Retail markets remain highly dynamic

In 2014, the German retail markets once again showed themselves at their best. Particularly in comparison with other European countries, Germany exerts a powerful attraction with its healthy economy, growing retail revenues, increasing numbers of people in gainful employment and a relatively high level of wages. Against this background it is hardly surprising that German markets feature prominently on retailers’ expansion plans and draw buoyant demand.

New operators from abroad seeking market entry

- Alongside concepts already present in this country, it is above all new chain store operators from abroad which are pressing into the market and enriching the retail landscape here.

- An example is the Polish fashion group LPP and its strongly expansive concept Reserved; it used 2014 to conclude extensive lease contracts within the framework of its market entry, including premises for a flagship store on Berlin’s top location Tauentzienstrasse.

- Also on an expansionary course is the British footwear label Office Shoes, which acquired sales space for instance on Cologne’s Hohe Strasse and on Spitalerstrasse in Hamburg. Another firm seeking to gain a broader foothold in the German market, after successfully launching its first store on Hamburg’s Mönckebergstrasse, is Swedish sports chain Stadium.

Fresh opportunities for very good B-locations

- For some tenants, the very high rental price level and the associated high rent burden increasingly represent a problem.

- Accordingly, many tenants are looking for smaller premises, while for some concepts, very good B-locations in the direct vicinity of high-footfall premium areas are regarded as a serious alternative.

- One example is Apostelnstrasse in Cologne: a B-street forming a direct connection between the A-precincts of Ehrenstrasse and Mittelstrasse, it has been substantially upgraded by lettings to such renowned operators as Closed and Calvin Klein.

Slower rental growth

- Unlike in previous years, when prime rents in the A-locations exhibited distinctive – sometimes double-digit – growth, in 2014 the development of rents lost momentum.

- In view of the above-cited trends it has become rarer for tenants to try to outbid one another to obtain specific premises for a particular concept or for a flagship store. So increases in rents have been somewhat limited.

- In the seven major locations (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg, Leipzig and Munich), rents grew overall by 1.3%.
STRONGER GROWTH IN RETAIL SALES

In the period January to November 2014, German retail sales increased by a nominal 1.6%, corresponding to a price-adjusted rise of 1.1% on the prior-year period. On the basis of these figures, the German Statistical Office estimates nominal growth in retail takings of between 1.5 and 1.7% for the year as a whole. In real terms, the increase should thus be in the range 1.1 to 1.3%. Compared with the year before, this was considerably more dynamic – and in view of the dip in the economy in the middle of 2014 that is a gratifying development. It was due to various factors. First, there is the positive sentiment among consumers, which remains at a very high level despite an interim decline last autumn. But the low interest rates have also played a role since they reduced any inclination to save and thus had a stimulating effect on consumption. The stable labour market situation, with rising numbers of people in gainful employment, also helped to create a setting in which retail trade could flourish, while last year’s relatively high wage settlements boosted disposable incomes.

END-OF-YEAR SPURT IN ECONOMIC GROWTH

After just mini-growth of 0.1% in 2013, gross domestic product (GDP) got off to a good start in 2014 with a dashing first quarter (+0.8%), due in part to the mild winter. But in the next two quarters, things slumped: the period April to June actually brought negative GDP growth (-0.1%), while the following three months brought a rise of just 0.1%. This dip was accompanied by deteriorating sentiment indicators, something due also to worries arising from wider developments, such as the terrorist activities in the Middle East, Ebola, and of course the economic sanctions imposed on Russia in connection with the Ukraine crisis. Although these factors still represent a possible source of problems for a global economic revival, the German economy gained momentum again in the final quarter of the year. According to initial estimates by the German Statistical Office, in the period October to December, GDP posted a year-on-year improvement of around 0.25%. Annualised, that produces a plus of 1.5% (preliminary estimate), something that at the mid-year point could not have been anticipated. Over half (0.8%) of this growth is probably attributable to private consumption, which has thus become a mainstay of the economy as a whole.
**ONGOING POSITIVE DEVELOPMENT OF LABOUR MARKET**

Despite the fact that for some considerable time now economic growth has been merely moderate, the labour market situation has developed in a gratifyingly healthy manner. Even when the environment worsened, there were no notable abrupt reactions on the part of business companies. Instead, these opted to maintain their manpower levels – and this, in turn, can be seen as a sign that many enterprises view the medium-term outlook positively and are determined to keep their qualified employees. This attitude has benefited the labour market, reflected for instance by an average unemployment rate for the year as a whole of 6.7 %; that is 0.2 percentage points lower than the year before. The average jobless total was 2.898 million and thus 2 % below the figure for the previous year. In parallel to this, the numbers of those in gainful employment have continued to grow, by 0.9 % to 42.65 million, which is the highest level since German reunification. Especially pleasing is the fact that the number of employees subject to social security contributions has increased even more sharply, by 1.9 % to 30.17 million.

**RENEWED UPTURN IN CONSUMER CLIMATE**

One of the most important factors influencing the development of retail trade and its future prospects is consumer confidence, as measured by the Gfk Consumer Climate Index. Although this powerful mood indicator remained at a historically high level throughout 2014, it did register slight falls for some months during the second half. This was due almost entirely to a marked decline in the partial indicator concerned with economic expectations. But now, following the renewal of economic growth seen in the final quarter of last year, the index as a whole has improved again. The figure for January was 9.0 points, which was 1.6 points higher than at the end of 2013. However, the partial indicators reflect differing trends: while confidence in a positive economic development is increasing clearly, the expectations regarding personal income have slipped somewhat. On the other hand, the readiness to buy – which is probably the most important component in respect of retail trade – has actually risen modestly. One prime reason for this is that consumers’ propensity to save has fallen to a historical low.
IFO AND ZEW INDICES ALSO POST YEAR-END RISES

The factors above that point to an economic upturn are also supported by the two major indicators of German business sentiment. In November – following a steady 6-month decline – the ifo Business Climate Index registered an improvement again, and this continued in December. Admittedly, the partial indicator that mirrors perceptions of the current business situation has remained static, but the expectations component has continued to get brighter. Against this background, it appears that the period of economic weakness is over. An identical development was exhibited by the ZEW Index, which is based on a survey not of business firms, as with the ifo Index, but among German financial experts. Their pessimism continued almost throughout the year, with steadily falling figures; but then – also in November – came the turning point. In December, the index rose by nearly 28 points to 34.9 at present. By way of comparison: the long-term average is 24.4 points. The financial market experts rated both the current situation and the mid-range expectations more favourably. What is particularly noteworthy is that they not only assessed the situation in Germany more positively, but also saw the Eurozone as a whole on an upward course.

POSITIVE PROSPECTS IN 2015 TOO

Numerous factors that exert on a decisive influence on the retail trade in Germany point to a positive development in 2015 as well. The first thing that must be mentioned in this connection is that gross domestic product looks set to grow more strongly than it did last year. At the moment, it is still uncertain whether it will be able to exceed the 2 % mark, but this is becoming more likely. There are two reasons to suggest this. One is the marked drop in the price of oil, the other is the appreciable fall in the value of the euro. Together, these act like a powerful economic stimulus programme, one from which business companies and consumers alike will benefit. Support also comes from the ongoing healthy state of the labour market and the fact that the number of people with jobs will presumably go on rising. Last but not least is the historically low level of interest rates and the resultant bottoming out of any inclination to save. This suggests that consumers will make use of the extra money in their pockets to buy things. So all in all, the outlook for retail business in Germany is distinctly favourable, and from today’s vantage-point it definitely seems likely that retail real estate will be able to participate in this development, on both the rental and the investment markets.
Retail Markets Remain Highly Dynamic

In 2014, the German retail markets once again showed themselves at their best. With its healthy economy, growing retail revenues, increasing numbers of people in gainful employment, and a relatively high level of wages, Germany stands out in Europe and exerts a magnetic attraction. Then there is the steady expansion of urban tourism which brings in additional crowds of shoppers. Against this background it is hardly surprising that German markets figure prominently on the expansion plans of retailers and draw strong demand. This is reflected, for instance, by way prime rents in the top locations developed: taking into consideration all the major cities under review, top rents last year posted another modest rise despite their already high level. However, the sharp increases in rental prices observed in recent years now appear to have given way to a slower pace of growth for the time being.

New Operators From Abroad Seeking Market Entry

Alongside concepts already present in this country, it is above all new firms from abroad which are pressing into the market and enriching the retail landscape here. One example is the Polish fashion group Reserved; this used 2014 to make its market entry and conclude extensive lease contracts. As well as a number of outlets in shopping centres, the group secured a top location on Berlin’s Tauentzienstrasse for a flagship store and also the premises currently occupied by bookseller Hugendubel on Königstrasse in Stuttgart. Also on an expansionary course is the British footwear label Office Shoes, which has acquired sales space on Cologne’s Hohe Strasse, for example, and in Spitalerstrasse in Hamburg. Another firm seeking to gain a foothold in the German market is the Swedish sports chain Stadium. After successfully launching its first store on Hamburg’s Mönckebergstrasse, the Swedish firm is now looking for other suitable premises.

Luxury-Segment Retailers Relatively Reticent

Compared with the strong expansionary drive in the consumer field, activity in the luxury segment is currently somewhat more reticent. The crisis in the Russian economy and the decline in the value of the rouble seem to have had an adverse influence on spending by the Russian tourists who represent a not insignificant proportion of the luxury market clientele. Accordingly, some of the retailers in this part of the market have adopted a wait-and-see attitude or else are using the time to reposition themselves and to relocate.

Flagship Stores Still in Demand — But Not at Just Any Price

The trend towards opening sophisticated flagship stores as a form of brand staging continued in 2014, but whereas in the past this was primarily a marketing tool, the focus recently has been more on the cost-effectiveness of such outlets – and so they are now expected to pay their way on their own. This impacts on rental negotiations, with the result that such premises are no longer simply acquired at just any price, or else are cut back in size.

New Opportunities for Very Good B-Precincts

For some tenants, the very high rental price level and the associated high rent burden increasingly represent a problem. Against this backdrop, two trends have been apparent: one is that many tenants have been looking out for smaller premises; another is that for some concepts, very good B-locations in the direct vicinity of high-footfall premium areas are regarded as a serious alternative. One example is Apostelnstrasse in Cologne, a B-street which forms a direct connection between the A-precincts of Ehrenstrasse and Mittelstrasse and which has now been substantially upgraded by deals concluded by such renowned operators as the German fashion label Closed or by Calvin Klein. One basic rule, though, is that a B-area should already feature a critical mass of existing shops; a purely stand-alone location is not a viable option.

New Projects Generate Additional Space

As well as this expansion into very good B-areas, other measures to extend the still limited supply of space and thus enrich the downtown retail scene include several refurbishments and new project developments. This applies in particular to the conversion of the Hertie and Karstadt department store buildings in city centre locations acquired by developers in the past few years. On completion, these projects will bring attractive new premises onto the market and increase space availability. Then there are such ventures as the Alter Wall in Hamburg; with around 10,000 m² of new sales area, this will have a sustained positive influence.

Slower Rental Growth

Unlike in previous years, when prime rents in the A-locations exhibited distinctive growth, sometimes with double-digit percentage rates, in 2014 the development of rents lost momentum. In view of the trends mentioned above, it has become rarer for would-be tenants to try to outbid one another.
in order to obtain specific premises for a particular concept or for a flagship store. Accordingly, increases in prime rents have been somewhat limited. Of the 64 cities which BNP Paribas Real Estate analyses regularly, 30 exhibit unchanged prime rents, in 20 cases these have risen and in 14 cities they have declined. On the whole, prime rents have remained steady year-on-year. By way of comparison: between 2012 and 2013 they grew on average by 3%.

In the seven major locations (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg, Leipzig and Munich), rents grew overall by 1.3%. The only one of these to post a lower prime rent was Frankfurt, where the level fell by around 3%. The majority of these cities registered rental increases, even though these were generally appreciably less marked than in previous years. This suggests that in the near future, rental prices are likely to peak out for the time being. In Frankfurt, where the prime rent at present is 310 €/m², this point has already been reached. In two cities, rents remained the same as before – Cologne (270 €/m²) and Leipzig (120 €/m²) – while in the other locations they rose modestly, by between 1 and 4%. The rental price ranking is headed, as before, by Munich, with 370 €/m² (+1%), followed by Berlin, with 310 €/m² (+3%). As indicated, Frankfurt was unable to maintain its previous level, but it still shares second place with Berlin, with 310 €/m². Equal in third place come Düsseldorf and Hamburg, with 280 €/m² (each: +4%).

**OUTLOOK**

Towards the end of 2014, economic growth started picking up again, and that, in combination with the low unemployment rate and brighter consumer confidence, will form a good business environment for the retail trade again in 2015. Even though competition for the best premises is no longer as marked as in previous years, demand for space is still extremely buoyant. Where rents are concerned, though, the cost-effectiveness issue suggests that for the time being at least, a plateau may have been reached, with increases in future likely to be more isolated and not as extensive as before. In view of all this, there seem to be opportunities for the development of urban quarters with clear-cut retail concepts in the immediate vicinity of A-locations but offering much more favourable rental prices.

**INDEX DEVELOPMENT OF TOP RENTS IN SELECTED CITIES**

* Typical 100 m² standard shop in each city's most frequented area

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### Key Market Figures for the Most Important Retail Locations in Germany

<table>
<thead>
<tr>
<th>City</th>
<th>Population 01.01.2014</th>
<th>Purchasing power index 2014</th>
<th>Turnover index 2014</th>
<th>Prime shopping streets</th>
<th>Top rent (net) 2013</th>
<th>Top rent (net) 2014</th>
<th>Purchase price multiplier retail property²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>absolute per inhabitant (DE = 100)</td>
<td>absolute per inhabitant (DE = 100)</td>
<td>in €/m²/month</td>
<td>in €/m²/month</td>
<td>from to³)</td>
<td>absolute per inhabitant (De = 100)</td>
<td>absolute per inhabitant (De = 100)</td>
<td>in €/m²/month</td>
</tr>
</tbody>
</table>

**Aachen**
241,683
94.6
126.2
Adalbertstrasse, Holzgraben
115
120
15.5
18.0

**Augsburg**
276,542
99.5
129.4
Annastrasse
100
100
15.5
18.0

**Bad Homburg**
52,379
157.8
117.5
Luisenstrasse
90
80
15.5
18.0

**Berlin**
3,421,829
103.8
143.7
Schadowstrasse, Königsallee, Flinger Strasse, Mittelstrasse
270
270
20.0
28.0

**Bielefeld**
328,864
96.2
123.4
Bahnhofstrasse
135
140
15.0
18.0

**Bochum**
311,287
112.5
114.0
Remigiusstrasse, Sternstrasse, Poststrasse
130
135
15.0
17.5

**Bonn**
548,547
95.7
118.5
Oberstrasse, Mühlheimerstrasse, Sögestrasse
120
120
15.0
18.0

**Cologne**
1,034,175
109.7
133.6
Schildergasse, Hohe Strasse, Neumarkt, Ehrenstrasse, Breite Strasse, Mittelstrasse
270
270
20.0
28.0

**Darmstadt**
149,743
110.2
131.7
Ernst-Ludwig-Strasse
120
110
15.0
17.5

**Dortmund**
575,944
93.0
115.7
Westenhellweg, Ostenhellweg
220
230
16.5
19.0

**Essen**
569,884
99.3
120.5
Kettwiger Strasse, Limbecker Strasse
115
115
15.0
18.0

**Flensburg**
83,971
89.5
152.5
Holm
85
85
13.5
17.0

**Frankfurt am Main**
701,350
117.7
131.0
Zei, Fressgasse, Grosse Bockenheimer Strasse, Kalbächer Gasse, Goethestrasse, Biebergasse, Steinweg, Kaiserstrasse, Rossmarkt
320
310
20.0
25.0

**Gelsenkirchen**
328,864
96.2
123.4
Bahnhofstrasse
135
140
15.0
18.0

**Göttingen**
311,287
112.5
114.0
Remigiusstrasse, Sternstrasse, Poststrasse
130
135
15.0
17.5

**Hannover**
538,386
103.6
137.4
Grosse / Kleine Packhofstrasse, Georgstrasse, Bahnhofstrasse, Karmarschstrasse, Luisenstrasse
200
205
17.0
19.5

**Hamburg**
1,746,342
110.8
122.3
Spitalerstrasse, Mönckebergstrasse, Neuer Wall, Gerthofstrasse, Poststrasse, Grosse Bleichen, Jungfernstieg, Hohe Bleichen, Gänsemarkt
270
280
20.0
26.0

**Hannover**
538,386
103.6
137.4
Grosse / Kleine Packhofstrasse, Georgstrasse, Bahnhofstrasse, Karmarschstrasse, Luisenstrasse
200
205
17.0
19.5

**Hildesheim**
152,113
100.9
122.4
Hauptstrasse
120
120
16.0
18.5

**Ingolstadt**
129,336
115.1
160.4
Ludwigstrasse
70
70
15.0
17.5

**Kassel**
299,103
108.6
131.8
Kaiserstrasse
110
110
15.0
17.5

**Kiel**
241,333
98.7
132.2
Holstenstrasse
75
75
14.5
17.0

**Koblenz**
110,643
102.7
165.7
Löhrstrasse
100
95
13.5
16.0

**Krefeld**
222,058
98.4
127.8
Hochstrasse
75
80
12.5
15.0

**Leipzig**
531,562
93.3
122.8
Petersstrasse, Grimmialtische Strasse, Nikolaistrasse, Hainstrasse, Neumarkt
120
120
16.5
18.5

**Leverkusen**
160,819
105.4
118.7
Wiesdorfer Platz
40
40
12.5
14.5

**Lübeck**
212,958
91.8
136.3
Breite Strasse, Holstenstrasse
100
95
14.5
16.0

**Magdeburg**
298,900
96.0
143.7
Koppen, Kurfürstendamm
160
170
16.0
18.5

**Mainz**
160,819
105.4
118.7
Wiesdorfer Platz
40
40
12.5
14.5

**Mannheim**
355,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Münster**
103,108
100.4
112.1
Steinstrasse
60
65
12.5
14.5

