



375+
Offices

6,000+
Local Market
Leaders

All Working in
Unison to Provide Clients
with Exceptional Solutions

Country Profile

Population 7,000,039
 Capital City Sofia
 Currency Bulgarian Lev лв

Country Macroeconomic Profile

GDP Growth 3.1%
 Unemployment Rate 6.1%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------|--------------|--------------|--------------|-------------|
| € 131.80 mln | € 339.30 mln | € 747.94 mln | € 132.78 mln | € 12.33 mln |

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln euro |
|---------|----------|---|--|-----------------|
| Q2 | Office | | Bravo Property Fund REIT | 30.4 |
| Q1 | hotel | Sinergon Holding | Balgarsko Turisticheskoto Druzhestvo Global Turs | 22.8 |
| Q1 | office | GEK Tema Holding Real Estate Construction | NBG Pangaea Real Estate Investment Co | 78.6 |

Market Data Trends

Price Industrial Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Sofia | 4.6 | 8.5% |
| 2018 | Sofia | 4.5 | 8.75% |
| 2017 | Sofia | 4.5 | 9.25% |
| 2016 | Sofia | 4.5 | 9.75% |
| 2015 | Sofia | 4.0 | 10.5% |

Price Office Yields 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Sofia | 14.5 | 7.5% |
| 2018 | Sofia | 14.5 | 7.75% |
| 2017 | Sofia | 15.0 | 8.0% |
| 2016 | Sofia | 14.0 | 8.0% |
| 2015 | Sofia | 14.0 | 8.25% |

Price Retail Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Sofia | 39 | 6.5% |
| 2018 | Sofia | 39 | 6.5% |
| 2017 | Sofia | 38.5 | |
| 2016 | Sofia | 34.5 | |
| 2015 | Sofia | 31 | |

Market Opportunities

New shopping center is planned to be opened in Q3 2020 in Plovdiv - Promenada. The investment of 141 million euro is of Nepi Rockcastle.

With the completion of Sky Fort, Garitage Park – phase 2, Sofia Office Center 2 and other big projects will be added a significant amount of office space in the coming years in Sofia. We expect profound changes in the demand/supply equilibrium within 3 years.

FDI in Bulgaria in 2019 were lower compared to 2018, but new projects and expansions were announced and it is expected investment activity to increase in 2020.

Sector Overview**Industrial**

The supply of industrial space in Sofia in H1 2019 continued to rise gradually with moderate rates. The total industrial stock reached approximately 1,108 thousand sq. m. The vacancy rate in Sofia is low in H1 2019 and remains at 3-4%. Prime rents in industrial market in Sofia increased slightly to 4.6 euro per sq. m. per month in H1 2019. Industrial yields decreased and stood at 8.50 % in H1 2019, compared to 9.00% in H1 2018.

Office

Total stock in Sofia reached approximately 2.09 mln sqm in H1 2019, with about 103,000 sq m of new delivery. The demand for class A office space in H1 2019 continued to be mostly driven by IT and BPO companies. Vacancy rate in Sofia in H1 2019 is 9% compared with 10% in H1 2018. Prime office rents in Sofia in H1 2019 are between EUR 14 and EUR 15 per sq m per month.

Retail

Prime rents in the shopping centers in Sofia remained stable in H1 2019, compared to 2018 and stood at 39 euro per sq m. Anchor tenants command €4-8 per sq m per month. Big supermarket chains command on average €4-8 per sq m per month, depending on the brand and size of premises.

Country Profile

Population 4.089.000
 Capital City Zagreb
 Currency Kuna (HRK)

Country Macroeconomic Profile

GDP 51.608.000.000 €
 GDP growth 2,9 %
 Unemployment Rate 6,9 %
 Inflation..... 0,9 %



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|------|------|------|------|------|
| N/A | N/A | N/A | N/A | N/A |

Market Overview

Office market is the most mature property segment of the Zagreb commercial real estate sector and is already well developed thanks to a high level of investments over the past years. Even though the completion of several office schemes in H1 2019 caused the stock increase, the strong absorption of new space has retained the vacancy rates at

the similar level. The retail market in Zagreb is considered to be saturated, and the slowdown in development activity was noted. Industrial and logistics sector remained one of the least developed in Croatia. Apartment prices and number of transactions increased in 2019; the most in Zagreb and coastal cities.

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln euro |
|---------|-------------------|--------|----------------|-----------------|
| Q2 | Free market sales | N/A | N/A | 21.9 |
| Q4 | Free market sales | N/A | N/A | 21.5 |
| Q2 | Free market sales | N/A | N/A | 16.2 |

Market Data Trends

Price Office Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Zagreb | 8,0 – 10,0 | 7,5% |
| 2018 | Zagreb | 8,0 – 10,0 | 7,5% |
| 2017 | Zagreb | 8,0 – 10,0 | 8,0% |
| 2016 | Zagreb | 8,0 – 10,0 | 8,5% |
| 2015 | Zagreb | 8,0 – 10,0 | 8,5% |

Price Retail Yields 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Zagreb | 20,0 | 7,0% |
| 2018 | Zagreb | 19,0 | 8,0% |
| 2017 | Zagreb | 19,0 | 7,0% |
| 2016 | Zagreb | 21,0 | 7,0% |
| 2015 | Zagreb | 20,0 | 8,5% |

Price Industrial Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Zagreb | 5,5 | 8,0% |
| 2018 | Zagreb | 5,5 | 7,5% |
| 2017 | Zagreb | 4,5 - 5,5 | 9,25% |
| 2016 | Zagreb | 4,0 – 5,0 | 10% |
| 2015 | Zagreb | 4,0 – 5,5 | 11% |

Market Opportunities

We expect that industrial, office and retail sector will continue stable growth in 2020. and that will exceed 2019. in volume. Beside new office projects in Zagreb some office projects could be expected in 2020. in some other Croatian cities mainly because of strong growth of IT sector. Although retail market is in expansion it will not reach peak saturation in 2020.

But mayor investments could be expected in hotel and turistic sector (with new hotels and camps openings in 2020.). Also investment in infrastructure (bridges, highways, railroads) will continue.

Sector Overview

Industrial

Industrial sector is the least developed real estate sector in Croatia which will probably remain because all mayor investments are focused in tourist industry sector. Industrial production index in year on year is 2.1%. In 2019. we saw some notable building completions in industrial sector. The biggest investment was Croatian Post new logistic and warehouse center in Velika Gorica in vicinity of Zagreb International Airport. Investment is valued at app EUR 50 million.

Average rents remained stable in 2019 and will continue to remain same in 2020 with prime monthly rents in range 5.0-5.5 EUR/m² with prime yields for distribution warehouses of 8.5-8.75% In 2020. it is expected that UK based investment company Poseidon Group will finish their logistic center with 30.000 m² of GLA in Business Park Dalmatia. Also Gebrudee Weiss will finish their EUR 18 million in a new logistic center near Sveta Nedelja (logistic park).

