Real Estate	Retail
Royal Warehouse Tour & Taxis	Brussels	€108m	Leasinvest	Office

Source: Savills

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2015 became the year with the largest transaction volume of investment properties since 2007. The transactions were evenly distributed throughout the year, but especially towards the end of 2015 a number of large residential and retail transactions were completed.

At a national level, the office and retail transactions accounted for approximately 55% of the total transaction volume. The majority of this share of completed transactions was office properties, measured in both number of transactions and transaction volume. Office properties are usually purchased as investment properties, and the largest transactions are with properties located in or close to Copenhagen. Also Aarhus, the second largest city in Denmark, is experiencing an increase in the investment activity concerning office properties. In terms of investors, both Danish and international investors are present in the market, and we expect to see even more foreign investors in the market in the future.

Prime office properties are currently in short supply in Copenhagen and Aarhus, however the demand from the investors is significant. It is our assessment that the current investment demand will easily be able to absorb new build within the office segment, or alternatively offer the property owners favourable opportunities to sell. The share of transaction volume represented by the retail segment is rather limited in comparison to the office segment. Investment interest in the retail market is largely focused on properties in Copenhagen where we have seen a few large transactions during 2015. The purchased properties are predominantly prime properties located on the main high street Strøget, which has the largest

customer flow in Denmark.

The share of the transaction level related to the industrial segment accounts for approximately 12% on a national basis. Two thirds of the total transaction volume has been completed in the Greater Copenhagen area where the investors focus on prime properties located close to the motorway network. In terms of transaction volume the majority of the volume within this segment is traded as a part of a portfolio sale. Measured by the number of transactions

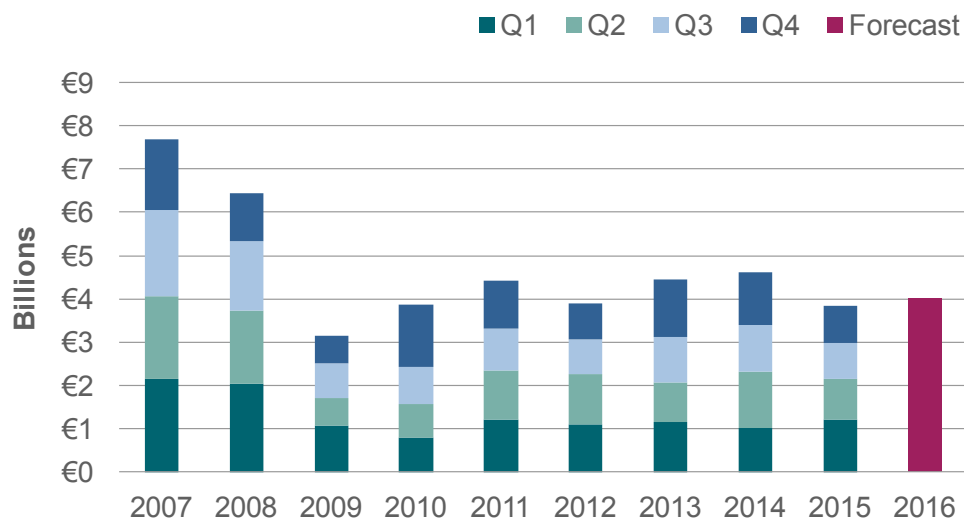
the majority is represented by smaller owner-user transactions. Accordingly, we see a few large industrial properties included in portfolio sales and comparatively many smaller transactions where the property is bought by the user. Our expectations for 2016 are that the transaction volume will increase considerably compared to 2015. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 3

Denmark Investment Volume 2007-2016



Source: Nybolig

TABLE 3

Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
Galleri K	Copenhagen	€214m	Patrizia	Retail
Lautrupparken 40-42	Ballerup	€161m	Pension Danmark	Office
Dalbergstrøget 15	Taastrup	€107m	Wihlborg A/S	Office

Source: Nybolig

Finland

The total investment volume in 2015 amounted to €4.21bn. Boosted by significant property portfolios, investments reached the second largest total ever in Finland. New foreign investors entered the market in 2015, and due to an abundance of investable capital they were searching for large-scale investments valued at €100m or more. Portfolios and stakes of the property companies have offered a solution as there is short supply for major single assets. This has been beneficial for local institutional investors who have made significant disposals and ownership restructuring in their allocations.

Numerous strategic JV alliances have emerged. For example Swedish life insurance company AMF and Finnish pension insurance company Ilmarinen entered into two separate joint venture agreements on retail and office holdings. Noteworthy is the emergence of new property sectors such as health care, education and student housing. Both domestic special funds and international investors are focusing in these sectors. Most prominent was the sale of the Health and Wellbeing Center scheme of 18,200 sq m to a Deka Immobilien Fund. Yield level of this transaction was estimated at slightly below 4.5%.

Investments from the US increased rapidly in 2015. Blackstone Funds acquired several major portfolios. In Q4, Blackstone purchased logistics portfolio for €100m from the local Sponda. Furthermore, Sponda sold its 38% stake for around €190m and concurrently local Varma sold its 19.5% stake in the logistics property company Certeum to Blackstone. The leasable area of Certeum's properties is approximately 1.3m sq m. Transactions of Certeum shares for almost €300m were not included in the total investment volume for 2015.

The long-lasting poor economic

situation with restructuring impacts is reflected by caution on the investment market. The market still differentiates higher risk properties clearly, even if high demand has increased risk, investors are selective. Risk premiums have not risen noticeably.

There are still preconditions for investment opportunities in 2016 although the boom has most likely to have already passed. Investors will continue to be selective as they consider carefully the risk and the price. Divergence both in the investment market and in the user market continues. Low interest rates, a lot of investment

capacity, availability of finance and positive yield expectations stimulate investment activity. The proportion of foreign investment is expected to increase further with Swedish-based property companies and funds expected to be active. Investor appetite for a wider selection of properties in particular public sector properties is growing. ■

PRIME YIELDS END-YEAR OUTLOOK	
Offices	➔
Retail	➔
Industrial	➡

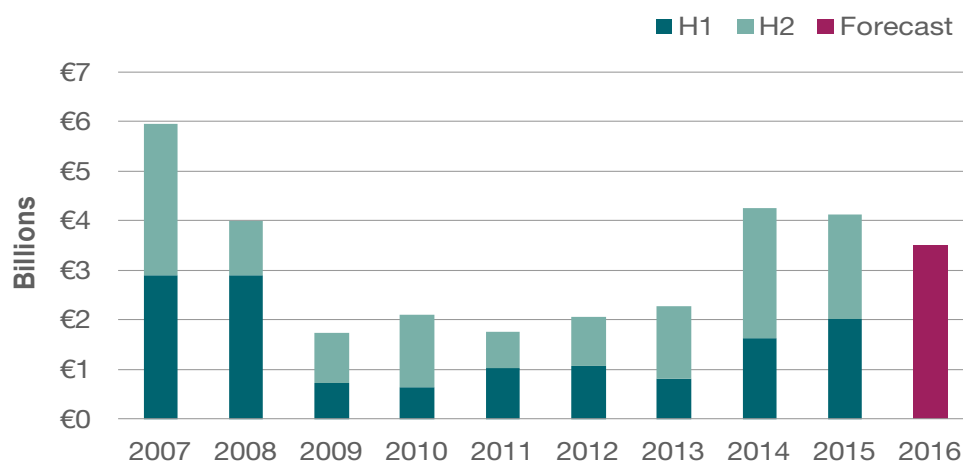


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GRAPH 4
Finland Investment Volume 2007-2016



