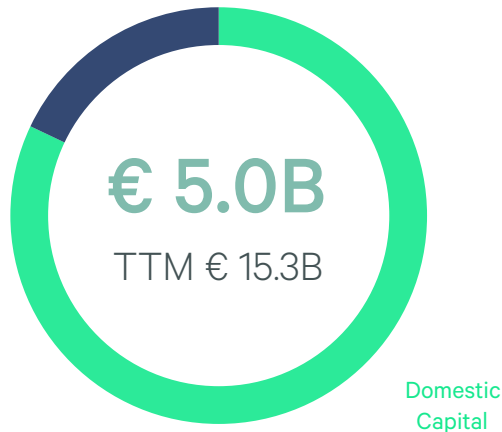


Sweden Real Estate Investment Volumes Q4 2022

Foreign
Capital**-60%**

Y-on-Y Change Q4

-52%

Y-on-Y Change TTM

Nr. of Transactions

87

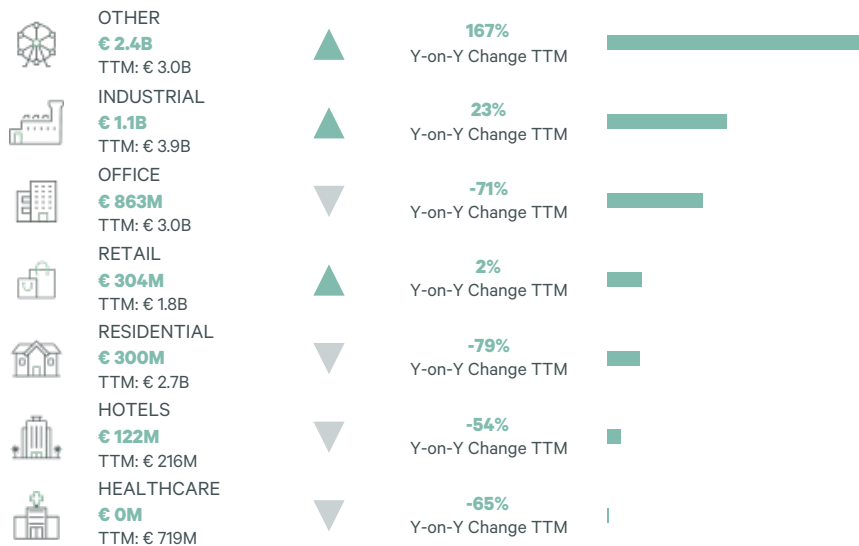
391 TTM

Y-on-Y: Year on Year

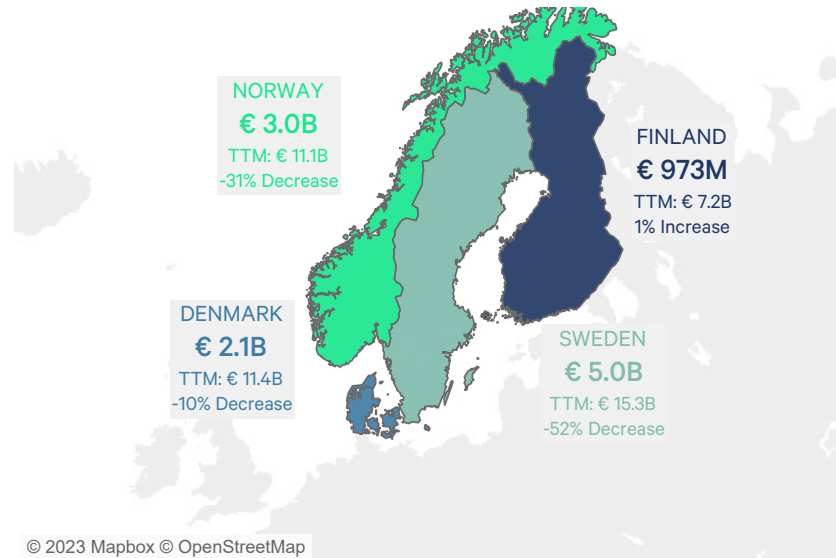
TTM: Trailing Twelve Months

The investment volume in 2022 declined with -52% compared to 2021. A very strong M&A year in 2021, providing unusually strong comparative figures, coupled with an increasingly more challenging investment climate in 2022 with increasing interest rates slowed down the market activity. The strongest headwinds were in the residential segment, where investment volumes declined with -79%. Reasons for the sharp decline include strong comparative figures in 2021; new regulations for rent increases in new production; many deals made on forward funding, which makes them more interest rate sensitive; removal of government subsidies for construction; and less compensation for the inflation compared to other sectors, made investors less inclined to invest. The office sector also saw a sharp decline compared to the record-year 2021, but reached volumes that are above 2020 and 2018. Retail (+2%) and industrial & logistics (+23%) both saw a strong year in 2022, retail providing strong cash flow assets and I&L continuing to profit from e-commerce