

Market report European investment

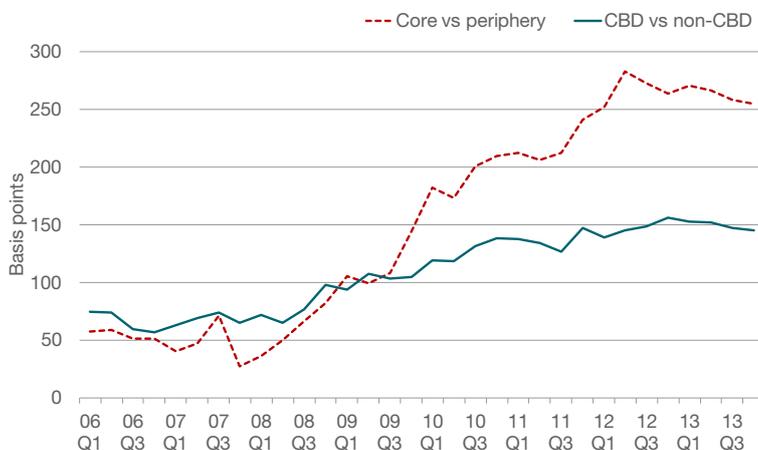
March 2014

GRAPH 1
Investment activity at 5-year high



Graph source: Savills, Eurostat / *Figures exclude Italy

GRAPH 2
Yield gaps are narrowing (prime CBD offices)



Graph source: Savills / periphery=ES, GR,IR, IT, core=D,F,UK

SUMMARY

A record year in the core while confidence returns to the periphery

■ The total investment volume in 2013 was €141bn, 22% more than in the previous year. Strong results in the two biggest markets, UK and Germany, were the main contributor, although markets in the periphery performed better as well.

■ Global cross-border investors have increased their share to 30% of total investment. They are particularly active in the UK and the periphery, where they are playing an important role in the recovery of the investment markets.

■ The share of the dominating asset class, offices, has decreased slightly to 47% of total investment, while the industrial sector saw the strongest increase of transaction volume.

■ More investors are looking for opportunities outside the core as the supply of prime properties is constrained and prime yields are at record lows.

■ The average prime yield for CBD offices in the core is 4.2%, and 6.5% in the periphery. The prime yield gap has been narrowing due to further compression in the core markets as well as in Ireland.



“2013 saw the highest volume of transactions since 2007, mostly thanks to record levels reached in the UK and Germany” Julia Maurer, Savills European Research

Economy

2013 proved to be another milestone in the slow economic recovery in the Eurozone. GDP growth in the last quarter of the year was 0.3% although on an annual level it was still slightly negative at 0.4%. For 2014, the European Commission predicts the Eurozone economy to expand by 1% - and a return to growth for all peripheral economies - under the assumption that domestic demand and exports will pick up as expected and member countries will continue to implement structural reforms.

The positive economic sentiment registered in most countries (DE and BE above average) and industries (consumer and retail trade stronger than manufacturing and construction) has not yet reflected in the unemployment rate which remains the biggest worry for a sustained recovery. The average rate across the Eurozone was relatively unchanged at 12% in December 2013, with big regional differences between the core (AT 4.9%, DE 5.1%) and the periphery (GR 27.8%, ES 25.8%).

The inflation rate slowed to 0.7% in January, which is the lowest reading since July 2011. Despite deflationary pressures in some parts of the Eurozone the ECB kept the base rate unchanged at the record low of 0.25% at its January meeting. However, ECB president Mario Draghi emphasised to maintain the high degree of monetary accommodation and to take further action if required.

A strong year, boosted by record results in the UK and Germany

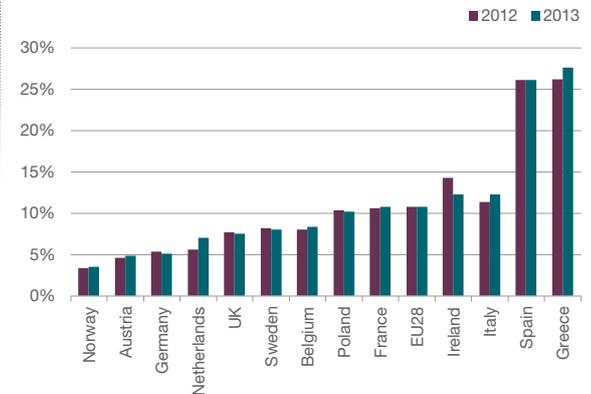
2013 closed with the highest investment volume since the beginning of the crisis in 2007. In total, approximately €141.4bn were transacted, 22% more than in the year before. The second half was particularly strong, at almost €85bn which places it 29% above the 2012 result and makes it the strongest half year since H2 2007.

The peripheral markets (ES, GR, IRE, IT), Poland and the UK registered the strongest increase of investment activity. Most prominently Greece saw a ten-fold rise of volume thanks to the privatisation sale of public assets. In the UK, the continued strong demand coming from cross-border buyers as well as higher activity in the regional markets outside London contributed to the record result of £53bn (€63bn), 58% above the 2012 level.

On the other side, France (-8%), Sweden (-17%) and Norway (-23%) all recorded a negative growth year-on-year. In Norway this drop can mostly be attributed to the return of a more balanced market with a higher number of mid-scale transactions while in Sweden it is caused by a lack of willing sellers. However, as the availability of financing is improving in both these markets, the number of transactions is increasing and at least in Sweden, also secondary assets are proving easier to sell.