Office

In 2019. we saw some extensive developments in hotel (Hotel Park Rovinj) and office buildings (Croatian Telecom iz Zagreb). Hotel developments are mainly situated along Croatia coast (Rovinj, Split and Dubrovnik) and are developed for Croatian hotels companies. In Zagreb investments in office buildings will continue also in 2020. On Slavenska avenija Matriy Office Park phase (building) 2 is near completion which will bring app 11.000 m² of new GLA of offices to market. Info bip campus, BHB domus and Euro daus with app 50.000 m² of new office space will be finished in 2020.

Retail

In the first half of 2019 Arena Retail Park was finished. Supernova Group finished purchase of shopping centers from Zagreba ka and former Hypo bank with expansion, refurbishment and upgrade of acquired and existing shopping centers in Croatia (Branimir center, Kaptol center). In pipeline are Z Shopping Center in west part of Zagreb with app 50.000 sqm of GLA. Total stock in Zagreb shopping centers will reach 450.000 sqm. Activity will remain intense with 40.000 sqm of shopping centers under construction and upgrade. Average rents for prime shopping centers will be in range of 18-22 EUR/m². Prime yields for shopping centers will remain in amount of 7.0% and 8.0% for retail parks..

Country Profile

Population 10.6 million
 Capital City Prague
 Currency Czech koruna (CZK)

Country Macroeconomic Profile

GDP 49.8 bln. \$ (Q3 2019)
 GDP Growth 2.5 % (Q3 2019)
 Unemployment Rate 2.2 %
 Inflation 2.8 %



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------|-------------|-------------|-------------|-------------|
| EUR 3.0 bln | EUR 2.5 bln | EUR 3.8 bln | EUR 3.6 bln | EUR 2.6 bln |

Market Overview

2019 was another strong year in the Czech Republic with total investment volume likely to exceed EUR 3.0 bln. As Prague and Czechia in general is seen as a solid and stable market, the prices are high and the yields low, with solid chance for further pressure. Slight rental growth is expect-

ed that will continue to support the capital values. There is a long-term strong demand from domestic investors, however some of the largest transactions of the year were done by South Korean investors, so the question is whether this activity will stay in the following year.

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|---------|--------------------------------|-----------------------|--------------------|----------------|
| Q1 | Intercontinental - Hospitality | Best Hotel Properties | R2G Heritage | 250 |
| Q1 | Waltrovka - Office | Penta | GLL (Hanwha) | 275 |
| Q2 | Rustonka - Office | J&T | Mint (Hana) | 185 |
| Q2 | Main Point Pankrac - Office | PSJ | Mint (Hana) | 125 |
| Q4 | Amazon Dobroviz - Industrial | LOGISTIS | Samsung Securities | 165 (est.) |

Market Data Trends

| Year | City/Market | Rent | Yield |
|------|-------------|-----------------|--------|
| 2019 | Prague | € 21.00 - 24.50 | 4.50 % |
| 2018 | Prague | € 20.00 - 23.50 | 4.75 % |
| 2017 | Prague | € 20.00 - 22.00 | 4.85 % |
| 2016 | Prague | € 19.50 - 22.00 | 5.50 % |
| 2015 | Prague | € 19.00 - 20.50 | 6.00 % |

Sector Overview

Industrial

Total take-up is in line with 5-year averages with rent level rather unchanged and vacancy still low. Manufacturing companies drive demand for industrial space, taking more than half of total transaction volume. Over 500 k sqm is under construction with almost half of that being built on speculative basis. Total stock surpassed 8 million sqm.

Office

Strong demand is still able to keep the vacancy levels low despite quite active development pipeline, however speculative construction is starting to diminish with investors waiting for enough pre-lease volume. Rent levels are stable with slight upward pressure.

Country Profile

Population 3.725 million
 Capital City Tbilisi
 Currency Lari, GEL, ლ

Country Macroeconomic Profile

GDP 17.7 billion USD
 or 4,722 USD per capita
 GDP Growth 4.8%
 Unemployment Rate 12.7%
 Inflation 7,0%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| 500 million USD | 460 million USD | 465 million USD | 380 million USD | 430 million USD |

Market Overview

In 2018 real estate activities was the third largest sector of the Georgian economy with 11.4% of GDP; construction 8.3 % and tourism 7.6%.

Residential: Apartment sales remain strong. Tbilisi and Batumi rent markets are supported by tourism driven Airbnb markets.

Office: In Tbilisi, the country's capital and business hub office rents remain high and lacks modern leasable offices.

Retail: In Tbilisi the few modern shopping centres benefit from growth in disposable income, consumer preference for shopping centres and tourism.

Hotels: Currently, international up- and mid-scale hotels enjoy high occupancy rates and prices. The extensive pipeline in this segment might create a risk for oversupply. Lack of acceptable budget accommodation drove the rapid expansion of the Airbnb market.

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|---------|--|-----------------------|-----------------|-----------------|
| Q1 | Acquisition 40% shares in a development of a hotel | KASS 1 LLC | JSC M2 | 5.3 million USD |
| Q2 | Purchase of ongoing unfinished development of a hotel & apartments | Government of Georgia | MC Construction | 8.7 million USD |

Market Data Trends

| Year | City/Market | Rent per annum | Yield |
|------|------------------|----------------|-------|
| 2019 | Tbilisi / Office | 300 USD | 12.0% |
| 2018 | Tbilisi / Office | 275 USD | 11.0% |
| 2017 | Tbilisi / Office | 265 USD | 10.5% |
| 2016 | Tbilisi / Office | 250 USD | 10.1% |
| 2015 | Tbilisi / Office | 240 USD | 9.5% |

| Year | City/Market | Rent per annum | Yield |
|------|------------------|----------------|-------|
| 2019 | Tbilisi / Retail | 335 USD | 13.5% |
| 2018 | Tbilisi / Retail | 300 USD | 12.0% |
| 2017 | Tbilisi / Retail | 285 USD | 11.5% |
| 2016 | Tbilisi / Retail | 285 USD | 11.5% |
| 2015 | Tbilisi / Retail | 265 USD | 10.5% |

Market Opportunities

Good and interesting investment or rather development opportunities in all segments exist but especially for hotels and residential second homes throughout Georgia.

Georgia's tourism industry has for the last years been growing continuously. Georgia's tourism strategy 2025 seeks to further increase the revenues received from international tourism to \$5.5 billion per year.

The government is supporting tourism, it has invested heavily and continues to do so in developing Georgia's ski regions, has now started focusing on the countries potential for spa tourism and has initiated a program offering financial support for hotel developments in select areas.

Sector Overview

Industrial

Warehouse space in Tbilisi is mainly owner-occupied. Main exceptions are Gebrüder Weiss warehouse near Tbilisi airport established in 2013 with 10,000 m² and Hualing Groups trading center established in 2016 with 150,000 m² located in the eastern suburbs being the largest wholesale and retail trading center of Georgia.

With the overall development in the country demand is increasing main drivers are food, beverage and hypermarkets; auto parts; building materials; consumer and pharmaceutical goods

Office

Tbilisi office market is specific, it lacks a central business district, Georgian firms prefer to own their offices and modern leasable office space is limited and additions have been absorbed.

