

- According to the SWX IAZI Real Estate Price Index, the prices for apartment buildings remained stable in the 1st quarter 2015. The growth rate was 0,0% (prev. quarter: -0,2%). On a yearly basis, the growth rate decreased slightly from 4,7% to 3,3%. The performance is 0,9% (prev. quarter: 0,7%), on the yearly basis 7,1% (prev. quarter: 8,6%).
- In the 4th quarter 2015, employment growth in the classic office market was gaining speed compared to the same quarter in the previous year (+1,4%). Growth is still mainly explained by growth in IT, architecture and engineering as well as business services companies which started to recruit staff again after two quarters of stagnation.
- The consumer survey conducted in April 2015 indicates that the consumer climate in Switzerland remained unchanged in relation to the situation in January 2015. Nevertheless, the assessment of previous economic trends (over the past 12 months) worsened.

#### Apartment buildings

(1)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2014	2015	2014	2015	2014	2015	2014	2015	2015	2016
Lake Geneva	● →	→	● →	→	● →	→	● ↗	↗	↗	→
Jura	● →	→	● →	→	● ↗	↗	● ↗	↗	↗	→
Swiss plateau (Mittelland)	● →	→	● ↘	↘	● ↗	↗	● ↗	↗	↗	↗
Basel	● →	→	● ↘	↘	● →	→	● ↗	↗	↗	→
Zurich	● →	→	● →	→	● →	→	● ↗	↗	↗	→
Eastern Switzerland	● →	→	● →	→	● ↗	↗	● ↗	↗	↗	↗
Alpine area	● ↘	↘	● →	→	● →	→	● ↗	↗	↗	→
Southern Switzerland	● →	→	● →	→	● →	→	● ↗	↗	↗	→
Switzerland	● →	→	● ↘	↘	● →	→	● ↗	↗	↗	→

All valuations are done from a owner/seller perspective. The circles describe the actual situation: green: unproblematic situation; yellow: some problems; red: problematic situation. Arrows describe the forecast for the following 12 months. ↗: expected improvement; →: stable; ↘: expected aggravation.

Help text to the valuations: [http://www.fpre.ch/de/03\\_meta/Hilfetext\\_Einschaetzungen\\_FPPE.pdf](http://www.fpre.ch/de/03_meta/Hilfetext_Einschaetzungen_FPPE.pdf)

Source: Fahländer Partner.

#### Office buildings (new construction)

(2)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2014	2015	2014	2015	2014	2015	2014	2015	2015	2016
Lake Geneva	● →	→	● →	→	● →	→	● ↗	↗	↗	→
Jura	● →	→	● →	→	● →	→	● →	→	→	→
Swiss plateau (Mittelland)	● ↘	↘	● →	→	● →	→	● ↗	↗	→	→
Basel	● ↗	↗	● ↘	↘	● ↘	↘	● →	→	→	↘
Zurich	● →	→	● ↘	↘	● ↘	↘	● →	→	→	→
Eastern Switzerland	● →	→	● →	→	● →	→	● →	→	→	→
Alpine area	● →	→	● →	→	● ↘	↘	● ↗	↗	→	→
Southern Switzerland	● ↘	↘	● →	→	● →	→	● →	→	→	→
Switzerland	● →	→	● ↘	↘	● ↘	↘	● →	→	→	→

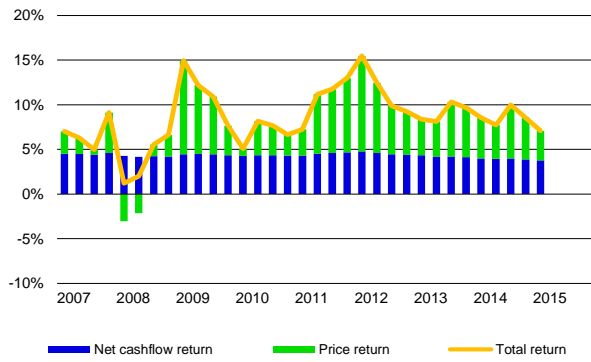
All valuations are done from a owner/seller perspective. The circles describe the actual situation: green: unproblematic situation; yellow: some problems; red: problematic situation. Arrows describe the forecast for the following 12 months. ↗: expected improvement; →: stable; ↘: expected aggravation.