In France, investors' sole focus on prime product has limited the

GRAPH 3 **Unemployment levels are not falling yet Average in the Eurozone is 12%**



Graph source: Eurostat

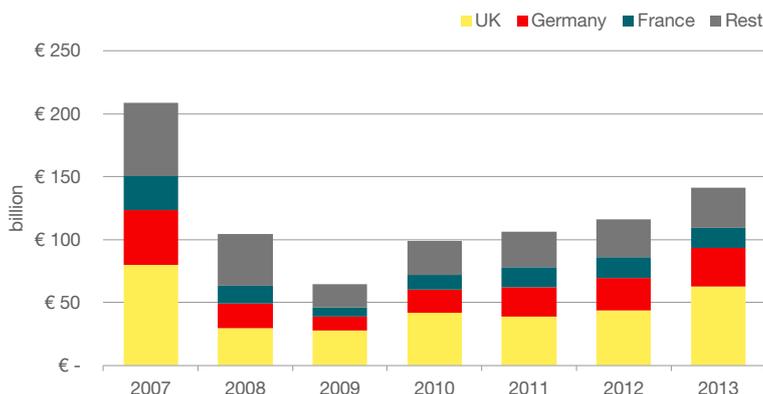
transaction volume.

Thanks to the strong UK investment volume, the three biggest markets, UK, DE and FR increased their share of total European investment from 74% in 2012 to 77% last year with the UK alone accounting for 45%. This is the highest concentration of activity in these markets since 2006.

Global cross-border flows are fuelling demand

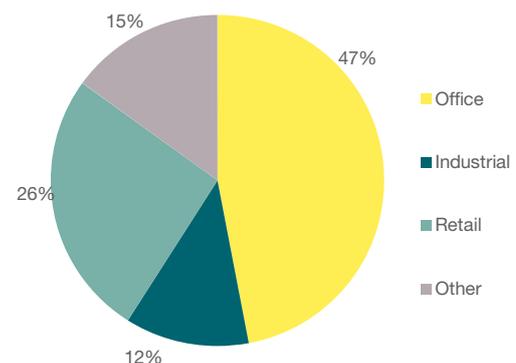
Cross-border investors are playing an important role in the recovery of the investment markets of the peripheral economies. In Spain, the share of cross-border investment has jumped from 36% in 2012 to 78% in 2013, in Italy from 64% to 79% over the

GRAPH 4 **Investment volume** Top 3 countries account for 77% of the European volume



Graph source: Savills

GRAPH 5 **Investment by asset type** Offices dominate but industrial is rising



Source: RCA, Savills analysis

“The limited supply of prime assets in the core is benefitting both, secondary locations in core, and prime properties in non-core markets ” Julia Maurer, Savills European Research

same period. Together with Poland, these two countries have the highest share of cross-border investment of all countries surveyed in this report. Looking more closely at the sources of these flows, European investors have come back to the Spanish market. Their share of total investment increased from 10% in 2012 to 40% in 2013, with French buyers alone accounting for €520m of transactions, compared to €70m in 2012. Equally, after being absent in 2012, German open-ended funds Deka and Union both purchased prime properties in Barcelona and Madrid last year.

In the core markets, domestic investors dominated with shares ranging from 67% in France and Germany to 88% in Sweden. Cross-border investment coming from European sources weakened in all these markets, including the UK, with French investment being distinctively lower than in the year before.

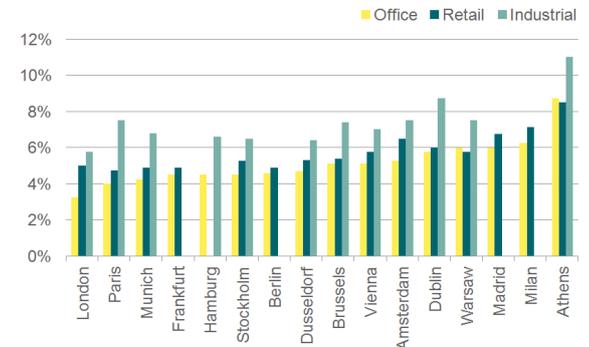
The weakening of intra-regional flows is also reflected on a pan-European level, across our survey area the share of European cross-border investment

fell from 24% in 2012 to 16% in 2013. On the other hand, global investment flows increased their share to almost 30% (25% in 2012). Partly responsible for this might be the type of global investors currently active in European markets. US investment, the largest single source of global cross-border money, comes mostly in the form of private-equity funds (e.g. Blackstone and Lone Star) who have a certain preference for portfolio acquisitions. Sovereign wealth funds from the Middle East and AsiaPac, the other main group of global players here, have very large amounts of capital to invest and usually go for investments of at least €200m.

