



# Increasing transaction volumes for retail and logistics properties

There has been a slowdown on the transaction market in September and the market is hampered by low supply of high-quality assets, mainly regarding office, retail and public properties in the major cities.

The transaction volume in September amounted to just above SEK 5 billion, which is less than half the volume of the same period in 2014 and in line with the volume in 2013. Despite relatively low volumes in August and September, the 12-month rolling transaction volume for the overall market has been stable throughout 2015, propelled by increasing volume for retail and logistics properties. For retail properties the 12-month rolling volume has grown by over 35 per cent during 2015 to SEK 19 billion, while the volume for logistics/industrial properties has more than doubled to SEK 17 billion. All in all, Catella expects the full year volume

to be in line with the 2014 volume due to the continuously strong investor demand.

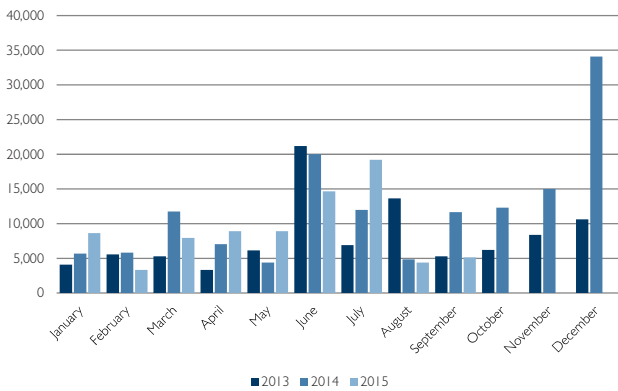
Yield spreads between prime and more secondary segments are at historically low levels. Declining yield levels are observed in all property segments, and as investors are preferring to build volumes there is currently a clear premium for portfolios. However, the volatility on the stock market is a leading indicator of the standard deviation in yields on transactions made on the property market, with a time lag of around six to nine months. The turmoil on the global equity markets that started in August has cooled down. It has not, however, abated, and the VIX (CBOE Volatility Index on the S&P 500) remains above the long-term average. If the turbulence and the weak performance on the global stock markets continue, there is a risk that we will see falling transaction

volumes in secondary locations and increasing yield spreads between prime and secondary locations from the second half of 2016 and onwards.

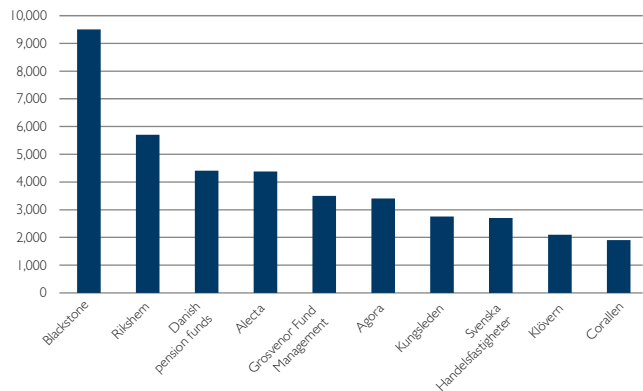
In today's market the timing is good for disinvestment in secondary locations in major cities as well as in smaller cities whereas liquidity is currently good in these locations. Generally, investor demand in these segments is only strong at the top of the investment cycle.