**Münsterland**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**München**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Nürnberg**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Potsdam**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Rostock**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Stuttgart**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0

**Stuttgart**
255,430
96.0
122.8
Hindenburgstrasse
55
45
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15.0

**Trier**
255,430
96.0
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Hindenburgstrasse
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45
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15.0

**Ulm**
255,430
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Hindenburgstrasse
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15.0

**Wiesbaden**
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122.8
Hindenburgstrasse
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**Wuppertal**
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Hindenburgstrasse
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15.0

**Wolfenbüttel**
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**Wuppertal**
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Hindenburgstrasse
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**Wuppertal**
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**Wuppertal**
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Hindenburgstrasse
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45
13.0
15.0

**Wuppertal**
255,430
96.0
122.8
Hindenburgstrasse
55
45
13.0
15.0
## OVERVIEW RETAIL MARKET GERMANY 2015

<table>
<thead>
<tr>
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<td>absolute</td>
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<td>per inhabitant (DE = 100)</td>
<td>in €/m²/month</td>
<td>from</td>
<td>to³)</td>
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<tr>
<td>Munich</td>
<td>1,407,836</td>
<td>136.6</td>
<td>146.8</td>
<td>Kauflingerstrasse, Marienplatz, Neuhauser Strasse, Maximilian-, Wein-, Theatiner-, Residenzstrasse, Sendlinger Strasse, Tal, Hohenzollernstrasse, Leopoldstrasse</td>
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<td>370</td>
<td>22.0</td>
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<td>150</td>
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<td>65</td>
<td>55</td>
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<td>145.8</td>
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<td>100</td>
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<td>130</td>
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<td>143,639</td>
<td>94.6</td>
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<td>Westernstrasse, Marienplatz</td>
<td>95</td>
<td>100</td>
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<td>Potsdam</td>
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<td>78.0</td>
<td>Brandenburger Strasse</td>
<td>75</td>
<td>75</td>
<td>15.0</td>
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<td>Recklinghausen</td>
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<td>95.3</td>
<td>111.8</td>
<td>Breite Strasse, Markt, Kribbtestrasse</td>
<td>40</td>
<td>35</td>
<td>12.5</td>
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<td>Regensburg</td>
<td>140,276</td>
<td>112.7</td>
<td>175.8</td>
<td>Pfluegengasse, Weiss-Ulmen-Strasse, Kingsgasse</td>
<td>70</td>
<td>70</td>
<td>14.5</td>
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<td>Rostock</td>
<td>203,491</td>
<td>88.4</td>
<td>92.7</td>
<td>Kropeliner Strasse</td>
<td>85</td>
<td>90</td>
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<td>Saarbrücken</td>
<td>177,201</td>
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<td>148.3</td>
<td>Bahnhofstrasse</td>
<td>90</td>
<td>85</td>
<td>14.0</td>
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<td>Schwentin</td>
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<td>88.2</td>
<td>113.7</td>
<td>Marienplatz</td>
<td>30</td>
<td>30</td>
<td>12.5</td>
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<td>Siegen</td>
<td>99,403</td>
<td>94.0</td>
<td>131.5</td>
<td>Bahnhofstrasse</td>
<td>58</td>
<td>50</td>
<td>12.0</td>
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<td>Stuttgart</td>
<td>804,207</td>
<td>114.7</td>
<td>135.9</td>
<td>Königstrasse, Stiftstrasse, Eiseleer Strasse, Schultstrasse, Kirchstrasse</td>
<td>275</td>
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<td>20.0</td>
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<tr>
<td>Trier</td>
<td>107,233</td>
<td>85.2</td>
<td>181.9</td>
<td>Simeonsstrasse, Hauptmarkt, Brostrasse, Gravenstrasse, Finschstrasse, (corner of Hauptmarkt)</td>
<td>115</td>
<td>120</td>
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<tr>
<td>Ulm</td>
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<td>Westbaden</td>
<td>273,871</td>
<td>113.3</td>
<td>127.2</td>
<td>Kirchgasse, Langgasse, Markstrasse, Wilhelmstrasse</td>
<td>150</td>
<td>145</td>
<td>17.0</td>
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<tr>
<td>Wuppertal</td>
<td>343,488</td>
<td>97.1</td>
<td>106.7</td>
<td>Poststrasse, Alte Freiheit</td>
<td>80</td>
<td>80</td>
<td>13.5</td>
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<tr>
<td>Würzburg</td>
<td>124,898</td>
<td>99.2</td>
<td>190.6</td>
<td>Schönbomstrasse, Kirschnergof, Dominikanerplatz</td>
<td>130</td>
<td>135</td>
<td>15.0</td>
</tr>
</tbody>
</table>

¹) Applies to typical 100 m² standard shop with following quality features:
- most frequented area in the city
- single-storey rectangular ground-plan
- step-free entrance
- at least 6m frontage

²) Applies to prime area
- at least 50 % of rental income from retail premises

³) In individual cases, these multipliers can sometimes be considerably higher as the result of special circumstances.

Sources: GfK, own research
Nationwide investment in retail properties in 2014 totalled 9.3 bn €. That represents a small rise of some 5% on the year before and was also the second-highest transaction volume of the past seven years. Even though growth in this field was somewhat lower than in the general sphere of commercial property investment, retail assets still stand right at the top of the shopping lists of many investors. However, the very good turnover figures posted in recent years mean that the supply of large-unit products, particularly in the central parts of the major German cities, has been reduced, thus limiting the scope for upward movement in turnover. The stable macroeconomic environment, with somewhat brighter prospects for 2015, a labour market that – especially in comparison with other countries in Europe – can be considered healthy, and the robust confidence exhibited by consumers all help to form a solid foundation for the German retail trade to go on developing in a positive manner – and that is something from which the retail real estate investment markets will naturally also benefit.

Single deals accounted for just over 6.2 bn € or around two-thirds of total investment. This means that both their absolute volume and their relative significance have declined somewhat: altogether, they brought in about 4% less investment than in 2013. In contrast, the importance of portfolio deals has increased considerably and they improved their prior-year result by a handsome 30%. This market segment is dominated by investors from abroad, who accounted for around 53% of the relevant turnover. At the same time, there has been renewed readiness to invest in products outside the core area. Around 45% of the turnover in portfolios relates to the value-add segment; if core-plus sales are also included, some 88% of the portfolio result was realised outside the core field.

The asset class ranking was headed by specialised discount stores and supermarkets; these generated a transaction volume of more than 4 bn €, which corresponds to over 43% of all the capital deployed. That represents a significant year-on-year rise and gives this class a clear-cut first place. In second place came shopping centres with a share of just under 26%. In both relative and absolute terms, this put their performance on a par with the figures posted in 2013. However, particularly in this market segment, supply is not sufficient to cater entirely for the strong inter-
est shown by investors. In third place came downtown retail/office buildings, which contributed almost 22% to the result. The year before they had topped the ranking by a small margin. But just as with shopping centres, investor interest in centrally located retail/office buildings far exceeds availability. Department stores attracted a further slice of just over 9% of the transaction volume.

**BROAD SPREAD ACROSS ALL SIZE CLASSES**
The biggest slice of turnover was achieved by the 100-500 m€ size class, which contributed nearly 41% to the total. The largest class, upwards of 500 m€, added just under 6%. So altogether, major deals generated 47% of aggregate turnover, on a par with their 2013 result. The three brackets from 10 to 100 m€ produced relatively even slices, with shares of between 12 and 17%, while small deals of up to 10 m€ accounted for nearly 9% of the total.

**TURNOVER LOWER IN TOP LOCATIONS**
Contrary to the general trend, the Big Six locations (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg, Munich) posted a drop of nearly 14% in turnover, taking their combined transaction volume down to just under 3.62 bn €. The city attracting the highest investment was Munich, with 912 m€, corresponding to a rise of more than 4%. In second place came the prior-year leader, Berlin, with 888 m€, which was 31.5% lower than in 2013. Frankfurt took third place with a total of 590 m€, more or less the same as the year before (-1.5%) but just enough to put it slightly ahead of Hamburg (574 m€), which registered the biggest year-on-year increase, of 21.5%. At 506 m€, turnover in Düsseldorf was almost exactly the same as in 2013, while Cologne suffered the sharpest decline, of 67% to just 146 m€.

**DEMAND IN ALL CITY CATEGORIES**
A not insubstantial amount of capital was also deployed outside the Big Six. Taking only single deals into consideration, large cities with populations of over 250,000 and also locations with 100,000-250,000 inhabitants accounted for a share of more than 14%, equivalent to a transaction volume of about 880 m€. What is especially notable, though, is that even smaller towns with populations of under 100,000 generated an aggregate turnover of more than 1.3 bn € (21%). This indicates that even outside the major metropolises, central highstreet precincts attract the particular interest of investors.
THREE INVESTOR GROUPINGS WITH DOUBLE-DIGIT TURNOVER SHARES

In 2014, special-purpose funds were the most active buyers. Their share of 19% of turnover put them ahead of listed real estate companies/REITs at the top of the investor ranking. Just behind, with slightly over 12%, came private investors already; their chief focus was on high-grade assets in inner-city districts. Other sizeable contributions to the transaction volume were made by equity/real estate funds (over 9%), corporates, insurances and investment/asset managers (all with around 7.5%), and project developers (nearly 7%). Overall, though, a wide range of different investor categories played a role in the final result, thus underlining the broad basis of demand.

YIELDS EASE APPRECIABLY IN COURSE OF YEAR

In 2014, the net initial yields for retail/office properties in the highest-footfall precincts eased appreciably as a result of the extremely limited supply and the very strong interest shown especially by private investors and family offices. It must also be pointed out that particularly in this asset class there are frequent instances of prices going considerably higher than the general level. As before, the most expensive location is Munich, with a prime yield of 3.50%. Then come Hamburg (3.80%), Cologne (3.85%) and Düsseldorf (3.90%). Only just behind are Berlin and Frankfurt, each with 3.95%. So the average prime yield among the Big Six cities is 3.83%. The prime yields for shopping centres in the best areas of the major German metropolises slipped further in the course of the year and currently stand at 4.60%. Something similar applies to specialist retail centres, which now have a top yield of 5.70%. On the other hand, the figure for stand-alone discount stores has remained unchanged at 6.50%.

GOOD PROSPECTS FOR 2015, BUT TURNOVER DEPENDENT ON SUPPLY

From the investment angle, the prospects for 2015 continue to be highly positive. Interest rates are set to stay very low for some considerable time according to the ECB, the financing environment is historically favourable and together with the now brightening outlook for economic growth and the marked fall in the euro exchange rate, investing in real estate remains a very attractive proposition, especially for market participants from abroad. From the retail trade viewpoint, it is also important to mention as influential factors the ongoing stable labour market and the strong scale of consumer confidence. All these things suggest that the transaction volume will once again be high and should at least match last year’s figure. This applies especially in connection with the fact that it already seem likely that there will be an increase in the level of portfolio deals against the background of a renewed appetite for risk, particularly on the part of foreign investors. Whether or not it will prove possible to exceed last year’s investment total will depend to a large extent on an adequate supply of products. Since upward price pressure will probably be sustained, especially where high-quality retail assets in the central downtown areas of the major cities are concerned, this raises at least the possibility of further yield compression.
This historic imperial city is well-known for its technical university, and renowned as the venue of the CHIO equestrian tournament and as the home of Aachener Printen, a special type of gingerbread. All these and plenty else help to attract crowds of tourists here. They come, for instance from neighbouring Holland and Belgium. This gives the downtown area of Germany’s westernmost large city (242,000 inhabitants) cosmopolitan flair. Heavily frequented Adalbertstrasse offers visitors an extensive spectrum of domestic and international retail outlets.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adalbertstrasse</td>
<td>Consumer</td>
<td>550 m</td>
<td>4,823</td>
<td>120 €/m²</td>
<td>72 %</td>
<td>Calzedonia (80 m²)</td>
</tr>
<tr>
<td>Holzgraben</td>
<td>Consumer</td>
<td>110 m</td>
<td>1,930</td>
<td>65 €/m²</td>
<td>44 %</td>
<td>–</td>
</tr>
</tbody>
</table>

**RISE IN PRIME RENT**

Adalbertstrasse commands a top rent of 120 €/m². That is the level reached in mid-2014 and which has remained steady since then. For years, there was hardly any space available here, but with development of the Aquis-Plaza shopping centre at the end of Adalbertstrasse this is set to change. However, it seems unlikely that demand will be sufficient to absorb all the additional space right away and so some shifts are to be expected which could create vacancies in the other precincts.

In the medium term, though, Adalbertstrasse should benefit, with pedestrian flows becoming more concentrated there. But adjacent areas, such as Dahmengraben, may well become somewhat less attractive as a result, thus raising the possibility that rents there may continue to fall somewhat. The deals noted in the A-locations in the past twelve months have been the acquisition of an 80 m² outlet in Adalbertstrasse by lingerie and beachwear label Calzedonia and the renting of 70 m² in Krämerstrasse by a delicatessen.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

- In €/m²
HARGLY ANY NEW LETTINGS

2014 produced only two lettings in Aachen's top addresses and together these generated a total take-up of just 150 m². This development was due only partly to a lack of available space and rather more to the wait-and-see attitude adopted by many retailers regarding the impact of the Aquis-Plaza centre. Since some initial relocations are imminent, the number of newly concluded leases should increase again, and once the new centre has opened, this trend should be maintained.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Aachen 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>242</td>
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<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>119</td>
<td></td>
<td>29,616</td>
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<tr>
<td>Unemployment rate 2013 (%)</td>
<td>8.8</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>96.2</td>
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<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Turnover ratio</td>
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<td>100.0</td>
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<tr>
<td>Centrality ratio</td>
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<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>0.9</td>
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<td>411.8</td>
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TREND 2015

<table>
<thead>
<tr>
<th></th>
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<tr>
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<td>Demand international</td>
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</tr>
<tr>
<td>Key money</td>
<td>Chain-store ratio</td>
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</tbody>
</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>2</td>
<td>150 m²</td>
<td>Clothing (80 m²)</td>
<td>50 % (50 %)</td>
</tr>
<tr>
<td>Adalbertstrasse</td>
<td>1</td>
<td>80 m²</td>
<td>Clothing (80 m²)</td>
<td>100 % (100 %)</td>
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<tr>
<td>Krämerstrasse</td>
<td>1</td>
<td>70 m²</td>
<td>Food (70 m²)</td>
<td>0 % (0 %)</td>
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<tr>
<td>Other locations</td>
<td>14</td>
<td>13,290 m²</td>
<td>Automotive (9,600 m²)</td>
<td>86 % (29 %)</td>
</tr>
</tbody>
</table>

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Berlin is Germany’s fashion metropolis and with its many attractive retail precincts, offering consumer-oriented, upmarket and luxury ranges, it acts like a magnet on chain store operators. International garment labels in particular choose the German capital for launching new concepts. In the top areas, though, the demand for space exceeds supply many times over. This has prompted a renewed increase in the prime rent.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taun茨ienstrasse</td>
<td>Consumer</td>
<td>500 m</td>
<td>8,036</td>
<td>310 €/m²</td>
<td>Reserved (2,400 m²), Foot Locker (740 m²)</td>
</tr>
<tr>
<td>Kurfürstendamm</td>
<td>Consumer / Upmarket</td>
<td>3,500 m</td>
<td>5,458</td>
<td>250 €/m²</td>
<td>Michael Kors (370 m²), Tesla (210 m²)</td>
</tr>
<tr>
<td>Alexanderplatz</td>
<td>Consumer</td>
<td>300 m</td>
<td>3,359</td>
<td>190 €/m²</td>
<td>CCC Schuhe (1,900 m²)</td>
</tr>
<tr>
<td>Kurfürstendamm</td>
<td>Luxury</td>
<td>3,500 m</td>
<td>1,988</td>
<td>170 €/m²</td>
<td>Wunderkind (220 m²), PorschesDesign (160 m²)</td>
</tr>
<tr>
<td>Friedrichstrasse</td>
<td>Consumer / Upmarket</td>
<td>3,300 m</td>
<td>7,704</td>
<td>130 €/m²</td>
<td>Karl Lagerfeld (230 m²), Cadenza (240 m²)</td>
</tr>
<tr>
<td>Rosenthaler Strasse</td>
<td>Consumer</td>
<td>500 m</td>
<td>4,532</td>
<td>120 €/m²</td>
<td>MCM (200 m²), The Kooples Sport (150 m²)</td>
</tr>
<tr>
<td>Neue Schönhauser Strasse</td>
<td>Consumer</td>
<td>200 m</td>
<td>1,900</td>
<td>120 €/m²</td>
<td>Desigual (120 m²)</td>
</tr>
<tr>
<td>Münzstrasse</td>
<td>Consumer</td>
<td>230 m</td>
<td>-</td>
<td>100 €/m²</td>
<td>Tommy Hilfiger (500 m²)</td>
</tr>
<tr>
<td>Schlossstrasse</td>
<td>Consumer</td>
<td>1,700 m</td>
<td>4,084</td>
<td>95 €/m²</td>
<td>Caras (230 m²)</td>
</tr>
<tr>
<td>Wilmersdorfer Strasse</td>
<td>Consumer</td>
<td>1,900 m</td>
<td>6,114</td>
<td>85 €/m²</td>
<td>11teamsports (1,400 m²), Block House, Konzept Jim Block (370 m²)</td>
</tr>
</tbody>
</table>

**FURTHER RISE IN PRIME RENT**

In premium consumer-oriented precinct Taun茨ienstrasse, the top rent is 310 €/m² (+3 %). Internationalisation is set to grow there with the opening of a flagship store (2,400 m²) by the Polish fashion firm Reserved. On Kurfürstendamm, the top rent has increased by 4 % to 250 €/m², and can in some cases actually go considerably higher. Especially clothing firms are eager to move into this area and are ready to pay key money to do so. On Alexanderplatz, the opening of the Alea is further increasing footfall rates and heightening attractiveness. Here, right next to Primark, the footwear firm of CCC Schuhe has rented its biggest outlet in Europe (1,900 m²). The top rent remains unchanged at 190 €/m². On Hackescher Markt, where the top rent has climbed to 120 €/m², there are new openings by MCM (200 m²), The Kooples Sport (150 m²) and Desigual (120 m²); in the subcentres, on the other hand, demand is appreciably lower. Rents in the upmarket part of Friedrichstrasse are stagnating at 130 €/m², mainly because most of the relevant demand is met by the adjacent Mall of Berlin, which has now opened.
In 2014, more than 70 lettings were registered in the A-locations, with a total of 24,400 m². Overall, demand remains strong and supply remains short, so that top rents in the absolutely premium parts could in some cases rise somewhat.

