Investment Market *monthly* **ORDER NOW**

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# Investment Market *monthly*

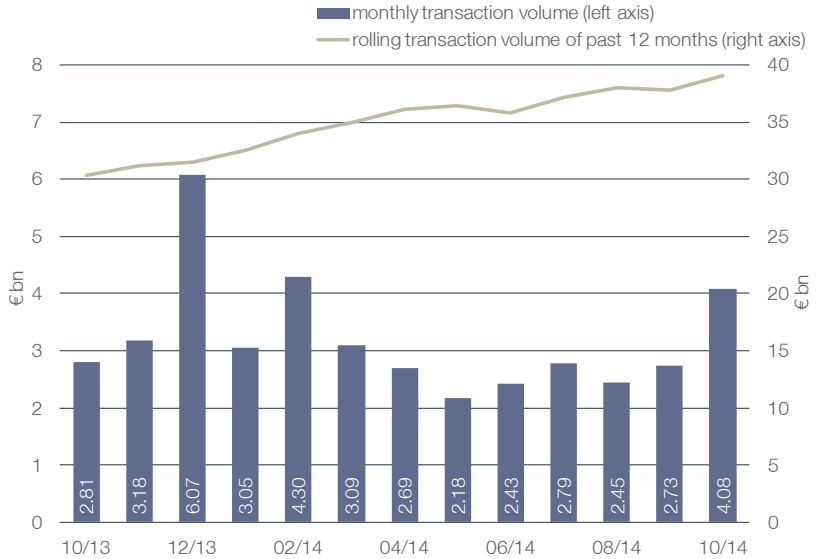
October 2014

## Opening for year-end rally in German investment market – Transaction volume of almost €5.4bn in October

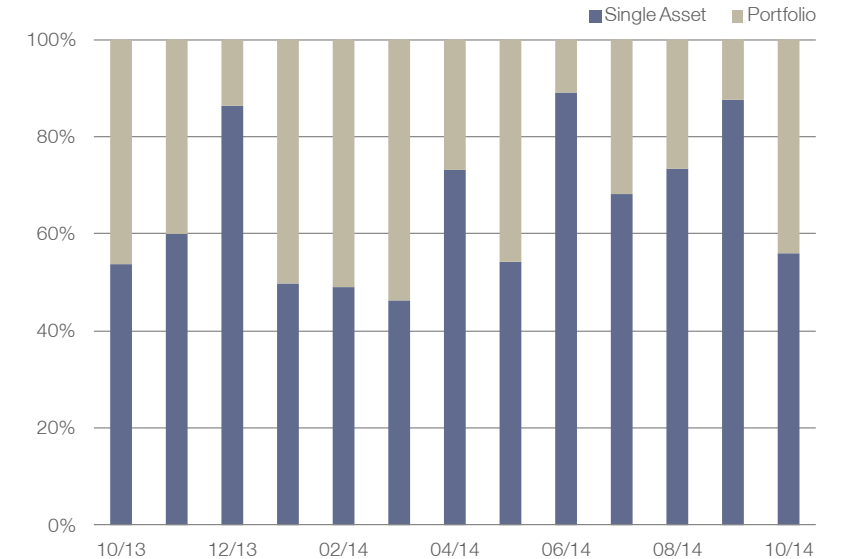
# Commercial investment market - Overview

- **Transaction activity September 2014:** In total approx. €4.1bn was invested (Ø Oct 2013 – Sep 2014: €3.1bn)
- **Single asset transactions:** 124 Deals (Ø: 131) with an investment volume of approx. €2.3bn (Ø: €2.1bn)
- **Portfolio transactions:** 16 Deals (Ø: 10) with an investment volume of approx. €1.8bn (Ø: €1.1bn)
- **Largest single asset transaction:** Samsung purchased the Silberturm in Frankfurt from IVG Institutional Funds
- **Largest portfolio transaction:** The US-based REIT Medical Properties Trust (MPT) bought a portfolio of 38 rehabilitation centres und two hospitals for €705m

