



# The institutions increase their investments, while the underlying trend for the listed companies is falling

June is generally a busy month on the transaction market. However, this year the market slowed down compared to previous years.

The monthly volume ended up at just below SEK 11 billion, compared to SEK 20 billion and SEK 17 billion during the same month in 2014 and 2015 respectively. The twelve-month transaction volume fell to SEK 153 billion in June from SEK 159 billion in May.

Listed property companies and institutions remain the largest investors and represented almost 60 per cent of the total transaction volume during the first half of 2016. The institutional investors have increased their property investments since mid-2014 and the twelve-month net-acquisition volume (adjusted for the SEK 21.5 billion Norrporten transaction) ended up at SEK 27.5 billion in June – this is a significant increase

from recent years' stable twelve-month net-acquisition volumes of SEK 15–20 billion. Domestic institutions are focusing on prime offices, residential and public properties.

Residential and office properties dominate the transaction market and together add up to almost 70 per cent of the volume, a trend that is increasing (the office transaction volume is increasing also when the Norrporten deal is excluded from the figure). Simultaneously, the transaction volumes for retail, logistics and industrial properties have all fallen back during the last six months. The twelve-month transaction volume for public properties, however, picked up in June to just above SEK 11 billion from SEK 7.5 billion in May.

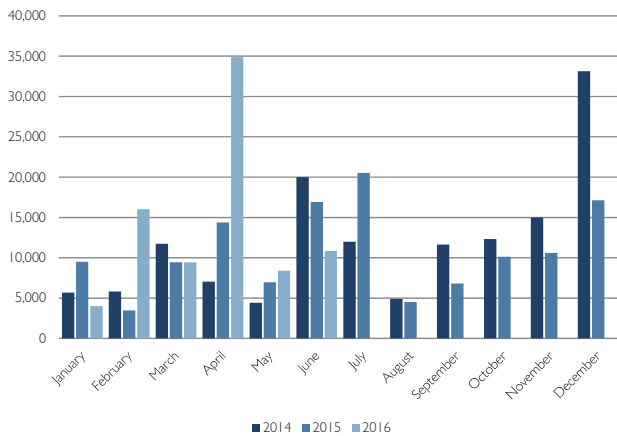
The Brexit vote has resulted in large uncertainty and a weakened outlook for economic growth in especially Europe. Investors are, however, now expecting further monetary easing, which has propelled global equity markets and reduced long-term bond yields further into historical lows. Although the yield spreads between properties in A,

B and C locations on the Swedish property market are expected to increase in line with weaker GDP growth during the second half of 2016 and 2017, prime yields will stay low as the demand for property investments remain high. Especially institutions are expected to increase their exposure to the property market further during coming years and focus on residential properties, public properties and well-located commercial properties in major cities.

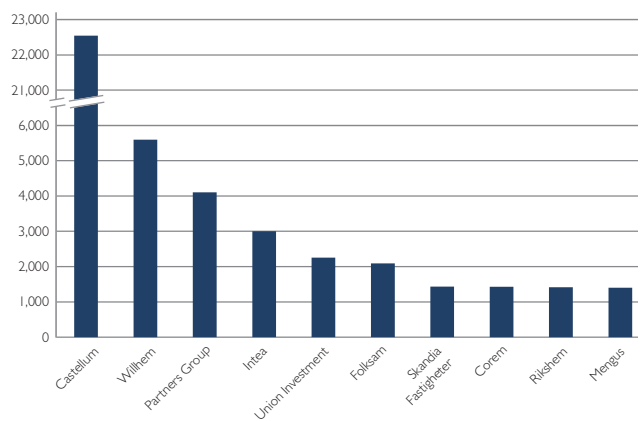


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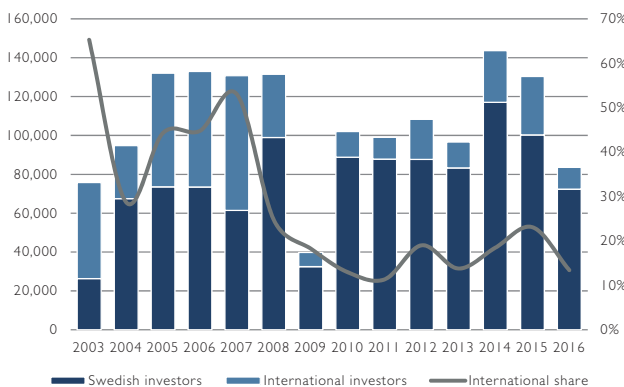
TRANSACTION VOLUME PER MONTH, MSEK