Lack of modern office space results in high rents and yields. Four new business centers Axis Towers, City Tower, CH 64 and Vale Plaza will add around 50,000 m² over the next years.

Retail

Tbilisi dominates the Georgian retail market with a share of 80%. Supply of modern shopping centers still remains far behind CEE.

Notable international type malls in Tbilisi are Tbilisi Mall 70,000 m², East Point 65,000 m², Galleria Tbilisi 25,000 m² and City Mall with 50,000 m².

In 2021 Tbilisi See Freeport outlet is scheduled to open with 8,000 m²

Growth in disposable income allowing consumers to spend not just on subsistence items drives development.

Country Profile

Population 83,2 million
 Capital City Berlin
 Currency Euro €

Country Macroeconomic Profile

GDP 3,436 bn €
 GDP Growth 0.6%
 Unemployment Rate 4.9 %
 Inflation..... 1.4 %



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------|-----------|-----------|-----------|-----------|
| 66.7 bn € | 60.8 bn € | 57.3 bn € | 52.7 bn € | 55.0 bn € |

Market Overview

The German economy has experienced a boom phase in recent years, while the population has reached an all-time high, the employment is rising and unemployment figures are falling (including the lowest unemployment rate since reunification). In December 2019 with around 4.9 % Germany has one of the lowest unemployment rates in the EU. In 2019, however, a weaker phase was recognized, but there are still no signs for a recession. The price-adjusted

gross domestic product was 0.6 % higher in 2019 than in the previous year. This represents the tenth growth of the German economy in a row. For 2020 the forecasts range from +0.6 % to +1.4 %. The situation is currently challenging for industrial companies (especially the automotive industry), while the positive situation in the service sector will continue.

Market Office Data Trends

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Berlin | 39.50 | 2.65% |
| 2018 | Berlin | 35.50 | 2.80% |
| 2017 | Berlin | 31.00 | 2.90% |
| 2016 | Berlin | 28.20 | 3.50% |
| 2015 | Berlin | 24.50 | 4.10% |

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Hamburg | 30.00 | 2.85% |
| 2018 | Hamburg | 27.30 | 3.00% |
| 2017 | Hamburg | 26.50 | 3.05% |
| 2016 | Hamburg | 26.00 | 3.40% |
| 2015 | Hamburg | 24.80 | 4.10% |

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Munich | 39.50 | 2.70% |
| 2018 | Munich | 38.00 | 2.85 |
| 2017 | Munich | 36.50 | 3.05% |
| 2016 | Munich | 35.50 | 3.35% |
| 2015 | Munich | 34.00 | 3.75% |

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Frankfurt | 45.50 | 2.85% |
| 2018 | Frankfurt | 43.20 | 3.05% |
| 2017 | Frankfurt | 40.30 | 3.20% |
| 2016 | Frankfurt | 39.00 | 3.75% |
| 2015 | Frankfurt | 39.20 | 4.25% |

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Dusseldorf | 28.50 | 3.10% |
| 2018 | Dusseldorf | 27.50 | 3.20 |
| 2017 | Dusseldorf | 27.00 | 3.60% |
| 2016 | Dusseldorf | 26.50 | 3.95% |
| 2015 | Dusseldorf | 26.00 | 4.35% |

Major Transactions

| Quarter | Property Type | Seller | Buyer/Lessee | Price, mln. \$ |
|---------|------------------------------------|----------------------|----------------------|-------------------|
| Q4 | German part Dream Global Portfolio | Dream Global | Blackstone | Approx. 3.0 bn € |
| Q3 | Millennium Portfolio | Generali | Commerz Real | Approx. 2.6 bn € |
| Q2 | Kaufhof-Portfolio (50 % share) | Hudson's Bay Company | Signa | Approx. 1.25 bn € |
| Q4 | Tucherpark, Munich | Hypovereinsbank | Commerz Real / Hines | Approx. 1.1 bn € |
| Q4 | The Squire, Frankfurt | Blackstone | AGC Equity Partners | Approx. 0.94 bn € |

Market Opportunities

Sector Overview

Although economic growth has recently been somewhat less pronounced, economic growth is expected to pick up in 2020. Here, domestic consumption will remain the pillar.

The rental markets, especially the office markets, will continue to be characterized by a lack of space that cannot meet the demand side. At the same time, no relief is to be expected on the developer side. Accordingly, rents in most markets will continue to rise.

Current conditions on the finance market, including the ongoing zero interest rate policy of the ECB and record employment levels, ensure that German commercial property remains in strong demand. Owing to the supply shortage, prime yields will fall further in some asset classes. For 2020 for the commercial investment market an above average high transaction volume can be expected.

Industrial

In 2018 the German logistics industry with 278 bn € generated the highest revenues within the European Union (279 bn € expected for 2019). German revenues were ahead of Great Britain (134 bn €) and France (136 bn €). Germany ranks first in the World Bank's "Logistics Performance Index" for the third time in a row. In the first three quarters of 2019 the space take-up in Germany was about 5.095 m sqm, which is almost at the previous year's level. From this take-up around 1.3 m sqm was registered in the top 5 markets. The prime rents are characterized by a stable to slightly positive development. Furthermore Industrial / logistics are highly demanded by property investor. Accordingly, prime yields for these assets are sinking.

Office

Despite a moderate economic forecast, the German office letting markets are in a very good shape. In the top 5 markets, a take-up of around 3.4 million sqm has been recorded in 2019, which even tops the very good result of the previous year by around 0.2 %. The office market will be influenced by insufficient completions as well as by strong letting demand. Therefore, rental prices will also rise in most of the markets in 2020. As a consequence, office properties will remain the most demanded assets for property investors.

Retail

Due to a record number of employees the purchasing power in Germany has increased by 2.9 % to 23,766 € per capita. Furthermore, the German consumers are in a buying mood and a support of the economic development. However, the online retail market can be declared as the main profiteur of this development. Also, the food sector is characterized by growing revenues. Investors in retail properties check carefully the economic viability of the concepts of the assets. Most preferred are investments in retail parks, followed by high-street properties and shopping centers.

Country Profile

Population 10,500,000
 Capital City Athens
 Currency € Euro

Country Macroeconomic Profile

GDP 200.3 billion USD
 GDP Growth 0.6%
 Unemployment Rate 16.7%
 Inflation 0.5%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------|-----------|-------------|-----------|-------------|
| 5.2 billion | 5 billion | 3.4 billion | 3 billion | 2.7 billion |

Market Overview

The Greek economy is undergoing a period marked by improving investor sentiment and expectations momentum amid a less favorable international economic environment that has been damped by uncertainty around Brexit, rising trade tensions and the slowdown in growth in the euro area that is primarily attributable to the decline in manufacturing in Germany. The remarkable improvement in business and consumer confidence, off the back of renewed political stability

and the expected shift to a more pro-growth policy mix, combined with the uptick in market sentiment towards the Greek economy, as reflected in the marked decline of GGB spreads and the full lift of capital controls, raises the prospects for an acceleration of domestic economic activity in the coming quarters through the establishment of a business-friendly environment and an expected rebound in investment.

