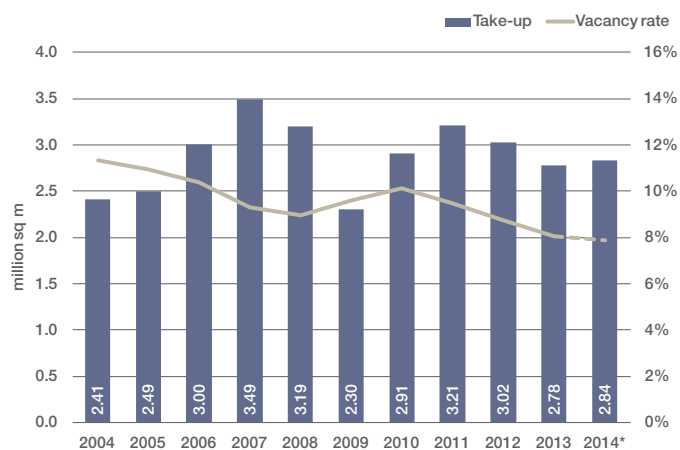


Market in Minutes Germany office and investment markets

Q4 2013

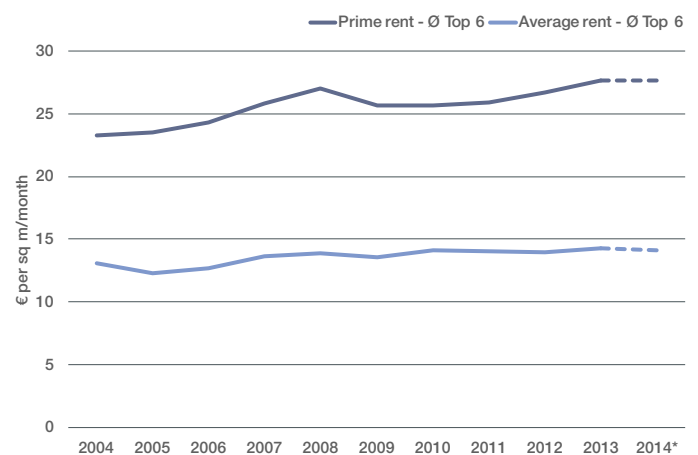
Top six office markets at a glance

GRAPH 1
Take-up and vacancy rate Increase of take-up for 2014 expected



Source: Savills / * forecast

GRAPH 2
Rental levels Despite lower take-up, prime rents on highest level since 2001



Source: Savills / * forecast

TABLE 1
Key office market figures Pre-lettings and shortage of high-quality space drive rents

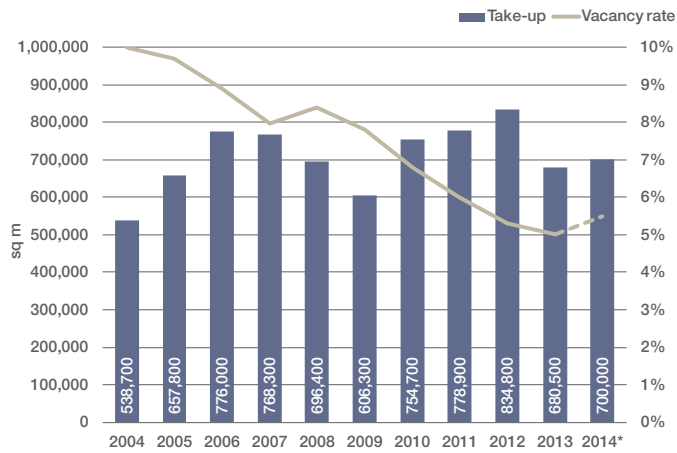
	Take-up (sq m)		Vacancy rate (%)		Vacancy (m sq m)		Prime rent (€ per sq m/month)		Average rent (€ per sq m/month)	
	Q4 2013	y-o-y change	Q4 2013	y-o-y change	Q4 2013	y-o-y change	Q4 2013	y-o-y change	Q4 2013	y-o-y change
Berlin	680,500	-22.9%	5.0	-40bps	0.95	-5.0%	22.00	+5.3%	12.30	+2.8%
Düsseldorf	342,400	+10.5%	10.8	-30bps	0.82	-1.2%	27.50	+5.8%	14.55	+0.3%
Frankfurt	439,000	-13.9%	11.9	-240bps	1.43	-13.3%	38.00	+5.6%	17.50	-2.8%
Hamburg	427,000	-0.7%	7.2	-90bps	0.94	-4.1%	24.00	-2.0%	13.16	+1.2%
Cologne	270,000	+14.9%	7.1	-120bps	0.53	-10.2%	22.50	+5.6%	12.80	+14.3%
Munich	616,100	-12.6%	6.2	-70bps	1.38	-8.0%	32.00	+1.9%	15.20	+1.5%
Top 6	2,775,000	-9.7%	8.0	-100bps	6.05	-7.6%	27.67	+3.7%	14.25	+2.2%

