Capital Markets | Q2 2022

EMEA Market Snapshot

Overview

It is increasingly evident that elevated inflation, rising interest rates and a weakening economic prognosis are contributing to an uncertain outlook and very challenging market conditions. In the second quarter we began to see evidence that investors are adjusting strategies to take these new operating conditions into account, with the pricing of assets starting to adjust across the region.

Germany and Spain are two of the markets where yields have already moved out, by a range of 10-25 basis points (bps). Many other markets are expected to follow suit over the next six months as uncertainty persists and interest rates continue to rise. That said, we would caution investors against excessive negativity, or panic, given real estate's natural role as an inflation hedge.

While some markets are anticipating downward movement in capital values, the overall consensus for Q3 is one of stable conditions. A few locations anticipate there could be further positive movement in values for logistics and residential assets. This reflects the underlying supply-demand fundamentals in some cities, providing a further degree of support as the region braces for economic headwinds.

Q2 showed strong appetite for core product in prime locations, however, we expect Q3 will see some investors shift up the risk curve in an effort to combat the rise in interest rates via higher yields and asset management opportunities. A broad slowdown in activity in the UK did not prevent the conclusion of multiple large-scale deals, including GIC Real Estate's £694 million (€817 million) acquisition of a majority stake in mixed-use development Paddington Central. In France, active I&L and retail transactions helped power a market rebound from the previous quarter. The massive recovery in travel demand is contributing to investor interest in hotel and retail assets in Spain and Italy. CEE markets such as Poland and Romania saw an influx of new capital and sustained demand for prime office properties.

The coming quarters are likely to test many strategies, and warrant a high degree of caution around investment decisions. Nonetheless with many investors still eager to deploy capital, and the supply of investible product still limited in many EMEA markets, those who remain active and alert, and selectively evaluate the opportunities available are likely to be rewarded.

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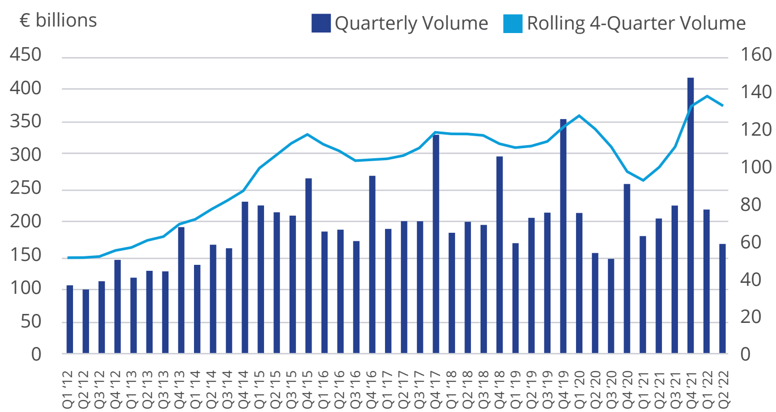
	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↔ / ↓	↔
Logistics	↔	↔
Residential	↔	↔
Retail	↔ / ↓	↔ / ↓
Hotel	↔	↔ / ↓

Source: Colliers

European investment volumes by sector: 2012-22



Source: Colliers, MSCI Real Capital Analytics

UK

Investment volumes slowed to around €11.8 billion in Q2 from a very strong €20 billion in Q1 2022, making Q2 the weakest quarter since the pandemic started. The slowdown was broad-based with activity down across all major sectors.

Market Review

- Two of the three largest deals in Q2 were mixed-use schemes in London. In the lead was GIC Real Estate's €813 million acquisition of a 75% stake in Paddington Central at a net initial yield of 4.5%. The scheme includes offices, residential units and retail premises. The second largest deal was Kingboard's €344 million purchase of 2 London Wall Place, comprising 193,750 sq ft of office space.
- Despite office investment volumes slowing from €7 billion in Q1 to around €3.5 billion in Q2, several larger regional offices traded during the quarter. These included 177 Bothwell Street in Glasgow (€252 million), Oxford Technology Park (€214 million), Calmore Plaza in Birmingham (€213 million) and Capital Business Park in Cambridge (€205 million).
- Industrial investment weakened to around €2.3 billion from €5.4 billion in Q1, while retail investment failed to reach the £1 billion mark for the first time since Q2 2020.
- Despite slower activity, yields continue to compress, with the "all-property" yield reaching a new record low according to MSCI data for May.