**SOCIO-ECONOMIC DATA**

<table>
<thead>
<tr>
<th></th>
<th>Berlin 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tbody>
<tr>
<td>Population (000)</td>
<td>3,422</td>
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<td>80,767</td>
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</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>1,269</td>
<td></td>
<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>11.7</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>97.1</td>
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<td>100.0</td>
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</tr>
<tr>
<td>Turnover ratio</td>
<td>102.3</td>
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<tr>
<td>Centrality ratio</td>
<td>1.05</td>
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<td>1.00</td>
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</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>26.9</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

**REGISTERED LETTINGS**

<table>
<thead>
<tr>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>71</td>
<td>24,400 m²</td>
<td>Clothing (9,330 m²)</td>
</tr>
<tr>
<td>Kurfürstendamm</td>
<td>14</td>
<td>2,830 m²</td>
<td>Clothing (1,480 m²)</td>
</tr>
<tr>
<td>Friedrichstrasse</td>
<td>12</td>
<td>3,410 m²</td>
<td>Clothing (1,380 m²)</td>
</tr>
<tr>
<td>Münzstrasse</td>
<td>6</td>
<td>1,150 m²</td>
<td>Clothing (1,080 m²)</td>
</tr>
<tr>
<td>Tautenzienstrasse</td>
<td>4</td>
<td>4,210 m²</td>
<td>Clothing (3,400 m²)</td>
</tr>
<tr>
<td>Alexanderplatz</td>
<td>4</td>
<td>2,740 m²</td>
<td>Leatherwear/shoes (1,850 m²)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>31</td>
<td>10,060 m²</td>
<td>Bodyscare/healthcare (2,010 m²)</td>
</tr>
<tr>
<td>Other locations</td>
<td>192</td>
<td>129,230 m²</td>
<td>Food (37,890 m²)</td>
</tr>
</tbody>
</table>

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As the former federal capital, Bonn still benefits from a high degree of public awareness and continues to offer an unusually broad spectrum of attractive cultural and educational establishments. The generously scaled pedestrian zones, with wide expanses of the downtown area free of traffic, create a relaxing flair for shopping. That is reflected by footfall rates that are high for a city of this size.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remigiußstrasse</td>
<td>Consumer</td>
<td>200 m</td>
<td>6,668</td>
<td>135 €/m²</td>
<td>75 %</td>
<td></td>
</tr>
<tr>
<td>Sternstrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>4,038</td>
<td>135 €/m²</td>
<td>64 %</td>
<td>Office Shoes (320 m²), Tamaris (130 m²)</td>
</tr>
</tbody>
</table>

÷ ANOTHER RISE IN PRIME RENT

Bonn is one of the German cities to register an upward trend in top rents in 2014. In the A-locations of Remigiußstrasse and Sternstrasse, the prime rent rose by about 4% in each case to 135 €/m². To a certain extent this was due to the strong demand, but this actually focuses primarily on Remigiußstrasse. One problem is the shortage of space; this means that many clothing labels requiring large sales areas can often not find what they are looking for. One effect of the Gerry Weber lease and the Betty Barclay opening – both of which were on Markt – has been to increase the length of the A-precinct. On Sternstrasse, new outlets have been secured by footwear brands Office Shoes (320 m²) and Tamaris (130 m²), while shirt specialist Olymp has also opted for this address (around 220 m²). Some new leases concluded on Wenzelgasse have improved the spectrum on offer there and will help to upgrade the area somewhat. A new building being erected on Münsterplatz will help to create additional supply in the inner city since it will also comprise retail premises.

DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER

<table>
<thead>
<tr>
<th>Top rent in €/m²</th>
<th>Purchase price multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>300 €</td>
<td>30.0</td>
</tr>
<tr>
<td>250 €</td>
<td>25.0</td>
</tr>
<tr>
<td>200 €</td>
<td>20.0</td>
</tr>
<tr>
<td>150 €</td>
<td>15.0</td>
</tr>
<tr>
<td>100 €</td>
<td>10.0</td>
</tr>
<tr>
<td>50 €</td>
<td>5.0</td>
</tr>
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</table>

TOP RENT – INTER-CITY COMPARISON

<table>
<thead>
<tr>
<th>City</th>
<th>Top rent in €/m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mannheim</td>
<td>140</td>
</tr>
<tr>
<td>Nuremberg</td>
<td>150</td>
</tr>
<tr>
<td>Wiesbaden</td>
<td>155</td>
</tr>
<tr>
<td>Bonn</td>
<td>135</td>
</tr>
<tr>
<td>Würzburg</td>
<td>140</td>
</tr>
<tr>
<td>Osnabrück</td>
<td>135</td>
</tr>
<tr>
<td>Aachen</td>
<td>130</td>
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</tbody>
</table>

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RELATIVELY LIVELY ACTIVITY IN THE A-LOCATIONS
In 2014, letting activity in the top parts of Bonn was relatively lively; 13 deals were registered, all of them by chain store operators. The list of microlocations was headed by Sternstrasse with all of five new tenants. Clothing firms once again represented the chief source of demand, accounting for nearly 60% of space turnover. But a considerable role was also played by the retail sector leatherwear/footwear.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th>Population (000)</th>
<th>Bonn 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>311</td>
<td>80,767</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Employees subject to social insurance (000) | 164 | 29,616 |       |

| Unemployment rate 2013 (%) | 7.1 | 6.9 |       |

| Retail-relevant purchasing power index | 109.9 | 100.0 |       |

| Turnover ratio | 114.0 | 100.0 |       |

| Centrality ratio | 1.04 | 1.00 |       |

| Overnight stays 2013 (million) | 1.4 | 411.8 |       |

REGISTERED LETTINGS

| A-locations total | 13 | 3,120 m² | Clothing (1,810 m²) | 100 % (31 %) |

| Sternstrasse | 5 | 710 m² | Leatherwear/shoes (460 m²) | 100 % (20 %) |

| Other A-locations | 8 | 2,420 m² | Clothing (1,580 m²) | 100 % (38 %) |

| Other locations | 27 | 21,620 m² | Food (8,950 m²) | 63 % (15 %) |

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Braunschweig (around 247,000 inhabitants) is a very popular place for shopping and despite its closeness to Hannover enjoys a wide catchment area of its own. Its turnover ratio of 157.1, which is well above average, underlines the city’s significance. The prime locations of the attractive downtown area run in the shape of an L from Sack/Schuhstrasse via Kohlmarkt to Hutfiltern/Damm and offer an interesting range of retailers.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hutfiltern</td>
<td>Consumer</td>
<td>100 m</td>
<td>4,684</td>
<td>100 €/m²</td>
<td>67 %</td>
<td>–</td>
</tr>
<tr>
<td>Damm</td>
<td>Consumer</td>
<td>250 m</td>
<td>–</td>
<td>100 €/m²</td>
<td>81 %</td>
<td>Mädchenwald by New Yorker (240 m²)</td>
</tr>
<tr>
<td>Sack</td>
<td>Consumer</td>
<td>150 m</td>
<td>4,296</td>
<td>90 €/m²</td>
<td>52 %</td>
<td>Desigual (400 m²), Dunkin’ Donuts (150 m²)</td>
</tr>
</tbody>
</table>

**PRIME RENT HAS STABILISED**

In the past twelve months, the top rent in Braunschweig’s A-locations has remained unchanged at 100 €/m². That is the figure commanded by a typical 100 m² standard shop in the Hutfiltern/Damm pedestrian zone. Overall, demand for street shopping space has declined slightly. That is something reflected by the relatively low number of new deals which were concluded in 2014. One reason for this is that the well-frequented Schloss-Arkaden shopping centre attracts a substantial proportion of the demand emanating from consumer-oriented chain store operators. This is especially apparent in the parts of Hutfiltern and Sack beyond Burgpassage. Nevertheless, the top rent in the Sack precinct has also stayed the same (90 €/m²) and this area now features two prominent new arrivals: the Spanish fashion label Desigual (400 m²) and Dunkin’ Donuts (150 m²). Another factor is that the upcoming opening of Primark should lastingly increase the footfall rate here. On Damm, Mädchenwald, the accessories concept of Braunschweig company New Yorker, has secured its first outlet (240 m²).
In view of the development outlined above, there were just four lettings in Braunschweig’s premium stretches in 2014. All of these were to chain store operators, with total take-up of 970 m². Just like the year before, clothing was the strongest sector. The slight increase in space supply coupled with somewhat lower demand in the pedestrian zone has placed growing pressure on rental prices. So there is at least a possibility that top rents may ease somewhat in the future.

**Socio-Economic Data**

<table>
<thead>
<tr>
<th>Category</th>
<th>Braunschweig 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>247</td>
<td></td>
<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>122</td>
<td></td>
<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>7.1</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>108.9</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>157.1</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.44</td>
<td></td>
<td>1.00</td>
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</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>0.5</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

**Trend 2015**

- Top rent
- Supply
- Key money

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The ancient Hanseatic city of Bremen has a very attractive downtown area, with the top retail precincts stretching along Sögestrasse and Obernstrasse. Both of these consumer-oriented precincts enjoy stable demand for space, which at present comes mainly from domestic chain store operators. Slightly narrower Sögestrasse, a pedestrian zone, has a somewhat higher footfall rate than Obernstrasse, which trams still run through.

**Overview of A-Locations**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sögestrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>5,482</td>
<td>120 €/m²</td>
<td>88 %</td>
<td>Rituals (60 m²)</td>
</tr>
<tr>
<td>Obernstrasse</td>
<td>Consumer</td>
<td>350 m</td>
<td>4,606</td>
<td>120 €/m²</td>
<td>91 %</td>
<td>Marc O’Polo (620 m²), Gerry Weber (570 m²)</td>
</tr>
</tbody>
</table>

**Prime Rent Steady**

On Sögestrasse, 2014 brought the opening of two new shops, Jack & Jones and Snipes, both of which had already been let the year before. Only one new deal was concluded, with Rituals (60 m²). This was due to a slightly lower scale of demand but also to a very limited supply of space. Against this background, the prime rent has remained stable at 120 €/m². In Obernstrasse, on the other hand, demand has expanded modestly, reflected by an increase of 4 % in the top rent there, which also takes it to 120 €/m². The locational quality there has been further upgraded by lettings to Marc O’Polo, with newly built premises of around 620 m², Vodafone (200 m²) and the fashion firm of Gerry Weber (570 m²). Since space on Obernstrasse is also in short supply, another rise in the top rent seems quite possible. The planned shopping centre in the Lloydhof area will not provide any swift relief on the supply front, since it is not due to open until 2018. In the long term, though, it will expand availability and should strengthen Bremen’s downtown areas in competition with other locations.
CLOTHING BIGGEST SOURCE OF DEMAND

Just six lettings were noted in Bremen’s A-locations in 2014, accounting for a combined total of just under 3,700 m². All of five of these were on Obernstrasse and mainly involved German multi-branch firms. The top business sector, with about 61% of the space, was clothing. In 2015, the retail premises market in this city can be expected to develop in a fundamentally stable manner. Whether the number of new lettings can go higher than it did last year will depend chiefly on an adequate supply of space.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Bremen 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>549</td>
<td></td>
<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>256</td>
<td></td>
<td>29,616</td>
<td></td>
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<tr>
<td>Unemployment rate 2013 (%)</td>
<td>10.4</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>99.3</td>
<td></td>
<td>100.0</td>
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<tr>
<td>Turnover ratio</td>
<td>118.5</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.19</td>
<td></td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>1.7</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>6</td>
<td>3,650 m²</td>
<td>Clothing (2,190 m²)</td>
<td>100 % (50 %)</td>
</tr>
<tr>
<td>Obernstrasse</td>
<td>5</td>
<td>3,590 m²</td>
<td>Clothing (2,190 m²)</td>
<td>100 % (40 %)</td>
</tr>
<tr>
<td>Sögestrasse</td>
<td>1</td>
<td>60 m²</td>
<td>Bodycare/Healthcare (80 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>35</td>
<td>21,800 m²</td>
<td>Food (9,680 m²)</td>
<td>83 % (26 %)</td>
</tr>
</tbody>
</table>

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Downtown Cologne boasts two of the most heavily frequented shopping streets in Germany: Schildergasse (ranked No. 2) and Hohe Strasse (No. 6). Domestic and international operators appreciate this dynamic retail market and often launch new concepts in the cathedral city’s consumer-oriented precincts. So Cologne – which has a population of around one million – provides a very attractive spectrum of outlets and also benefits from growing numbers of inhabitants and tourists.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schildergasse</td>
<td>Consumer</td>
<td>500 m</td>
<td>11,302</td>
<td>270 €/m²</td>
<td>85 %</td>
<td>Zumnorde (1,500 m²)</td>
</tr>
<tr>
<td>Wallrafplatz</td>
<td>Luxury</td>
<td>50 m</td>
<td>7,864</td>
<td>270 €/m²</td>
<td>53 %</td>
<td>–</td>
</tr>
<tr>
<td>Hohe Strasse</td>
<td>Consumer</td>
<td>700 m</td>
<td>10,664</td>
<td>235 €/m²</td>
<td>80 %</td>
<td>Office Shoes (600 m²), Michael Kors (200 m²)</td>
</tr>
<tr>
<td>Neumarkt</td>
<td>Consumer</td>
<td>250 m</td>
<td>5,515</td>
<td>120 €/m²</td>
<td>59 %</td>
<td>–</td>
</tr>
<tr>
<td>Ehrenstrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>3,031</td>
<td>100 €/m²</td>
<td>46 %</td>
<td>Granit (570 m²), &amp; Other Stories (500 m²)</td>
</tr>
<tr>
<td>Mittelstrasse</td>
<td>Upmarket</td>
<td>300 m</td>
<td>2,188</td>
<td>95 €/m²</td>
<td>42 %</td>
<td>Sabon (100 m²)</td>
</tr>
<tr>
<td>Breite Strasse</td>
<td>Consumer</td>
<td>700 m</td>
<td>3,792</td>
<td>80 €/m²</td>
<td>43 %</td>
<td>Lloyd Schuhe (100 m²)</td>
</tr>
</tbody>
</table>

**STeady Prime Rent**

In many areas, demand no longer exceeds supply quite as radically as in recent years, with the result that top rents have largely simply remained steady. One example is Schildergasse, where the prime rent is unchanged at 270 €/m² and where more space is now on offer. In 2014 footwear operator Zumnorde opened an ultra-modern and trend-setting store (1,500 m²) there. On Hohe Strasse, where the top rent has also stayed the same as before, at 235 €/m², another footwear firm, Office Shoes, secured premises of 600 m², while Michael Kors acquired a sales area of 200 m². Since Primark opened there, Neumarkt has been benefiting from higher footfall figures and somewhat stronger demand and this was reflected by a rise in the top rent to 120 €/m². Ehrenstrasse, where the top rent still stands at 100 €/m, has attracted Swedish furniture specialist Granit (570 m²) and the fashion firm of & Other Stories (500 m²). On Mittelstrasse, Israeli cosmetics company Sabon has opened its first German branch (100 m²).
LOT OF ACTIVITY ON HOHE STRASSE

2014 brought a total of 25 lettings in Cologne’s A-locations, with combined take-up of about 8,200 m². The top sector was leatherwear/shoes, while the most deals were generated by Ehrenstrasse (8). Demand has also increased in B-locations, such as Apostelnstrasse, which has been upgraded by leases signed by Closed and Calvin Klein. Overall, demand can be expected to remain stable, but with the supply of space set to grow somewhat, there seems to be little scope for any upward movement on the rental price front.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Cologne 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>1,034</td>
<td>↑</td>
<td>80,767</td>
<td>↑</td>
</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>512</td>
<td>↑</td>
<td>29,616</td>
<td>↑</td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>9.6</td>
<td>↑</td>
<td>6.9</td>
<td>↑</td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>109.1</td>
<td>↑</td>
<td>100.0</td>
<td>↑</td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>133.6</td>
<td>↑</td>
<td>100.0</td>
<td>↑</td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.22</td>
<td>↑</td>
<td>1.00</td>
<td>↑</td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>5.1</td>
<td>↑</td>
<td>411.8</td>
<td>↑</td>
</tr>
</tbody>
</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>25</td>
<td>8,160 m²</td>
<td>Leatherwear/shoes (3,370 m²)</td>
<td>84% (52%)</td>
</tr>
<tr>
<td>Ehrenstrasse</td>
<td>8</td>
<td>1,970 m²</td>
<td>Clothing (1,200 m²)</td>
<td>88% (88%)</td>
</tr>
<tr>
<td>Hohe Strasse</td>
<td>5</td>
<td>1,950 m²</td>
<td>Bodycare/healthcare (940 m²)</td>
<td>100% (60%)</td>
</tr>
<tr>
<td>Breite Strasse</td>
<td>5</td>
<td>810 m²</td>
<td>Clothing (390 m²)</td>
<td>100% (0%)</td>
</tr>
<tr>
<td>Motzstrasse</td>
<td>4</td>
<td>430 m²</td>
<td>Household articles / furnishings (140 m²)</td>
<td>25% (25%)</td>
</tr>
<tr>
<td>Schildergasse</td>
<td>2</td>
<td>2,730 m²</td>
<td>Leatherwear/shoes (2,300 m²)</td>
<td>100% (50%)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>1</td>
<td>270 m²</td>
<td>Clothing (270 m²)</td>
<td>100% (100%)</td>
</tr>
<tr>
<td>Other locations</td>
<td>58</td>
<td>43,540 m²</td>
<td>Furniture (15,600 m²)</td>
<td>67% (17%)</td>
</tr>
</tbody>
</table>

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The biggest city in the Ruhr region has a very varied shopping scene which continues to gain in attractiveness, exhibiting an appeal that extends well beyond its own boundaries. This is indicated for instance by the fact that Westenhellweg has long held a top place in the nationwide footfall ranking, and it is also shown by an improved turnover ratio, although the retail-relevant purchasing power level is below the German average.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westenhellweg</td>
<td>Consumer</td>
<td>900 m</td>
<td>8,474</td>
<td>230 €/m²</td>
<td>90 %</td>
<td>Forever 21 (2,000 m²), Brax (600 m²), Ditsch (80 m²)</td>
</tr>
<tr>
<td>Ostenhellweg</td>
<td>Consumer</td>
<td>400 m</td>
<td>4,410</td>
<td>105 €/m²</td>
<td>64 %</td>
<td>Maisons du Monde (1,200 m²)</td>
</tr>
</tbody>
</table>

**RENTS IN TOP PRECINCT MOVE HIGHER**

In combination with the growing momentum of the Thier-Galerie, which opened in the pedestrian zone in 2011, the attractive and modern sectoral mix exhibited by the premium precinct of Westenhellweg acts like a magnet on large chain store operators, including firms from abroad. That is reflected by a 5% rise (to 230 €/m²) in the prime rent commanded by this heavily frequented location. The varied range has now been extended by an outlet of around 2,000 m² secured by young-fashion label Forever 21. But a deal concluded by clothing chain Brax for a shop with around 600 m² of space shows that it is not just youthful, trendy concepts which are pressing onto Westenhellweg. And pretzel bakery Ditsch has also opted for Westenhellweg, enriching the diverse culinary spectrum there with an outlet of around 80 m². In contrast, demand for space in the second prime address, Ostenhellweg, was somewhat more reticent in 2014, which led to a fall in the top rent to 105 €/m². All the same, this street did attract new tenants, such as the French furniture chain Maisons du Monde, which acquired premises of around 1,200 m².
Altogether, 13 new deals were registered in Dortmund’s A-locations in 2014. Highlighting the outstanding status of Westenhellweg is the fact that it was responsible for all of 11 of these. The focus of demand came quite clearly from the clothing sector, which accounted for around 80% of the space involved. The other new lettings were on Ostenhellweg. Demand in Dortmund’s chief addresses centres either on smaller shops of up to about 150 m² or on sizeable outlets upwards of 500 m².