Source: Realia / Savills

TABLE 4
Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
Retail Portfolio	Nationwide	€192m	Serena Properties AB	Retail
Vuosaari Harbor Logistics Centre	Helsinki	€100m	Sponda Plc	Logistics
Vilhovuorenkatu 11	Helsinki	€60m	Genesta (GNBRE) Fund I	Office
Community Service Properties	Helsinki	€54m	NV Property Fund I	Other

Source: Realia

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Following on from a record second half, the total investment in France has grown to €26bn. After a dire first half of the year, 2015 achieved a new record of growth which has not been reached since 2007.

Since then, the market's characteristics have not evolved. Deals between €100m and €500m (76 in 2015 in comparison with 53 in 2014) have been carrying the market. Portfolios, a number of which still exist, are made up of almost every type of asset. Notably, the acquisition of GE Real Estate's Kensington Portfolio by Blackstone Group International for around €860m. On the other hand, the number of transactions valued at more than €1bn has dropped overall. In total, only one was signed in 2015 whereas three were signed in 2014. The lone-standing Ivanhoe Cambridge office portfolio was acquired by Gecina for €1.2bn. Investor interest remains active for this type of asset but the lack of opportunity has led to a drop in this market sector.

Elsewhere, the concentration of French investments on the fundamental aspects of the market has increased. Investment in office properties has been revitalised, increasing from 55% in 2014 to 74% in 2015. Core investments have been prioritised due to a growing distaste for the rental property market from investors. Core investment went up from 77% in 2014 to 86% in 2015. Regarding big players in the market, French investors have restored their dominance. They represent 68% of total investment in 2015 in comparison with 59% in 2014. American investors have shown their interest in the French market but only represent 11% of overall investment. German investment has not changed, resting at 5%, whereas Middle East investment in the French market has

dropped from 8% to 5%. The level of 2007's record has just been superseded by a current prime office yield of 3.25% in Paris. Decreasing since the start of the year, it has lost 50 bp in one year. A further reduction in these rates is foreseeable in 2016, taking into account the amount of competition interested in this type of Parisian asset.

Despite the slight climb in lending rates, financial conditions are still a

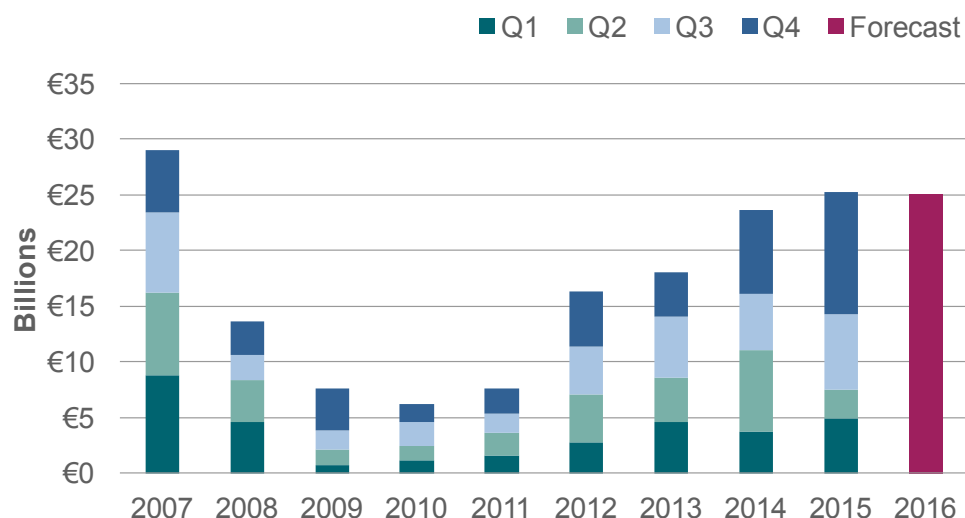
preferential investment due to the gap between the premium yield rates and the 10 year OAT of more than a 225bp (from the 31/12/2015), which remains significant. The amount dedicated to investment in real estate, which is still the most valuable, and the product deficiency in the market, should maintain pressure on the 2016 yields. Henceforth, the gap between premium and secondary yields should progressively diminish throughout 2016. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	↘
Retail	→
Industrial	↘

GRAPH 5

France Investment Volume 2007-2016



Source: Savills

TABLE 5

Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
IDF Portfolio	Nationwide	€860m	Blackstone	Office
1 Place Carpeaux	Puteaux	€480m	France Domaine	Office
87 Rue de Richelieu	Paris	€400m	Altarea Cogedim	Office
Hostels Portfolio	Nationwide	€281m	AccorHotels	Hostels

Source: Savills

Germany



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The German transaction volume for commercial property totalled more than €55bn last year, reaching the peak levels of 2007 some seven years later. If compared with the previous year, the commercial investment volume showed an increase of 34%. While overall figures were good, the retail sector particularly stood out. Investment in the sector totalled some €19.4bn over the last 12 months, which was more than twice as much as in the previous year. However, office property attracted the highest investment total once again in 2015 with a transaction volume of almost €22.9bn. The investment activity was also characterized by a further increase of the portfolio transaction volume. A total of €19.8bn was invested in German commercial property portfolios, representing an increase of 36% compared to the previous year. This significant increase in volume is primarily explained by the fact that the portfolios changing hands have become larger. The average transaction size rose by a quarter compared with the previous year to approx. €115m. The transaction volume of €9.6bn in the segment was almost three times as high as in 2014. From an international perspective, the risk-return profile in the German real estate market remains extremely attractive. It is, therefore, reasonable to expect that the significant demand for portfolios will continue in the current year.

The attractiveness of German commercial property is also reflected in a strong demand by foreign investors. Last year, 53% of the commercial transaction volume was attributable to foreign buyers. Amongst the most active buyers were investors from the United States, United Kingdom and France, who were responsible for around 30% of the total transaction volume.

In general, investors' interest remained focused on the top cities but shifted to B locations within these markets. The very high demand

over the course of the year also resulted in further yield compression. Prime yields on offices hardened by an average of 30 basis points across the top seven cities between the end of 2014 and the end of December to stand at 4.1%. Yields in B locations hardened to a similar degree. However, in the current year, we expect to see noticeable convergence in yields between A and B locations.