Major Transactions

| Quarter | Property | Seller | Buyer/Lessee Company Name | Price, mln. \$ |
|---------|--------------|--------------|---------------------------|----------------|
| Q4 | Investment I | Prodea | DROMEUS | 93.000.000 |
| Q3 | Investment | Bain Capital | DROMEUS | 26.600.000 |
| Q3 | Investment | NBG | TRASTOR | 25.000.000 |
| Q1 | Investment | HELENS | GRIVALIA | 117.0000000 |

Market Data Trends

| Year | City/Market | Rent CHF/SQM/p.a. | Yield |
|------|-------------|-------------------|-------|
| 2019 | Athens | 19 | 6.8% |
| 2018 | Athens | 12 | 8% |
| 2017 | Athens | 12 | 9% |
| 2016 | Athens | 10 | 10% |
| 2015 | Athens | 10 | 10% |

Market Opportunities

Construction activity has rapidly increased, especially in the residential sector. Investors are now targeting value add opportunities, ie older stock in need of renovation and turnarounds, as there is lack of adequate institutional product. Residential development, offices and logistics are seen to attract greater demand by occupiers and hence have been preferred by developers and investors.

Sector Overview

Industrial

Greece stands at the crossroads of three continents offering high potential to logistics development. Average yields for quality properties in the major logistics areas of Greater Athens and Thessaloniki, are at least as high as 10%. Occupancy rates for Grade A logistics properties are as high as 95%. Management concessions of Piraeus port to COSCO, Thessaloniki port to the Deutsche Invest- Terminal Link-Belterra consortium, and TRAINOSE to Ferrovie Delo Stato, create new business opportunities. Development of new Logistics Centers in Thessaloniki (Str. Gonou) and Athens (Thriasio), as well 3/4 Party Logistics Parks throughout Greece. Small to medium size warehouses (i.e. 500-2,500 sqm) are increasingly sought after and considered more attractive.

Office

The office market in Athens is benefitting from improvements in the Greek economy and attracting more interest from local and foreign tenants. There is now little supply of high quality buildings in the prime office areas and this has led to a shortage of Grade A and B offices. As a consequence, prime rental values have been increasing over the last 3 years in the most sought-after areas. On the other hand, the stock of Grade C and D office remains high while the demand for such premises is almost nonexistent. Athens is no exception to the co-working and flexible workspace boom in Europe as more than 20 buildings were converted into co-working spaces.

Retail

High street shops and commercial centers that stood strong during the previous years, have now started to recover. Athens center exhibits signs of recovery, boosted by increased tourist arrivals, after a considerable period of negative growth in prices. High quality retail space of various sizes, including shopping centers have been in the spotlight due to increased demand from fashion and food and beverage retailers. Gradual improvement in the Thessaloniki high street market with increased take up leading to lower vacancy rates and higher rental prices

Country Profile

Population 4,921,500
Capital City Dublin
Currency Euro €

Country Macroeconomic Profile

GDP \$382,754M
GDP growth 5.6%
Unemployment Rate 4.8%
Inflation..... 0.8%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|---------------|---------------|---------------|
| € 7.3 billion | € 3.6 billion | € 2.3 billion | € 4.5 billion | € 3.7 billion |

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|---------|--------------|----------------|-------------------|----------------|
| Q2 | Multi-Family | Cosgrave Group | DWS | 108 mil EUR |
| Q3 | Multi-Family | Cairn plc | Urbeo | 94 mil EUR |
| Q4 | Multi-Family | Cairn plc | Urbeo | 53.5 mil EUR |
| Q4 | Multi-Family | Cairn plc | Carysfort Capital | 63.1 mil EUR |
| Q4 | Multi-Family | Confidential | Confidential | 127 mil EUR |

Market Data Trends

Price Office Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Dublin | 675 | 4% |
| 2018 | Dublin | 670 | 4% |
| 2017 | Dublin | 640 | 4% |
| 2016 | Dublin | 600 | 4.25% |
| 2015 | Dublin | 560 | 4.25% |

Price Retail High Street Yields 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Dublin | 6,250 | 3.5% |
| 2018 | Dublin | 6,040 | 3.5% |
| 2017 | Dublin | 6,000 | 3.5% |
| 2016 | Dublin | 5,600 | 3.5% |
| 2015 | Dublin | 5,250 | 3.5% |

Price Industrial Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Dublin | 95 | 5% |
| 2018 | Dublin | 89 | 5% |
| 2017 | Dublin | 89 | 5.5% |
| 2016 | Dublin | 80 | 5.75% |
| 2015 | Dublin | 76 | 6% |

Sector Overview

Industrial

Take-up in 2019 reached an impressive 332,362 sq.m - up approximately 9% on the previous year & 21% higher than the 10-year average.

Office

Demand for office accommodation remains elevated and we are expecting another strong year in 2020 including some carryover of transactions from last year.

Retail

We saw strong activity from the food & beverage, beauty services and leisure sectors last year - a trend which we expect to see replicated in 2020.

Market Opportunities

There continues to be strong office and industrial occupier demand.

The challenges around dealing with undersupply of housing over a long number of years are providing continuing opportunities for developers and investors in multi-family product and we expect to see a significant number of related transactions over the course of 2020.

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Country Profile

Population 60,483,000
 Capital City Rome
 Currency Euro €

Country Macroeconomic Profile

GDP 1,935 billions USD
 GDP Growth 0.6%
 Unemployment Rate 10.8%
 Inflation 0.6%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|----------------|----------------|----------------|----------------|
| 6,5 billions € | 4,9 billions € | 8,6 billions € | 7,1 billions € | 6,5 billions € |

Major Transactions

| Type | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|------|-------------------------------|---------------|-----------------|----------------|
| Sale | Galleria Passerella – Milan | Goldman Sachs | DeA Capital SGR | 280 million € |
| Sale | Palazzo Informazione -Milan | DeA Capital | Rovati Family | 175 million € |
| Sale | Pirellino – Milan | Municipality | Coima | 194 million € |
| Sale | Via Pola 9 -Milan | Barings | M&G Real Estate | 136 million € |
| Sale | Sky complex – Milan | Risanamento | REAM SGR | 262 million € |
| Sale | Viale Abruzzi/Sardegna – Rome | IMMSI | Investire SGR | 62,5 millio € |

Market Data Trends

| Year | City/Market | Rent | Yield |
|------|--------------|--------------------------|-----------------|
| 2019 | Milan/Office | 600 €/sq.m. per year | 3.00% net |
| 2018 | Milan/Office | 550 €/sq.m. per year | 3.50% net |
| 2017 | Milan/Office | 520 €/sq.m. per year | 3.50%/4.00% net |
| 2016 | Milan/Office | 450-500 €/sq.m. per year | 4.50% net |
| 2015 | Milan/Office | 400-450 €/sq.m. per year | 5.50% net |

Sector Overview

Industrial

Positive trend for logistic market. Take-up mainly characterized by 3PL operators (approx. 45%). Prime rents stable in all key markets of Milan, Rome, Bologna and Veneto Region.

Office

Positive trend for office market, especially in Milan area (leasing and investment accounting for 89% of the total volume) and Rome. A slight compression within the submarket both in Rome and Milan.

