

2023

# EUROPEAN INVESTMENT

## INVESTING INTO EUROPE



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# EUROPEAN INVESTMENT

The UK was the most popular European investment destination in 2022 with a total of €72.7bn invested, followed by Germany (€51.0bn) and France (€37.7bn). However, of these top three markets France was the only that experienced YoY growth with a 3% increase. In the UK and Germany YoY volumes fell 15% and 55% respectively.

Middle Eastern & African cross border investment into Europe observed the most noticeable decrease at a sum of €2.1 bn in 2022 (-63% compared to the 5-year average data). This was followed by intra-European investment which totaled €36.6 bn last year (-28% compared to the 5-year average). Asia Pacific investment into Europe totaled €13.1 bn (-18% compared to the 5-year average). An anomaly in this trend of decreasing cross border investment volumes into Europe is capital from the Americas which deployed a total of €48 bn into Europe in 2022 (+31% compared to the 5-year average).

A myriad of events including the war in Ukraine, concerns about climate change, increasing debt costs, inflation, higher interest rates, increase in construction costs and the possibility of a looming recession have led to a stymied market and material investor uncertainty. As a result, investment strategies have continued to vary and evolve over the past year. Diversification of sector and geography targets, “wait and see” attitudes and shifts in risk and return

requirements continue and investors are generally struggling with price discovery.

As markets remain volatile, the discrepancies between vendor and purchaser price expectations have continued to widen. Upcoming lease expiries and refinancing events will trigger tough decisions. Business plans for assets acquired in the last few years will come under pressure as opportunistic investors circle.

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NORWAY

SWEDEN

DENMARK

FINLAND

POLAND

GERMANY

CZECH REPUBLIC

SLOVAKIA

AUSTRIA

HUNGARY

ROMANIA

# REAL ESTATE INVESTMENT IN AUSTRIA

 <b>Real estate rights</b>	Property Ownership	<ul style="list-style-type: none"> <li>Individuals and corporates</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For Security	<ul style="list-style-type: none"> <li>Mortgage and/or mortgage mandate</li> </ul>
	Lease structures	<ul style="list-style-type: none"> <li>Minimum lease term for residential leases: 3 years except vacation residences</li> <li>Consumer Price Index of Statistik Austria is usually the basis of indexation</li> <li>Landlord/tenant obligations depending on contract and on Tenancy Act, if applicable</li> <li>Tenant protection applicable on Flats in Altbau (built before 1953): limitation of rent for apartments &lt; 130 sqm, 25% rent reduction on leases for fixed term, mandatory maintenance obligations of landlord</li> <li>Subletting/assignment usually forbidden</li> <li>Typical deposit: 3-6 months</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Agent's: 3.0% plus 20% VAT</li> <li>Legal: 1.0% - 2.0% plus 20% VAT</li> <li>Registry: 1.1%</li> </ul>

 <b>Tax</b> (assuming commercial property, corporate parties and asset transfer)	Tax	<ul style="list-style-type: none"> <li>Transfer Tax: 3.5%</li> <li>Capital Gains Tax: 30%</li> <li>No VAT</li> </ul>
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 <b>Typical lease provisions</b> (assuming institutional parties)	Lease term	<ul style="list-style-type: none"> <li>Subject to party agreement, only for residential a minimum of 3 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Austrian Law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Typically annual adjustment corresponds to CPI</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Tenant responsibility under typical double net leases</li> <li>Tenant is responsible for maintenance and repair</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Depends on whether the Tenancy Act (MRG) is applicable to the lease. If the MRG is applicable, a sale of the tenant company is possible without consent, but the rent can be adjusted. Otherwise, consent is always required</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Premature termination of a fixed-term contract by the tenant is not possible. The termination by the landlord is - depending on the applicability of the MRG - regulated by law and prescribed circumstances</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Subject to the agreement of the parties, usually 3 to 5 gross monthly rents</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <b>Austria Demographic Data 2023</b>	Currency	<ul style="list-style-type: none"> <li>€ Euro</li> </ul>
	Population	<ul style="list-style-type: none"> <li>9,054,770</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>42,643</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.29%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>9.70%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Vienna</li> </ul>

 Vienna Market Data Q1 2023		Retail	Office	Logistics
	Total stock (sqm)	• 205,400	• 5,900,000	• 2,900,000
	Vacancy rate	• 5.00%	• 3.90%	• 0.30%
	Net Take-up (sqm)		• 39,150	
	Prime rent (€ per sqm per month)	• 300.00 - 600.00	• 27.00	• 7.50
	Secondary rent (€ per sqm per month)	• 40.00 - 100.00	• 14.50	• 6.00
	Prime yield (NIY)	• 3.00%	• 4.00%	• 3.50%
	Secondary yield (NIY)	• 5.00%	• 5.30%	• 4.90%

 Vienna Market Data Q1 2023		Multi-family	Student housing	Care homes
	Stock	• 305,580	• 24,000	• 17,500
	Annual investment (3 year average)			
	Prime yield	• 3.00%		• 5.00%

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN BELGIUM

 <b>Real Estate rights</b>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold, leasehold or co-ownership</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage and/or mortgage mandate</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Required for sales, rights in rem or grants of leases over 9 years</li> <li>No state guarantee of title provided</li> <li>No title insurance available</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Typically 10%</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Notary fees: scaled system according to the particularities of each sale (price, number of sellers, length of the deed, etc.)</li> </ul>

 <b>Tax</b> (assuming commercial property, corporate parties and asset transfer)	Upon acquisition	<ul style="list-style-type: none"> <li>Registration duties on sale and usufruct rights (being a form of temporary right in rem over a property):               <ol style="list-style-type: none"> <li>12.0% (if the property is located in the Flemish region); or</li> <li>12.5% (if the property is located in the Brussels Capital region or the Walloon region)</li> </ol> </li> <li>This rate may be subject to reduction or refund, the conditions of which vary from region to region</li> <li>Registration duties on the grant or transfer of building rights and long term leases: 2.0%</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>Belgian resident companies and Belgian (permanent) establishments of non-resident companies are taxed at the full corporate income tax rate of 25% (or 20% for small companies on a first profit band of EUR 100,000 subject to certain conditions)</li> <li>Non-Belgian resident companies are subject to a withholding tax (currently 25%) retained at source</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>The transfer or grant of title or other rights in rem concerning 'new' buildings (with associated land, if in the hands of the same owner) can be subject to VAT at a rate of either 6%, 12% or 21%</li> </ul>

 <b>Typical lease provisions</b> (assuming institutional parties)	Lease term	<ul style="list-style-type: none"> <li>3/6/9 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Belgian law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Parties commonly agree on yearly indexation by reference to the Consumer Price Index (and in particular the Health Index).</li> <li>For retail leases, additional rules apply pursuant to which upon expiry of each three-year period, either party may request before Courts the revision of the rent, provided that it demonstrates that the normal rental value of the leased premises is at least 15% higher or lower than the current rent due to new circumstances which could not have been foreseen when the lease was entered into</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Tenant is usually liable for maintenance works and repairs other than those of a structural/major nature which will usually be borne by the landlord</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to the landlord consent (not to be unreasonably withheld or delayed).</li> <li>Retail leases cannot include a waiver by the tenant regarding the right to assign or sublease the leased premises where the intangible business asset is simultaneously being transferred or subleased, unless the landlord or his family resides in a part of the building</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Early termination and rights of re-entry are only exercisable on the occurrence of prescribed circumstances</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Landlord usually requires between 3-6 months' rent as deposit</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>Belgium is set to adopt the Regulation (EU) 2019/452 establishing a framework for the screening of foreign direct investments into the European Union</li> </ul>

 Belgium Demographic Data Q1 2023	Currency	• € Euro
	Population	• 11,650,400
	GDP per capita (€)	• 39,806
	GDP growth y-o-y	• 2.22%
	2023 Inflation Rate	• 5.6%
	Principal business centres	• Brussels

 Belgium Market Data Q1 2023		Retail SC	Office (Brussels)	Logistics	
	Total stock (sqm)			• 13,600,000	• 25,000,000
	Vacancy rate			• 4.20%	• 1.50%
	Net Take-up (sqm)			• 50,419	• 191,690
	Prime rent (€ per sqm per month)	• 133.00		• 28.00	• 5.40
	Secondary rent (€ per sqm per month)				
	Prime yield (NIY)	• 5.50%		• 4.40%	• 4.50%
	Secondary yield (NIY)				

 Belgium Market Data Q1 2023		Multi-family	Student housing	Care homes	
	Stock				
	Annual investment (3 year average)	• 335,728,333		• 334,300,000	• 437,100,000
	Prime yield	• 4.25%			• 4.60%

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN CZECH REPUBLIC

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold</li> <li>Right to build (i.e. the right to build on third party land)</li> <li>Condominium</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Registration of the transfer of ownership title to the property in the land registry is mandatory; the transfer is effective only upon registration in the land registry</li> <li>Registration of lease agreements is neither mandatory nor common</li> <li>Registration of the ownership title in the land registry provides protection against third parties' rights (exceptions exist)</li> <li>Title insurance is increasingly being used to either solve specific issues or as a general form of protection for purchasers as there is no state guarantee of title</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>N/A</li> <li>Payment usually processed via an escrow account as the land registry proceeding lasts up to 30 days</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: CZK 2,000 (approx. EUR 80) regardless of the transaction value</li> <li>Agent fees: up to 3% of the transaction value plus VAT</li> </ul>

 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>19% corporate income tax</li> <li>If the seller is a tax resident outside the EU/EEA, the Czech purchaser must withhold a 10% tax payment from the purchase price</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>VAT rate of 21% (or 15% for certain acquisitions)</li> <li>VAT exemptions are possible if within 5 years after purchase:               <ol style="list-style-type: none"> <li>the first final building approval is received; or</li> <li>final building approval is received after significant changes to the completed structure</li> </ol> </li> </ul>

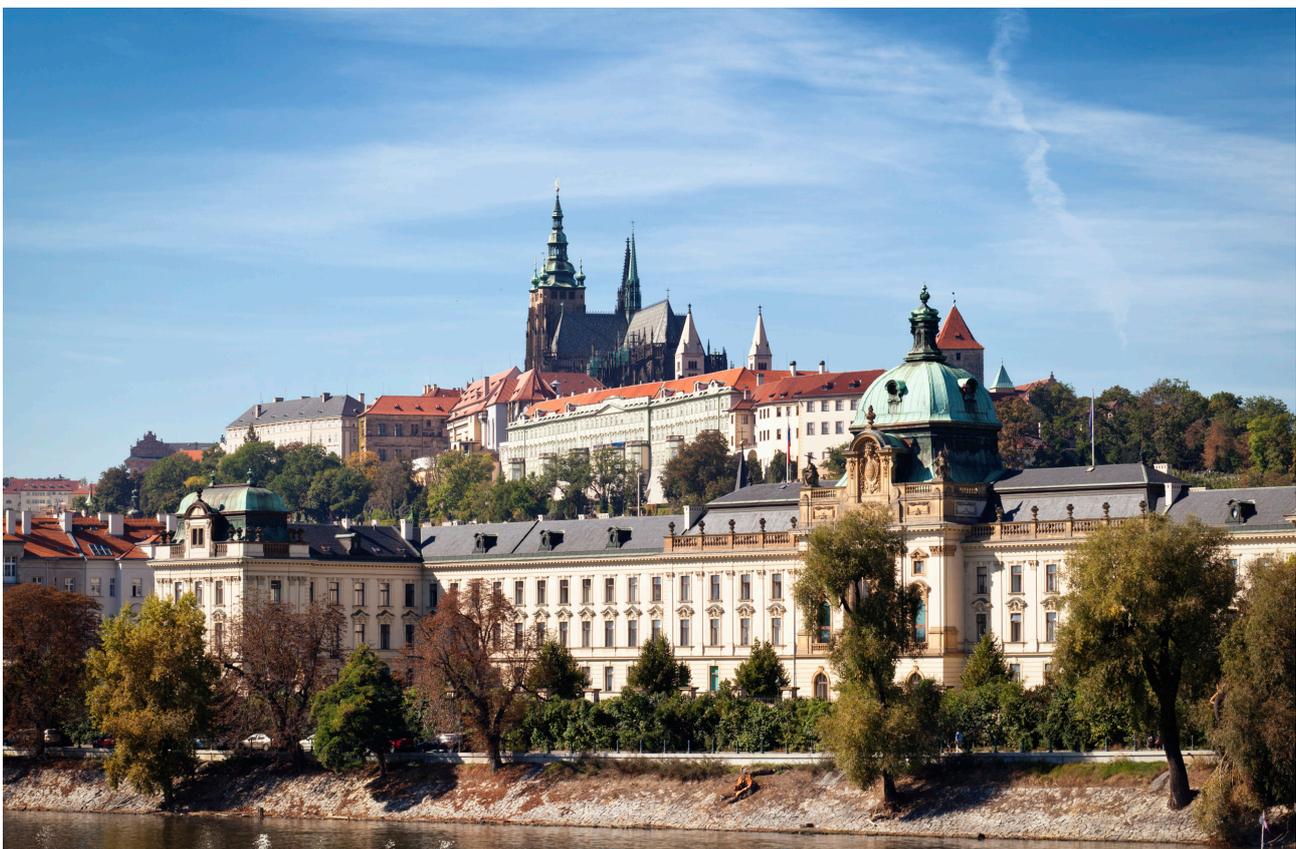
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Generally 3-5 years, extension options are common</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Czech law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Indexation on the basis of either the European or the Czech consumer price index depending on the currency in which the rent is denominated</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Depending on the type of asset but generally triple net leases slightly modified in favour of tenants (with landlords usually being responsible for maintenance of structural parts of buildings and CAPEX). Typically triple net leases are in high-end retail only</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to the landlord consent (not to be unreasonably withheld or delayed)</li> <li>Sublease/assignment to group companies is usually permitted</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Termination grounds are specified in the lease and are generally very specific and limited</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Deposit in the amount of 3-6 monthly payments + VAT or a bank guarantee in the same amount is usually provided</li> <li>Depending on the financial covenant of the tenant, a parent company guarantee may be provided as well</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>N/A</li> </ul>

 Czech Republic Demographic Data Q1 2023	Currency	• CZK
	Population	• 10,758,090
	GDP per capita (€)	• 17,990
	GDP growth y-o-y	• 3.05%
	2023 Inflation Rate	• 12.70
	Principal business centres	• Prague