The outlook for 2016 is more in favour of, rather than against, a further increase in the transaction volume. In

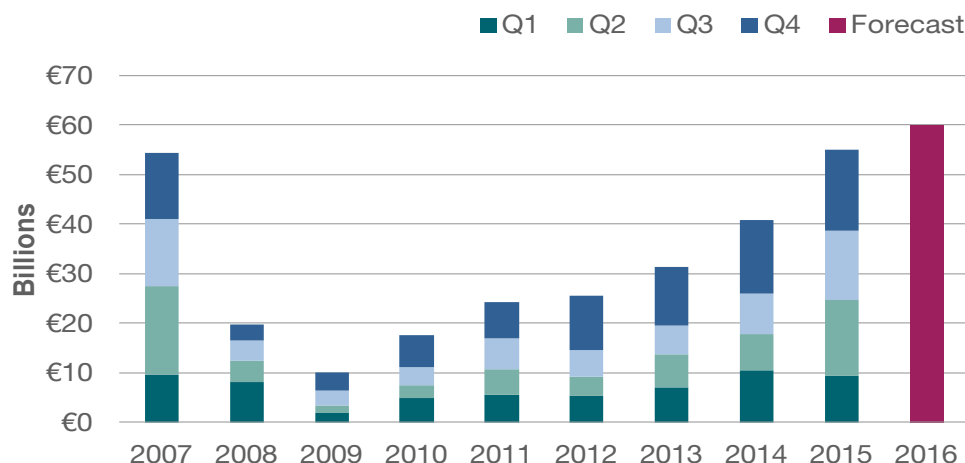
the commercial investment market, €50bn is considered the lower limit of expectations and €60bn is realistic.

PRIME YIELDS END-YEAR OUTLOOK

Offices	↘
Retail	→
Industrial	↘

GRAPH 6

Germany Investment Volume 2007-2016



Source: Savills

TABLE 6

Major investment transactions Q4 2015

Property	Location	Price	Buyer	Usage
Deutsche Office Portfolio	Nationwide	€1.4bn	Alstria Office AG	Office
Potsdamer Platz	Berlin	Undisclosed	Brookfield/KIC	Mixed
Kaufhof Properties	Nationwide	Undisclosed	Ivanhoe Cambridge	Retail
Lanxess-Arena	Cologne	€440m	Junson Capital / Mirae Asset Global Investments	Mixed

Source: Savills

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The year 2015 was considered to be a turning year for the recovery of Greece's real estate market.

Real estate investment volumes remained at low levels, below initial expectations, as investors adopted a waiting stance. Nonetheless, during 2015 we do observe the conclusion of noteworthy deals, most of these pursued by domestic players (Greek REICS) who had entered into negotiations with the relevant parties in 2014. Particularly, during the first half of 2015, recorded investments in Greek commercial properties have amounted to €42m. This volume mainly comprises the purchase of two large retail units by Grivalia Properties REIC and the sale of the trophy hotel in Athens' North (Pentelikon).

During the second half of 2015, Grivalia, Properties REIC and Sklavenitis, one of Greece's leading supermarket chains, finalised the sale of the owner occupied Makro wholesale stores for a price of €60m (September 2015). During the fourth quarter of 2015 we observe two notable deals, the purchase of an office building by the Turkish investment group "Dogus" within the historic centre of Athens but also the finalization of the agreement between the Hellenic Republic Asset Development Fund and Jermyn Street Real Estate for the sale of the Asteras hotel complex in Vouliagmeni (Athens Riviera) for €400m. Moreover, during the fourth quarter of 2015 Pangaea REIC agreed in terms with a financial institution for the acquisition of a retail unit for €2.5m in Kolonaki area while another financial institution sold to foreign investors three hotels, two located in the island of Corfu and one in Athens, for a total of €10m.

Additionally, during 2015 we have observed an increasing interest from

opportunistic funds to acquire large portfolios of either repossessed assets or non-performing loans which have real estate properties as collateral.

In 2016, under the expectation that Greece's political environment will further stabilise, we expect a growing interest from foreign funds for the acquisition of large portfolios of debt securitised assets, offered to the market by the Greek systemic banks. We also expect a growing interest on investments related to

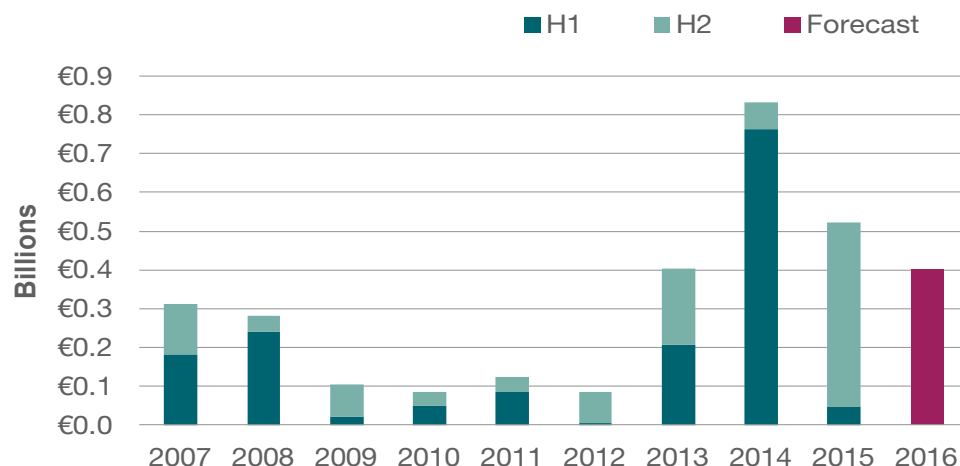
the hospitality sector as it is one of Greece's best performing industries. In this line Grivalia Properties REIC has proceeded with the creation of Grivalia Hospitality, an investment vehicle solely dedicated to pursue hospitality related property investments.

Current prime gross yields in the office market stand at 8.25%, in the retail market at 6.5% and 7.5% for prime high street retail units and shopping centres equivalently and in the logistics market at 10%. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 7
Greece Investment Volume 2007-2016



Source: Savills

TABLE 7
Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Astir Palace	Attica	€400m	Jermyn Street Real Estate	Hotel
Canadian Embassy	Attica	€4m	Dogus Investment Group	Office
Hotel	Corfu	€6m	Unknown	Hotel
Retail	Athens	€2.5m	Pangaea REIC	Retail

Source: Savills

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Just under €3.8bn of commercial property assets were traded in Ireland during 2015 with almost 250 deals completed. Despite activity falling short of 2014 figures, the market remained very strong by any historical yardstick. Indeed, the overall value of deals completed last year was higher than the historical record set back in 2006.

