



High transaction activity as the market is closing in on the top of the investment cycle

The activity on the Swedish property market has been continuously strong during the summer. The combined transaction volume for July and August amounted to just above SEK 21.5 billion, which is around 30 per cent higher than during the same period in 2014 and in line with the volume in 2013.

The transaction activity geared up during late 2014. The rolling 12 month volume went from a steady level of SEK 100–110 billion to the current range of SEK 140–150 billion, which is higher than the volumes before the financial crises. Although the August volume was weaker than in previous two years, the strong trend seems to continue.

Private and listed property companies continue to dominate the market. The lack of willing sellers in prime locations is,

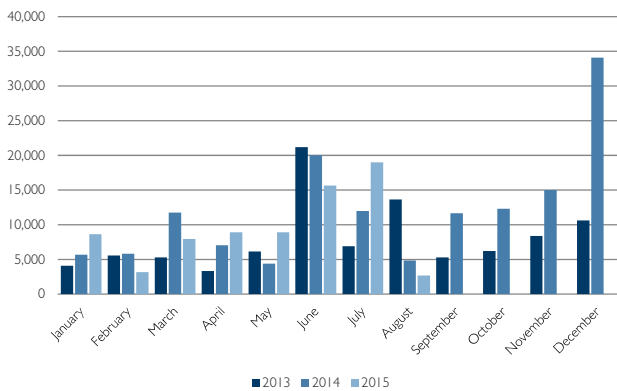
however, increasing the market share outside prime locations in the major cities as well as in smaller and medium sized cities.

Yield spreads between prime and secondary segments have gradually declined during recent years and are currently at historically low levels. Declining yield levels are observed in all property segments and prime yields are already below levels that traditionally have been considered the floor. However, the volatility on the stock market is a leading indicator of the the standard deviation in yields on transactions made on the Swedish property market, with a time lag of around 6–9 months. Last weeks' turmoil on the global equity markets pushed up the VIX index (CBOE Volatility Index which is based on the S&P 500) to its highest levels since 2011. Continued turbulence on the global

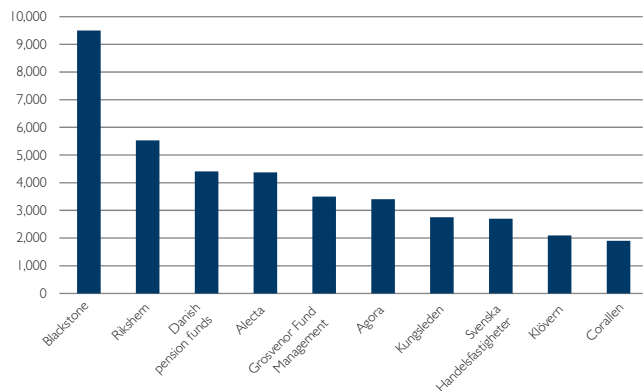
stock markets may be a sign that the economic cycle is about to turn and that the trend of steadily declining yield spreads on the Swedish property market may soon end. The strong liquidity outside prime locations in combination with a substantial interest among investors indicates that now is a good timing to sell properties in secondary locations.



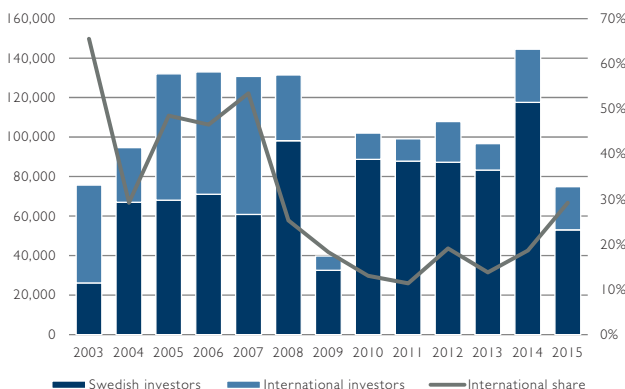
TRANSACTION VOLUME PER MONTH, MSEK



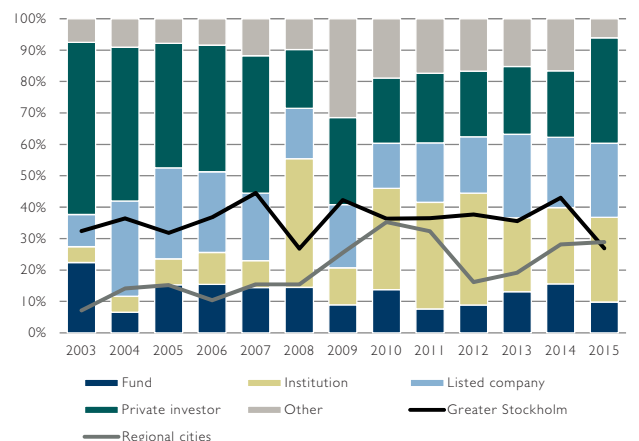
TOP 10 INVESTORS 2015, MSEK



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	Swedavias 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	1,900	11,692	
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.
2015-05-28	Haga Norra (Stora Frösunda 2 & Hagalund 2:2)	Stockholm	Catena	Fabege	Development project	40,873	1,450	35,476	
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	6.75%*
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	Residential	37,000	1,133	30,622	
2015-06-15	TeliaSonera HQ (Burmanstorp 1)	Farsta	Nordisk Renting	Rikshem & Ikano Invest	Development project	101,600	1,050	10,335	
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	
2015-06-12	Citadellet, Tornen and M2	Gothenburg	Älvstranden Utveckling	Atrium Ljungberg	Office	34,343	897	26,119	
2015-06-30	Karin 11 & Nora 11	Malmö	Niam	Wihlborgs Fastigheter	Office	50,573	850	16,807	conf.
2015-07-13	Alviks Terrass (Racketen 10)	Stockholm	Profi	JM	Office	26,376	800	30,331	

Top 10 transactions July and August 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	
2015-07-08	Retail portfolio (44 properties)	Luleå, Boden, Katrineholm, Södertälje, Gävle etc.	AREIM	Svenska Handelsfastigheter	Retail	180,363	2,700	14,970	conf.
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	6.75%*
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	Residential	37,000	1,133	30,622	
2015-06-30	Karin 11 & Nora 11	Malmö	Niam	Wihlborgs Fastigheter	Office	50,573	850	16,807	conf.
2015-07-13	Alviks Terrass (Racketen 10)	Stockholm	Profi	JM	Office	26,376	800	30,331	
2015-08-24	Electra Building (Keflavik 1)	Stockholm	Nordika	Kungsleden	Office	24,710	750	30,352	conf.
2015-08-06	Mixed portfolio (15 properties)	Östersund, Stockholm, Skövde etc.	Akelius	-	Retail, office	54,520	577	10,583	
2015-07-14	Strömpilen 1	Umeå	Citycon	Niam	Retail	26,699	362	13,559	conf.

* Estimated by Catella