 Czech Republic Market Data Q1 2023		Retail	Office (Prague)	Logistics
	Total stock (sqm)	• 2,587,000	• 3,853,296	• 11,275,341
	Vacancy rate		• 7.50%	• 1.93%
	Net Take-up (sqm)		• 74,897	• 280,193
	Prime rent (€ per sqm per month)	• 135.00	• 27 – 30	• 7.50
	Secondary rent (€ per sqm per month)		• 17.00 – 18.25	• 5.20 – 6.50
	Prime yield (NIY)	• 6.50%	• 5.00%	• 5.00%
	Secondary yield (NIY)	• 7.50%	• 6.50%	• 6.50%

 Czech Republic Market Data Q1 2023		Multi-family	Student housing	Care Homes	
	Stock				
	Annual investment (3 year average)	• 499,000			
	Prime yield (NIY)	• 4.75%			

\*Stock – Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock – Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN DENMARK

 <b>Real Estate rights</b>	Property Ownership	<ul style="list-style-type: none"> <li>• Permission from the Danish Ministry of Justice (the "Ministry") is required for non-Danish citizens and companies not domiciled in Denmark</li> <li>• EU/EEA citizens and EU companies may acquire property in Denmark without the Ministry's permission if the property is intended to serve as a necessary permanent residence for the purchaser or the purchase is a prerequisite for operating the purchaser's business</li> <li>• Permission from the Ministry is not required for non-Danish citizens and companies not domiciled in Denmark that incorporate a Danish property company to acquire real estate</li> <li>• No restrictions for leases (provided it is not perceived as circumvention of the rules of ownership)</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>• Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>• Mortgage and/or owners' mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>• Real estate rights must be registered in the Danish land register to obtain protection against third parties' rights</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>• No typical deposit, subject to negotiation</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>• Land registration fees: DKK 1,850 + 0.60% of the purchase price</li> <li>• Security fees: DKK 1,825 +1.45% of the secured amount</li> </ul>

 <b>Tax</b> (assuming commercial property, corporate parties and asset transfer)	Upon acquisition	<ul style="list-style-type: none"> <li>• No transfer tax applies</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>• Capital gains on disposal of real estate is subject to ordinary corporate income tax of 22%</li> <li>• A sale of shares in the company holding the real estate is generally exempt from Danish taxes and no transfer tax or VAT apply to such share sale</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>• Transfers of "existing" property is generally VAT exempt</li> <li>• Transfers of "new" real estate as well as the supply of development sites are subject to VAT of 25% (unless the supply qualifies as a transfer of a going concern)</li> </ul>

 <b>Typical lease provisions</b> (assuming institutional parties)	Lease term	<ul style="list-style-type: none"> <li>• Lease agreements are typically for an indefinite term, with a non-termination period after which the lease may be terminated upon a notice period (usually 6-12 months)</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>• Danish law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>• The tenant and the landlord may require the rent be adjusted to market rent every 4 years. Typically the rent is adjusted annually based on the net price index issued by "Statistics Denmark".</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>• Typically the exterior maintenance, cleaning and renewal is the responsibility of the landlord, and the interior maintenance, cleaning and renewal is the responsibility of the tenant and that the tenant pays all operating costs (including taxes and duties).</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>• Typically tenants are permitted to assign to a third party within the same line of business, subject to landlord consent.</li> <li>• Subletting is only permitted with landlord consent.</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>• There are statutory tenant protections such as grounds for landlord termination and protection of business-protected leases</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>• Typically 6-12 months' rent (usually the same term as the termination notice period)</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>• None</li> </ul>

 Denmark Demographic Data Q1 2023	Currency	• DKK
	Population	• 5,897,940
	GDP per capita (€)	• 54,354
	GDP growth y-o-y	• 1.90%
	2023 Inflation Rate	• 5.30%
	Principal business centres	• Copenhagen

 Denmark Market Data Q1 2023		Retail	Office	Logistics
	Total stock (sqm)	• 1,995,739	• 6,391,692	• 7,071,671
	Vacancy rate	• 2.61%	• 6.00%	• 2.78%
	Net Take-up (sqm)			
	Prime rent (€ per sqm per month)	• 213.00	• 29.00	• 11.00
	Secondary rent (€ per sqm per month)	• 84.00	• 22.00	• 7.00
	Prime yield (NIY)	• 3.75%	• 3.75%	• 5.25%
	Secondary yield (NIY)	• 4.25%	• 4.25%	• 6.50%

 Denmark Market Data Q1 2023		Multi-family	Student housing	Care homes	
	Stock			• 21,285	
	Annual investment (3 year average)				
	Prime yield (NIY)	• 3.50%	• 3.75%	• 4.00%	

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN FINLAND

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>Certain national security-related restriction</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>The Finnish state has a strict liability for the correctness of the Finnish Register of Titles and Mortgages. Bona fide third party purchasers can rely on the register.</li> <li>Title insurance is very unusual</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Deposits are not market practice</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: registration of title or leasehold EUR 151</li> <li>Notary fees: EUR 120</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Transfer tax: 4% of the purchase price for real property, and 2% of the purchase price for shares of real estate company (usually MREC, mutual real estate company)</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>Finnish and non-Finnish resident companies are subject to 20% corporate income tax on property disposals</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Sale of real property is exempted from VAT regardless of whether the leasing of the property is opted to VAT. Due care needs to be exercised on transferring the VAT adjustment liability/right for potential real estate investments in connection with the sale</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Typically 3-5 years for leases of business premises and 30-50 years for leases of land</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Finnish law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Annual indexing on a Finnish Consumer Prices Index basis. Minimum increase percentages are often agreed on leases of business premises</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>In single tenant properties, the landlord is typically responsible for fundamental renovations and structural repairs whereas the tenant typically is responsible for general upkeep of the property/building. Triple net leases where the tenant is also responsible for fundamental renovations and structural repairs are not unusual in long term leases in single tenant properties</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Sub-lettings are permitted subject to landlord consent (not to be unreasonably withheld or delayed). Assignment typically prohibited</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>The tenant may exercise a right to rescind the lease agreement on the occurrence of circumstances prescribed in mandatory law (the landlord has only the right to rescind a lease agreement under circumstances prescribed in mandatory law)</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>0-3 months' rent</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>Please see property ownership section above</li> </ul>
 <p><b>Finland Demographic Data Q1 2023</b></p>	Currency	<ul style="list-style-type: none"> <li>€ Euro</li> </ul>
	Population	<ul style="list-style-type: none"> <li>5,553,350</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>42,245</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.39%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>7.90%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Helsinki, Tampere, Turku, Oulu</li> </ul>



### Helsinki Market Data Q4 2022

	Retail	Office	Industrial / Logistics
Total stock (sqm)	• 4,700,000	• 9,050,000	• 9,700,000
Vacancy rate	• 2.90%	• 13.90%	• 2.90%
Net Take-up (sqm)		• 53,000	
Prime rent (€ per sqm per month)	• 158.00	• 45.00	• 12.00
Secondary rent (€ per sqm per month)	• 41.00	• 30.00	• 7.9.00
Prime yield (NIY)	• 5.00%	• 4.00%	• 5.00%
Secondary yield (NIY)	• 7.00%	• 5.50%	• 6.50%



# REAL ESTATE INVESTMENT IN FRANCE

 <b>Real Estate rights</b>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions on the ownership of foreign property. Individual or legal entity. Most common structures: limited company, partnership, French REITs</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Required for all real estate rights</li> <li>Monopoly of the notaries on all the conveyance deeds as well as mortgage financing with a specific liability and insurance covering, in particular, the good and marketable root of title; accordingly, the title insurance is not required and hence not usually purchased</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>5% - 10%</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>All fees paid on purchase are generally borne by the purchaser</li> <li>Agent: 1 - 3% of purchase price plus VAT</li> <li>Notary: 0.80% plus VAT of the purchase price, a tariff issued by the French state permit a fee reduction under certain conditionstransaction</li> </ul>

 <b>Tax</b> (assuming commercial property, corporate parties and asset transfer)		<p><b>Stamp duties</b> on purchase are generally borne by the purchaser but the parties are jointly liable to the payment</p> <p><b>Asset Deal</b></p> <ul style="list-style-type: none"> <li>Stamp duties at a maximum rate of             <ul style="list-style-type: none"> <li>(i) 5.09% or 5.81%, with a 0.6% surtax for certain acquisitions in the Paris area, levied on the price; or</li> <li>(ii) reduced rate of 0.72% on new building or in case the purchaser takes a commitment to resell within 5 years; or</li> <li>(iii) fixed €125-fee for land to be built or in case the purchaser takes a commitment to rebuilt within 4 years</li> </ul> </li> <li>VAT status of the transaction mainly depends on the type of asset / type of transaction (i.e. VAT applicable on new building or upon option by Seller)</li> <li>No VAT and no regularization of VAT on the Seller's side in case the transfer qualifies as a TOGC</li> <li>0.1% land registry fee levied on the price</li> </ul> <p><b>Share Deal</b></p> <ul style="list-style-type: none"> <li>Stamp duty at a rate of 5% of the share price</li> <li>No notary needed, no VAT or other fees</li> </ul> <p><b>Upon holding</b></p> <ul style="list-style-type: none"> <li>French partnerships (SCI) are usually tax transparent</li> <li>French REITs (SIIC and OPCI) are tax exempt subject to certain distribution requirement</li> <li>Real estate corporations are subject to corporate income tax at a standard rate (25%) on rental incomes</li> <li>3% tax levied annually on the market value of the property, with exemptions for most of the investors, subject to completing formalities</li> <li>CVAE ("Cotisation sur la Valeur Ajoutée des Entreprises") at a rate of 0.375% in principle based on the added value generated by the company incurring a turnover exceeding €152k. Companies with a turnover of less than €50 million are partially or totally exempted in 2023 (subject to their turnover). The CVAE is to be abolished in 2024</li> <li>Property tax ("taxe foncière") (based on the rental value of the building decreased by a 50% allowance (rate depends of the region) is due by the owner and rechargeable to the tenant</li> <li>Annual tax on business offices, commercial premises, warehouses and parking spaces located in the Ile de France area and additional tax on parking spaces (between €2.19 and €24.69per sqm depending on the nature of the asset and zoning) are also due by the owner and rechargeable to the tenant. The annual tax on business offices, commercial premises, warehouses an parking spaces is also due when the premises are located in the Bouches-du-Rhône, Var and Alpes-Maritimes departments (between €0.13 and €0.94 per sqm depending on the nature of the asset and zoning)</li> </ul>
	Upon acquisition	

	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>Capital gains made by corporations are subject to CIT at the standard rate 25%</li> <li>Capital gains made by French REITs are tax exempt subject to certain distribution requirements</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>20% in certain limited situations or if option is exercised by seller</li> </ul>

 <b>Typical lease provisions</b> (assuming institutional parties)	Lease term	<ul style="list-style-type: none"> <li>Minimum 9-year period with tenant's option to break every 3 years (which can be waived subject to certain conditions)</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>French Commercial code (with some public policy provisions) and French civil code</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Every year based on the variation of specific index depending on the asset class</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>The landlord is liable for any structural works. The tenant has to               <ul style="list-style-type: none"> <li>(i) maintain the property in a good/perfect state and</li> <li>(ii) pay the service charges (and repay most of the taxes, landlord's management fee and insurance premium according to a precise and strict list)</li> </ul> </li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Prohibited or subject to the landlord's consent, but prohibiting assignment to the purchaser of the tenant's business is prohibited</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>No eviction without serious reasons. Upon the expiry of the term of the lease, eviction is possible but with compensation</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>3 months of rent (VAT and charges excl.)</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <b>ESG</b>	Tertiary Decree	The Tertiary Decree requires that the energy consumption for commercial buildings larger than 1,000 m2 is reduced by 40% in 2030, 50% in 2040 and 60% in 2050, compared to a 2010 baseline. Alternatively, the property should comply with a maximum consumption threshold. This commits the owner and tenant of the asset jointly with penalties for non-compliance.
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 <b>France Demographic Data Q1 2023</b>	Currency	<ul style="list-style-type: none"> <li>€ Euro</li> </ul>
	Population	<ul style="list-style-type: none"> <li>68,021,020</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>35,174</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>0.76%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>5.90%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Paris</li> </ul>

 <b>France Market Data Q1 2023</b>		Retail (OOT)	Office (IDF)	Logistics
	Total stock (sqm)	<ul style="list-style-type: none"> <li>85,000 units</li> </ul>	<ul style="list-style-type: none"> <li>56,084,730</li> </ul>	
	Vacancy rate	<ul style="list-style-type: none"> <li>6.54%</li> </ul>	<ul style="list-style-type: none"> <li>7.89%</li> </ul>	<ul style="list-style-type: none"> <li>2.90%</li> </ul>
	Net Take-up (sqm)		<ul style="list-style-type: none"> <li>317,437</li> </ul>	<ul style="list-style-type: none"> <li>908,000</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>17.00-21.00</li> </ul>	<ul style="list-style-type: none"> <li>83.00</li> </ul>	<ul style="list-style-type: none"> <li>7.10</li> </ul>
	Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>12-12.50</li> </ul>	<ul style="list-style-type: none"> <li>56.00</li> </ul>	<ul style="list-style-type: none"> <li>4.20</li> </ul>
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>5.25%</li> </ul>	<ul style="list-style-type: none"> <li>3.75%</li> </ul>	<ul style="list-style-type: none"> <li>4.40%</li> </ul>
	Secondary yield (NIY)	<ul style="list-style-type: none"> <li>6.75%</li> </ul>		<ul style="list-style-type: none"> <li>4.80%</li> </ul>

 <b>France Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock		<ul style="list-style-type: none"> <li>170,000 +</li> </ul>	<ul style="list-style-type: none"> <li>56,000 +</li> </ul>
	Annual investment (3 year average)	<ul style="list-style-type: none"> <li>5,500,000,000</li> </ul>	<ul style="list-style-type: none"> <li>265,000,000</li> </ul>	<ul style="list-style-type: none"> <li>541,000,000</li> </ul>
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>3.00%</li> </ul>	<ul style="list-style-type: none"> <li>4.00%</li> </ul>	<ul style="list-style-type: none"> <li>4.00%</li> </ul>

