

Q3 2021

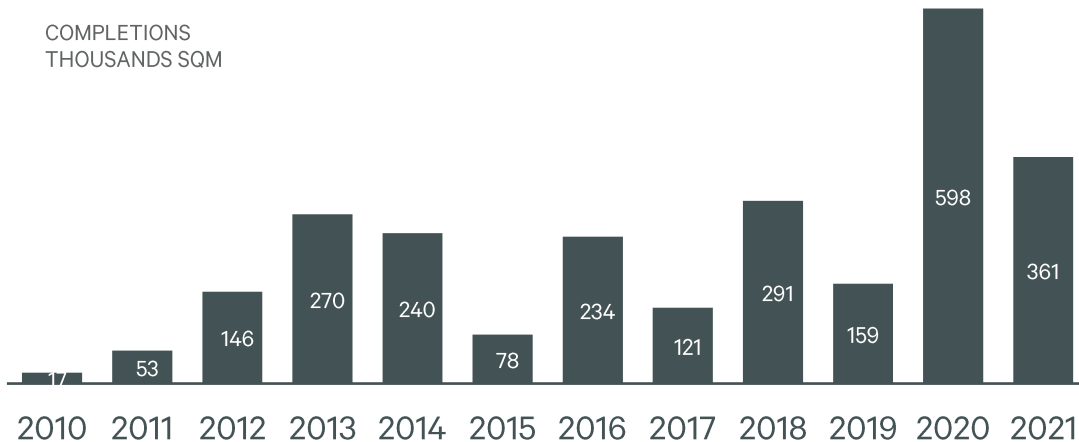
Sweden Logistics Market Q3 2021

CBRE RESEARCH
NORDICS REAL ESTATE MARKET SNAPSHOT

KEY PERFORMANCE INDICATORS (Q3 2021)

<p>Prime Rent, SEK</p> <p>▶ 1,050</p> <p>per sq m, pa</p> <p>Change YoY: 7,7%</p>	<p>Average Rent, SEK</p> <p>▶ 800</p> <p>per sq m, pa</p> <p>Change YoY: 6,7%</p>	<p>Prime Yield</p> <p>▼ 3.50%</p> <p>Lifetime Investment</p> <p>Change YoY: 17,65%</p>
<p>Total Stock</p> <p>▲ 9,198,235</p> <p>sq m</p> <p>8,994,530 Occupied Stock</p>	<p>Net Absorption</p> <p>▼ 153,716</p> <p>sq m</p>	<p>Vacancy Rate</p> <p>▼ 2.21 %</p> <p>Of Total Stock</p> <p>Change YoY: 44,75%</p>
<p>Completions</p> <p>▼ 150,500</p> <p>sq m</p> <p>361K Annual2Date</p>	<p>Number of Completions</p> <p>▼ 4</p>	<p>Forecast Completions</p> <p>▲ 202,000 (Q4 2021)</p> <p>sq m</p> <p>281K (2022) // 67K (2023)</p>

COMPLETIONS THOUSANDS SQM



Logistics Occupier Market Overview

Stock of Logistics Real Estates in Sweden continues to grow from Year to Year mainly due to New Completions which make record each year. Year 2020 has been a record year for new completions in the Swedish logistics market. Year 2021 is expected to be the new record year for new logistics Reals Estates in Sweden: 700-800 thousand sqm of new logistics Real Estates are expected to be completed during Year 2021.

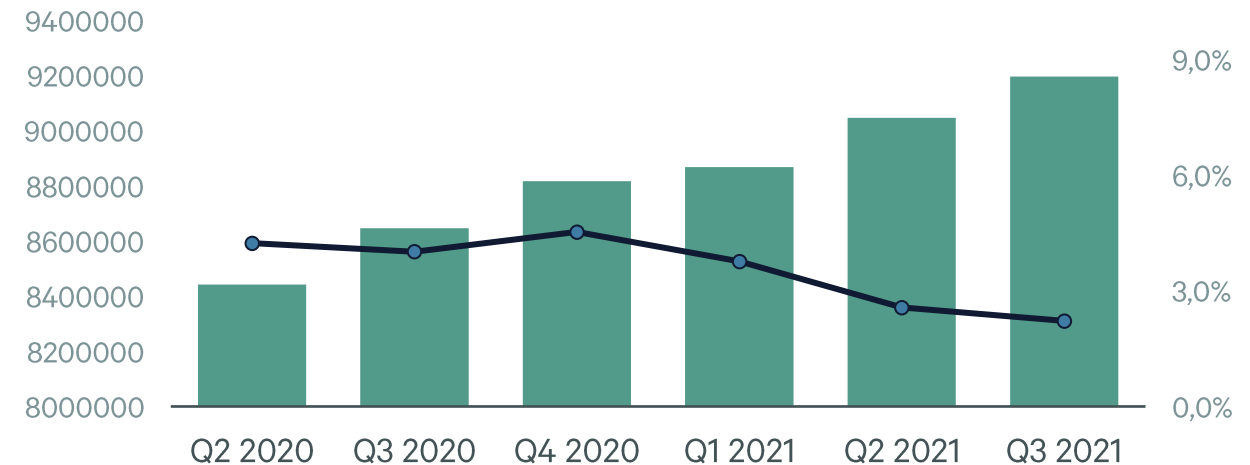
Prime Rent stays at the same level during Q3 2021.