![Map of Dortmund with key indicators](image)

**WESTENHELLWEG HIGHLY FAVOURED**

**SOCIO-ECONOMIC DATA**

<table>
<thead>
<tr>
<th>Population (000)</th>
<th>Dortmund 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>213</td>
<td></td>
<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>13.2</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>96.2</td>
<td></td>
<td>100.0</td>
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</tr>
<tr>
<td>Turnover ratio</td>
<td>115.7</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.20</td>
<td></td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>1.0</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

**REGISTERED LETTINGS**

<table>
<thead>
<tr>
<th>A-locations total</th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>8,660 m²</td>
<td>Clothing (5,750 m²)</td>
<td>100% (38%)</td>
<td></td>
</tr>
<tr>
<td>Westenhellweg</td>
<td>11</td>
<td>7,170 m²</td>
<td>Clothing (5,750 m²)</td>
<td>100% (36%)</td>
</tr>
<tr>
<td>Ostenhellweg</td>
<td>2</td>
<td>1,490 m²</td>
<td>Furniture (1,200 m²)</td>
<td>100% (50%)</td>
</tr>
<tr>
<td>Other locations</td>
<td>44</td>
<td>25,040 m²</td>
<td>Food (9,230 m²)</td>
<td>68% (18%)</td>
</tr>
</tbody>
</table>
Thanks to its cultural highlights, the capital of the state of Saxony is one of the most popular tourist destinations in Germany, with steadily growing overnight stay figures. This also benefits the retail trade, which is set to gain additional medium-term momentum from several project developments. So compared with many other cities, Dresden has a sizeable supply of retail space, including premises in the A-locations favoured by retailers.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prager Strasse</td>
<td>Consumer</td>
<td>550 m</td>
<td>5,040</td>
<td>100 €/m²</td>
<td>77 %</td>
<td>Hunkemöller (200 m²)</td>
</tr>
<tr>
<td>Schlossstrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>3,422</td>
<td>75 €/m²</td>
<td>36 %</td>
<td>Compass (180 m²), Jump in (75 m²)</td>
</tr>
<tr>
<td>Seestrasse</td>
<td>Consumer</td>
<td>200 m</td>
<td>–</td>
<td>75 €/m²</td>
<td>64 %</td>
<td>–</td>
</tr>
</tbody>
</table>

**PLENTY THAT’S NEW DOWNTOWN**

The retail scene in downtown Dresden has evolved a step further with the completion of the Centrum-Galerie conversion. Its planned focus on young-fashion concepts is intended to position it clearly vis-à-vis the range offered in the Altmarktgalerie. The anchor tenant is the Irish garment giant Primark, and sales space has also been acquired by Spanish label Mango (around 1,100 m²) and the Inditex concepts Bershka and Pull & Bear. The absolutely top A-location of Prager Strasse has also been able to attract new tenants, including lingerie specialist Hunkemöller (approx. 200 m²).

One addition to the sectoral mix in the upmarket precinct of Schloßstrasse is the menswear brand Compass, which has secured around 180 m² there. In 2014, top rents developed in a stable manner. The rental price ranking is headed by Prager Strasse, with 100 €/m². It is followed by Seestrasse and Neumarkt, each of which have top rents of 75 €/m². In the medium term, the construction of the Prager Carrée on the site known as the “Viennese Hole” will add around 6,000 m² of retail space.
CLOTHING MAIN SOURCE OF DEMAND
Of the total of nine deals registered in the A-locations, just under half were concluded by clothing firms, which were quite generally among the strongest sources of demand. A sizeable contribution, though, was also made by catering concepts.

Growing interest in acquiring space was also apparent in the luxury segment. This is a field in which Dresden is evidently becoming increasingly attractive. Premium precinct Prager Strasse accounted for four of the registered deals.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Dresden 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>531</td>
<td></td>
<td>80,767</td>
<td></td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>244</td>
<td></td>
<td>29,618</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>8.8</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>95.0</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>102.9</td>
<td></td>
<td>100.0</td>
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<tr>
<td>Centrality ratio</td>
<td>1.08</td>
<td></td>
<td>1.00</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>4.1</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

TREND 2015

|                         | Demand total |       | Demand international |       | Chain-store ratio |
|-------------------------|--------------|-------|----------------------|-------|
| Top rent                |              |       |                      |       |
| Supply                  |              |       |                      |       |
| Key money               |              |       |                      |       |

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>9</td>
<td>4,460 m²</td>
<td>Clothing (2,152 m²)</td>
<td>78 % (44 %)</td>
</tr>
<tr>
<td>Prager Strasse</td>
<td>4</td>
<td>1,960 m²</td>
<td>Clothing (1,400 m²)</td>
<td>100 % (75 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>5</td>
<td>2,500 m²</td>
<td>Catering (2,250 m²)</td>
<td>60 % (20 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>36</td>
<td>37,660 m²</td>
<td>Food (27,980 m²)</td>
<td>94 % (17 %)</td>
</tr>
</tbody>
</table>

© BNP Paribas Real Estate Retail Services, December 31, 2014
Founded on the Rhine some 800 years ago, Düsseldorf today is capital of the federal state of Northrhine-Westphalia, has a population of 599,000, and has become an internationally renowned (fashion) metropolis. The downtown area offers a highly varied shopping scene that meets all needs and requirements and which attracts local inhabitants and tourists alike with its famous luxury precinct of Königsallee (which is known locally as the “Kö”), upmarket Grabenstrasse and such consumer-oriented areas as Schadowstrasse and Flinger Strasse.

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases/ openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Königsallee</td>
<td>Luxury</td>
<td>1,000 m</td>
<td>7,327 (1)</td>
<td>280 €/m² (1)</td>
<td>86 %</td>
<td>Versace (500 m²), Hermès (350 m²)</td>
</tr>
<tr>
<td>Schadowstrasse/Schadowplatz</td>
<td>Consumer</td>
<td>700 m</td>
<td>6,630 (1)</td>
<td>260 €/m² (1)</td>
<td>90 %</td>
<td>Forever 21 (1,900 m²), Mephisto (420 m²)</td>
</tr>
<tr>
<td>Flinger Strasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>7,450</td>
<td>225 €/m²</td>
<td>86 %</td>
<td>Hunkemöller (400 m²)</td>
</tr>
<tr>
<td>Mittelstrasse</td>
<td>Consumer</td>
<td>170 m</td>
<td>–</td>
<td>130 €/m²</td>
<td>71 %</td>
<td>Starbucks (300 m²), ASICS (180 m²)</td>
</tr>
<tr>
<td>Grabenstrasse</td>
<td>Upmarket</td>
<td>200 m</td>
<td>–</td>
<td>115 €/m²</td>
<td>52 %</td>
<td>Vorwerk (80 m²)</td>
</tr>
</tbody>
</table>

RENewed Rise in prime Rent

Just as before, the prime rent in Düsseldorf is obtained on the eastern side of the “Kö”. After rising steadily in recent years and enjoying a further 4% year-on-year climb in 2014, it now stands at 280 €/m². On the western side the top rent is somewhat lower (270 €/m²), but last year some exclusive new leases were concluded there – for instance by Versace (500 m²) and Hermès (350 m²) – and it has been casting off its reputation as a weaker location. On consumer-oriented Schadowstrasse, the top rent on the stretch close to Schadowplatz also rose, to 260 €/m². Further to the east on this street, though, rents are lower, at 180 €/m². Pedestrian frequency in this area is particularly high and in the near future the Kö-Bogen II is due to close another building gap, so demand here has become perceptibly livelier. New tenants on Schadowstrasse are Forever 21 (1,900 m²) and Mephisto (420 m²). Top rents have also moved higher in the two other consumer-oriented A-precincts, Flinger Strasse (225 €/m²) and Mittelstrasse (130 €/m²), and in the upmarket address Grabenstrasse (115 €/m²).
NUMEROUS NEW LETTINGS

A total of 24 new lettings, with combined take-up of 13,300 m², were registered in the A-locations in 2014, mainly to domestic and international clothing firms. When premises on Königsallee, Schadowstrasse and Flinger Strasse change hands, key money is frequently involved, with the space often being secured for flagship stores. As long as Düsseldorf can maintain its reputation as a fashion stronghold, demand on the part of (international) retailers can be expected to go on growing, so that a further increase in rental prices is conceivable.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Düsseldorf 2014</th>
<th>Germany 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>599</td>
<td>80,767</td>
</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>378</td>
<td>29,616</td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>8.8</td>
<td>6.9</td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>117.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>141.0</td>
<td>100.0</td>
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<tr>
<td>Centrality ratio</td>
<td>1.20</td>
<td>1.00</td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>4.2</td>
<td>411.8</td>
</tr>
</tbody>
</table>

TREND 2015

Top rent ➔ Demand total ➔
Supply ➔ Demand international ➔
Key money ➔ Chain-store ratio ➔

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>24</td>
<td>13,300 m²</td>
<td>Clothing (9,160 m²)</td>
<td>67 % (46 %)</td>
</tr>
<tr>
<td>Königsallee</td>
<td>8</td>
<td>2,670 m²</td>
<td>Clothing (900 m²)</td>
<td>50 % (63 %)</td>
</tr>
<tr>
<td>Schadowstrasse / Schadowplatz</td>
<td>3</td>
<td>7,020 m²</td>
<td>Clothing (6,600 m²)</td>
<td>100 % (33 %)</td>
</tr>
<tr>
<td>Mittelstrasse</td>
<td>3</td>
<td>600 m²</td>
<td>Catering (200 m²)</td>
<td>100 % (67 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>10</td>
<td>3,010 m²</td>
<td>Clothing (1,540 m²)</td>
<td>60 % (30 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>45</td>
<td>32,500 m²</td>
<td>Furniture (9,950 m²)</td>
<td>69 % (29 %)</td>
</tr>
</tbody>
</table>

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Thanks to the timbered houses in the medieval old-town district – which is one of the most extensive in Germany – Erfurt has its own very special charm. Inner-city retail trade focuses primarily on Anger, an elongated square favourably located between the cathedral and the central station. This consumer-oriented precinct also benefits from the additional spectrum provided by the Anger 1 shopping centre and from its function as a hub of the public transport network.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anger</td>
<td>Consumer</td>
<td>500 m</td>
<td>4,240</td>
<td>90 €/m²</td>
<td>95 %</td>
<td>Oxfam (180 m²)</td>
</tr>
</tbody>
</table>

PRIME RENT STEADY SINCE 2011

2014 provided fresh confirmation of the way retail trade in Erfurt is concentrated on its top location, Anger, where the prime rent has stayed unchanged at 90 €/m² since 2011. Pedestrian frequency, at 4,240 an hour, was slightly down on the 2013 figure. The only new letting there was to the charity organisation Oxfam (180 m²) which uses this outlet to sell fair-trade products. The low scale of tenant fluctuation illustrated by this solitary new lease and the general shortage of space in the centre mean that it remains very difficult to meet the steady demand for premises there. This applies in particular to shop units of between 100 and 250 m², which are mainly in demand by clothing firms. In view of this bottleneck, a rise in the prime rent is a distinct possibility in the near future. The two other A-locations – Schlösserstrasse and Bahnhofstrasse, both of which branch off from Anger – each reported one new letting to chain store operators. One of these was to household appliances dealer Vorwerk, which has opened an outlet of around 130 m² on Schlösserstrasse.

DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER

- Top rent in €/m²
- Purchase price multiplier

<table>
<thead>
<tr>
<th>Year</th>
<th>Top rent</th>
<th>Purchase price multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2006</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2007</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2008</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2009</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2010</td>
<td>100 €</td>
<td>5.0</td>
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<tr>
<td>2011</td>
<td>100 €</td>
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</tr>
<tr>
<td>2012</td>
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<tr>
<td>2013</td>
<td>100 €</td>
<td>5.0</td>
</tr>
<tr>
<td>2014</td>
<td>100 €</td>
<td>5.0</td>
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</table>

TOP RENT – INTER-CITY COMPARISON

- Top rent in €/m²

<table>
<thead>
<tr>
<th>City</th>
<th>Top rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leipzig</td>
<td>120</td>
</tr>
<tr>
<td>Dresden</td>
<td>100</td>
</tr>
<tr>
<td>Erfurt</td>
<td>90</td>
</tr>
<tr>
<td>Rostock</td>
<td>80</td>
</tr>
<tr>
<td>Halle</td>
<td>90</td>
</tr>
<tr>
<td>Potsdam</td>
<td>100</td>
</tr>
<tr>
<td>Chemnitz</td>
<td>10</td>
</tr>
</tbody>
</table>
ONLY FEW NEW LETTINGS

Hardly any new retail space has been created in downtown Erfurt in the past few years and so tenant fluctuation is the only source of supply. In this small A-location, however, fluctuation is traditionally very limited. So in 2014, only three new lease contracts were registered in the A-precincts. These represented a combined take-up of 700 m². With no project developments in sight, 2015 is also unlikely to produce growth in the availability of space there.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
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<th>Erfurt 2014</th>
<th>Trend</th>
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<th>Trend</th>
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<tbody>
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<td>Retail-relevant purchasing power index</td>
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<tr>
<td>Turnover ratio</td>
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<td>Centrality ratio</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>0.8</td>
<td></td>
<td>411.8</td>
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TREND 2015

<table>
<thead>
<tr>
<th></th>
<th>Top rent</th>
<th>Supply</th>
<th>Key money</th>
<th>Demand total</th>
<th>Demand international</th>
<th>Chain-store ratio</th>
</tr>
</thead>
</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>3</td>
<td>710 m²</td>
<td>Department stores (400 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Anger</td>
<td>1</td>
<td>180 m²</td>
<td>Clothing (180 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>2</td>
<td>530 m²</td>
<td>Department stores (400 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>5</td>
<td>4,890 m²</td>
<td>Leisure (2,040 m²)</td>
<td>100 % (20 %)</td>
</tr>
</tbody>
</table>

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ESSEN

Essen, which is the fourth-largest city in the federal state of Northrhine-Westphalia, has a compact centre, with culture and the arts, restaurants and cafés, shops and stores all close together. A large part of downtown Essen forms a pedestrian or low-traffic zone, which naturally heightens the pleasure of shopping. The attractiveness of the retail scene is underlined by the presence of a large and diverse range of brands.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kettwiger Strasse</td>
<td>Consumer</td>
<td>450 m</td>
<td>7,104</td>
<td>115 €/m²</td>
<td>80 %</td>
<td>Altinbas (200 m²)</td>
</tr>
<tr>
<td>Limbecker Strasse</td>
<td>Consumer</td>
<td>350 m</td>
<td>5,892</td>
<td>100 €/m²</td>
<td>80 %</td>
<td>Maisons du Monde (1,100 m²), Blue Tomato (440 m²), Seidensticker (160 m²)</td>
</tr>
</tbody>
</table>

TOP RENTS DEVELOP DIFFERENTLY

The prime rent in Essen has developed differently in the city’s two premium locations. Whereas the top rent on Kettwiger Strasse has remained stable at 115 €/m², the figure on Limbecker Strasse has exhibited a slight downward tendency (-5%; 100 €/m²). All the same, demand on the part of chain store operators was buoyant, and fresh tenants there are new labels like Austrian sports articles specialist Blue Tomato (440 m²) and French furniture chain Maisons du Monde (1,100 m²). On Kettwiger Strasse, Turkish jeweller Altinbas has opened its first outlet in Germany (200 m²). One reason why the new lettings have been mainly to recently founded brands is that many established retailers already have stores in downtown Essen. In comparison with previous years, the supply situation has eased somewhat, making premises available rather more quickly than before. Against this background, a stable development of the rental price level can be expected.

DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER

- Top rent in €/m²
- Purchase price multiplier
LARGE-UNIT LETTINGS

The number of newly concluded lease contracts in the A-locations was lower than the year before, but on the other hand the combined take-up rose to over 5,700 m². This was due to the fact that some new lettings involved sizeable premises. The clothing sector was again the chief source of demand, generating over 60%. The focus was quite clearly on the two A-precincts of Limbecker Strasse and Kettwiger Strasse, which between them accounted for nine out of the ten registered new lettings.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Essen 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>570</td>
<td>→</td>
<td>80,767</td>
<td>→</td>
</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>229</td>
<td>→</td>
<td>29,616</td>
<td>→</td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>12.4</td>
<td>→</td>
<td>6.9</td>
<td>→</td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>101.9</td>
<td>→</td>
<td>100.0</td>
<td>→</td>
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<tr>
<td>Turnover ratio</td>
<td>120.5</td>
<td>→</td>
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<td>→</td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.18</td>
<td>→</td>
<td>1.00</td>
<td>→</td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>1.4</td>
<td>→</td>
<td>411.8</td>
<td>→</td>
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</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>10</td>
<td>5,730 m²</td>
<td>Clothing (3,600 m²)</td>
<td>70 % (40 %)</td>
</tr>
<tr>
<td>Limbecker Strasse</td>
<td>6</td>
<td>3,240 m²</td>
<td>Clothing (1,600 m²)</td>
<td>83 % (50 %)</td>
</tr>
<tr>
<td>Kettwiger Strasse</td>
<td>3</td>
<td>490 m²</td>
<td>Jewellery (450 m²)</td>
<td>33 % (33 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>1</td>
<td>2,000 m²</td>
<td>Clothing (2,000 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>24</td>
<td>25,310 m²</td>
<td>Furniture (13,220 m²)</td>
<td>63 % (21 %)</td>
</tr>
</tbody>
</table>
Frankfurt is not just a major European financial centre, it is also more cosmopolitan than any other German city. In addition, it is one of the fastest-growing metropolises in the country. Together, these factors make it particularly interesting for retailers. Many luxury labels and international brands which have established a presence for themselves here in recent years help to create a highly attractive shopping scene.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zeil</td>
<td>Consumer</td>
<td>1,200 m</td>
<td>11,286</td>
<td>310 €/m²</td>
<td>Fossil (800 m²), Skagen (80 m²)</td>
</tr>
<tr>
<td>Goethestrasse</td>
<td>Luxury / Upmarket</td>
<td>300 m</td>
<td>2,566</td>
<td>270 €/m²</td>
<td>Dior (320 m²), MCM (200 m²), Wellendorff (100 m²)</td>
</tr>
<tr>
<td>Grosse Bockenheimer Strasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>3,478</td>
<td>245 €/m²</td>
<td>Cadenza (80 m²), Ice-Watch (75 m²)</td>
</tr>
<tr>
<td>Biebergasse Strasse</td>
<td>Consumer</td>
<td>120 m</td>
<td>5,820</td>
<td>240 €/m²</td>
<td>-</td>
</tr>
<tr>
<td>Steinweg</td>
<td>Upmarket</td>
<td>70 m</td>
<td>2,730</td>
<td>215 €/m²</td>
<td>&amp; Other Stories (1,290 m²), Thomas Sabo (270 m²)</td>
</tr>
<tr>
<td>Schillerstrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>2,340</td>
<td>130 €/m²</td>
<td>-</td>
</tr>
<tr>
<td>Kaiserstrasse</td>
<td>Consumer</td>
<td>220 m</td>
<td>3,318</td>
<td>115 €/m²</td>
<td>Bodum (520 m²)</td>
</tr>
<tr>
<td>Rossmarkt</td>
<td>Consumer</td>
<td>130 m</td>
<td>3,318</td>
<td>115 €/m²</td>
<td>Rossmann (1,000 m²)</td>
</tr>
</tbody>
</table>

MODEST FALL IN SOME TOP RENTS

In 2014, some of the top rents in the A-locations – which had risen appreciably in the years before – eased slightly. One reason was the sluggish development of the economy which made retailers unwilling to accept just any demands on the rental front. The popular consumer-oriented precinct of Zeil continues to command Frankfurt’s highest rent, at 310 €/m². In second place, as before, comes the luxury location Goethestrasse, with 270 €/m². It featured lettings to premium-segment leatherwear dealer MCM (over 200 m²) and to jewellers Wellendorff (approx. 100 m²). Its luxury quality was also enhanced by a new Dior outlet of over 320 m². Bodum, the Danish kitchen- and tableware design products specialist, opted for the Kaiserstrasse/Rossmarkt precinct (around 520 m²). Overall, the strongest focus of demand was for premises of between 150 and 300 m².
DEMAND GEARED STRONGLY TO A-PRECINCTS
Demand is increasingly focused on the top addresses; this is because would-be tenants want the assurance of adequate footfall figures. Altogether, 27 lettings were registered in the A-locations. The biggest number of deals (8) were concluded on the consumer-oriented Grosse Bockenheimer Strasse, but the luxury Goethestrasse precinct also acquired four new tenants. Demand in 2015 looks set to remain stable and it should encounter a somewhat bigger supply. So there is a definite possibility that slight pressure on rental prices around the boundaries of the preferred areas will be maintained.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Frankfurt 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>701</td>
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<td>80,767</td>
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</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>528</td>
<td></td>
<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>7.4</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>114.3</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>121.0</td>
<td></td>
<td>100.0</td>
<td></td>
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<tr>
<td>Centrality ratio</td>
<td>1.06</td>
<td></td>
<td>1.0</td>
<td></td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>7.5</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th>A-locations total</th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grosse Bockenheimer Strasse</td>
<td>8</td>
<td>880 m²</td>
<td>Jewellery (430 m²)</td>
<td>63 % (50 %)</td>
</tr>
<tr>
<td>Goethestrasse</td>
<td>4</td>
<td>1,200 m²</td>
<td>Clothing (850 m²)</td>
<td>75 % (50 %)</td>
</tr>
<tr>
<td>Kaiserstrasse</td>
<td>3</td>
<td>1,250 m²</td>
<td>Clothing (880 m²)</td>
<td>100 % (67 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>12</td>
<td>9,070 m²</td>
<td>Clothing (2,760 m²)</td>
<td>75 % (17 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>76</td>
<td>75,550 m²</td>
<td>Food (38,860 m²)</td>
<td>72 % (33 %)</td>
</tr>
</tbody>
</table>

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Downtown Hamburg offers a very attractive spectrum of retail outlets, ranging from consumer-oriented to high-grade upmarket and luxury premises. Above all Spitalerstrasse and Mönckebergstrasse, but also Neuer Wall, are the focus of strong demand by domestic and international chain store firms. Several project developments – some completed, some upcoming – are strengthening existing precincts, bringing additional space onto the market and creating new pedestrian flows.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neuer Wall</td>
<td>Luxury / Upmarket</td>
<td>550 m</td>
<td>2,882</td>
<td>280 €/m²</td>
<td>&amp; Other Stories (700 m²), Giorgio Armani (430 m²)</td>
</tr>
<tr>
<td>Spitalerstrasse</td>
<td>Consumer</td>
<td>400 m</td>
<td>7,392</td>
<td>275 €/m²</td>
<td>Koton (1,800 m²), Office Shoes (670 m²)</td>
</tr>
<tr>
<td>Mönckebergstrasse</td>
<td>Consumer</td>
<td>750 m</td>
<td>7,678</td>
<td>245 €/m²</td>
<td>Stadium (1,550 m²), Denim &amp; Supply / Ralph Lauren (250 m²)</td>
</tr>
<tr>
<td>Poststrasse</td>
<td>Consumer / Upmarket</td>
<td>400 m</td>
<td>3,290</td>
<td>220 €/m²</td>
<td>Porsche (560 m²), Aesop (110 m²)</td>
</tr>
<tr>
<td>Jungfernstieg</td>
<td>Consumer / Upmarket</td>
<td>450 m</td>
<td>5,021</td>
<td>200 €/m²</td>
<td>Swatch (320 m²), Golfsino (140 m²)</td>
</tr>
<tr>
<td>Grosse Bleichen</td>
<td>Consumer / Upmarket</td>
<td>450 m</td>
<td>1,864</td>
<td>145 €/m²</td>
<td>Eckerle (1,800 m²), Tesla (370 m²)</td>
</tr>
<tr>
<td>Gerhartstrasse</td>
<td>Consumer</td>
<td>130 m</td>
<td>2,206</td>
<td>140 €/m²</td>
<td>Essen &amp; Trinken (580 m²), Cartoon (220 m²)</td>
</tr>
<tr>
<td>Gänsemarkt</td>
<td>Consumer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hohe Bleichen</td>
<td>Upmarket</td>
<td>270 m</td>
<td>747</td>
<td>90 €/m²</td>
<td>Stone Island (180 m²)</td>
</tr>
</tbody>
</table>

**PRIME RENT NOW ON NEUER WALL**

Compared with the year before, the top rent in Hamburg has risen by 4 % to 280 €/m². It is now obtained on Neuer Wall, an address that has been developing very positively and where new shops have been acquired by & Other Stories and Giorgio Armani (430 m²). On Spitalerstrasse, which previously headed the ranking, the top rent is only marginally lower at 275 €/m² (+2 %). The planned revamping of the former Vattenfall building, where Turkish fashion firm Koton has secured premises of 1,800 m², will further enhance the connection with Mönckebergstrasse (245 €/m², +4 %). The biggest rental increase, of over 20 % to 200 €/m², was registered on Jungfernstieg, where, for instance, Swatch (320 m²) is repositioning itself. On Grosse Bleichen there have been lettings to Eckerle (1,900 m²) and Tesla (370 m²), which will additionally upgrade the precinct with the newly opened Kaisergalerie.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

<table>
<thead>
<tr>
<th>Year</th>
<th>Top rent in €/m²</th>
<th>Purchase price multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2006</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2007</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2008</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2009</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2010</td>
<td>200€</td>
<td>15.0</td>
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<tr>
<td>2011</td>
<td>200€</td>
<td>15.0</td>
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<tr>
<td>2012</td>
<td>200€</td>
<td>15.0</td>
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<tr>
<td>2013</td>
<td>200€</td>
<td>15.0</td>
</tr>
<tr>
<td>2014</td>
<td>200€</td>
<td>15.0</td>
</tr>
</tbody>
</table>

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**TOP RENT – INTER-CITY COMPARISON**

<table>
<thead>
<tr>
<th>City</th>
<th>Top rent in €/m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Munich</td>
<td>350€</td>
</tr>
<tr>
<td>Berlin</td>
<td>350€</td>
</tr>
<tr>
<td>Frankfurt</td>
<td>350€</td>
</tr>
<tr>
<td>Düsseldorf</td>
<td>350€</td>
</tr>
<tr>
<td>Hamburg</td>
<td>350€</td>
</tr>
<tr>
<td>Stuttgart</td>
<td>350€</td>
</tr>
<tr>
<td>Cologne</td>
<td>350€</td>
</tr>
</tbody>
</table>

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LIVELY MARKET ACTIVITY IN THE A-LOCATIONS

Lettings registered in the A-locations in 2014 totalled 46, representing combined take-up of around 23,800 m² – a marked increase on the year before. The biggest slice of turnover, 40%, was generated by clothing firms. In 2015, developments are basically set to remain stable. The supply of space will continue to grow, thanks to large-scale project developments such as Alter Wall and the Stadthöfe. In view of the buoyant demand, especially for small units and large flagship stores, top rents could well climb further.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Hamburg 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>1,746</td>
<td></td>
<td>80,767</td>
<td></td>
</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>893</td>
<td></td>
<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>7.4</td>
<td></td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>110.3</td>
<td></td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Turnover ratio</td>
<td>122.3</td>
<td></td>
<td>100.0</td>
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</tr>
<tr>
<td>Centrality ratio</td>
<td>1.11</td>
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<td>1.00</td>
<td></td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>11.6</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

TRENDS 2015

- Top rent
- Demand total
- Supply
- Demand international
- Key money
- Chain-store ratio

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (international)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>46</td>
<td>23,800 m²</td>
<td>Clothing (9,370 m²)</td>
<td>80 % (43 %)</td>
</tr>
<tr>
<td>Mönckebergstrasse</td>
<td>9</td>
<td>3,300 m²</td>
<td>Clothing (1,400 m²)</td>
<td>100 % (33 %)</td>
</tr>
<tr>
<td>Grosse Bleichen</td>
<td>5</td>
<td>2,580 m²</td>
<td>Clothing (2,030 m²)</td>
<td>80 % (20 %)</td>
</tr>
<tr>
<td>Neuer Wall</td>
<td>5</td>
<td>1,650 m²</td>
<td>Clothing (1,330 m²)</td>
<td>100 % (80 %)</td>
</tr>
<tr>
<td>Poststraße</td>
<td>4</td>
<td>830 m²</td>
<td>Clothing (620 m²)</td>
<td>75 % (75 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>23</td>
<td>15,440 m²</td>
<td>Leisure (4,000 m²)</td>
<td>74 % (39 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>117</td>
<td>79,930 m²</td>
<td>Clothing (16,280 m²)</td>
<td>63 % (18 %)</td>
</tr>
</tbody>
</table>
The shopping streets in state capital Hannover act like a magnet on consumers well beyond the municipal boundaries. This results in the above-average turnover ratio of 137.4. The high pedestrian frequency figures in the retail precincts create very buoyant demand for premises, especially from consumer-oriented chain store operators. But since the supply of space is limited, the rental price level is comparatively high.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahnhofstrasse</td>
<td>Consumer</td>
<td>200 m</td>
<td>11,329</td>
<td>205 €/m²</td>
<td>94 %</td>
<td>Mango (1,550 m²)</td>
</tr>
<tr>
<td>Georgstrasse</td>
<td>Consumer</td>
<td>450 m</td>
<td>9,824</td>
<td>190 €/m²</td>
<td>69 %</td>
<td>Rossmann (700 m²)</td>
</tr>
<tr>
<td>Grosse Packhofstrasse</td>
<td>Consumer</td>
<td>350 m</td>
<td>6,932</td>
<td>180 €/m²</td>
<td>96 %</td>
<td>Reserved (2,600 m²), Swatch (80 m²)</td>
</tr>
<tr>
<td>Lünenstrasse</td>
<td>Upmarket</td>
<td>150 m</td>
<td>–</td>
<td>100 €/m²</td>
<td>64 %</td>
<td>Armani Collezioni (410 m²)</td>
</tr>
</tbody>
</table>

**SLIGHT RISE IN PRIME RENT**

Hannover’s premium precinct is Bahnhofstrasse, which occupies third place in the nationwide footfall ranking. In the face of low tenant fluctuation, the strong demand last year lifted the prime rent there slightly, to 205 €/m². The Spanish fashion firm of Mango acquired a further shop there (1,550 m²), while 2014 also brought the opening of the Apple Store which had already been secured the year before. The two consumer-oriented areas of Georgstrasse and Grosse Packhofstrasse also post very high pedestrian frequencies, while the top rents there, at 190 €/m² and 180 €/m² respectively, are only somewhat lower. Premises on Grosse Packhofstrasse have been rented by the rapidly expanding Polish fashion chain Reserved (2,600 m²) and by Swatch (80 m²). The first German outlet of Italian fashion label Armani Collezioni (410 m²) opened on the upmarket precinct of Lünenstrasse, where the top rent remained unchanged at 100 €/m². Together with the completion of the Kröpcke, conversions and developments on Karmarschstrasse are further upgrading Hannover’s street shopping landscape.
**SURPLUS OF DEMAND IN THE A-LOCATIONS**

Demand for premises of all categories remains very strong and especially in the A-locations exceeds supply appreciably. That is one reason why only 12 lettings were registered in 2014, with combined take-up of just under 6,900 m². All the lettings were to chain store companies; clothing firms once again led the field with more than 76 % of turnover. In 2015, demand on the part of retailers is set to be sustained at its present high level, while availability is actually likely to shrink further. Against this background, the prime rent should at least stay steady.