growth and extremely tight leasing markets, despite increasing development. The largest deal in Q4 was Blackstone's acquisition of €490m from Corem, 47 I&L assets in Sweden's most important logistics hubs. CBRE acted as the advisor on behalf of Blackstone. AMF acquired two office properties from Castellum for an estimated €79m.

Investment Volumes by Sector (Sweden)

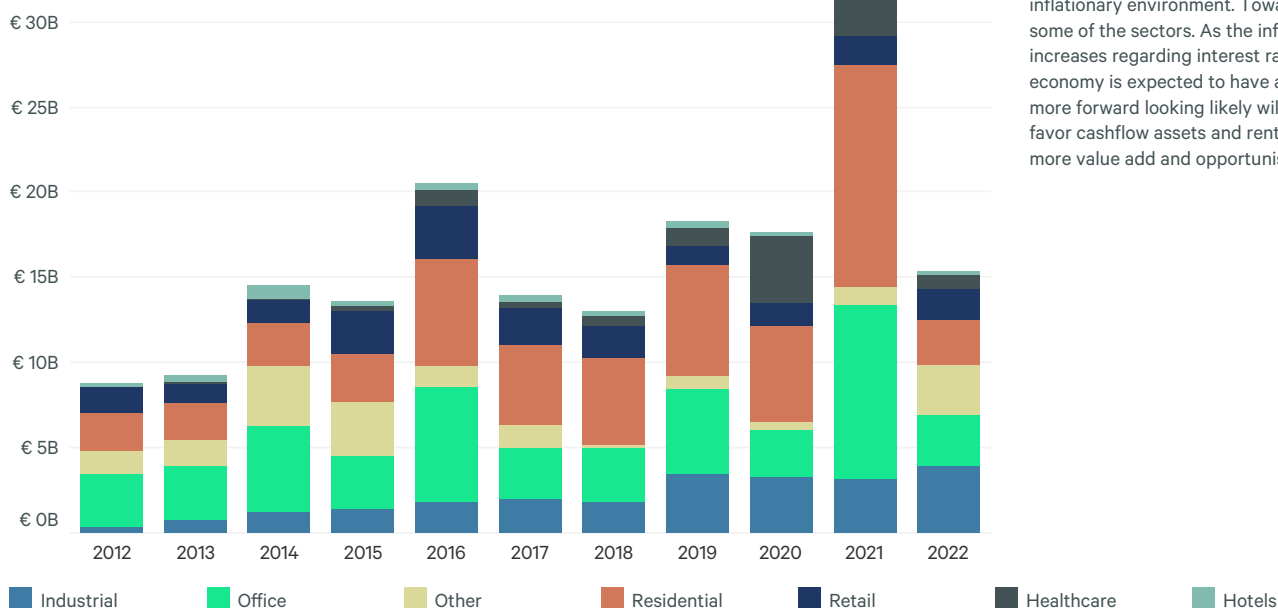


Investment Volumes in Nordics region



Investment Volumes Annual by Sector (Sweden)

2022 annual numbers account till 12/31/2022



The year started off in high spirits after the strong year in 2021, but saw increasing headwinds as the interest rates continued to increase on the back of the high inflationary environment. Towards the summer, a price discovery period started for some of the sectors. As the inflation starts to peak in several countries and visibility increases regarding interest rate levels, we expect investments to pick up. The real economy is expected to have a tough year ahead, whilst the investment market which is more forward looking likely will start to improve. Investors are expected to continue to favor cashflow assets and rental growth stories. Investors are also expected to employ more value add and opportunistic investment strategies compared to previously.

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