



CENTRAL
& EASTERN
EUROPEAN

CEST
GRID

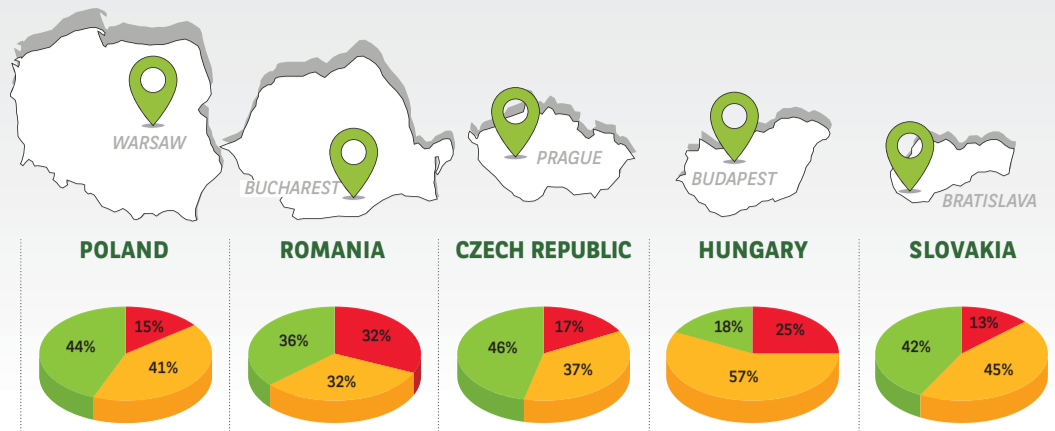
H1 2017



BNP PARIBAS
REAL ESTATE

Real Estate
for a changing
world

CENTRAL & EASTERN EUROPEAN EOST GRID



ECONOMIC INDICATORS

LEGEND
GREEN positive / stable
YELLOW neutral / average
RED negative / risky

POLITICAL SCENE	RIGHT	LEFT	CENTRE	RIGHT	LEFT
CORRUPTION INDEX ¹	30	58	37	50	50
CURRENCY STABILITY ²	2.15	1.24	3.41	3.76	n/a
BROADBAND PENETRATION ³	18.9	21.4	29.3	26.9	22.7
NATURAL THREATS	FLOODS	EARTHQUAKES	FLOODS	FLOODS	FLOODS
COUNTRY POPULATION ⁴	38.4 million	19.8 million	10.6 million	9.8 million	5.3 million
CAPITAL CITY POPULATION ⁵	1.7 million	2.1 million	1.3 million	1.7 million	0.5 million
CITIES ABOVE 400,000 INHABITANTS ⁵	7	1	1	1	1
UNEMPLOYMENT RATE ⁶	8.3	4.8	3.6	4.4	8.8
AVERAGE WAGES ⁶	€1,049	€721	€1,011	€890	€901
GDP PER CAPITA ⁷	\$11,502	\$8,373	\$16,927	\$12,550	\$16,450
NUMBER OF UNIVERSITIES ⁸	415	99	70	66	35
NUMBER OF STUDENTS ⁸	1,902,700	535,000	427,400	359,000	209,500

CONSTRUCTION COSTS

LAND ACQUISITION COSTS (per m ²) ⁹	OFFICE	€3,000-4,000	€1,300-1,800	€3,000-4,000	€800-€1,500	€1,000-1,500
	RETAIL	€2,500-4,000	€400-600	€3,500-4,500	€750-1,000	€500-1,000
	WAREHOUSE	€40-80	€25-40	€60-80	€50-€100	€30-50
CONSTRUCTION COSTS (per m ²) ⁹	OFFICE	€1,200-1,500	€750-900	€1,200-1,500	€1,000-1,300	€900-1,000
	RETAIL	€1,300-1,700	€900-1,100	€1,000-1,500	€1,000-1,500	€900-1,200
	WAREHOUSE	€280-300	€350-425	€300-400	€300-€400	€300-350
BANK MARGINS	3.0-4.0%	4.5-6.0%	1.85-2.15%	4.5%-5.0%	1.95-2.15%	
LTC RATIO	50-70%	55-60%	60-80%	30-40%	60-80%	

