

EUROPE 2017

REAL ESTATE GUIDE

Carter Jonas

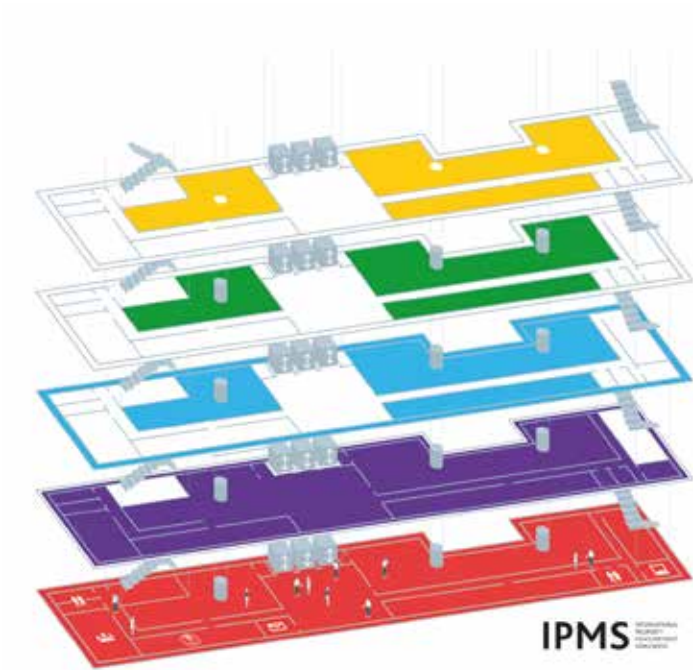


INTERNATIONAL PROPERTY MEASUREMENT STANDARDS

Global coalition launches uniform office measurement standard

A coalition of 56 standard-setting bodies has introduced an international property measurement norm for offices, aimed at ensuring a single, coherent methodology across different markets.

From 10,000 sq/ft to 7,600 sq/ft in five steps



RICS Code of Measuring Practice (International) office area

PCA Measurement Standard (Australia) office area, columns

Singapore Measuring Practice (Singapore) office area, columns, external walls

BOMA (International) office area, common parts, external walls (50%), toilets, main IT rooms, columns

HKIS Code of Measuring Practice (Hong Kong) office area, lifts, stairs, columns, external walls, toilets, common parts

- Looking for an office building for 100 members of staff? Measurement variations could mean the actual capacity is just 76 staff
- In some countries, only air conditioned space is included
- In India off-site areas such as car parking and common areas can be included
- Measurement variations between markets caused by inconsistent measurement standards can be as high as 24%
- In some parts of the Middle East floors not present but supportable by existing foundations can be included

BENEFITS OF IPMS:

Increased transparency of property data

Consistent language for measurement worldwide

Reduces risk, facilitating international trade in property

Easier property portfolio benchmarking

Greater credibility for valuation professions worldwide

www.ipmsc.org

	COUNTRY INFORMATION						PRIME RENTS, 2017			LEASING PRACTICE														PURCHASE COSTS				
	Currency	Population (CIA, 2016 est.)	% Avg. Annual Population Growth (CIA, 2016 est.)	GDP per Capita, US\$ (CIA, 2015 est.)	World Corruption Perception Ranking (CPR, 2015)	Capital	Prime Office EUR/sqm/year	Prime Industrial EUR/sqm/year	Prime Retail EUR/sqm/year	Typical lease term (years)	Rent quoted in	Breaks	Rent Payment (in advance)	Deposit (months' rent)	Statutory Renewal Rights	Basis of rent review	Frequency of review	Building Insurance	Property Taxes	Subleasing/Assignment	Restoration	Measuring Practice	Broker (as % of 1st years rent)	Lawyer	Stamp Duty	Broker	Lawyer	Stamp Duty
Austria	Euro 'EUR'	8,711,770	0.51%	\$47,000	16	Vienna	€ 309	€ 72	€ 3,600	3-5 or 5-10	€/sqm/month	Negotiable	Monthly	3-6	No	CPI	Annual	Tenant	Tenant	Negotiable	Negotiable	Net rentable	25%	As agreed	1%	1-3%	0.5-1%	3.5% plus 1.1% Registry
Belgium	Euro 'EUR'	11,409,077	0.73%	\$44,100	15	Brussels	€ 275	€ 55	€ 1,850	9	€/sqm/year	Typically every 3 years	Quarterly but Monthly also now common	6	No	HI	Annual	Tenant	Tenant	Yes	Yes	Gross internal (including common areas)	15%	As agreed	Registration on cost of tenants (0.2% on rent +charges for time committed)	1.5-3%	As agreed (+21% VAT)	10-12.5%
Bulgaria	Bulgarian Lev 'BGN'	7,144,653	-0.60%	\$19,200	69	Sofia	€ 154	€ 45	€ 549	3-5	€/sqm/month	Negotiable	Monthly	3	Yes	CPI	Varies	Landlord	Landlord	Yes	Yes	Gross internal	8- 12.5%	As agreed	n/a	1-3%	As agreed	Varies
Czech Republic	Czech Koruna 'CZK'	10,644,842	0.14%	\$32,100	37	Prague	€ 235	€ 49	€ 2,464	5 but now 2-3 common	€/sqm/month	Negotiable	Quarterly but Monthly also now common	3 - 6	Yes	EI - but fixed sometimes	Annual	Landlord*	NA	Yes	Yes	Gross internal, BOMA or RICS	10-15%	As agreed	n/a	1-3%	As agreed	4%
Denmark	Danish Krona 'DKK'	5,593,785	0.22%	\$45,700	1	Copenhagen	€ 249	€ 77	€ 2,419	3-5	DKK/sqm/year	Negotiable	Monthly or Quarterly	6	No (Contract runs until notice is given)	CPI - often with a min of 2.5%	Annual	Landlord*	Tenant	No (unless LL approval)	Yes	Gross external	15%	As agreed	n/a	1-3%	As agreed	€200+ 0.6%
Finland	Euro 'EUR'	5,498,211	0.38%	\$41,100	2	Helsinki	€ 402	€ 120	€ 1,560	3-5	€/sqm/month	Negotiable	Monthly	3	No	CPI	Annual	Landlord*	Landlord	Yes	Yes	Net rentable	8-14%	As agreed	n/a	1-3%	As agreed	1.6-4%
France	Euro 'EUR'	66,836,154	0.41%	\$41,500	23	Paris	€ 770	€ 58	€ 11,100	9	€/sqm/year	Every 3 years	Quarterly	3	Yes	CCI or ILAT consumer index	Annual	Tenant	Tenant	No (unless LL approval)	Yes	Gross internal	15-30%	As agreed	n/a	1-5%	Notary - up to 0.825%	5.09%
Germany	Euro 'EUR'	80,722,792	-0.61%	\$47,000	10	Berlin	Berlin: €336 Frankfurt: €456 Munich: €414	Berlin: €69 Frankfurt: €78 Munich: €84	Berlin: €3,660 Frankfurt: €3,780 Munich: €4,440	5 + 5 Year option to renew	€/sqm/month	Negotiable	Monthly	3	No - option to renew for 5 years	CPI	Annual	Landlord*	Landlord*	Yes	Yes	Gross internal, GIF	20-25%	As agreed	n/a	3-6%	1-1.5%	3.5%, (Berlin: 4.5%, North Rhine-Westphalia: 5%)
Greece	Euro 'EUR'	10,773,253	-0.03%	\$26,400	58	Athens	€ 204	€ 48	€ 2,340	12	€/sqm/month	After 2 yrs	Monthly	2	Yes	CPI + 1-2%	Annual	Tenant	Tenant	Yes	Negotiable	Gross internal	8.33%	As agreed	n/a	1.5-2%	1%	3%
Hungary	Hungarian Forint 'HUF'	9,874,784	-0.24%	\$26,300	50	Budapest	€ 252	€ 41	€ 1,201	3-5	€/sqm/month	Negotiable	Monthly or quarterly	3	Yes (Subject to contract)	EI	Annual	Landlord*	Tenant	Yes	Yes	Gross internal	10-15%	As agreed	n/a	1-3%	1%	4% on price up to €3.33M, 2% on anything above. Shall not exceed €665k
Ireland	Euro 'EUR'	4,952,473	1.20%	\$65,800	18	Dublin	€ 646	€ 75	€ 3,780	5-10	€/sqft/year	Negotiable	Quarterly	0-6	Yes (option to opt out)	OMR - Upward or Downward	Every 5 years	Landlord*	Tenant	Yes	Yes	Office: Net useable Industrial: Gross External	10%	As agreed	Minimal	1-2%	1%	2%
