



At a Glance Q2 2019

FOOTFALL REPORT MUNICH

Current Key facts



1,456,039 Inhabitants



874,099 Employees



3.8% Unemployment rate



134.3 Purchasing power index



149.3 Turnover index



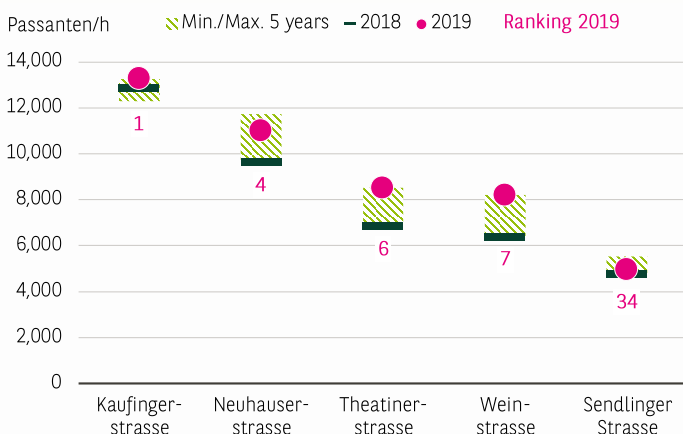
1.11 Centrality

An unemployment rate of less than 4%, a 3% rise in the number of employees paying social insurance contributions in 2018, the highest purchasing power in Germany at 134.3, and with an increase of more than 9% in overnight stays in 2018, also the top performer among large German cities. These are just some of the "hard facts" benefiting the retail landscape of the Bavarian state

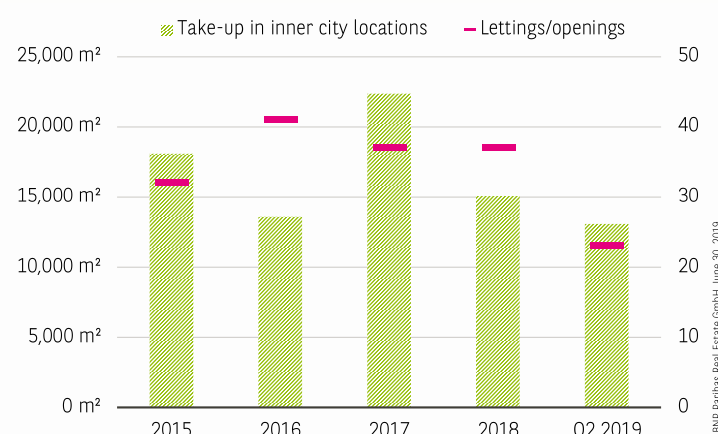
capital. In addition, there are soft facts such as the quality of life, the Oktoberfest, the Hofbräuhaus or the famed Bavarian conviviality. So it is not surprising that Munich is still the yardstick for national and international retailer demand. This is also true for shopping streets, and is again impressively confirmed by the present footfall survey.



Footfall per hour in selected A-locations



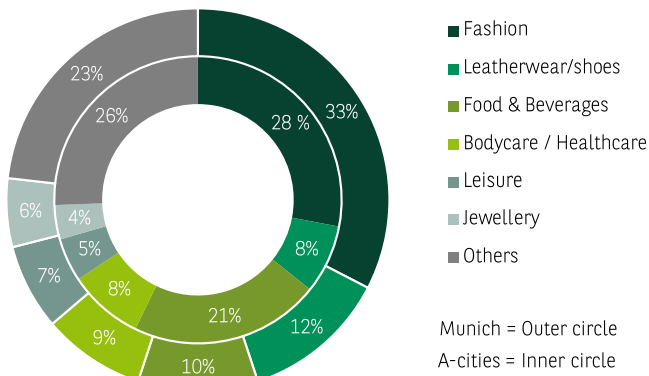
Inner city locations: take-up and lettings/openings



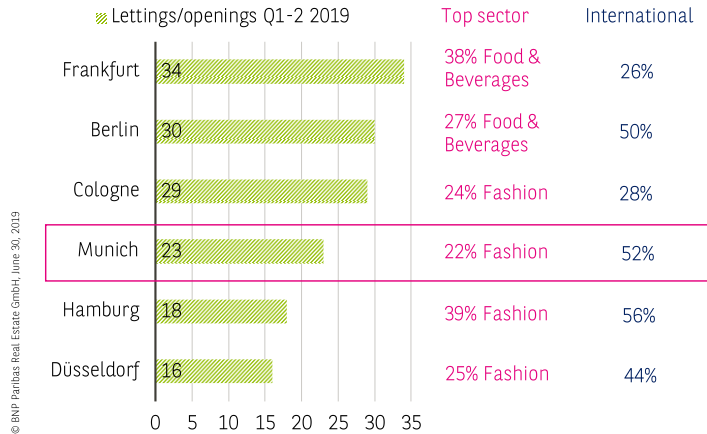
Day of count: 15.06.2019 | Positioning within the nationwide ranking - 95 counting locations respectively 118 top rents in 27 cities