Source: Savills

Berlin

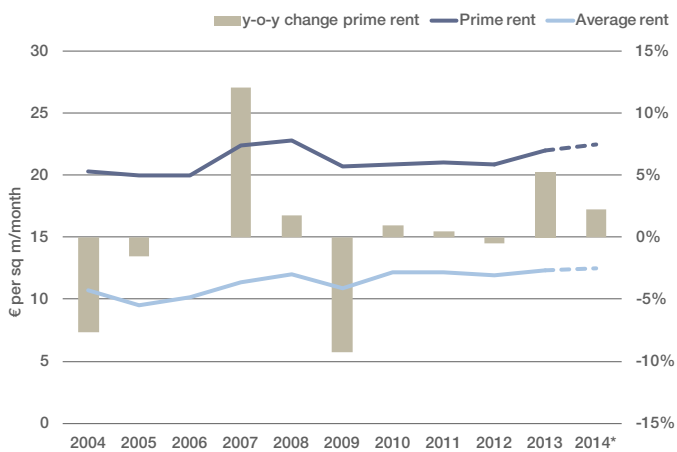
Office market - Full year 2013

GRAPH 3
Take-up and vacancy rate



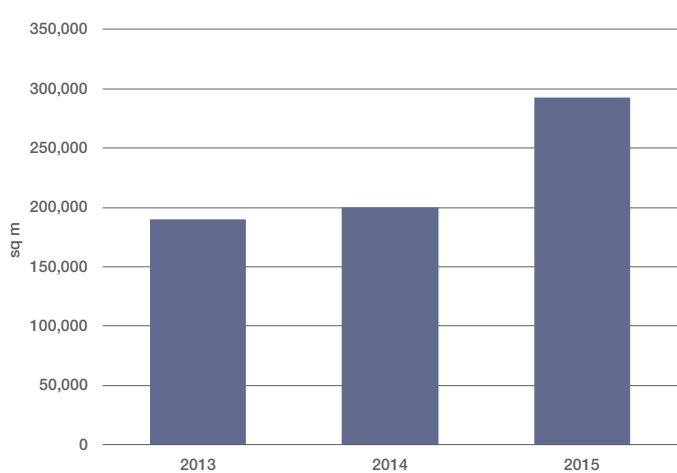
Source: Savills / * forecast

GRAPH 4
Rental levels



Source: Savills / * forecast

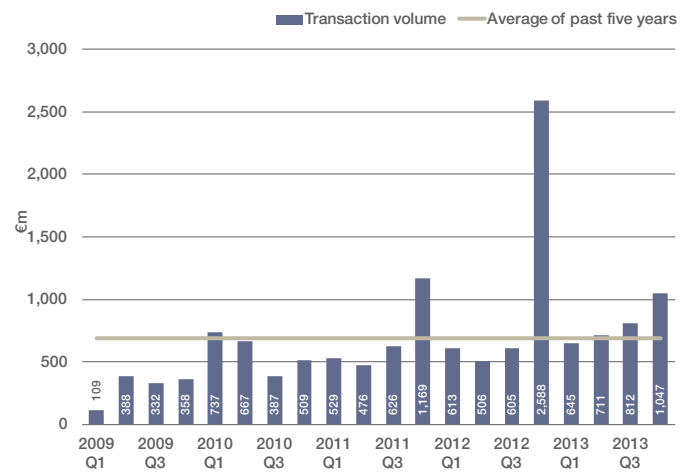
GRAPH 5
Development pipeline



Source: Savills

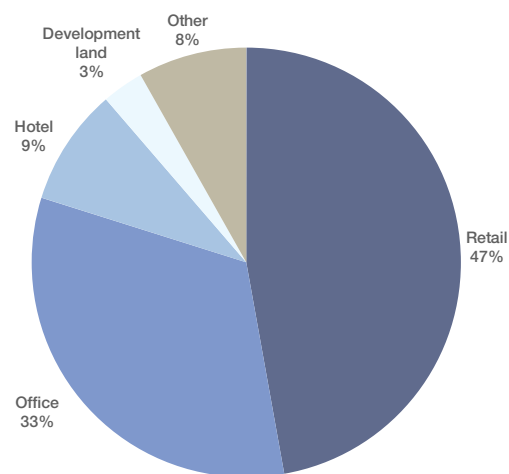
Investment market - Full year 2013

GRAPH 6
Transaction volume



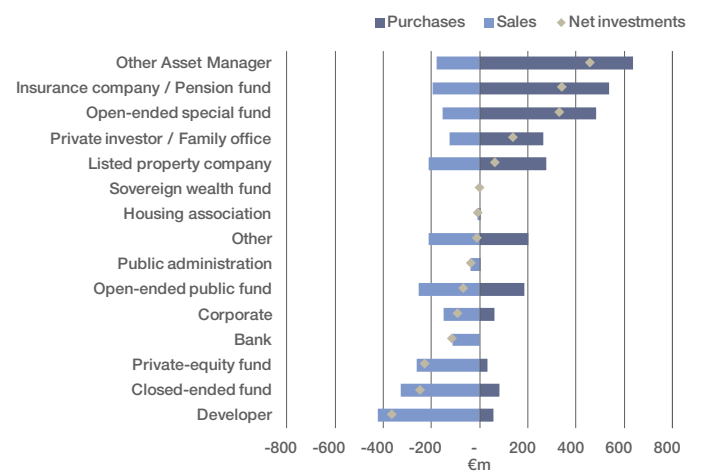
Source: Savills

GRAPH 7
Transaction volume by sector



Source: Savills

GRAPH 8
Transaction volume by type of investor

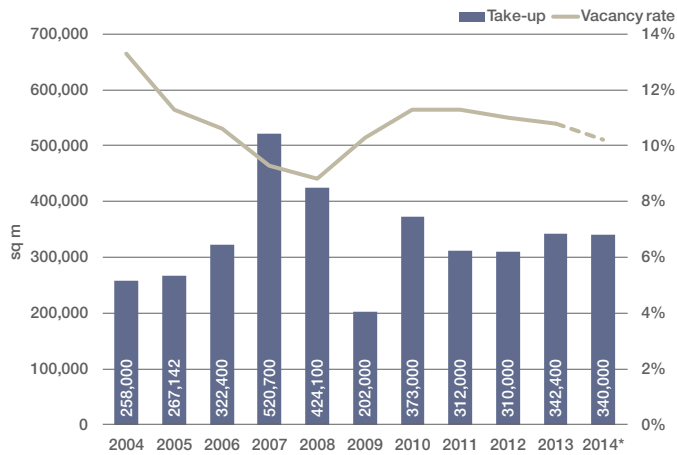


Source: Savills

Düsseldorf

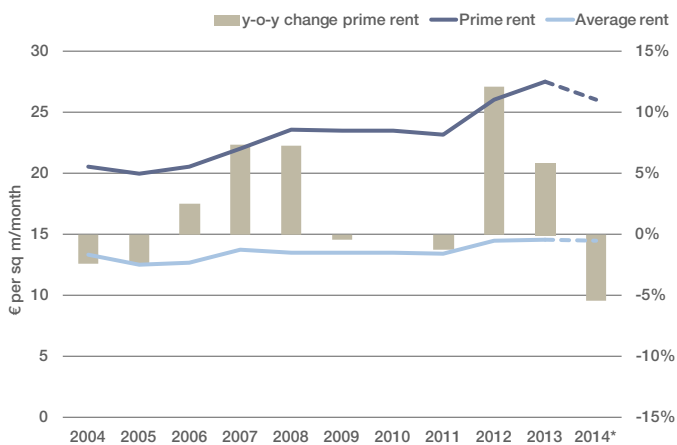
Office market - Full year 2013

GRAPH 9
Take-up and vacancy rate



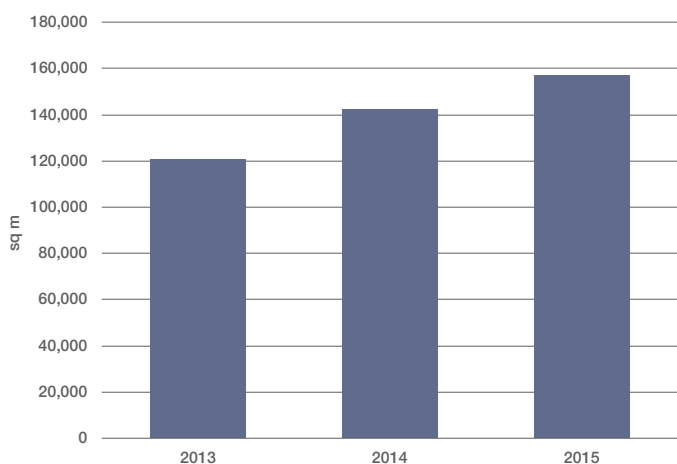
Source: Savills / * forecast

GRAPH 10