**Transaction volume**




**Transaction volume single asset and portfolio**

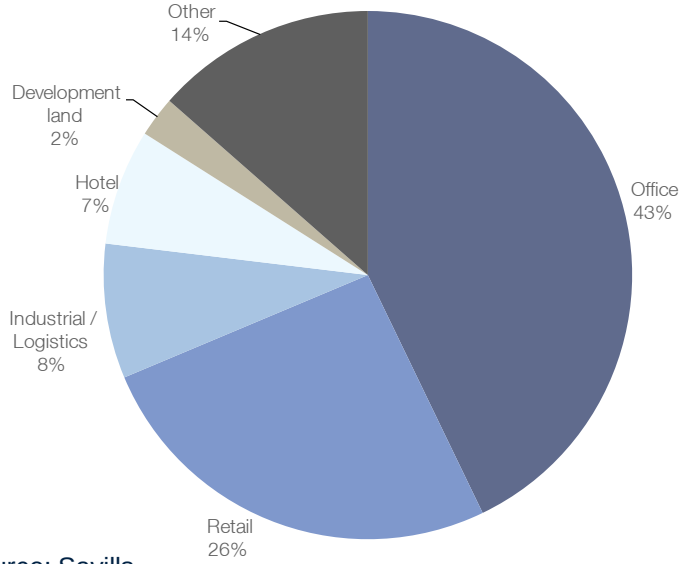



Source: Savills

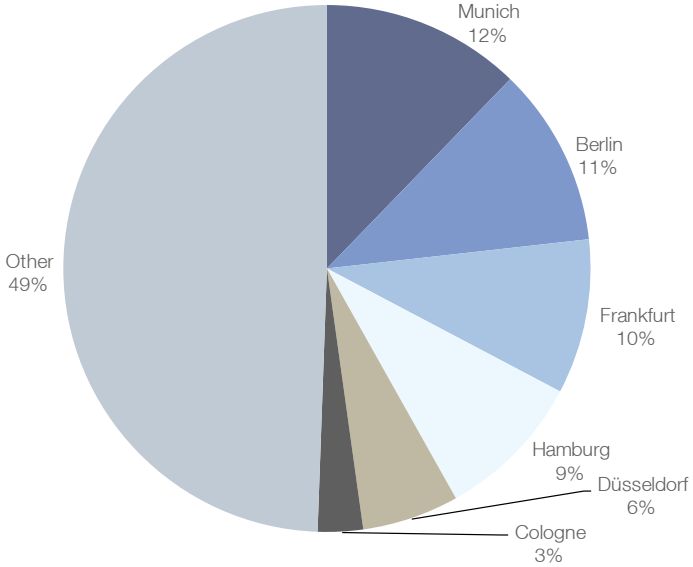
# Commercial investment market - Overview

- **Transaction activity past 12 months:** The rolling transaction volume of the past 12 months summed up to €39.1bn representing a plus of 3.4% compared to the figure of last month (Oct 2013 – Sep 2014)
- **Types of use:** With a share of 43% Office dominated the transaction activity of the past 12 months followed by Retail (26%), Industrial / Logistics (8%), Hotel (7 %) and Development land (2%)
- **Regional distribution:** The highest transaction volume of the past 12 months was achieved in Munich (12%), followed by Berlin (11%) and Frankfurt (10%)
- **Figure of the month:** With a net investment volume of some €476m in the past 12 months, investors from Germany do not belong to the top 5 buyer nationalities for the first time since 2008

**Transaction volume by type of use, last 12 months**




**Transaction volume by location, last 12 months**




Source: Savills

# Commercial investment market: Top 10 buyer and seller groups of past 12 months

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| # | Buyer | Volume (€m) | Number of properties |
|---|---|---|---|
| 1 | Open-ended special fund | 6,013 | 226 |
| 2 | Private-equity fund | 3,989 | 133 |
| 3 | Listed property company | 3,815 | 108 |
| 4 | Other asset manager | 3,418 | 202 |
| 5 | Closed-ended fund | 3,211 | 127 |
| 6 | Insurance company / Pension fund | 3,185 | 100 |
| 7 | Corporate | 2,881 | 382 |
| 8 | Private investor / Family office | 2,408 | 249 |
| 9 | Developer | 2,374 | 306 |
| 10 | Open-ended public fund | 1,797 | 30 |

| # | Seller | Volume (€m) | Number of properties |
|---|---|---|---|
| 1 | Developer | 6,952 | 233 |
| 2 | Open-ended special fund | 3,876 | 163 |
| 3 | Other asset manager | 3,177 | 224 |
| 4 | Private-equity fund | 3,145 | 85 |
| 5 | Closed-ended fund | 2,956 | 166 |
| 6 | Corporate | 2,420 | 566 |
| 7 | Private investor / Family office | 2,260 | 159 |
| 8 | Bank | 1,750 | 42 |
| 9 | Listed property company | 1,691 | 109 |
| 10 | Open-ended public fund | 1,331 | 50 |

| Top/ Bottom 5 | Nationality | Net investment volume (€m) |
|---|---|---|
| T1 | United Kingdom of Great Britain and Northern Ireland | 1,329 |
| T2 | United States of America | 792 |
| T3 | Korea, Republic of | 676 |
| T4 | France | 635 |
| T5 | Sweden | 512 |
| B5 | Canada | -285 |
| B4 | Austria | -503 |
| B3 | Switzerland | -695 |
| B2 | Netherlands | -706 |
| B1 | Spain | -751 |

