

INTERNATIONAL REAL ESTATE



ESPAÑA Y ANDORRA

Coldwell Banker European Market Study 2015

Agencies participating at the study:

- Coldwell Banker Prestige **Barcelona**
- Coldwell Banker Mondedeu - **Madrid**
- Coldwell Banker France - **Paris**
- Coldwell Banker **Monaco**
- Coldwell Banker Czech Republic - **Prague**
- Coldwell Banker Italy - **Milan & Rome**
- Coldwell Banker Malta - **Valletta**
- Coldwell Banker Germany - **Berlin**
- Extern collaborator in **London**

Thank you everyone for your contribution.

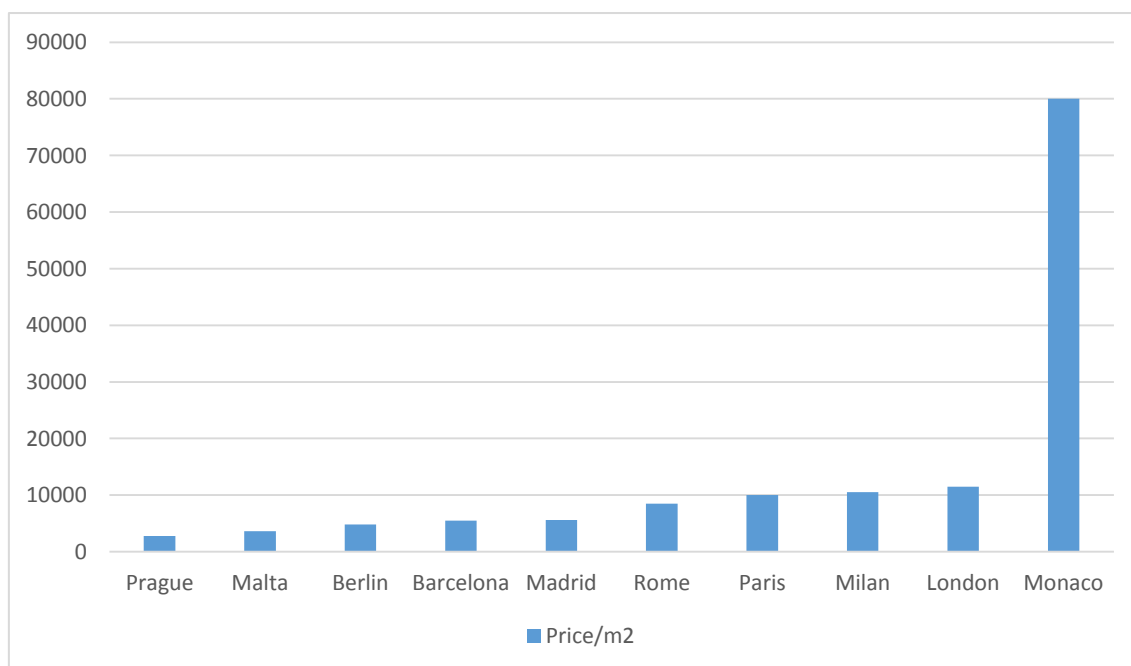
NEW CONSTRUCTION: market price in city center

Price/m²

Monaco	80.000€/m ²
Prague	2.770€/m ²
Rome	8.500€/m ²
Milan	10.500€/m ²
Paris	10.000€/m ² *
Malta	3.650€/m ² **
Madrid	5.610€/m ²
Barcelona	5.500€/m ²
Berlin	4.800€/m ²
London	11.500€/m ²

* Depends on the district: 10.700€/m² on the 17th District, 11.000€/m² for the 14th, 7.400€/m² for the 19th...

**Sites for development in the Valletta city center are very rare to come by. In this regard, a random selection of properties in varying conditions were taken into consideration to come up with a representative sample.