Rental levels



Source: Savills / * forecast

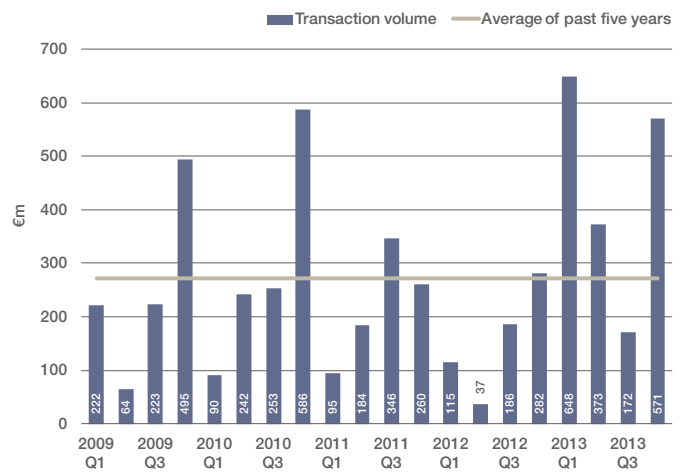
GRAPH 11
Development pipeline



Source: Savills

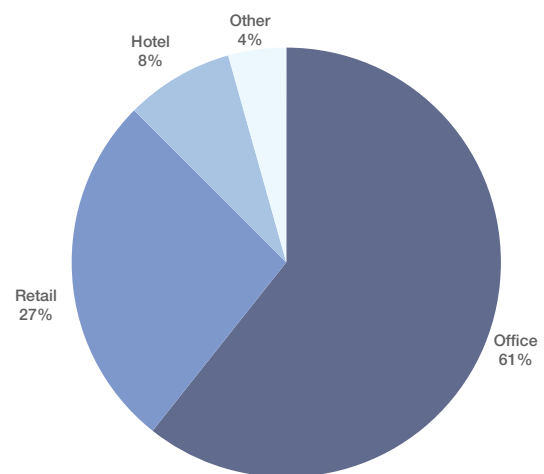
Investment market - Full year 2013

GRAPH 12
Transaction volume



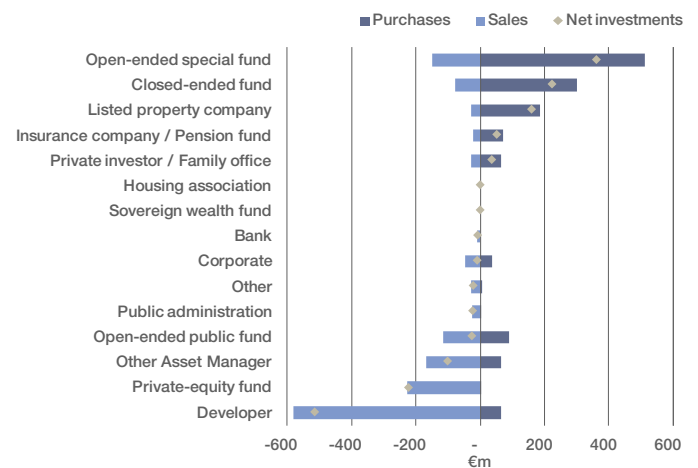
Source: Savills

GRAPH 13
Transaction volume by sector



Source: Savills

GRAPH 14
Transaction volume by type of investor

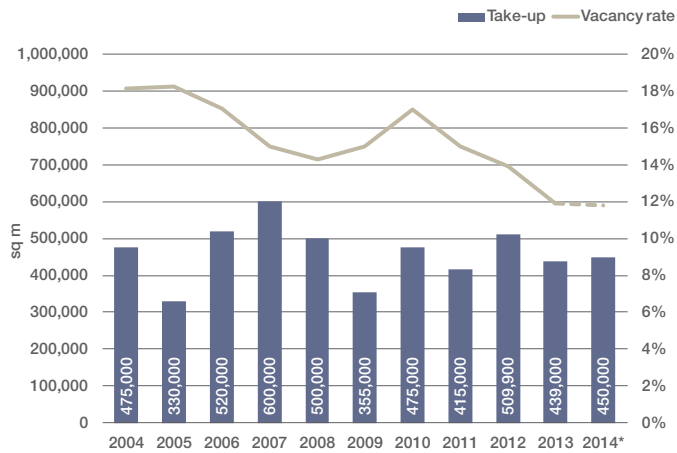


Source: Savills

Frankfurt

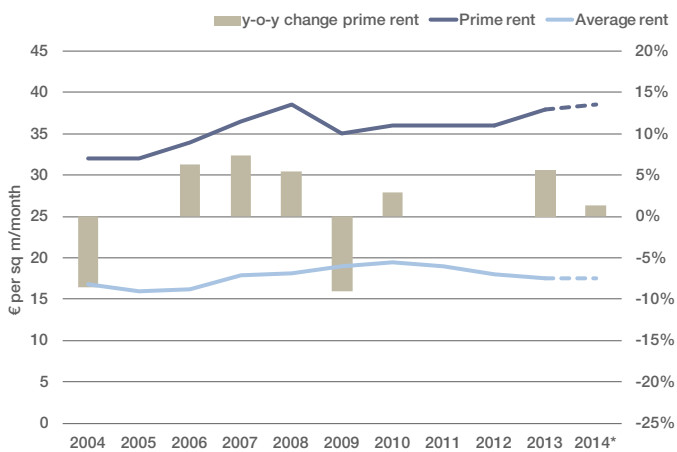
Office market - Full year 2013

GRAPH 15
Take-up and vacancy rate



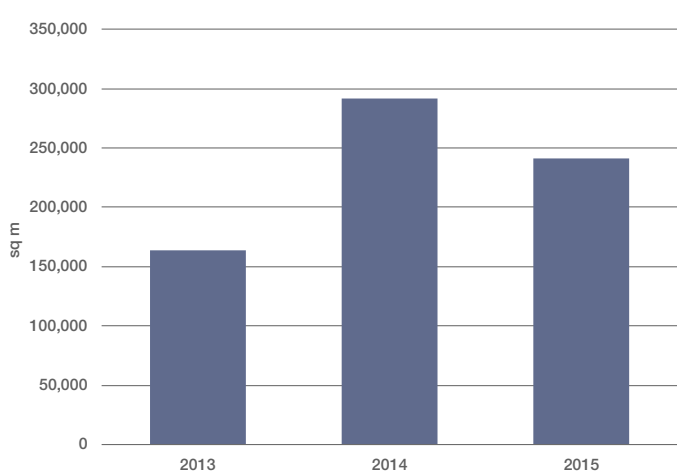
Source: Savills / * forecast

GRAPH 16
Rental levels



Source: Savills / * forecast

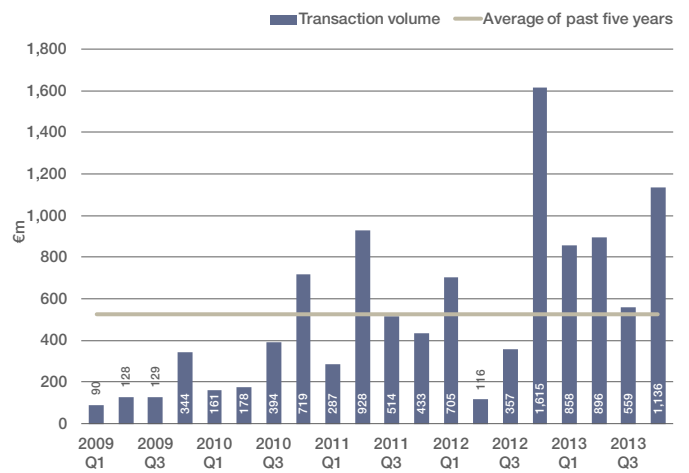
GRAPH 17
Development pipeline



Source: Savills

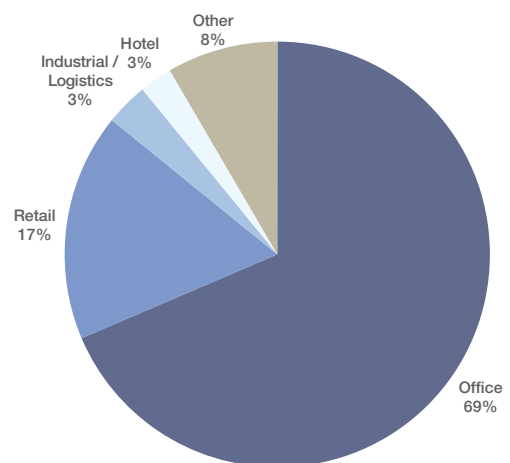
Investment market - Full year 2013

GRAPH 18