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN GERMANY

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Full title/ownership</li> <li>Other forms of ownership include: heritable building right(s) (leasehold) or condominium ownership</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage (Hypothek)/Land Charge (Grundschuld)</li> <li>The land charge is the predominant security instrument</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Registration in the land register is mandatory for the transfer of title to be effective.</li> <li>Registration of lease agreements is not mandatory</li> <li>The state may be held liable under certain circumstances (e.g. in case of breach of official duty by a registrar)</li> <li>Title insurance is optional, due to a legal presumption that the owner (seller) registered in the land register is the land owner, and is recommended only in exceptional cases where the circumstances dictate</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Not mandatory, but has become widely spread in the market (typically 5-10% of the purchase price)</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry: dependent on purchase price. The highest tariff applies to a purchase price of at least EUR 60m and entails costs of EUR 39.877.50 (excluding VAT). In addition to the general registration fees, further fees may apply, e.g. for the creation and deletion of land charges, registration of the priority notice of conveyance</li> <li>Agent: 1% - 5% of purchase price plus VAT (if applicable)</li> <li>Real Estate Transfer Tax in the amount of 3.5% to 6.5% Real Estate Transfer Tax (the rate depends on the Federal State where the property is located)</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>In the case of the sale of a German property by a German or foreign resident corporation or partnership with corporations as shareholders: 15.825% corporate income tax including solidarity surtax and in addition, for a German selling entity only, (depending on the municipality concerned) up to approximately 17% trade tax (if applicable)</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Lease income generally exempted from VAT unless opted to tax. Current VAT rate amounts to 19%</li> </ul>
	TAX	<ul style="list-style-type: none"> <li>Real estate transfer tax, land tax, trade tax, income tax and corporation tax may be payable</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Term of commercial lease agreement is typically fixed but is extendable, the maximum term length is 30 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>German law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Indexation: Linked to the German consumer price index, the relevant review clause must comprise potential upwards and downwards adjustment of the rent</li> <li>Graduated rent: Future rent increases are already determined in advance at the time the lease agreement is concluded (fixed increase amount or in case of commercial lease only, percentage increase)</li> <li>Turnover rent (except for renting to pharmacies): Rent increases if the tenant's annual turnover increases. Likewise, the rent is reduced if the turnover decreases. In order to compensate for the risk of falling turnover, a minimum fixed rent is usually agreed</li> <li>Rent increase due to modernisation measures: Possible under statutory law for residential leases, otherwise only subject to agreement</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Landlord is responsible for repair and maintenance of the building's roof and structure</li> <li>Tenant is responsible for repair and maintenance of the interior of the leased premises</li> <li>Allocation of repair and maintenance costs for common areas and facilities to the tenant subject to limitation of the amount</li> <li>Tenant's responsibility for full repair and insurance can be validly agreed only in exceptional cases (usually in a sale-and-lease-back transaction)</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Unless expressly restricted in the lease or there is an important reason for the landlord to oppose it, the tenant is free to assign or sublet. There is usually a restriction in the lease on the ability to sublet/assign</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Deposits are typically 3 months' net rent or alternatively a bank guarantee or account pledged to the landlord may be provided. The amount of deposit is subject to the financial covenant of the tenant</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None (subject to certain exceptions)</li> </ul>

 <p>Germany Demographic Data Q1 2023</p>	Currency	• € Euro
	Population	• 83,592,840
	GDP per capita (€)	• 38,905
	GDP growth y-o-y	• 1.51%
	2023 Inflation Rate	• 7.20%
	Principal business centres	• Berlin, Düsseldorf, Frankfurt, Hamburg, Munich

 <p>Berlin Market Data Q1 2023</p>		Retail	Office	Logistics	
	Total stock (sqm)			• 21,271,486	
	Vacancy rate			• 3.30%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)			• 45.00	
	Secondary rent (€ per sqm per month)			• 28.10	
	Prime yield (NIY)	• 3.90%		• 3.60%	• 3.70%
	Secondary yield (NIY)				

 <p>Frankfurt Market Data Q1 2023</p>		Retail	Office	Logistics	
	Total stock (sqm)			• 11,258,103	
	Vacancy rate			• 8.20%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)			• 44.00	
	Secondary rent (€ per sqm per month)			• 25.60	
	Prime yield (NIY)	• 3.80%	• 3.80%		• 3.70%
	Secondary yield (NIY)				

 <p>Hamburg Market Data Q1 2023</p>		Retail	Office	Logistics	
	Total stock (sqm)			• 13,800,000	
	Vacancy rate			• 3.70%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)			• 34.00	
	Secondary rent (€ per sqm per month)			• 20.90	
	Prime yield (NIY)	• 3.90%	• 3.70%		• 3.90%
	Secondary yield (NIY)				

 <p>Munich Market Data Q1 2023</p>		Retail	Office	Logistics	
	Total stock (sqm)			• 22,900,000	
	Vacancy rate			• 4.80%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)			• 45.5	
	Secondary rent (€ per sqm per month)			• 25	
	Prime yield (NIY)	• 3.40%	• 3.60%		• 3.90%
	Secondary yield (NIY)				

 <p>Düsseldorf Market Data Q1 2023</p>		Retail	Office	Logistics	
	Total stock (sqm)			• 7,794,000	
	Vacancy rate			• 8.00%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)			• 38.00	
	Secondary rent (€ per sqm per month)			• 21.10	
	Prime yield (NIY)	• 4.00%	• 3.80%		• 3.90%
	Secondary yield (NIY)				

 <p>Germany Market Data Q1 2023</p>		Multi-family	Student housing	Care homes
	Stock	• 23,831,315	• 214,730	• 984,688
	Annual investment (3 year average)	• 27,598,865,372	• 525,668,194	• 1,798,211,186
	Prime yield (NIY)	• 3.00%	• 3.70%	• 4.60%

\*Stock – Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN HUNGARY

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions (except for agricultural land)</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Land Registry registration is required for the change of ownership title to be effective</li> <li>As a principle of law, the information available at the Land Registry is deemed reliable and binding unless the contrary is proved</li> <li>The ownership title of a good faith buyer who acquired the real property in exchange for consideration (i.e. not as a gift) cannot be challenged by a third party after three years from the registration of the ownership right of the buyer. The deadline for such challenge is only six months if the decision of the Land Registry on the registration was delivered to the given party</li> <li>Title insurance is available but not commonly used</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>5-10%</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: HUF 6,600 (c. EUR 20) for the standard registration procedure, plus HUF 10,000 for a fast-track procedure (c. EUR 30) per property is advised.</li> <li>Agent fees: 3-5 % of the transaction value</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Real estate transfer tax: 4% of the market value of the property up to HUF 1,000,000,000 (c. EUR 2,817,000), plus 2% of the portion of the market value exceeding such amount. The total amount payable is capped at HUF 200,000,000 (ca. EUR 563,000)</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>9% (general corporate income tax)</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>27% for development land or new property (property where less than 2 years have elapsed from the grant of the occupancy permit)</li> <li>All other transactions are exempt, although the seller may (in its sole discretion) elect to render all its property transfer transactions subject to VAT at 27%. A reverse-charge VAT payment mechanism may apply under certain circumstances for the VAT electively charged</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>3-10 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Hungarian law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Yearly indexation based on the EU or Monetary Union Harmonised Index of Consumer Prices</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>The repair and maintenance of the structural elements and main equipment is the responsibility of the landlord, any other repair and maintenance work is the responsibility of the tenant</li> <li>Usually the landlord's repair and maintenance works, tax and insurance costs are recoverable from the tenant</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord's prior consent (not to be unreasonably withheld or delayed)</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>3-months' rent and service charges + VAT as a security deposit, bank guarantee. Parent company guarantee can be accepted in certain cases, mainly as an additional guarantee.</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>



### Hungary Demographic Data Q1 2023

Currency	• HUF
Population	• 9,710,170
GDP per capita (€)	• 14,544
GDP growth y-o-y	• 2.46%
2023 Inflation Rate	• 24.00%
Principal business centres	• Budapest



### Hungary Market Data Q1 2023

	Retail	Office	Logistics
Total stock (sqm)		• 4,301,862	• 3,241,152
Vacancy rate		• 12.20%	• 5.88%
Net Take-up (sqm)		• 33,859	• 58,002
Prime rent (€ per sqm per month)		• 28.00	• 6.00
Secondary rent (€ per sqm per month)		• 22.00	• 4.50
Prime yield (NIY)		• 6.00%	• 6.00%
Secondary yield (NIY)		• 7.25%	• 7.50%



# REAL ESTATE INVESTMENT IN IRELAND

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions provided the entity has the capacity to hold an interest in property</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Charge</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>There are two title registration systems in Ireland:               <ol style="list-style-type: none"> <li>Registry of Deeds; and</li> <li>Property Registration Authority ("PRA") - the state guaranteed registration system. All property purchased in Ireland is now subject to the compulsory registration in the PRA which is replacing the Registry of Deeds system</li> </ol> </li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Typically 10%</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Depend on the purchase price but for all properties acquired for a price in excess of EUR 400,000 a fee of EUR 800 is payable;</li> <li>Registration of charge: EUR 175;</li> <li>Where property is being registered in the PRA for the first time there is an additional charge of EUR 500</li> </ul> <p>Registration Fees in the Registry of Deeds (applies to property not yet registered in the PRA):</p> <ol style="list-style-type: none"> <li>Registration of deed - EUR 50;</li> <li>Registration of mortgage / charge - EUR 50</li> </ol>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Stamp duty is payable on acquisitions of commercial property at a standard rate of 7.5%</li> <li>Residential property is subject to stamp duty at 1% on the first EUR 1m and 2% on the balance</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>CGT generally applies at a rate of 33% on the disposal of Irish real estate by an Irish resident or non-Irish resident company</li> <li>Certain vehicles, such as an ICAV (Irish Collective Asset-management Vehicle) or REIT, are exempt from CGT but must apply withholding tax on distributions to investors</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>If applicable, VAT is 13.5% but the charging of VAT depends on the nature of the property, its VAT history and if it is opted to tax.</li> <li>Sales of properties subject to a letting can benefit from transfer of business relief for VAT purposes</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>5-25 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Irish law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Every 5 years upwards or downwards in accordance with market</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>For leases of an entire property it is typical for a tenant to be responsible for all repairs and maintenance, including the structure and roof. The landlord typically insures the entire property and recoups the premium from the tenant</li> <li>For leases of multi-tenanted buildings, the tenant is responsible for internal repairs only and pays a service charge contribution towards structural repairs and the provision of services. Landlord insures the structure and common areas with tenant paying a due proportion of the premium</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord consent (not to be unreasonably withheld or delayed in the case of an assignment or subletting of the entire premises). Leases often specify the circumstances in which it will be deemed reasonable to refuse consent. Subletting of part is a matter for negotiation</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Unless a tenant executes a deed of renunciation it will acquire renewal rights once there has been continuous business occupancy of the property for more than five years</li> <li>There are limited statutory exceptions to this renewal right which allow a landlord to pay compensation for disturbance to the tenant instead (for example where the landlord intends to redevelop and has planning permission to do so)</li> <li>Early termination and rights of re-entry are only exercisable on the occurrence of prescribed circumstances</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>A deposit (usually 3 months' rent) is sometimes required but this is subject to the financial covenant of the tenant and is typically a substitute for a personal or parent company guarantee</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 Ireland Demographic Data Q1 2023	Currency	• € Euro
	Population	• 5,100,200
	GDP per capita (€)	• 92,975
	GDP growth y-o-y	• 6.40%
	2023 Inflation Rate	• 6.30%
	Principal business centres	• Dublin, Cork
Principal business centres	• Dublin, Cork	

 Ireland Market Data Q1 2023		Retail	Office	Logistics	
	Total stock (sqm)			• 4,292,609	• 7,705,484
	Vacancy rate			• 14.0%	• 1.3%
	Net Take-up (sqm)			• 25,734	• 91,930
	Prime rent (€ per sqm per month)	• 304.00		• 56.00	• 11.25
	Secondary rent (€ per sqm per month)			• 42.00	• 8.30
	Prime yield (NIY)	• 4.90%		• 4.50%	• 4.50%
	Secondary yield (NIY)	• 7.75%		• 6.50%	• 6.00%

 Ireland Market Data Q1 2023		Multi-family	Student housing	Care homes
	Stock (units)	• 19,218	• 19,000	
	Annual investment € (3 year average)	• 1,494,000,000	• 173,000,000	• 540,000,000
Prime yield (NIY)	• 4.25%	• 5.00%	• 5.00%	

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN ITALY



## Real Estate rights

Property Ownership	<ul style="list-style-type: none"> <li>Restrictions arising from public utilities protection and from third party's right protection</li> <li>Among these restrictions, there is a pre-emption right in respect of properties bounded by the historical-artistic constraint (i.e. properties deemed to hold a high historical-artistic value) and expropriation for public utility</li> </ul>
Forms of Ownership	<ul style="list-style-type: none"> <li>Exclusive ownership or co-ownership</li> <li>Full ownership or bare ownership (for example, property acquired subject to a usufruct/temporary right)</li> <li>Surface property</li> <li>Timeshare (several subjects are owners of the same property which is enjoyed in turn by each owner for a predetermined period of the year).</li> <li>Italian law recognises other "minor" rights in rem, personal enjoyment rights or granting a lower power over the property</li> </ul>
For security	<ul style="list-style-type: none"> <li>Mortgage or special lien</li> <li>Prejudicial transcriptions and/or registrations</li> </ul>
Registration and protection	<ul style="list-style-type: none"> <li>Registration with the Land Registers is required for any establishment, disposal or amendment of rights in rem (including ownership) and for any lease over 9 years. The registration may also include a preliminary sale and purchase agreement ("Preliminary SPA"), which enables the enforcement of the Preliminary SPA against third parties and the seller can no longer sell the property to a third party (such enforceability ceases if the final SPA is not registered within 1 year of the relevant signing date and in any case within 3 years of the registration of the Preliminary SPA)</li> <li>Registration with the Revenue Agency (tax agency) of the aforesaid preliminary and definitive deeds (including leases under 9 years)</li> <li>The transcription of the deeds allows the purchaser's interests to be protected since it provides a form of legal publicity, guaranteeing the enforceability of the transcribed documents against third parties, according to the so-called booking effect</li> </ul>
Deposit	<ul style="list-style-type: none"> <li>Typically 10% of the purchase price</li> </ul>
Fees	<ul style="list-style-type: none"> <li>Land Register fees: are negligible and are up to an amount of EUR 168</li> <li>Notary fees: to be negotiated with each notary</li> </ul>



## Tax

(assuming commercial property, corporate parties and asset transfer)

