



RESEARCH

At a Glance Q2 2019

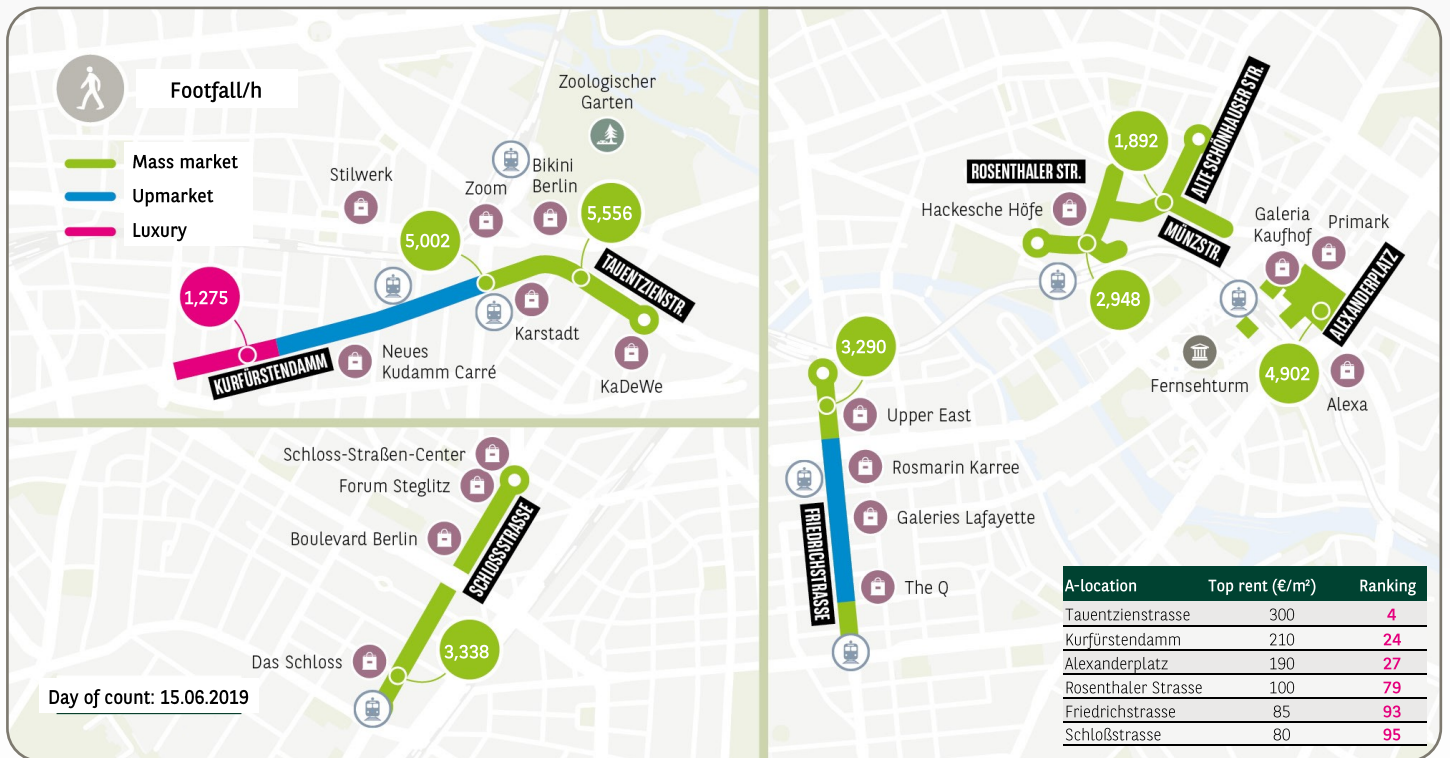
FOOTFALL REPORT BERLIN

Current Key facts

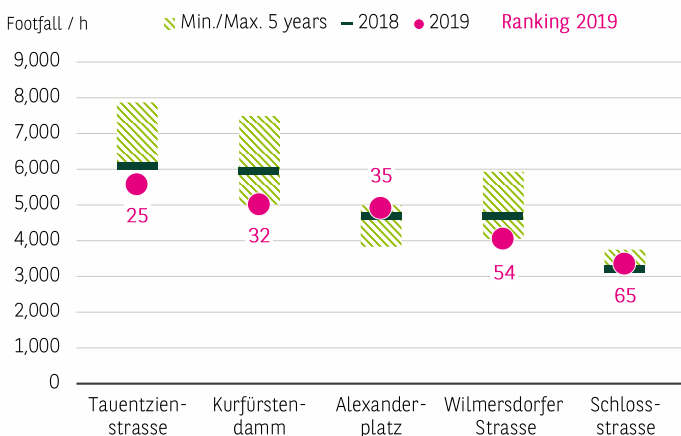
- 3,613,495 Inhabitants
- 1,476,248 Employees
- 8.1% Unemployment rate
- 91.2 Purchasing power index
- 102.6 Turnover index
- 1.12 Centrality