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Source: Fahländer Partner.

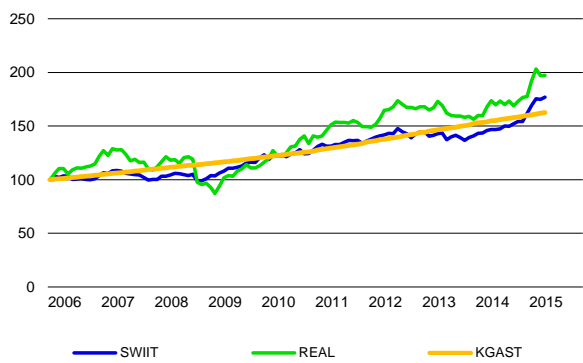
For all sources please check the glossary and impressum on the last page.

SWX IAZI Investment Real Estate Performance Index (3)



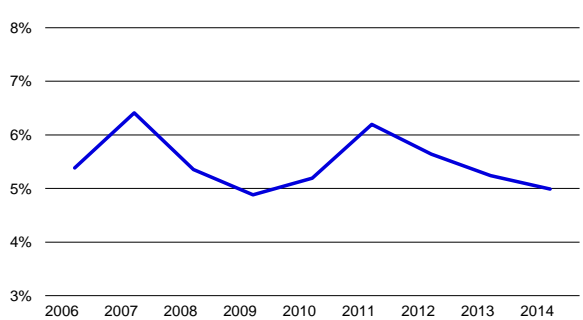
Source: IAZI, cf. meta analysis real estate FPRE.

SWIIT (Closing Prices), REAL (Closing Prices), KGAST (4)



Source: SIX Swiss Exchange, KGAST.

SFA yield on investm. indicator for real estate funds SFA ARI (5)



Source: SFA.



The goal of Immofunds.ch is to connect information and experts in the field of real estate investments in Switzerland. All stakeholders in the market, such as promoters, trustees or investors, are welcome.

- The KOF Economic Barometer has again fallen in April 2015, after a slight recovery in March 2015. Currently the Barometer stands at 89,5 points after a revised 90,9 points in March.
- The UBS consumption indicator rose from 1,21 to 1,35 points in March 2015, boosted by an increase in new car registrations. However, a continued decline in retailer sentiment has cast a shadow on the outlook for private consumption.
- According to SECO, the unemployment rate dropped from 3,4% in March to 3,3% in April 2015.

Economic forecasts Swiss economy

(6)