Upon acquisition	<ul style="list-style-type: none"> <li>3% mortgage tax and 1% cadastral tax are applicable on the transfer of a commercial asset. Such taxes are halved if either party is an Italian real estate fund. Eur 200 mortgage tax and Eur 200 cadastral tax are applicable (instead of 3% + 1%) if the following requirements are jointly met: <ul style="list-style-type: none"> <li>The entire building is transferred;</li> <li>The buyer is a construction and renovation company;</li> <li>The buyer will carry out, within 10 years from the purchase, specific renovation works (inter alia compliant with the anti-seismic legislation and with A or B energetic class);</li> <li>A fixed EUR 200 registration tax is also payable</li> </ul> </li> </ul>
Upon disposal for capital gains	<ul style="list-style-type: none"> <li>If the seller is an Italian real estate fund, gains are exempt from taxation. If the seller is an Italian company, gains are taxable as follows: <ul style="list-style-type: none"> <li>a general rate of 24% for IRES taxes; and</li> <li>a base rate of 3.9% for IRAP taxes but local surcharges may be applicable up to 0.92%</li> </ul> </li> </ul>
VAT	<ul style="list-style-type: none"> <li>VAT is applicable at 22% or 10% depending on the asset. VAT is charged by the seller to the buyer if the property has been built or has undergone a substantial renovation, less than five years before the date of sale. If these criteria are not met VAT is applicable through the "reverse charge" method, where the buyer self-applies VAT. If the buyer does not carry out VAT exempt activities, the "reverse charge" method implies that no payment for VAT is made but only entries in VAT books are made by the buyer. As general rule the transfer of commercial buildings is VAT exempt. VAT applies only if the seller opts for the application of VAT in the transfer deed. In such a case VAT applies through the "reverse charge" method (i.e. the buyer self-applies VAT). As general rule VAT is applicable at 22% but it is applicable at 10% if the seller carried out on the building substantial renovation works. Please note that, Italian Tax Law provides for a specific VAT discipline if the property has been built or has undergone a substantial renovation by the seller, less than five years before the date of sale. If such a case VAT is applicable at 10% and "reverse charge" method does not apply</li> </ul>
Property tax	<ul style="list-style-type: none"> <li>Holding a property in Italy is subject to municipal property tax (IMU) at an annual tax rate which should not exceed 1.14%.</li> </ul>



### Typical lease provisions (assuming institutional parties)

Lease term	<ul style="list-style-type: none"> <li>Lease of properties for non-residential use: <ul style="list-style-type: none"> <li>- 6 + 6 years for buildings used for industrial and commercial use;</li> <li>- 9 + 9 years for properties for hotel use;</li> <li>- Freely determinable by the parties for properties of a transitory nature inherently</li> </ul> </li> <li>The renewal is usually for the same duration. Both parties have the right to withdraw from the lease by giving the other party at least 12 months' notice before expiry. The period is increased to 18 months in the case of hotel use</li> </ul>
Governing law	<ul style="list-style-type: none"> <li>Italian law</li> </ul>
Rent review	<ul style="list-style-type: none"> <li>Annual indexation in accordance with the Italian Consumer Price Index (ISTAT), generally equal to 75% of the change in consumer prices or 100% for lease with annual rent exceeding €250k</li> </ul>
Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Usually, the landlord must carry out all the necessary repairs, except those of minor maintenance which are the responsibility of the tenant. Therefore, the landlord is responsible for extraordinary maintenance while ordinary maintenance is the responsibility of the tenant</li> </ul>
Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>The tenant may sublease the property or assign the lease even without consent of the landlord, provided that the business is transferred or leased together, notifying the landlord by registered letter with return receipt. The landlord may object, for "serious reasons", within thirty days of receiving the communication</li> </ul>
Tenant protection provisions	<ul style="list-style-type: none"> <li>Early termination is exercisable on the occurrence of prescribed circumstances (so called "gravi motivi"). Upon agreement with the landlord the tenant can also be granted with a break option for convenience ("at will")</li> <li>Compensation for the loss of goodwill is a sum of money (equal to 18 months' rent for industrial, commercial businesses; 21 months' rent for hotel businesses) which the landlord must pay to the tenant in the event of termination of the commercial lease relationship which is not due to termination for non-fulfilment or withdrawal by the tenant</li> <li>Pre-emption right in case of sale or new lease. Please note that for leases with an annual rent exceeding €250k, it is the faculty of the parties to contractually agree on terms and conditions by way of derogation from the provisions of the law on leases</li> </ul>
Deposit	<ul style="list-style-type: none"> <li>The deposit generally accounts for three months' rent and must be returned at the end of the lease plus interest, unless the parties have expressly agreed to set up an interest-free deposit</li> </ul>
Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>



### Italy Demographic Data Q1 2023

Currency	<ul style="list-style-type: none"> <li>€ Euro</li> </ul>
Population	<ul style="list-style-type: none"> <li>59,023,840</li> </ul>
GDP per capita (€)	<ul style="list-style-type: none"> <li>29,808</li> </ul>
GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.10%</li> </ul>
2023 Inflation Rate	<ul style="list-style-type: none"> <li>8.20%</li> </ul>
Principal business centres	<ul style="list-style-type: none"> <li>Milan</li> </ul>



### Milan Market Data Q1 2023

	Retail SC	Office	Logistics Italy
Total stock (sqm)	<ul style="list-style-type: none"> <li>16,100,000</li> </ul>	<ul style="list-style-type: none"> <li>12,600,000</li> </ul>	
Vacancy rate		<ul style="list-style-type: none"> <li>2.00%</li> </ul>	<ul style="list-style-type: none"> <li>5.00%</li> </ul>
Net Take-up (sqm)		<ul style="list-style-type: none"> <li>85,000</li> </ul>	<ul style="list-style-type: none"> <li>630,000</li> </ul>
Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>79.00</li> </ul>	<ul style="list-style-type: none"> <li>58.00</li> </ul>	<ul style="list-style-type: none"> <li>5.25</li> </ul>
Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>50.00</li> </ul>	<ul style="list-style-type: none"> <li>39.50</li> </ul>	<ul style="list-style-type: none"> <li>4.8-</li> </ul>
Prime yield (NIY)	<ul style="list-style-type: none"> <li>6.50%</li> </ul>	<ul style="list-style-type: none"> <li>4.00%</li> </ul>	<ul style="list-style-type: none"> <li>5.00%</li> </ul>
Secondary yield (NIY)	<ul style="list-style-type: none"> <li>10.0%</li> </ul>	<ul style="list-style-type: none"> <li>4.50%</li> </ul>	<ul style="list-style-type: none"> <li>6.50%</li> </ul>



### Italy Market Data Q1 2023

	Multi-family	Student housing	Care homes Lombardia
Stock	<ul style="list-style-type: none"> <li>183,227</li> </ul>		
Annual investment (3 year average)	<ul style="list-style-type: none"> <li>170,000,000</li> </ul>	<ul style="list-style-type: none"> <li>103,000,000</li> </ul>	<ul style="list-style-type: none"> <li>346,000,000</li> </ul>
Prime yield (NIY)	<ul style="list-style-type: none"> <li>4.00%</li> </ul>	<ul style="list-style-type: none"> <li>4.50%</li> </ul>	<ul style="list-style-type: none"> <li>5.15%</li> </ul>

\*Stock – Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN LUXEMBOURG

 <p>Real Estate rights</p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold (propriété) or leasehold (including long term lease (bail emphytéotique) and building rights (droit de superficie)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Transfer of ownership of real property is enforceable only if recorded in a notarial deed and registered with the property register</li> <li>All rights in rem and certain personal rights over real property are registered in a public register</li> <li>No state guarantee of title, but potential liability of the state for damages caused by a malfunction of the register administration</li> <li>No title insurance available</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Up to 25% (often less)</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Notary fees approximately 1.5% of the purchase price</li> <li>Agent fees: up to 3% of the purchase price (plus VAT)</li> </ul>

 <p>Tax (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Acquisitions of real estate in Luxembourg are subject to the following registration duties / fees:               <ul style="list-style-type: none"> <li>a proportional registration fee of 6%;</li> <li>a 1% transcription fee;</li> <li>a municipal surcharge on the registration fee may apply (e.g. 3% in the City of Luxembourg)</li> </ul> </li> <li>Registration fees are in principle calculated on the purchase price of the property (which cannot be lower than its market value)</li> <li>Transfers of property in restructuring transactions can be subject to reduced or no proportional registration taxes</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>For resident corporate taxpayers:               <ul style="list-style-type: none"> <li>The capital gain on the disposal of a real estate located in Luxembourg is taxed at the ordinary corporate income tax (CIT) rates (plus the contribution to the employment fund)</li> <li>In addition to the corporate income tax rates (including the mark-up), municipal business tax (MBT) (with its rate depending on the concerned municipality) applies</li> </ul> </li> <li>For non-resident corporate taxpayers:               <ul style="list-style-type: none"> <li>Capital gains realised on the sale of real estate located in Luxembourg are taxed at the ordinary CIT rates (plus the contribution to the employment fund). Capital gains should not be subject to MBT (except in the presence of a commercial activity in Luxembourg carried on through a permanent establishment)</li> </ul> </li> </ul>
	VAT	<ul style="list-style-type: none"> <li>The sale / supply of an existing property is in principle exempt from VAT</li> <li>This exemption does not apply to construction works and generally the standard VAT rate of 17% applies. VAT can be reduced to 3% for constructions of primary residences. In 2023, the standard VAT rate is reduced by 1% as part of the government's anti-inflation measures</li> <li>A (partial) recovery of VAT is possible, under certain conditions</li> </ul>

 <p>Typical lease provisions (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Leases may have a limited or an unlimited duration, without a minimum mandatory term</li> <li>Commonly commercial leases are for 3, 6 or 9 years with termination rights for either party every 3 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Luxembourg law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Yearly indexation of the rent by reference to a price index commonly included</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Usually landlords are responsible for major repairs and tenants are responsible for wear and tear repairs</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to the landlord consent (not to be unreasonably withheld or delayed)</li> <li>Tenants of retail leases cannot waive their right to assign or sublease where the intangible business asset is simultaneously being transferred or subleased (except where the landlord or their family resides in a part of the building)</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Early termination and rights of re-entry are only exercisable on the occurrence of prescribed circumstances negotiated in the lease</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Typically up to 6 months' rent other than office leases where deposits are typically 6 - 12 months' rent - usually granted by way of a bank guarantee</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>Generally not applicable, however FDI legislation currently being implemented in Luxembourg may tighten the regime</li> </ul>



### Luxembourg Demographic Data Q1 2023

Currency	• € Euro
Population	• 669,600
GDP per capita (€)	• 95,981
GDP growth y-o-y	• 2.92%
2023 Inflation Rate	• 3.7%
Principal business centres	• Luxembourg



### Luxembourg Market Data Q1 2023

	Retail	Office	Logistics
Total stock (sqm)		• 4,617,566	
Vacancy rate		• 2.85%	
Net Take-up (sqm)		• 123,286	
Prime rent (€ per sqm per month)		• 54.00	
Secondary rent (€ per sqm per month)		• 42.00	
Prime yield (NIY)		• 4.45%	
Secondary yield (NIY)			



# REAL ESTATE INVESTMENT IN NETHERLANDS

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold (eigendom), leasehold (erfpacht), apartment rights (appartementrechten), right of superficies (opstalrecht)</li> <li>Leasehold means a transferable lease (contrary to an occupational lease) which entitles the leaseholder enjoyment of the relevant property within the restrictions as specified in the deed of creation of the leasehold</li> <li>Apartment rights are rights which gives the proprietor:               <ul style="list-style-type: none"> <li>(i) a shared interest in the ownership of the property;</li> <li>(ii) the exclusive enjoyment of a specific part of the property; and</li> <li>(iii) shared rights and obligations in relation to the common areas of the property</li> </ul> </li> <li>Right of superficies means a right which enables the proprietor (the superficiary) to own a building or works in, on or above land (or a building) owned by another party. A right of superficies is often used for pipes and cables under or above someone else's land</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Registration with the Land Registers is required for mortgages and any establishment, disposal or amendment of rights in rem (including ownership)</li> <li>The registration may also include a Sale and Purchase Agreement, which enables the enforcement of the SPA against third parties and the limits to sell the property to a third party (such enforceability ceases if the deed of transfer is not registered within 6 months of the registration of the SPA)</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>A deposit is usually 10% of the agreed purchase price. The deposit will be paid to the civil-law notary. If the purchaser does not have sufficient funds available the purchaser can also grant a bank guarantee</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: approximately EUR 1,500</li> <li>Agent fees: 1% - 1.5% of the purchase price plus VAT</li> <li>Civil-law notary fees: to be negotiated with the civil-law notary. The rates are comparable to the rates of lawyers</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>From 1 January 2023: real estate transfer tax: 10.4% on the acquisition of commercial properties and investor residential property. The rate for first-time residential property buyers under 35 years of age is 0% (transfer value limit: EUR 440,000) and the rate for buyers from 35 years of age who will occupy the property themselves is 2%</li> <li>The transfer of property is exempt from 21% VAT unless the property is newly constructed, qualifies as development land or the seller and the buyer opt for a VAT taxed transfer. The parties can opt for a transfer to be subject to VAT if:               <ul style="list-style-type: none"> <li>both the seller and buyer are entrepreneurs under the Dutch VAT Act; and</li> <li>the buyer will use 90% or more of the property for business activities that are subject to VAT</li> </ul> </li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>No capital gains as such, instead corporate income tax is due on a gain realised on the transfer of the property.</li> <li>Corporate income tax rates 2023:               <ul style="list-style-type: none"> <li>Up to and including EUR 200,000: 19%;</li> <li>Above EUR 200,000: 25.8%</li> </ul> </li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Leases are VAT exempt unless the lessor and lessee opt for a VAT taxed lease (not applicable to residential properties)</li> <li>Conditions for a 21% VAT taxed lease:               <ul style="list-style-type: none"> <li>the tenant is an entrepreneur for VAT purposes;</li> <li>the tenant uses the leased space for at least 90% or more of the property for business activities that are subject to VAT;</li> <li>the tenant independently operates its business in the leased space</li> </ul> </li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Two rental regimes apply in the Netherlands:               <ul style="list-style-type: none"> <li>(i) the lease of retail spaces (article 7:290 DCC): an initial lease term of 5 + 5 years applies. The tenant can terminate the lease by the end of both terms without having to state a ground for termination. The landlord, however, can terminate the lease only with a valid ground for termination. If the tenant does not agree to the termination, the lease will simply continue and the landlord must go to court to have the lease terminated;</li> <li>(ii) The lease term of 5 + 5 years does not apply for other premises (art. 7:230a DCC regime), such as office spaces. In that case, a tenant and a lessor are free to enter into a lease for a definite or indefinite period. The lease ends by operation of law by the expiration of the specified term agreed upon by the parties, or, if the lease is for an indefinite period, upon termination by the tenant or landlord with a notice period of at least 1 month</li> </ul> </li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Dutch law</li> </ul>

