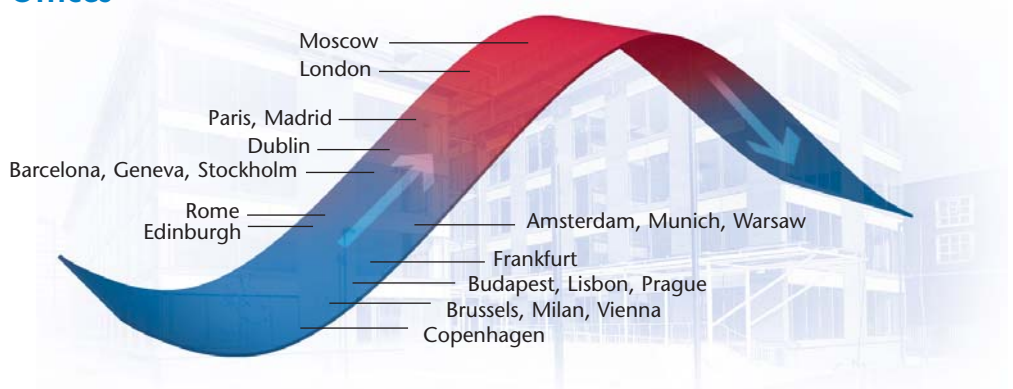


# European market indicators

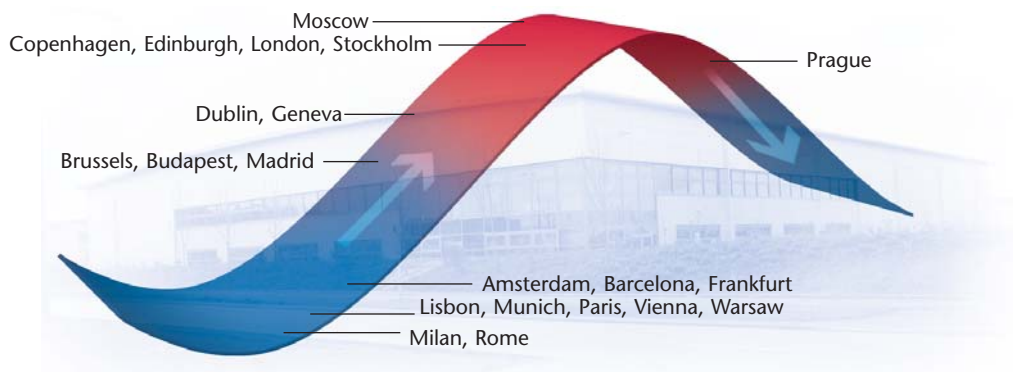
Spring • 2008

## European rental cycles

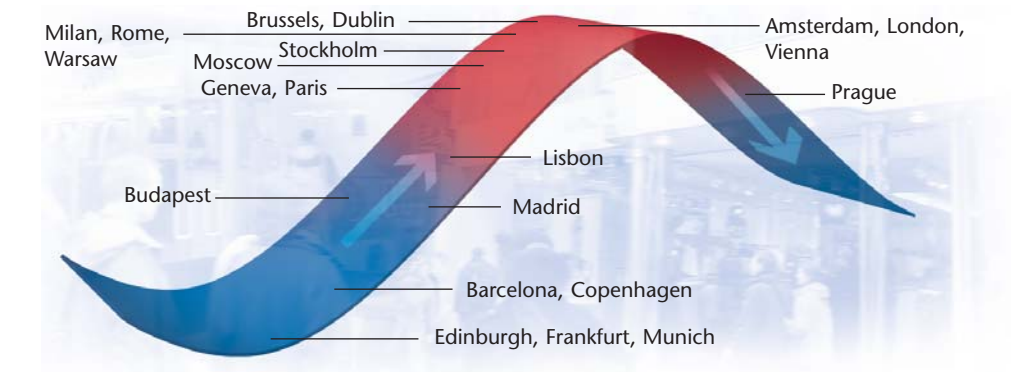
### Offices



### Distribution



### Shopping centres



The Knight Frank wave depicts the current position of selected European centres with respect to their local prime rental cycle. As demand swells relative to supply and rents rise, centres move towards the crest of the wave. As demand ebbs and rental levels weaken, centres start to move down the wave towards the trough. Some markets will ride the wave more quickly than others. Similarly, some markets will tread water for periods of time or move only gently through the wave.