Office investment continued to be at the forefront – accounting for 45% of annual turnover. The depth of occupational demand and the limited availability of Grade A space have underpinned rental growth ensuring that there is still strong investor interest in the sector. However, a notable trend has been the gradual increase in retail asset sales which accounted for 26% of turnover last year. On one hand, this reflects a very strong recovery in the consumer economy which has led to higher occupancy, rising rents and expectations of strong future rental growth. Indeed, Savills' econometric models predict that Grafton Street rents will rise by a further 30% by March 2017. In addition to the sharp improvement in occupiers' underlying trading conditions, the appetite for retail assets also reflects the extent to which strong office investment in recent years has led to yield compression, causing investors to widen their focus.

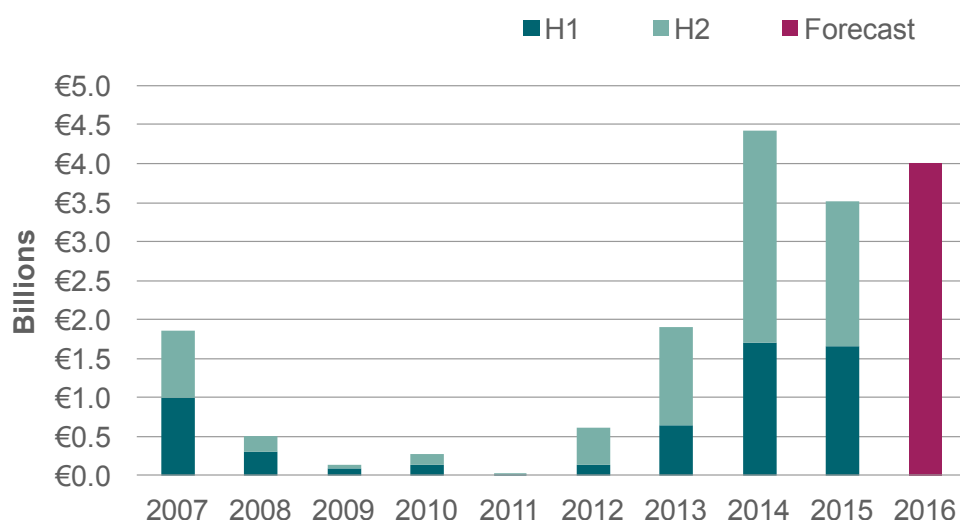
Low interest rates, combined with very strong occupational markets, have ensured a continued weight of money targeting Irish real estate investments. In turn, yields have continued to compress leading to a change in the identity of buyers. Given this squeeze on yields and their higher cost of funds, private equity investors are being crowded out by the REITs and institutional investors. The latter accounted for 52% of turnover in 2015, up from a

46% share in 2014. Our expectation is for further strong commercial property investment in 2016. Looking at the pipeline of product that is currently being marketed, we expect continued trading of retail assets. Despite increased capital values, industrial real estate still offers exceptional value for money and, with strong rental growth anticipated in 2016, we

see further upside in this segment of the market. Although pricing has become sharper, the value of office investment is underpinned by a strong occupational market, and with construction activity slow to get going, further rental growth will continue to attract institutional buyers of prime assets. ■

PRIME YIELDS	
END-YEAR OUTLOOK	
Offices	➔
Retail	➔
Industrial	➔

GRAPH 8
Ireland Investment Volume 2007-2016



Source: Savills

TABLE 8
Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Elm Park	Dublin	€190m	Starwood	Mixed
Central Park	Dublin	€155m	Green REIT	Mixed
Wilton Shopping Centre	Cork	€70m	Clarendon/York Capital	Retail
Bloodstone, Silicon Docks	Dublin	€70m	Real IS	Office
Nutgrove Retail Park	Dublin	€68.8m	Davidson Kempner	Retail

Source: Savills

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2015 confirmed the full recovery of the Italian market, reaching the highest volume since 2008 confirming that Italy is back amongst the European core league being in the radar of all main international investors and offering “good value for money”. With over €6.7bn invested in Italy in 2015, circa 25% year-on-year increase in terms of market volumes, highlights the strong appeal of the Italian CRE.

Some major transactions, not included in the above total volume because of the nature of the deal transactions, are represented by Corio/Klepierre merge, the second tranche of Porta Nuova district and a few fund purchases. (total volume approximately €2.5bn). The general macro economic environment and the interest rate record lows represent two of the main drivers of this positive performances in 2015. In addition, the strong demand exceeded the availability of institutional products driving down the returns across all asset classes.

Total office volumes reached circa €2.9bn representing the most active sector (circa 44% on the total invested volume) whilst retail sector reached over €1.46bn (circa 22% of the total invested volume) with transactions slipping into Q1 2016.

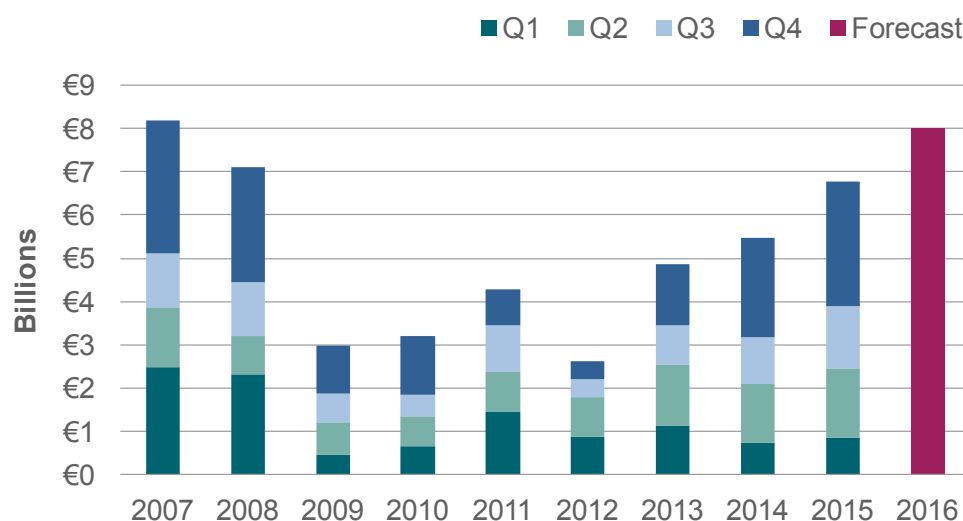
The investment activity was driven by foreign investors, the most active players representing 65% of the total invested volume. However, domestic players increased their activities, circa 35% of the total invested volume, showing a gradual return to the investment scene also due to the foreseen rising share of listed companies.

The Italian CRE market, initially led by the value-add players, has now morphed into a more diversified scenario recording more entries from different source of capital such as SWF and Core – Core Plus type of money targeting iconic buildings and large portfolios.