INTERNATIONAL REAL ESTATE

COLDWELL BANKER

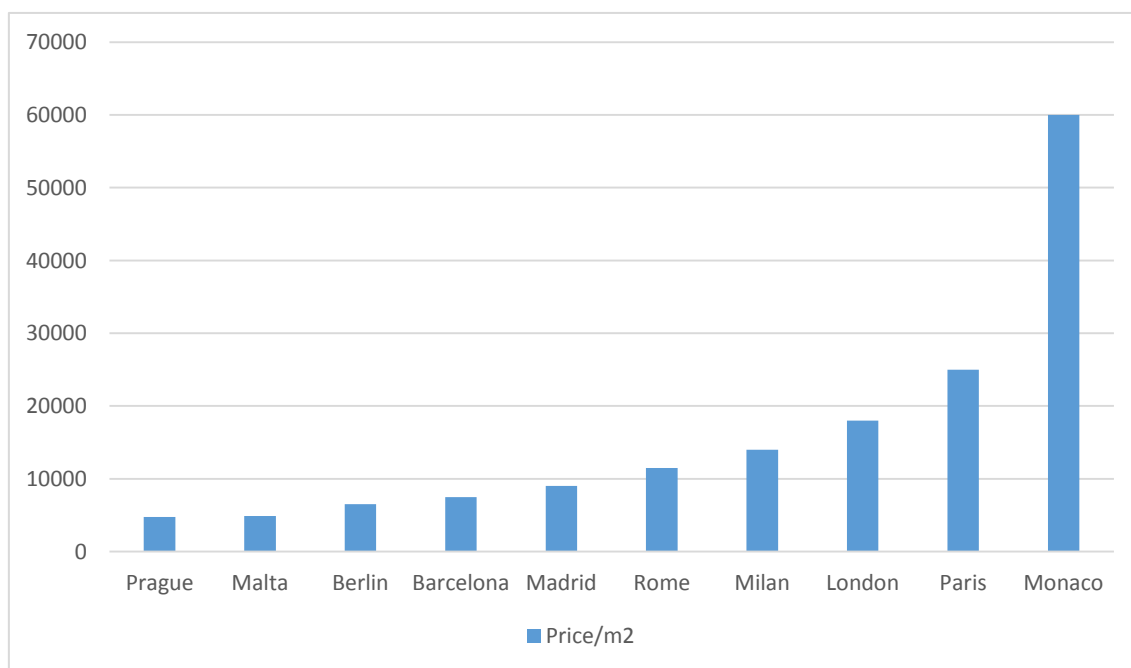
ESPAÑA Y ANDORRA

NEW CONSTRUCTION: market price for top quality development

Price/m²

Monaco	60.000€/m ²
Prague	4.750€/m ²
Roma	11.500€/m ²
Milan	14.000€/m ²
Paris	25.000€/m ²
Malta	4.900€/m ²
Madrid	9.033€/m ²
Barcelona	7.500€/m ² *
Berlin	6.500/m ²
London	18.000€/m ²

*7.500€ in prime areas



INTERNATIONAL REAL ESTATE

**COLDWELL
BANKER**

ESPAÑA Y ANDORRA

NEW CONSTRUCTION: current supply

How is top quality new construction market?

