



Continuously low market activity in September, but high volumes for residential building rights

The transaction activity has been relatively low so far during the autumn and the volume during September amounted to SEK 5.1 billion. The September volumes during 2016 and 2015 were SEK 16.3 billion and SEK 6.8 billion, respectively.

The rolling 12-month transaction volume fell to SEK 145 billion in September, compared to SEK 156 billion in August. There has been a clear focus on development projects, mainly residential projects in Stockholm, Gothenburg and some regional cities so far in 2017. All in all, the rolling 12-month transaction volume for development project amounted to SEK 21 billion in September (or about 15 per cent of the total transaction volume). Apart

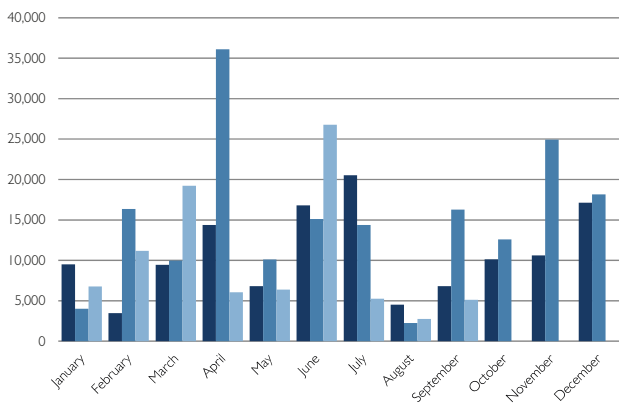
from development projects, the volume trend in all other segments are either stable or declining over the last quarter. The retail segment saw strongly increasing volumes from early 2014 up until Q2 2017, the rolling 12-months volumes have however fallen back significantly from SEK 29 billion in Q2 to SEK 19 billion in Q3. Although the average yields for retail properties have increased over the last 12 months, the investor demand is strong for high-quality Big-Box and shopping centres.

The market has been in a distribution phase since Q1 2017 with declining average yields for commercial properties. This is due to a pick-up in GDP growth during the spring 2017 and falling real interest rates. The distribution phase may continue for another 6–9 months. Lower

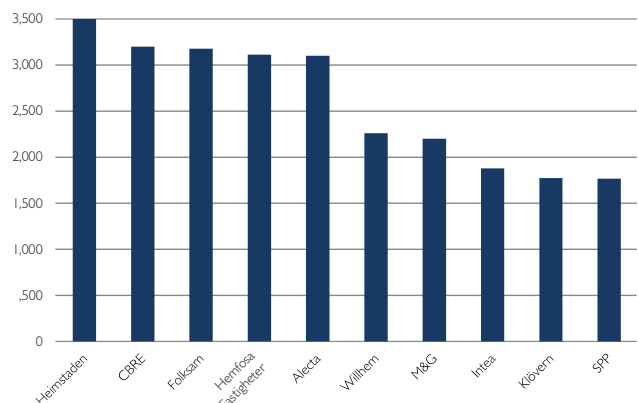
GDP growth and a less expansive monetary policy is expected to affect the market in 2018–2020 – and the upward trend in yields will most likely resume. Building rights in less attractive locations and weakly performing retail properties are expected to be first out in the upcoming cyclical slowdown.