Offices dominate, but industrial is rising strongest

Compared to 2012, all asset types saw an increase in transaction volume, although the industrial sector recorded the most pronounced rise (+27% year-on-year). The industrial sector is traditionally strong in the transport hubs, Netherlands (21%), Poland (33%), but thanks to a portfolio purchase by Norges Bank its share

GRAPH 6 Prime yields Historically low in the core, stable in the periphery



Graph source: Savills

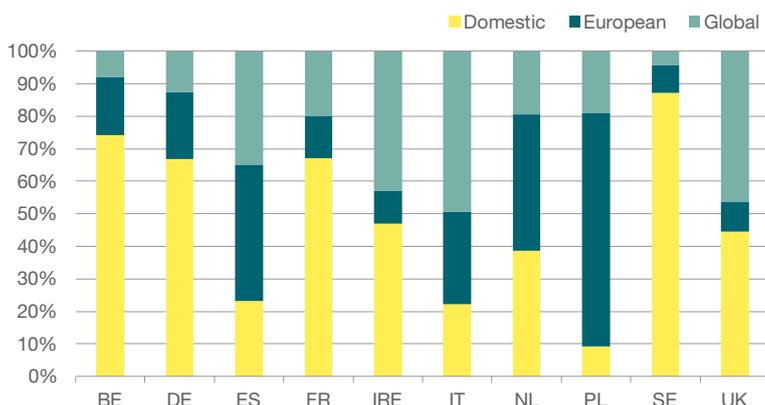
also increased strongly in Italy (14% vs 1% in 2012).

Overall, the office sector accounts for the majority of investment volume, although its share has decreased slightly to 47% on average across the survey area (from 51% in 2012) as the market becomes more balanced. This is particularly true in the periphery, Ireland, Italy and Spain, where the share of the retail sector has increased and is back in line with the five-year average level, or in the case of Ireland even higher (32%).

Investors are increasingly looking outside the core

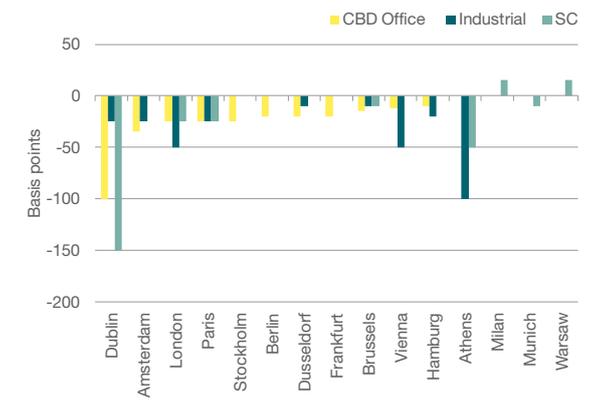
As demand for core properties

GRAPH 7 Cross-border investment Domestic players dominate in the core, apart from the global UK market



Graph source: Savills, RCA (IT, SE, UK)

GRAPH 8 Prime yields Markets where prime yields have shifted year-on-year



Graph source: Savills

continues to be high, investors looking for higher returns, and who are also less risk-averse, are employing two different investment strategies: they are either looking at value-add or opportunistic opportunities in the core markets, or as described earlier, at prime assets in peripheral or secondary markets.

In the UK and Germany this is reflected in rising interest in office properties outside the CBD locations in London and the German top 6, but also in higher activity in the regional markets in the UK and secondary cities in Germany. This development is mostly driven by domestic investors who have better market knowledge. Non-CBD yields in these markets have compressed by 32 bps on average in Q4 2013, secondary CBD yields by 16bps.

In France, investors have been more wary of the recovery of the market outside Paris CBD. Accordingly, yields in the secondary markets have moved out by 38 bps on average across all sectors.

In the peripheral markets the rebound in investment activity last year is a positive sign although full confidence in the recovery of these markets is not yet restored. Cross-border investment in these countries is dominated by the more opportunistic funds looking for higher yields, while risk-averse buyers are still relatively absent. Yields across all sectors have therefore stayed stable, with some outward movement

in the secondary markets.

Prime yields are hardening in the core and stabilising elsewhere

The hardening of average prime office yields across the survey area is therefore due to the continuous downward pressure on yields in the core markets. Prime CBD yields in London, Paris and the German top 6 have actually reached a level that was last achieved pre-crisis in 2007. On average it is 4.2% in these markets.

In comparison, the average prime CBD office yield in the whole survey area stood at 5.2% in Q4 13, 19bps lower than at the end of 2012, reflecting a yield compression for the sixth consecutive quarter. Prime non-CBD office yields also hardened slightly and stood at 6.6% at the end of last year, a compression of 25bps. The polarisation between core and periphery therefore persists although the yield gap on both, local and regional level has been narrowing for the sixth consecutive quarter.

The prime industrial yield is 7.4%, down from 7.65% at the end of 2012. Strong demand from a growing group of cross-border buyers (e.g. Segro, Blackstone, Delin) combined with limited supply in the major hubs has resulted in on-going prime yield compression in this sector, which is less impacted by rental volatility than offices and retail.

OUTLOOK

2014 will see more markets and sectors benefitting from continued investor demand

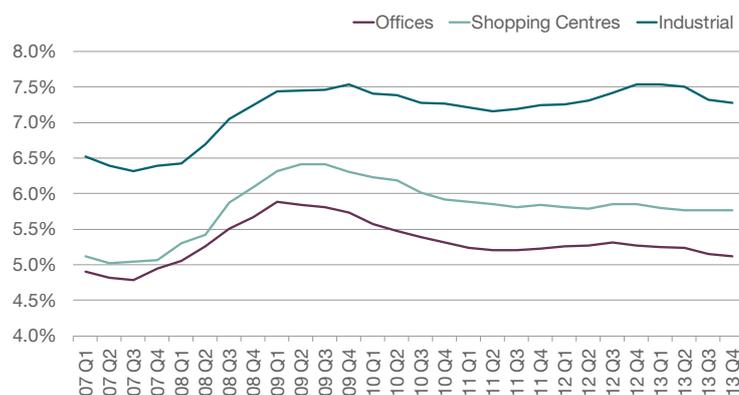
■ After the record transaction level achieved in 2013, we expect activity to normalise across most markets. The total investment volume in the survey area will increase slightly by 4% year-on-year.

