

Norway - Oslo

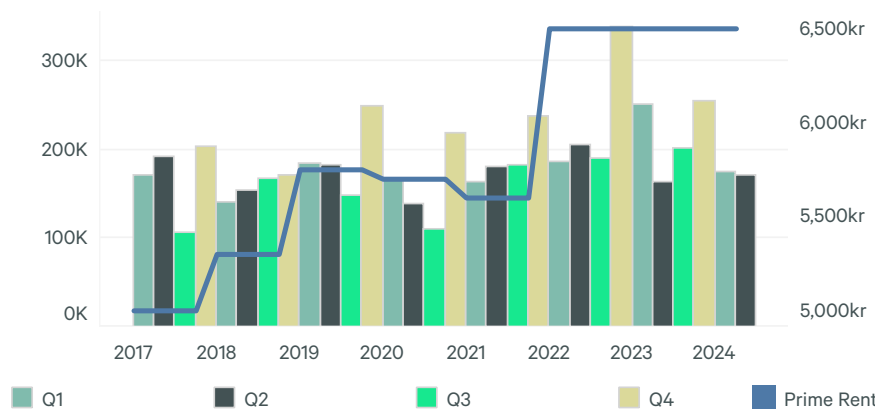
Key Performance Indicators (Q2 2024)

<p>Prime Yield</p> <p>4.90%</p> <p>Expected Investment Returns Change YoY: 70 bps</p>	<p>Prime Rent</p> <p>6,500kr</p> <p>Yearly, per sq m Change YoY:</p>	<p>Average Rent</p> <p>2,855kr</p> <p>Yearly, per sq m Change YoY: 2.42%</p>
<p>Take Up</p> <p>170K</p> <p>Square Meter 344K Year2Date</p>	<p>Vacancy Rate</p> <p>6.47%</p> <p>Percentage of Stock vacant Change YoY: -25 bps</p>	<p>Typical Lease Terms</p> <p>5 years</p> <p>Typical Rent Free Period 0-6 months</p>
<p>Completions</p> <p>34K</p> <p>Square Meter 57K Year2Date</p>	<p>Total Stock</p> <p>10,251K</p> <p>Square Meter 9,588K Occupied Stock</p>	<p>Forecast Completions</p> <p>125K (2024)</p> <p>Square Meter 145K (2025) // 214K (2026)</p>

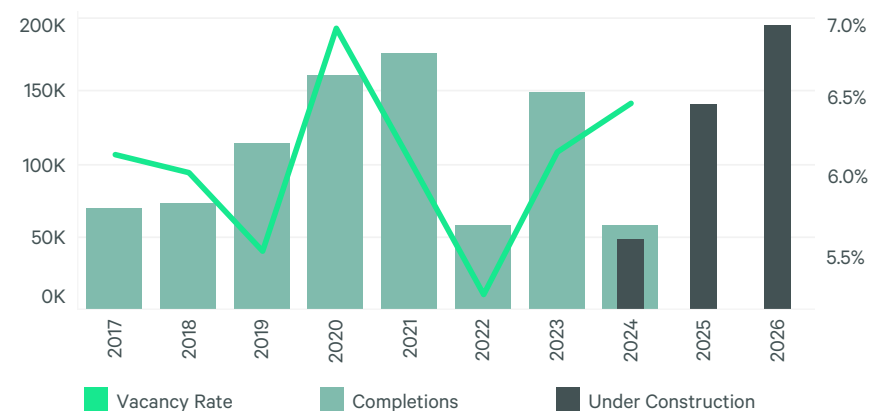
The Oslo office market continues to perform commendably, albeit with a lower activity level compared to H1 2023. Office take-up in the second quarter was reported at 170,140 sqm, bringing the total for H1 to 344,250 sqm, a reduction of 16.6 percent from H1 2023. Mainland GDP growth is forecasted to remain relatively slow in 2024, with a projected rise of 0.8 percent. CPI inflation has been consistently decreasing, reaching 2.8 percent in July. While volatility is expected in CPI inflation, it is anticipated to average around 3.5 percent for 2024 as a whole.