Transaction volume



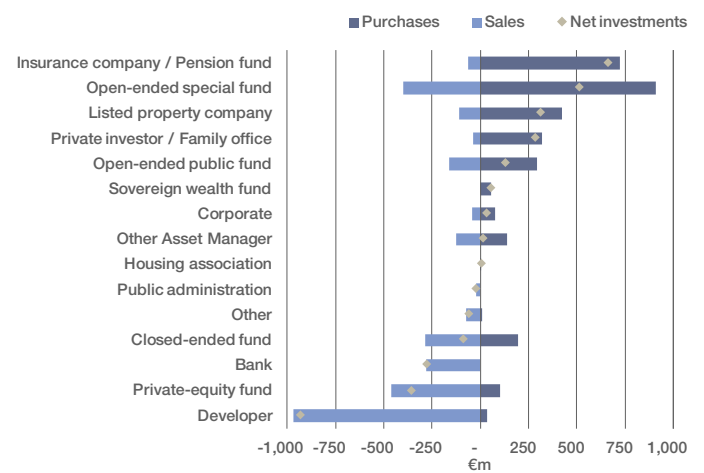
Source: Savills

GRAPH 19
Transaction volume by sector



Source: Savills

GRAPH 20
Transaction volume by type of investor

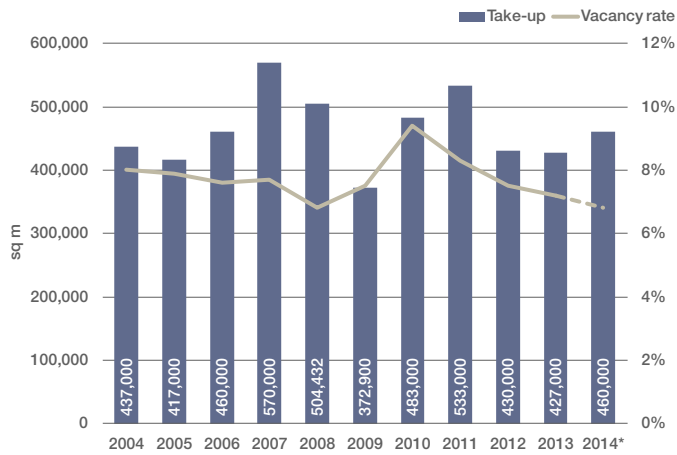


Source: Savills

Hamburg

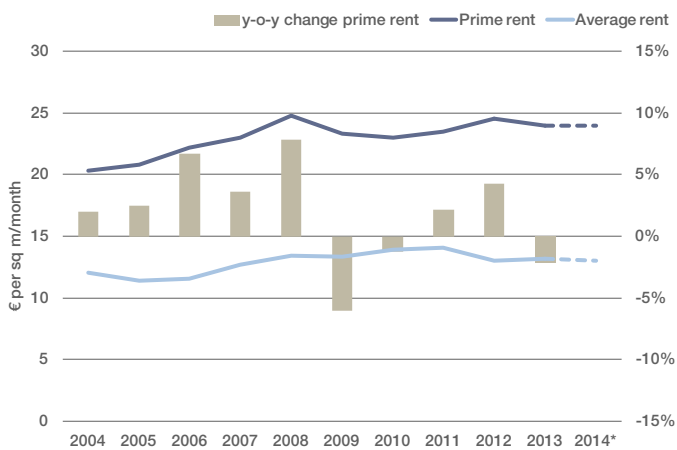
Office market - Full year 2013

GRAPH 21
Take-up and vacancy rate



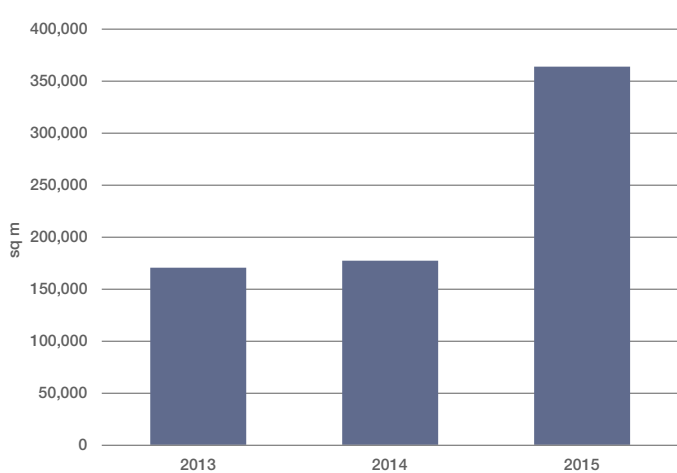
Source: Savills / * forecast

GRAPH 22
Rental levels



Source: Savills / * forecast

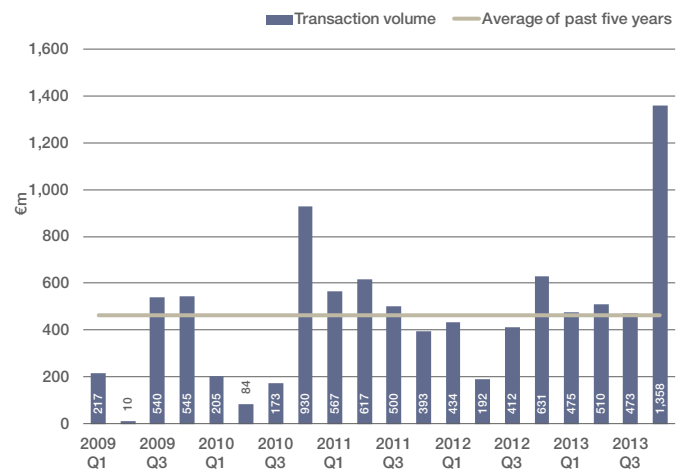
GRAPH 23
Development pipeline



Source: Savills

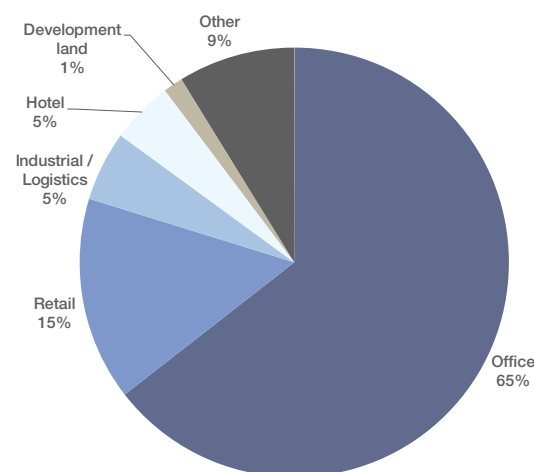
Investment market - Full year 2013

GRAPH 24
Transaction volume



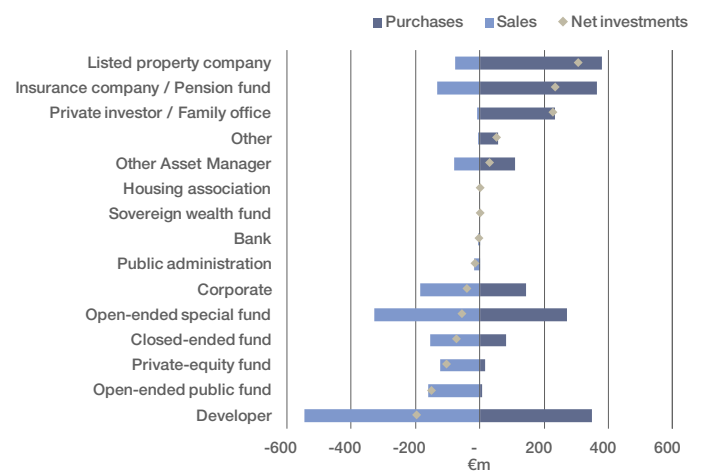
Source: Savills

GRAPH 25
Transaction volume by sector



Source: Savills

GRAPH 26
Transaction volume by type of investor

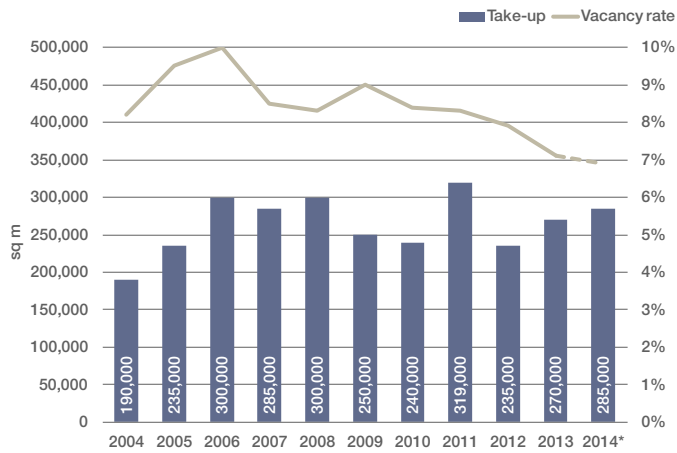