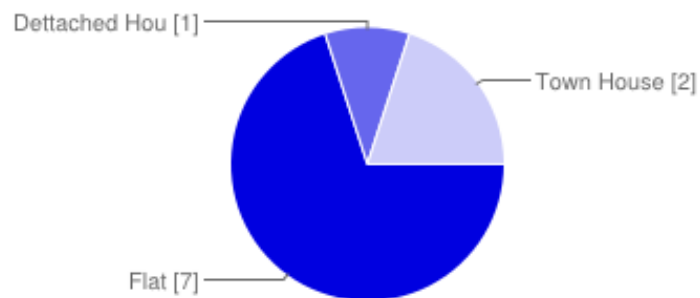
Monaco	Limited
Prague	Quality is good, but the market is struggling with delivery of poor-quality goods from the East (China), very cheap goods. These products reduce the new constructions' quality.
Roma	Limited offer.
Milan	Stable
Paris	Very Low Inventory
Malta	The supply of top quality development units are on the rise following a recent substantive rise in demand. This is partly in direct effect of the recently unveiled Individual Investor Programme (Maltese Government policy). The Programme allows foreigners to acquire Maltese citizenship rights if they contribute to the economic development of Malta. Through this scheme, applicants must, amongst other things: acquire a property in Malta having a minimum value of €350,000 and retain it for at least 5 years or lease a property in Malta for a minimum annual rent of €16,000 and retain it for 5 years. Both schemes supports demand in the luxury property market segment.
Madrid	Still very limited, approximately 200 new construction promotions available in the center of Madrid and an additional 400 new construction promotions in the Greater Madrid area.
Barcelona	Lack of offers, very few developments in the city centre.
Berlin	Extremely strong. Mostly requested are small furnished apartments for investment and high end luxury (Penthouses in top locations between 12.000€ and 20.000€, average 14.000€.
London	In Mayfair and Marylebone there is a large supply of new developments which just now coming to the end of the pipeline. There are two notable luxury developments in Clarges Estate (Mayfair and the South Audley car park development which will be completed in the near future. Clarges Estate has sold at record Mayfair prices off plan and South Audley is expected to surpass this.

FOREIGN CUSTOMER HABITS: In which district do they use to buy real estate?

Monaco	Any
Prague	Prague, Brno, Karlovy Vary.
Roma	Center
Milan	Centre, Fiera Milano City (Pagano), Porta Nuova, Brera.
Paris	American: Left Bank (Odeon, St Sulpice, Bon Marché)+ Île St Louis Italian : Le Marais Middle East, Russian : Golden Triangle (Avenue Montaigne - Georges V - Champs Elysées) African : Avenue Foch
Malta	Sliema, St. Julians, Gzira, St. Paul's Bay, Bugibba, Qawra.
Madrid	Salamanca, Chamberi, Chamartin, Retiro, Tetuan.
Barcelona	Eixample, Zona Alta (San Gervasi, Sarria, Pedralbes) and Diagonal Mar. Also Borne and Gothic districts for smaller apartments.
Berlin	Mitte, partly Charlottenburg and Wilmersdorf (area around Kurfürstendamm). Zehlendorf/ Grunewald (mostly Russian owners)
London	Mayfair, Marylebone, Knightsbridge, Kensington and Chelsea, Soho, Hampstead

FOREIGN CUSTOMER HABITS: Type of property they use to buy

Monaco	Flat
Prague	Flat
Roma	Town House
Milan	Town House
Paris	Flat
Malta	Flat
Madrid	Dettached House
Barcelona	Flat
Berlin	Flat
London	Flat



Flat	7	70%
Dettached House	1	10%
Town House	2	20%

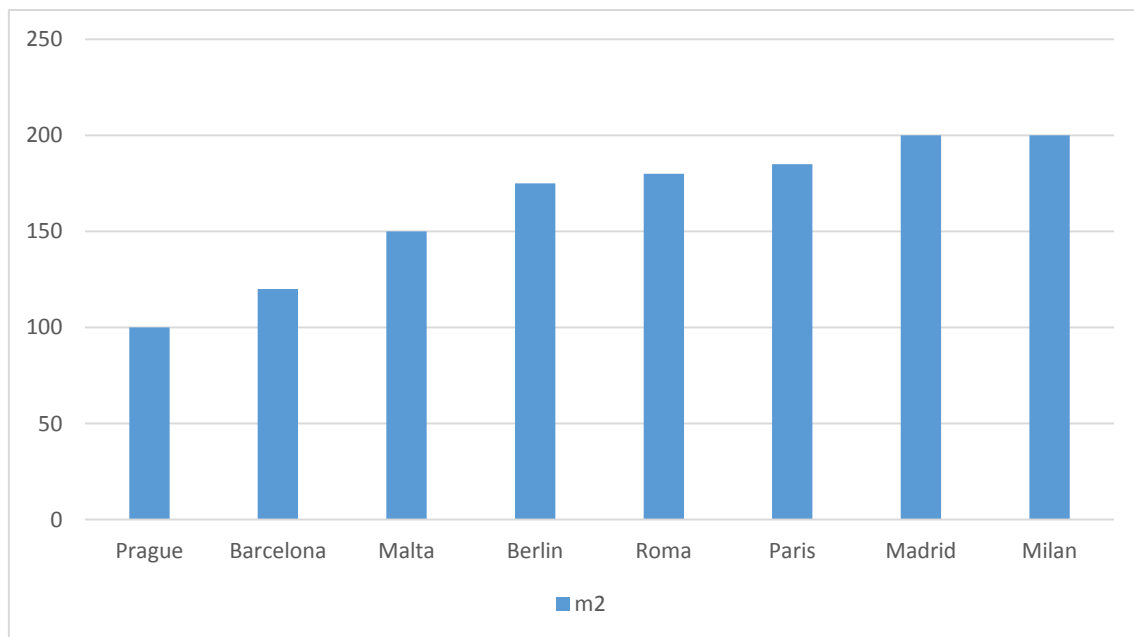
FOREIGN CUSTOMER HABITS: Surface area they use to buy