Source: Savills

# Commercial investment market – Top 10 single asset transactions*

| Date | Property | Year of Constr. | Location | Type of Property | Volume (€m) | Area (sq m) | Seller | Buyer |
|---|---|---|---|---|---|---|---|---|
| October 2014 | Silberturm | 1978 | Frankfurt am Main | Office | | 72,000 | IVG Institutional Funds GmbH | Samsung SRA Asset Management |
| October 2014 | Dreischeibenhaus (JV share) | 1960 | Düsseldorf | Office | | 15,000 | Momeni Projektentwicklung | Black Horse Investments GmbH |
| October 2014 | RWE HQ | 1996 | Essen | Office | | 56,337 | RWE AG | American Realty Capital Global Trust (ARC Global) |
| October 2014 | Am Zirkus 1 | 2014 | Berlin | Mixed-use property | | | Peach Property Group AG, DIAG Deutsche Immobilien AG | KanAm Grund Kapitalanlagegesellschaft mbH |
| October 2014 | MKV-Areal | n/a | Munich | Mixed-use property | | | Internos Real Investors LLP | Marathon Asset Management |
| October 2014 | Hanauer Landstraße 296 | n/a | Frankfurt am Main | Mixed-use property | | 43,140 | Union Investment Real Estate GmbH | Beos GmbH |
| October 2014 | Resort Land Fleesensee | 2000 | Göhren-Lebbin | Hotel | | | Fleesensee GmbH & Co. Entwicklungs KG | Lindner Investment Management GmbH (LIM) |
| October 2014 | Hamburger Straße 43 | n/a | Hamburg | Office | ca. 42 | | Alstria Office AG | unknown Institutional Investor (abroad) |
| October 2014 | Hellabrunner Straße 1 | n/a | Munich | Site | | | OSRAM Licht AG | ABG-Unternehmensgruppe |
| October 2014 | Elsenstraße 87 | n/a | Berlin | Mixed-use property | | 41,000 | Siemens Kapitalanlagegesellschaft mbH | Beos GmbH |

* only published transactions are shown, measured by volume

Source: Savills

# Commercial investment market – Top 5 portfolio transactions*

| Date | Location(s) | Portfolio Name<br>(Main) Type of Property | Number of Properties | Volume (€m) | Seller | Buyer |
|---|---|---|---|---|---|---|
| October 2014 | nationwide | Median Kliniken<br>Community welfare property | 40 | ca. 705 | Waterland Private Equity GmbH | Medical Properties Trust |
| October 2014 | Frankfurt, Hanover, Munich, Stuttgart | Mixed-use property | 8 | ca. 300 | DIBAG Industriebau AG | HIH Hamburgische Immobilien Handlung GmbH |
| October 2014 | nationwide | Community welfare property | 3 | ca. 64 | unknown Investor | Medical Properties Trust |
| October 2014 | Hanover | Retail | 2 | ca. 50 | Georgstraße Objekt 1 GmbH & Co. KG | ALTE LEIPZIGER Lebensversicherung AG |
| October 2014 | Düsseldorf | Office | 2 | ca. 43 | Warburg-Henderson KAG | Alstria Office AG |

* only published transactions are shown, measured by volume

Source: Savills

# Investment market residential portfolios - Overview

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- **Transaction activity September 2014:**
  - 15 residential portfolio transactions (Ø Oct 2013 – Sep 2014: 17)
  - Investment volume of approx. €1.3bn (Ø Oct 2013 – Sep 2014: €1.2bn)
  - Approx. 25,600 transacted residential units (Ø Oct 2013 – Sep 2014: 22,400)
- **Transaction activity past 12 months:** The rolling transaction volume of the past 12 months summed up to €15.2bn representing a plus of 4.4% compared to the figure of last month (Oct 2013 – Sep 2014)
- **Largest transaction:** LEG purchased a portfolio with 9,600 units located in Leverkusen, Mönchengladbach und Wuppertal from Deutsche Annington for €484m

**Top-5-Residential portfolio transactions***

| Date | Portfolioname Location(s) | Number of units | Volume (€m) | Seller | Buyer |
|---|---|---|---|---|---|
| October 2014 | Leverkusen, Mönchengladbach, Wuppertal | 9,600 | ca. 484 | Deutsche Annington Immobilien GmbH | LEG NRW |
| October 2014 | North Rhine - Westphalia (majority share) | 4,960 | | Corestate Capital AG | GAGFAH GROUP |
| October 2014 | Jade-Portfolio Wilhelmshaven | 6,750 | | BGP Investment S.à r.l. (BGP), Oxford Properties Group | Adler Real Estate AG |
| October 2014 | Berlin | 798 | ca. 86 | Round Hill Capital | Akelius GmbH |
| October 2014 | Berlin | 788 | | Tristan Capital Partners, caleus capital investors gmbh (CCI) | GESOBAU AG |

* only published transactions are shown, measured by volume

Source: Savills

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# Imprint

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Savills is present in Germany with around 160 employees with six offices in the most important estate sites Berlin, Dusseldorf, Frankfurt, Hamburg, Cologne and Munich.

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