Highlighted Top Three Deals

Mixed-use:
€813 million/Paddington Central, London W2/75% share acquired by GIC Real Estate/Net initial yield of 4.5%

Office:
€344 million/2 London Wall Place, London EC2 (193,750 sq ft of space)/Bought by Kingboard (Hong Kong)

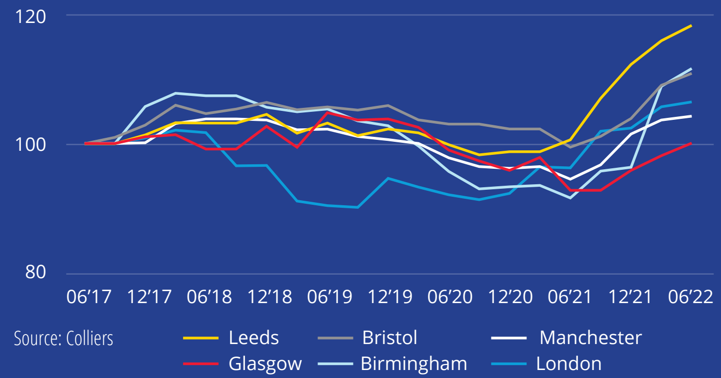
Mixed-use:
€316 million/Thames City, London SW8/50% stake in the development acquired by CC Land Holdings

Sectors to watch

Industrial across all submarkets, PRS residential, long-income, life sciences, data centres, offices in prime locations

	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↔	↔
Logistics	↑	↑
Residential	↔	↔
Retail	↑	↑
Hotel	↔	↔

All sector capital value index



Source: Colliers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Germany

Uncertainty led to an unprecedented turnaround in the investment market in Q2, with a significant reduction in market activity and price corrections across the board.

Market Review

- COVID-19, the war in Ukraine and the corresponding rapid rise in inflation have encouraged investors to restructure their investment strategies and adopt a wait-and-see-attitude. However, record Q1 results led to an impressive overall H1 result of €28.4 billion, the second strongest of the decade, notwithstanding Q2's below-average volumes.
- The gap between asking and bid prices has widened. Sales negotiations are being prolonged or put on hold in the expectation that more clarity around pricing will emerge over the summer. This will largely determine transaction activity over the remainder of the year.
- Rough estimates from ongoing transactions show price reductions of 10 to 25 basis points (bps) for office assets in Germany's top seven markets, which are likely to climb above the 3% yield mark for the first time in quite a while. Yields in the country's eight top logistics regions are also expected to increase by 25 bps. Prime yields are up an average of 10 bps in the high-street sector.
- None of the top seven cities were able to hit their 5-year averages during Q2, primarily due to the absence of high-volume deals and portfolios.
- Against the backdrop of increasing debt costs, equity-heavy and distribution-oriented institutional investors expected to form the backbone of the investment market in the months to come, along with family offices and discretionary funded vehicles.

Highlighted Top Three Deals

Office:
€677 million/Berlin/ Gross Initial Yield (GIY) 1.4%/ 50% share Sony Center Berlin, Omers/Oxford/Madison (seller)/ Norges (buyer).

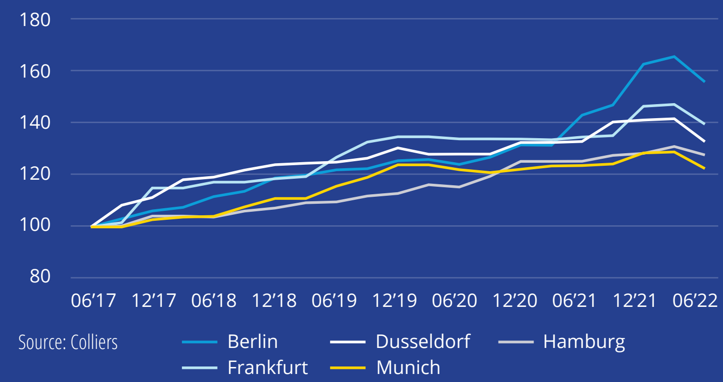
Office:
€235 million/Bonn/ GIY 4.5%/ Telekom HQ, Meritz Securities, Kiwoom Securities (seller)/ Art-Invest (buyer).

Office:
€232 million/Frankfurt/ Main Tower Frankfurt, Helicon (seller)/ Helaba (buyer)

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Food-anchored retail, logistics, trophy office buildings, ESG-compliant assets across all asset classes; existing properties with indexed leases (inflation hedge)	Office	↓	↓
	Logistics	↓	↓
	Residential	↔	↔
	Retail*	↑/↔	↑/↔
	Hotel	↓	↓

*Retail: Grocery ↑, Shopping centres & High street ↔

All sector capital value index



Source: Colliers

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France

After a timid first quarter, Q2 saw a surprising increase in the volume of investment in the French commercial real estate market. Since the beginning of the year, €11.5 billion will have been invested, up 30% on a year-on-year basis.