After the boom of recent years, the Berlin retail market is back on the road to normality. Demand for representation in the capital remains high, but no longer at any price. In addition, demand is increasing again for smaller spaces between 50 m² and 300 m². The trend towards shorter lease terms and pop-up stores has also

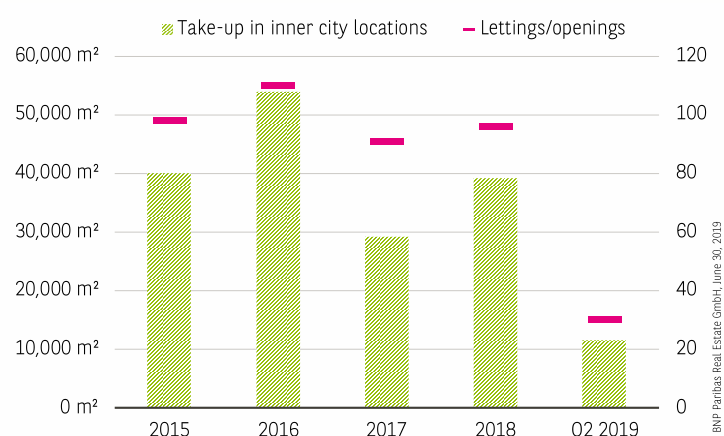
continued. In general, demand is limited to units with a maximum of two-storeys. This is being offset by the trend towards converting former retail space occupying upper floors into offices. This has proved lucrative for many owners in the recent past due to strong demand and rising office rents.



Footfall per hour in selected A-locations

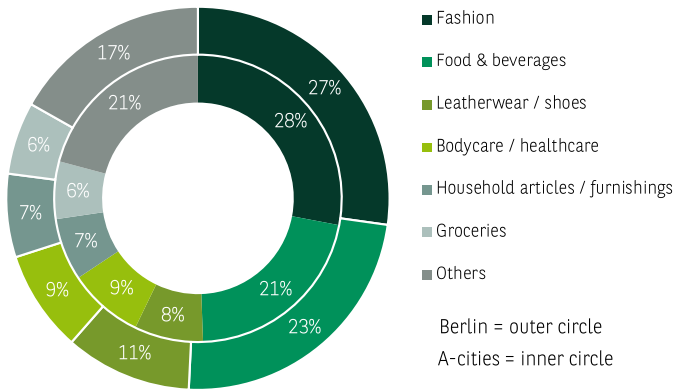


Inner city locations: take-up and lettings/openings

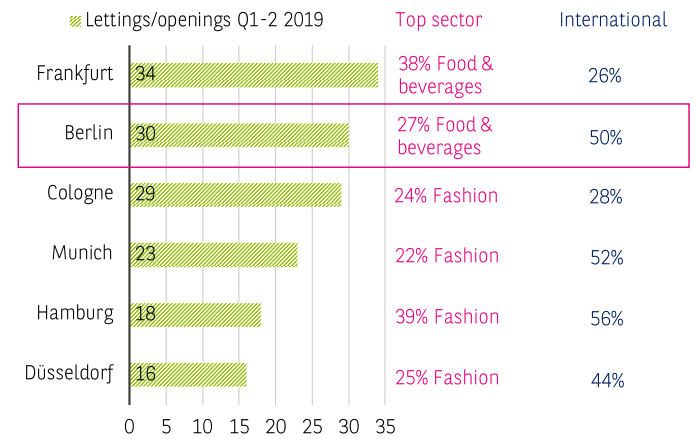


Day of count: 15.06.2019 | Positioning within the nationwide ranking - 95 counting locations respectively 118 top rents in 27 cities
 Source: BBE Handelsberatung GmbH | Key facts: Residents and community register, Federal Employment Agency, GfK Geomarketing GmbH