■ France, Sweden and Spain should all see a double-digit investment volume growth in 2014, which is a return to normal levels for the first two countries, and confirms the ongoing interest of investors in the latter market, believing that prices have hit the bottom.

■ 2014 will see continued high demand for prime investment opportunities with interest from cross-border buyers adding further pressure on pricing levels. We believe that a more diverse group of buyers will be looking into markets outside the core, both on a local and regional level. This development will be supported by a softening in lending restrictions. Given the oversupply of potential debt in the core, there will be a continued focus on assets outside this market.

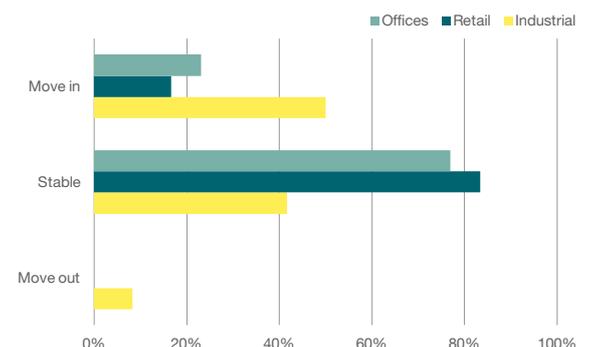
■ Prime yields will stay stable across most sectors and markets with some notable exceptions: further hardening of all yields is expected in Germany – the safest haven, additionally boosted by strong business and consumer sentiment - and Ireland – which is right in the radar of global investors. Among the different sectors, the industrial one stands out, where we expect prime yields to decrease in half of the markets surveyed. Not least because of the growth in ecommerce and the entry of some major US and UK institutional players in the mainland European market, will the industrial sector become a more established investment class.

GRAPH 9 **European prime yield averages** Slight inward yield shift underpinned by core markets and Ireland



Graph source: Savills

GRAPH 10 **End-year prime yield outlook** Mostly stable, slight hardening of industrial yields*



Graph source: Savills/ *Savills survey of AT, BE, ES, FR, DE, GR, IR, NL, NO, PL, SE, UK

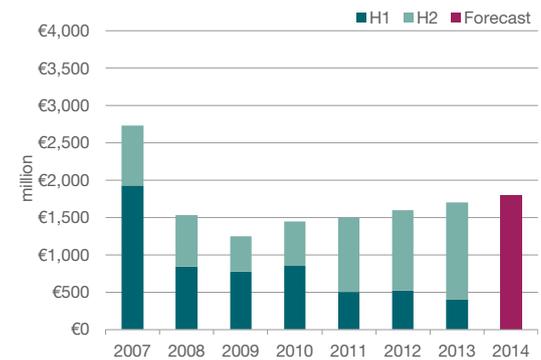
European country review

Austria

Following a strong fourth quarter, the transaction volume increased slightly from €1.65 bn in 2012 to €1.7 bn in 2013. This upswing is expected to continue in 2014 since several deals are about to be closed. Investors are still mostly focused on the core segment, where demand largely exceeds supply. Due to the limited supply of core properties and because of the increasing take-up levels, transactions outside the top segment become more frequent. Most transactions were in the price

range of €20-60m, only a very limited number of large-scale transactions above €100m took place. In 2013, office and retail transactions accounted for more than two thirds of the volume with a 40% and 30% share respectively, hotels amounted to 15%. The market is dominated by Austrian and German investors with an 80% share of the transaction volume which will continue in 2014. There is also an increasing number of investors from the former Soviet Union who are showing in the Austrian market, especially in the hotel segment.

GRAPH 11
Austria



Graph source: EHL

PRIME YIELDS

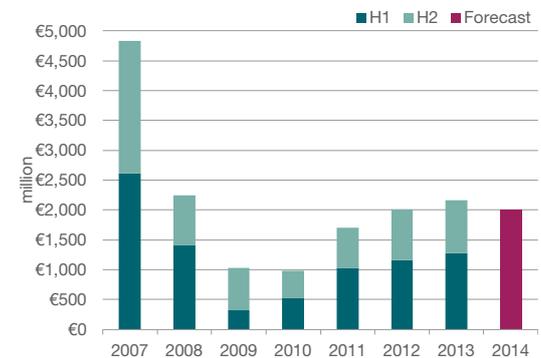
END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **stable**

Belgium

Following a quieter second half, the total investment volume in 2013 reached €2.17 billion (+7% compared to 2012). German funds have been particularly active on the market in 2012 with €452 million (21%) invested exclusively in office assets located in central Brussels. However, the Belgian investment market continues to be dominated by domestic players (72 %). For the first time since 2008, the office investment volume surpassed the €1 bn mark in 2013 (+75% compared to 2012). Demand remains focused

on well-let prime assets. Due to the scarcity of these assets and the low long-term interest rates, prime office yields declined in 2013 and are now trading at 6% for buildings with standard 6/9 years leases (-25bps compared to 2012). Prime yields should remain under pressure in 2014, particularly if Belgian LT interest rates remain low. On the other hand, the retail market that outperformed in 2012, has slowed down with €57m invested (-17% compared to 2012).