Market Review

- Despite a troubled geopolitical and economic context in Europe, the volume of commercial real estate investment increased quarter-on-quarter, from €5 billion in Q1 to €6.5 billion in Q2.
- The French market's rebound is mainly due to a higher level of transactions in industrial and logistics assets and in retail assets, with €2 billion and €1 billion of disposals respectively over the last three months.
- Over €200 million was seen in the office segment ("Rio" building in the Paris central business district (CBD), "Carré Suffren" in the 15th district and the high-rise building "La Marseillaise"), a market segment that had been slowing for several months.
- This positive trend in investment volumes masks a real concern among investors about the trajectory of yields: the rise in 10-year government bond yields and the increased cost of debt will inevitably impact prime rates in the next three to six months to a variable extent, currently estimated at between 25 and 75 basis points.

Highlighted Top Three Deals

Office:
€270 million/Paris (8,700 sq m of super prime office space)/ Yield below 3%/ Rio building located in Paris CBD/sold by ARDIAN to M&G Real Estate France.

Office:
€250 million/Marseille (38,000 sq m)/ High-rise office asset in Marseille Euromed (CBD)–, bought by 2 SCPI managed by Perial from Swiss Life REIM.

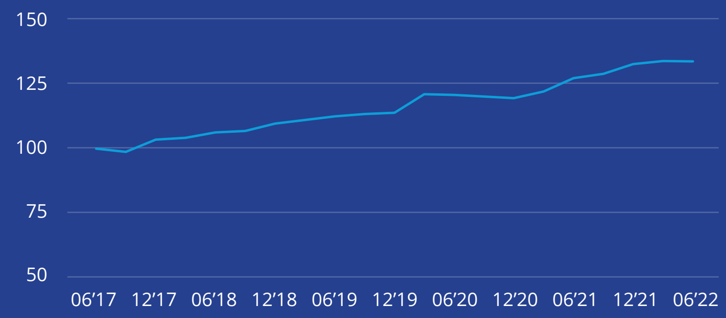
Office:
€230 million/Paris (15,000 sq m)/ 60% of the Carré Suffren office asset in Paris 15th, bought by Crédit Agricole Assurances from the REIT Covivio.

Sectors to watch

Office assets in Paris CBD, logistics warehouses, light industrial assets

Sector	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↔	↔
Logistics	↔	↑
Residential	↔	↑
Retail	↓	↓
Hotel	↑	↔

All sector capital value index



Source: Colliers

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Netherlands

High inflation and rising interest rates have created economic uncertainty which is likely to linger in the second half of this year and in 2023. This will likely have a negative effect on real estate prices, but appetite for core product remains strong.

Market Review

- Logistics assets remain in high demand, but the low yields of the last few years are likely to increase slightly due to rising interest rates. Large deals are still prevalent, such as the sale of the Tristar portfolio for approximately €275 million.
- Although the retail market is still sluggish, interest in high street units is recovering while convenience centers and supermarkets remain in high demand.
- The direction of the residential market is changing. Stricter policies from the Dutch government on rental prices are encouraging more sales. The low supply of investment product over the last year is therefore likely to grow in the coming quarters.
- The office market is broadly stable. Investment volume is relatively low, but several prime offices in Amsterdam and Rotterdam are coming to the market or the focus of exclusive deals. No yield shifts are visible yet.
- The hotel market is recovering but the number of transactions remains low, as owners are unwilling to sell at a discount.

Highlighted Top Three Deals

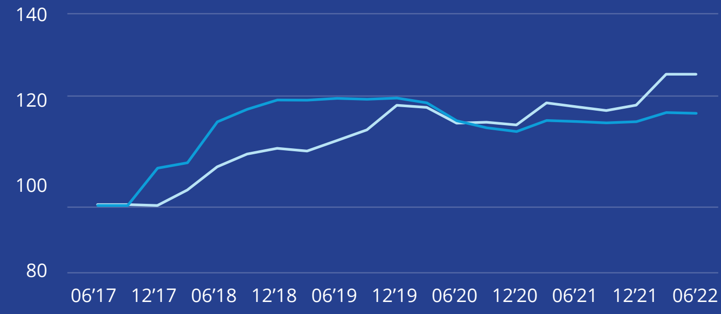
Logistics:
€275 million/Tristar Portfolio of logistics centres in the hotspots of Schiphol, Bleiswijk and Roosendaal with a total size of 127,000 sq m by KKR Mirastar/Bought by Prologis