	Rent review	<ul style="list-style-type: none"> <li>Landlord and tenant are free to agree on rent indexation. Usually, the rent will be adjusted annually based on the consumer price index (CPI), series All Households (2015=100), as published by Statistics Netherlands (Centraal Bureau voor de Statistiek (CBS)). Where a tenant option is given, the landlord may negotiate a market rent review at the end of the lease period.</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Retail leases are subject to a market price rent review every 5 years after the latest review. The parties may stipulate that the landlord may only increase the rent by a maximum percentage. Rent indexation is usually for the first time 12 months after the commencement date and annually thereafter</li> <li>In the Netherlands, when leasing real estate, the ROZ model and its general terms and conditions are often used as a starting point. The ROZ model is a very landlord-friendly contract</li> <li>Under the standard ROZ terms, a tenant requires the landlord's prior written approval for every structural change and some non-structural changes it wants to make to the leased space. Furthermore, at the end of the lease, the tenant has to redeliver the leased space in the condition it was in at the beginning of the lease unless negotiated otherwise. Tenants will often stipulate that they may deliver the leased space in the condition it is in at the end of the lease ('as-is')</li> <li>From 1 January 2023 onwards, the landlord of office buildings larger than 100 square metres must have an energy index of 1.3 or lower. Currently, an energy index of 1.3 is equal to an energy label class C</li> <li>The landlord is responsible for structural and large scale repair and maintenance. Other repairs and maintenance are the tenant's responsibility</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to the landlord's consent (which may not be unreasonably withheld)</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Termination is possible but subject to eviction protection regime. Retail leases can only be terminated on certain limited statutory grounds</li> </ul>
	Security	<ul style="list-style-type: none"> <li>It is customary that tenants provide rent security for an amount equal to 3 months' rent (+ service costs and VAT). This can be a bank guarantee, a cash deposit or a parent company guarantee</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>

 <b>ESG</b>	Bijna Energie neutrale Gebouwen (BENG)	<p>Since January 2023, the Bijna Energie neutrale Gebouwen (BENG) has required all new buildings to be almost energy neutral, following three rules: (1) the outer layer of the building must reduce energy demand, (2) the remaining energy must be generated as efficiently as possible, (3) the energy demand from must be met by energy supply generated mostly from renewable sources. From January 2023, all offices larger than 1,000 m2 must have a minimum energy label 'C'. The Dutch Government's intention is to increase this to an 'A' certificate from 2030.</p>
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 <b>Netherlands Demographic Data Q1 2023</b>	Currency	<ul style="list-style-type: none"> <li>€ EUR</li> </ul>
	Population	<ul style="list-style-type: none"> <li>17,740,210</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>45,035</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.90%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>5.20%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Amsterdam, Rotterdam, Schiphol, Venlo</li> </ul>

 <b>Netherlands Market Data Q1 2023</b>		Retail	Office	Logistics
	Total stock (sqm)	<ul style="list-style-type: none"> <li>2,299,115</li> </ul>	<ul style="list-style-type: none"> <li>47,801,622</li> </ul>	<ul style="list-style-type: none"> <li>44,013,678</li> </ul>
	Vacancy rate	<ul style="list-style-type: none"> <li>5.41%</li> </ul>	<ul style="list-style-type: none"> <li>6.70%</li> </ul>	<ul style="list-style-type: none"> <li>3.00%</li> </ul>
	Net Take-up (sqm)	<ul style="list-style-type: none"> <li>126,448</li> </ul>	<ul style="list-style-type: none"> <li>231,529</li> </ul>	<ul style="list-style-type: none"> <li>1,242,272</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>187.50</li> </ul>	<ul style="list-style-type: none"> <li>48.33</li> </ul>	<ul style="list-style-type: none"> <li>7.92</li> </ul>
	Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>70.83</li> </ul>	<ul style="list-style-type: none"> <li>23.75</li> </ul>	<ul style="list-style-type: none"> <li>6.00</li> </ul>
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>4.35%</li> </ul>	<ul style="list-style-type: none"> <li>4.50%</li> </ul>	<ul style="list-style-type: none"> <li>5.00%</li> </ul>
	Secondary yield (NIY)	<ul style="list-style-type: none"> <li>4.75%</li> </ul>	<ul style="list-style-type: none"> <li>6.00%</li> </ul>	<ul style="list-style-type: none"> <li>6.50%</li> </ul>

 <b>Netherlands Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock	<ul style="list-style-type: none"> <li>603,000</li> </ul>	<ul style="list-style-type: none"> <li>387,300</li> </ul>	<ul style="list-style-type: none"> <li>115,000</li> </ul>
	Annual investment (3 year average)	<ul style="list-style-type: none"> <li>3,630,923,000</li> </ul>	<ul style="list-style-type: none"> <li>268,560,000</li> </ul>	<ul style="list-style-type: none"> <li>669,408</li> </ul>
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>4.30%</li> </ul>	<ul style="list-style-type: none"> <li>5.25%</li> </ul>	<ul style="list-style-type: none"> <li>5.00%</li> </ul>

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN NORWAY

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>None, other than asset purchases of undeveloped land exceeding a certain size may require concession (i.e. government approval for the acquisition)</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold, leasehold, cooperative housing, or condominiums (i.e. buildings where a cooperative body owns the building and the individual units are legally owned individually)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>No legal requirement, although registration is necessary to obtain legal protection of title. Special requirements for identification of foreign entities apply</li> <li>For asset transfers, registration of concession is required if applicable (i.e. government approval is required for the acquisition, or self-declaration for dispensation from concession requirement is necessary for conveyance of title)</li> <li>Possible duty to notify the Norwegian Competition Authority</li> <li>Duty to notify the municipality when acquiring a leasehold apartment building (the municipal has a right to first refusal to the property when a leasehold apartment building is acquired, regardless of the transaction being an asset or share transfer)</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry: NOK 585 + 2.5 % of property value</li> <li>Agent: approximate range 1% - 2%</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Purchaser: None</li> <li>Seller: None</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>None</li> </ul>
	Property tax	<ul style="list-style-type: none"> <li>0% - 0.7% (depending on municipality)</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>25%, if the landlord elects for VAT deductions</li> <li>VAT exemptions apply to tenants that are state entities, financial institutions, or providers of health care or education. Further exemptions exist</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>5-20 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Norwegian law (non-mandatory law applies for commercial leaseholds)</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Rent is usually fixed, linked to turnover or linked to the Norwegian consumer price index.</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>The lease is often based on the model lease for commercial space provided by the National Federation of House Owners, the Norwegian Property Federation and the Forum for Commercial Real Estate Agents/Norwegian Association of Real Estate Agents, which is deemed market practice (although more favourable to the lessor) in Norway</li> <li>Landlord to perform external maintenance and replacements of technical installations when these can no longer be maintained in an economical manner</li> <li>Tenant to perform internal maintenance and maintenance of technical installations</li> <li>Landlord to insure the property</li> <li>Tenant to pay property tax</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to the landlords consent (consent to a sublease may not be withheld without just cause, whereas assignment may be withheld at the unfettered discretion of the lessor)</li> <li>Change of control clause regarding change of ownership</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Various statutory tenant protection provisions are usually derogated when leasing commercial properties</li> <li>Mandatory requirements as to form for notices of termination apply</li> </ul>
	Deposit/guarantee	<ul style="list-style-type: none"> <li>Typically 6-12 months' rent plus VAT and the tenant's share of joint costs.</li> <li>Bank guarantees, security deposits or parent company guarantees are commonly used</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <b>Norway Demographic Data Q1 2023</b>	Currency	• Norwegian Krone NOK
	Population	• 5,492,660
	GDP per capita (€)	• 72,282
	GDP growth y-o-y	• 1.56%
	2023 Inflation Rate	• 6.4%
	Principal business centres	• Oslo

 <b>Norway Market Data Q1 2023</b>		Retail	Office	Logistics
	Total stock (sqm)		• 9,259,462	• 7,878,311
	Vacancy rate		• 5.90%	• 2.70%
	Net Take-up (sqm)		• 250,030	
	Prime rent (€ per sqm per month)	• 197.00	• 43.80	• 14.00
	Secondary rent (€ per sqm per month)	• 105.00	• 32.45	• 7.00
	Prime yield (NIY)	• 4.45%	• 4.00%	• 4.75%
Secondary yield (NIY)	• 5.55%	• 4.60%	• 5.30%	

 <b>Norway Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock			
	Annual investment € (3 year average)	• 17,858,000		
	Prime yield (NIY)	• 4.50%	• 4.30%	

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN POLAND

 <p>Real Estate rights</p>	Property Ownership	<ul style="list-style-type: none"> <li>Non-resident investors from countries outside the European Economic Area have to obtain the consent of the Minister of Internal Affairs for the acquisition of a real property.</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Ownership or perpetual usufruct rights</li> <li>Usufruct rights are applicable to the properties owned by the state or a local authority and are established for period of 40-99 years, authorizes the property for a specific purpose and usufruct rights are freely mortgageable. The first holder of the usufruct right to the land is obliged to pay a kick-off fee in the range of 15% to 25% of the value of the land, and further the annual fee which is estimated as a percentage of the value of the land, to the entity from which it obtained the usufruct right (i.e. the state or local authority). The percentage rate for the annual fee depends on the purpose for which the land is given for use. In case of the commercial properties which are held in perpetual usufruct rights, it usually amounts to 3% of the value of the land</li> </ul>
	For security	<ul style="list-style-type: none"> <li>A mortgage is the only in rem security interest over a real property available in Poland. It can encumber real properties which a mortgagor owns or holds in perpetual usufruct, and allows the mortgagee to seek satisfaction from the real property irrespective of whose ownership it has become and with priority over the mortgagor's personal creditors. The owner of a real property encumbered with a mortgage does not have to be a personal debtor of the mortgagee. It is possible to encumber several properties owned by one borrower/mortgagor with one mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Compulsory registration in the land and mortgage register is mandatory for land owners or those with a right of perpetual usufruct or mortgages</li> <li>Leases may be disclosed in the land and mortgage register</li> <li>Title to a real property is registered in the land and mortgage register</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>The sale price may be transferred to the notarial deposit or escrow account before completion of the final purchase agreement.</li> <li>The amount of the deposit depends on the structure of the transaction. There is no standard amount of a deposit.</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Court fee for an application for entry in the land and mortgage register is PLN 200</li> <li>Fees for the Polish notarial deeds depend on the transaction value</li> <li>Notarial fees: based on the value of the transaction up to a maximum of PLN 16,770.00</li> </ul>
	 <p>Tax (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition
Upon disposal for capital gains		<ul style="list-style-type: none"> <li>Non-resident companies are subject to a 19% rate (based on the sale price minus the purchase price) provided that the double taxation treaty that exists between the registered office country and Poland includes a real estate clause</li> </ul>
VAT		<ul style="list-style-type: none"> <li>23%</li> </ul>

 <b>Typical lease provisions</b> (assuming institutional parties)	Lease term	<ul style="list-style-type: none"> <li>5-7 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Polish law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Rent is usually fixed, linked to turnover or linked to the Norwegian consumer price index.</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Tenant responsibility under typical full repair and insurance leases (triple net)</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord consent. Sublease to group companies is usually permitted under lease contracts</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Early termination rights of re-entry are only exercisable on the occurrence of prescribed circumstances, for example premises not suitable to use due to health or safety threats. Termination grounds are specified in the lease and are generally very specific and limited</li> </ul>
	Deposit/guarantee	<ul style="list-style-type: none"> <li>Depending on the length of lease term, usually cash deposit or bank guarantee securing payments of 3 months of rent, service charges and VAT</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <b>Poland Demographic Data Q1 2023</b>	Currency	<ul style="list-style-type: none"> <li>Polish Zloty PLN</li> </ul>
	Population	<ul style="list-style-type: none"> <li>37,949,430</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>14,769</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>3.01%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>14.70%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Warsaw</li> </ul>

 <b>Poland Market Data Q1 2023</b>		Retail	Office	Logistics
	Total stock (sqm)	<ul style="list-style-type: none"> <li>13,037,100</li> </ul>	<ul style="list-style-type: none"> <li>12,726,700</li> </ul>	<ul style="list-style-type: none"> <li>28,305,700</li> </ul>
	Vacancy rate	<ul style="list-style-type: none"> <li>4.70%</li> </ul>	<ul style="list-style-type: none"> <li>13.80%</li> </ul>	<ul style="list-style-type: none"> <li>4.00%</li> </ul>
	Net Take-up (sqm)		<ul style="list-style-type: none"> <li>218,000</li> </ul>	<ul style="list-style-type: none"> <li>4,477,300</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>100.00 - 120.00</li> </ul>	<ul style="list-style-type: none"> <li>22.50 - 25.50</li> </ul>	<ul style="list-style-type: none"> <li>5.50 - 6.50</li> </ul>
	Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>45.00 - 60.00</li> </ul>	<ul style="list-style-type: none"> <li>13.00 - 15.00</li> </ul>	<ul style="list-style-type: none"> <li>3.40 - 4.00</li> </ul>
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>5.75%</li> </ul>	<ul style="list-style-type: none"> <li>5.50%</li> </ul>	<ul style="list-style-type: none"> <li>5.75%</li> </ul>
	Secondary yield (NIY)	<ul style="list-style-type: none"> <li>7.50%</li> </ul>	<ul style="list-style-type: none"> <li>7.00%</li> </ul>	<ul style="list-style-type: none"> <li>7.00%</li> </ul>

 <b>Poland Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock	<ul style="list-style-type: none"> <li>12,424</li> </ul>	<ul style="list-style-type: none"> <li>9,587</li> </ul>	
	Annual investment € (3 year average)	<ul style="list-style-type: none"> <li>386,720,400</li> </ul>	<ul style="list-style-type: none"> <li>63,327,900</li> </ul>	
Prime yield (NIY)	<ul style="list-style-type: none"> <li>5.25%</li> </ul>	<ul style="list-style-type: none"> <li>5.75%</li> </ul>		

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN PORTUGAL

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or other rights, particularly surface rights</li> <li>Surface rights are in an in rem right to build on land which is owned by third parties in perpetuity or temporarily. Upon expiry of the surface right, the ownership over the building reverts to the owner of the land against payment of an indemnity (unless otherwise agreed)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage or assignment of income (i.e. security granted over income such as rent limited to 15 years)</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Required for sales or leases terms exceeding 6 years</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>5% - 20% before completion of the final purchase agreement</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: EUR 250, plus EUR 50 for each unit acquired simultaneously under the same transaction</li> <li>Notary fees: to be negotiated with each notary</li> <li>Agent fees: 3% - 5% of the purchase price</li> </ul>