Retail

Positive trend despite the growth of e-commerce. Retail investment recorded a slow down during the previous year. High street registered 30% of the total investment volume.

Country Profile

Population 17.4 M
 Capital City Amsterdam
 Currency Euro €

Country Macroeconomic Profile

GDP 1.8%
 GDP Growth -0,8%
 Unemployment Rate 2.1%
 Inflation 2,6%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------|--------------|--------------|--------------|--------------|
| € 20 billion | € 22 billion | € 20 billion | € 14 billion | € 12 billion |

Market Overview

The Dutch economy has been one of the out performers in western Europe over the past few years. Unemployment is at a record-low level, consumer spending continues to increase and investment remain at record levels. Although the Dutch economy is performing well, some key economic indicators such as exports and the Dutch gross domestic product (GDP) have edged downwards

compared to 2018. For coming period GDP is expected to stabilize around this year's level out to 2022. The escalating trade conflict between the United States and China plays a key role, in the face of global uncertainty. In Europe, the approaching Brexit deadline and the political situation in Italy are also causes for concern.

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|---------|------------|------------------|-------------------|----------------|
| Q1 | Office | Marathon | Unilmmo | € 142 M |
| Q2 | Office | Magram Ltd | Nuveen / Cityhold | € 97 M |
| Q4 | Industrial | Somerset | Invesco | € 131 M |
| Q4 | Industrial | DHG | Real IS | € 142 M |
| Q4 | Office | Highbrook Invest | Jamestown | € 289 M |

Market Data Trends

Price Office Rents 2019

| Location | € SQ.M Yr | Growth % |
|------------------------|-----------|----------|
| Amsterdam (South Axis) | 475 | 5.6 |
| Amsterdam (Central) | 500 | 17.6 |
| Amsterdam (South East) | 245 | 0.0 |
| Rotterdam | 235 | 0.0 |
| The Hague | 210 | 0.0 |
| Utrecht | 285 | 0.0 |
| Eindhoven | 210 | 13.5 |

Price Office Yields 2019

| Location | Current | Last Year |
|------------------------|---------|-----------|
| Amsterdam (South Axis) | 3.25 | 4.00 |
| Amsterdam (Central) | 3.25 | 3.50 |
| Amsterdam (South East) | 4.75 | 5.75 |
| Rotterdam | 4.75 | 4.75 |
| The Hague | 5.25 | 5.75 |
| Utrecht | 5.00 | 5.50 |
| Eindhoven | 6.00 | 6.25 |

Market Opportunities

As available space is limited while demand remains high, due to liquidity growth and low rates, the Dutch real estate market is expected to further tighten up.

In addition to these factors, the Dutch real estate market is facing the consequences of the nitrogen issue. This will lead to a decrease of investments in new-build markets.

In a market which is already tight, the supply will decrease only more. This will cause an increase of the value of Dutch real estate and the rental rates.

Yields will remain near historical lows. Economic growth and investment returns will slow. There will be a lot of capital chasing too few opportunities, and that competition could drive investors into pushing yields lower. Investors with a higher risk appetite may not want to settle for low income returns. There are higher risk investments for sale with higher yields, and there is a peer group of investors willing to buy them.

Sector Overview

Industrial

The demand from tenants and buyers for production and storage spaces was high in the first nine months of 2019, which resulted in the free market - measured in transactions from 750 square meters of floor space - around 2.47 million square meters of industrial space was included. Despite the good demand, the transaction volume was lower than in the same period last year. In 2018, sales amounted to 2.9 million square meters. The fact that fewer industrial space was rented and sold in the first nine months was largely due to a reduced demand for logistics real estate (distribution centers and large-scale storage spaces). In this part of the market, take-up decreased from 1.87 million square meters to 1.6 million square meters.

Office

Office take up in the first nine months of 2019 was much lower than the same period last year. Approximately 735,000 square meters of office space was leased and sold, against 920,000 square meters a year earlier. The lease of office space was below the level of 2018, mainly due to a strong reluctance in the demand for offices in the third quarter. Nevertheless the demand for offices with a somewhat larger area, spaces from 5,000 square meters, was stable. In line with the first two quarters of the year the majority of the demand for office was related to existing buildings.

Retail

On the Dutch retail market once more there was a hesitation in the trends in demand in the first nine months of 2019. Both the number of retail transactions and the number of square meters of retail space leased showed a decrease. In total, around 243,000 square meters of retail space were included, while in the same period last year, around 336,000 square meters were included. The decrease in the take-up of retail space was not only due to a decrease in the number of transactions completed. Also, in contrast to 2018, fewer transactions of a larger size were concluded.

Country Profile

Population 22.171.000
 Capital City Bucharest
 Currency ROL – Romanian LEU

Country Macroeconomic Profile

GDP 944,22 bln lei
 or 4,722 USD per capita
 GDP Growth 3.8%
 Unemployment Rate 4.1%
 Inflation 3.8%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|---------------|-----------------|---------------|----------------|
| 1.06 billion € | 940 million € | 1 bln billion € | 900 million € | 644 billions € |

Major Transactions

| Quarter | Property Type | Seller | Buyer/Lessee | Price, mln. \$ |
|---------|--------------------------------------|-----------------------------------|------------------------|----------------------|
| Q4 | Office buildings | NEPI ROCKCASTLE | AFI Properties | 290 million euro |
| Q2 | The Office | NEPI ROCKCASTLE and Ovidiu Sandor | Dedeman | 120 million euro |
| Q1 | 9 commercial centers | MAS Real Estate | PKM DEVELOPMENTS | 113 million euro |
| Q4 | 3 Office Buildings in Cluj-Napoca | Radu Ciurtin and Florin Martis | Ideal Project Services | 30 million euro |
| Q4 | BCR Pallace | Vivion Luxemburg | BCR | 25 – 30 million euro |
| Q2 | Two plots for retail project Craiova | Adrian Mititelu | NEPI Rockcastle | 22 million Euro |
| Q4 | DAY TOWER office building | Day Group | CFH | 20 million euro |

Market Data Trends

Industrial 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|------------|
| 2019 | Bucharest | 3.5-4.5 | 8%-9% |
| 2018 | Bucharest | 3.5-4.5 | 8.25%-9% |
| 2017 | Bucharest | 3.5-4.25 | 8.5%-9.25% |
| 2016 | Bucharest | 3.25-4.25 | 8.5%-9.5% |
| 2015 | Bucharest | 3.25-4 | 9%-9.5% |

Office 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-----------|
| 2019 | Bucharest | 15-18 | 7%-8% |
| 2018 | Bucharest | 15-19 | 7.5%-8.5% |
| 2017 | Bucharest | 15-18 | 8%-8.5% |
| 2016 | Bucharest | 17-18.5 | 8%-8.5% |
| 2015 | Bucharest | 16-18 | 8%-9% |

Retail 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|------------|
| 2019 | Bucharest | 60-90 | 7% |
| 2018 | Bucharest | 60-90 | 7.25% |
| 2017 | Bucharest | 50-80 | 7.25%-7.5% |
| 2016 | Bucharest | 65-75 | 7.25%-7.5% |
| 2015 | Bucharest | 60-70 | 7.5%-8% |

Market Opportunities

Local and parliamentary elections are scheduled for 2020 in Romania. Therefore, political authorities will more likely keep a relaxing fiscal and budgetary policy during the year. The consumption is expected to remain robust. Thus, retail and industrial real estate markets will be increasing, but at a lower rate than before. Also, the increases in public sector wages maintain liquidity on the residential market, dominated now by high-quality projects.