Retail:
€155.7 million/Citymall Almere, a mall with a size of 87,000 sq m lfa covering a large part of the Almere city centre, by Unibail-Rodamco-Westfield/Sold to UMB Group, which consists of eight private investors

Hotel:
€92.1 million/QO Hotel with 288 rooms in Amsterdam Amstel sold by CBRE IM/Acquired by Tristan and renamed ‘Ruby.’ Reopened in May by operator Ruby Group

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Industrial & Logistics, Offices	Office	↔	↔
	Logistics	↑	↔
	Residential	↔	↓
	Retail	↔	↔
	Hotel	↔	↔

All sector capital value index



Source: Colliers

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Ireland

Ireland is attracting impressive levels of investment despite global uncertainty. Total turnover reached €1.2 billion in Q2 and the €1.1 billion sale of the Hibernia real estate investment trust (REIT) completed, bringing total spend on CRE-related transactions to €2.3 billion.

Market Review

- Considering asset sales only (thus excluding Hibernia, which was a share purchase), residential remained the top performer with 36% of total turnover. The top three Q2 deals were all private rented sector (PRS) developments in Dublin.
- Offices saw €275 million invested (22% of turnover), while the Hibernia REIT portfolio was predominantly made up of offices too. The largest office transaction saw LCN Capital Partners acquire Blocks 1, 2 & 3, Founders District for €97.5 million. This was followed by the sale of the WeWork-occupied 5 Harcourt Road for around €65 million to REInvest.
- Pricing has remained stable and prime yields in Ireland are attractive relative to other European peer cities, supporting robust levels of activity among overseas investors. French funds including Corum, La Francaise, Sofidy and new entrant Iroko Zen were particularly active in Q2, investing over €100 million across six transactions.
- The main factors impacting the market are inflation and rising interest rates, although as can be seen from total volumes, this is being offset by strong occupier markets, attractive yields and the weight of global capital seeking a limited supply of core, long term investment opportunities in Ireland.

Highlighted Top Three Deals

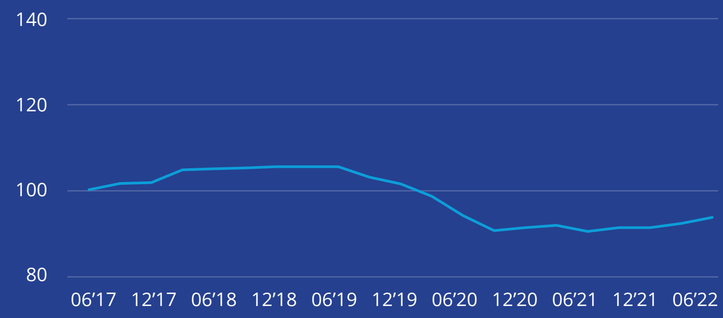
PRS:
€122 million/ Magna Drive, Citywest, Dublin 24/Irish developer Ardstone acquired 321 apartments.

Office:
€97.5million/ Blocks 1, 2 & 3, Founders District, Dublin 4 (15,324 sq m)/ LCN Capital Partners acquired the newly refurbished offices, let to Flutter Entertainment PLC.

Retail:
€55.2 million/ Manor West Retail Park, Tralee, Co. Kerry (32,549 sq m)/ 8.9% yield/Acquired by Marlet. The scheme, which was developed in 2001, comprises a retail park anchored by Woodies DIY and a shopping mall anchored by Tesco.

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Industrial & Logistics, Retail, Healthcare	Office	↔	↔
	Logistics	↑	↔
	Residential	↔	↔
	Retail	↔	↔
	Hotel	↑	↔

All sector capital value index



Source: Colliers

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Spain

Investment volume reached a robust €5.4 billion in Q2, a 65% increase from the 2021 average. The outperformance was largely due to BBVA's repurchase of 659 bank branches from Merlin for **€2 billion**. This helped the first half close with volume of €9.9 billion, a 52% gain on the 2021 average.