Italy	Euro 'EUR'	62,007,540	0.23%	\$35,800	61	Rome	Milan: €500 Rome: €400	Milan: €50 Rome: €53	Milan: €12,500 Rome: €11,000	6+6	€/sqm/year	Negotiable	Quarterly	3	No	75% of increase in CLI	Annual	Landlord	Landlord	No (yes for intragroup)	Yes	Gross internal	10-15%	As agreed	Varies	1-2.5%	0.4-0.6% Notary fees 0.2-0.5%	4%
Lithuania	Euro 'EUR'	2,854,235	-1.06%	\$28,400	32	Vilnius	€ 179	€ 52	€ 487	3-5	€/sqm/month	No	Monthly	1-3	Yes	CPI	Annual	Landlord	Landlord	Yes	Yes	Gross internal	8%	As agreed	n/a	1-3%	As agreed	Varies
Luxembourg	Euro 'EUR'	582,291	2.05%	\$101,300	10	Luxembourg	€ 540	€ 96	€ 2,580	9	€/sqm/month	Every 3 yrs	Quarterly	6	No	CPI	Annual	Tenant	Landlord	Yes	Yes	Gross internal	15%	As agreed	n/a	3%	As agreed	Luxembourg City - 10%, Other 7%
Netherlands	Euro 'EUR'	17,016,967	0.40%	\$49,600	5	Amsterdam	€ 360	€ 80	€ 3,000	5	€/sqm/year	Negotiable	Quarterly	3	No	CPI	Annual	Landlord	Landlord	Yes	Yes	Net useable, NEN2580	12-16%	As agreed	n/a	1-2%	0.5%	6%
Norway	Norwegian Krone 'NOK'	5,265,158	1.07%	\$68,600	5	Oslo	€ 463	€ 138	€ 2,977	5-10	NOK/sqm/year	No	Quarterly	3-6	Not automatic but options to renew	CPI	Annual	Landlord	N/A	Yes (with LL consent)	Yes	Gross external	10 -15%	As agreed	n/a	0.5 - 2%	As agreed	2.5%
Poland	Polish Zloty 'PLN'	38,523,261	-0.11%	\$26,500	30	Warsaw	€ 289	€ 59	€ 1,080	3-7	€/sqm/month	No	Monthly	3	No	EI	Annual	Landlord*	Tenant	Yes	Yes	Office - net useable Industrial - Gross internal	10-15%	As agreed	n/a	1-3%	As agreed	2%
Portugal	Euro 'EUR'	10,833,816	0.07%	\$27,900	28	Lisbon	€ 216	€ 42	€ 1,200	3-5	€/sqm/month	No	Monthly	1	No	75% - 100% of Inflation	Annual	Landlord	Landlord	No	Yes	Gross internal	15%	As agreed	n/a	1-1.5%	1-2%	6.5%
Romania	Romanian Leu 'RON'	21,599,736	-0.32%	\$20,900	58	Bucharest	€ 222	€ 48	€ 532	3-5	€/sqm/month	No	Monthly or quarterly	3	No	CPI	Annual	Landlord*	Tenant	Yes	Yes	Gross internal BOMA	12-16%	As agreed	n/a	1-3%	As agreed	0.5-1.5%
Russia	Russian Ruble (RUB)	142,355,415	-0.06%	\$26,000	119	Moscow	€ 615	€ 56	€ 2,896	3-5-7	RUB or \$/sqm/year	No (Class A)	Quarterly	3	No	5%	Annual	Landlord*	Tenant	No (unless agreed)	Yes	Gross internal BOMA	8.33%	As agreed	n/a	1-3%	As agreed	n/a
Slovakia	Euro 'EUR'	5,445,802	0.01%	\$29,800	50	Bratislava	€ 186	€ 42	€ 522	3-5	€/sqm/month	Negotiable	Quarterly, but negotiable	3 - 6	Yes	EI - but fixed sometimes	Annual	Landlord *	Tenant	Yes	Yes	Gross internal, BOMA or RICS	10-15%	As agreed	n/a	1-3%	As agreed	n/a
Spain	Euro 'EUR'	48,563,476	0.84%	\$34,900	36	Madrid	Madrid: €348 Barcelona: €258	Madrid: €60 Barcelona: €63	Madrid: €3,120 Barcelona: €3,300	3-5	€/sqm/month	No	Monthly	2	no	CPI	Annual	Landlord*	Tenant	Yes	Yes	Gross internal	10 - 15%	As agreed	n/a	3-6%	As agreed	7%
Sweden	Swedish Krona 'SEK'	9,880,604	0.81%	\$48,200	3	Stockholm	€ 600	€ 112	€ 1,552	3-5	SEK/sqm/year	No	Quarterly	6-12	Yes	CPI	Annual	Landlord	Tenant	Yes	Yes	Net internal	10-15%	As agreed	n/a	2-3%	As agreed	3%
Switzerland	Swiss Franc 'CHF'	8,179,294	0.70%	\$58,600	7	Bern	Zurich: €700 Geneva: €746	Zurich: €177 Geneva: €159	Zurich: €8,398 Geneva: €3,639	5	CHF/sqm/year	Negotiable	Quarterly	6	Yes (subject to contract)	CPI	Annual	Landlord	Landlord	Yes	Yes	Net internal	10-15%	As agreed	n/a	1-3%	As agreed	0-3.3% (varies by canton)
Turkey	Turkish Lira 'TRY'	80,274,604	0.90%	\$20,400	66	Ankara	Istanbul: €455	Istanbul: €69	Istanbul: €2,781	3-5	€ or \$/sqm/month	Yes	Monthly or quarterly	12-24	Yes	CPI or EI	Annual	Landlord	Landlord	As agreed	Yes	Gross internal	8-12%	As agreed	0.98%	1-3%	As agreed	4.00%
United Kingdom	British Pound 'GBP'	64,430,428	0.53%	\$41,500	10	London	West End: €1,566 City: €877 Birmingham: €388	West End: €188 City: €313 Birmingham: €85	West End: €15,033 City: €2,105 Birmingham: €2,330	5 - 10	£/sqft/year	Yes	Quarterly	3-12	Yes (option to opt out)	OMR	Every 5 yrs	Tenant	Tenant	Yes	Yes	Office: Net internal Industrial: Gross internal	7.5-10%	As agreed	1% of NPV if >€150,000	1-1.5%	0.5%	4% over £500,000