The average office rent in Oslo has been relatively stable for a year and a half, but showed positive momentum in the last quarter. The 12-month growth was only 2.4 percent, however, the rental growth is displaying positive signs with an annualized six-month growth of around 5 percent. The city centre and CBD continue to be in demand, however, locales such as Lysaker, Nydalen, and Bryn-Helstyr have experienced higher rental growth, approximately 7.5-9.0 percent YoY. The office vacancy rate remained steady at 6.5 percent, similar to the previous quarter. Development activity continues to be low, with roughly 60,000 square meters of new office stock expected to be completed this year. Completions are projected to increase to 110,000 square meters next year, but apart from the anticipated completion of Construction City, activity is sparse. The forecasted completions included in the table include redevelopment.

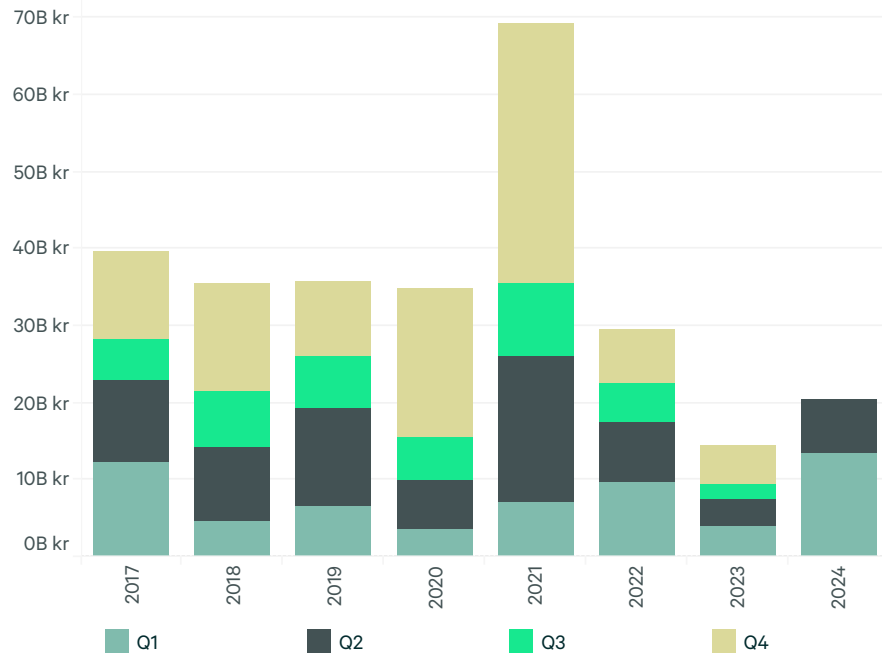
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Norway Office Investment Volumes



Note: 2024 annual numbers till 6/30/2024

After a promising start to the year, the pace of office investments remained strong in the second quarter. The volume of office investments in this period reached NOK 7.0 billion, culminating in a total investment volume of NOK 20.4 billion for the first half of the year, a remarkable increase of 171 percent YoY. Office investments have already exceeded the total for the entire 2023 by a commendable 40 percent. Prime office yield remained steady at 4.90 percent, consistent with the previous quarter.

Thus far in the year, we have witnessed an upward trend in deals surpassing a billion NOK. The first quarter featured notable transactions such as E. C. Dahl's acquisition of Entra's office portfolio in Trondheim, among other sizable office deals, and this uptrend carried over into the second quarter. Significant transactions included Storebrand's purchase of their Lysaker headquarters from an Artic syndicate for NOK 1.7 billion, Public Property Invest's acquisition of 13 properties from SBB for NOK 1.64 billion, and Hav Eiendom's divestment of their 50 percent stake in Diagonale with a property value of NOK 3 billion. Oslo continues to be the preferred destination for office investment, accounting for over half of the total investment volume in the second quarter.

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