Market Review

- Retail was the leading sector of Q2, accounting for €2.5 billion or 46.8% of total volume. Residential posted a notably positive performance with volume of over €815 million (15.2% of the total), and together with student residences exceeded €1.18 bn in investment. Investment in offices totaled €683 million (12.7%), the hotel sector €510 million (9.5%), I&L €346 million (6.5%), and alternatives €496 million (9.3%).
- Retail investment volume for H1 totaled €2.9 billion. Beyond the BBVA transaction, Q2 activity focused on several shopping centres (Finestrelles in Barcelona, Bahia Real in Santander and Rosaleda in Málaga), as well as premises in prime locations and hypermarkets acquired by MDSR Investment.
- In the residential sector, total investment volume for H1 reached €1.9 billion. The largest transaction was the acquisition of 2,500 flats by Greystar from King Street comprising three buildings on the outskirts of Madrid (Rivas, San Sebastián de los Reyes and Valdebebas).
- I&L investment volume hit €1.5 billion in the first half, with domestic and international interest in logistics assets continuing to rise, and investment in land in prime areas remaining active. There was a slight increase in yields, mainly in core and core+ product.
- In hotels, H1 volume reached €1.5 billion, with the bulk of investment directed at quality urban assets in major tourist destinations. Investors are confident of a faster recovery in leisure destinations given demand has bounced back, and continue to pursue opportunities in this sector.
- H1 investment volume in the office sector reached €1.4 billion. Madrid remains the main destination, accounting for 52% of investment, followed by Barcelona with 32%. In Madrid demand is very strong within the M30 ring road, while in Barcelona demand is focused on the CBD and the 22@ district. That said few deals are materializing due to market uncertainty and a lack of quality product meeting ESG criteria.

Highlighted Top Three Deals

Retail:
€2 billion/659 bank branches with a sale & lease contract from Merlin Properties/Repurchased by BBVA

Residential:
Near €300 million/ Three co-living projects in Madrid featuring 2,500 apartments from King Street/Acquired by Greystar

Residential:
€285 million/740-dwelling PRS portfolio in Madrid by Blackstone/ Acquired by Axa

Sectors to watch

Hotels

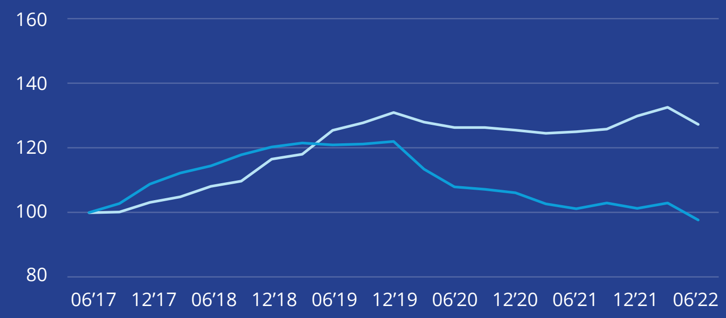
Retail

Industrial & Logistics

Residential

	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↔	↔
Logistics	↔	↔/↓
Residential	↔	↔
Retail	↔	↔/↓
Hotel	↔	↔/↓

All sector capital value index



Source: Colliers

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Italy

Thanks to almost €3 billion of volume in Q2, activity in Italy reached €6.2 billion in the first half of the year. The three largest deals were recorded in the industrial and logistics (I&L), office and hotel asset classes.

Market Review

- The strong activity recorded over the last twelve months brought in almost €13 billion of real estate investments.
- The results for the first half of 2022 reflected a post-COVID mindset, coinciding with assumptions of higher GDP growth worldwide and low interest and inflation rates. These assumptions no longer hold: economic growth is falling, inflation has soared and interest rates have started to increase. Moreover, uncertainty has risen rapidly due to economic and geopolitical concerns.
- Looking at the key deals, we still observe many I&L transactions being recorded mainly in the north of the country. Nevertheless, we are finally witnessing more and more activity in the centre-south: PGIM bought an asset close to Bari, for example.
- Office deals in Italy are still concentrated on core products. Two important deals were closed in Rome, both assets refurbished and rented with new leases. Hotel investors continue to look at resort cities but the largest deals were done in Rome: one for an existing hotel, the Hotel Majestic, and the other for the next Four Seasons within a former-office building in the historic centre of the capital.
- The living sector is still attracting interest, but in value-add opportunities. CBRE GI bought a built-to-core development underway in the northern part of Rome that will become an important build-to-rent project.

Highlighted Top Three Deals

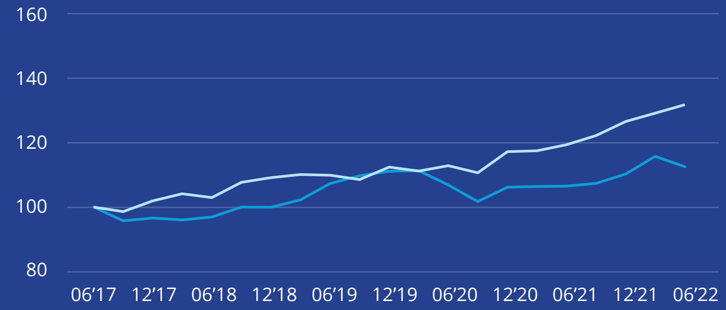
I&L: €274 million/Oppeano (Verona)/– 5 assets bought by Starwood