Source: Savills

Cologne

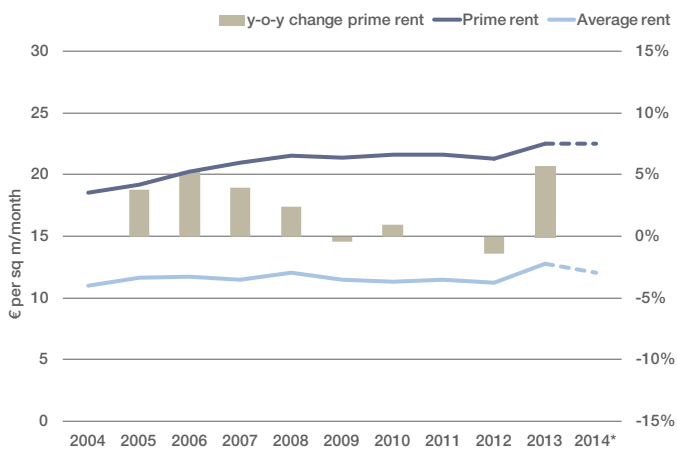
Office market - Full year 2013

GRAPH 27
Take-up and vacancy rate



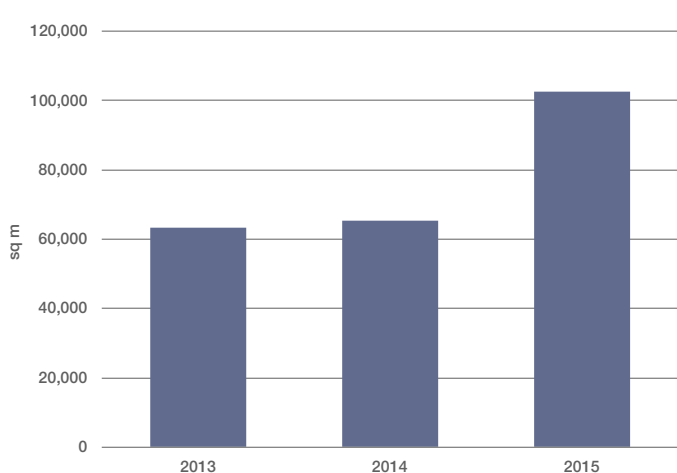
Source: Savills, gif e.V. / * forecast

GRAPH 28
Rental levels



Source: Savills, gif e.V. / * forecast

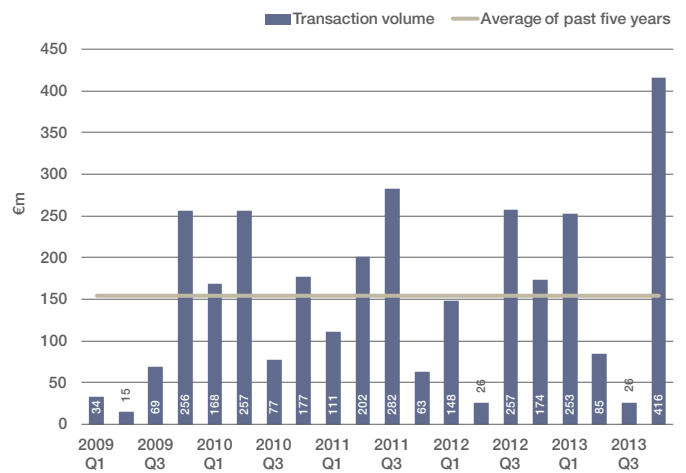
GRAPH 29
Development pipeline



Source: Savills

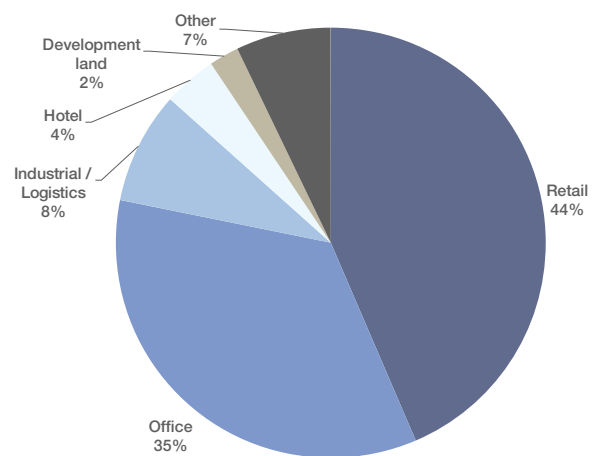
Investment market - Full year 2013

GRAPH 30
Transaction volume



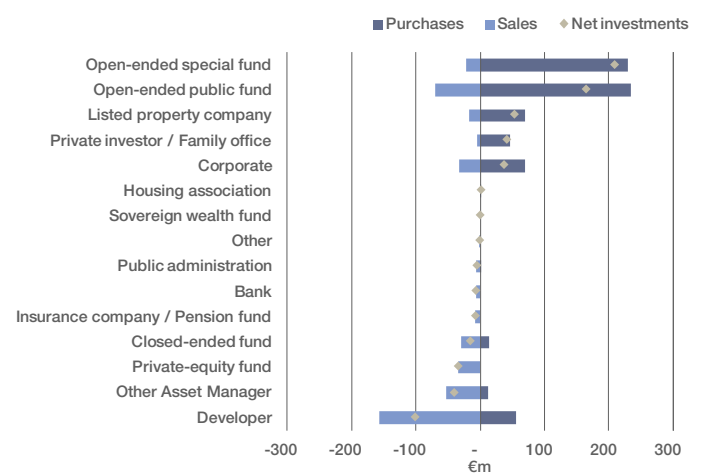
Source: Savills

GRAPH 31
Transaction volume by sector



Source: Savills

GRAPH 32
Transaction volume by type of investor

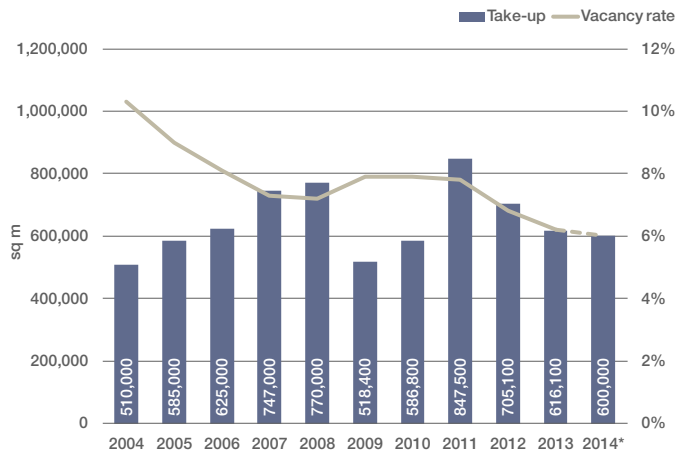


Source: Savills

Munich

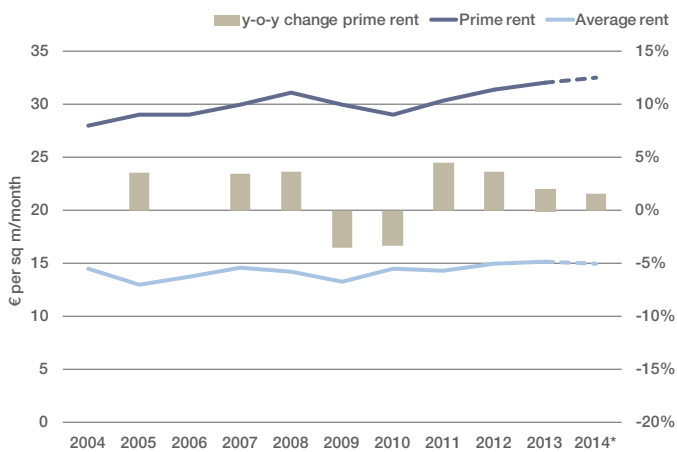
Office market - Full year 2013

GRAPH 33
Take-up and vacancy rate



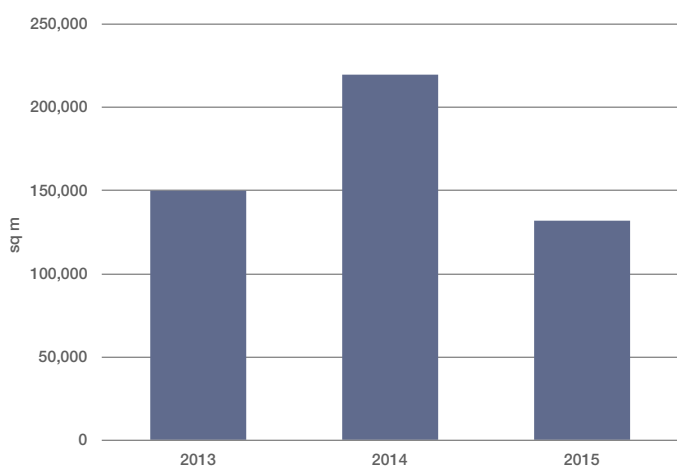