	SECO		KOF		Créa		CS		UBS		BAK		Arithmetic means	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
GDP, real	0.9	1.8	0.2	1.0	2.1	2.6	0.8	1.2	0.5	1.1	1.0	1.8	0.9	1.6
	↘	↘	↗	↗	↘	↗	→	→	→	→	↗	↗	→	→
Private consumption	1.5	1.3	2.1	1.6	1.6	1.7	1.5	1.0	1.4	1.5	1.6	1.5	1.6	1.4
	↘	↘	↗	↗	↘	↘	→	→	→	→	↗	↗	→	→
Public consumption	2.6	2.6	1.8	1.2	-	-	1.8	1.5	1.2	1.3	1.2	0.8	1.7	1.5
	↗	↗	↗	↘	↘	↘	↘	↘	→	→	→	→	→	→
Equipment investments	1.5	2.7	0.3	1.4	3.5	5.4	1.0	1.5	-0.3	0.5	0.0	2.9	1.0	2.4
	↘	↘	↗	↗	↘	↗	→	→	→	→	↗	↗	→	→
Investments in construction	-1.5	0.0	-0.6	-0.2	2.6	4.2	1.5	1.5	-0.2	0.7	-1.9	-0.7	0.0	0.9
	↘	↘	↗	↗	↗	↗	→	→	↘	→	↘	↗	↘	→
Exports	0.7	3.8	1.2	2.4	3.5	6.2	0.0	2.0	-1.0	0.5	0.9	3.3	0.9	3.0
	↘	↘	↗	↘	↘	↘	→	→	→	→	↗	↗	→	→
Imports	2.4	3.1	2.4	2.9	3.7	7.0	2.0	2.0	0.0	0.5	1.4	3.1	2.0	3.1
	↘	↘	↗	→	↘	↘	→	→	→	→	↗	↗	→	→
Unemployment rate	3.3	3.4	3.4	3.8	3.1	2.9	3.4	3.8	3.6	3.5	3.3	3.4	3.4	3.5
	↗	↗	→	↘	↘	↘	→	→	→	→	→	↘	→	→
Consumer prices	-1.0	0.3	-0.8	0.0	-0.3	0.0	-1.3	0.0	-1.0	0.2	-1.0	0.1	-0.9	0.1
	↘	↘	↗	↗	↘	↘	→	→	→	→	↗	↗	→	→

Changes to previous year as a %. Consecutively, the date of the current forecast will be listed directly, the date of the previous forecast in parentheses:

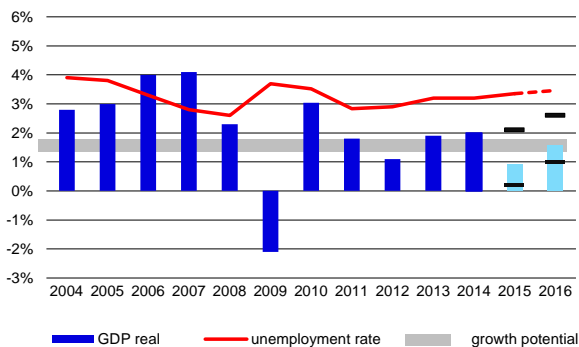
SECO: 19.3.2015 (18.12.2014), KOF: 26.3.2015 (28.1.2015), Créa: 18.11.2014 (8.5.2014), CS: 3.3.2015 (19.1.2015), UBS: 20.4.2015 (13.2.2015), BAKBASEL: 10.3.2015 (31.1.2015).

Arrows: ↗ (previous forecast was adjusted upwards), ↘ (previous forecast was adjusted downwards), → (previous forecast kept). The first forecast of the year will not be listed with an arrow.

The arrows with the arithmetic means (columns on the right) show the changes of the means to the previous meta analysis economy.

Real GDP and unemployment rate

(7)



Note: The values for 2015 and 2016 are forecasts.

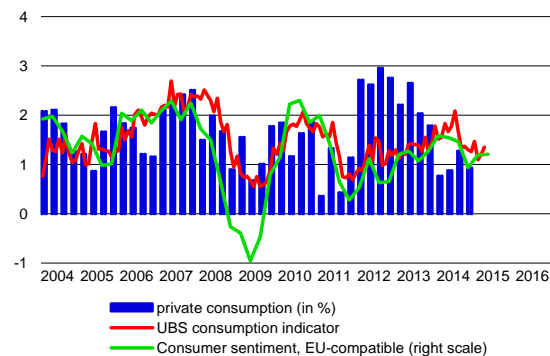
Note: In June 2012, the population census 2012 replaced the one of 2000 as database.

The unemployment rate has been revised retroactively until 2010 by SECO.

Source: cf. fig. 6, Fahrländer partner (growth potential).