GRAPH 12
Belgium



Graph source: Savills

PRIME YIELDS

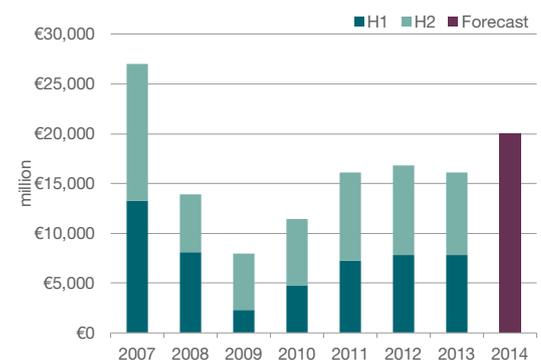
END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **move in**

France

In spite of the slowing rental market and a low growth economic environment, the transaction volume reached €16.1bn, for the third consecutive year. There were 45 large-scale transactions of more than €100m which boosted the market, representing 55% of the total. However a return of transactions in the €50 -100m range is felt, giving way to a more balanced and diversified market. French investors continue to dominate the market (68 % of the total) while German and Middle-Eastern buyers

are less active. They represent no more than 4% and 9 % against 9 % and 12 % in 2012. On the other hand, American investors have returned to the market, with a 8% share of the total. There is an increasing share of activity outside the CBD and Paris in general, with the 1st Inner Suburb attracting most of this outward movement. The main reason for this development is the more plentiful and diversified offer here as well as the more attractive prices for prime product.

GRAPH 13
France



Graph source: Savills

PRIME YIELDS

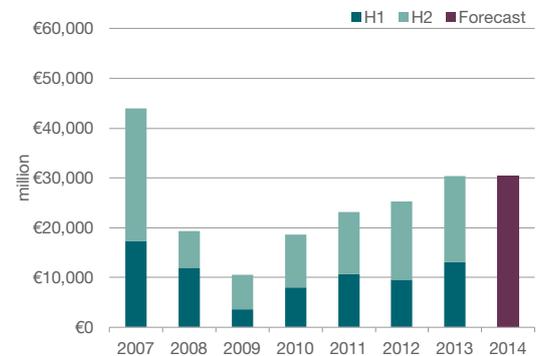
END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **stable**

Germany

2013 recorded the highest transaction volume since 2007 (€30.4bn) which is also a 20% increase y-o-y. Investments into office properties rose by 61% year-on-year to €13.27bn (market share of 44%) and pushed retail transactions, which have been the preferred asset type in previous years, into second place with a share of 33% and a total volume of €9.96bn. This was mainly due to a lack of supply, particularly with regard to shopping centres and prime high street assets. Strong demand combined with a lack of core properties available in the market resulted in continuously

rising prices and contracting yields. Prime office yields in the Big 6 decreased by 10 to 20 basis points to 4.6% on average. Similar to 2012 open-ended special funds represented the largest group of buyers in 2013. Foreign buyers invested less than the year before, decreasing their share of transactions to 33% from 46% in 2012. For 2014 the investment market is expected to remain highly dynamic. Whilst the lack of prime product continues to be a limiting factor, activity in the core+ and value-added segment is likely to increase further.

GRAPH 14
Germany



Graph source: Savills

PRIME YIELDS

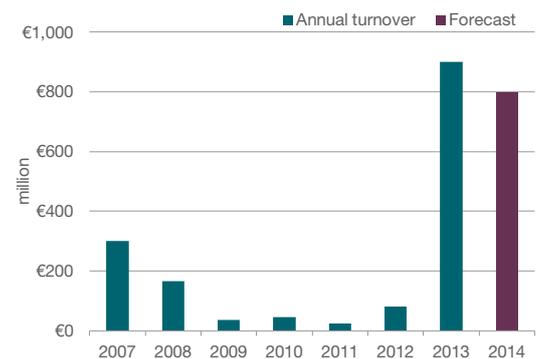
END-YEAR OUTLOOK Offices: **move in** Retail: **move in** Industrial: **move in**

Greece

Although the economy is shrinking more slowly and forward-looking indicators point to a slight improvement, the outlook remains fragile. Nevertheless, the perception amongst some investors is that the market has reached its bottom and opportunities are emerging. This is reflected in last year's investment activity which increased more than tenfold compared to the year before exceeding €900m. This extraordinary scale of activity was underpinned by two major sales via the privatisation programme of public assets regarding

the sale and leaseback of 28 public buildings in Athens to Eurobank Properties and NBG (National Bank of Greece) Pangaia (€261m) and the sale of Astir Hotel in Athens to Saudi Arabian fund ACG (€400m). Foreign interest in the Greek real estate market is also reflected in the recent acquisitions of majority stakes into Eurobank's and NBG's property investment subsidiaries for over €800m. The reduction of property transfer tax may also trigger some interest amongst private investors on the market, particularly for prime properties.