Lettings/openings by sector since 2016



City ranking of lettings/openings Q1-2 2019

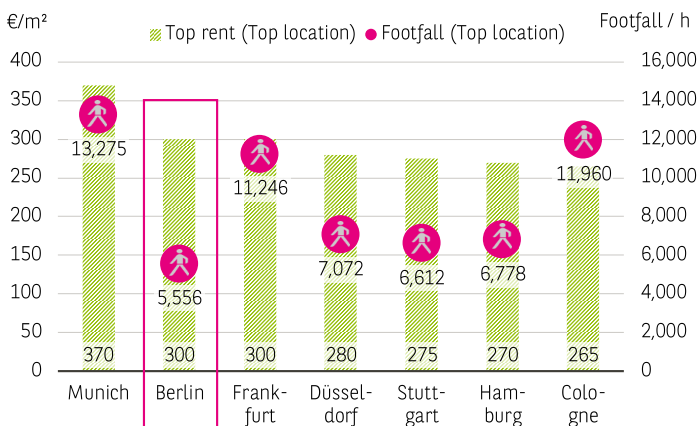


FOOD & BEVERAGE SECTOR ON THE ADVANCE

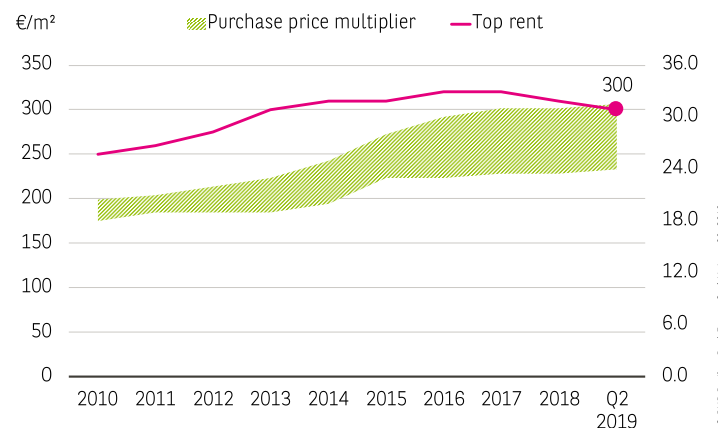
Changes in the retail landscape can be observed best in Berlin, the capital of trends. Over several years, textile companies are still ahead in terms of the number of rentals, but in the recent past they have been narrowly overtaken by food and beverage. In the first half of 2019, this sector accounted for more than one in four rentals. Classic suppliers such as the food industry and drugstores are also expanding. Against a background of increased tourism, the continuing influx of new residents, and an increase in the number of office workers, these companies are looking for new space - especially in well frequented and service locations. The American burger chain Five Guys, for instance, has rented around 450 m² at Alexanderplatz - the footfall volume here, at a good 4,900 pedestrians per hour, is only slightly lower than in Berlin's busiest location, Taentzienstrasse (5,600 people per hour). Since typical tenants in these locations often have to brave competition from online traders, they are increasingly negotiating rents

against this backdrop of specific pressures. However, fewer compromises are generally made with regard to the layout or size of the space. The changes seen on the demand side are a major factor in the slight decline in rent levels. This development plays into the hands of the "new", up-and-coming players by making space more affordable. Year-on-year, top rents in Taentzienstrasse fell to 300 €/m² (-6%) and at Ku'damm to 210 €/m² (-11%). Of all Berlin's prime locations, only Alexanderplatz can show stable development, albeit at a slightly lower level of 190 €/m². Nonetheless, textile business still accounts for a large number of contracts. This is evidenced by the rentals of the Milan fashion house Etro and the Düsseldorf label Live Fast Die Young, both of which have opted for the Ku'damm. In addition, French sportswear supplier Ron Dorff has announced its German market entry with a store on Hackescher Markt. Hackescher Markt will likewise see the US outdoor clothing manufacturer Patagonia open its first store in Germany.

Top rent and footfall in selected A-cities



Development of top rent and purchase price multiplier



All rights reserved. At a Glance is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate GmbH.

The statements, notifications and forecasts provided here correspond to our estimations at the time when this report was prepared and can change without notice. The data come from various sources which we consider reliable but whose validity, correctness or exactness we cannot guarantee. Explicitly, this report does not represent a recommendation of any kind, nor should it be regarded as forming a basis for making any decisions regarding investment or letting or renting property or premises. BNP Paribas Real Estate can accept no liability whatsoever for any information contained or statements made herein.

Imprint Publisher and copyright: BNP Paribas Real Estate GmbH | Prepared by: BNP Paribas Real Estate Consult GmbH | Status: June 30, 2019

Further Information BNP Paribas Real Estate GmbH | Branch office Berlin | Phone +49 (0)30-884 65-0 | www.realestate.bnpparibas.de