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

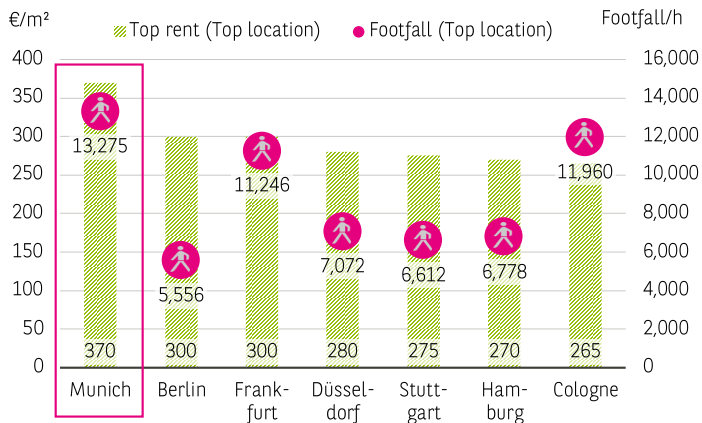


A LOT GOING ON IN MUNICH

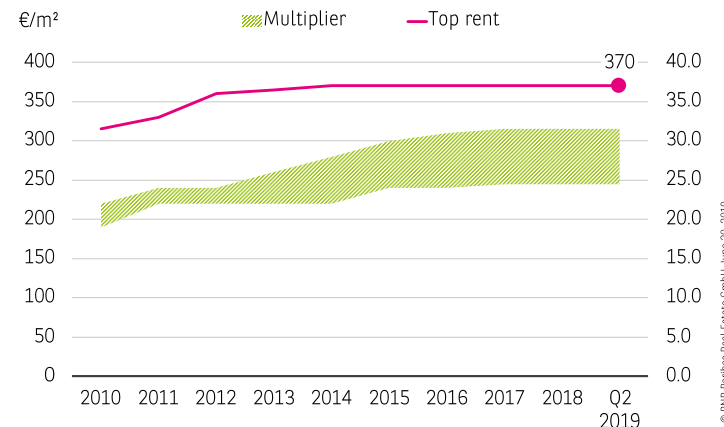
Traditionally Munich, with its Kaufingerstraße and Neuhauser Straße, has two of the most frequented shopping streets in Germany. However, the fact that four streets have made it into the top 10 in Germany this year comes as a surprise and is testimony to the high quality of Munich's city centre. As expected, Kaufingerstraße is in first place nationwide with 13,275 pedestrians; Neuhauser Straße takes fourth place (11,012). The Theatinerstraße (8,517) and the Weinstraße (8,201), on the other hand, have recently risen to the top group and are ranked sixth and seventh respectively. With such extensive target groups, it is not surprising that demand continues to be very high. Primarily, service providers, local suppliers and luxury trademarks, typical of Munich, are still expanding. Most conspicuous were the numerous relocations, which underscore the fact that many tenants are trying to optimize their locations and space in order to adapt to changing conditions. For example, Italian leather goods designer Furla is changing its floor space in Theatinerstraße, and British label Belstaff is also moving from Maximilianstrasse to Residenzstraße. Luxury brand MCM, on the other hand, has opted

for Maximilianstraße and is giving up its previous location in Brienner Straße. That there are still many brands wanting to settle in Munich ensure that rents remain at the same high level. With 370 €/m² Kaufingerstraße still leads the nationwide ranking, and the Bavarian capital also takes the other two places on the winners podium with Neuhauser Straße (340 €/m²) in second place and Maximilianstraße (310 €/m²) in third place. Premises in Kaufingerstraße, Neuhauser Straße and Sendlinger Straße were the most sought-after. Urban Outfitters secured a shop of around 2,500 m² in Kaufingerstraße and thus ensured the largest letting in an A-location. Italian men's outfitter Boggi Milano and Finnish sporting goods label Salomon, renting 300m² and 350m² respectively, are expanding the business mix in Sendlinger Straße. Other notable leases include 1,300 m² for Woolworth in Leopoldstraße and around 600m² from Italian designer Brunello Cucinelli in Maximilianstraße. A total of 23 lettings/openings were registered in Munich city centre locations in the first half of the year, of which 22% were accounted for by clothing retailers. In the future, the portfolio will be expanded by the development of the Alte Akademie and a project on Sattlerplatz.

Top rent and footfall in A-cities



Development of top rent and purchase price multiplier



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