Office: €175 million/ Via Curtatone 3, Rome/– bought by Allianz

Hotel: €170 million/ Piazza San Silvestro 22/30 Roma/ -- bought by Cascade Investment

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Industrial & Logistics, Offices, Hotels	Office	↔	↔
	Logistics	↔	↔
	Residential	↔	↔
	Retail	↔	↔
	Hotel	↔	↔

All sector capital value index



Source: Colliers

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Sweden

Two of Sweden's most significant transactions in the residential and land/logistics sectors closed in Q2, yet the total transaction volume of €5 billion was down 11.2% compared to Q2 2021 (excluding the merger between Corem and Klövern in that quarter).

Market Review

- Logistics was in the spotlight with Panattoni making their debut in Sweden by acquiring a portfolio of building rights with 1.2 million sq m of land for a total price of €295 million. The portfolio allows for a development of more than 660,000 sq m of logistics buildings with a total value of approximately €952 million.
- GDP forecasts for 2022 have recently been downgraded, mainly because of higher inflation prompting the central bank to tighten monetary policy. This has caused a slowdown in the Swedish investment market. However, we have yet to see yields moving out.
- With financing becoming more expensive and buyers not able to bid at low yields as in previous quarters, we expect the bid-ask spread to broaden and the slowdown to continue in the next quarter, with prices potentially declining for the first time in a while. An exception will be high-quality assets in prime locations, for which we expect demand to remain high. We also expect some sectors, such as logistics/light industrial, prime office and public sector properties, to prove more resistant to the downturn than others.

Highlighted Top Three Deals

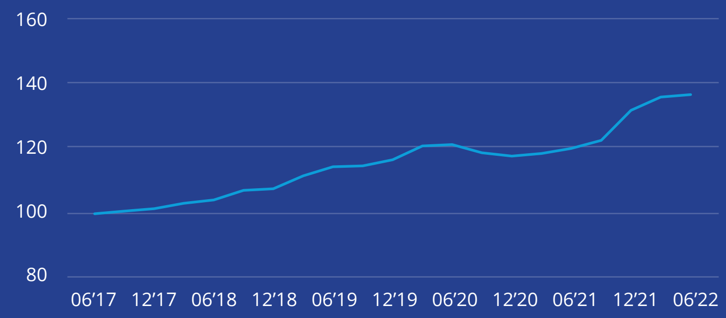
Residential:
€343 million/Aros portfolio of 879 residences totalling 47,000 sq m in the Stockholm area/Bought by Patrizia/**Largest deal so far in Sweden.**

Land-Logistics:
€295 million/Kilenkrysset building rights portfolio of over 1.2 million sq m of land that allows development of more than 660,000 sq m of logistics buildings with a total value of approximately SEK 10 billion/Purchased by Panattoni

Office:
€257 million /23,500 sq m office building to be built in central Stockholm from Skanska/Acquired by Slussgården/Deal was announced in 2016 but officially closed in Q2 when Skanska received permission to build

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Logistics/light industrial, prime office, public sector properties.	Office	↔ / ↓	↓
	Logistics	↔ / ↓	↓
	Residential	↔ / ↓	↓
	Retail	↔ / ↓	↓
	Hotel	↓	↓

All sector capital value index



Source: Colliers

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Denmark

Q2 2022 saw transaction volumes of over €3.2 billion, almost 30% higher than the same quarter of last year.

Market Review

- Almost half of the total transaction volume in Q2 was attributable to residential rental properties. For the first time ever, industrial and logistics (I&L) properties were the second largest segment, comprising 17% of the total transaction volume. Office and retail properties accounted for 15% and 12.5% respectively.
- Higher interest rates have led to stagnating or decreasing prices in most segments. However, prices are generally still above the level seen at the beginning of 2021, and the current inflation has a positive impact on rent indexations.
- Investors have generally become more risk averse, with core properties accounting for 81% of transactions so far this year compared with 72% for the whole of 2021. International investors still perceive the Danish market as a safe haven and accounted for 46.5% of the total transactions for the quarter.

Highlighted Top Three Deals

Residential:
€650 million/Copenhagen and Aarhus (110,000 sq m gross leasable area (GLA))/ NREP sold a residential portfolio to the Dutch asset manager OCP acting on behalf of a sovereign wealth fund, comprising 1,200 units.

I&L:
€200 million/provincial (183,000 sq m GLA)/ Starwood acquired a logistics portfolio of 10 assets from Norway's Pareto.