The office sector will continue a slow growth, after a strong development in 2016-2019. There are still important projects ongoing, mostly for prime office buildings. This sector is active in primary cities, triggered by the expansion of multinational companies in Romania.

The yield has an expected slowly decreasing trend, but continues to remain high in comparison to other markets in the region. The presence of numerous important investment funds on the Romanian market is a reassuring signal for potential investors.

Lastly, please provide the full names and contact information for those who contributed to this report including any sources.

Sector Overview

Industrial

The stock of modern industrial facilities overpassed 4 mil. sqm in 2019. Important development projects are ongoing. The demand remains strong, despite concerns regarding national and European economies, with internal political instability increasing investors' uncertainty and a fragile European economic growth and Brexit affecting exports. The market is expected to evolve, but at a slower pace, triggered by logistics for retail and electronic commerce, due to personal income increases in 2019 and the pre-election 2020

Office

The sector recorded high investments before 2020 and some projects are still ongoing. Prime properties are targeted most in terms of rent, but also for acquisition. The winning decision presently seem to be the incorporation of the newest SMART technology in building conception and the Green certification of the projects as differentiators. With the economic activity forecasted to remain robust, the office market is not expected to experience major downturns in the near future.

Retail

The retail sector recorded a strong growth lately and with the consumption expected to have an increasing trend also in 2020, the retail sector activity remains robust. However, the investment activity slowed down in 2020 and focusses mainly on low risk small or medium projects in secondary cities with low endowment in retail modern spaces and on projects in particular areas in primary cities badly deserved by the present retail real estate stock.

Country Profile

Population 34,200,000
 Capital City Riyadh
 Currency Saudi Riyal

Country Macroeconomic Profile

GDP \$197,342 Million
 GDP Growth 1-5%
 Unemployment Rate 12%
 Inflation..... 0.2%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|------|------|------|------|------|
| N/A | N/A | N/A | N/A | N/A |

Market Overview

Saudi Arabia is considered as the heart of Middle East and North Africa region. With being world's largest oil exporter, Saudi Arabia has a lot of potential in real estate with the government being the source of majority of major projects.

In 2019 the market as whole was on a slower side which also affected the real estate sector. We saw more activity on the advisory and valuation sectors than the others.

Market Data Trends

| Year | City/Market | Rent | Yield |
|------|-----------------|---------|-------|
| 2019 | Riyadh / Office | 980 psm | 7% |
| 2018 | Riyadh / Office | 965 psm | 7.5% |
| 2017 | Riyadh / Office | 930 psm | 7.5% |
| 2016 | Riyadh / Office | 930 psm | 8% |
| 2015 | Riyadh / Office | 910 psm | 8% |

| Year | City/Market | Rent | Yield |
|------|-----------------|---------|-------|
| 2019 | Jeddah / Office | 750 psm | 6% |
| 2018 | Jeddah / Office | 740 psm | 6% |
| 2017 | Jeddah / Office | 735 psm | 6.5% |
| 2016 | Jeddah / Office | 720 psm | 6.5% |
| 2015 | Jeddah / Office | 700 psm | 7% |

Market Opportunities

2020 is an exciting year for the Middle East, We are expecting growth in terms of economic activity than previous year within the region and within Kingdom of Saudi Arabia as well. The Real Estate sector shall expect good industrial

Sector Overview

Industrial

The industrial market is expected to stay slow in 2020 as well. With major activity being in relocations. New entrants in the industrial market have slowed down drastically resulting in lack of activity and increase in supply.

Office

Office market will remain favoured towards occupiers in the year ahead where rents are likely to trend downwards. Especially in Riyadh, where strong rates of employment growth are being witnessed we expect the vacancy rates in the high end segment to continue to decline at the expense of increased vacancy in the Grade B segment of the market.

Retail

As a result of Government's economic and social policies, we are seeing more participation of female workforce with in Saudi Arabia. We have witnessed a positive trend in spending in retail sector. With rents expected to stay steady this year.

growth and also increase in demand of the corporate and residential sectors. The hospitality industry in Saudi Arabia is also expected to grow with the introduction of e-visit visa and visa on arrival.

Country Profile

Population 6.982.604
 Capital City Belgrade
 Currency RSD

Country Macroeconomic Profile

GDP \$55.44 billion
 GDP growth 4.4%
 Unemployment Rate 9.5%
 Inflation..... 2.0%

5 Year Real Estate Development Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|---------------|---------------|---------------|
| € 3.3 billion | € 2.8 billion | € 2.4 billion | € 2.5 billion | € 2.0 billion |



Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln. \$ |
|---------|--|------------------|------------------|----------------|
| Q4 | Acquisition (office building, under construction 52.000sqm – bankruptcy) | SPV | Private investor | 19.7 mil EUR |
| Q4 | Acquisition (industrial complex 75.000 sqm – bankruptcy) | IMR Ltd Belgrade | Private investor | 9.3 mil EUR |
| Q2 | Acquisition (retail -67.5%) | Fashion Company | BIG CEE | Confidential |
| Q4 | Acquisition (office building, class A 12.000 sqm) | DUTB | Roaming Networks | Confidential |
| Q3 | Acquisition (retail park, 45 stores) | Poseidon Group | BIG CEE | 32,5 mil EUR |

Market Data Trends

Rents & Yields Office Class A Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|--------------|
| 2019 | Belgrade | 15 -17 | 7.25 – 7.50% |
| 2018 | Belgrade | 15.5-16.5 | 7.75 - 8.00% |
| 2017 | Belgrade | 14.5-16.5 | 8.00 – 8.25% |
| 2016 | Belgrade | 14 – 16 | N/A |
| 2015 | Belgrade | 14 – 16 | N/A |

Rents & Yields Retail High Street Yields 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Belgrade | 50 – 80 | 5.60% |
| 2018 | Belgrade | 50 – 80 | 6.25% |
| 2017 | Belgrade | 40 – 80 | 6.75% |
| 2016 | Belgrade | 40 – 80 | N/A |
| 2015 | Belgrade | 40 – 80 | N/A |

Rents & Yields Prime Industrial Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|-------|
| 2019 | Belgrade | 3 – 5 | 9.25% |
| 2018 | Belgrade | 3 – 5 | 9.25% |
| 2017 | Belgrade | 3 – 5 | 9.50% |
| 2016 | Belgrade | 3 – 4 | N/A |
| 2015 | Belgrade | 3 – 4 | N/A |

Market Opportunities

We can expect that the positive trend of development of the real estate market in Serbia will continue especially when it comes to new construction. This trend (the most present in residential market) is strongly driven by investment expectations due to lack of alternative investment opportunities (stock exchange and low interest savings). Further development (under potential risk of over supply) is under strong influence of project finance and mortgage interest rates as well as stable growth of salaries (about 8.5% in the previous year). When it comes to property prices, we should expect slight growth slowdown in 2020, due to pricing trend from 2018.