LETTING



PRIME RENTS ¹⁰	OFFICE	€21.00-22.00	€18.00-19.00	€19.00-20.00	€22.00-23.00	€15.00-15.50
	RETAIL SC	€100-120	€50-60	€100-130	€50-70	€55-60
	RETAIL HS	€90-110	€35-45	€195-205	€80-100	€35-45
	WAREHOUSE	€4.00-5.00	€3.50-4.00	€3.80-4.25	€3.00-4.00	€3.30-4.20
STANDARD LEASE TERMS	OFFICE	3-7 yrs	3-5 yrs	5 yrs	5 yrs	5 yrs
	RETAIL SC	5-10 yrs	3-7 yrs	5-10 yrs	5-10 yrs	5-10 yrs
	RETAIL HS	3-5 yrs	3-5 yrs	5-10 yrs	3-5 yrs	5-10 yrs
	WAREHOUSE	3-10 yrs	3-5 yrs	5-10 yrs	3-5 yrs	5-10 yrs
AGENT FEES	OFFICE	7.66-25.00%	16.66-25.00%	12-15%	12.5-15.0%	12-15%
	RETAIL SC	10-15%	16.66-25.00%	12-15%	12.5-15.0%	12-15%
	RETAIL HS	12.50-25.00%	12.50-16.66%	12-15%	15-18%	12-15%
	WAREHOUSE	10-20%	16.66-25.00%	12-15%	12-18%	10-15%

INVESTMENT



PRIME YIELDS ¹²	OFFICE	5.25-5.50%	7.25-7.75%	4.85-4.95%	6.75-7.00%	6.25-6.50%
	RETAIL	5.00-5.25%	7.00-7.50%	3.75-4.00% HS 5.00-5.25% SC	6.50-6.75%	5.50-6.00%
	WAREHOUSE	5.50-6.50%	8.75-9.00%	6.00-6.25%	8.25-8.50%	7.50-7.75%
PRIME ASSET VALUES (PER M ²)	OFFICE	€5,000-6,000	€2,500-3,000	€3,000-4,000	€2,000-2,500	€2,500-3,000
	RETAIL	€4,000-5,000	€3,500-4,000	€6,000-7,000	€2,000-2,500	€4,500-5,000
	WAREHOUSE	€400-600	€400-475	€800-900	€1,300-1,500	€650-700
STAMP DUTY (ASSET / SHARES)	2% / 1%	0%	4%	4% and 2% ¹³	0%	
BANK MARGINS	1.50-2.25%	3.50-5.50%	1.50-2.00%	2.75-4.75%	1.80-2.00%	
LTV RATIO	60-70%	50-60%	60-70%	55-65%	60-70%	
STANDARD SALE FEES	0.5-1.5%	1.0-2.0%	0.5-2.0%	1.0-2.0%	0.5-2.0%	

LEGEND
green - positive / stable, yellow - neutral / average, red - negative / risky; HS - high streets, SC - shopping centres
All of the values presented are indicative averages, reflecting the market standard. Costs and fees are subject to individual negotiations and may be different to the outlined numbers.

Notes: (1) According to Amnesty International Index 2015; (2) Defined as coefficient of variation calculated on daily currency rates of the national banks for the period: 2.01.2012 - 30.06.2016; (3) OECD Fixed broadband subscriptions per 100 inhabitants, Dec. 2015; (4) National statistical office, as of Dec. 2015; (5) National statistical office, as of Q1 or June 2016; (6) National statistical offices, Dec. 2016; (7) Dun & Bradstreet, as of 2016; (8) Prime location in capital cities; (9) For modern schemes; (10) Best-in-class schemes in prime location within capital city; (13) 4% up to 1 billion HUF per asset, 2% over 1 bn but maximum 200 million HUF/asset.

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