GRAPH 15
Greece



Graph source: RCA, Savills

PRIME YIELDS

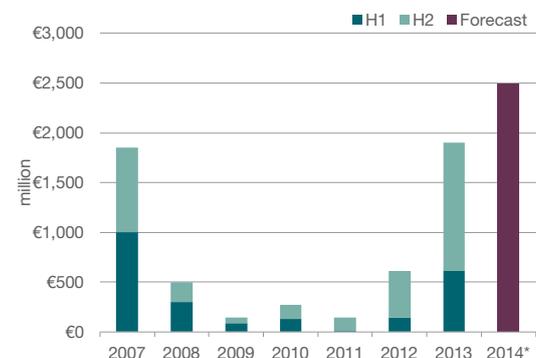
END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **stable**

Ireland

2013 was a year of two halves in the Irish investment market. Proceedings began with approximately €240m of investment property sale-agreed / in legals, and a further €200m available for purchase. By mid-year this had translated into €610m of completed deals – a 6% increase on turnover for the entire year of 2012. Nonetheless, there was a distinct up-shift in activity during the second half of the year. This was facilitated by a flow of new supply onto the market and by the sale of several large portfolios. By year-end, total turnover surpassed €1.9bn, the strongest performance in

value terms since 2006. However, with asset values having rebased in recent years, the total number of transactions rose to a new record in 2013. As in the previous year, both the supply of and demand for investment property remained firmly fixed on the Dublin market in 2013 with 94% of total sales value accounted for by Dublin transactions. We expect this trend to continue in 2014 and anticipate that total turnover will exceed €2.5bn.

GRAPH 16
Ireland



Graph source: Savills

PRIME YIELDS

END-YEAR OUTLOOK Offices: **move in** Retail: **move in** Industrial: **move in**

Italy

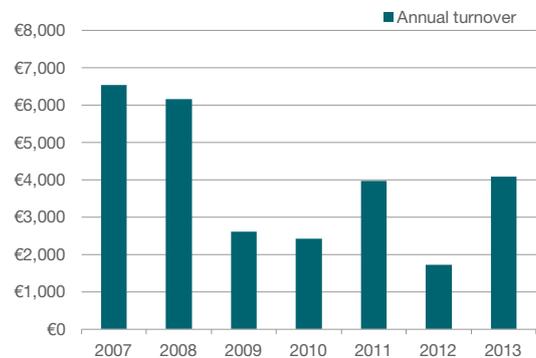
Despite the low-growth economic environment, the transaction volume in 2013 was approximately €4bn, 137% more than the 2012 level. With a cross-border share of about 74% this recovery is mostly driven by foreign buyers who have regained confidence in a politically and economically stable outlook for Italy. The country attracts investors on both ends of the risk spectrum. On the one side, sovereign wealth funds from the Middle East are buying trophy assets, like Qatar Holding LLC, a unit of the Persian Gulf emirate's SWF, agreed to buy some 40% of the Porta Nuova office

development in Milan. On the other hand, opportunistic funds are looking at higher returns than those achievable in the core markets. US-equity funds such as Blackstone, that was one of the most active buyers last year, purchase office and retail assets. Retail properties were the favoured investment sector generally, at 47% of total commercial transaction volume (offices 41%) against a background of weak demand for office space but a relatively little indebted population. Yields for prime office and retail properties have stayed stable y-o-y but softened slightly in the secondary markets.

PRIME YIELDS

MID-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **NA**

GRAPH 17
Italy



Graph source: RCA

Netherlands

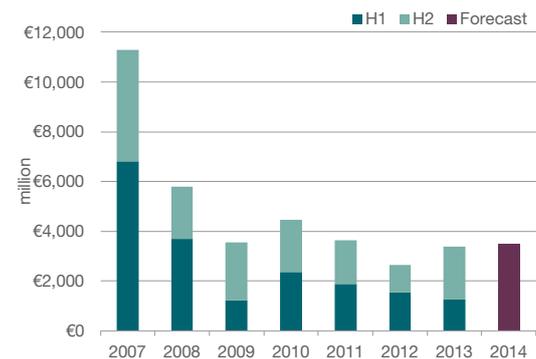
After a slow start into the year, activity increased strongly in the second half, also because of the sale of a number of portfolios in both, the value-add and opportunistic parts of the market. By year end a total of €3.38bn was transacted, a 27% increase y-o-y. The office investment volume in 2013 totaled € 1.9bn, a 53% increase y-o-y. A very significant share in the office investment market concerned portfolio transactions. The six largest transactions concerned both value-add and opportunistic properties and totaled around € 700m. Investments in retail totaled €615m

remaining 37% behind the 2012 figure. Main reason for this is a lack of good quality retail stock for sale. New developments are scarce and owners are cautious in selling profitable properties. In contrast, the industrial and logistics market showed a substantial growth and doubled in total investment volume to €880m. Yields have remained fairly stable in 2013, and in some subsectors, namely prime offices and prime logistics, contracted even further. This trend is likely to continue in 2014, while the increasing interest for value-add and opportunistic will stabilise yields in these markets.