Source: Savills / * forecast

GRAPH 34
Rental levels



Source: Savills / * forecast

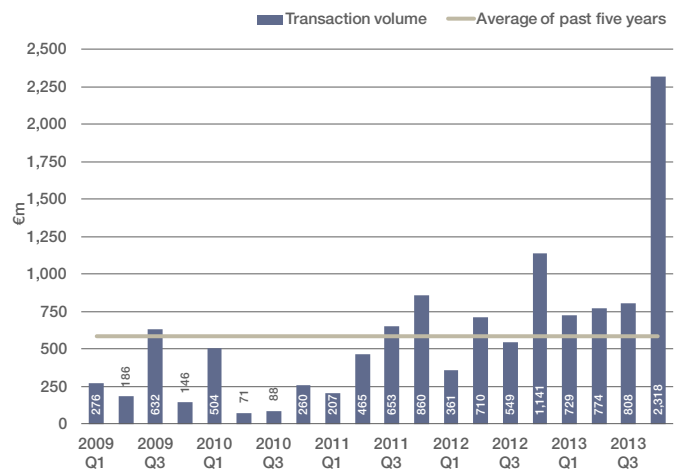
GRAPH 35
Development pipeline



Source: Savills

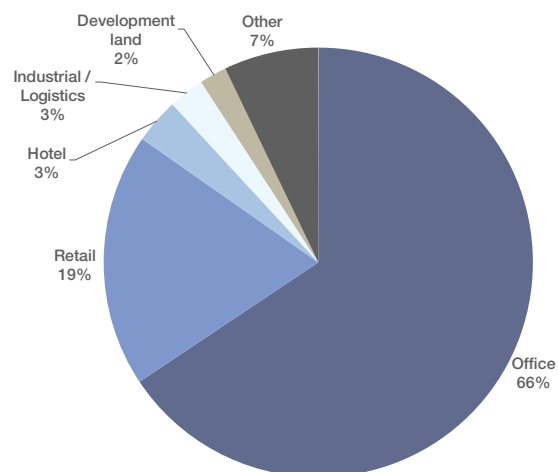
Investment market - Full year 2013

GRAPH 36
Transaction volume



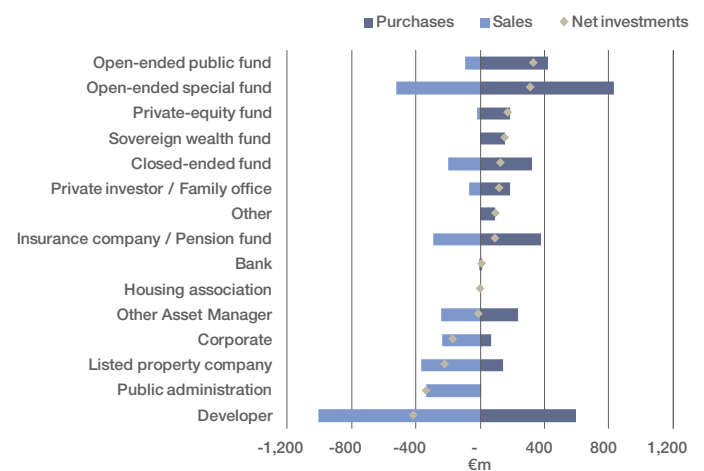
Source: Savills

GRAPH 37
Transaction volume by sector



Source: Savills

GRAPH 38
Transaction volume by type of investor



Source: Savills

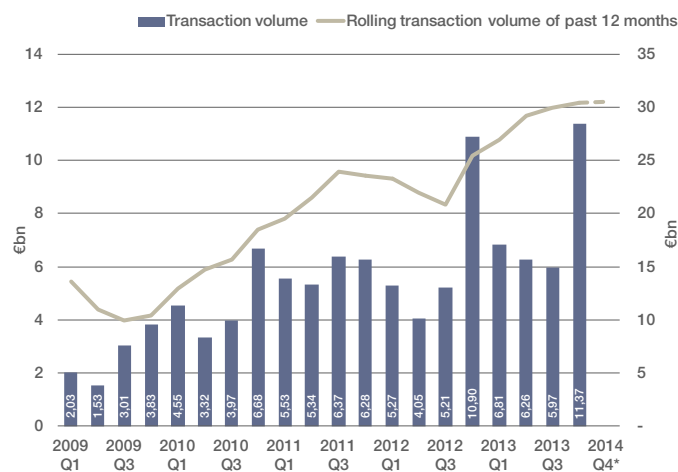
Germany investment market at a glance

TABLE 2 **Key investment market figures** Prime yields continue to harden

	Transaction volume (€m)		Dominating sector		Share of domestic investors		Office prime net initial yield		High street prime net initial yield	
	Q4 2013	y-o-y change	Sector	Share	Q4 2013	y-o-y change	Q4 2013	y-o-y change	Q4 2013	y-o-y change
