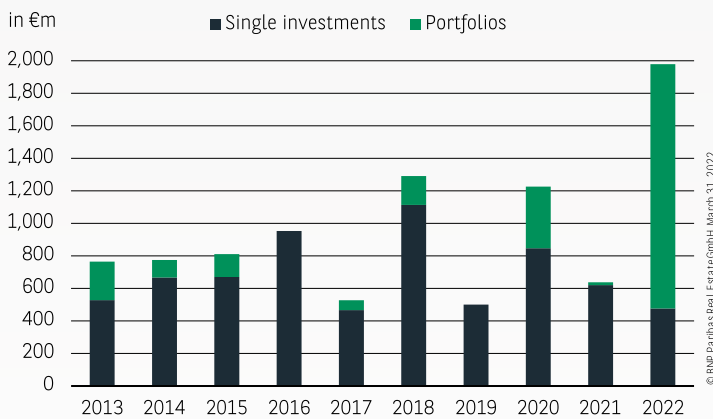




At a Glance **Q1 2022**

INVESTMENT MARKET HAMBURG

Investment volume Q1

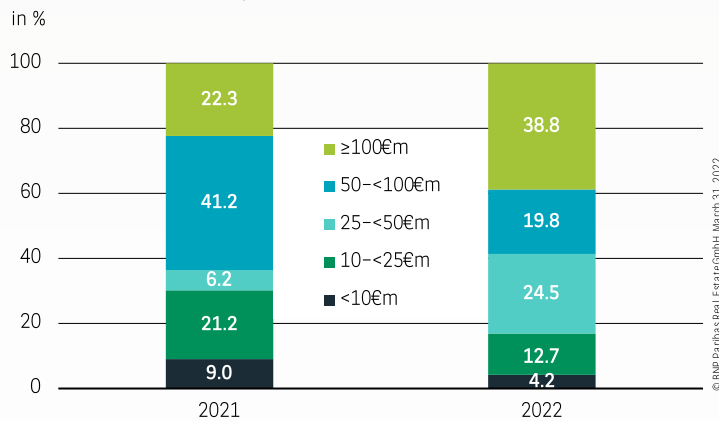


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NEW RECORD DUE TO HIGH PORTFOLIO SHARE

In the first quarter, Hamburg's investment market reached a new all-time high with a transaction volume of €1.98 billion, barely missing the €2 billion mark. This result is more than triple of the comparatively weak volume of the previous year and more than 100% higher than the ten-year average. Portfolio transactions were the main driver of this result. They account for a volume of €1.5 billion, which is an all-time high. Brookfield's acquisition of Alstria is almost 100% responsible for this. In addition to a shopping center, multiple office and highstreet properties changed ownership as part of this transaction. In the past quarter, around €480 million was placed through single investments. Therefore the overall good result of the previous year could not be repeated, and also the 10-year average has been missed in this segment.

Investments by € category Q1

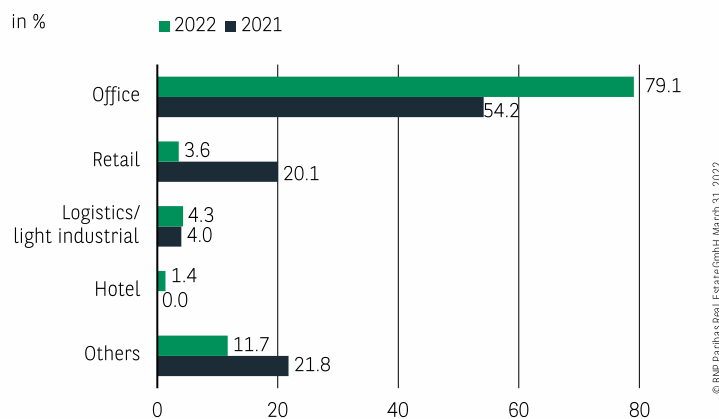


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LARGE-SIZED DEALS AT RECORD HIGH

Large-sized deals with a sales volume above the €100 million mark accounted for about 39% of the investment volume in the first quarter. A new record was set with almost €770 million invested in this category. The majority of the transactions resulted from the Alstria acquisition. On the other hand, the €50 million to €100 million size category lost market share, although the absolute figures underline the year-on-year increase in transaction volume. At approximately €395 million, a rise of 49% can be reported in this size segment. A new record was also set for deals between €25 million and €50 million. The previous top result from 2020 (€372 million) was impressively exceeded with around €485 million.

