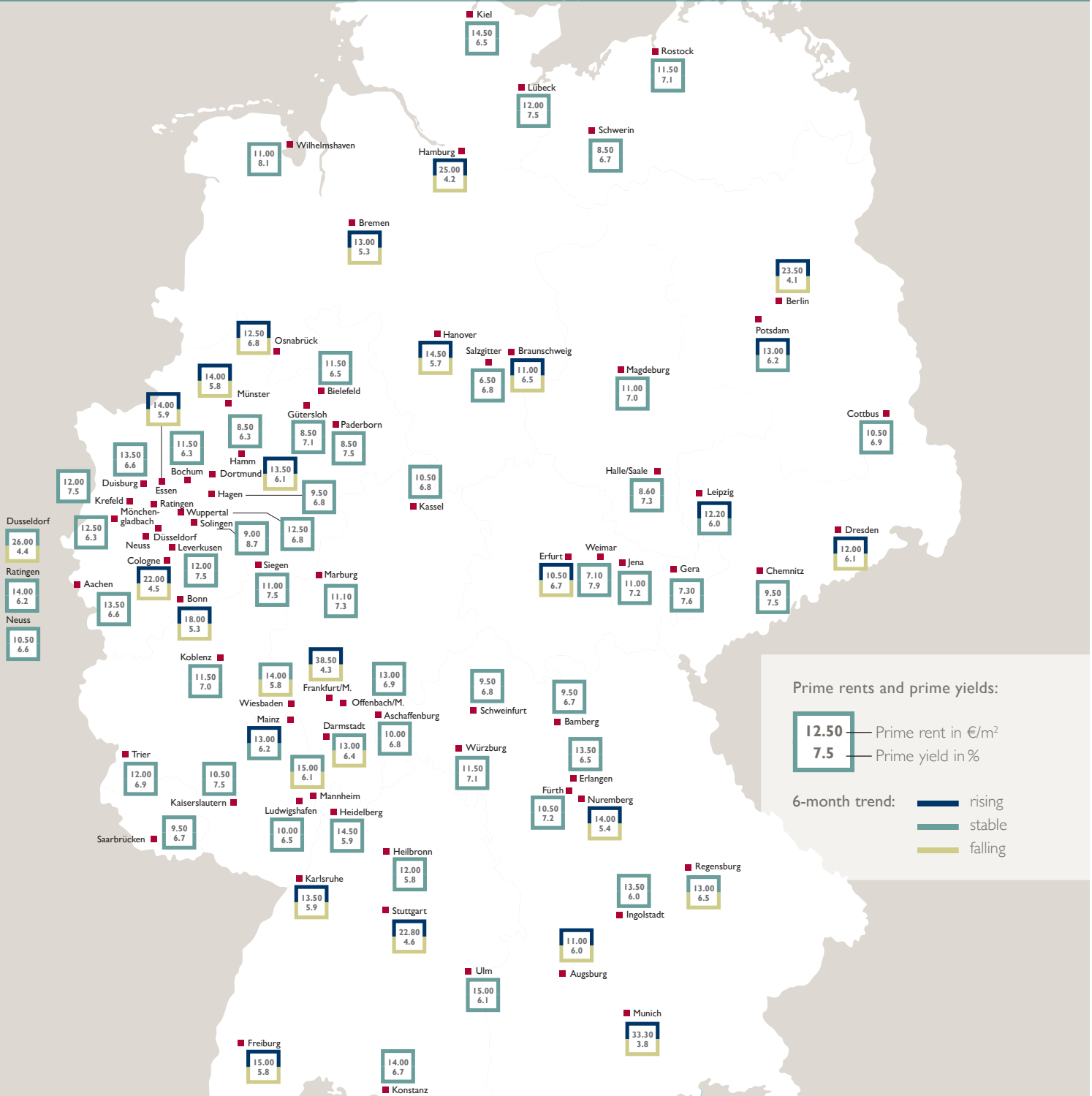


# Investment locations Germany 2016

## Office – rents and yields

Strong demand for office properties – particularly from international investors in the top locations – means a further increase in purchase prices. “B” and “C” locations are also seeing this trend, in some cases with a delay. Returns are continuing to fall. But: the gap between the change in rents and purchase prices is becoming measurably bigger.



2016	Ø prime rent	Δ 2015/2016	Ø prime yield	Δ 2015/2016
A cities	27.30 €/m <sup>2</sup>	+2.2%	4.20%	-45 Bp*
B cities	13.85 €/m <sup>2</sup>	+5.7%	5.82%	-21 Bp*
C cities	12.35 €/m <sup>2</sup>	+2.2%	6.53%	-14 Bp*
D cities	9.98 €/m <sup>2</sup>	+2.6%	7.16%	0 Bp*