Private consumption, consumer sentiment and UBS consumption indicator

(8)

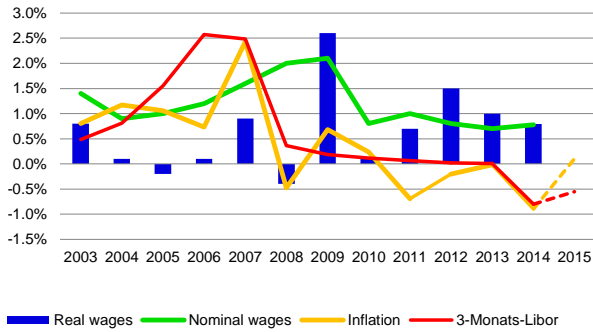


- The UBS consumption indicator rose from 1,21 to 1,35 points in March 2015, boosted by an increase in new car registrations. However, a continued decline in retailer sentiment has cast a shadow on the outlook for private consumption.

Source: WMR UBS, Seco, cf. meta analysis economy FPPE.

Real wages and rate of price increase

(9)



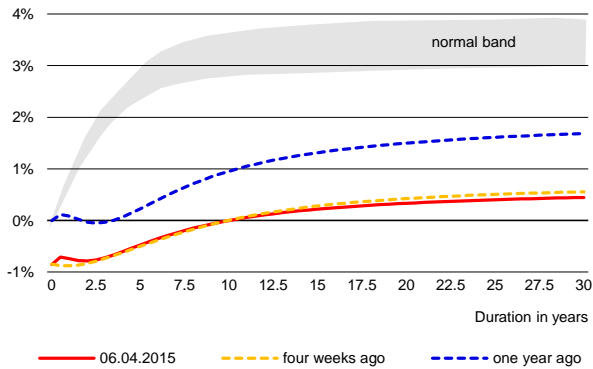
Inflation forecast SNB	2015	2016	2017
Forecast March 2015	-1.1%	-0.5%	0.4%
Libor	-0.75%		
Forecast December 2014	-0.1%	0.3%	
Libor	0.00%		

- The SNB's conditional inflation forecast (March 2015) has been adjusted substantially downwards. Together with the sharp fall in oil prices, the appreciation of the Swiss franc moves inflation further into negative territory for a short period. For 2015, the forecast went downwards to -1.1% (before: -0.1%). In 2016, inflation will amount to -0.5% (before: 0.3%).

Source: FSO, cf. meta analysis economy FPRE.

Yields on Confederation bonds

(10)

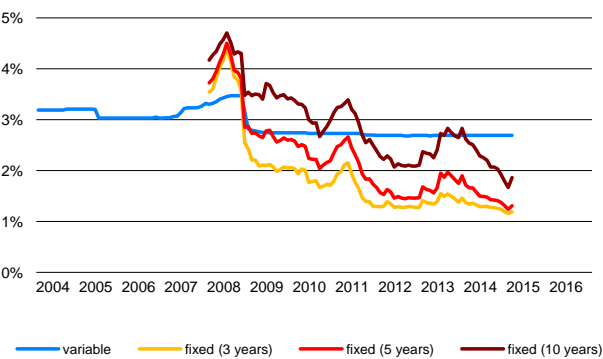


Duration	06.04.2015	four weeks ago	one year ago
1 year	-0.74%	-0.88%	0.09%
3 years	-0.72%	-0.74%	-0.04%
5 years	-0.47%	-0.50%	0.23%
10 years	0.00%	0.00%	0.95%

Source: SNB, Fahrländer Partner (normal band), cf. meta analysis real estate FPRE.

Mortgage rates

(11)

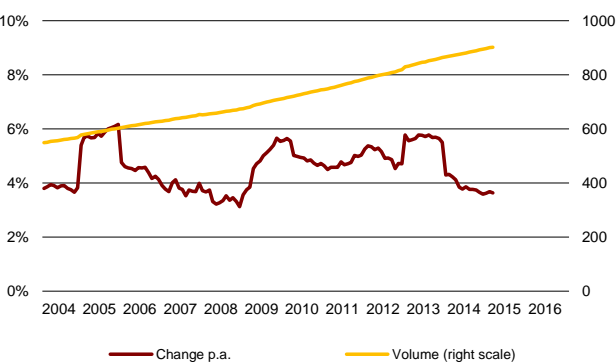


Mortgage	February 2015
variable	2.7%
fixed (3 years)	1.2%
fixed (5 years)	1.3%
fixed (10 years)	1.9%

Source: SNB, cf. meta analysis real estate FPRE.

