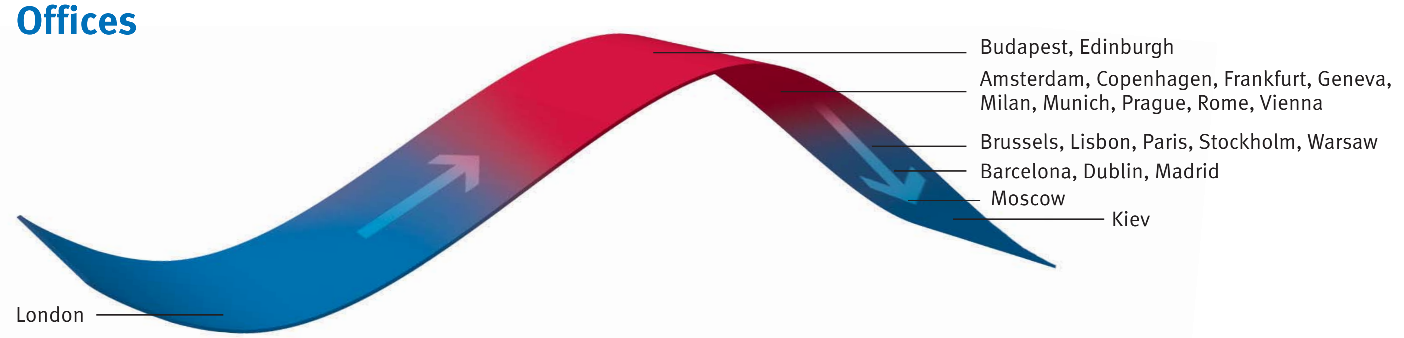
RESEARCH

AUTUMN 2009
EUROPEAN
Market indicators

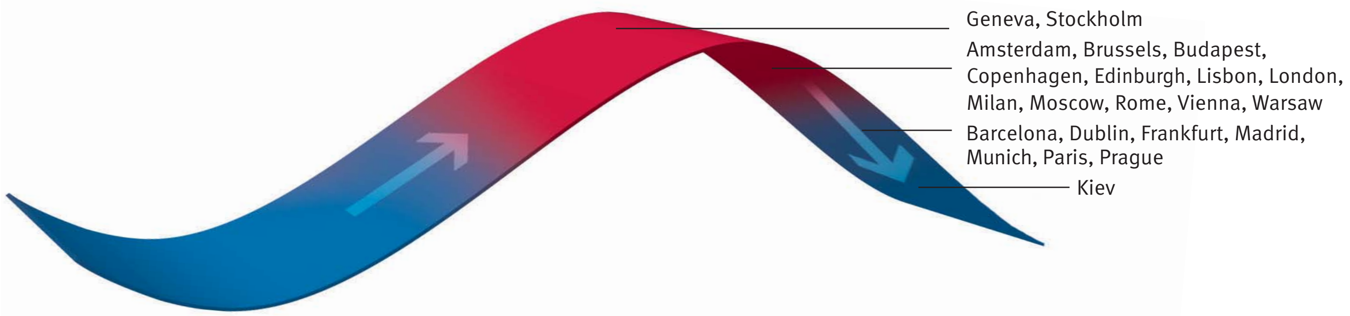
Knight Frank

EUROPEAN RENTAL CYCLES

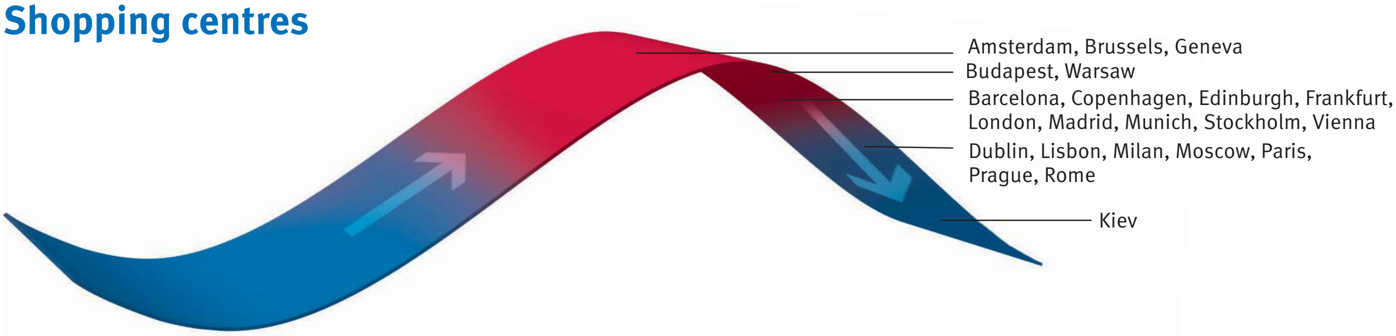
Offices



Distribution



Shopping centres



The Knight Frank wave depicts the current position of selected European centres with respect to their local prime rental cycle. As demand swells relative to supply and rents rise, centres move towards the crest of the wave. As demand ebbs and rental levels weaken, centres start to move down the wave towards the trough. Some markets will ride the wave more quickly than others. Similarly, some markets will tread water for periods of time or move only gently through the wave.