PRIME YIELDS

MID-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **move in**

GRAPH 18
Netherlands



Graph source: Savills

Norway

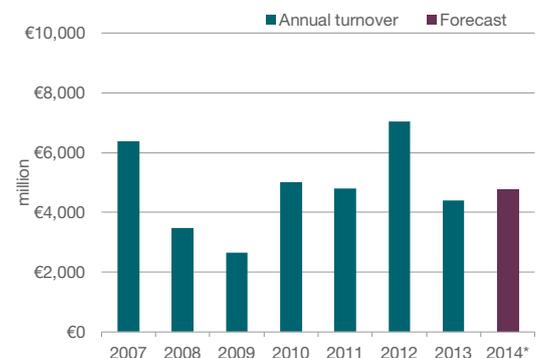
The total investment volume is expected to reach NOK37bn, approximately 29% less than the 2012 level. In spite of lower volumes, the investment market is regarded to be relatively healthy due to a high number of transactions spread over all the major cities and more small- and medium-sized transactions. Furthermore, the financing situation has eased through lower lending margins and a leverage level of 65-70%. Closed-end funds and unlisted property companies were the most aggressive buyers, whereas insurance and pension funds accounted for 65%

of the sellers. Offices and retail were the favoured sectors (70% of the total), with several large-scale transactions of shopping centres taking place, among these the portfolio acquisition of four shopping centres for NOK2bn by a JV buyer, partly owned by Swiss Partners Group. Buyers are still focussing on low risk investments, i.e. properties on long term leases with low risk tenants located in attractive areas. Investment opportunities that do not meet all these requirements may prove hard to sell and if sold only at yield levels in excess of 8-10%. Prime office and retail yields have moved in slightly, by 30bps each compared to Q4 12.

PRIME YIELDS

MID-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **stable**

GRAPH 19
Norway



Graph source: Hello

Poland

The investment activity in 2013 was relatively high, with the total volume reaching €3.3bn, a 21% growth year-on-year. Even higher growth was visible in the number of transactions that reached 63 compared to 42 in the year before. Investor appetite in 2013 was high for prime assets, and the retail properties were dominant. We anticipate, that interest in prime assets will continue this year, however, the office sector is more likely to play a dominant role. Investment activity was also high in the warehouse sector with ca. 18% share in the total investment volume. We believe this trend will be

maintained in 2014.

Acquisitions by German and Austrian investors accounted for ca. 47% of the total annual volume. US investors are the second most active group of buyers with a 11% share in the investment volume. Domestic investors accounted for ca. 9% of the 2013 volume, slightly below the 2012 share (10%).

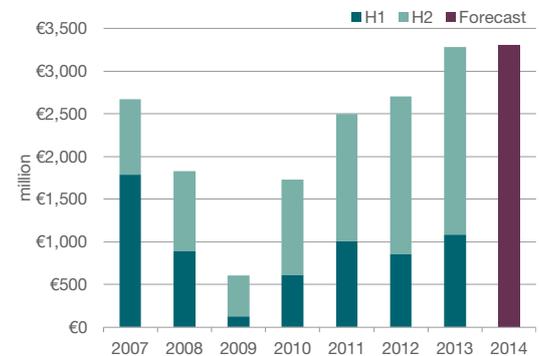
Prime yields remained stable, but with limited demand for secondary assets the gap between prime and secondary yields widened.

We believe, that positive investor sentiment will be maintained this year.

PRIME YIELDS

END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **move in**

GRAPH 20
Poland



Graph source: Savills

Spain

The positive economic outlook for 2014 has improved international investors' confidence, putting Spain back on their investment maps. In 2013, the investment volume was slightly over €2.5bn, an increase of 12% year-on-year. Cross-border investors made up almost 80% of the total, a strong growth compared with the average of 40% in the recent years. Most of these are European and had been active players in the market before the crisis. Among the newcomers, big fortunes from Latin America deserve a special mention. The largest deal of the year was the

acquisition of almost 300 Sabadell bank branch units by Fibra Uno (Mexico) for €300m.

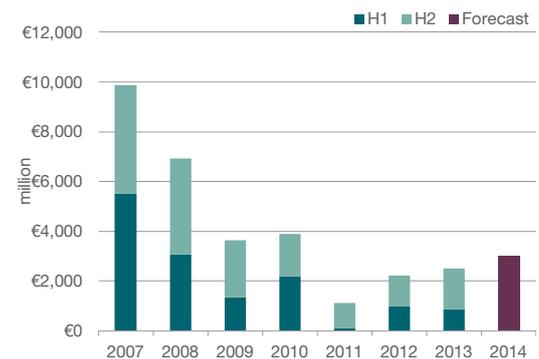
The retail segment concentrated once again the largest share of the total investment volume. After two years around 30% it was close to 50% in 2013.

The prime assets in each market segment are the more demanded products, but also the least available ones. This situation could push the yield levels down, in any case they would still remain above the European average.

PRIME YIELDS

END-YEAR OUTLOOK Offices: **move in** Retail (SC): **move in** Industrial: **move out**