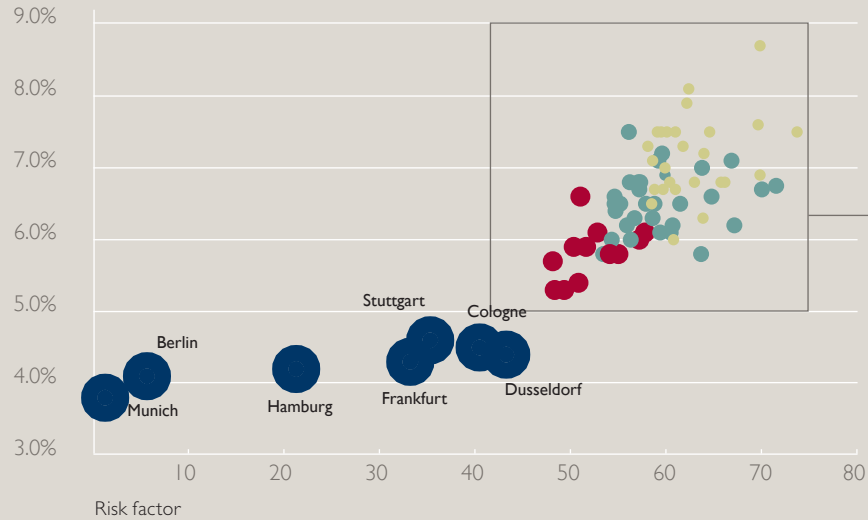
As of 1st quarter 2016  
Contact: research@catella.de  
Source: Catella Research 2016

\* Bp = basis point

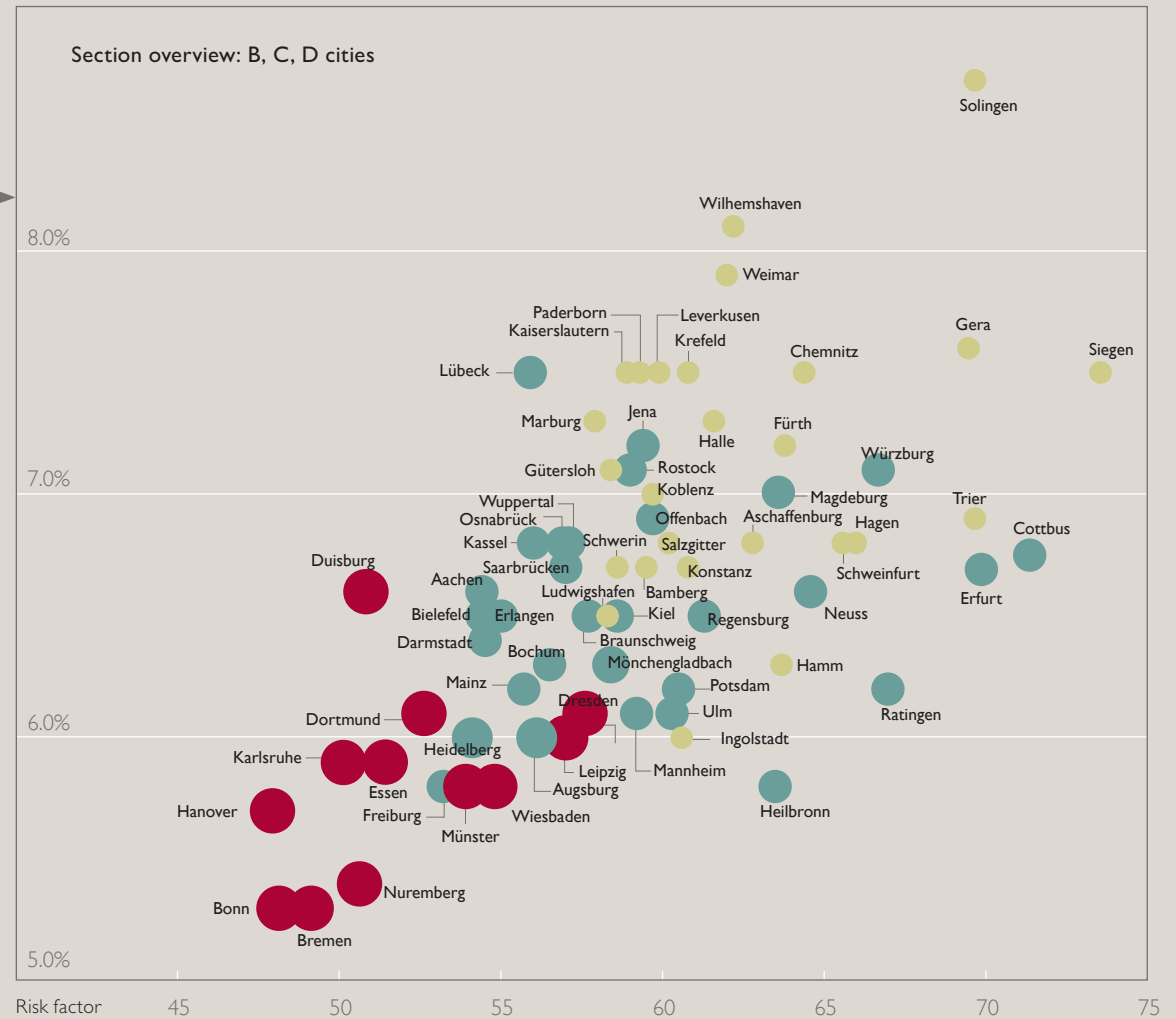
# Yield/risk profile for office markets in 2016



Prime yield as %



Prime yield as %



Office markets have been classified on the basis of their size (existing stock).

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