The outlook for 2016 is positive as a growing number of investors are confident about the economic recovery of Italy and they are attracted by better returns, the devaluation of the euro, interest rates at historic lows and larger liquidity in circulation thanks to the banks' expansive policies. ■

PRIME YIELDS END-YEAR OUTLOOK	
Offices	➔
Retail	➡
Industrial	➔

GRAPH 9
Italy Investment Volume 2007-2016



Source: Savills

TABLE 9
Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
FIP - Kennedy Wilson Office Portfolio	Nationwide	€185.5m	Kennedy Wilson	Office
Via Verdi 9	Milan	€127m	Intesa San Paolo	Office
CC Punta di Ferro	Forlì	€124.5m	IGD SIIQ	Retail
CC Le Centurie	Padova	€29m	Tristan Capital Partners	Retail

Source: Savills

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The Dutch economy has been growing gradually and forecasts for the 2016 are positive as well, as the CPB predicts a 2.1% growth, with household consumption up by 2.2%, exports by 4.4% and private investments by 6.8%. The Dutch leasing market followed the positive trend and take-up increased in both the office and industrial market, while remaining fairly stable in the retail market.

The same goes for the investment market which surpassed the already high totals of 2014. Investment in offices, industrial, retail, hotels and residential reached €11.3bn, well over the €9.7bn of 2014. Largest increase could be found in the retail sector, where investments increased by over 60% to €2.85bn. This retail volume was backed by a number of large portfolio transactions: two of the three largest transactions in 2015 Q4 concerned retail portfolios.

The third top three transaction concerned the purchase of office building The Bank by Deka. This transaction set an unprecedented low yield of around 4.2% gross and showed the continuing interest in Dutch core product, also visible in the purchases of The Haagse Poort and New Babylon in The Hague and Central Post in Rotterdam. These core transactions were accompanied by a number of portfolio transactions which concerned core, value-add as well as opportunistic office properties. Total office investments reached €3.8bn and were 3% higher than the previous year.

The industrial market also saw a substantial increase in investment: +17% to €1.45bn. This increase could especially be contributed to rising investments in the logistic sector, as the likes of IDI Gazely, Montea and Brookfield made substantial new investments in this

sector.

As in the previous year, the share of cross-border investments was substantial. In 2015 Q4 just over 64% of all investments originated from abroad. Largest inflow initiated from the UK (over €800m), Germany (almost €700m) and the USA (around €350m).

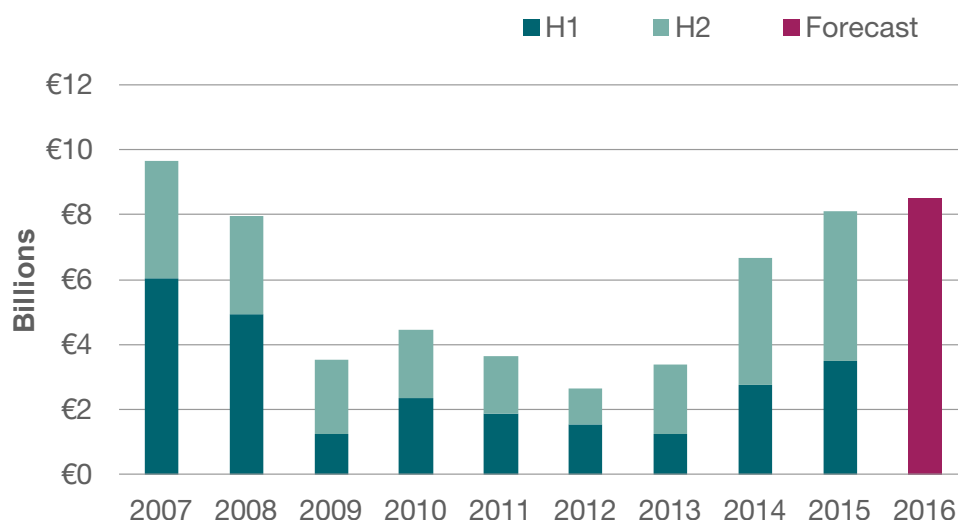
Current prime gross yields in the office market stand at 4.8%, in the logistics market at 5.75%, for high

street retail at 3.8% and shopping centres at 5.25% and in the residential market at 4.8%. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	↓
Retail	↓
Industrial	↓

GRAPH 10
Netherlands Investment Volume 2007-2016



Source: Savills

TABLE 10
Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Mixed portfolio	Amsterdam	€340m	Patrizia Immobilien	Retail/Resi/Office
The Bank	Amsterdam	€275m	Deka Immobilien	Office
Delta Lloyd portfolio	National	€279m	EPISO 4/Tristan Capital Partners	Retail
Cobra Portfolio	National	€143.5m	NSI	Office

Source: Savills

Norway



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The investment volume in Q4 2015 exceeded expectations and the Q4 transaction volume alone surpassed NOK 40bn (€4.2bn). The largest deal was DNB Liv's sale of Oslo City for NOK 5 bn (€520m), which also is the largest stand alone deal ever in Norway.

When looking at pure volume, the office and retail segments are neck to neck, with each constituting roughly a third of the total volume, though the retail segment primarily was fueled by a few very large portfolio deals.

Foreign interest in Norway has exploded while oil prices have plummeted showing that the foreign investors emphasise structural factors such as demographics, financial strength and political stability. When we sum up 2015, foreign investors' share of the total transaction volume is around 35 % and six of the ten largest transactions had a foreign buyer. Overall, 2015 was characterised by an excess demand driven by the low interest rates and the keen interest from the foreign investors. At the same time, many sellers chose to use the strong transaction market to take profit on large scale. This created a highly dynamic market and a well functioning transaction climate.

One of the most important drivers behind the active transaction market has been low funding cost. Banks have offered competitive margins at a time in which interest rates have fallen to record low levels. Still, there are strong expectations that the interest rate will remain low, but the important question going forward is the access to financing and the credit margins. We find that the bank market is considerably tighter than it was six months ago. Bank margins have come up and still trending upwards. The banks – at least those

that are comprised by the Norwegian regulatory requirements - are more risk averse and have announced a more restrictive lending policy towards commercial real estate.