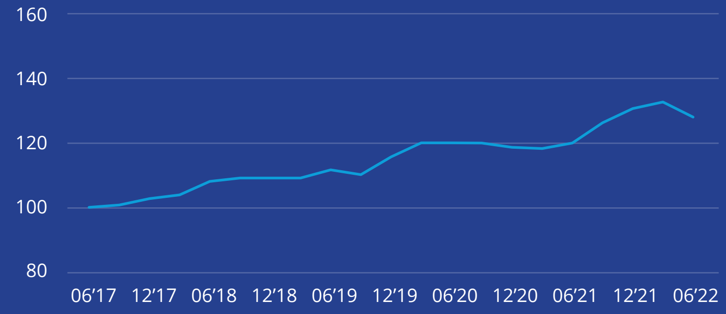
Office:
€83 million/Copenhagen (16,250 sq m GLA of office space)/ NCC sold Genmab's new headquarters as a turnkey project to the domestic pension fund Industriens Pension.

Sectors to watch

- Greater Copenhagen residential
- Logistics and light industrial
- Modern core+ and value-add office buildings

	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↓	↔
Logistics	↔	↔
Residential	↓	↔
Retail	↔	↔
Hotel	↑	↔

All sector capital value index



Source: Colliers

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Czechia

As expected, the carryover from 2021 that supported strong first quarter volumes has not continued. Investment volumes fell during Q2. Interest rate hikes by the Czech central bank will put pressure on pricing, but hard evidence of price movements is not yet clearly visible.

Market Review

- The first half of the year saw preliminary investment volumes of €1.18 billion. Q2 represented a significant slowdown in investment activity, not because of a sudden lack of interest from the investors but from an ongoing lack of opportunities. This resulted in the continued outflow of mainly domestic capital to neighbouring countries in Central and Eastern Europe.
- Investor appetite remains strong, especially for prime industrial and office assets. Across-the-board increases in labour, material and energy costs, plus rising financing costs from higher interest rates, are creating questions around ongoing projects and forcing investors to take a cautious approach.
- Q2's most interesting transactions involved undeveloped plots. One transaction stood out thanks to an unusual buyer - Microsoft acquired a location for a future data centre in the Prague 9 district of the capital for over €60 million, from CPI Property Group. The number of deals closed in Q2 was double the number closed in Q1, yet the average ticket size in the second quarter was well below €20 million.

Highlighted Top Three Deals

Office:
Undisclosed price/Red Court, Prague/ Currently under construction/ Acquired by BlackBird Real Estate.

Retail:
Undisclosed price/ Czech Republic and Hungary/ A Tesco anchored retail portfolio was acquired by the Adventum Group. The price for the Czech part was not disclosed.

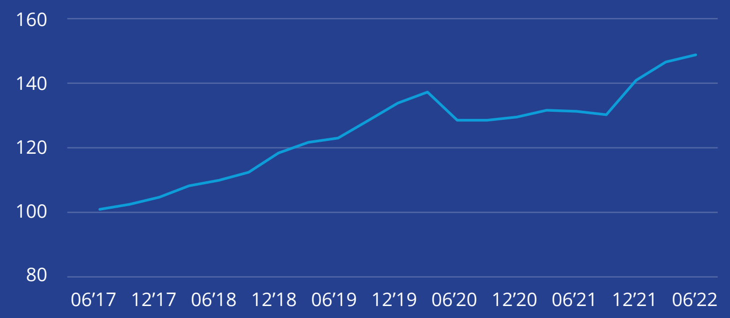
Land redevelopment:
€62 million/Prague/ Microsoft acquired a plot for a future data centre.

Sectors to watch

Residential (PRS), Industrial and Core Offices

	Q2 Pricing Direction	Q3 Pricing Forecast
Office	↔	↔
Logistics	↔	↔
Residential	↑	↔
Retail	↓	↔
Hotel	↔	↔

All sector capital value index



Source: Colliers

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Romania

The investment market remains relatively robust, with activity accelerating in Q2 to €253 million, a three-fold increase over Q1. The €336 million total for H1 is also a near 13% increase compared to the same period last year.

Market Review

- The office sector remained by far the most active, generating 63% of H1 volume. However this share has decreased somewhat compared to previous years, with retail accounting for ~16% of turnover and I&L ~14%.
- The quarter's biggest deal was S IMMO's purchase of the EXPO Business Park, a new office development in northern Bucharest developed by a joint venture of Portland Trust, ARES and Bluehouse Capital, for over €110 million.
- Though the market remains driven by large benchmark deals run by institutional investors, there is a notable increase in focus from value-add investors on assets that require significant capex to become competitive.
- While negative global sentiment is beginning to feed into some increased caution, nearing or even surpassing the €1 billion volume threshold for the whole year is not out of the question, with a handful of large ongoing deals which may close by year-end.