GRAPH 21
Spain



Graph source: Savills

Sweden

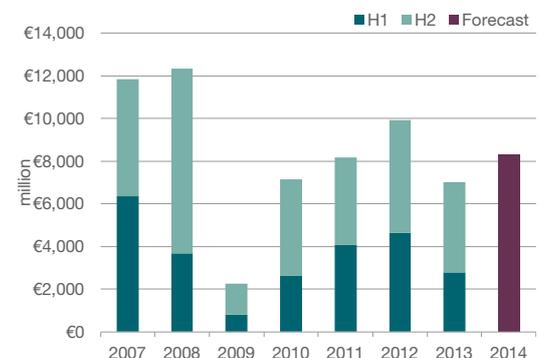
The total investment turnover, including all segments, amounted to SEK99 bn, which was slightly lower than the previous year with an 8% drop. The market has continued to be largely dominated by domestic buyers, with foreign investors representing 14 % of buyers. The low cross-border activity is not a result of a lack of international interest, but rather that international investors have been unable to compete for the most attractive office assets, though they have had some success regarding retail and logistics. However, the drop in turnover is not to be regarded as a sign of a

weaker market, as the investment intensity, measured as the number of transactions carried through, increased by 13 %. The increased number of transactions is most likely a direct result of the improved situation regarding property financing, where the banks are becoming increasingly more active. Prime assets remain in high demand and the shortage of properties on the market is likely to keep prime yields stable at historically low levels. A shortage of prime assets could lead to a decreased yield gap between prime and secondary and also that financing might become more accessible for secondary assets as well.

PRIME YIELDS

END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **stable**

GRAPH 22
Sweden



Graph source: Savills

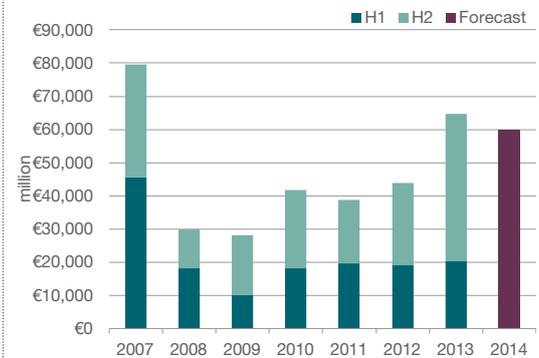
UK

The total transactional volume in 2013 was £54bn, a 57% increase year-on-year. This made 2013 one of the most active years in the last 20 years, and only around £4bn behind the most recent peak that was reached in 2006. London continued to be the most popular market, with £20bn in 2013, and a total of nearly £30bn in the Greater London market. However, the big change in 2013 was in investor interest in the markets outside London, with the proportion of total investment that was spent in the regions rising from 41% to 45% in 2013.

Non-domestic investors were by far the most active grouping in central London, accounting for 71% of all acquisitions, and 90% of all acquisition above £100m. They were also more active outside London, accounting for a quarter of all non-London deals. Prime yields continued to harden in 2013, and we estimate that as at the end of 2013 the average prime property yield in the UK had fallen to 5.16% from 5.5% at the start of the year. We expect 2014 to see a closing of the gap between London and the regions, as well as between prime and secondary assets.

GRAPH 23

UK



Graph source: Savills

PRIME YIELDS

END-YEAR OUTLOOK Offices: **stable** Retail: **stable** Industrial: **move in**

Key investment indicators

GDP growth, prime rental growth¹, prime yields and yield shift² in Q4 2013

City	GDP growth 2014 (f) ³	Office rental growth	Office yield	Office yield shift	Industrial rental growth	Industrial yield	Industrial yield shift	SC ⁴ rental growth	SC yield	SC yield shift
Amsterdam	0.2%	0.0%	5.25%	-35	0.0%	7.5%	-25	0.0%	6.5%	0
Athens	-0.5%	-14.3%	8.75%	0	0.0%	11.0%	-100	-0.0%	8.5%	-50
Berlin	1.5%	5.2%	4.7%	-10	NA	NA	NA	0.0%	4.9%	0
Brussels	1.0%	0.0%	5.1%	-15	4.4%	7.4%	-10	0.0%	5.4%	-10
Dublin	1.7%	16.1%	5.75%	-100	NA	8.75%	-25	NA	6.0%	-150
Dusseldorf	1.5%	5.8%	4.7%	-20	NA	6.4%	-10	20.0%	5.3%	0
Frankfurt	1.5%	5.6%	4.5%	-20	NA	NA	NA	0.0%	4.9%	0
Hamburg	1.5%	-2.0%	4.5%	-10	NA	6.6%	-20	NA	NA	NA
London ⁵	2.4%	0.0%	3.25%	-25	6.0%	5.75%	-50	2.6%	5.0%	-25
Madrid	0.7%	1.0%	6.0%	0	NA	NA	NA	0.0%	6.75%	0
Milan	0.3%	-7.7%	6.25%	0	NA	NA	NA	0.0%	7.15%	15
Munich	1.5%	1.9%	4.25%	0	NA	6.8%	0	NA	4.9%	-10
Oslo*	2.1%	6.1%	5.2%	-30	0.0%	6.5%	0	0.0%	5.2%	-30
Paris	0.5%	-3.4%	4.0%	-25	3.9%	7.5%	-25	0.0%	4.75%	-25
Stockholm	2.0%	4.4%	4.5%	-25	5.9%	6.5%	0	0.6%	5.25%	0
Vienna**	1.5%	-7.1%	5.13%	-12	-1.3%	7.0%	-50	0.0%	5.75%	0
Warsaw	2.8%	-9.8%	6.0%	0	NA	7.5%	0	0.0%	5.75%	0

Note 1: Rental growth is annual and calculated in local currencies
Note 2: Prime yield shift is annual - in basis points
Note 3: GDP is national, growth is annual and it is the Oxford Economics forecast for the year 2014.
Note 4: SC=Regional Shopping Centre. Rental growth refers to prime standard unit of approx 100sqm
Note 5: London offices refer to West End

Source: Savills / *Heilo/ **EHL

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