## Market monitor – Spring 2008

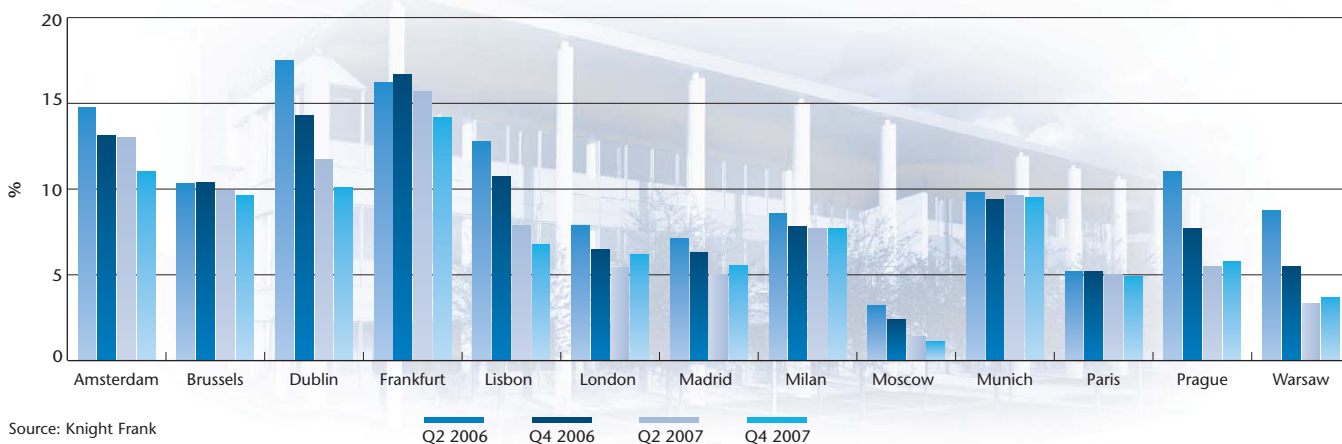
City	Offices		Distribution		Retail (shopping centres)	
	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)
Amsterdam	385	5.50	80	6.25	1,200	5.00
Barcelona	336	4.25	103	6.25	1,458	5.25
Brussels	285	5.25	67	6.50	1,200	5.25
Budapest	204	6.25	66	7.00	1,200	6.25
Copenhagen	235	5.00	66	6.00	1,000	5.25
Dublin	700	4.25	140	5.00	4,500*	3.25
Edinburgh	416	5.50	102	6.25	2,560*	5.75
Frankfurt	456	5.00	78	6.50	1,920*	5.50
Geneva	470	5.00	96	6.75	650	5.25
Lisbon	252	6.00	72	7.00	840	5.25
London	1,607	5.00	212	6.00	6,427*	5.00
Madrid	504	4.00	104	6.00	1,625	5.00
Milan	520	5.00	57	7.00	700	5.00
Moscow	1,358	8.00	100	9.50	1,426	8.00
Munich	372	4.50	78	6.25	1,800*	5.50
Paris	840	4.00	56	6.00	2,500	4.00
Prague	240	5.50	60	6.50	600	6.25
Rome	460	5.00	57	7.00	600	5.00
Stockholm	450	4.75	100	6.25	1,100	5.00
Vienna	276	4.50	60	7.00	840	5.25
Warsaw	380	5.50	72	6.50	840	5.50

Source: Knight Frank

Indicative prime yields, as quoted locally, based upon a hypothetical Grade A unit. Office rents are for prime city area Grade A space, 2,000 sq m. Shopping Centre rents are based on prime covered shopping malls, quoted on best position, 100 sq m units. Distribution rents are for prime industrial space of units over 5,000 sq m. The data above is provided for general reference purposes only. Local market conditions will vary. \*Zoned/weighted figure.

Figure 1

### European office vacancy rates



Source: Knight Frank

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