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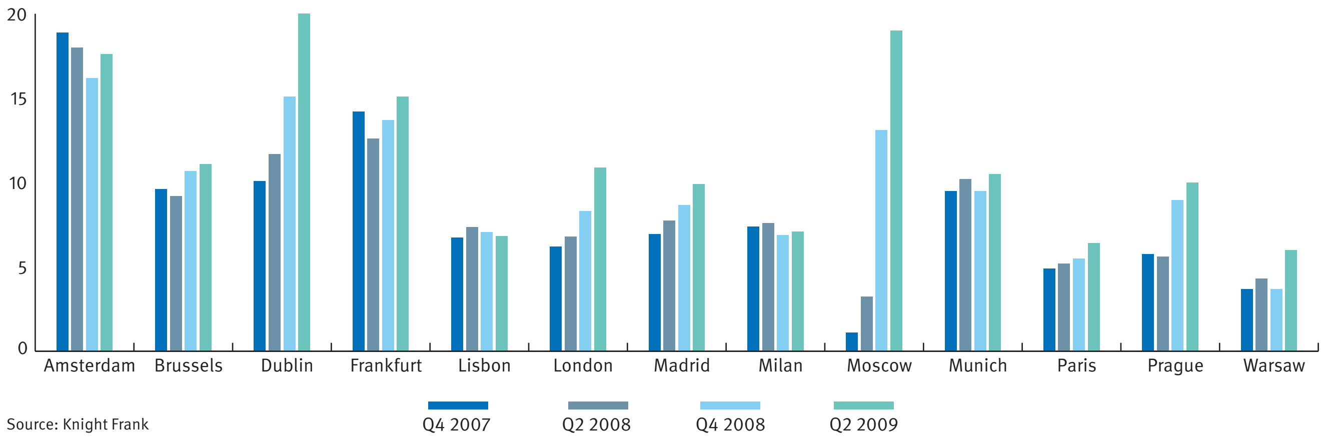
Market monitor – Autumn 2009

City	Offices		Distribution		Retail (shopping centres)	
	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)
Amsterdam	325	6.25	85	7.50	1,200	6.50
Barcelona	270	6.25	80	7.75	840	7.25
Brussels	265	6.25	45	7.75	1,200	6.50
Budapest	240	8.00	60	9.50	1,080	7.50
Copenhagen	242	5.75	67	7.50	645	6.25
Dublin	431	7.50	108	9.00	4,500*	8.00
Edinburgh	367	7.00	79	7.75	2,140*	7.25
Frankfurt	432	5.50	72	7.25	1,800*	5.75
Geneva	495	5.25	112	6.75	650	6.00
Kiev	368	13.00	70	14.00	818	14.00
Lisbon	240	7.25	60	7.75	900	7.50
London	795	5.50	153	7.00	5,503*	6.75
Madrid	384	6.00	90	7.75	1,080	7.25
Milan	500	6.00	50	7.75	650	6.25
Moscow	680	12.00	85	13.00	1,363	12.00
Munich	366	5.00	72	7.25	1,800*	5.75
Paris	740	5.75	50	7.75	2,300	6.00
Prague	252	7.25	54	8.75	600	7.00
Rome	450	6.00	50	8.00	600	6.50
Stockholm	372	5.50	88	7.50	800	6.25
Vienna	270	5.50	60	7.50	960	6.00
Warsaw	300	7.00	69	8.50	1,020	7.00

Indicative prime yields, as quoted locally, based upon a hypothetical Grade A unit. Office rents are for prime city area Grade A space, 2,000 sq m. Shopping Centre rents are based on prime covered shopping malls, quoted on best position, 100 sq m units. Distribution rents are for prime industrial space of units over 5,000 sq m. The data above is provided for general reference purposes only. Local market conditions will vary. *Zoned/weighted figure.

Figure 1

European office vacancy rates (%)



Source: Knight Frank

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