Berlin	3,220	-25.4%	Retail	47%	66.7%	+51.9%	4.7%	-10bps	4.4%	-20bps
Düsseldorf	1,760	+184.6%	Office	61%	74.8%	+18.0%	4.7%	-20bps	4.2%	+/-0bps
Frankfurt	3,450	+23.6%	Office	69%	69.8%	+141.5%	4.5%	-20bps	3.7%	-20bps
Hamburg	2,820	+68.6%	Office	65%	73.6%	-8.0%	4.5%	-10bps	4.4%	-10bps
Cologne	780	+28.9%	Retail	44%	76.4%	+21.7%	4.9%	-20bps	4.4%	+/-0bps
Munich	4,630	+67.7%	Office	66%	50.6%	+15.5%	4.3%	+/-0bps	3.5%	+/-0bps
Germany ¹	30,400	+19.5%	Office	44%	66.9%	+24.3%	4.6%	-13bps	4.1%	-8bps

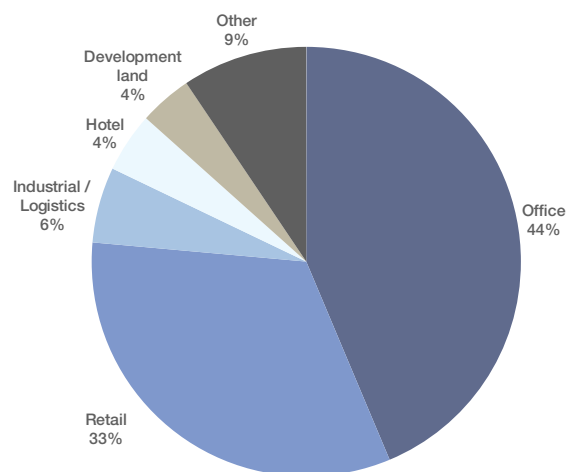
Source: Savills / * prime yields = 0 top six

GRAPH 39 **Transaction volume** Highest volume since 2007 - in 2014 more than €30 bn realistic too



Source: Savills / * forecast

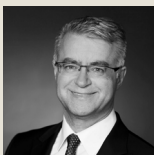
GRAPH 40 **Transaction volume by sector** Highest increase for office properties (+ 61%)



Source: Savills

Savills Germany

Please contact us for further information



Andreas Wende
Investment
+49 (0) 40 309 977 110
awende@savills.de



Marcus Mornhart
Office Agency
+49 (0) 69 273 000 70
mmornhart@savills.de



Matthias Pink
Research
+49 (0) 30 726 165 134
mpink@savills.de



Fabian Sperber
Research
+49 (0) 30 726 165 139
fsperber@savills.de

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. It is a company that leads rather than follows and now has over 500 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East with more than 25,000 employees worldwide. Savills is present in Germany with around 160 employees with six offices in the most important estate sites Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne and Munich.

This bulletin is for general informative purposes only. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The bulletin is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.
© Savills January 2014