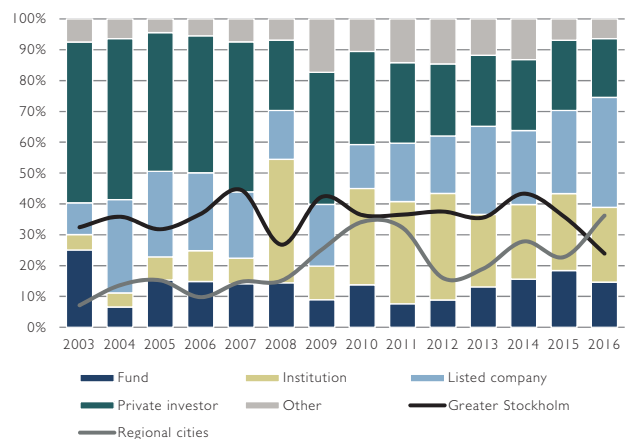
TOP 10 INVESTORS 2016 (YTD), MSEK



TOTAL SWEDISH TRANSACTION VOLUME, MSEK



INVESTOR TYPE AND REGION





## Top 20 transactions 2016

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2016-04-13	Commercial portfolio (117 properties)	Mix	Norrporten	Castellum	Mainly office	1,140,094	21,500	19,297	5.3%*
2016-04-07	Residential portfolio (112 properties)	Gothenburg	Akelius	Willhem	Residential	310,101	5,000	16,124	4.8%*
2016-06-01	Smedstad 1:21 & Artilleristen 1	Linköping, Östersund	Blackstone	Intea	Public	132,601	2,900	22,624	5.3%*
2016-02-19	Commercial portfolio (63 properties)	Stockholm, Kalmar, Malmö, Norrköping etc.	Sveafastigheter	Partners Group	Mix commercial	166,154	2,500	15,046	
2016-02-04	Uarda 5	Solna	Fabege	Union Investment	Office	44,269	2,257	50,984	4.25%
2016-06-30	Residential portfolio (20 properties)	Stockholm, Malmö, Helsingborg etc.	Aberdeen	Balder & AP3	Residential	71,234	2,000	28,076	3.8%*
2016-02-09	Mixed portfolio (10 properties)	Solna, Stockholm, Täby	Profi Fastigheter	Partners Group	Public and office	99,965	1,600	16,006	6.1%*
2016-06-27	Kåkenhuset 37	Stockholm	GIC Real Estate	Folksam	Mix commercial	16,581	1,510	91,068	
2016-02-17	Haga 2:8	Solna	KLP	Mengus	Office	41,854	1,400	33,450	6.0%*
2016-03-16	Logistics portfolio (21 properties)	Gothenburg, Stockholm, Jönköping etc.	Estancia Fastigheter	Corem	Industrial	168,040	1,315	7,826	conf.
2016-05-24	Gårda 13:6	Gothenburg	NIAM	Technopolis	Office	34,300	1,177	34,315	conf.
2016-02-10	Residential portfolio (28 properties)	Östersund	Kommunen	Rikshem	Residential	133,507	1,144	8,569	5.0%*
2016-03-08	Office portfolio (23 properties)	Linköping, Norrköping	Heimstaden	Castellum	Office	162,685	1,042	6,402	
2016-04-25	Residential portfolio (8 properties)	Landskrona	Landskronahem	Stena fastigheter	Residential	88,398	1,015	11,482	4.8%*
2016-01-12	Backa 170:1 & 172:1	Gothenburg	KF	Skandia fastigheter	Development	27,400	1,000	36,496	
2016-05-26	Pulpeten 1	Malmö	Skanska	IKANO	Office	19,000	1,000	52,632	4.25%*
2016-02-29	Neapel 3	Stockholm	Vasakronan	NIAM	Mix commercial	47,081	925	19,647	
2016-02-16	Hotel portfolio	Östersund, Karlstad, Skövde, Pandox Umeå etc.		Midstar	Hotell	44,921	850	18,922	
2016-03-29	Retail portfolio (4 properties)	Nyköping, Örensköldsvik, Karlskoga, Mjölby	Cornerstone	Valad Nordic Retail Partnership	Retail	45,672	800	17,516	8.00%
2016-05-16	Sländan 5, stage 1	Södertälje	Magnolia	SPP	Residential	21,800	750	34,404	5.0%*

## Top 10 transactions June 2016

Date	Object	Municipality	Seller	Buyer	Type	Area (sq.m.)	Price (MSEK)	Price (SEK/sq.m.)	Yield
2016-06-01	Smedstad 1:21 & Artilleristen 1	Linköping, Östersund	Blackstone	Intea	Public	132,601	2,900	22,624	5.3%*
2016-07-01	Residential portfolio (20 properties)	Stockholm, Malmö, Helsingborg etc.	Aberdeen	Balder & AP3	Residential	71,234	2,000	28,076	3.8%*
2016-06-27	Kåkenhuset 37	Stockholm	GIC Real Estate	Folksam	Mix commercial	16,581	1,510	91,068	
2016-06-29	Lindholmen 1:13 (50% share)	Gothenburg	Serneke	NREP	Development		750		N/A
2016-06-28	Adaptern 2 & Reläet 18	Norrköping	Axfast	Standard life	Retail	36,639	526	14,356	
2016-06-23	Vallentuna-Åby 1:166 & 1:171	Vallentuna	Magnolia	SEB	Residential	15,000	500	33,333	4.0%*
2016-06-30	Residential portfolio (6 properties)	Nyköping	Rikshem	Victoria Park	Residential	49,395	424	8,584	5.25%*
2016-06-21	Lindholmen 30:2	Gothenburg	Northstar	Platzer	Office	9,663	373	38,601	
2016-06-01	Morellträdet 6, 12 & 13	Stockholm	Wallenstam	TOI	Residential	5,867	345	58,803	
2016-06-29	Commercial portfolio (35 properties) (70% share)	Örensköldsvik, Gnesta, Leksand etc.	Peritas	Kvalitena	Mix commercial	80,954	315	3,891	7.5%*

\* Estimated by Catella