**SOCIOMETRIC DATA**

<table>
<thead>
<tr>
<th></th>
<th>Hannover 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>518</td>
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<td>80,767</td>
<td></td>
</tr>
<tr>
<td>Employees subject to social insurance (000)</td>
<td>300</td>
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<td>29,616</td>
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</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>8.2</td>
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<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Retail-relevant purchasing power index</td>
<td>104.9</td>
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<td>100.0</td>
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<tr>
<td>Turnover ratio</td>
<td>137.4</td>
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<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Centrality ratio</td>
<td>1.31</td>
<td></td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
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<td></td>
<td>411.8</td>
<td></td>
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</tbody>
</table>

**TREND 2015**

<table>
<thead>
<tr>
<th></th>
<th>Demand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top rent</td>
<td>Chain-store ratio</td>
</tr>
<tr>
<td>Supply</td>
<td>Demand international</td>
</tr>
</tbody>
</table>
Heidelberg stands for “small but fine”. With its venerable university, the city is better known – especially abroad – than many other much larger places, something evidenced by the throngs of tourists and the steadily growing number of overnight stays (2014: nearly 1.2 million). So it is hardly surprising that space in the A-precinct, along Hauptstrasse, is in greater demand among domestic and international brands than the size of the population might suggest.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hauptstrasse</td>
<td>Consumer</td>
<td>1,800 m</td>
<td>4,666</td>
<td>120 €/m²</td>
<td>68 %</td>
<td>Desigual (250 m²), Timberland (100 m²), Mephisto (80 m²)</td>
</tr>
</tbody>
</table>

**STABLE CONDITIONS**

The restricted scale of the A-location and the small-unit structure of the retail outlets – something due mainly to heritage protection concerns – have long since made for a stable retail situation there. This is reflected, for instance, by the fact that the prime rent has remained unchanged at 120 €/m² for about three years now. All the same, demand has stayed steady, with growing interest being exhibited particularly by new international concepts from the clothing and leatherwear/footwear sectors. The Spanish fashion label Desigual, for example, has become a new tenant on Hauptstrasse, thus broadening the retail mix there. Other lettings were to the US boots and outdoor clothing firm of Timberland (around 100 m²) and to the French shoe chain Mephisto (approx. 80 m²). These deals all highlight the strength of demand by brands from abroad. So there is at least a possibility that the A-precinct along Hauptstrasse could in future be extended.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

<table>
<thead>
<tr>
<th>Year</th>
<th>Osnabrück</th>
<th>Aachen</th>
<th>Bremen</th>
<th>Heidelberg</th>
<th>Leipzig</th>
<th>Trier</th>
<th>Essen</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>130</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
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<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>130</td>
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</tbody>
</table>
AVAILABILITY LIMITS NEW LEASES

The very limited supply of space is the reason why there are customarily only few new lettings here, despite the good demand. In 2014, just like the year before, these totalled just 4. Thanks to the Timberland and Mephisto leases, the sector focus was quite clearly on leatherwear/footwear. In view of Heidelberg’s size, the multi-branch ratio (80%) and the internationality rate (60%) are at an above-average level.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Heidelberg 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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</thead>
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<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
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<td>29,616</td>
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<tr>
<td>Unemployment rate 2013 (%)</td>
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<td>6.9</td>
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<td>Retail-relevant purchasing power index</td>
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<td>Overnight stays 2013 (million)</td>
<td>1.2</td>
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<td>411.8</td>
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TREND 2015

<p>| | | | | |</p>
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<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Top rent</td>
<td></td>
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<td>Demand total</td>
<td></td>
</tr>
<tr>
<td>Supply</td>
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<td>Demand international</td>
<td></td>
</tr>
<tr>
<td>Key money</td>
<td></td>
<td></td>
<td>Chain-store ratio</td>
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</table>

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>5</td>
<td>670 m²</td>
<td>Leatherwear/footwear (320 m²)</td>
<td>80% (60%)</td>
</tr>
<tr>
<td>Other locations</td>
<td>8</td>
<td>34,780 m²</td>
<td>Furniture (30,000 m²)</td>
<td>88% (13%)</td>
</tr>
</tbody>
</table>

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In 2015, the baroque city of Karlsruhe is celebrating its 300th anniversary. According to a legend, it follows a design that came to its founder, Margrave Karl-Wilhelm, in a dream. Today, it is a large city (299,000 inhabitants), the centre of the Middle Upper Rhine region, and the home of many important administrative bodies and research establishments. It is the second-biggest city in Baden-Württemberg, with a population that has been growing for years.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiserstrasse</td>
<td>Consumer</td>
<td>1,200 m</td>
<td>4,540</td>
<td>110 €/m²</td>
<td>61 %</td>
<td>Deichmann (1,100 m²), Street One (300 m²), Calzedonia (70 m²)</td>
</tr>
</tbody>
</table>

**TOP RENT VERY STABLE**

The prime rent, obtained on downtown Kaiserstrasse, has remained static at 110 €/m² since 2010. Following construction measures which will enable trams to travel underground there in future, the over one-kilometre long A-location of Kaiserstrasse will be a pedestrian zone. This will considerably improve the quality of stay there and at the same time it will impact positively on footfall figures. That has already led to a slight increase in demand from domestic and international retailers. Last year, for instance, the footwear firm of Deichmann extended its sales area to around 1,100 m² by moving into the vicinity of the popular Postgalerie at the top end of Kaiserstrasse. The young-fashion concept Street One (approx. 300 m²) and Italian lingerie outlet Calzedonia (approx. 70 m²) have also already secured premises in this location. With building work due to be concluded soon, demand is likely to go on picking up in 2015 and thereafter. In the long run, the higher pedestrian frequency figures coupled with greater demand are sure to promote a rise in the prime rent.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

- in €/m²

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DIVERSE SOURCES OF DEMAND

In 2014, three new lease contracts were concluded in Karlsruhe’s A-precincts, with take-up totalling 1,470 m². All these deals involved chain store companies from Germany or abroad. The two retail sectors shoes/leatherwear, on the one hand, and clothing, on the other, accounted for around equal shares, so that demand can be considered balanced.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th>Metric</th>
<th>Karlsruhe 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tbody>
<tr>
<td>Population (000)</td>
<td>299</td>
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<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>171</td>
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<td>29,616</td>
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<tr>
<td>Unemployment rate 2013 (%)</td>
<td>5.6</td>
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<tr>
<td>Retail-relevant purchasing power index</td>
<td>105.3</td>
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<td>100.0</td>
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</tr>
<tr>
<td>Turnover ratio</td>
<td>131.8</td>
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<td>100.0</td>
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</tr>
<tr>
<td>Centrality ratio</td>
<td>1.25</td>
<td></td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Overnight stays 2013 (million)</td>
<td>1.0</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

TREND 2015

- Top rent ➔ Demand total ➔
- Supply ➔ Demand international ➔
- Key money ➔ Chain-store ratio ➔

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>3</td>
<td>1,470 m²</td>
<td>Leatherwear/shoes</td>
<td>100 % (33 %)</td>
</tr>
<tr>
<td>Top sector (take-up)</td>
<td></td>
<td></td>
<td>(1,100 m²)</td>
<td></td>
</tr>
<tr>
<td>Other locations</td>
<td>7</td>
<td>4,590 m²</td>
<td>Clothing (2,000 m²)</td>
<td>100 % (29 %)</td>
</tr>
</tbody>
</table>

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“Leipzig Liberty” – the new slogan adopted by Saxony’s second-largest city (population: 532,000) leaves plenty of scope for interpretation. Among other things, it points to a flourishing centre of music and modern trends which offers its inhabitants a diverse cultural, educational and leisure spectrum while maintaining its tradition as a trade fair venue. Equally colourful and varied is the range offered by Leipzig’s retailers in the widely ramified downtown A-locations.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grimmaische Strasse</td>
<td>Consumer</td>
<td>400 m</td>
<td>5,571</td>
<td>120 €/m²</td>
<td>94 %</td>
<td>Shoe City (900 m²), Michael Kors (690 m²), Adidas NEO (250 m²)</td>
</tr>
<tr>
<td>Petersstrasse</td>
<td>Consumer</td>
<td>350 m</td>
<td>5,390</td>
<td>120 €/m²</td>
<td>93 %</td>
<td>Cadenza (250 m²), Intimissimi (180 m²)</td>
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<tr>
<td>Markt</td>
<td>Consumer</td>
<td>140 m</td>
<td>6,256</td>
<td>85 €/m²</td>
<td>52 %</td>
<td>Reserved (2,000 m²)</td>
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<tr>
<td>Hainstrasse</td>
<td>Consumer</td>
<td>240 m</td>
<td>3,926</td>
<td>60 €/m²</td>
<td>69 %</td>
<td>Humana (600 m²)</td>
</tr>
<tr>
<td>Neumarkt</td>
<td>Consumer</td>
<td>280 m</td>
<td>3,402</td>
<td>45 €/m²</td>
<td>87 %</td>
<td>–</td>
</tr>
<tr>
<td>Nikolaistrasse</td>
<td>Consumer</td>
<td>450 m</td>
<td>2,852</td>
<td>45 €/m²</td>
<td>67 %</td>
<td>Blutgeschwister (160 m²)</td>
</tr>
</tbody>
</table>

**PRIME RENT STABLE**

The prime rent for a typical 100 m² standard shop in Leipzig has remained steady at 120 €/m² since 2013. That is the rent obtained on both Grimmaische Strasse and Petersstrasse, which are among the most heavily frequented parts of the city (Grimmaische Strasse: 5,571 pedestrians/h, Petersstrasse: 5,390 pedestrians/h). These footfall figures are exceeded only by the precinct that connects them, Markt (6,256 pedestrians/h). The top rent on Markt has also remained stable, at 85 €/m². Last year, several lettings were registered in these favoured locations, most of them on Grimmaische Strasse, the longest premium shopping street. The biggest deals involved Shoe City (900 m²) and New York designer Michael Kors (690 m²). Petersstrasse also attracted international brands: Cadenza (250 m²) and Intimissimi (180 m²). The biggest new sales area was that acquired on Markt by the Polish fashion firm Reserved (2,000 m²). On Hainstrasse, another A-address, the top rent rose to 60 €/m², influenced by last year’s arrival of Primark. Top rents on Neumarkt and Nikolaistrasse have stayed static at 45 €/m².

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

- in €/m²

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Numerous New Leases

Lettings in Leipzig’s A-areas in 2014 totalled 17, with a combined take-up of 7,350 m². Clothing firms represented the chief source of demand. The completion of some project developments, such as Hainspitzte, led to relocations, but the resultant vacancies were quickly filled, reflecting the increased interest shown in Leipzig by international companies. In 2015, availability looks likely to fall again somewhat.

Socio-Economic Data

<table>
<thead>
<tr>
<th></th>
<th>Leipzig 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tbody>
<tr>
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<tr>
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<td>Unemployment rate 2013 (%)</td>
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<tr>
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<td>Turnover ratio</td>
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<td>1.02</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>2.7</td>
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<td>411.8</td>
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Registered Lettings

<table>
<thead>
<tr>
<th>Number</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>Clothing (4,920 m²)</td>
<td>76 % (35 %)</td>
</tr>
<tr>
<td>7</td>
<td>Leatherwear/shoes (900 m²)</td>
<td>57 % (14 %)</td>
</tr>
<tr>
<td>3</td>
<td>Clothing (3,680 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>3</td>
<td>Jewellery (250 m²)</td>
<td>100 % (87 %)</td>
</tr>
<tr>
<td>3</td>
<td>Clothing (240 m²)</td>
<td>67 % (0 %)</td>
</tr>
<tr>
<td>1</td>
<td>Clothing (600 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>12</td>
<td>Food (2,180 m²)</td>
<td>75 % (33 %)</td>
</tr>
</tbody>
</table>
The university city of Mainz, capital of Rheinland-Pfalz (Rhineland Palatinate), is an important centre in the Rhine-Main region. This benefits the local retail trade, which enjoys a correspondingly large catchment area. This is indicated for instance by above-average turnover ratio and central-ity figures. So for shops and stores of all kinds, the centrally situated and relatively small A-area forms an interesting location.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases/ openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Am Brand</td>
<td>Consumer</td>
<td>220 m</td>
<td>4,371</td>
<td>110 €/m²</td>
<td>85 %</td>
<td>–</td>
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<tr>
<td>Schusterstrasse</td>
<td>Consumer</td>
<td>300 m</td>
<td>2,860</td>
<td>80 €/m²</td>
<td>63 %</td>
<td>Jack Wolfskin (500 m²), Eterna (85 m²)</td>
</tr>
<tr>
<td>Stadthausstrasse</td>
<td>Consumer</td>
<td>200 m</td>
<td>2,536</td>
<td>75 €/m²</td>
<td>80 %</td>
<td>–</td>
</tr>
</tbody>
</table>

**SLIGHT DECLINE IN TOP RENTS**

Demand in 2014 was somewhat lower than in previous years. At least partially, this was due to the generally just modest economic development. In the premium addresses, the top rents eased accordingly. Am Brand remains the most expensive shopping street, with 110 €/m². It not only has the highest chain-store ratio, of about 85%, but also houses numerous major magnets like Peek & Cloppenburg, Saturn, H&M and Zara. Second place in the rental price ranking is taken by consumer-oriented Schusterstrasse, with 80 €/m². Last year it attracted a further prominent tenant in the form of outdoor specialist Jack Wolfskin (around 500 m²). Shirt label Eterna also opted for this precinct, taking up premises of about 85 m². In adjacent Stadthausstrasse the top rent is currently 75 €/m². The downtown culinary scene has been enriched by the arrival of the trendy café concept La Maison du Pain, which now offers French-style food and beverages in an outlet of some 150 m² on Markt.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

- Aachen
- Heidelberg
- Trier
- Essen
- Karlsruhe
- Mainz
- Braunschweig

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**ONLY FEW LETTINGS**

Just like the year before, the A-areas of Mainz were able to register only few newly concluded lease contracts in 2014. But this was due primarily to the limited supply rather than to any shortage of demand. In all, downtown retail take-up comprised just three lettings. The Jack Wolfskin lease meant that the sources-of-demand ranking was headed by the outdoor sector. Demand in 2015 looks set to be comparable to that observed last year, so that from today’s angle the rental price level should remain stable.

### SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Mainz 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tr>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>107</td>
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<td>29,616</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
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<td>6.9</td>
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<tr>
<td>Retail-relevant purchasing power index</td>
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<tr>
<td>Turnover ratio</td>
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<tr>
<td>Centrality ratio</td>
<td>1.13</td>
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<td>1.00</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
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<td>411.8</td>
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</table>

### REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>3</td>
<td>740 m²</td>
<td>Leisure (500 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Schusterstrasse</td>
<td>2</td>
<td>590 m²</td>
<td>Leisure (500 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Markt</td>
<td>1</td>
<td>150 m²</td>
<td>Food (150 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>10</td>
<td>4,340 m²</td>
<td>Food (1,400 m²)</td>
<td>100 % (0 %)</td>
</tr>
</tbody>
</table>

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Mannheim plays an important role for the entire Rhine-Neckar metropolitan region and is responsible for a whole range of central administrative and other duties. This benefits the city’s retailers, who accordingly serve a very sizeable catchment area that extends well beyond the municipal borders. Where the turnover ratio and centrality figures are concerned, Mannheim ranks among the top 5 large German cities, even including the Big Seven.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planken</td>
<td>Consumer</td>
<td>1,000 m</td>
<td>5,724</td>
<td>170 €/m²</td>
<td>86 %</td>
<td>Bershka (1,000 m²), COS (400 m²), Planet Sports (300 m²)</td>
</tr>
<tr>
<td>Kurpfalzstrasse</td>
<td>Consumer</td>
<td>1,100 m</td>
<td>5,187</td>
<td>110 €/m²</td>
<td>64 %</td>
<td>Decathlon (4,600 m²)</td>
</tr>
</tbody>
</table>

PROJECT DEVELOPMENTS INCREASE ATTRACTIVENESS

The strong demand from domestic and foreign firms considerably exceeds supply. This is reflected for instance by a rise of 6% in the city’s prime rent to 170 €/m². That is the figure obtained on the A-location of Planken, which puts it well ahead of Kurpfalzstrasse, where the top rent is 110 €/m². The supply situation creates good opportunities for inner-city project developments. One example is P7, 16-18, which has now opened with an attractive spectrum of tenants. These include the Spanish Inditex label Bershka (around 1,000 m²), the H&M premium concept COS (approx. 400 m²), Planet Sports (about 300 m²) and the sports- and streetwear firm of Foot Locker (300 m²). In what was formerly the Prinz Media House on Kurpfalzstrasse, the anchor tenant, French sports articles manufacturer Decathlon, has acquired a total of 4,600 m² spread over four floors. And there is more to come: 2016 will bring the opening of the Q6/7 urban quarter, offering retailers and catering firms over 27,000 m² of space. The anchor tenant there will be the Spanish fashion label Mango.
DEMAND TO STAY HIGH IN 2015 TOO

In 2014, nine sizeable lettings were registered in downtown Mannheim. All of these were in the A-precinct, Planken. Clothing firms represented by far the biggest source of demand, accounting for almost 92% of the space involved.