 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Commercial property acquisitions are subject to a Real Estate Transfer Tax ("RETT") of 6.5% (levied over the purchase price or the tax registered value, whichever is higher)</li> <li>The tax rate will increase to 10% for purchasers domiciled in a blacklisted jurisdiction (as set out in a ministerial order) or controlled, directly or indirectly, by an entity domiciled in a blacklisted jurisdiction. RETT exemptions related to the acquisition of real estate for resale or urban rehabilitation may apply</li> <li>Commercial property acquisitions are also subject to Stamp Duty at the rate of 0.8%, levied on the same tax base as noted above for RETT purposes. Stamp tax only applies if the VAT exemption on real estate transactions is not waived (please see below)</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>Resident entities: subject to corporate income tax, due on the taxable profit, at a rate of 21%, increased by a Municipal Surcharge of up to 1.5%. A reduced CIT rate of 17% is applicable to the taxable basis of up to € 25,000 of small or medium-sized companies ("SMEs")</li> <li>A state surcharge will also be due on the following terms:                             <ol style="list-style-type: none"> <li>3% on the part of taxable profit that exceeds EUR 1.5m up to EUR 7.5m;</li> <li>5% on the part of the taxable profit between EUR 7.5m and EUR 35m;</li> <li>9% over the taxable profit that exceeds EUR 35m</li> </ol> </li> <li>A regional surtax (Derrama Regional) applies in the Autonomous Region of Madeira and in the Autonomous Region of the Azores at the following rates:                             <ul style="list-style-type: none"> <li>2.1% applicable to the taxable profit exceeding EUR 1.5 million and up to EUR 7.5 million</li> <li>3.5% applicable to the taxable profit exceeding EUR 7.5 million and up to EUR 35 million</li> <li>6.3% applicable to the taxable profit exceeding EUR 35 million</li> </ul> </li> <li>Non-resident entities: subject to corporate income tax, due on the taxable profit, at a rate of 25%, while companies located in a tax haven are taxed at 35%</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>As a general rule, property transfers are exempt from VAT</li> <li>Provided that certain conditions (such as the property not being used for an activity exempt from VAT) are complied with, the parties may waive the applicable VAT exemption. In such cases a VAT rate of 23% (self-assessed and deducted by the purchaser) is applicable</li> </ul>

 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>5-15 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Portuguese law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Annual (according to the Portuguese consumer price index). The government can decree measures to limit the increase of rents - due to the high inflation rate, the government limited the increase up to 2% this year</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Landlord responsible for major repair works</li> <li>Tenant responsible for ordinary maintenance</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord's consent</li> </ul>

Tenant protection provisions	<ul style="list-style-type: none"> <li>In case of fixed term leases that are automatically renewable, the landlord may not oppose the renewal of the lease within the first 5 years, regardless of the lease's contractual term</li> <li>Eviction only permissible upon judicial determination, through an eviction proceeding or a special eviction procedure</li> </ul>
Deposit	<ul style="list-style-type: none"> <li>Up to 2 months' rent</li> <li>Bank guarantees, security deposits or parent company guarantees</li> </ul>
Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <b>Portugal Demographic Data Q1 2023</b>	Currency	<ul style="list-style-type: none"> <li>€ EUR</li> </ul>
	Population	<ul style="list-style-type: none"> <li>10,324,240</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>€ 20,233</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.31%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>5.70%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Lisbon, Porto</li> </ul>

 <b>Portugal Market Data Q1 2023</b>		Retail	Office	Logistics
	Total stock (sqm)			<ul style="list-style-type: none"> <li>4,417,858</li> </ul>
	Vacancy rate			<ul style="list-style-type: none"> <li>9.21%</li> </ul>
	Net Take-up (sqm)			<ul style="list-style-type: none"> <li>19,906</li> <li>213,883</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>135.00</li> </ul>	<ul style="list-style-type: none"> <li>26.00</li> </ul>	<ul style="list-style-type: none"> <li>4.25</li> </ul>
	Secondary rent (€ per sqm per month)		<ul style="list-style-type: none"> <li>16.50</li> </ul>	
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>4.50%</li> </ul>	<ul style="list-style-type: none"> <li>3.89%</li> </ul>	<ul style="list-style-type: none"> <li>5.04%</li> </ul>
	Secondary yield (NIY)			<ul style="list-style-type: none"> <li>5.49%</li> </ul>

 <b>Portugal Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock			
	Annual investment € (3 year average)		<ul style="list-style-type: none"> <li>59,000,000</li> </ul>	
	Prime yield (NIY)			

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN ROMANIA

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>Any entity or individual can hold a land property in Romania, so long as such entity or individual is Romanian or from another EU jurisdiction (or other exceptions provided by law). Any entity may freely acquire constructions</li> <li>Certain legal pre-emption rights should be observed in case of sale of extramural agricultural lands, forestry lands or of classified historical monuments</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Public property-held by the State or by local administrative authorities; or</li> <li>Private property-held by private entities (e.g. companies, individuals), as well as by the State or local administrative authorities as freehold or leasehold land</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Land book registration for opposability purposes, in favour of the owner or third parties (such as tenants and financing banks) holding rights with respect to the property</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Notary fees apply to the execution of the transfer deed and land book registration fee</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>For a turnover under 500.000 EUR - 1% income tax and a 8% tax for dividends</li> <li>For a turnover higher than 500.000 EUR - capital gains are included in profit figures and taxed at 16%</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>VAT rate is 19% from the transaction value</li> <li>Generally, the sale of real estate assets is VAT-exempt, save for the sale of new buildings or sale of properties on development land and where after construction the value of the land exceeds the value of construction</li> <li>Where VAT applies, a reverse taxation mechanism might apply where both parties are VAT-registered</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>5-10 years (without break option rights)</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Romanian law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Yearly indexation based on HICP (EU Harmonized Index of Consumer Prices or MUICP (Monetary Union Index of Consumer Prices)</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Typically, triple-net leases. Major repairs are in the duty of the Landlord, and the Tenant is liable for minor repairs in the leased premises</li> <li>Landlord's repair and maintenance work are passed on via the service charge</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to Landlord's prior approval. Usually, sub-letting/assignment within Tenant's group is permitted without Landlord's prior approval</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Usually, contractually agreed events of default or other cases (such as an inability to use a significant part of the leased premises) entitle the Tenant to terminate the lease agreement without intervention of the law courts</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>3-6 months' rent and service charge and VAT, under the form of a bank guarantee or cash deposit</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>N/A</li> </ul>

Romania Demographic Data Q1 2023	
Currency	• Romanian Leu RON
Population	• 18,846,460
GDP per capita (€)	• 11,417
GDP growth y-o-y	• 3.25%
2023 Inflation Rate	• 11.23%
Principal business centres	• Bucharest

Romania Market Data Q1 2023		Retail	Office	Logistics
Total stock (sqm)	• 1,200,000	• 3,756,755	• 3,154,538	
Vacancy rate		• 11.00%	• 5.00%	
Net Take-up (sqm)		• 24,543	• 64,000	
Prime rent (€ per sqm per month)	• 70.00	• 20.00	• 4.00	
Secondary rent (€ per sqm per month)	• 45.00	• 15.00	• 3.20	
Prime yield (NIY)	• 6.90%	• 6.50%	• 7.40%	
Secondary yield (NIY)	• 8.20%	• 7.70%	• 8.20%	



# REAL ESTATE INVESTMENT IN SLOVAKIA

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or right to build (i.e. the right to build on third party land)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Transfer of property comes into effect upon registration at the Land Registry</li> <li>Lease of land (not buildings) with a lease term of at least five years can also be registered at the Land Registry</li> <li>As a principle of law, the information registered at the Land Registry is deemed reliable and binding unless the contrary is proved</li> <li>There is no state guarantee of title. Title insurance is increasingly being used to either solve specific issues or as a general form of protection for purchasers as there is no state guarantee of title</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry fees: EUR 66 for a standard application taking up to 30 days or a fee of EUR 266 for an accelerated application, each regardless of the transaction value</li> <li>Agent fees: 3-5 % of the transaction value</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>21% corporate tax (unless eliminated by a double tax treaty)</li> <li>If the seller is a tax resident outside the EU/EEA, a Slovak purchaser must withhold a 19% deposit from the purchase price to secure the seller's future tax liability</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>20%</li> <li>Transfer of real estate may be VAT-exempt if carried out more than 5 years from completion of the building or from the validity of the occupation permit for the building</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Generally 5-10 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Slovak law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Yearly indexation based on the EU Harmonised Index of Consumer Prices (HICP)</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>The repair and maintenance of the structural elements and main equipment (e.g. elevators) is the responsibility of the landlord, any other repair and maintenance work is the responsibility of the tenant</li> <li>Usually the landlord's repair and maintenance works, tax and insurance costs are recoverable from the tenant through service charges</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord consent (not to be unreasonably withheld or delayed)</li> <li>Sublease/assignment to group companies is usually permitted within the lease contracts</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Termination grounds are specified in the lease and are generally very specific and limited</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Deposit (usually 3 months' rent) or a bank guarantee may be provided</li> <li>Depending on the financial covenant of the tenant, a parent company guarantee may be provided as well</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>



### Slovakia Demographic Data Q1 2023

Currency	• € EUR
Population	• 5,467,246
GDP per capita (€)	• 18,418
GDP growth y-o-y	
2023 Inflation Rate	• 13.80%
Principal business centres	• Bratislava



### Slovakia Market Data Q1 2023

	Retail SC	Office Bratislava	Logistics
Total stock (sqm)	• 1,492,500	• 2,020,000	• 3,700,000
Vacancy rate		• 11.82%	• 3.30%
Net Take-up (sqm)		• 36,000	• 71,000
Prime rent (€ per sqm per month)	• 65.00	• 14.50 - 17.50	• 5.00 - 5.60
Secondary rent (€ per sqm per month)		• 11.00 - 12.50	• 4.50
Prime yield (NIY)	• 6.50%	• 5.75%	• 5.85%
Secondary yield (NIY)	• 7.75%	• 7.25%	• 7.25%



# REAL ESTATE INVESTMENT IN SPAIN

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Property can be fully owned or alternatively without acquiring the full ownership of the same, it is possible to use or exploit these assets through the acquisition of certain rights over them by virtue of the relevant agreements (lease agreements, constitution of surface rights, etc.)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Not always legally required, except in certain cases (such as the registration of mortgages or surface rights)</li> <li>Registration of the ownership title of any other right over real estate assets is highly recommended and is market practice as the Land Registry will provide additional protection against third parties whose rights are not registered with the same</li> <li>All public deeds shall be granted by a Notary</li> <li>Leases are not usually registered with the Land Registry</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Not required by law but typically 5% - 10% for transactions with a split exchange and completion</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry: based on an official tariff calculated on the purchase price and the number of units transferred. The official tariff can amount from EUR 0.20 to EUR 1.75 per EUR 1,000 of property value (up to a maximum tariff of EUR 2,181.67)</li> <li>Agent: 2-5% of the purchase price plus VAT (cost may be shared with the seller)</li> <li>Notary: based on an official tariff calculated on the purchase price. Up to a transaction value of EUR 6m, the official tariff can vary from EUR 0.15 to EUR 4.5 per each EUR 1,000 of such transaction value</li> <li>The rate is negotiable on transaction values in excess of EUR 6m</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Taxation on real estate transactions depends on the envisaged deal scheme (i.e., asset or share deal), the type of real estate asset to be transferred (rustic or urban land), building status as well as the condition of the parties intervening in the transaction, i.e., entrepreneur acting as such or consumer</li> <li>On a general basis:                             <ul style="list-style-type: none"> <li>If first sale: VAT at a 21% rate + Stamp Duty at a rate ranging from 0.5% to 1.5% (depending on which Spanish Region the asset is located in);</li> <li>If second or subsequent sale: VAT at a 21% rate (reverse charge mechanism) + increased Stamp Duty at a rate ranging from 0.5% to 3% (depending on which Spanish Region the asset is located in);</li> <li>VAT that has been incurred should be, as a general rule, recoverable depending on the activity carried out by the acquirer</li> </ul> </li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>The capital gain or loss made upon the transfer of the asset will be included in the Corporate Income Tax taxable base of the corresponding financial year which is subject, as a general rule, to a rate of 25%</li> <li>Some local taxes may also apply during the holding period and upon the transfer of the asset, such as, the tax on the "Increase in Value of Urban Land"</li> <li>In the case of a transfer by a foreign company without a permanent establishment in Spain, the capital gain derived from the transfer will be subject to a 19% tax rate. The acquirer must withhold 3% of the purchase price on account of the non-resident income tax to be paid by the seller</li> </ul>
	VAT (leases)	<ul style="list-style-type: none"> <li>VAT at a 21% rate on leasing of commercial property.</li> <li>Rental income and linked expenses will be included in the Corporate Income Tax taxable base of the corresponding financial year which is subject, as a general rule, to a rate of 25%.</li> <li>Some local taxes may also apply during the holding period.</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>In office leases, mandatory minimum length. In most other leases the term of the lease may be freely agreed upon by the parties, with usual mandatory agreements of 3 or 5 years. However, for residential leases, it is a minimum of five years or seven years, depending on whether the landlord is an individual or a legal entity</li> <li>Parties can agree on a penalty to be paid equal to the rents for the remainder of the term in the event of early termination. However, Courts may moderate such penalty in order to adapt it to an amount equal to the rent to be paid during a reasonable period in which the landlord finds another tenant</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Spanish law</li> </ul>

	Rent review	<ul style="list-style-type: none"> <li>In most cases, annually according to the Spanish consumer prices index (Índice de Precios al Consumo or IPC)</li> <li>Parties usually agree on rent reviews based on market comparables, usually every 5 years during the lease term</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Under the Spanish law, landlords are responsible for major repairs and tenants are responsible for minor repairs. However, the parties to a commercial lease are free to allocate repair and maintenance responsibilities to the tenant</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>In offices leases tenants are not usually allowed to sublet their offices to third parties without the explicit approval of the landlords. The landlords are generally flexible in cases of subletting to Group companies</li> <li>In commercial leases and unless otherwise agreed by the parties, the tenant may assign or sublease without the landlord consent but the landlord have the right to increase the rent by 10% (in case of partial sublease) or 20% (in case of total sublease or assignment). However, it is market practice that the parties usually agree on specific regulation for this matter depending on the envisaged deal scheme (i.e., solvency status, type of real estate asset, etc.)</li> <li>In residential leases, assignment and sublease is subject to landlord's consent unless otherwise agreed by the parties</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>In offices leases, tenants usually do not have a right of first refusal to buy the leased premises.</li> <li>Tenants have a pre-emption right to buy the leased premises upon a proposed sale. This right can be expressly waived under the lease</li> <li>If the landlord terminates the lease after the tenant has conducted a commercial activity on the premises for 5 years, the tenant is entitled to compensation (provided the tenant has expressly informed the landlord of its intention to continue with the agreement at the market rent). This right can be expressly waived under the lease</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Compulsory one month's rent for residential leases and two months' rent for commercial leases to be deposited with the relevant public entity. The parties may also agree additional guarantees to cover payment defaults by the tenant (i.e., bank guarantees, comfort letters, deposits, or specific default insurances). However, additional guarantees in residential leases shall not exceed two months' rent</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>N/A</li> </ul>

