

European Market Indicators

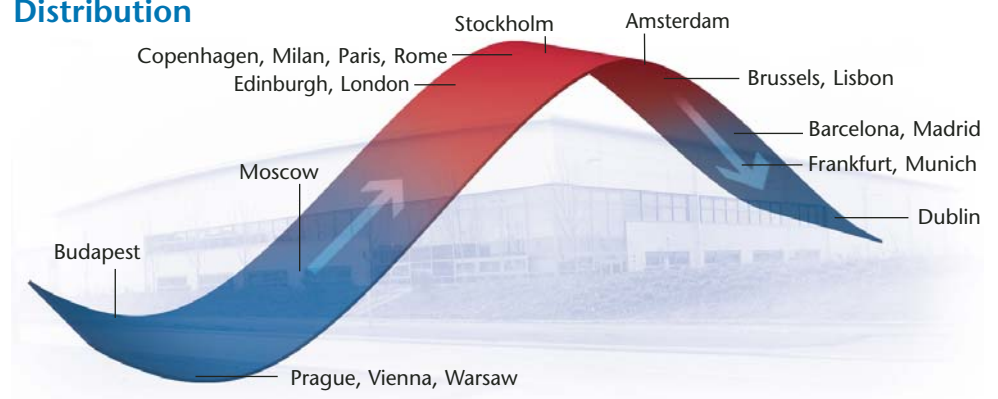
Spring • 2004

European Rental Cycles

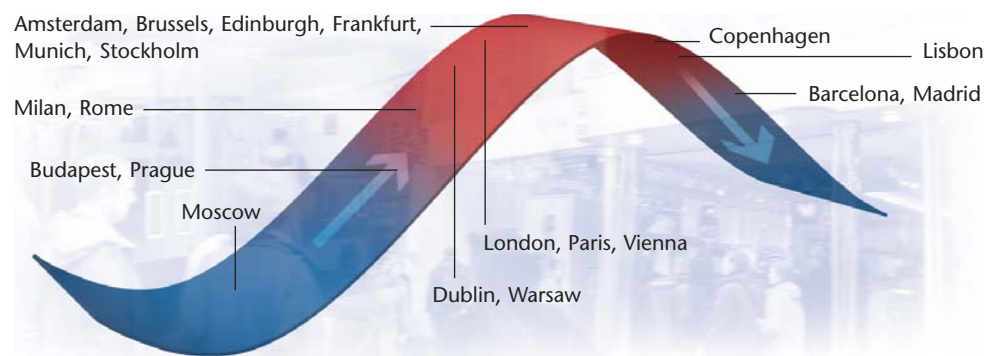
Offices



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 2004

Centre	Offices		Distribution		Shopping Centres	
	Prime Rents (€/sq m/yr)	Prime Yields (%)	Prime Rents (€/sq m/yr)	Prime Yields (%)	Prime Rents (€/sq m/yr)	Prime Yields (%)
Amsterdam	330	6.50	85	7.50	690	6.50
Barcelona	275	5.75	85	7.50	650	6.50
Brussels	300	6.50	60	8.00	870	6.75
Budapest	220	8.00	72	10.00	750	8.50
Copenhagen	245	6.50	70	8.00	470	6.25
Dublin	480	5.25	125	6.75	2,400*	4.50
Edinburgh	435	6.00	91	6.75	1,883*	5.75
Frankfurt	456	5.50	71	8.00	1,680*	6.00
Lisbon	240	7.25	84	8.50	636	6.75
London	1007	5.25	201	6.50	3,135*	5.75
Madrid	312	5.25	85	7.50	650	6.50
Milan	490	6.00	70	8.00	500	7.00
Moscow	605	12.00	109	25.00	1,093	20.00
Munich	375	5.25	80	7.75	1,800*	5.75
Paris	700	5.75	58	8.25	550	6.00
Prague	228	8.00	72	9.75	432	8.50
Rome	425	6.00	70	8.50	500	7.00
Stockholm	400	6.50	80	8.50	1,000	6.25
Vienna	264	5.00	66	7.75	875	6.00
Warsaw	264	9.00	60	10.25	420	9.00

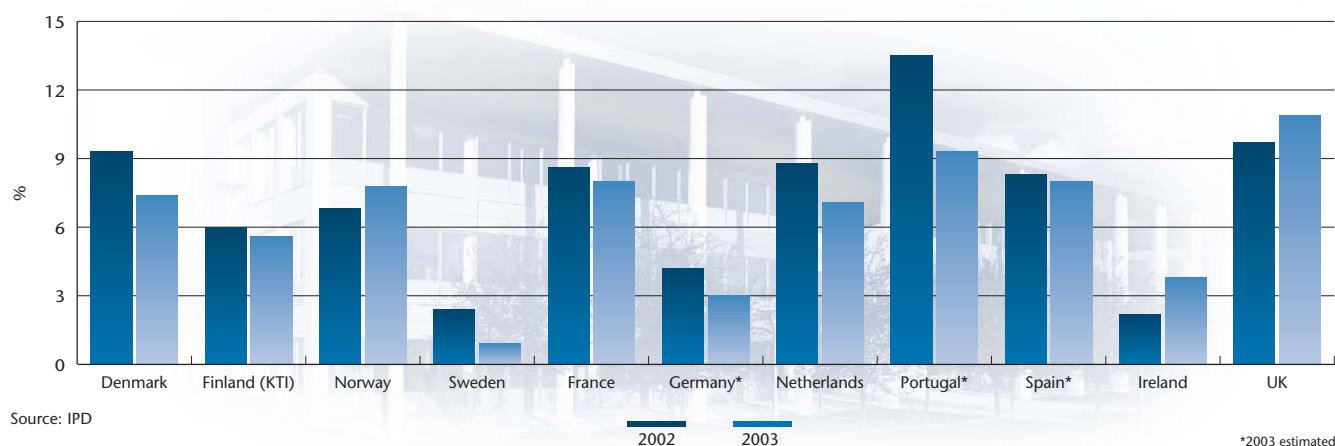
Source: Knight Frank

Indicative prime yields, as quoted locally, base upon a hypothetical Grade A unit. Office rents are for prime city area Grade A space. 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

All property total returns 2002/2003



Source: IPD

2002 2003

*2003 estimated

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