The ratio of German and international chain store operators was close to 80%. Demand in this coming year is set to remain at its present strong level, as evidenced by some lettings that have already been concluded in projects still under construction.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Mannheim 2014</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tbody>
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<td>Retail-relevant purchasing power index</td>
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<td>Turnover ratio</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>1.2</td>
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TREND 2015

<p>| | | | |</p>
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<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Top rent</td>
<td>Demand total</td>
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<tr>
<td>Supply</td>
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<td>Demand international</td>
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<tr>
<td>Key money</td>
<td></td>
<td>Chain-store ratio</td>
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REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>9</td>
<td>5,520 m²</td>
<td>Clothing (5,070 m²)</td>
<td>78% (44%)</td>
</tr>
<tr>
<td>Planken</td>
<td>9</td>
<td>5,520 m²</td>
<td>Clothing (5,070 m²)</td>
<td>78% (44%)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other locations</td>
<td>13</td>
<td>12,170 m²</td>
<td>Leisure (6,560 m²)</td>
<td>69% (31%)</td>
</tr>
</tbody>
</table>

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The Bavarian capital is one of Germany’s most attractive cities. Its very high quality of life and buoyant economy, with a low unemployment rate, prompt more and more people to move there. So it is hardly surprising that in the last couple of years the population has developed more positively than in almost any other major city in the country. That also contributes towards making Munich one of the most favoured retail locations in Europe.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaufingerstrasse</td>
<td>Consumer</td>
<td>260 m</td>
<td>12,991</td>
<td>370 €/m²</td>
<td>97 %</td>
<td>Christ (1,000 m²), The North Face (180 m²)</td>
</tr>
<tr>
<td>Neuhauser Strasse</td>
<td>Consumer</td>
<td>400 m</td>
<td>10,810</td>
<td>340 €/m²</td>
<td>86 %</td>
<td>Snipes (830 m²), Desigual (620 m²)</td>
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<tr>
<td>Maximilianstrasse</td>
<td>Luxury</td>
<td>900 m</td>
<td>1,720</td>
<td>300 €/m²</td>
<td>73 %</td>
<td>Vorstadt Café (220 m²)</td>
</tr>
<tr>
<td>Weinstrasse</td>
<td>Consumer / Upmarket</td>
<td>200 m</td>
<td>7,514</td>
<td>245 €/m²</td>
<td>85 %</td>
<td>H&amp;M (2,800 m²)</td>
</tr>
<tr>
<td>Theatinerstrasse</td>
<td>Consumer / Upmarket</td>
<td>400 m</td>
<td>7,160</td>
<td>230 €/m²</td>
<td>83 %</td>
<td>René Lezard (360 m²), Rituals (200 m²)</td>
</tr>
<tr>
<td>Sendlinger Strasse</td>
<td>Consumer</td>
<td>500 m</td>
<td>5,090</td>
<td>205 €/m²</td>
<td>59 %</td>
<td>&amp; Other Stories (760 m²), Oakley (280 m²), Hallhuber (220 m²)</td>
</tr>
<tr>
<td>Residenzstrasse</td>
<td>Consumer / Upmarket</td>
<td>400 m</td>
<td>4,904</td>
<td>190 €/m²</td>
<td>72 %</td>
<td>Longchamp (400 m²)</td>
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<tr>
<td>Tal</td>
<td>Consumer</td>
<td>400 m</td>
<td>–</td>
<td>120 €/m²</td>
<td>54 %</td>
<td>Cairo (1,500 m²), Rimowa (150 m²)</td>
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<tr>
<td>Leopoldstrasse</td>
<td>Consumer</td>
<td>370 m</td>
<td>1,720</td>
<td>85 €/m²</td>
<td>61 %</td>
<td>Hans im Glück (500 m²), dean&amp;david (160 m²)</td>
</tr>
<tr>
<td>Hohenzollernstrasse</td>
<td>Consumer</td>
<td>1800 m</td>
<td>772</td>
<td>70 €/m²</td>
<td>49 %</td>
<td>Liebeskind (120 m²)</td>
</tr>
</tbody>
</table>

ONLY FEW CASES OF HIGHER RENTS

Only in a few areas have top rents risen. Germany’s most expensive shopping street is still Kaufingerstrasse, with 370 €/m² (+1 %), where jewellery chain Christ has opened a flagship store of around 1,000 m². Second place in the rental ranking is taken by Neuhauser Strasse (340 €/m²), where the letting of some 620 m² to Desigual has extended the range on offer. In the medium term, the premium Neuhauser Strasse precinct will gain additional attractiveness through the development of the Alte Akademie, now let on an interim basis to ecco and Urban Outfitters. Slight increases in rental prices were registered on the luxury stretch of Maximilianstrasse (+3 %; 300 €/m²) and on Weinstrasse (+2 %; 245 €/m²). Theatinerstrasse (230 €/m²) was also in demand; cosmetics brand Rituals rented a shop of around 200 m² there, while the Italian fashion label Falconeri secured premises of...
about 100 m² in Fünf Höfe. Helping to shape the scene on Munich’s famous Marienplatz in the future will be Vodafone and Telekom, which have both acquired space for flagship stores there.

**DEMAND FOR A-LOCATIONS REMAINS STRONG**

Despite the high rental price level, interest in the A-locations on the part of retailers is unabated. And so 2014 again brought plenty of activity there. That is reflected by a total of 41 registered lettings, which generated a combined take-up of nearly 18,500 m². Sendlinger Strasse and Hohenzollernstrasse accounted for the largest number of these deals, generating turnover of about 1,800 m² and 1,300 m² respectively. Clothing firms once again represented by far the biggest source of demand.

**SOCIO-ECONOMIC DATA**

<table>
<thead>
<tr>
<th></th>
<th>Munich 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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<tr>
<td>Population (000)</td>
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<td>29,618</td>
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<td>Unemployment rate 2013 (%)</td>
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<td>Retail-relevant purchasing power index</td>
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<tr>
<td>Centrality ratio</td>
<td>1.14</td>
<td></td>
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<tr>
<td>Overnight stays 2013 (million)</td>
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<td></td>
<td>411.8</td>
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**REGISTERED LETTINGS**

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>41</td>
<td>18,430 m²</td>
<td>Clothing (8,890 m²)</td>
<td>78 % (39 %)</td>
</tr>
<tr>
<td>Sendlinger Strasse</td>
<td>6</td>
<td>1,760 m²</td>
<td>Clothing (1,620 m²)</td>
<td>100 % (83 %)</td>
</tr>
<tr>
<td>Hohenzollernstrasse</td>
<td>6</td>
<td>1,300 m²</td>
<td>Clothing (825 m²)</td>
<td>67 % (17 %)</td>
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<tr>
<td>Theatinerstrasse</td>
<td>5</td>
<td>1,520 m²</td>
<td>Clothing (1,320 m²)</td>
<td>60 % (80 %)</td>
</tr>
<tr>
<td>Neuhäuser Strasse</td>
<td>4</td>
<td>2,350 m²</td>
<td>Clothing (2,350 m²)</td>
<td>100 % (75 %)</td>
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<tr>
<td>Residenzstrasse</td>
<td>2</td>
<td>810 m²</td>
<td>Leatherwear/shoes (810 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Maximilianstrasse</td>
<td>1</td>
<td>220 m²</td>
<td>Catering (220 m²)</td>
<td>0 % (0 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>17</td>
<td>10,470 m²</td>
<td>Clothing (2,380 m²)</td>
<td>76 % (12 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>61</td>
<td>62,170 m²</td>
<td>Household articles / furnishings (14,500 m²)</td>
<td>79 % (28 %)</td>
</tr>
</tbody>
</table>

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Münster’s urban landscape is shaped by the contrast between the restored old-town district and modern architectural ventures. In recent years, the city centre has been strengthened especially by the development of Stubengasse, the Hanse Carré and Fischmarkt even outside the established locations; these go on presenting themselves in a very positive light. This extension of the retail scene into adjacent central precincts could now be continued with the upgrading of the train station.

### OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
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<tbody>
<tr>
<td>Ludgeristrasse</td>
<td>Consumer</td>
<td>400 m</td>
<td>6,316</td>
<td>180 €/m²</td>
<td>81 %</td>
<td>–</td>
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<tr>
<td>Prinzipalmarkt</td>
<td>Luxury/Uppmarket</td>
<td>170 m</td>
<td>6,198</td>
<td>170 €/m²</td>
<td>22 %</td>
<td>René Lezard (300 m²)</td>
</tr>
<tr>
<td>Salzstrasse</td>
<td>Consumer</td>
<td>550 m</td>
<td>3,380</td>
<td>120 €/m²</td>
<td>54 %</td>
<td>Deerberg (310 m²), Apollo (150 m²), Hunkemöller (100 m²)</td>
</tr>
<tr>
<td>Rothenburg</td>
<td>Upmarket</td>
<td>240 m</td>
<td>–</td>
<td>90 €/m²</td>
<td>46 %</td>
<td>Pohland (1,800 m²)</td>
</tr>
</tbody>
</table>

**PRIME RENT CONTINUES TO CLIMB**

The rental price level on Ludgeristrasse remains high, and the prime rent in Münster has now risen to 180 €/m². So this city is still the fourth most expensive in Northrhine-Westphalia after Düsseldorf, Cologne and Dortmund. The attractiveness of Ludgeristrasse and Prinzipalmarkt (170 €/m²) is confirmed by the ongoing shortage of space there, something evidenced by the lack of new lettings. One beneficiary of this situation has been the Rothenburg precinct, where chain store operator Pohland has secured large premises (1,800 m²). Salzstrasse has also benefited, forming a focus of demand with five lettings altogether, for example to clothing firm Deerberg (310 m²), Apollo (150 m²) and Dutch lingerie specialist Hunkemöller (100 m²). Contributing to the high pedestrian frequencies on Ludgeristrasse is the Münster Arkaden shopping centre, which has actually helped to make the area around it one of the most favoured in the whole of the city.
FEW CHANGES IN SECOND HALF
Lettings in Münster’s A-locations in 2014 totalled eight, and these generated combined take-up of about 3,400 m². While the take-up figure is actually on a par with that posted the year before, the number of newly concluded contracts was much lower. Clothing again formed the main sector. It must be noted that six of the new lettings were registered in the first half.

SOCIO-ECONOMIC DATA

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<thead>
<tr>
<th></th>
<th>Münster 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
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TREND 2015

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<tr>
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<th>Trend</th>
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<tbody>
<tr>
<td>Top rent</td>
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<tr>
<td>Supply</td>
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</tr>
<tr>
<td>Key money</td>
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REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>8</td>
<td>3,410 m²</td>
<td>Clothing (2,510 m²)</td>
<td>75 % (13 %)</td>
</tr>
<tr>
<td>Salzstrasse</td>
<td>5</td>
<td>1,050 m²</td>
<td>Clothing (410 m²)</td>
<td>80 % (20 %)</td>
</tr>
<tr>
<td>Rothenburg</td>
<td>1</td>
<td>1,800 m²</td>
<td>Clothing (1,800 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>2</td>
<td>560 m²</td>
<td>Clothing (100 m²)</td>
<td>50 % (0 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>15</td>
<td>13,380 m²</td>
<td>Household articles/ furnishings (8,000 m²)</td>
<td>80 % (27 %)</td>
</tr>
</tbody>
</table>
Nuremberg’s historic core forms a fine setting for the downtown shopping precincts that are popular with consumers and retailers alike. The Franconian metropolis also acts like a magnet on the surrounding areas, something which is reflected by turnover ratio and centrality figures that are above the average. The absolutely premium location is Karolinenstrasse, which has high footfall figures and an interesting spectrum of outlets.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases/openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karolinenstrasse</td>
<td>Consumer / Upmarket</td>
<td>350 m</td>
<td>6,550</td>
<td>150 €/m²</td>
<td>92 %</td>
<td>Mango (1,550 m²), Adidas (900 m²), More &amp; More (100 m²)</td>
</tr>
<tr>
<td>Breite Gasse</td>
<td>Consumer</td>
<td>550 m</td>
<td>4,746</td>
<td>135 €/m²</td>
<td>80 %</td>
<td>JD Sports (1,500 m²), Pylones (100 m²)</td>
</tr>
<tr>
<td>Kaiserstrasse</td>
<td>Upmarket / Luxury</td>
<td>290 m</td>
<td>1,926</td>
<td>80 €/m²</td>
<td>71 %</td>
<td>Boggi Milano (180 m²), Timberland (120 m²)</td>
</tr>
</tbody>
</table>

**PRIME RENT STEADY**

Demand for space on Karolinenstrasse, especially from domestic and international chain store firms, is buoyant. Evidence of this is the high multi-branch ratio of 92%. This is where the city’s prime rent is obtained; compared with the year before, that has stayed stable at 150 €/m². The locational quality has been further enhanced by the openings of the Adidas flagship store, already let in 2013, with its new HomeCourt concept, and of Spanish fashion label Mango. On Breite Gasse, where the top rent has remained unchanged at 135 €/m², new leases have been signed by JD Sports from the UK (1,500 m²) and the cult brand Pylones from France (100 m²). On Ludwigsplatz, fashion operator Wöhrl is planning a partial demolition and subsequent rebuildig of a sports house with 6,000 m², which will upgrade this area further. On Kaiserstrasse, which is distinguished by a high-grade upmarket and luxury spectrum and where the top rent is 80 €/m², a prominent new arrival has been the Italian men’s fashion label Boggi Milano (180 m²).

---

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

<table>
<thead>
<tr>
<th>Top rent in €/m²</th>
<th>Purchase price multiplier</th>
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<tr>
<td>300 €</td>
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<tr>
<td>250 €</td>
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<td>200 €</td>
<td></td>
</tr>
<tr>
<td>150 €</td>
<td></td>
</tr>
<tr>
<td>100 €</td>
<td></td>
</tr>
<tr>
<td>50 €</td>
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**TOP RENT – INTER-CITY COMPARISON**

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</thead>
<tbody>
<tr>
<td>Hannover</td>
<td>Münster</td>
<td>Mannheim</td>
<td>Nuremberg</td>
<td>Wiesbaden</td>
<td>Bonn</td>
<td>Würzburg</td>
<td></td>
<td></td>
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</tbody>
</table>

305 | 295 | 290 | 285 | 280 | 275 | 270 | 265 | 260 | 255 |

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CHAIN STORE FIRMS ACCOUNT FOR ALL LETTINGS

In 2014, there were altogether eight lettings, and these generated combined take-up of just under 2,800 m². The deals all involved multi-branch companies, and clothing was once again the chief source of demand. Demand in the A-locations generally remains strong but because of the shortage of space this is not reflected by a high number of new leases. In the medium term, a modest increase in available shops is to be expected, so that rental prices should develop in a stable manner.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Nuremberg 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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</thead>
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<td>➔</td>
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<td>Employees subject to social insurance (000)</td>
<td>285</td>
<td>➔</td>
<td>29,616</td>
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</tr>
<tr>
<td>Unemployment rate 2013 (%)</td>
<td>7.8</td>
<td>➔</td>
<td>6.9</td>
<td>➔</td>
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<tr>
<td>Retail-relevant purchasing power index</td>
<td>105.0</td>
<td>➔</td>
<td>100.0</td>
<td>➔</td>
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<tr>
<td>Turnover ratio</td>
<td>198.6</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
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<td>➔</td>
<td>411.8</td>
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</tr>
</tbody>
</table>

TREND 2015

- Top rent ➔ Demand total ➔
- Supply ➔ Demand international ➔
- Key money ➔ Chain-store ratio ➔

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>8</td>
<td>2,760 m²</td>
<td>Clothing (1,780 m²)</td>
<td>100 % (75 %)</td>
</tr>
<tr>
<td>Breite Gasse</td>
<td>3</td>
<td>1,670 m²</td>
<td>Clothing (1,500 m²)</td>
<td>100 % (100 %)</td>
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<tr>
<td>Kaiserstrasse</td>
<td>2</td>
<td>680 m²</td>
<td>Catering (500 m²)</td>
<td>100 % (50 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>3</td>
<td>410 m²</td>
<td>Leatherwear/shoes (210 m²)</td>
<td>100 % (67 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>14</td>
<td>11,360 m²</td>
<td>Food (9,530 m²)</td>
<td>86 % (36 %)</td>
</tr>
</tbody>
</table>
Studies suggest that the inhabitants of Osnabrück – young and old alike – are among the most contented people in Germany and that they regard their city as an especially good place to live in. The only large city (population: 156,000) in the country to be situated in a nature park, Osnabrück offers a broad spectrum of cultural, educational and leisure facilities, plus fine opportunities for shopping, with just short distances to cover. So it is hardly surprising that domestic and international retailers are eager to gain a foothold there.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases/ openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grosse Strasse</td>
<td>Consumer</td>
<td>450 m</td>
<td>3,408</td>
<td>130 €/m²</td>
<td>80 %</td>
<td>Pohland (2,000 m²), Desigual (900 m²), Tommy Hilfiger (350 m²)</td>
</tr>
</tbody>
</table>

RENEWED RISE IN PRIME RENT

In recent years, the prime rent on Osnabrück’s A-precinct, Grosse Strasse, has risen steadily and at the end of 2014 it reached a new high of 130 €/m². In view of the sustained shortage of space coupled with growing demand, the possibility of a further increase in the prime rent in the course of this present year cannot be excluded. Clothing firms in particularly are quite prepared to pay key money to obtain premises on Grosse Strasse, which has the city’s highest footfall figures (3,408 pedestrians/h) and a very good tenant mix with mutually complementary offerings. At Grosse Strasse 57-60, new space is currently being created by a demolition and construction measure, but this has already been secured by the two garment firms of Pohland (2,000 m²) and Tommy Hilfiger (350 m²). Since retailers are often unable to acquire premises on Grosse Strasse, they are now starting to exhibit interest in B-locations or in the new shopping centre development on Neumarkt.

DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER

<table>
<thead>
<tr>
<th>Top rent in €/m²</th>
<th>Purchase price multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>300 €</td>
<td>30.0</td>
</tr>
<tr>
<td>250 €</td>
<td>25.0</td>
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<tr>
<td>200 €</td>
<td>20.0</td>
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<td>150 €</td>
<td>15.0</td>
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<td>100 €</td>
<td>10.0</td>
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<tr>
<td>50 €</td>
<td>5.0</td>
</tr>
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</table>

TOP RENT – INTER-CITY COMPARISON

<table>
<thead>
<tr>
<th>Wiesbaden</th>
<th>Bonn</th>
<th>Würzburg</th>
<th>Osnabrück</th>
<th>Aachen</th>
<th>Bremen</th>
<th>Trier</th>
</tr>
</thead>
<tbody>
<tr>
<td>160</td>
<td>150</td>
<td>140</td>
<td>130</td>
<td>120</td>
<td>110</td>
<td>100</td>
</tr>
</tbody>
</table>

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GROSSE STRASSE MOST FAVOURED AREA

There were six lettings in the A-locations in 2014, with combined take-up of 4,330 m². As well as the Pohland and Tommy Hilfiger deals mentioned above, these involved Desigual (900 m²) and Betty Barclay (80 m²) plus Foot Locker (550 m²), all in Grosse Strasse. The chain-store ratio was 100 % and the internationality rate was 50 %. It remains to be seen how the new development on Neumarkt at the top of Grosse Strasse, which will bridge the gap over to Johannisstrasse, will impact on retail trade.
As the capital and largest city of Baden-Württemberg, Stuttgart (604,000 inhabitants) is the major economic and cultural centre of south-western Germany. Its downtown A-locations have a very interesting retail spectrum which stretches along central Königstrasse and the adjacent side-streets. The strong demand from domestic and international companies and the high footfall figures all confirm this location’s attractiveness.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Königstrasse</td>
<td>Consumer</td>
<td>1,100 m</td>
<td>7,949</td>
<td>275 €/m²</td>
<td>86 %</td>
<td>Reserved (3,300 m²), Mango (1,250 m²)</td>
</tr>
<tr>
<td>Stiftstrasse</td>
<td>Upmarket</td>
<td>60 m</td>
<td>–</td>
<td>185 €/m²</td>
<td>100 %</td>
<td>Eckerle (1,809 m²), Longchamp (220 m²)</td>
</tr>
<tr>
<td>Marktplatz / Kirchstrasse</td>
<td>Upmarket</td>
<td>50 m</td>
<td>–</td>
<td>180 €/m²</td>
<td>50 % / 55 %</td>
<td>Nespresso (870 m²), Thomas Sabo (110 m²)</td>
</tr>
<tr>
<td>Schulstrasse</td>
<td>Consumer</td>
<td>150 m</td>
<td>3,380</td>
<td>140 €/m²</td>
<td>81 %</td>
<td>–</td>
</tr>
<tr>
<td>Calwer Strasse</td>
<td>Consumer</td>
<td>500 m</td>
<td>1,144</td>
<td>90 €/m²</td>
<td>47 %</td>
<td>OSKA (60 m²)</td>
</tr>
</tbody>
</table>

**TOP RENT STAYS STEADY**

The prime rent, obtained on Königstrasse, has remained unchanged year-on-year at 275 €/m². Pedestrian frequencies there are very high, placing this street in the top ten nationwide. In 2014, new lease contracts in the consumer-oriented precinct were concluded by the Polish fashion label Reserved (3,300 m²) and by Mango (1,250 m²). Overall, there is strong demand for space on the part of upmarket and luxury retailers, which has resulted in a slight rise in the top rent on Stiftstrasse (+3 %; 185 €/m²). Premises there have been secured by premium chain store operator Eckerle (1,600 m²) and the French label Longchamp (220 m²). With new tenants Nespresso (870 m²) and Thomas Sabo (110 m²), Marktplatz, too, is evolving into an upmarket precinct, while the development of the Dorotheenquartier will also increase availability in this respect. On Calwer Strasse, which runs parallel to Königstrasse, footfall figures and demand for space are perceptibly lower, which has made the top rent slip to 90 €/m². Fashion label OSKA has opened a new shop there (60 m²).