Mortgage volume inland (in bn CHF)

(12)

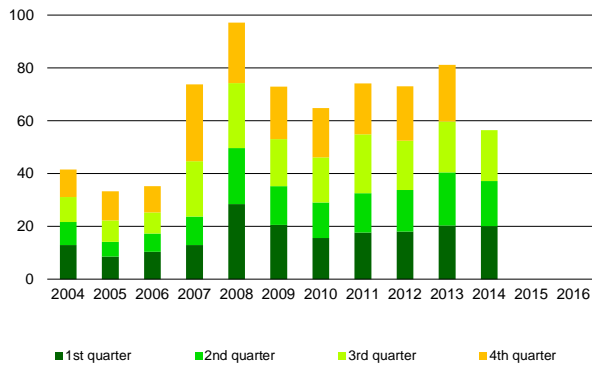


February 2015	Volume in billion CHF	Change p.a.
Mortgage claims	901.7	3.6%

Source: SNB, cf. meta analysis real estate FPRE.

Net immigration permanent resident population (in 1'000)

(13)



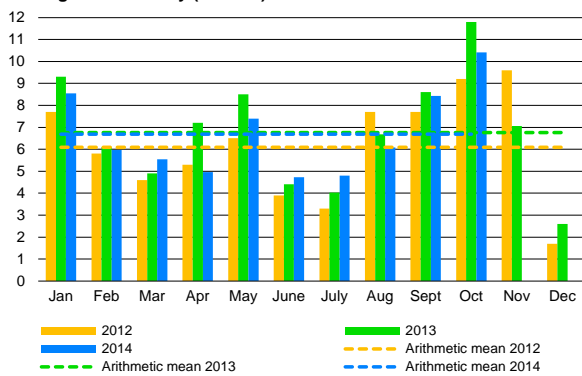
3rd quarter 2014

Net immigration permanent resident population (in 1'000)  
19.3

Source: FSO (2001-2009), SEM (2010-2014), cf. meta analysis real estate FPRE.

Net immigration monthly (in 1'000)

(14)



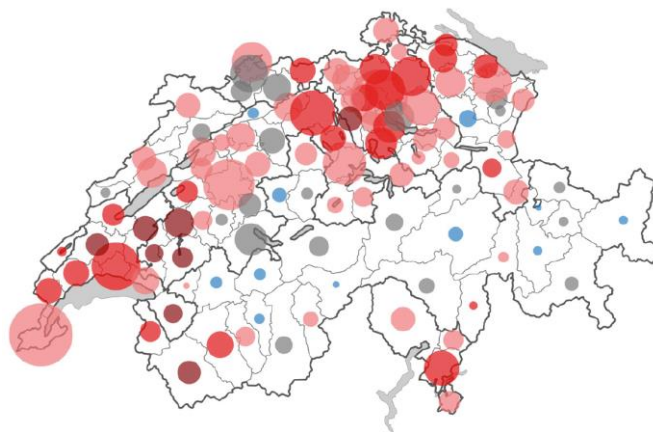
October 2014

Net immigration permanent resident population (in 1'000)  
10.4

Source: SEM, cf. meta analysis real estate FPRE.

Population growth by MS regions (2010-2013)

(15)



- < 0%
- 0% bis 2%
- 2% bis 4%
- 4% bis 6%
- > 6%

Note: circle radius in relation to population 2013.

Maps: FSO Geostat/Swisstopo.