KEY

- CCI Cost of Construction Index
- CLI Cost of Living Index
- CPR Corruption Perception Ranking, (least corrupt=1)
- CPI Consumer Price Index
- ILAT Indice des loyers des activités tertiaires
- EI Eurozone Inflation/ Eurostat Index
- HI Health Index
- OMR Open Market Review

SOURCES

- Central Intelligence Agency www.cia.gov
- Exchange Rates www.oanda.com
- CPR www.transparency.org

* Building insurance and property taxes paid by landlord but recovered from tenant
Note: measuring practices in the EU may change in line with the EN 15221-6 space and area measurement standards.

EXCHANGE RATE 1 EUR TO LOCAL CURRENCY (AS AT DECEMBER 2016)

- British Pound (GBP) 0.86
- Bulgarian Lev (BGN) 1.88
- Czech Koruna (CZK) 27.03
- Danish Krone (DKK) 7.44
- Hungarian Forint (HUF) 309.68
- Norwegian Krone (NOK) 9.07
- Polish Zloty (PLN) 4.44

- Romanian Leu (RON) 4.51
- Russian Ruble (RUB) 69.07
- Swedish Krona (SEK) 9.83
- Swiss Franc (CHF) 1.07
- Turkish Lira (TRY) 3.56
- US Dollar (USD) 1.07





36 OFFICES ACROSS THE COUNTRY, INCLUDING 12 IN CENTRAL LONDON

Bangor

Basingstoke

Bath

Birmingham

Boroughbridge

Bury St Edmunds

Cambridge South

Cambridge North

Cambridge Central

Edinburgh

Harrogate

Kendal

Leeds

Marlborough

Newbury

Newbury - Sutton Griffin

Northampton

Oxford

Peterborough

Shrewsbury

Suffolk

Wells

Winchester

York

National HQ One Chapel Place

Barnes

Barnes Village

Fulham Bishops Park

Fulham Parsons Green

Holland Park & Notting Hill

Hyde Park & Bayswater

Knightsbridge & Chelsea

Marylebone & Regent's Park

Mayfair & St James's

Wandsworth

Waterloo

ESTABLISHED IN 1855, CARTER JONAS BALANCES ITS DISTINGUISHED HISTORY WITH MODERN SERVICES AND A CUTTING-EDGE APPROACH.



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With over 700 property experts and personnel behind us, Carter Jonas is one of the UK's largest firms of property consultants.

Key to our success is the Commercial teams, operating out of strategically placed hubs, backed up by a national network of 36 offices.

We deliver real estate solutions for a wide range of clients across EMEA and ASIAPAC.

Real Estate is one of the biggest operating costs in any organisation and forms an important part of your overall business strategy.

As your business grows and changes, we are on hand to advise you when you need to expand, relocate or consolidate your property portfolio.

We do strategic analysis and carry out complex structured portfolio transactions aligned to your business needs. You will get property market insight and data that allows you to take an objective view of emerging economic and work trends and how they affect your business.

These are just some of the corporate real estate services we provide:

Transaction management • Property acquisitions • Strategic property planning • Property portfolio audits • Due diligence • Negotiation and execution • Financial analysis • Property market monitor and research • Property development consultancy • Valuation and options appraisals • Design and fit-out management • Service charge and lease negotiations • Review of current and future space needs

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