Banks are naturally most skeptical of oil heavy areas, but the same applies to properties with vacancy or short-term leases and secondary location. There are however branches of foreign banks with fewer regulatory requirements for commercial real estate lending to investors, and we

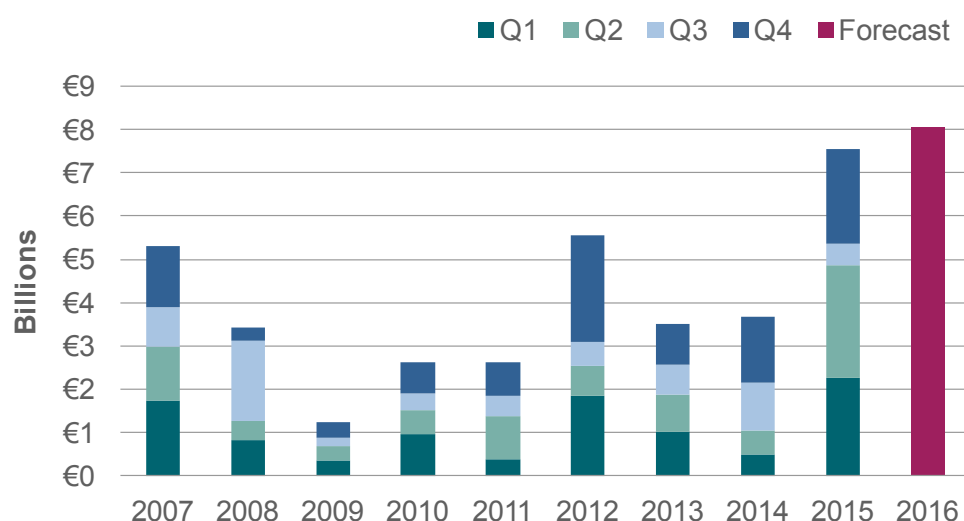
also see that some life insurance companies are exposing themselves to the real estate market as lenders instead of making direct investments in assets. All in all we expect a well-functioning investment market in 2016. We predict total transaction volume around NOK75 bn (€7.8bn), stable prime office yields at 4.25%, and that the investors continue pricing in a risk premium for secondary properties. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 11

Norway Investment Volume 2007-2016



Source: RCA / Heilo

TABLE 11

Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
DNB Middle Building	Oslo	€417m	Meteva	Office
Oslo City	Oslo	€535m	Steen & Strom/Entra	Shopping Centre/Office
Fornebuporten	Fornebu	€342m	Joh. Johanson, Aker, Watruium, TRG	Office

Source: Heilo

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The end-year volume of investment transactions is estimated at €4bn, which is the second highest result in the history of the Polish investment market (the record level of €4.7bn was recorded in 2006) and reflects a 30% growth compared to 2014.

2015 results were boosted by two large share transactions - takeover of 41.55% stake in Echo Investment S.A. by Oaktree and PIMCO managed by Griffin Real Estate in June 2015 and acquisition of some SPVs of Trigranit by TPG Real Estate in November 2015.

Portfolio sales are showing a record high in Europe and this seems to be a trend in Poland too, with a 40% share in 2015, including share transactions. A few more portfolio transactions are on the go, confirming they have lot of advantages for both parties. Buyers benefit from a yield premium and are able to gain scale and deploy capital quickly. Sellers have the opportunity to dispose of secondary assets within larger portfolios and thus maximise returns.

Despite strong occupier demand in the Warsaw office market, high new supply is expected in 2015. 2015 brought some uncertainty to the investment market, shifting investment capital towards regional cities where higher yields compensate for risk of investing in local markets and rental levels are more stable.

The volume of investment transactions in regional office markets has been growing since 2013 and 2015 was a record year with the highest volume of above €700m. Office development in regional cities is still high and over the next two years there will be a few decent schemes delivered. The growing size of regional office markets improves

liquidity which will attract investor interest.

The volume of retail transactions in 2015 exceeded €2.2bn, reflecting an outstanding growth of 285% year-on-year. This was a result of a few large transactions, e.g. the acquisition of Riviera Shopping Centre in Gdynia by Union Investment, Stary Browar by Deutsche Wealth Asset Management and Karolinka and Pogoria Shopping Centres by Rockcastle. There will still

be a strong interest in retail investment, with a particular focus on dominant schemes in local markets or smaller convenience centres.

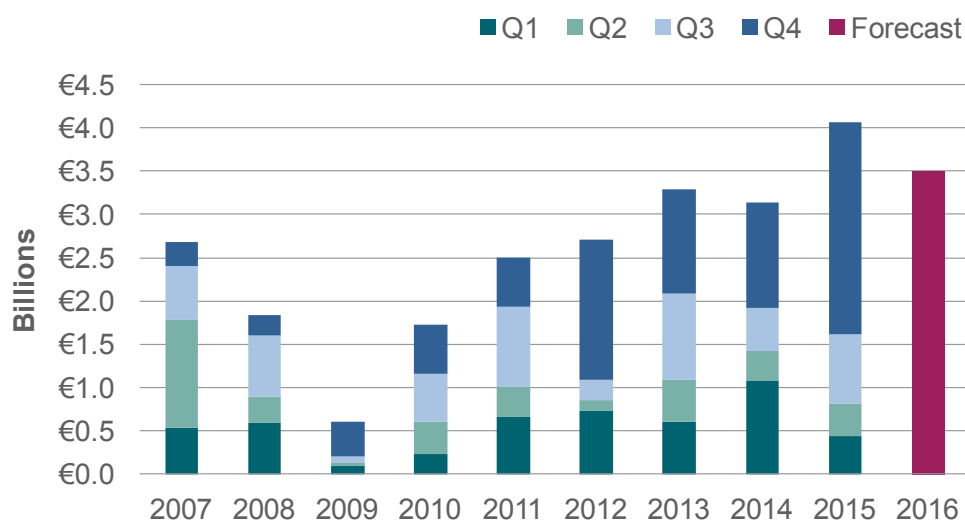
Investment activity in warehouse sector in 2015 was slightly lower than in a record 2014, with a total volume of transactions of ca. €470m. Lower volume was mainly a result of a limited supply of investment product in the industrial sector, following a very active 2013-2014. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 12

Poland Investment Volume 2007-2016



Source: Savills

TABLE 12

Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Sfera	Warsaw	€203m	CBRE GI	Retail
Stary Browar	Poznan	€285m	Deutsche Asset & Wealth Management (Deutsche AWM)	Retail
Dominika ski Square	Wroclaw	€117m	Union Investment	Office

Source: Savills

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The recovery experienced in tertiary markets was maintained in 2015 with the final investment volume closing in at just over €8.3bn, which is slightly greater than 2014 volume; and similar to the level reached in 2006. It should be noted that the aforementioned volume does not include corporate transactions, such as Merlin's acquisition of Testa (valued at around €1.8bn).

Every real estate segment excluding the hotel market recorded increased activity levels. However these results do not include sales for own use, which if they did, the hotel segment would be regarded as being particularly active. When considering the hotel segment's equity transactions in its entirety, the annual total would be close to €2bn.

Although the number of portfolio transactions has remained stable, the volume within these transactions has been reduced to half. That being said, it is interesting to note that the rapid turnover of product has moved in a unified way, increasing capital value within a short period of time.

International presence has been maintained in the market, representing nearly 60% of total capital investment. The remaining 40% is comprised of local and domestic capital, 43% of which is derived from SOCIMI (Spanish REIT) that have international funds among their shareholders.

The economic recovery, excess market liquidity, low interest rates and a sharp adjustment in prices have led to strong investment activity which is facing a significant product shortage.