Monaco	Any
Prague	100 m ²
Roma	180 m ²
Milan	200 m ²
Paris	185 m ²
Malta	150 m ^{2*}
Madrid	200 m ²
Barcelona	120 m ^{2**}
Berlin	175 m ^{2***}
London	Any

*It depends on the type of buyer, age bracket and budget. However, if one had to take an approximation, the area of an apartment bought by foreigners can be said to be roughly equal to 150m². Likewise, the answer to the previous question depends on the type of buyer and his/her intention to buy a property in Malta. Foreigners who buy property in Malta as a second home or as a seasonal holiday residence would normally go for apartments or penthouses. On the other hand, foreigners who come to stay in Malta to retire may opt for houses of character or farmhouses (with a substantive number of these opting for fully-converted properties on Malta's sister island, Gozo).

**80-120 m² in the city centre or 160+ in the zona alta (upper area)

*** Investors: (25 m² for student studios) 45-65 m², 2nd residence 65-85 m², Top clients 2nd residence PH 120-400 m²

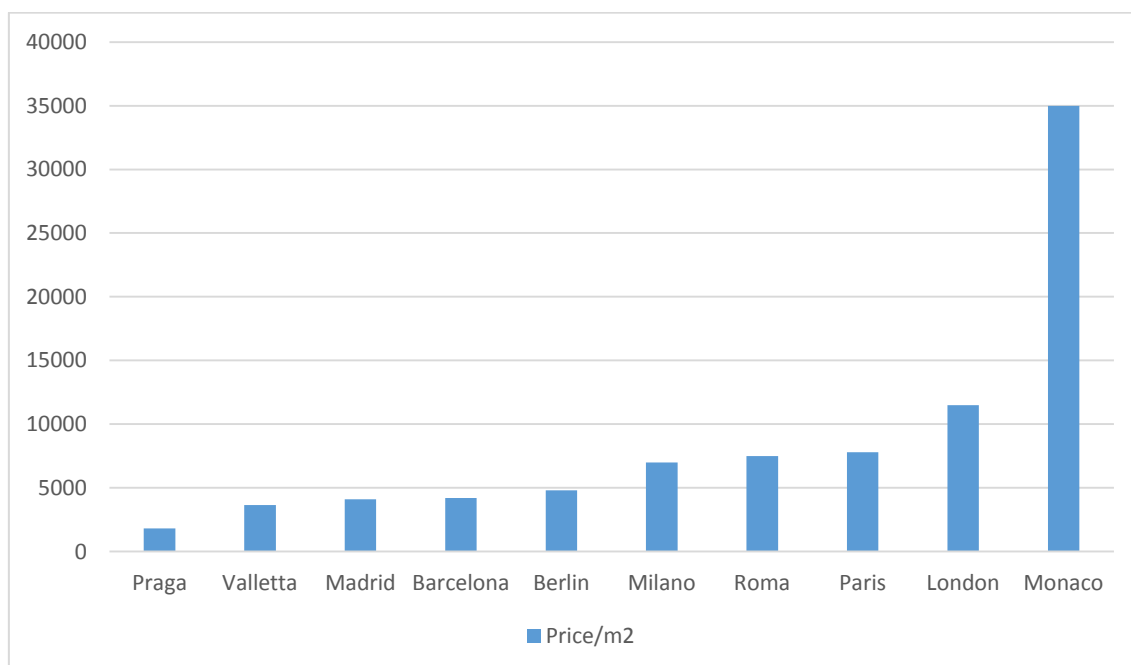


SECONDHAND SALE IN CITY CENTER: average price

Monaco	35.000€/m ²
Prague	1.805€/m ²
Roma	7.500€/m ²
Milan	7.000€/m ²
Paris	7.800€/m ^{2*}
Malta	3.650€/m ²
Madrid	4.100€/m ^{2**}
Barcelona	4.200€/m ²
Berlin	4.800/m ²
Londres	11.500€/m ²

* Average Paris: 7.800€/m², Top districts: 9.000€/m², Top spots: 12.000€/m²

** Salamanca = 4.650€ / m2, Chamartin = 4.375€ / m2, Chamberi = 4.100€ / m2, Retiro = 3.700€ / m2, Tetuan = 2.775€ / m2, Average price = 499.500€



2015 MARKET EXPECTATIONS

How do you see the market trend for 2015?

Monaco	Very Good.
Prague	Real estate prices have a slow but growing trend in the Czech Republic.
Roma	Slight market growth.
Milan	Stable prices, slight increase of transactions number.
Paris	Low Prices (Bottom expected in June) / Low interest rates (2%, lowest since WW2) / Low € vs \$ (1€ = 1\$ expected in June) / High Inventory / US Buyers are coming back in 2015!