 <b>Spain Demographic Data Q1 2023</b>	Currency	<ul style="list-style-type: none"> <li>€ EUR</li> </ul>
	Population	<ul style="list-style-type: none"> <li>47,696,480</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>25,092</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.34%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>4.10%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Madrid, Barcelona</li> </ul>

 <b>Barcelona Market Data Q1 2023</b>		Retail CC (Spain)	Office	Logistics
	Total stock (sqm)	<ul style="list-style-type: none"> <li>14,617,921</li> </ul>	<ul style="list-style-type: none"> <li>6,538,665</li> </ul>	<ul style="list-style-type: none"> <li>9,599,078</li> </ul>
	Vacancy rate	<ul style="list-style-type: none"> <li>5%</li> </ul>	<ul style="list-style-type: none"> <li>10.40%</li> </ul>	<ul style="list-style-type: none"> <li>1.93%</li> </ul>
	Net Take-up (sqm)		<ul style="list-style-type: none"> <li>63,551</li> </ul>	<ul style="list-style-type: none"> <li>221,617</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>35.00</li> </ul>	<ul style="list-style-type: none"> <li>28.00</li> </ul>	<ul style="list-style-type: none"> <li>8.00</li> </ul>
	Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>16.00</li> </ul>	<ul style="list-style-type: none"> <li>24.00</li> </ul>	
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>5.75%</li> </ul>	<ul style="list-style-type: none"> <li>4.20%</li> </ul>	<ul style="list-style-type: none"> <li>4.55%</li> </ul>
	Secondary yield (NIY)	<ul style="list-style-type: none"> <li>7.50%</li> </ul>	<ul style="list-style-type: none"> <li>4.75%</li> </ul>	<ul style="list-style-type: none"> <li>5.55%</li> </ul>

 <b>Madrid Market Data Q1 2023</b>		Retail RP (Spain)	Office	Logistics
	Total stock (sqm)	<ul style="list-style-type: none"> <li>3,262,496</li> </ul>	<ul style="list-style-type: none"> <li>14,256,870</li> </ul>	<ul style="list-style-type: none"> <li>12,258,001</li> </ul>
	Vacancy rate	<ul style="list-style-type: none"> <li>3%</li> </ul>	<ul style="list-style-type: none"> <li>9.83%</li> </ul>	<ul style="list-style-type: none"> <li>5.70%</li> </ul>
	Net Take-up (sqm)		<ul style="list-style-type: none"> <li>139,386</li> </ul>	<ul style="list-style-type: none"> <li>265,557</li> </ul>
	Prime rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>18.00</li> </ul>	<ul style="list-style-type: none"> <li>35.50</li> </ul>	<ul style="list-style-type: none"> <li>5.85</li> </ul>
	Secondary rent (€ per sqm per month)	<ul style="list-style-type: none"> <li>10.00</li> </ul>	<ul style="list-style-type: none"> <li>25.00</li> </ul>	
	Prime yield (NIY)	<ul style="list-style-type: none"> <li>5.5%</li> </ul>	<ul style="list-style-type: none"> <li>4.15%</li> </ul>	<ul style="list-style-type: none"> <li>4.80%</li> </ul>
	Secondary yield (NIY)	<ul style="list-style-type: none"> <li>7%</li> </ul>	<ul style="list-style-type: none"> <li>4.90%</li> </ul>	<ul style="list-style-type: none"> <li>5.55%</li> </ul>

 <b>Spain Market Data Q1 2023</b>		Multi-family	Student housing	Care homes
	Stock	<ul style="list-style-type: none"> <li>3,418,200</li> </ul>	<ul style="list-style-type: none"> <li>97,710</li> </ul>	<ul style="list-style-type: none"> <li>368,000</li> </ul>
	Annual investment (3 year average)	<ul style="list-style-type: none"> <li>2,639,117,904</li> </ul>	<ul style="list-style-type: none"> <li>704,000,000</li> </ul>	<ul style="list-style-type: none"> <li>336,000,000</li> </ul>
	Prime yields (NIY)	<ul style="list-style-type: none"> <li>3.90%</li> </ul>	<ul style="list-style-type: none"> <li>4.75%</li> </ul>	<ul style="list-style-type: none"> <li>5%</li> </ul>

\*Stock – Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock – Care Homes: number of beds in long-term care facilities

# REAL ESTATE INVESTMENT IN SWEDEN

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions (other than in relation to certain agricultural and forestry properties)</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold, leasehold or cooperative housing/condominiums (in which case a cooperative body owns the building/land and the units therein are held individually)</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Ownership is recorded in the Land Register which in general offers title protection</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>N/A (any down payment/deposit would be subject to contract)</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Notary fees: N/A</li> <li>Agent: subject to contract (normally payable by seller)</li> <li>Please see below under tax section</li> </ul>
 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Stamp Duty: 4.25% for commercial transactions (calculated on the highest of the purchase price or the property's tax assessment value) plus a land registry fee of SEK 825</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>20.6% corporate income tax for Swedish limited liability companies</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Disposals and lettings are generally exempt. However, a property owner or tenant may opt for taxation under certain circumstances (VAT 25%)</li> </ul>
 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>Commercial leases: 3-10 years with fixed extension period of 3 years</li> <li>Residential leases: indefinite term subject to 3 months' notice</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>Swedish law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Rent is usually fixed (until the end of the lease term), however often linked to CPI</li> <li>Rent for residential premises is highly regulated and normally based on utility value (Sw. bruksvärde)</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Landlords are obliged to provide and keep premises fit for the intended use and to repair defects caused by ordinary use. Commercial tenancies typically have more limited landlord repair obligations</li> <li>Tenants are obliged to use the premises for the agreed purpose only and must take good care of the premises</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord's consent (however partial subletting may not be excluded)</li> <li>Exceptions may apply for business transfers</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Commercial tenants have an indirect security of tenure. Unless the tenant is offered an extension of the existing lease on reasonable terms the tenant is entitled to damages (amounting to not less than one year's rent)</li> <li>Residential tenants have a direct security of tenure, i.e. may remain in the leased premises indefinitely</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Subject to contract (6-12 months' rent in the form of a bank guarantee, security deposit or parent company guarantee)</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None (foreign investments may be subject to the Swedish Security Protection Act)</li> </ul>
 <p><b>Stockholm Demographic Data</b> Q1 2023</p>	Currency	<ul style="list-style-type: none"> <li>Swedish krone SEK</li> </ul>
	Population	<ul style="list-style-type: none"> <li>10,605,010</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>48,999</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.57%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>10.50%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>Stockholm</li> </ul>

 Stockholm Market Data Q1 2023		Retail SC	Office	Logistics	
	Total stock (sqm)			• 12,270,436	
	Vacancy rate			• 4.00%	
	Net Take-up (sqm)				
	Prime rent (€ per sqm per month)	• 68.00		• 62.75	
	Secondary rent (€ per sqm per month)	• 22.00		• 48.00	
	Prime yield (NIY)	• 5.15%		• 3.25%	
	Secondary yield (NIY)	• 6.25%		• 3.45%	

 Stockholm Market Data Q1 2023		Multi-family	Student housing	Care homes
	Stock	• 335,000	• 21,970	• 26,900
	Annual investment (3 year average)	• 7,031,432,800		
	Prime yields (NIY)	• 3.25%		

\*Stock - Multifamily: total number of privately rented households; \*\*Stock - Student housing: number of student beds; \*\*\*Stock - Care Homes: number of beds in long-term care facilities



# REAL ESTATE INVESTMENT IN UNITED KINGDOM

 <p><b>Real Estate rights</b></p>	Property Ownership	<ul style="list-style-type: none"> <li>No restrictions. Overseas entities must register at Companies House first</li> </ul>
	Forms of Ownership	<ul style="list-style-type: none"> <li>Freehold or leasehold</li> </ul>
	For security	<ul style="list-style-type: none"> <li>Mortgage</li> </ul>
	Registration and protection	<ul style="list-style-type: none"> <li>Required for sales, mortgages or grant of leases over 7 years (over 20 years in Scotland)</li> <li>State guarantee of ownership provided</li> <li>Title insurance purchase to solve specific issues (usually not required)</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>10% though often 5%</li> </ul>
	Fees	<ul style="list-style-type: none"> <li>Land Registry: £500 for transaction values in excess of £1,000,001 (for properties in England and Wales). Registers of Scotland: £8,250 for transaction values in excess of £5,000,001 (for properties in Scotland)</li> <li>Agent: range between 1% - 3% of the purchase price plus VAT</li> </ul>

 <p><b>Tax</b> (assuming commercial property, corporate parties and asset transfer)</p>	Upon acquisition	<ul style="list-style-type: none"> <li>Slice system with rates of up to 5% (England and Scotland) and 6% in Wales (up to 12% for residential property)</li> </ul>
	Upon disposal for capital gains	<ul style="list-style-type: none"> <li>19% (rising to 25% in April 2023) levied on disposals by companies. Various rates (from 27% to 10%) levied on disposals by individuals. Exceptions apply</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Where the property is let on institutional terms then usually no VAT is payable where seller and buyer have opted to tax the property (exceptions apply)</li> </ul>

 <p><b>Typical lease provisions</b> (assuming institutional parties)</p>	Lease term	<ul style="list-style-type: none"> <li>10-15 years</li> </ul>
	Governing law	<ul style="list-style-type: none"> <li>English / Scottish Law</li> </ul>
	Rent review	<ul style="list-style-type: none"> <li>Upwards only every 5 years</li> </ul>
	Landlord/tenant obligations (typical repair and maintenance provisions and who is responsible)	<ul style="list-style-type: none"> <li>Tenant responsibility to either carry out or to contribute towards landlord's costs of doing so under typical full repair and insurance leases (triple net)</li> </ul>
	Tenant's right to sublet/assign	<ul style="list-style-type: none"> <li>Subject to landlord consent (not to be unreasonably withheld or delayed)</li> </ul>
	Tenant protection provisions	<ul style="list-style-type: none"> <li>Early termination and rights of re-entry are only exercisable on the occurrence of prescribed circumstances</li> </ul>
	Deposit	<ul style="list-style-type: none"> <li>Subject to the financial covenant of the tenant as to whether a deposit is generally required</li> </ul>
	Foreign Investment Exchange Control	<ul style="list-style-type: none"> <li>None</li> </ul>

 <p><b>UK Demographic Data Q1 2023</b></p>	Currency	<ul style="list-style-type: none"> <li>£ GBP</li> </ul>
	Population	<ul style="list-style-type: none"> <li>67,979,380</li> </ul>
	GDP per capita (€)	<ul style="list-style-type: none"> <li>41,935</li> </ul>
	GDP growth y-o-y	<ul style="list-style-type: none"> <li>1.55%</li> </ul>
	2023 Inflation Rate	<ul style="list-style-type: none"> <li>10.10%</li> </ul>
	Principal business centres	<ul style="list-style-type: none"> <li>London</li> </ul>



### London Market Data Q1 2023

	Retail (SC)	Office (London City)	Logistics (London/SE)
Total stock (sqm)		• 12,996,867	• 12,547,325
Vacancy rate		• 9.80%	• 4.88%
Net Take-up (sqm)		• 101,463	• 156,419
Prime rent (€ per sqm per month)		• 82.60	• 35.50
Secondary rent (€ per sqm per month)		• 68.00	• 9.10
Prime yield (NIY)	• 8.00%	• 4.75%	• 4.75%
Secondary yield (NIY)	• 10.50%	• 7.00%	



# EUROPEAN INVESTMENT: ESG

The European regulatory framework surrounding Environmental, Social and Governance (ESG) is advancing rapidly with a range of new policy instruments directly impacting the real estate sector.

Buildings across the EU account for over a third of the region's carbon dioxide emissions. Consequently, an increased focus is being placed on the role of the real estate sector in supporting the aim to achieve a 55% reduction of greenhouse gas (GHG) emissions by 2030 and carbon neutrality by 2050, under the European Climate Law.

Key regulations impacting the sector at entity, fund and building level include the EU Taxonomy, Sustainable Finance Disclosure Regulation, Corporate Sustainability Reporting Directive and Energy Performance of Buildings Directive.

The increasingly complex package of EU regulations seeks to improve transparency within financial markets and drive building energy performance upgrades. We expect that disclosures on the sustainability risks associated with financial products will increase flows of capital towards sustainable investments. There are several key examples of national initiatives that go beyond the EU's objectives, which have been highlighted within the country profiles.

## EU Sustainable Finance Action Plan

As a region, Europe accounts for half of the total global ESG assets and it is expected that ESG-focused funds will double their market share by 2050. As the availability of ESG products increases, so does the potential risk of greenwashing. The EU 'Sustainable Finance Action Plan', adopted in March 2018, introduced a package of regulations aiming to increase transparency and facilitate the flow of capital towards more sustainable investments.

The principal aim of this framework is to hold businesses and financial market participants (FMPs) to robust standards when reporting on the ESG performance of their funds or activities. The EU Taxonomy and Sustainable Finance Disclosure Regulation (SFDR) are two key pillars of this legislative package.