Although the imbalance between supply and demand has pushed yields to lower levels, investors have relied on a forecasted growth strategy to increase their profit, even though in some occupational markets the increased income has yet to materialise. However, some investors with this strategy who bought prime

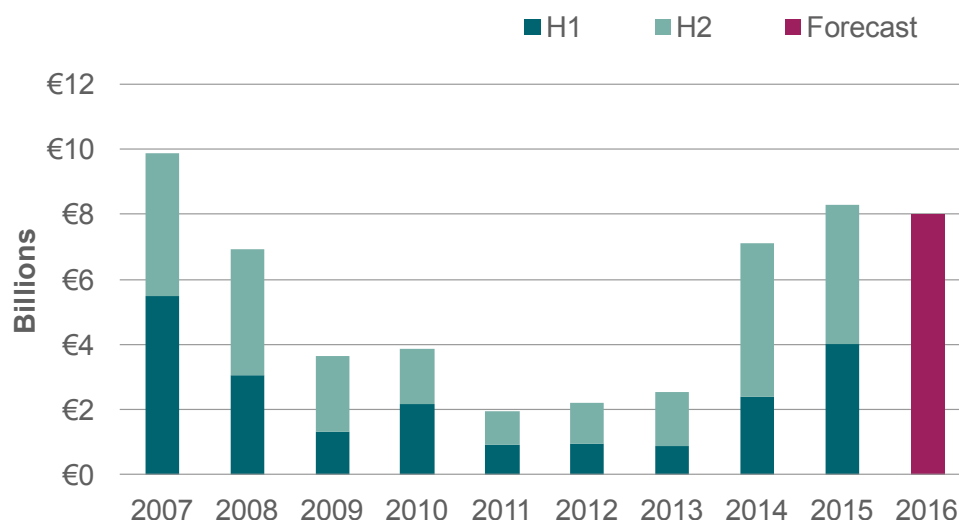
assets in prime areas have already begun to reap the benefits. It is worth mentioning that in recent months, the emergence of an alternative investment product has come into the fold. This has seen several international players enter the market in pursuit of healthcare, student housing, petrol stations, parking lots and storage facilities. These products are seen as attractive to investors due to the lack of competition and potential for growth.

PRIME YIELDS END-YEAR OUTLOOK

Offices	↓
Retail	↓
Industrial	↓

GRAPH 13

Spain Investment Volume 2007-2016



Source: Savills

TABLE 13

Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Paseo de la Castellana, 259D	Madrid	€558m	Emperador	Office
Avda. de América, 115	Madrid	€175m	IBA Capital Partners	Office
Megapark Barakaldo	Barakaldo	€132m	Lar España Real Estate Socimi	Retail
Office Portfolio	Madrid/Barcelona	€110m	AXA REIM	Office

Source: Savills

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The Swedish economy improved at a faster pace than expected during the second half of 2015 and early estimates predict that the Swedish economy grew by 3.5% in 2015 and the National Institute of Economic Research estimates that the GDP will grow by 3.7% in 2016 and by 2.7% in 2017.

Despite the positive signals the Bank of Sweden has kept the lending rate at record low levels and has increased the QE-programme and their prediction for a first lending rate hike is during the first half of 2017. The economic growth continues to be fuelled by strong consumer consumption and investments into residential development schemes. Other macro-economic indicators signal that the economy is improving, with lower unemployment rates and a decreasing number of bankruptcies to mention a few. Forward looking indicators such as the ESI and many others all indicate a positive trend for economic growth.

The low interest rates and solid property market fundamentals has led to a highly competitive market, where demand far outweighs the supply and the competition for properties on the market is fierce.

The competitive climate has led to ever lower prime yields and a number of record-low yields have been noted in many segments and geographic markets. The transaction pace, measured as the number of transactions carried through, was record high with more than 640 transactions made in 2015, which was 11% higher than 2014.

The commercial transaction volume amounted to SEK 106bn (€11.2bn) in 2015, which was SEK 10bn (€1bn) lower compared to 2014. The lack of seller interest has led to increasing competition for

prime assets in the larger cities (Stockholm, Gothenburg & Malmö) resulting in yield compression on these markets. The lack of prime assets has forced investors to widen their investment criteria to secondary assets or other sub-segments or geographic markets.

Transaction volumes for offices has been modest due to the lack of supply, but record high transaction

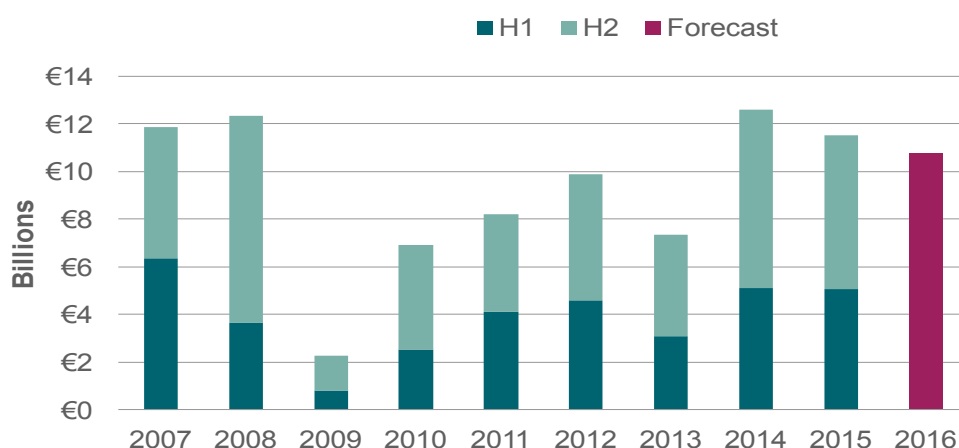
volumes have been noted for the industrial segment along with the retail warehouse segment, both of which has attracted a significant amount of foreign buyers.

We expect yields to compress further, albeit at a slower pace and it is not unlikely that record low yields will be noted in some segments in the first half of 2016. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	➔
Retail	➔
Industrial	➔

GRAPH 14
Sweden Investment Volume 2007-2016



Source: Savills

TABLE 14
Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Coop Konsum Bergvik	Karlstad	€ 64.2m	Eurocommercial	Retail
Fatburssjon 5	Stockholm	€ 328.4m	AMF Fastigheter	Office
Racketen 10	Stockholm	€ 86.9m	JM AB	Office
Quality Hotel Friends	Solna	€ 108.6m	Nordic Choice Hotels	Hotel
Torsplan 2	Solna	€ 174.1m	Castellum AB	Office

Source: RCA

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2015 was another strong year for the UK commercial property markets, with improving levels of leasing and investment activity across all sectors in the UK. Central London continued to perform well, with leasing volumes in the City and West End ahead of long-term average levels, though not quite at the record levels seen earlier in the recovery period of this cycle. The volume of investment into central London offices in 2015 was also well above average at just under £19bn (€25.1bn), though this was down on the record high levels of activity seen in 2013 and 2014.

