



Key Figures

Macro Economics:

Central Bank Rate	1.5% (Source: NB)
CPI/Inflation— 1yr	+1.3% (Source: SSB)
Change Dec/Jan	-0.2% (Source: SSB)
Building Cost Index 1yr	3.1% (Source: SSB)
Unemployment rate	3.5% (Source: SSB)

Rental Market:

CBD Prime (avg)	4.000 NOK/m2
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Sales Market:

House price index:	6.70% (Source: SSB)
Yield prime office	5.25%
10yr Swap	3.45%
10yr nor. gov. bond	2.59%

Commercial Property in Norway

▪ Macro Economics

- The Norwegian economy is still booming, but there are signs of saturation in the market.
- The growth in the Norwegian economy is mainly a result of the developments in the oil sector and the real estate sector (both residential and commercial).
- The key interest rate remains at 1.5% and is expected to do so out 2013.
- Financing remains expensive and challenging, especially for the real estate sector. This resulted in a very large increase in the demand for bonds through 2012 and we expect this to continue in 2013.

▪ Sales Market

- 2012 ended with a transaction volume of over 50 billion NOK making it the best year since 2007. Approximately 50% of this was due to a handful of large transactions.
- Because of the uncertainties in the world economy and stricter bank policies, investors have focused on the core and lower end of the risk spectrum. As a result of this prime office is currently traded at a yield of 5.25
- In 2012 real estate bonds played a significant part in financing, and accounted for NOK 12 billion. We expect bonds to continue to play an important role through 2013.

▪ Rental Market

- Vacancy levels are continuing to decrease in Oslo, and are currently around 7%.
- There has been the expectation that more efficient office space would lead to a reduction in office space requirements. However the market is experiencing that the size of the average lease contract signed in the Oslo/Akershus area is increasing compared to previous years.
- Tenant demand for higher quality office premises and close proximity to public transport is still on the increase.
- The price levels in the rental market have stabilized, but high standard offices in central Oslo are continuing to reach new heights.

▪ International News

- Fiscal cliff postponed until Q2 2013, but the US is not yet closer to solving the problem.
- Unemployment rates continue to rise within the European Union. The UK economy is on it's way into another recession.
- US economy is continuing to recover and is performing stronger than expected, with lower unemployment rates and housing prices that are finally starting to recover.
- China seems to be experiencing a soft landing.

Norway - Oslo

Market Update

Feb 13

Rental data:

Property NOK net rent m2 / year

Office	10% lowest	10% highest	Average
CBD/Bjørvika	2 500 ➡	4 000 ➡	2 900 ➡
Sentrum	1 600 ➡	2 800 ➡	1 900 ➡
Skøyen	1 700 ➡	3 000 ➡	2 000 ➡
Lysaker	1 400 ➡	2 300 ➡	1 700 ➡
Nydalen	1 400 ➡	2 000 ➡	1 600 ➡
Helsfyr/Bryn	1 200 ➡	1 900 ➡	1 500 ➡
Økern	1 200 ➡	1 900 ➡	1 400 ➡

Industrial

Warehouse	10% lowest	10% highest	Average
Category A	700 ➡	1 200 ➡	1000 ➡

Retail

City Centre	10% lowest	10% highest	Average
Category A	5 000 ➡	18 000 ➡	7 000 ➡

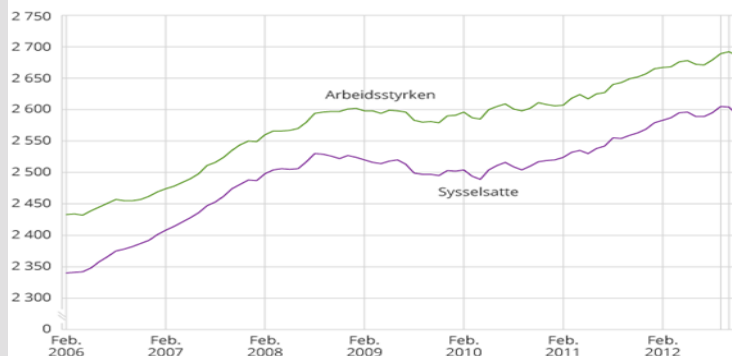
Definitions:

10% lowest: May need significant refurbishment

10% highest: Top standard and best location

Warehouse Category A: High quality/new buildings in 30 km radius from Oslo centre.

Arbeidsstyrken og sysselsatte. Sesongjusterte tall, tremåneders glidende gjennomsnitt. 2006-2012. 1 000



Kilde: Statistisk sentralbyrå.

Source: Statistisk sentralbyrå.



10 year Swap

Source: Six Financial Information

Sales data:

Yield level: The prime office yield remains stable.

10yr Swap rate: The 10 year Swap rate has increased from 3.10% on 01.01.13 to 3.45% on 14.02.13

Recent transaksjoner:

Property	Seller	Buyer	Price	Sqm
Orkla HQ	Norwegian Property AS	Orkla ASA	695 MNOK	16.483
Essendrops Gate 3	DNB	Syndicate	apx 385 MNOK	11.300
Hoffsveien	Vital Forsikring	Holm Eiendom	119.3 MNOK	8.440
Statoil building	IT Fornebu	Syndicate by Arctic	3.000 MNOK	67.000
Statoil Fuel & Retail headquarters (project) Schweigaardsgate 16	Statoil	Entra	apx 190 MNOK	15.300

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Commercial Real Estate Services, Worldwide.

The information contained herein has been congregated from different sources in the market we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

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