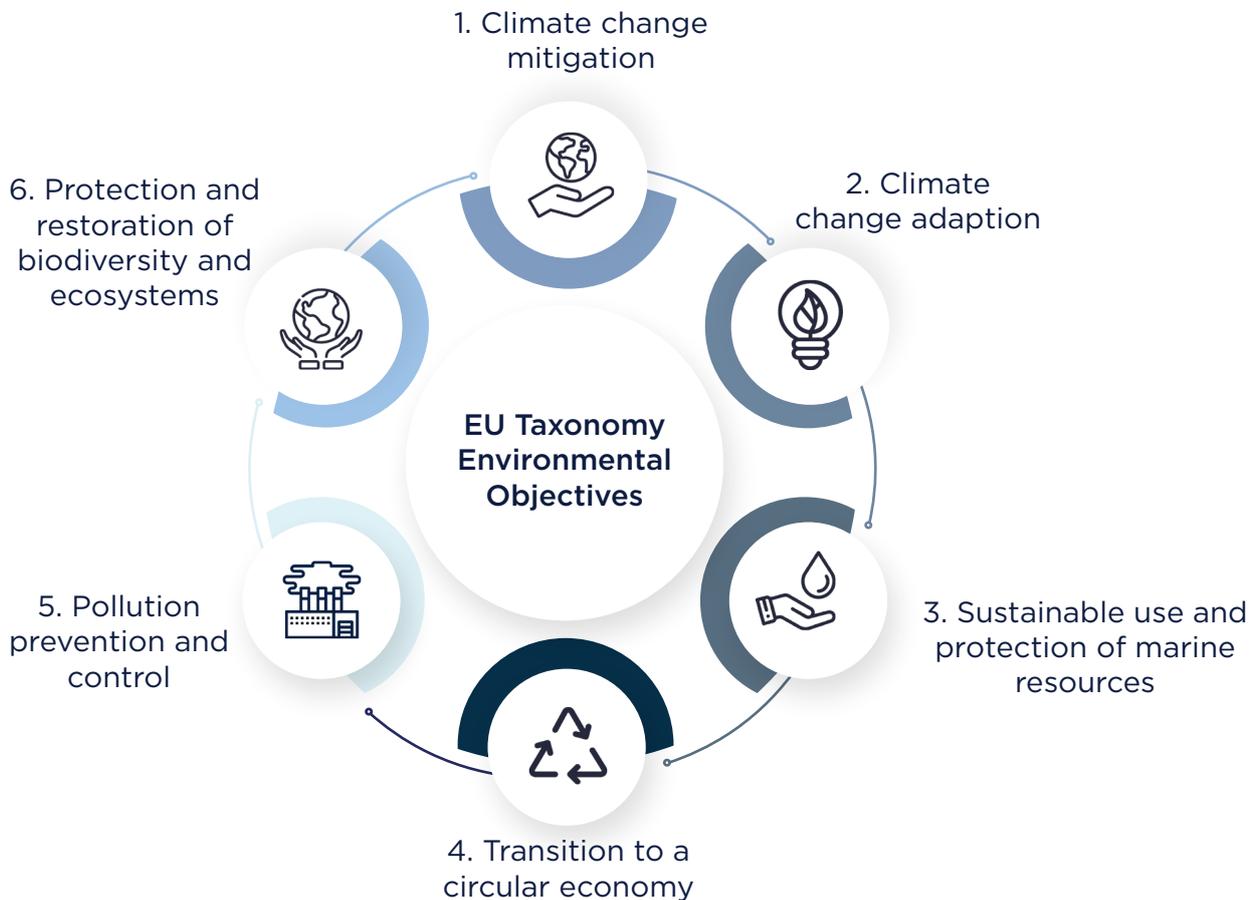
## EU Taxonomy

The EU Taxonomy is a classification tool establishing which economic activities can be considered as 'environmentally sustainable'. The Taxonomy allows investors to make informed decisions and provides a common definition of 'sustainable' activities, based on six environmental objectives.

To be 'Taxonomy-aligned', an activity must make a substantial contribution to one of these six objectives by meeting the relevant criteria and 'do no significant harm' to the remaining objectives, whilst complying with minimum safeguards. The criteria for two objectives, climate change mitigation and climate change adaptation, have been published whilst the remainder are in draft format.

Technical screening criteria have been developed that are specific to real estate activities, including the construction of new buildings, renovation of existing buildings and the acquisition and ownership of buildings. For example, a building must achieve an EPC 'A' or be in the top 15% of the national building stock to meet the substantial contribution criteria for 'climate change mitigation'.

Alignment with the EU Taxonomy is expected to become a key metric for demonstrating whether financial products or activities can be considered as 'green'. The Commission is currently drafting a Social Taxonomy which will assess activities that are 'sustainable' from a social perspective, considering those that improve living conditions and support human rights.



## Sustainable Finance Disclosure Regulation (SFDR)

The SFDR was introduced in 2018, effective from March 2021, to enable the comparison of financial products based on their ESG characteristics and impacts.

The regulation applies to financial advisors and FMPs based in or marketing products in the EU. This includes investment firms, pension funds, asset managers, insurance companies, banks, and venture capital funds. The scope also includes financial advisors offering investment advice.

The SFDR introduces disclosure requirements that cover various 'environmental' and 'social' metrics at both entity (company) and product (fund) level. FMPs must disclose how they consider sustainability risks that could cause a negative impact on investment value. Additionally, they must report on any Principal Adverse Impacts (PAIs) of their investment decisions on sustainability. Participants must include this information on their website, in periodic reports and within fund documentation.

At product-level, the SFDR requires all funds to be classified as either 'Article 6', 'Article 8' or 'Article 9'. This impacts the level of disclosures that must be made:

Product classification	Description
<b>Article 6 ('grey')</b>	"Do not integrate any kind of sustainability into the investment process and when financial market participants deem sustainability risks not be relevant"
<b>Article 8 ('light green')</b>	Also known as 'environmentally and socially promoting', applies "where a financial product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics"
<b>Article 9 ('dark green')</b>	Also known as 'products targeting sustainable investments', applies "where a financial product has a sustainable investment as its objective and an index has been designated as a reference benchmark"

For Article 6 funds, disclosures must be published on how sustainability risks are integrated in investment decisions. Where an investment product is classed as Article 8 or Article 9, FMPs must also disclose the extent to which investments align with the EU Taxonomy. From 1st January 2023, disclosures must align with the Regulatory Technical Standards. Given the detail of disclosures required for a 'dark green' fund, we are seeing evidence of real estate managers reclassifying Article 9 funds to Article 8.

As the SFDR matures and marks the standard for disclosures, we anticipate that investors may select the financial products that promote or contribute to sustainability factors.

## Sustainable Disclosure Requirements (SDR): United Kingdom

Whilst the UK is no longer subject to EU-level regulations, many pre-existing European legislative frameworks have been adopted, albeit UK regulation remains less developed than in the EU.

In December 2022, the Financial Conduct Authority (FCA) released information on the proposed Sustainable Disclosure Requirements (SDR) for the UK financial market. This sustainable fund labelling system is a key step in the UK's net-zero transition. The SDR will be enforced from July 2024 and will apply to all UK-based FCA-regulated firms offering in-scope products. This differs from the SFDR that extends to products marketed in the EU, regardless of the entity location.

The FCA has proposed three labels:

Investment label	Description
<b>Sustainable focus</b>	Products with an objective to maintain a high standard of sustainability; invested in assets regarded as environmentally and/or socially sustainable
<b>Sustainable improvers</b>	Assets that may not be sustainable now, but are aiming to have a positive environmental or social impact in the future. Must have an objective to deliver measurable improvements in the sustainability of assets over time.
<b>Sustainable impact</b>	Assets that invest in real-world problems and are achieving real-world measurable contributions to environmentally or sustainable outcomes. Must have an explicit objective to contribute to sustainability outcomes in measurable ways

The SDR is more than a disclosure regime as it sets strict criteria that must be met to use a sustainable investment label. The aim is to provide more clarity to asset managers when selecting product labels. The FCA will impose restrictions on using sustainability-related language for marketing, such as 'responsible' and 'green' to minimise greenwashing. For funds with stranded assets that plan to transition from 'brown' to 'green', the 'Sustainable Improvers' label may be particularly useful.



## Corporate Sustainability Reporting Directive (CSRD)

The EU Taxonomy also serves as the base for the CSRD which requires companies to disclose information on environmental and social factors and is set to replace the current Non-Financial Reporting Directive. This will apply to approximately 50,000 companies across the EU with the first reports due for the 2024 financial year in 2025. Companies must include, in their non-financial statement, information on the extent of their Taxonomy-aligned activities. This will encourage improved data sharing between companies and investors.

## Energy Performance of Buildings Directive (EPBD)

The Energy Performance of Buildings Directive (EPBD) requires EU member states to reduce the energy consumption of buildings. To achieve the 55% emission-reduction target by 2030, the EU has developed a “Fit for 55” package, comprising a set of proposals to revise legislation across 12 key areas.

The revision of the EPBD is a core component of this package and aims to drive building upgrades to achieve a zero-emission building stock by 2050. Currently, only 1% of European buildings are renovated each year, whilst 75% of the stock requires renovation to meet energy targets.

Under the new EPBD, all new buildings should be zero-emission from 2028. All non-residential buildings in the EU will require a minimum Energy Performance Certificate (EPC) ‘E’ by 2027 and ‘D’ by 2030. Residential buildings require a minimum ‘E’ by 2030 and ‘D’ in 2033. Each member state has to devise a national renovation plan to achieve these targets. Within this framework, the Council will introduce a new harmonised EPC scale.





# CONTACTS

## Key Contacts

### Savills

**Tristram Larder**  
**Joint Head of European Capital Markets**  
 +44 20 7409 8014  
 tjlarder@savills.com

### Savills

**Chris Gillum**  
**Joint Head of European Capital Markets**  
 +44 (0) 20 7409 5918  
 cgillum@savills.com

### Savills

**Marcus de Minckwitz**  
**EMEA Head of Industrial & Logistics**  
 +44 (0) 7967 555 731  
 MdeMinckwitz@savills.com

### Eversheds Sutherland

**Patrick Gerry**  
**Partner**  
 +33 6 11 04 40 71  
 patrickgerry@eversheds-sutherland.com

### Eversheds Sutherland

**Lee Jackson**  
**Partner and Co-Head of Private Capital**  
 +44 (0) 7825 341 246  
 leejackson@eversheds-sutherland.com



## Austria

### Modesa (Savills)

Sebastian Scheufele  
 +436769402949  
 scheufele@modesta.at

### Eversheds Sutherland

Alexander Stoltitzka  
 alexander.stoltitzka@eversheds-sutherland.at



## Belgium

### Savills

Gregory Martin  
 +32 2 542 40 52  
 gmartin@savills.be

### Eversheds Sutherland

Johan Joos  
 johanjoos@eversheds-sutherland.be



## Czech & Slovak Republics

### Savills

Stuart Jordan  
 +420 220 413 004  
 stuart.jordan@savills.cz

### Eversheds Sutherland

Dominika Veselá  
 Dominika.vesela@eversheds-sutherland.cz

### Savills ESG

Barbora Jansová  
 Barbora.jansova@savills.cz



## Denmark

### Nordicals (Savills)

Anders Bengtsson  
 +45 3364 6532  
 abs@nordicals.dk

### Eversheds Sutherland

Tord Svensson  
 tordsvensson@eversheds-sutherland.se



## France

### Savills

Boris Cappelle  
 +33 1 44 51 77 17  
 bcappelle@savills.com

### Eversheds Sutherland

Patrick Gerry  
 patrickgerry@eversheds-sutherland.com

### Savills ESG

Elena Lutterkort  
 Elena.lutterkort@savills.com



## Finland

### Gem Property (Savills)

Seppo Koponen  
 +358 400 175 969  
 seppo.koponen@gemproperty.fi

### Eversheds Sutherland

Sirkka Terho  
 Sirkka.terho@eversheds.fi



## Germany

### Savills

Marcus Lemli  
 +49 69 273 000 11  
 mlemli@savills.de

### Eversheds Sutherland

Thomas Ziegler  
 thomasziegler@eversheds-Sutherland.com

### Savills ESG

Paul Mikolajczyk  
 pmikolajczyk@savills.de



## Hungary

### Eston (Savills)

Adorjan Salamon  
 +36 877 10 00  
 Adorjan.salamon@eston.hu

### Eversheds Sutherland

Gréta Zánócz  
 zanocz@eversheds-Sutherland.hu



## Italy

### Savills

Marco Montosi  
 +39 02 632814 749  
 mmontosi@savills.it

### Eversheds Sutherland

Andrea Zincone  
 andreazincone@eversheds-Sutherland.it

### Savills ESG

Silvia Manzoni  
 silvia.manzoni@savills.com



## Ireland

### Savills

Fergus O'Farrell  
 +353 1 618 1311  
 Fergus.ofarrell@savill.ie

### Eversheds Sutherland

Joseph Stanley  
 josephstanley@eversheds-sutherland.ie

### Savills ESG

Orla Coyle  
 Orla.coyle@savills.ie

## Savills Research and ESG

**Mat Oakley**  
**UK Research**  
+44 (0) 20 7409 8781  
moakley@savills.com

**Lydia Brissy**  
**European Research**  
+33 1 44 51 73 88  
lbrissy@savills.com

**Savills ESG (EMEA)**  
Jessica Edgley  
Jessica.edgley@savills.com  
+44 (0) 7811 061975



### Luxembourg

**Savills**  
Regis Luttmann  
+352 20 60 65 21  
rluttmann@savills.lu

**Eversheds Sutherland**  
Holger Holle  
HolgerHolle@eversheds-  
sutherland.com



### Netherlands

**Savills**  
Clive Pritchard  
+31 20 3012032  
c.Pritchard@savills.nl

**Eversheds Sutherland**  
Max Van drunen  
maxvandrunen@eversheds-  
sutherland.com

**Savills ESG**  
Iris Kampers  
Iris.kampers@savills.nl



### Norway

**Malling (Savills)**  
Morten Malling  
+47 93 39 88 82  
Anders.malling@malling.no

**Eversheds Sutherland**  
Tord Svensson  
tordsvensson@eversheds-  
sutherland.net



### Poland

**Savills**  
Tomasz Buras  
+48 600 422 050  
tburas@savills.pl

**Eversheds Sutherland**  
Krzysztof Wierzbowski  
Krzysztof.wierzbowski@  
eversheds-Sutherland.pl

**Savills ESG**  
Katarzyna Chwalbinska-Kusek  
Katarzyna.kusek@savills.pl



### Portugal

**Savills**  
Paulo Silva  
+351 21 313 90 01  
Paulo.silva@savills.pt

**Eversheds Sutherland**  
Rodrigo Almeida Dias  
ralmeidsdias@eversheds-  
Sutherland.net

**Savills ESG**  
Nuno Fideles  
Nuno.fideles@savills.pt



### Romania

**Crosspoint Real Estate (Savills)**  
Codrin Matei  
+40 21 232 45 40  
codrin.matei@crosspoint.com.ro

**Eversheds Sutherland**  
Cristian Guia  
cristianguia@eversheds.ro



### Spain

**Savills**  
Alejandro Campoy  
+34 91 076 66 92  
alejandro.campoy@savills-  
aguirrenewman.es

**Eversheds Sutherland**  
Rafael Arráez  
rarez@eversheds-Sutherland.es

**Savills ESG**  
Paula Ordonez Crespo  
Paula.Ordonez@savills.es



### Sweden

**Savills**  
Niklas Samuelsson  
+46 733 498 749  
niklas.samuelsson@savills.se

**Eversheds Sutherland**  
Tord Svensson  
tordsvensson@eversheds-  
Sutherland.se



### United Kingdom

**Savills**  
James Gulliford  
+44 20 7409 8711  
jgulliford@savills.com

**Eversheds Sutherland**  
Lee Jackson  
leejackson@eversheds-  
Sutherland.com

**Savills ESG (EMEA)**  
Jessica Edgley  
Jessica.edgley@savills.com

Stewart Womersley  
stewartwomersley@eversheds-  
Sutherland.com