Highlighted Top Three Deals

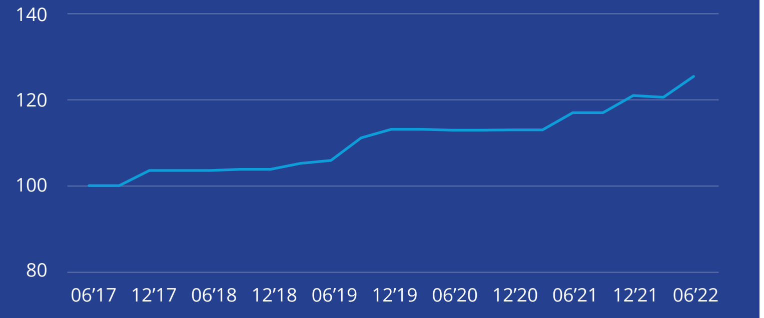
Office:
Over **€110 million** (estimated)/EXPO Business Park/Purchased by **S IMMO**

Office:
Over **€20 million** (estimated)/One Victoriei Center/Bought by Hungary's **Indotek** in their second office purchase

I&L:
Metav in-city logistics scheme/Bought by Belgium's **Alinso Group**

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Industrial & Logistics, Offices	Office	↔	↔
	Logistics	↑	↑
	Residential	↔	↓
	Retail	↔	↔
	Hotel	↔	↔

All sector capital value index



Source: Colliers

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Poland

Considering the overall environment Poland's real estate investment market posted an impressive performance in Q2, with total volume nearing €1.4 billion. This takes half-year volumes to approximately €3 billion - one of the best readings on record.

Market Review

- New CEE capital is entering the Polish market, with Investika, Wood & Co and Trigea closing prominent deals in Warsaw and regional cities. German investors also continue to look at prime product.
- Both office and logistics assets continue to exhibit rental growth potential through offers and the signing of new leases. As elsewhere, construction costs and a limited future development pipeline are the driving factors.
- A degree of dynamism has returned to the office sector, particularly in the core segment, with a number of deals closed in Warsaw and regional cities.
- Senior lenders have supported the positive sentiment towards the Polish market, with a number of deals funded by domestic, German, Dutch and international financial institutions.
- The limited availability of development sites has resulted in developers entering the fray as potential buyers of value-add buildings, with an eye to conversions to alternative uses while enjoying the benefit of in-place cash flow.

Highlighted Top Three Deals

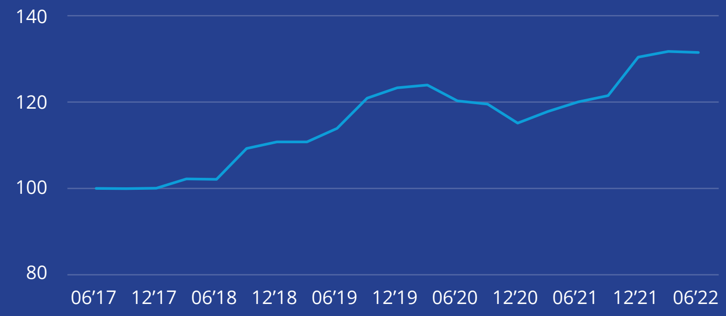
Office:
€128 million/Portfolio of new buildings in Wrocław (Centrum Południe) and Kraków (High 5ive) from Skanska/Bought by Stena Fastigheter

Office:
€100.5 million/MidPoint 71, a core building in Wrocław, leased to major corporate occupiers from Echo Investment/ Acquired by Trigea, a new, Czech Republic-based institutional investor on the Polish market

Office:
€57 million/Echo Investment's office buildings in its signature Fuzja complex in Łodź, substantially leased to Fujitsu/Sold to KGAL, a core German investment manager. Sets the tone for further capital appreciation in this major CEE city

Sectors to watch		Q2 Pricing Direction	Q3 Pricing Forecast
Industrial & Logistics, Offices	Office	↑	↔
	Logistics	↔	↔
	Residential	↔	↔
	Retail	↔	↔
	Hotel	↔	↑

All sector capital value index



Source: Colliers

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The world of Colliers

€3.5B
Annual revenue

62
Countries

€45B
Assets under management

53,000
Lease/sale transactions

185M
Square metres managed

17,000
Professionals

Statistics are for year-end 2021 and in EUR. Number of countries includes affiliates and as of March 2022.

View our other recent Market Snapshots by clicking on the images:

APAC

Coming soon

North America

Coming soon

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