Investments by type of property Q1

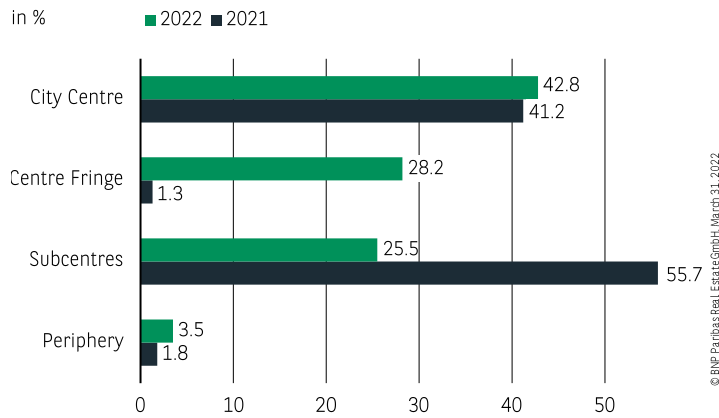


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OFFICE PROPERTIES UNDISPUTED NUMBER 1

With a market share of almost 80% and an investment volume of almost €1.6 billion, office properties are the undisputed number one among the property types. As indicated above, a large portion has changed ownership as part of the Alstria acquisition. In second place is the aggregate category Others with almost 12%, including development properties which are in high demand in Hamburg. Although the volume of logistics properties has more than tripled and now stands at around €85 million, their market share is still at only 4.3%, primarily due to a lack of supply. Retail properties continue to be of minor relevance at the moment.

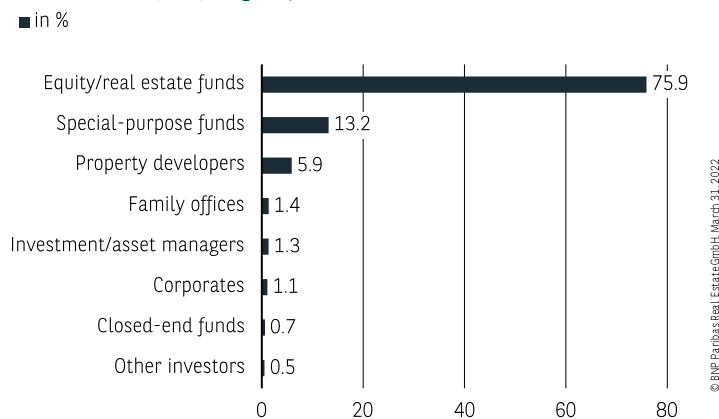
Investments by location Q1



INVESTMENT FOCUS ON CENTRAL LOCATIONS

Hamburg's City Centre accounts for almost 43% of the investment volume to date. This result was clearly driven by the alstria acquisition and its office and highstreet properties located in the City Centre. So far it is the second highest value on record for this location and by far the top result of the past decade. An analysis of transactions in the Centre Fringe produces a similar result: It is the second best result in history, driven by the alstria portfolio. Subcentre locations have lost significant market shares, but the current transaction volume of almost €510 million represents an increase of a respectable 42% compared to the same quarter of the previous year. This is the second highest value in the long-term series following the result in 2018 (€585 million).

Investments by buyer group Q1 2022



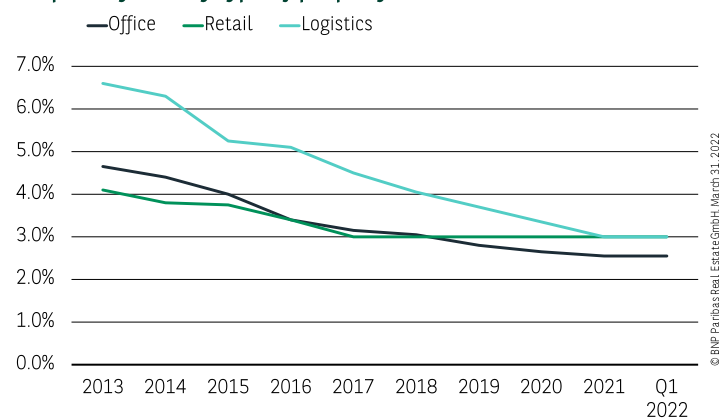
EQUITY/REAL ESTATE FUNDS WITH RECORD RESULTS

As expected, the acquisition of alstria by Brookfield has left its mark on the distribution by buyer group. The market share of equity/real estate funds amounts to unprecedented 76%, and the investment volume of €1.5 billion is more than twice as high as the previous record of €730 million in 2007. Special-purpose funds rank in second place. They contributed about €260 million to the current total. Although their result fell 31% short of the record achieved in the previous year, they remain well above the 10-year average (€218 million). Property developers placed almost €120 million in the first quarter, achieving a share of 5.9%. One prominent project was the GALERIA (formerly Karstadt) on Osterstraße in the district of Eimsbüttel.

STEADY PRIME YIELDS

Prime yields in the Hamburg market have remained stable at the beginning of the year. That implicates that net prime yields in the office segment held firm at 2.55%, highstreet properties at 3.00%, and top logistics property at 3.00%.

Net prime yields by type of property



OUTLOOK

In recent years, the Hamburg market has impressively demonstrated its stability and high attractiveness for investors. The relatively weak result from 2021 was clearly caused by the lack of supply at that time. In the first quarter, there was also significantly more movement in the market aside from the alstria portfolio. It remains to be seen to what extent the uncertainties related to the war in Ukraine will impact Hamburg's investment market. However, the foundation has been laid for a very good result this year. The sideways movement of prime yields is expected to continue.

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