The notable change in the UK commercial markets in 2015 was the rise in occupational activity and investor demand for markets outside London. Recovering local economies drove a 16% increase in office leasing activity in the key regional office markets. This, combined with falling vacancies and rising rents, lead to an increase in investor interest in markets outside London, and we estimate that 45% of the £70bn (€92.5m) invested in commercial real-estate in 2015 was outside Greater London. Of particular note is the rise in non-domestic investor interest in the markets outside London, which reached its highest ever level in 2015.

Looking ahead we believe that most of the obvious cyclical capital value growth plays have all but disappeared, though there are still areas of mispricing in some of the regional markets, amongst small lot sizes, and in the retail sector. These will remain the hunting grounds of the opportunistic investor in 2016, while the bulk of the more risk-averse investors will be focusing on income return and rental growth opportunities. The key question for most of these investors in 2016 will be whether

the asset is likely to deliver rental growth over the short to medium term. Where the answer is "no", then past experience tells us that the yield may be more exposed to softening once the UK base rate starts to rise.

Generally the total returns being delivered by the UK will be lower in 2016 than in 2015, though at 6-8% per annum over the next five years they will remain competitive against many other asset classes. This, combined with a global swing back towards income protection, should

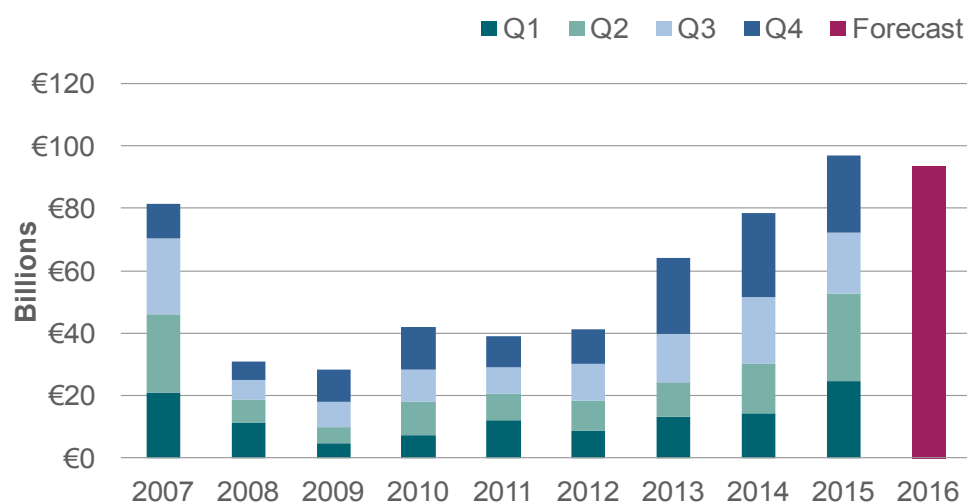
ensure that the investment volumes in the UK remain above average in 2016. ■

PRIME YIELDS END-YEAR OUTLOOK

Offices	↘
Retail	→
Industrial	→

GRAPH 15

UK Investment Volume 2007-2016



Source: Savills

TABLE 15

Major investment transactions, Q4 2015

Property	Location	Price	Buyer	Usage
Bath Road Frontage	Slough	€417m	AEW Europe	Office
Buckingham Palace Road, 123	London SW1	€639m	GAW Capital	Office
Cromwell Road, 97	London SW7	€513m	Queensgate Investments	Hotel
Southward Street, 110	London SE1	€532m	Oxford Properties Europe	Office

Source: Savills

Key investment indicators

GDP growth, prime rental growth¹, prime yields and yield shift² in Q4 2015

City	GDP growth 2016 (f) ¹	Office rental growth	Office yield	Office yield shift	Industrial yield	Industrial yield shift	SC ⁵ rental growth	SC yield	SC yield shift	<p>Note 1: Rental growth is annual and calculated in local currencies</p> <p>Note 2: Prime yield shift is annual - in basis points</p> <p>Note 3: First estimations</p> <p>Note 4: GDP is national, growth is annual and it is the Oxford Economics forecast for the year 2016</p> <p>Note 5: SC=Regional Shopping Centre. Rental growth refers to prime standard unit of approx 100sqm</p> <p>Note 6: London offices refer to West End</p> <p>Note 7: Yields are quoted Net unless noted otherwise</p> <p>Note 8: Dublin GDP growth is the Savills Ireland forecast</p>
Amsterdam	1.9%	0.0%	4.2%	-80	6.0% (Gross)	-75	-2.5%	5.25% (Gross)	-50	
Athens	-2.2%	0.0%	8.3%	0	10.0%	0	0.0%	7.5%	0	
Berlin	2.2%	8.0%	3.9%	-40	5.8%	-90	n/a	4.6%	-10	
Brussels	1.4%	0.0%	4.25% (Gross)	-75	6.75% (Gross)	-50	0.0%	4.25% (Gross)	-100	
Copenhagen*	1.0%	7.0%	4.25%	-25	8.25%	-50	7.7%	4.0%	-50	
Dublin	4.4%	21.1%	4.3%	-25	6.0%	-100	28.6%	4.5%	-50	
Dusseldorf	2.2%	0.0%	4.1%	-20	5.6%	-90	n/a	4.3%	-30	
Frankfurt	2.2%	2.6%	4.0%	-30	5.5%	-70	n/a	4.2%	-20	
Hamburg	2.2%	4.2%	4.1%	-20	5.5%	-80	n/a	4.0%	-40	
Helsinki**	0.3%	1.0%	4.5%	0	6.5%	-50	-0.5%	4.75%	0	
London ⁶	2.5%	2.2%	3.0%	-25	4.5%	-50	0.8%	4.25%	0	
Madrid	-2.8%	3.9%	4.0%	-100	n/a	n/a	0.0%	5.0%	-25	
Milan	1.3%	0.0%	4.5%	-50	7.75%	0	7.6%	5.5%	-100	
Munich	2.2%	-1.4%	3.7%	0	5.4%	-80	n/a	3.5%	-0	
Oslo***	0.9%	0.0%	4.25%	-50	6.0%	-50	8.3%	4.75%	-75	
Paris	1.1%	4.9%	3.25%	-55	6.5%	-75	0.0%	4.25%	0	
Stockholm	2.8%	4.3%	4.0%	-25	5.5%	-75	1.8%	5.0%	-15	
Vienna****	1.2%	-2%	5.5% (Gross)	0	6.5% (Gross)	-50	18.0%	4.75% (Gross)	-75	
Warsaw	3.4%	-2%	5.5% (Gross)	-50	6.75% (Gross)	-100	9.1%	5.5% (Gross)	-25	

Source: Savills / *Nybolig / **Realia / ***Heilo/ ****EHL

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