



CEE (EXCLUDING RUSSIA) PROPERTY INVESTMENT VOLUME
+11% Y-O-Y



RUSSIA PROPERTY INVESTMENT VOLUME
-45% Y-O-Y

ABUNDANCE OF EQUITY AS WELL AS INCREASING DEBT AVAILABILITY WIDENS CEE CRE RECOVERY

Hot Topics

- CEE CRE investment market (excl Russia) up by 11% Y-o-Y, based on preliminary data.
- Continued strong interest in commercial real estate driven by low interest rates and increased allocation towards the asset class.
- Based on the deal pipeline a strong Q4 2014 is expected. No signs of a slowdown of this activity are visible in the marketplace and therefore a continuation of increasing volumes is anticipated into 2015.
- Poland's real estate market continues to attract strong investment. Limited availability of product in prime segment makes capital considering CZ, RO, HU as alternatives.
- Investment in the Czech Republic, Hungary and Romania increases further.
- Russia's CRE investment drops around 45% Y-o-Y. Cross-border activity during Q3 was concentrated on prime properties with low vacancy.

Table 1: CEE CRE Investment Market by Country (€ mln)

Market Turnover	Q1-Q3 2014	Q1 – Q3 2013	Change Y-o-Y
Bulgaria	78	3	-
Croatia	146	0	-
Czech Republic	1,007	908	+11%
Baltic states	169	351	-
Hungary	396	175	+126%
Poland	1,781	2,057	-13%
Romania	699	222	+215%
Russia	2,054	3,756	-45%
Slovak Republic	60	196	-
Serbia	0	0	-
Ukraine	0	0	-
CEE (excluding Russia)	4,336	3,912	+11%

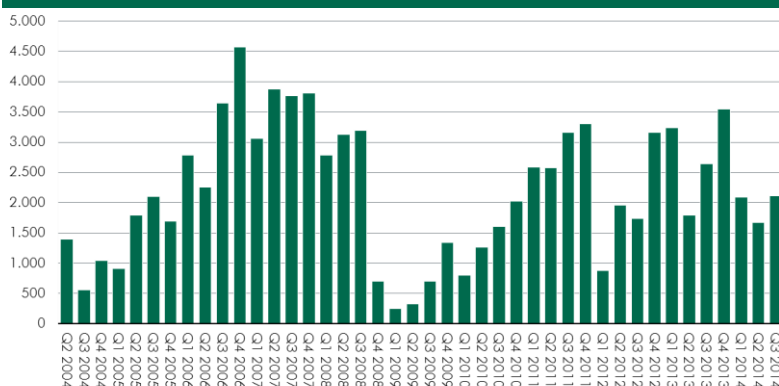
Table 2: CEE CRE Investment Market by Segment, excl RUS (€ mln)

Market Turnover*	Q1-Q3 2014	Q1 – Q3 2013	Change Y-o-Y
Office	2,129	1,969	+8%
Retail	838	1,298	-35%
Industrial	738	581	+27%

Source: CBRE Research

* CRE Investment outside Office, Retail and Industrial segment not listed. Therefore the total may be less compared to the country total.

Chart 1: CEE Investment Market (€ mln)



Source: CBRE Research

CONTACTS

For more information about this MarketView, please contact:

CEE Research & Consulting

Jos Tromp

Senior Director

Head of CEE Research & Consulting

t: +49 (0) 89 2420 6018

e: jos.tromp@cbre.com

CEE & Poland

Mike Atwell

Senior Director

Head of CEE Capital Markets

t: +48 22 544 8070

e: mike.atwell@cbre.com

SEE & Hungary

Tim O'Sullivan

Director

Capital Markets

t: +36 1 374 3040

e: tim.o'sullivan@cbre.com

Czech Republic

Jeff Alson

Head of Capital Markets

Capital Markets

t: +420 224 814 060

e: jeff.alsen@cbre.com

Romania

Viorel Lacatus

Director

Capital Markets

t: +40 21 302 50 50

e: viorel.lacatus@cbre.com

Slovakia

Marian Mlynarik

Head of Capital Markets

Capital Markets

t: +421 (0) 2 3255 3300

e: marian.mlynarik@cbre.com

Russia

Andrei Novikov

Head of Capital Markets

Capital Markets

t: +7 495 258 3990

e: andrei.novikov@cbre.com

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