Sector Overview

Industrial

In the previous years, we have seen a strong dedication to economy development and incentives available to investors, which resulted in attraction of many companies in the manufacturing and production sector. The main drivers of market development were in construction of new distribution and logistics facilities, but also in expansion of existing production facilities of investors who are already present on the market.

Office

The office stock in Belgrade at the end of 2019 was about 900.000 sqm. According to the current status of construction sites office stock will be significantly increased during this year. New Belgrade (CBD) is a dominant area (Class A office space) while the city center is still undeveloped (Class B office space). According to demand trend, there is permanent reduction of available free space and also pre-lease reached the high level in previous year.

Retail

Having in mind investors that more often choose Serbia for their future business operations, Belgrade's retail market is under significant expansion. New shopping malls and retail parks are under construction and are bringing new brands to the market. The most significant concept, especially in secondary cities, are retail parks which have proven to be very successful.

Country Profile

Population 2.089.310
 Capital City Ljubljana
 Currency euro (€)

Country Macroeconomic Profile

GDP 45.755.000.000 €
 GDP growth 2,5 %
 Unemployment Rate 4,8 %
 Inflation..... 1,8 %



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|---------------|---------------|---------------|
| € 2,5 billion | € 2,3 billion | € 2,1 billion | € 2,1 billion | € 1,6 billion |

Major Transactions

| Quarter | Property | Seller | Buyer / Lessee | Price, mln euro |
|---------|-------------------|--|--|-----------------|
| Q1 | Free market sales | POSLOVNI SISTEM MERCATOR d.d. | Supernova MC Lju, podjetje za oddajanje nepremičnin d.o.o. | 46.6 with VAT |
| Q2 | Free market sales | Raiffeisen LEASING | TRIGAL d.o.o. | 28.0 |
| Q2 | Free market sales | Centrica | Supernova | 220. |
| Q1 | Free market sales | POSLOVNI SISTEM MERCATOR d.d. | Supernova MC Lju, podjetje za oddajanje | 27.9 with VAT |
| Q4 | Free market sales | SITULA CITY, storitve in oddajanje nepremičnin, d.o.o. | Zetland Capital partners | 14.5 |

Market Data Trends

Price Office Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|----------|
| 2019 | Ljubljana | 16 | 6,5 - 7% |
| 2018 | Ljubljana | 16 | 7% |
| 2017 | Ljubljana | 14 | 7 - 7,5 |
| 2016 | Ljubljana | 12 | 7,5 - 8% |
| 2015 | Ljubljana | 12 | 7,5 - 8% |

Price Retail Yields 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|----------|
| 2019 | Ljubljana | 25 | 6,5 - 7% |
| 2018 | Ljubljana | 25 | 7% |
| 2017 | Ljubljana | 20 | 7 - 7,5% |
| 2016 | Ljubljana | 20 | 7,5 - 8% |
| 2015 | Ljubljana | 20 | 7,5 - 8% |

Price Industrial Rents 2019

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|----------|
| 2019 | Ljubljana | 5 | 7,5 - 8% |
| 2018 | Ljubljana | 5 | 7,5 - 8% |
| 2017 | Ljubljana | 4 | 8 - 8,5% |
| 2016 | Ljubljana | 3,0 | 8 - 8,5% |
| 2015 | Ljubljana | 3,0 | 8 - 8,5% |

Market Opportunities

In Slovenia, there is currently a great lack of A class business premises. No major construction is planned in Ljubljana in the coming years, so it is expected that demand will continue to exceed supply in the coming years. The demand is not only high for office spaces, but also for logistic and production halls in modern industrial zones, but there are very few in Slovenia. Given the greater supply of residential real estate than commercial, it is expected that in the event of an economic crisis, it will be more pronounced in the housing market and on class B commercial Real Estate.

Sector Overview

Office

Rents for offices in Slovenia remained stable in 2019. There is a lack of new supply for class A and prime properties. Given that we expect slight increase of average rents in this kind of properties. The vacancy rate in Ljubljana stands close to 0% for A-class buildings.

The office rental market activity is relatively high compared to the sales market. Indeed, the demand for offices for rent is currently much higher than the demand for purchase. (source: SMARS)

Retail

Volume of retail trade in Slovenia has been strongly increasing, mostly in Ljubljana. Slight increase of rents was recorded in prime locations and we expect that the same trend will continue. Vacancy rate is stable and stands at approximately 5% or less in shopping centres and retail parks in Slovenia. Location and size can play a large role in the vacancy rate. There can also be a huge difference on rents depending on the microlocation, there rents can also exceed 100 eur/m²/month.

Industrial

Average rents for industrial premises remained stable in 2019. Main industrial centres are Ljubljana, Kranj, Maribor, Celje, Koper and Novo Mesto. Most of the existing industrial properties in Slovenia are owner occupied.

Rents in business zones or in modern industrial warehouse market range from 5 eur/m²/month and more, vacancy rate stands at very low levels, even below 5%.

Market Overview

Despite the moderate downward trend in the number of concluded sales transactions, which we have witnessed since the first half of 2017, the Slovenian real estate market remained relatively active in 2019 and so far shows no signs of crisis. Q1 2019 saw the change of ownership of a large number of large retail centers, which resulted in a record value of transactions in Q1 2019. After accelerating growth in the first half of 2018, residential real estate price growth slowed. The real estate market is slowing down mainly due to rising prices and lack of supply of new construction.

Country Profile

Population 8.57 million
 Capital City Bern
 Currency Swiss Franc CHF

Country Macroeconomic Profile

GDP \$143'637 million
 GDP Growth 0.9% (2019 – SECO)
 Unemployment Rate 2.3% (2019)
 Inflation..... 0.4% 2019



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|------|------|------|------|------|
| N/A | N/A | N/A | N/A | N/A |

Market Overview

With the Swiss Franc being regarded as a refuge currency, the economy remains strong. Major IT and accounting firms, international banks, large biotech and pharma companies have all shown a pronounced interest in the major Swiss Cities. The hospitality sector is also strong with high demand by international chains seeking to locate in major Cities. Geneva office rents have strengthened after a couple of years of readjustment while Zürich continues to experience strong demand despite the important increase

in stock, notably in the Glattalpark, West Zürich and Europaallee areas over the past years. The principal investors in the market have remained the large Swiss Institutions, with demand outstripping supply and continued low interest rates reinforcing values. Demand for prime investment is forecast to remain high, sustaining the level of yields. Currently rents in Zürich remain relatively low despite sustained demand with the exception of larger prime units within the CBD where supply outstrips demand.