Malta	The Maltese real estate services market experienced a very good rate of growth in 2014. This was fueled by the First Time Buyers Scheme: which exempted first time property buyers from paying 3.5% duty on the first €150.000. The scheme ran through 2014 and was extended to the first half of 2015 due to its success. On the other hand, sales of high-end properties are also on the rise, mainly because of the effect of the Individual Investors Programme. The rental market in Malta is also currently flourishing with an influx of high-paid workers setting base here. Thus, the supply of rental units in the most sought after locations is drying up and prices are going up. Tax on rental income was also revised to a flat 15% which is also incentivizing property owners to put their units on the market for rent. Generally speaking, it is expected that 2015 will also be a good year for the real estate services industry as was 2014. This is due to the fact that most of the conditions experienced in 2014 still hold true. The effect of the falling EUR against major currencies including the USD and the GBP should also continue to fuel buying interest from foreigners using these currencies.
Madrid	Growth of 2 to 3%.
Barcelona	Prices will start recovering slowly in the prime areas. In the most sought after and prestigious areas an increase of 3 to 5% can be expected. In secondary areas the market will be still very slow and the prices will continue stable.
Berlin	Still extremely positive. Currently approximately 60 projects (3.000 apartments/ 300.000m ²) are on the market in the center districts. 10% more than 2014. Plus 9% on the average price. Furnished full serviced City Center and high end luxury apartments are mostly requested. A new trend are full serviced micro concept (for students) apartments (21-28m ²) with a total price between 90.000€ and 125.000€.
London	I feel price will increase slowly from June 2015 after the general elections with a sharper upturn in 2016.

ADDITIONAL OBSERVATIONS

Paris	We expect a market recovery in June because prices will be at the bottom. 3 years ago Paris, London, NY played on the same league. Nowadays Paris is the laggard of the Group.
Madrid	Homes that are attractive and do not require renovations and are priced according to the market can expect customer demand and purchase.
Berlin	The top locations like Mitte are getting to expensive for most of the local buyers. In 2014 we had in Mitte approximately 70 % buyers from abroad. Locals mostly request apartments between 80 - 110m ² with an average price of 3.500.