

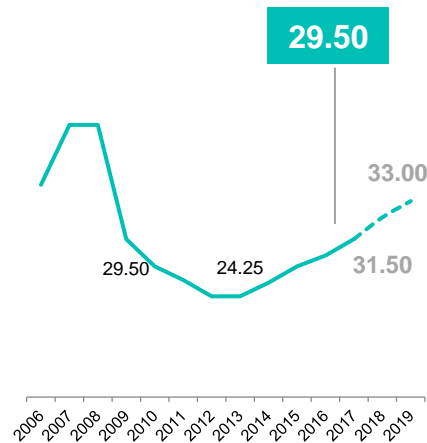
OFFICES SNAPSHOT

3rd QUARTER 2017

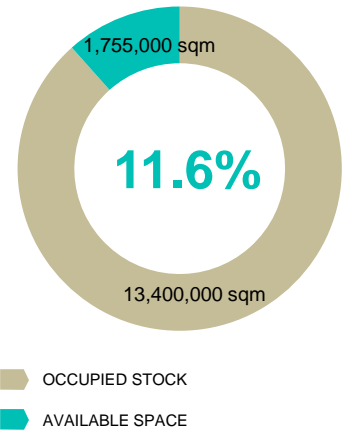
OCCUPIER MARKET

- Prime rents continue to trend upwards standing at €29.5 per sqm/month. It could easily be reached €30 per sqm/month by the end of the year.
- Available office space in Madrid suffers a slight decrease with respect to the 2nd quarter of the year with the vacancy rate standing at 11.6%.
- During Q3 2017, office take-up reaches almost 360,000 sqm, estimated to reach 500,000 sqm by the end of the year
- The highest rent in CBD area has reached €38 per sqm/month in the third quarter of the 2017.

