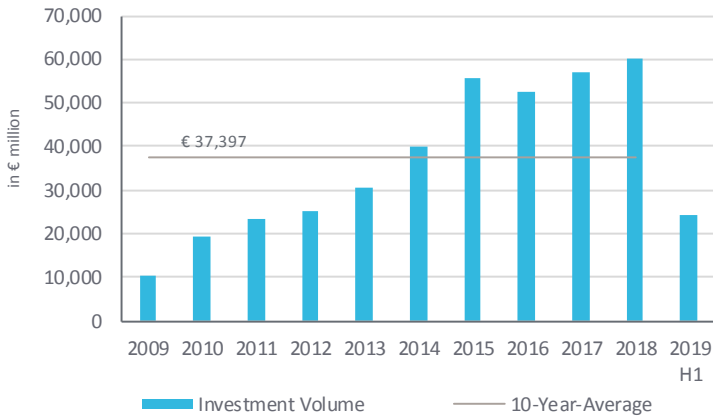


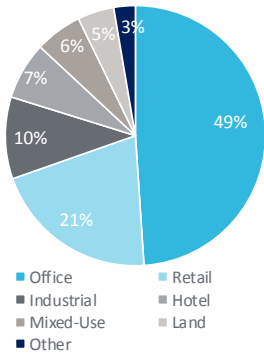
## Investment Volume



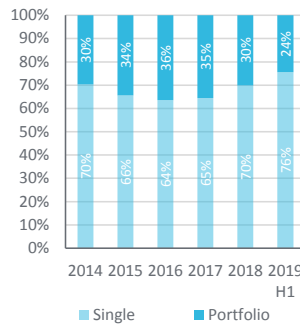
### Economic Background

- unemployment at the lowest level since 1991
- number of employees at a record high
- wages and salaries tending upward
- inflation in June 2019 at 1.6 %
- interest rates at a stable, low level
- private consumption at a high level
- GDP forecast for 2019 at 0.5%
- sound public finances

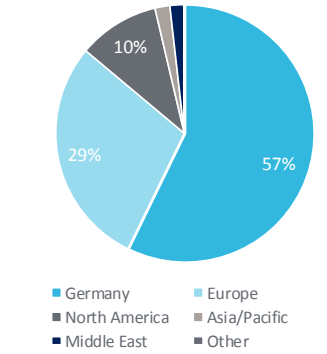
## Market Share by Segment



## Deal Type



## Investor Origin



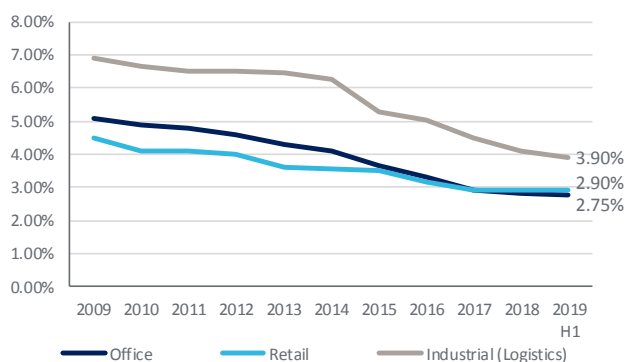
## Overview

- With a result of € 24.3 billion in the first half of 2019, the investment volume remained slightly below the previous year's level, however at a high level.
- The office segment dominated with some € 11.9 billion, an increase of 8% over H1 2018.
- Single deals contributed a major share to this result. This share has again risen compared to the previous year (76% vs. 72%), based on a series of large-volume trophy sales.
- In total, 43% of investment volume was generated by foreign investors. Their focus is on the German A cities.

## Germany in numbers

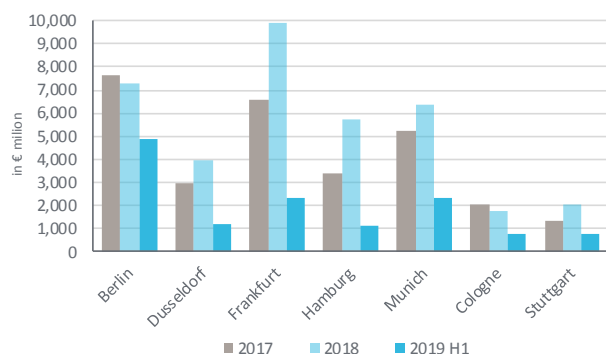
population (06-2018)	82.9 million
unemployment rate (06-2019)	4.9 %

## Prime Yield - NIY



Segment	H1 2018	H1 2019
Office	2.90%	2.75%
Highstreet	2.90%	2.90%
Shopping Center	4.05%	4.10%
Retail Warehouse	5.40%	5.30%
Retail Parks	4.60%	4.30%
Industrial	4.40%	3.90%

## Investment Volume Top-7



Top-7	H1 2019 in € million	Change y-o-y
Germany	24,270	-5.1%
Berlin	4,900	65.0%
Dusseldorf	1,210	-9.0%
Frankfurt	2,355	-28.2%
Hamburg	1,100	-51.3%
Munich	2,300	-39.2%
Cologne	780	20.0%
Stuttgart	790	-2.5%

## Outlook

The tensions between the US and China are slowly taking effect. The order situation among German industrial companies is declining, consumer sentiment is deteriorating and Brexit is still unclear. At the same time, the ECB reference rate remains historically low. Despite sinking prime yields for real estate – for offices it is now at 2.75% – investments in German real estate are still very attractive compared to risk-free government bonds. Whether Draghi's successor Lagarde will change the strategic direction of the ECB remains to be seen. Against this background, the total volume of commercial real estate investments in 2019 will be below the strong previous years, but will be well above the 10-year average.

Quellen: Thomas Daily, RCA, Bundesbank, GfK, ifo Institut, Bundesministerium für Wirtschaft und Energie, Destatis, Bundesagentur für Arbeit, Avison Young

**Avison Young -  
Germany GmbH**

Raboisen 5  
20095 Hamburg

**Inga Schwarz** Head of Research Germany  
Tel: +49 40 360 360 41 | inga.schwarz@avisonyoung.com

**Jutta Rehfeld** Senior Research Analyst  
Tel: +49 40 360 360 42 | jutta.rehfeld@avisonyoung.com

**AVISON  
YOUNG**

**CANADA  
BEST  
MANAGED  
COMPANIES**

Platinum member

avisonyoung.de