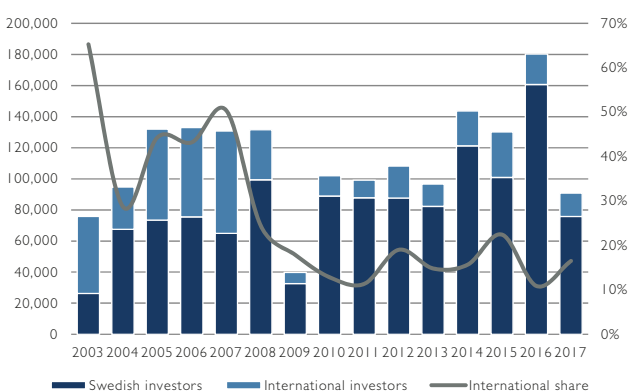
TRANSACTION VOLUME PER MONTH, MSEK



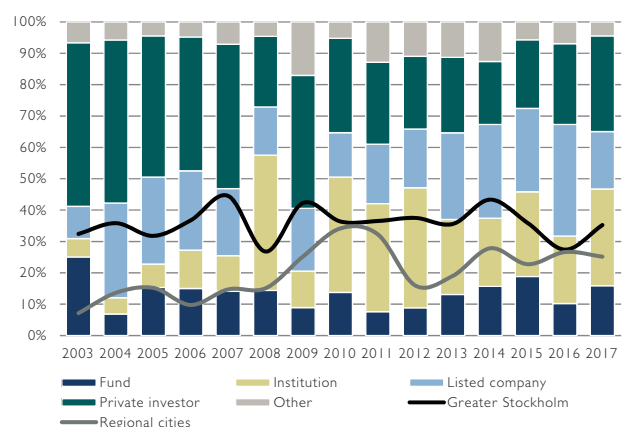
TOP 10 INVESTORS 2017 (YTD), MSEK



TOTAL SWEDISH TRANSACTION VOLUME, MSEK



INVESTOR TYPE AND REGION





Top 20 transactions rolling 12 months

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2016-11-28	Project portfolio (7,000 apartments)	Stockholm, Malmö	Magnolia	Slättö Förvaltning AB	Development	450,000	5,000	N/A	N/A
2016-11-22	Office portfolio (33 properties)	Sundsvall, Umeå & Luleå	Castellum	Diös	Office	235,249	4,500	19,129	5.2%*
2016-10-14	Residential portfolio (31 properties)	Eskilstuna, Halmstad	Akelius	Willhem	Residential	128,573	2,800	21,778	conf.
2016-10-21	Mixed portfolio (10 properties)	Gothenburg	Volvo	Platzer	Mix commercial	338,000	2,800	8,284	7.2%
2017-01-13	Blekholmen I	Stockholm	NIAM	M&G European Property Fund	Office	34,000	2,200	64,706	conf.
2017-02-20	Bromma Blocks	Stockholm	Starwood Capital, Vencom	CBRE	Retail	55,320	2,200	39,769	5.25%*
2017-01-11	Commercial portfolio (10 properties)	Nacka	Carlyle Group	Alecta	Mix commercial	143,533	2,100	14,631	
2017-06-16	Residential portfolio (28 properties)	Helsingborg	Akelius	Folksam	Residential	85,774	1,948	22,711	
2017-06-16	Residential portfolio (34 properties)	Helsingborg	Akelius	Willhem	Residential	101,946	1,862	18,265	
2016-12-06	Public portfolio (132 properties)	Jönköping, Karlstad, Mellerud etc	Private	Samhällsbyggnadsbolaget	Public	89,599	1,800	20,090	conf.
2017-08-22	Retail portfolio (11 properties)	Linköping, Södertälje, Gothenburg etc.	Nrep	SPP	Retail	62,897	1,600	25,438	conf.
2016-11-07	Residential portfolio (7 properties)	Karlstad, Stockholm, Örebro, Umeå, Jönköping	Slättö Förvaltning AB	Lansa	Residential	41,078	1,600	38,950	conf.
2016-12-06	Development project (~4,000 apartments)	Botkyrka	Stockholm municipality	Botkyrka municipality	Development		1,585	N/A	N/A
2017-03-15	Retail & Office portfolio (7 properties)	Uppsala & Norrköping	Privat	Heimstaden	Mix inklusive bostäder	87,775	1,544	17,590	conf.
2016-12-06	Public portfolio (35 properties)	Karlshamn, Ale, Mark etc	Hemsö	Samhällsbyggnadsbolaget	Public	177,889	1,500	8,432	5.5%*
2017-02-09	Residential portfolio (44 properties)	Tranås, Arboga, Köping	Balder	D. Carnegie & Co	Residential	155,821	1,420	9,113	5.0%*
2017-06-15	Eldaren 6	Kalmar	Skanska	Intea	Public	37,842	1,400	36,996	
2016-11-08	Share of Hammar 9:151	Kristianstad	Private investors	Eurocommercial	Retail	40,600	1,325	32,635	6.0%
2016-10-28	Torp retail centre	Uddevalla	Steen & Ström	Olav Thon	Retail	32,459	1,285	39,588	conf.
2017-06-15	Lindholmen 30:1	Gothenburg	Blackstone	Atrium Ljunberg	Office	37,035	1,260	34,022	

Top 10 transactions September 2017

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2017-09-11	Gallerian Nian (Norr 21:5)	Gävle	Cornerstone	CBRE	Retail	21,150	765	36,170	conf.
2017-09-13	Arninge centrum (Besmanet 7 & 8)	Täby	Unibail-Rodamco	Genesta Property	Retail	20,210	conf.	N/A	
2017-09-29	Development project (240 apartments)	Nynäshamn	Magnolia	SEB	Mix incl. residential		conf.	N/A	conf.
2017-09-29	Development project (220 apartments)	Nynäshamn	Magnolia	Vincero fastigheter	Residential		conf.	N/A	conf.
2017-09-30	Development project (275 apartments)	Burlöv	Magnolia		Residential		470	N/A	conf.
2017-09-30	Tälgoxen 1 & 3	Solna	Private seller	Tenant owner association	Residential	14,818	450	30,368	conf.
2017-09-29	Development project (160 apartments)	Halmstad	Hammarnästet	Franshill	Residential	15,463	conf.	N/A	N/A
2017-09-01	Residential portfolio (7 properties)	Finspång, Arboga, Borlänge etc.	Koggbro fastigheter	Petrotag	Residential	39,691	289	7,281	5.7%*
2017-09-06	Valsverket 10	Stockholm	Sagax	St Erik Markutveckling AB	Development project	16,530	203	12,281	N/A
2017-09-19	Public portfolio (5 properties)	Huddinge	Huge Fastigheter	Samhällsbyggnadsbolaget	Public	8,753	200	22,849	N/A

* Estimated by Catella

Source: Catella and Datscha