GRAPH 1
Variation in prime rents
Q3 2017



GRAPH 2
Vacancy rate
Q3 2017



GRAPH 5
TOP3 | main occupier transactions
Q3 2017

MAPFRE SOR ÁNGELA DE LA CRUZ 6 | CBD

6,731 sqm

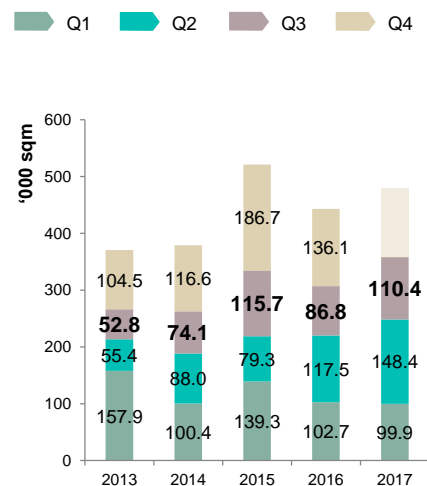
IE VELÁZQUEZ 130 | CBD

6,310 sqm

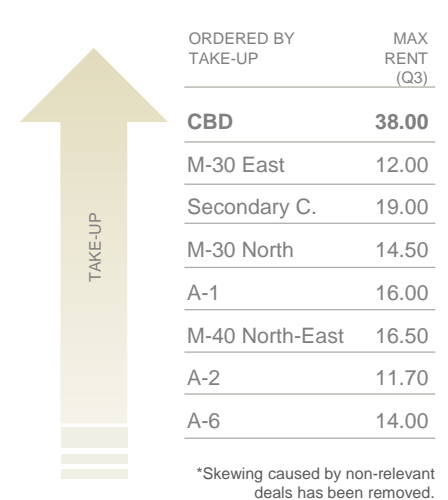
WEWORK CASTELLANA 43 | CBD

5,455 sqm

GRAPH 3
Quarterly take-up performance
2013 - Q3 2017



GRAPH 4
Take-up and maximum by area*
Q1-Q3 2017



QUARTERLY TAKE-UP PERFORMANCE MADRID | 2017

Q1: 99,900 sqm

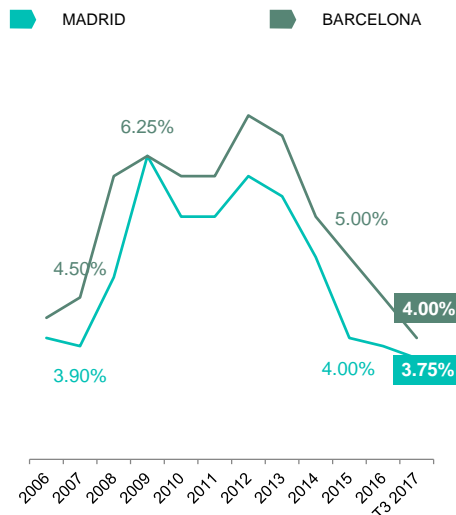
Q2: 148,400 sqm

Q3: 110,400 sqm

INVESTMENT MARKET MADRID AND BARCELONA

- During the first three quarters of 2017, investment in offices in Madrid reached €928 million and €705 million in Barcelona.
- So far this year, investment funds have emerged as the main players in the office investment market, accounting for 25.5% office investment in Barcelona and 42.4% in Madrid.
- SOCIMs are expected to be one of the most active sellers by the end of the year together with the investment funds.
- The heightened pressure to buy on the part of the investors, coupled with the lack of product, has kept yields at low levels: 3.75% in the best buildings in Madrid and 4% in Barcelona.

GRAPH 6
Variation in prime yields
2006-Q3 2017



GRAPH 7
Prime yields in European cities
Q3 2017*

	YIELD (Q3)
Brussels	4.50
London City	4.25
Amsterdam	4.00
Frankfurt	3.60
London WE	3.50
Berlin	3.25
Paris	3.00
Dublin	4.50

*Latest data available.

GRAPH 8
TOP3 | investment transactions
Q3 2017

COMPLEJO LUXA

VENDOR: 1810 CAPITAL INVESTMENTS, GRUPO CASTELLVI Y STONEWEG
PURCHASER: GRUPO CATALANA OCCIDENTE

€ 90 M | 5,483 €/sqm

FONTANELLA 8

VENDOR: AVIGNON CAPITAL
PURCHASER: CBRE GI

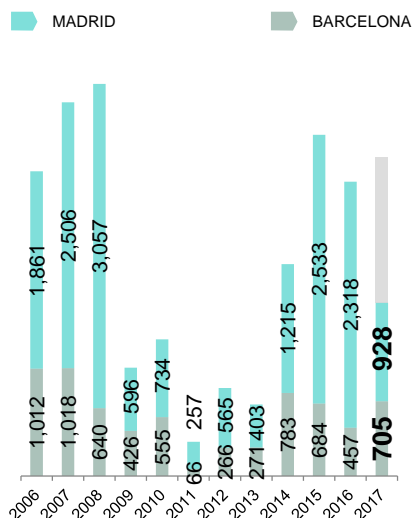
€ 64.7 M | 7,962 €/sqm

CARRERA DE SAN JERÓNIMO 15

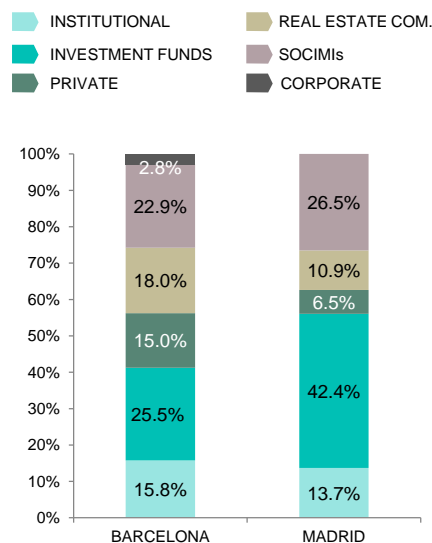
VENDOR: MUTUA MADRILEÑA
PURCHASER: REMER INVESTMENT

€ 60 M | 8,413 €/sqm

GRAPH 9
Variation in investment volume
Millions of euros



GRAPH 10
Investment volume by type of investor. Q1 - Q3 2017



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