Vacancy Rate has gone down from 4.52% Q4 2020 to 2.21% Q3 2021. Vacancy Rate has reached low pre-pandemic levels in many Logistics hubs across Sweden. In Skåne Vacancy Rate is even lower than the levels before pandemics: 1.8%. The exception is Rosersberg outside Stockholm, where Vacancy Rate continued to increase even during Q3 2021 and has reached 10%, the historical highest level for Rosersberg during last 14 years. Vacancy Rates in other main Logistics hubs around Stockholm have continued to decrease during Q3 2021 and have reached low levels under 3%. The lowest one is in Jordbro which has 0% Vacancy at the end of Q3.

CH Square has acquired 57,500 sqm Land in Karlshamn Municipality in agreement with DFDS in order to develop a modern Logistics Center which will be let out to DFDS when it is complete.

There is still a continuing shortage of modern logistics Real Estates in Sweden even in Q3 2021. The demand for modern logistics is expected to be strong. Especially when speculative development of logistics real estates in Sweden remains unusual.

MARKET TREND (Logistics Stock | Vacancy Rate)



Set for Another Record Year

Strong investor interest in logistics real estates in Sweden has continued even during Q3 2021. Pandemics has had a little effect on logistics Real Estate investment market In Sweden.

Investments in Industrial Real Estates in Sweden have increased dramatically during Q1-Q3 2021 and have already surpassed previous years. Investments during Year 2021 are expected to be at least as high as during Year 2020 and have potential to reach the 2019 level, which was historical highest level.

Swedish Logistics market is 5th largest market in terms of investments in the entire EMEA Region. Only Germany, UK, France and Netherlands have larger Investments Markets.

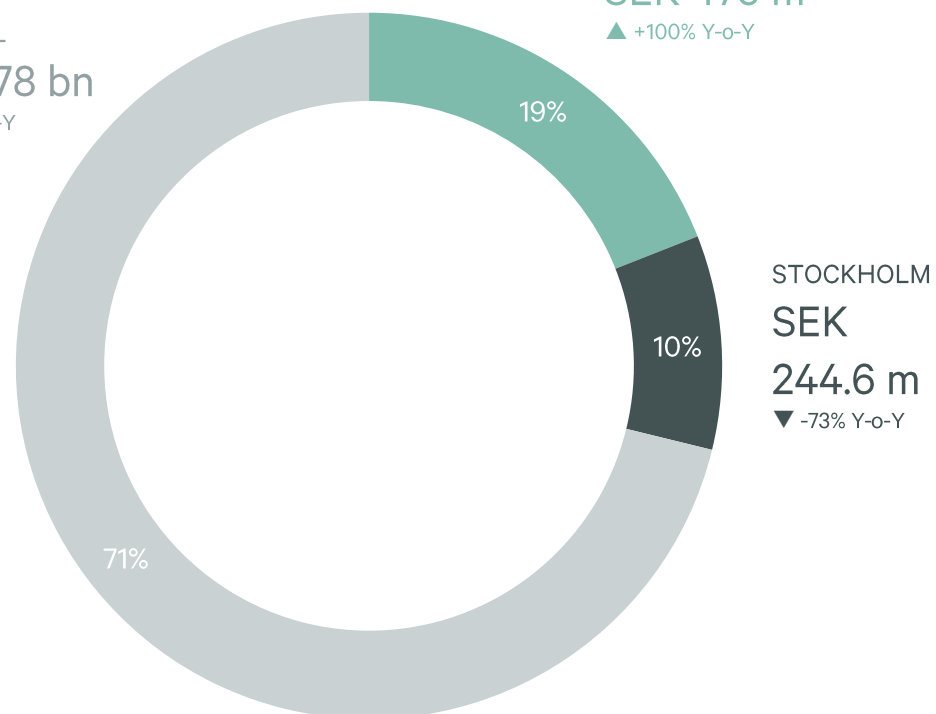
Compression of Logistics Prime Yield continued also during Q3 2021, when the new historical low level of 3.50% was reached. A lack of investable assets caused prime yields to compress from 7,5% in Q1 2010 to 3,5% in Q3 2021. The Yield Compression is expected to continue during Q4.

LOGISTICS TRANSACTION VOLUME (Q3 2021)

SEK 19.1 bn YTD
SEK 2.50 bn Q3/2021

▼ -69% Y-o-Y

REGIONAL
SEK 1.78 bn
▼ -46% Y-o-Y



KEY PERFORMANCE INDICATORS (Q3 2021)

NUMBER OF TRANSACTIONS

23

ALL INVESTMENT VOLUME IN 2021

SEK 193.1 bn

SHARE OF TOTAL ALL SECTOR VOLUME

4%

CROSS BORDER INVESTMENTS

SEK 94 m

5 YEAR SWAP RATE*

0.901%

LARGEST SINGLE TRANSACTION

SEK 475 m: Platzer sold part of Arendal to Göteborgs Hamn

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