

Sweden - Stockholm

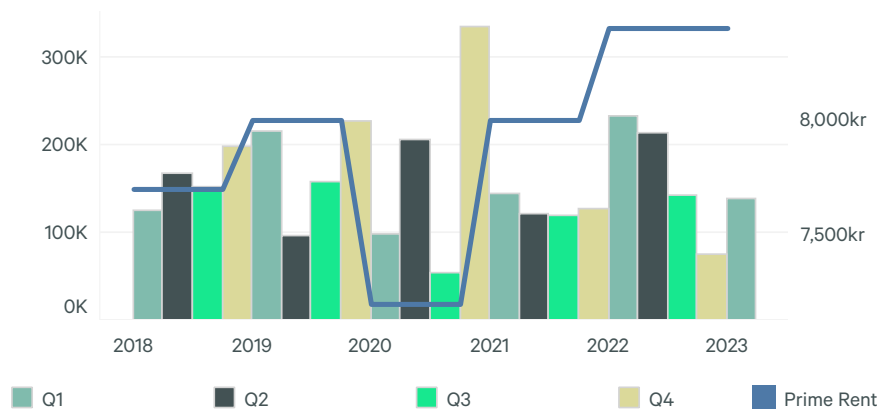
Key Performance Indicators (Q1 2023)

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| <p>Prime Yield</p> <p>3.80%</p> <p>Expected Investment Returns Change YoY: 65 bps</p> | <p>Prime Rent</p> <p>8,400kr</p> <p>Yearly, per sq m Change YoY: 2.4%</p> | <p>Average Rent</p> <p>7,000kr</p> <p>Yearly, per sq m Change YoY: 2.9%</p> |
| <p>Take Up</p> <p>139K</p> <p>Square Meter 665K Year2Date</p> | <p>Vacancy Rate</p> <p>6.70%</p> <p>Percentage of Stock vacant Change YoY: 69 bps</p> | <p>Typical Lease Terms</p> <p>3-5 years</p> <p>Typical Rent Free Period 0-3 months</p> |
| <p>Completions</p> <p>28K</p> <p>Square Meter 28K Year2Date</p> | <p>Total Stock</p> <p>11,466K</p> <p>Square Meter 10,698K Occupied Stock</p> | <p>Forecast Completions</p> <p>195K (2023)</p> <p>Square Meter 348K (2024) // 553K (2025)</p> |

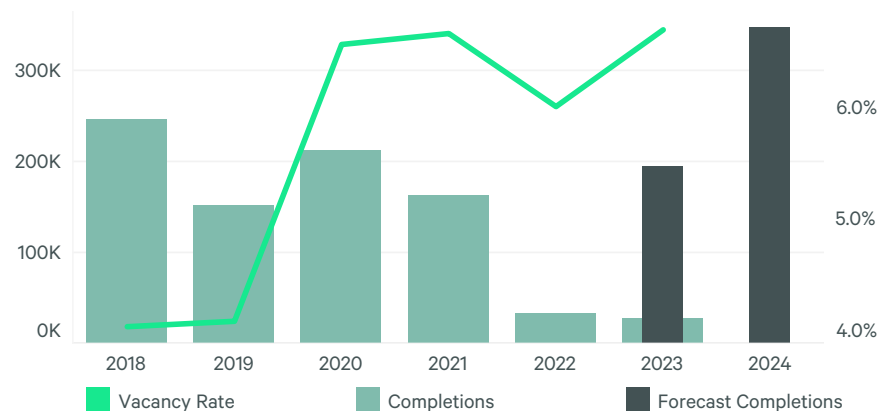
The leasing activity in Stockholm continued to be high in the first quarter of 2023. Both prime and average rent are deemed to remain stable. Take up increased to almost 140,000 sqm in Q1 and completions came in at 28,000 sqm. CBD vacancy increased from 3.5 to 4.5 % while the inner city vacancy remained stable at 7.5%. Southern suburbs and Solna/Sundbyberg both increased to 6% and 6.5%. The overall vacancy rate increased slightly to 6.5% (6% in Q4 2022) for all the submarkets combined. A general trend is tenants demanding more efficient and flexible space.

Notable leases under the first quarter were 6,526 sqm in Solna for the new JM headquarters, who are moving within the same municipality and will deduct their space to almost half. The property is owned by Fabege. GANT is opening a global headquarter in Värtahamnen by a lease from Stockholm municipality of 4,700 sqm. Other large leases during the quarter were Vasakronan extending both 4,700 sqm to Åklagarmyndigheten on Östermalm and 5,000 sqm to Universitet och Högskolerådet in Solna. In CBD If Metall has let 4,100 sqm to the Swedish coworking operator Ioffice.

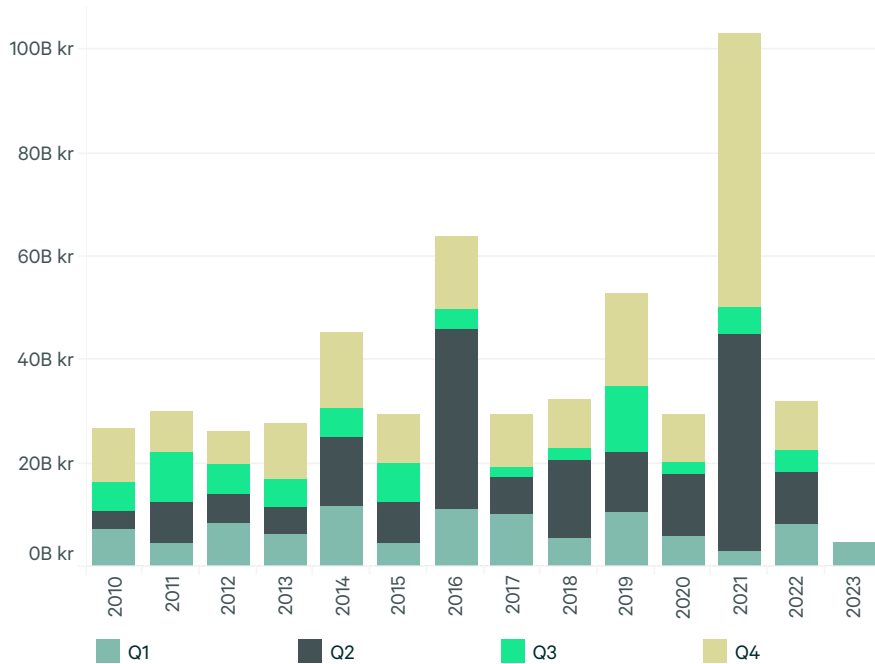
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Sweden Office Investment Volumes



Note: 2023 annual numbers till 3/31/2023

Sweden saw a continuing wait-and-see investment market during the start of 2023. This trend was also evident for the office investment market with a Y-o-Y drop in transaction volume for Q1 with 50%. CBRE deem the yield to increase to 3.8 % for prime assets in prime locations and with further decompressions for secondary assets and submarkets within the city.

The beginning of the year has continued to be defined by uncertainties in the economy following the war in Ukraine, sticky high inflation rate and a shaky bank sector. Challenges in the financing market has led to significant reductions in the activity on the transaction market generally.

All office transactions in the first quarter was carried out in Stockholm with only one exception in Uppsala. Notable deals were the CBD property Glashuset, Skotten 8, which is mixed use with 50/50 office and retail at 13,500 sqm. The asset was sold by Atrium Ljungberg to Axfast for SEK 1.9b. In the inner city the largest deal was the 13,325 sqm office refurbishment project, Svea Artilleri, close to Stadion sold by Genesta to AXA IM.

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