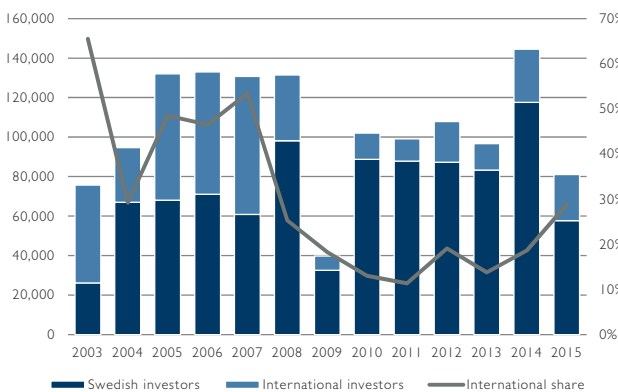
TRANSACTION VOLUME PER MONTH, MSEK



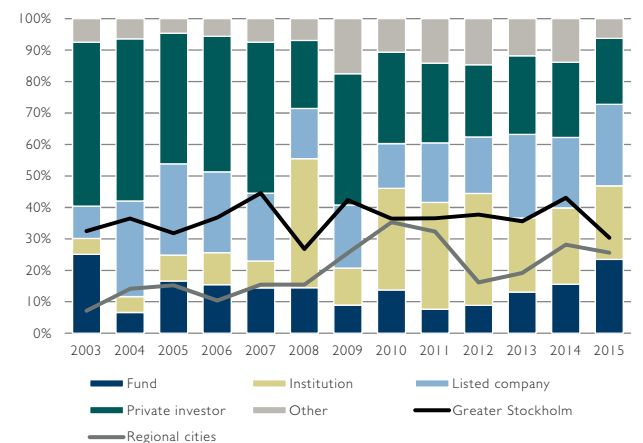
TOP 10 INVESTORS 2015, MSEK



TOTAL SWEDISH TRANSACTION VOLUME, MSEK



INVESTOR TYPE AND REGION





## Top 20 transactions 2015

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2015-07-22	Mixed portfolio	Stockholm, Gothenburg, Malmö, Linköping etc.	Obligo	Blackstone	Office, logistics	659,000	9,500	14,416	
2015-05-20	NREP Logistics together with 3 additional properties	Stockholm, Gothenburg, Jönköping, Luleå etc.	NREP	Danish pension funds	Logistics	467,303	~4,410	~9,000	6.1-6.4%
2015-06-01	Swedavia's Airport Portfolio	Stockholm, Gothenburg & Malmö	Swedavia	Alecta	Other	260,000	3,950	15,192	
2015-01-16	Skärholmen Centrum (Hästhölm 1, 16, 19, 22, 24 & 29)	Stockholm	Centeni	Grosvenor Fund Management	Retail	98,382	3,500	35,576	5.0%*
2015-07-08	Retail portfolio (44 properties)	Luleå, Boden, Katrineholm, Södertälje, Gävle	AREIM	Svenska Handelsfastigheter	Retail	180,363	2,700	14,970	conf.
2015-04-13	Office portfolio (23 properties)	Norrköping, Linköping	Heimstaden	Corallen	Office	162,510	1,994	12,270	
2015-03-05	Nova Lund (Företaget 7, 13 & 14)	Lund	Unibail-Rodamco	Henderson	Retail	25,984	1,635	62,923	5.5%
2015-07-09	Mixed portfolio	Luleå	Lulebo	Rikshem	Residential, public	24,710	1,600	12,092	conf.
2015-08-31	Mixed portfolio	Gothenburg, Stockholm, Umeå, Boden etc.	Sveafastigheter	Partners Group	Mix	70,481	1,500	21,282	
2015-05-28	Haga Norra (Stora Frösunda 2 & Hagalund 2:2)	Stockholm	Catena	Fabege	Development project	40,873	1,450	35,476	NA
2015-07-17	Igor 8, Månadsmötet 9, Rotundan 1 & Orminge 47:1**	Västerås, Sollentuna, Nacka, Östersund	Atrium Ljungberg	-	Retail	62,627	1,300	20,758	6.0%*
2015-06-01	Retail portfolio (7 properties)	Västerås, Eskilstuna, Södertälje, Kalmar etc.	Niam	Agora	Retail	71,529	1,242	17,364	conf.
2015-04-27	Solna Gate (Aprikosen 2)	Solna	Mengus	Klövern	Office	35,200	1,200	34,091	5.1%*
2015-07-06	Tyresö Centrum (Forellen 17 & 22, Bollmora 2:585)	Tyresö	CBRE Global Investors	Diligentia	Retail	30,846	1,200	38,903	conf.
2015-08-28	Residential project	Multiple	Concent Commercial Holding	Nischer	Development project	37,000	1,133	30,622	NA
2015-06-15	TeliaSonera HQ (Burmanstorp 1)	Farsta	Nordisk Renting	Rikshem & Ikano Invest	Development project	101,600	1,050	10,335	NA
2015-09-25	Residential portfolio	Värmdö	Värmdö municipality	Rikshem	Residential	137,654	1,004	14,885	
2015-05-12	Public portfolio	Multiple	Sveafastigheter	Residenset	Public	57,200	1,000	17,483	
2015-01-21	Gårdsten 58:1	Gothenburg	Stena Fastigheter	Victoria Park	Mix incl. residential	112,517	925	8,221	
2015-01-21	Logistic portfolio (9 properties)	Multiple	Hemfosa Fastigheter	Estancia Fastigheter	Logistics	116,481	900	7,727	

## Top 10 transactions September 2015

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2015-09-10	Solna Port (Brahelund 2)	Solna	Commerz	AREIM	Office	43,782	conf.	conf.	
2015-09-25	Residential portfolio	Värmdö	Värmdö municipality	Rikshem	Residential	137,654	1,004	14,885	
2015-09-17	Postgården 2 & 4, Vasslan 4 & Ångsbotten 8	Stockholm	Martin Olsson Fastigheter	St Erik Markutveckling	Development project	30,308	605	19,962	NA
2015-09-23	Länna retail centre	Huddinge	IVG	Standard Life	Retail	33,507	520	15,519	conf.
2015-09-17	Hornsberg 10	Stockholm	Index International	Castellum	Office	14,883	421	28,287	5.2%*
2015-09-29	Bastuban 1	Gothenburg	DNB	Balder	Office	47,052	365	7,757	
2015-09-16	Städet 2	Sollentuna	Niam	Centria	Office	22,251	363	16,291	NA
2015-09-30	Elektronen 3	Jönköping	Vikstaden	Huskvarnen Holding	Public	9,600	212	22,083	
2015-09-08	Älvängen retail centre	Åre	Serneke	AREIM	Retail	8,400	160	19,048	NA
2015-09-01	Lien 2:69, Lien 2:7 & Lund 1:17	Åre	Diös	Skistar	Residential	5,113	134	26,110	

\* Estimated by Catella

\*\* Closing delayed until end of November