Major Transactions

| Quarter | Property | Seller | Buyer/Lessee Company Name | Price, mln. CHF |
|----------|---------------|--------------------|---------------------------|------------------|
| Jan 2020 | Office/Retail | RFG Holding | Brick Mark AG | CHF. 130'000'000 |
| Dec 2019 | Office/Retail | Credit Suisse | IGIMO AG | CHF. 300'000'000 |
| Dec 2019 | Office/Retail | Mauch | Massilo SA | CHF. 56'500'000 |
| Aug 2019 | Office | Next Immobilier SA | Swiss Life SA | CHF. 23'700'000 |

Market Data Trends

| Year | City/Market | Rent CHF/SQM/p.a. | Yield |
|------|---------------|-------------------|-------|
| 2019 | Zürich/Office | 775 | 2.50% |
| 2018 | Zürich/Office | 750 | 2.60% |
| 2017 | Zürich/Office | 750 | 2.80% |
| 2016 | Zürich/Office | 725 | 2.80% |
| 2015 | Zürich/Office | 750 | 2.80% |

| Year | City/Market | Rent CHF/SQM/p.a. | Yield |
|------|---------------|-------------------|-------|
| 2019 | Geneva/Office | 725 | 2.90% |
| 2018 | Geneva/Office | 700 | 3.0 % |
| 2017 | Geneva/Office | 750 | 3.10% |
| 2016 | Geneva/Office | 830 | 2.90% |
| 2015 | Geneva/Office | 830 | 2.80% |

Market Opportunities

Given the strength of the Swiss Franc and hard yields coupled with strong demand for investment quality properties, maximization of return is being found by means of acquiring “tired” well located premises. Many tenants have rented on rolling leases, resulting in relatively low rents. By managing the leases of the tenants, it assures minimum loss of income during the planning period. Once vacated, the building can be fully refurbished. Demand for such products will ensure quality tenants at rents above market when compared with smaller units. By concluding investment type leases, this will optimize the capital value, hence ensuring high returns. Given the need for Swiss institutions to acquire Swiss real estate of an institutional quality, due to the limited supply, optimal returns may be achieved.

Sector Overview

Industrial

Despite pressure due to the strength of the Swiss Franc, 2019 showed an increasing trend for the location of data-centres with Switzerland. Factors include safe location, security and good infrastructure. R&D is strong within the biotech and pharmaceutical companies. Fine machine tooling also remains an important occupier in the industrial sector notably within the Bern area. The Cantons of Zürich, Zug, Basel and Geneva are all highly competitive in this area and offer important incentives.

Office

Geneva's market supply continued to increase with sizeable Swiss rail developments notably at Pont-Rouge coming on-stream and improved rail infrastructure between Switzerland and France, resulting in large surface users relocating to the satellite area. City center prime rents have subsequently seen a moderate recovery. Zürich's office market has continued to expand and a number of landlords have taken advantage to refurbish provoking a high demand for good quality waterfront space and sustained rental levels.

Retail

On-line shopping pressures are apparent in Geneva and Zürich providing a “reality check” on the prime rental levels. January 2020 sees the closure of Manor's department store on Zürich's Bahnhofstrasse due to a rental dispute with the owner. Luxury retail along Rue du Rhône and Bahnhofstrasse has suffered less than the standard retail, with fashion particularly under pressure. Both Geneva and Zürich have seen pop up-stores, luxury cars, Co-working offices and new style coffee shops enter into prime space.

Country Profile

Population 42 billions
 Capital City Kyiv, 3,7 mln.
 Currency Hryvnia, ₴

Country Macroeconomic Profile

GDP 410 billions\$ (PPP)
 GDP Growth 4,2%
 Unemployment Rate 8%
 Inflation..... 4.1%



5 Year Real Estate Investment Volume Your Market

| 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| 22.8 \$ billion | 26.6 \$ billion | 21.8 \$ billion | 16.5 \$ billion | 14.3 \$ billion |

Market Overview

2019 has continued the positive dynamics of recent years. Minor adverse effects, such as a decline in the agricultural index, were mostly seasonal in nature. In January-December 2019, retail turnover increased by 28.9% compared to the same period of the previous year, amounting to \$ 41.7 billion. USA. At the same time, the figure in the capital, which increased by 40.3% compared to the same period last year, is \$ 8.11 billion. USA. At the

end of 2019, the Consumer Confidence Index reached 91.7, which is an unprecedented shift: the level exceeded the pre-crisis 2013 level for the first time. The steady increase in wages in recent years has taken Kyiv to a different level. Over the last 2 years, the average wage has grown by about 60%. This indicator is one of the largest in Europe.

Major Transactions

| Quarter | Property | Seller | Buyer/Lessee Company Name | Price, mln. \$ |
|---------|----------------------|---|--|----------------|
| 4Q | Vodafone Ukraine | Prellodium B.V. / Allegretto Holding S.a.r.l. | Bakcell / Neqsol | 734 |
| 4Q | IdeaBank | Getin Holding S.A. | Dragon Capital Investments Limited, Dragon Capital New Ukraine Fund L.P. | 58,5 |
| 3Q | Regal Petroleum plc. | KYLESTONE LIMITED (Kelda Ltd) | Regal Petroleum plc. (Pelidona Services Limited, Кипр / Smart-Holding, | 47 |
| 4Q | BC "Arsenal Plaza" | Maksim Mykitas | Tarantino Family | 10 |
| 4Q | Office | "Under Lion" | Dragon Capital Consulting | 4,9 |

Market Data Trends

| Year | City/Market | Rent(euro/sqm/month) | Yield |
|------|-------------|----------------------|--------|
| 2019 | Kiev | 44.5 | 10-11% |
| 2018 | Kiev | 42.3 | 12% |
| 2017 | Kiev | 35.6 | 12% |
| 2016 | Kiev | 34.3 | 14% |
| 2015 | Kiev | 30.9 | 15% |

Market Opportunities

- Ukrainian retail turnover was 45.2\$ billions (increased on 28.9%)
- New brands on the Ukrainian retail market: Decathlon, H&M, IKEA, Under Armor etc.
- 8,85\$ billions of retail turnover made by Kyiv.
- The Consumer Confidence Index reached 91.7. The highest level of index in the history of Ukraine.
- Huge deficit and low supply offices and warehouses because of lack finance inside of the country.
- The positive tendency in yield give chance for investors buy real estate for low price and the profitability of them will increase each year.
- Railway stations, ports propose huge choice for investments in infrastructure on concession terms.

Sector Overview

Industrial

- New Offer in 201942 144 m²
- Total Market Volume1,9 mln. m².
- Net Absorption32 490 m²
- Level of Vacancy0.8%
- Cost of Buildstarts from \$ 500 / m²
- Rent Price4.5-5.8 \$/ m²/month
- New Offer in 2020150 000 m²

Retail

- New Offer in 2019208 000m²
- Total Market Volume1,6 mln. m².
- Net Absorption203 000 m²
- Level of Vacancy8,5%
- Rent Price44,5 \$/ m²/month (Averages)
- New offer in 2020.....465 000 m²

Office

- New offer in 2019.....100 000m²
- Total Market Volume1,9 mln. m².
- Net Absorption203 000 m²
- Level of Vacancy8,5%
- Rent Price27 \$/ m²/month for A Class
- New Offer in 2020250 000 m²