

Vienna Research Forum:

Vienna office market: Strong finish to the year in the fourth quarter

- 4th quarter letting volume amounted to a total of approximately 70,700 m²
- Largest pre-letting volume accounts for almost 40% of leases
- VRF has completed first quarterly-based reporting year for the Vienna office market

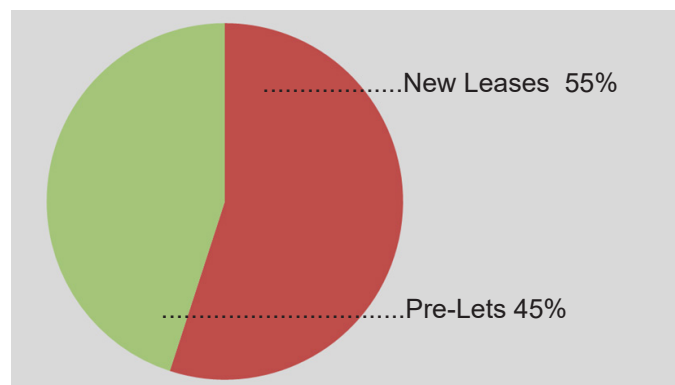
In the fourth quarter of 2016, the letting volume on the Vienna office market reached approximately 70,700 m² and was thus slightly higher than the average of the first three quarters, however 23% lower than the letting volume in the third quarter (91,500 m²)*. The overall letting volume on the Vienna office market in 2016 amounted to 270,000 m².

This is what the quarterly results of the new Vienna Research Forum (VRF) show regarding the current key data of the Vienna office market after having been evaluated. The VRF only takes into account modern office space built since 1990 or completely renovated and office space which meets certain quality criteria such as indoor climate, elevators or IT standards.

According to the Vienna Research Forum, the largest take-up was the lease of 28,000 m² to BAWAG in "The Icon" which is located in the submarket (office location) of the Central Station. It is being developed by SIGNA and should be completed in the middle or end of 2018. This pre-letting represents around 40% of the total letting volume in the fourth quarter. Further large-scale lettings were registered in the submarkets Erdberg -

St. Marx (East) with 5,200 m² and Wienerberg (South) with 3,300 m². A total of 56 lettings were recorded in the fourth quarter, which corresponds to about 20% of a total of 283 throughout 2016.

Take-up based on type of rental with regard to space:



A closer look at take-up based on type of rental shows that 55% account for new leases and 45% for pre-lets.

Vacancy: continues to fall in fourth quarter

The vacancy rate in the VRF stock of modern office buildings in Vienna amounted to 5.5% at the end of the fourth quarter of 2016, and is thus 0.3% lower compared to the third quarter figure. The submarket with the lowest vacancy rate was the CBD – Inner Districts – with 3.1% (compared to 2.8% in Q3) followed by the submarket Central Station with 4% (compared to 6.6% in Q3) and the submarket with the highest rate was Wienerberg-South with 10.6%. However, this figure is also declining compared to the third quarter (11.1%) For the first time, the VRF has also raised the total stock of office space for Vienna and updated it at the end of the fourth quarter it amounts to approximately 5,594,119 m²***, of which 60% belong to class A and 40% to class B real estate according to VRF standard. In the fourth quarter,

Submarket analysis Q4 2016, including vacancy and take-up:

Submarket name	active objects total space in m ²	active objects total space in m ² class A	active objects total space in m ² class B	vacancy rate in %	take-up Q4 2016
CBD	2,201,623	942,979	1,258,644	3.1%	3,342
Donaucity	513,436	263,334	250,102	6.5%	2,761
Prater/Lassallestraße	592,603	491,215	101,388	6.9%	6,057
Erdberg	643,592	528,373	115,219	8.1%	14,412
Main train station	427,489	284,188	143,301	4.0%	29,671
Wienerberg	542,629	268,848	273,781	10.6%	11,478
North	416,758	199,733	217,025	4.6%	650
West	255,989	140,693	115,296	8.1%	2,319
Total	5,594,119	3,119,363	2,474,756	5.5%	70,690

a property with a total of approx. 13,000 m² was completed in the submarket Erdberg.

About the Vienna Research Forum

The Vienna Research Forum initiator is the Association for Quality Promotion in the Real Estate Sector (immQu) with the leading Vienna commercial real estate companies bareal Immobilienreuehand GmbH, CBRE GmbH, Colliers International, Immobilienmakler GmbH, EHL Immobilien GmbH, ÖRAG Immobilienvermittlungsges.m.b.H., OTTO

Immobilien GmbH and Spiegelfeld International GmbH. They provide anonymously and independently of each other key parameters, such as take-up, vacancy rates, completions, to the VRF database. The data is then published quarterly to provide a comparative analysis which helps investors and companies.

www.viennaresearchforum.at

Further information:

Members of the Vienna Research Forum:

bareal Immobilienreuehand GmbH

T +43 1 205 215 16
Executive director: Mag. Alexandra Plessnig,
plessnig@bar.at
Research: Mag. (FH) Elisa Stadlinger,
stadlinger@bar.at

CBRE GmbH

T +43 1 533 40 80
Managing director: Dr. Andreas Ridder, andreas.
ridder@cbre.com
Research: Ing. Martin Ofner,
martin.ofner@cbre.com

Colliers International Immobilienmakler GmbH

T +43 1 535 53 05 54
CEO: Georg Muzicant, MRICS, MBA,
Project Development: Mag. Gabriele Seliger, M.Sc
MRICS, gabriele.seliger@colliers.at

EHL Immobilien GmbH

T +43 1 512 76 90
Managing partner: Mag. Michael Ehlmaier, FRICS,
m.ehlmaier@ehl.at
Research: Mag. Stefan Wernhart, MRICS, s.wer-
nhart@ehl.at

immQu - Association for Quality Promotion in the Real Estate Sector

T +43 1 997 13 27
Board chairman of immQu and head of VRF: Mag.
Alexander Bosak, MRICS, MBA,
office@immqu.at

ÖRAG Immobilien Vermittlungsgesellschaft m.b.H.

T +43 1 534 73 214
Managing director: Mag. (FH) Reinhard Prüfert,
pruefert@oerag.at
Research: Tanja Mölzer M.A.,
moelzer@oerag.at

OTTO Immobilien GmbH:

T +43 1 512 77 77
Managing director: Dr. Eugen Otto, MRICS,
eugen@otto.at
Research: Martin Denner, BSc,
m.denner@otto.at

Spiegelfeld Immobilien GmbH

T +43 1 513 23 13-0
CEO: KR Georg Spiegelfeld,
georg@spiegelfeld.eu
Research: Harald Rank,
harald.rank@spiegelfeld.eu

* The take-up of the previous quarter can be adjusted if late entries and adaptations become known to the VRF after the survey date.

** The stock of office space can change from quarter to quarter due to regular adaptations of unclassified objects, conversions and completions.