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

- Top rent in €/m²
- Purchase price multiplier

**TOP RENT – INTER-CITY COMPARISON**

- in €/m²

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CLOTHING FIRMS EXHIBIT STRONG DEMAND

In 2014, Stuttgart’s A-locations produced a total of ten lettings with take-up of almost 8,200 m². Clothing firms were responsible for the biggest slice (79 %). Recently opened shopping centres such as the Gerber and the Milaneo have helped to absorb some of the surplus demand for space in the downtown area. It now remains to be seen just how these additional premises and those in the still-to-be-opened Dorotheenquartier will impact on the established precincts and thus also on the way rents develop.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Stuttgart 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
<th>Trend</th>
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</thead>
<tbody>
<tr>
<td>Population (000)</td>
<td>604</td>
<td></td>
<td>80,767</td>
<td></td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>380</td>
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<tr>
<td>Unemployment rate 2013 (%)</td>
<td>5.9</td>
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<td>6.9</td>
<td></td>
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<tr>
<td>Retail-relevant purchasing power index</td>
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<td>195.9</td>
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<tr>
<td>Centrality ratio</td>
<td>1.21</td>
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<td>1.00</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>3.2</td>
<td></td>
<td>411.8</td>
<td></td>
</tr>
</tbody>
</table>

TREND 2015

- Top rent
- Supply
- Key money

REGISTERED LETTINGS

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>10</td>
<td>8,190 m²</td>
<td>Clothing (6,500 m²)</td>
<td>90 % (50 %)</td>
</tr>
<tr>
<td>Königstrasse</td>
<td>4</td>
<td>5,200 m²</td>
<td>Clothing (4,440 m²)</td>
<td>100 % (75 %)</td>
</tr>
<tr>
<td>Marktplatz</td>
<td>3</td>
<td>1,110 m²</td>
<td>Food (870 m²)</td>
<td>67 % (67 %)</td>
</tr>
<tr>
<td>Stiftstrasse</td>
<td>2</td>
<td>1,820 m²</td>
<td>Clothing (1,600 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>1</td>
<td>60 m²</td>
<td>Clothing (60 m²)</td>
<td>100 % (0 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>108</td>
<td>73,640 m²</td>
<td>Clothing (25,730 m²)</td>
<td>78 % (35 %)</td>
</tr>
</tbody>
</table>

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Thanks to its long history and many ancient buildings, some of which form part of the World Cultural Heritage, Germany’s oldest city acts like a magnet on tourists. Its ambience, with the Porta Nigra as the gateway to the downtown area, creates a very special, indeed unique quality of stay. This also benefits Trier’s retail trade, so that the turnover ratio and centrality figures – despite the just average purchasing power – are among the best in Germany.

OVERVIEW OF A-LOCATIONS

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall / h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simeonstrasse</td>
<td>Consumer</td>
<td>250 m</td>
<td>6,586</td>
<td>120 €/m²</td>
<td>53 %</td>
<td>intimissimi (150 m²)</td>
</tr>
<tr>
<td>Hauptmarkt</td>
<td>Consumer</td>
<td>75 m</td>
<td>–</td>
<td>115 €/m²</td>
<td>60 %</td>
<td>–</td>
</tr>
<tr>
<td>Fleischstrasse</td>
<td>Consumer</td>
<td>400 m</td>
<td>4,384</td>
<td>110 €/m²</td>
<td>41 %</td>
<td>–</td>
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<tr>
<td>Grabenstrasse</td>
<td>Consumer</td>
<td>90 m</td>
<td>4,288</td>
<td>105 €/m²</td>
<td>69 %</td>
<td>Desigual (490 m²)</td>
</tr>
</tbody>
</table>

SOME RENTS MOVE SLIGHTLY HIGHER

Although the supply of space has increased, the strong demand has made some of the top rents in the city centre A-locations climb slightly. At 120 €/m², the prime rent in Trier is achieved on the consumer precinct of Simeonstrasse, where the Italian lingerie label intimissimi has secured a shop of around 150 m². The top rent on Hauptmarkt is 115 €/m² (+5 %), while the figure on the Fleischstrasse extension is only slightly lower at 110 €/m². Close behind comes Grabenstrasse with 105 €/m² (+5 %), where the Spanish fashion label Desigual is now broadening the range on offer with an outlet of nearly 500 m². Brotstrasse, which is the Trier micro-location with the weakest footfall rates up to now, has benefited from a large letting to off-price operator TK Maxx (approx. 3,000 m²), but the top rent here – at 70 €/m² (+8 %) – is still considerably lower than in the other A-locations. For the size of this city, the rental price level is nonetheless relatively high, and in view of the restricted availability of space, a further increase in the prime rent is a possibility.

DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER

- Top rent in €/m²
- Purchase price multiplier

TOP RENT – INTER-CITY COMPARISON

- in €/m²
ONGOING STRONG DEMAND

Interest on the part of retailers remains high. It focuses especially on the two main consumer shopping locations of Hauptmarkt, with its special flair, and Simeonstrasse, with its good pedestrian frequency rating. All the same, in 2014 there were only four lettings in the A-precincts, spread across different areas. Almost all of them involved clothing firms, which – in view of the still relatively low multi-branch ratio – are searching particularly intensively for premises here.

SOCIO-ECONOMIC DATA

<table>
<thead>
<tr>
<th></th>
<th>Trier 2014</th>
<th>Trend</th>
<th>Germany 2014</th>
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<tbody>
<tr>
<td>Population (000)</td>
<td>107</td>
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<td>80,767</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
<td>53</td>
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<td>29,616</td>
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<td>Unemployment rate 2013 (%)</td>
<td>5.7</td>
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<tr>
<td>Retail-relevant purchasing power index</td>
<td>90.1</td>
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<td>100.0</td>
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<tr>
<td>Turnover ratio</td>
<td>181.9</td>
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<td>Centrality ratio</td>
<td>2.02</td>
<td></td>
<td>1.00</td>
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<tr>
<td>Overnight stays 2013 (million)</td>
<td>0.7</td>
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<td>411.8</td>
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</table>

TREND 2015

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Top rent</td>
<td></td>
<td></td>
<td>Demand total</td>
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<tr>
<td>Supply</td>
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<td></td>
<td>Demand international</td>
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<tr>
<td>Key money</td>
<td></td>
<td></td>
<td>Chain-store ratio</td>
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</table>

REGISTERED LETTINGS

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<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>4</td>
<td>3,710 m²</td>
<td>Clothing (3,640 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Grabenstrasse</td>
<td>1</td>
<td>490 m²</td>
<td>Clothing (440 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Simeonstrasse</td>
<td>1</td>
<td>150 m²</td>
<td>Clothing (150 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>2</td>
<td>1,070 m²</td>
<td>Clothing (3,000 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>6</td>
<td>6,270 m²</td>
<td>Automotive (3,600 m²)</td>
<td>83 % (33 %)</td>
</tr>
</tbody>
</table>
The second-biggest city in the Rhine-Main region is generally considered to offer high living quality. As a state capital and cultural metropolis, it provides attractive conditions, something reflected in a steadily growing population. Some of the retail premises in the downtown area have heritage-protected facades, which helps to create a very distinctive flair.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
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<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases / openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kirchgasse</td>
<td>Consumer</td>
<td>550 m</td>
<td>5,722</td>
<td>145 €/m²</td>
<td>89 %</td>
<td>Office Shoes (460 m²), Timberland (130 m²)</td>
</tr>
<tr>
<td>Marktstrasse</td>
<td>Consumer</td>
<td>350 m</td>
<td>2,220</td>
<td>80 €/m²</td>
<td>48 %</td>
<td>Ecco (120 m²)</td>
</tr>
<tr>
<td>Langgasse</td>
<td>Consumer</td>
<td>270 m</td>
<td>–</td>
<td>65 €/m²</td>
<td>63 %</td>
<td>Jack Wolfskin (480 m²), Yves Rocher (65 m²)</td>
</tr>
<tr>
<td>Wilhelmstrasse</td>
<td>Upmarket</td>
<td>900 m</td>
<td>–</td>
<td>60 €/m²</td>
<td>49 %</td>
<td>Auping (390 m²), Laurèl (110 m²)</td>
</tr>
</tbody>
</table>

**DECLINE IN PRIME RENT**

The trend towards slightly easing rental prices already evident in mid-2014 has continued. The prime rent at present is 150 €/m², achieved in the consumer-oriented precinct of Kirchgasse, which is where the US boots and outdoor clothing specialist Timberland has secured a shop of around 130 m². But outside this premium area, rents are already considerably lower. On Marktstrasse, where Danish shoe label Ecco has extended the retail mix, the top rent is 80 €/m². Langgasse has welcomed two new tenants: outdoor specialist Jack Wolfskin (480 m²) and French cosmetics manufacturer Yves Rocher (65 m²). There, the top rent is 65 €/m². The A-location also includes Wilhelmstrasse, which posts a top rent of 60 €/m² and which is where French fashion brand Laurèl has acquired an outlet of around 100 m². Overall it is apparent that the marked surplus of demand seen in recent years has declined, thus relieving the supply situation. The main focus of demand has been for units of between 100 and 200 m².
**LETTINGS IN ALL AREAS**

In all, nine lettings were registered in Wiesbaden’s A-precincts in 2014. They generated combined take-up of about 2,600 m². Langgasse and the upmarket location of Wilhelmstrasse each accounted for three of these lettings, while consumer-geared Kirchgasse generated two. Over one quarter of the space involved was acquired by firms in the leatherwear/footwear sector. It was thus the biggest source of demand, although this was in general spread fairly broadly.

**SOCIO-ECONOMIC DATA**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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<tbody>
<tr>
<td>Population (000)</td>
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<tr>
<td>Employees subject to social insurance (000)</td>
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<td>Unemployment rate 2013 (%)</td>
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<td>Retail-relevant purchasing power index</td>
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**REGISTERED LETTINGS**

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Take-up</th>
<th>Top sector (take-up)</th>
<th>Chain-store ratio (internationality)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-locations total</td>
<td>9</td>
<td>2,600 m²</td>
<td>Leatherwear/shoes (210 m²)</td>
<td>78 % (67 %)</td>
</tr>
<tr>
<td>Wilhelmstrasse</td>
<td>3</td>
<td>560 m²</td>
<td>Furniture (390 m²)</td>
<td>67 % (67 %)</td>
</tr>
<tr>
<td>Langgasse</td>
<td>3</td>
<td>1,330 m²</td>
<td>Leisure (480 m²)</td>
<td>100 % (33 %)</td>
</tr>
<tr>
<td>Kirchgasse</td>
<td>2</td>
<td>590 m²</td>
<td>Leatherwear/shoes (210 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Other A-locations</td>
<td>1</td>
<td>120 m²</td>
<td>Leatherwear/shoes (120 m²)</td>
<td>100 % (100 %)</td>
</tr>
<tr>
<td>Other locations</td>
<td>13</td>
<td>18,590 m²</td>
<td>Food (9,090 m²)</td>
<td>85 % (15 %)</td>
</tr>
</tbody>
</table>

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As the biggest city in Lower Franconia and the home of a popular university, Würzburg plays an important role for the entire region and is responsible for a range of central functions. This applies especially to the retail trade, which enjoys a large catchment area extending well beyond the municipal boundaries. Despite just average purchasing power, the city has turnover ratio and centrality figures which are high by nationwide standards.

**OVERVIEW OF A-LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Category</th>
<th>Length</th>
<th>Footfall/h</th>
<th>Top rent</th>
<th>Chain-store ratio</th>
<th>Selected new leases/openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schönbornstrasse</td>
<td>Consumer</td>
<td>250 m</td>
<td>4,426</td>
<td>135 €/m²</td>
<td>92 %</td>
<td>Zara (1,800 m²), Görtz (1,100 m²), Vodafone (580 m²), Hunkemöller (120 m²)</td>
</tr>
<tr>
<td>Kürschnerhof</td>
<td>Consumer</td>
<td>120 m</td>
<td>–</td>
<td>135 €/m²</td>
<td>79 %</td>
<td>–</td>
</tr>
<tr>
<td>Domstrasse</td>
<td>Consumer/Upmarket</td>
<td>100 m</td>
<td>3,808</td>
<td>125 €/m²</td>
<td>54 %</td>
<td>Rituals (180 m²)</td>
</tr>
<tr>
<td>Marktplatz</td>
<td>Consumer</td>
<td>50 m</td>
<td>–</td>
<td>125 €/m²</td>
<td>57 %</td>
<td>–</td>
</tr>
<tr>
<td>Kaiserstrasse</td>
<td>Consumer</td>
<td>240 m</td>
<td>2,342</td>
<td>110 €/m²</td>
<td>60 %</td>
<td>H&amp;M (1,050 m²), Luxem (270 m²)</td>
</tr>
<tr>
<td>Juliuspromenade</td>
<td>Consumer</td>
<td>160 m</td>
<td>–</td>
<td>110 €/m²</td>
<td>50 %</td>
<td>–</td>
</tr>
</tbody>
</table>

**STRONG DEMAND – LIMITED SUPPLY**

In 2014, demand for space was once again very strong and supply was limited, and so top rents in the elongated A-location, which stretches from Domstrasse to Kaiserstrasse, presented a relatively balanced picture. The highest rents, of 135 €/m² in each case, are obtained in Schönbornstrasse and Kürschnerhof. The Hof Emeringen retail/office building, which opened in 2014 at the intersection of Schönbornstrasse and Eichhornstrasse, has attracted Spanish fashion firm Zara (around 1,800 m²) and footwear chain Görtz (approx. 1,100 m²) as tenants. Other companies to acquire shops on Schönbornstrasse were Vodafone (580 m²) and lingerie specialist Hunkemöller (120 m²). At 125 €/m², the top rent on Domstrasse and Markt Platz is only slightly lower than in the two premium precincts and even at the end of the A-area, on Juliuspromenade and Kaiserstrasse, where the retail mix is more regional in character, the rent is still 110 €/m². Kaiserstrasse is set to become appreciably more attractive following conversion and revamping measures. One result is that H&M has opted for this street and acquired premises of more than 1,000 m² there.

**DEVELOPMENT OF TOP RENT AND PURCHASE PRICE MULTIPLIER**

![Graph showing development of top rent and purchase price multiplier](image)

**TOP RENT – INTER-CITY COMPARISON**

![Graph comparing top rent across different cities](image)
CHAIN STORE OPERATORS DOMINATE DEMAND

In 2014, Würzburg’s A-precincts registered five new lettings, with total take-up of close to 2,100 m². The lettings were in Schönbornstrasse (3) and Kaiserstrasse (2), with the other A-location streets unable to offer any available premises. The new concepts and brands involved all belong to chain store operators, thus highlighting the great interest shown in downtown Würzburg as a place to attract shoppers.
REFERENCES

RETAIL MARKET GERMANY 2015

REFERENCES LETTING

BERLIN
MICHAEL KORS
Kurfürstendamm 219
10719 Berlin

FRANKFURT
WELLENDORFF
Goethestrasse 4-8
60313 Frankfurt am Main

HAMBURG
AESOP
Poststrasse 22
20354 Hamburg

HAMBURG
PORSCHE DESIGN
Poststrasse 2-4
20354 Hamburg

COLOGNE
CALVIN KLEIN
Apostelnstrasse 13
50667 Cologne

LEIPZIG
CALZEDONIA, INTIMISSIMI
Petersstrasse 1-13
04109 Leipzig

DÜSSELDORF
MEPHISTO
Schadowstrasse 24
40212 Düsseldorf

NUREMBERG
ADIDAS
Karolinenstrasse 47
90402 Nuremberg

FRANKFURT
PRADA, BOTTEGA VENETA
ONE Goetheplaza
Goetheplatz 5-11
60313 Frankfurt am Main

WIESBADEN
LAUREL
Vier Jahreszeiten
Wilhelmstrasse 52a-c
65183 Wiesbaden
REFERENCES INVESTMENT

BERLIN
Berliner Strasse 2
13507 Berlin

LEIPZIG
Barthels Hof
Hainstrasse 1-3
04109 Leipzig

BERLIN
Woolworth Portfolio
Berlin

LEIPZIG
Hainstrasse 12-14
04109 Leipzig

LANDAU
Kronstrasse 39
76829 Landau

MÜLHEIM AN DER RUHR
Steinkampstrasse 49
45476 Mülheim an der Ruhr

LEIPZIG
Hainstrasse 6
04109 Leipzig

MUNICH
Pasinger Bahnhofsplatz 3
81241 Munich