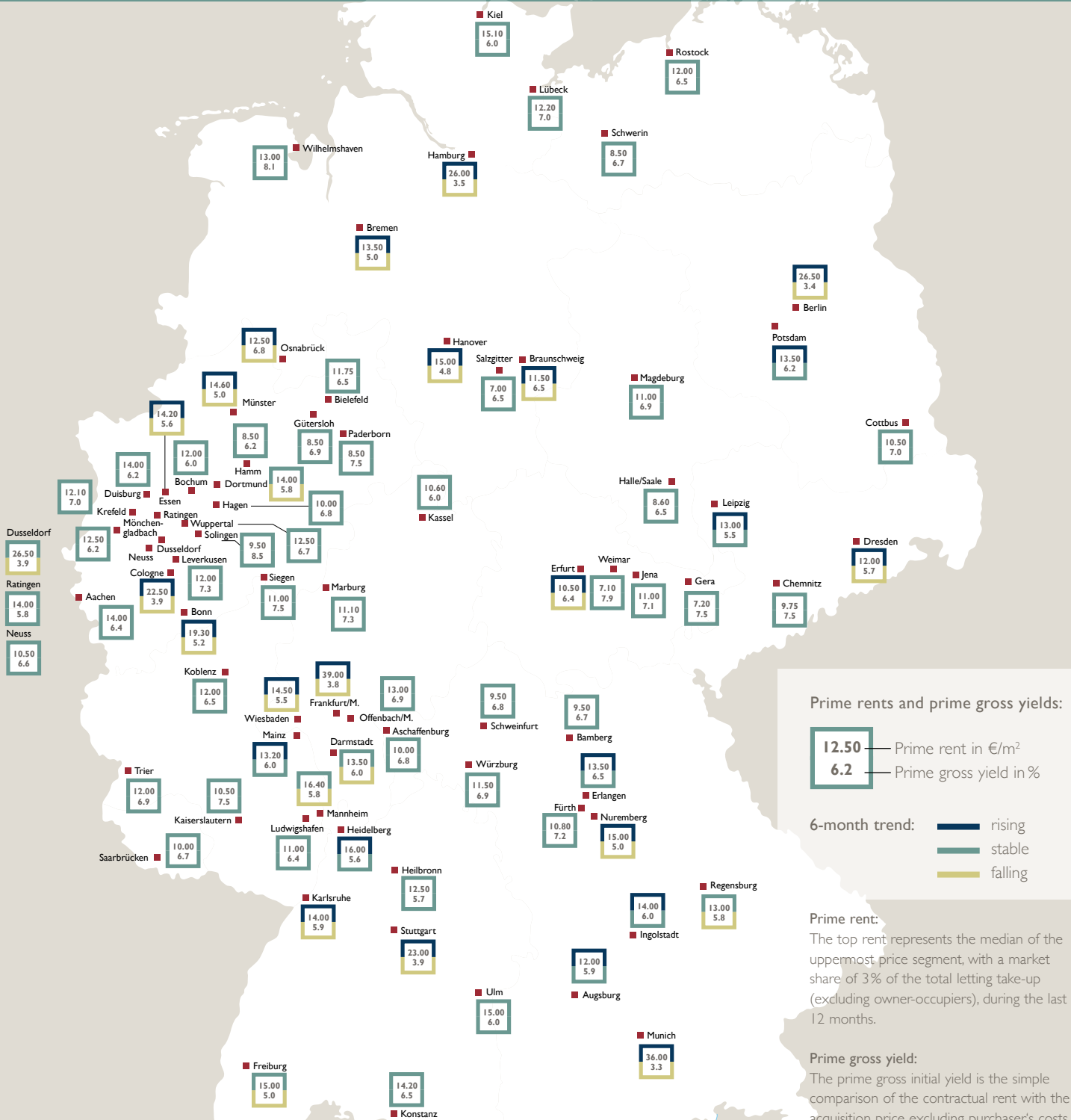


Investment locations Germany 2017 Office – rents and yields

CATELLA

The continued strong focus of investors and users on central modern office properties in prime locations will further intensify competition and lead to a corresponding price dynamic and sustained pressure on property yields. This development will bring diversification effects to B- and C-category locations, without compromising on the quality of the properties.



2017	Ø prime rent	Δ 2016/2017	Ø prime gross yield	Δ 2016/2017
A-location	28.50 €/m ²	+4.4 %	3.67 %	-53 bp*
B-location	14.58 €/m ²	+5.3 %	5.46 %	-36 bp*
C-location	12.51 €/m ²	+1.3 %	6.34 %	-19 bp*
D-location	10.25 €/m ²	+2.7 %	7.02 %	-14 bp*

* bp = basis point

As of 1st quarter 2017

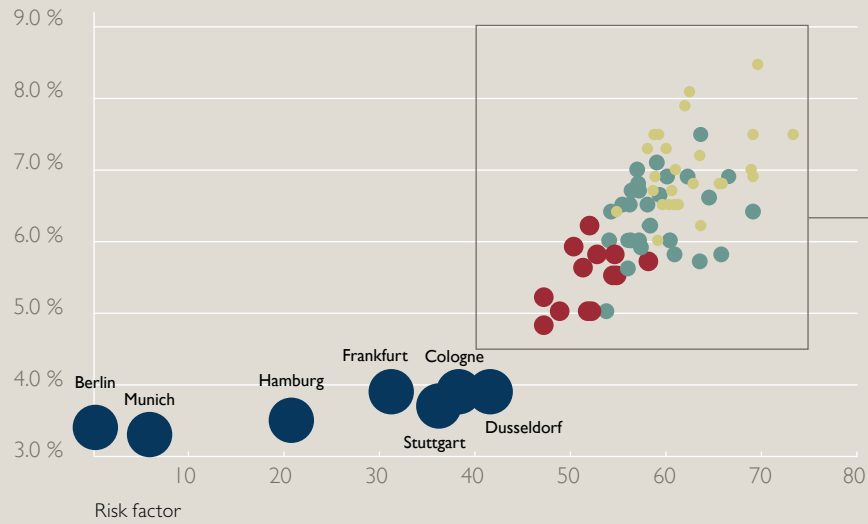
Contact: research@catella.de

Source: Catella Research 2017

Yield/risk profile for office markets in 2017



Prime gross yield in %



Office markets have been classified according to their size (existing stock).

- Category A = > 5 million m²
- B = ≥ 2 million to 5 million m²
- C = < 2 million m² (further differentiation for C & D in terms of regional significance)
- D = < 2 million m² (further differentiation for C & D in terms of regional significance)

Prime gross yield in %