Source: FSO, cf. Immobilien-Almanach Schweiz 2015.

## Forecast construction activity

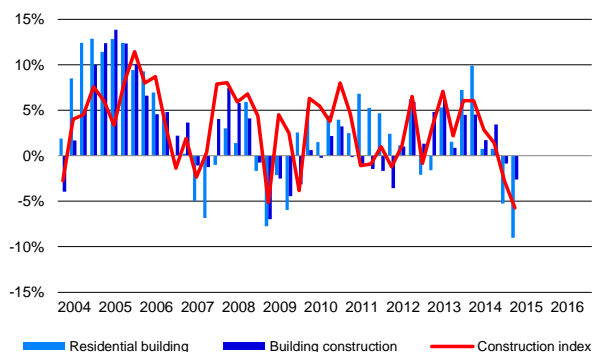
(16)

in m CHF	2015	2016	2017	Change p.a.	2015	2016	2017
<b>Total</b>	63'139	63'921	64'753	<b>Total</b>	1.1%	1.2%	1.3%
<b>Building construction</b>	49'644	50'244	50'861	<b>Building construction</b>	1.0%	1.2%	1.2%
Residential building	30'612	30'887	31'212	Residential building	0.9%	0.9%	1.1%
<b>Civil engineering</b>	13'495	13'677	13'892	<b>Civil</b>	1.3%	1.4%	1.6%

Source: BAK, cf. meta analysis real estate FPRE.

## Construction index Credit Suisse / SBV (nominal)

(17)



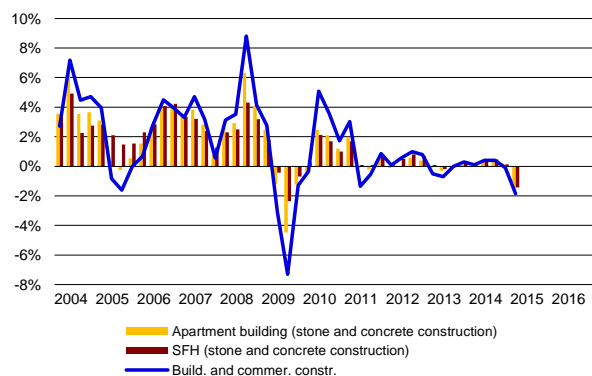
1st quarter 2015	Index (1996=100)	Change p.a.
<b>Construction index total</b>		-6%
- Building construction		-3%
- Residential building		-9%

- The construction index is an early indicator of the construction economy in Switzerland which foresees current quarter turnover.

Source: Credit Suisse, SBC, cf. meta analysis real estate FPRE.

## Production price index (change p.a.)

(18)



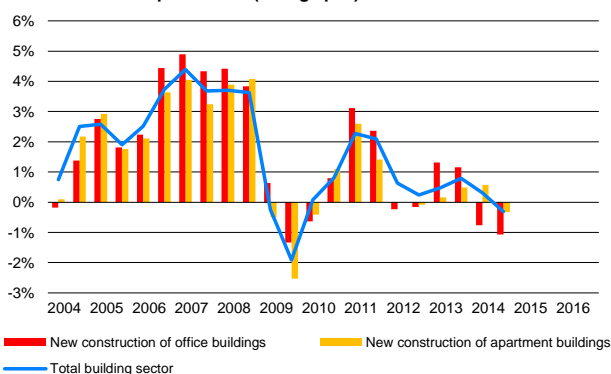
1st quarter 2015	Index (2003=100)	Change compared to previous quarter	Change p.a.
<b>Stone and concrete construction</b>			
- Apartment building	113.5	-1.5%	-1.3%
- SFH	114.4	-1.4%	-1.2%
<b>Build. and commer. constr.</b>	115.1	-1.9%	-1.5%

- The production price index PKI shows the change in production costs.

Source: SBV, vedi Meta-analisi immobiliare FPRE.

## Swiss construction price index (change p.a.)

(19)



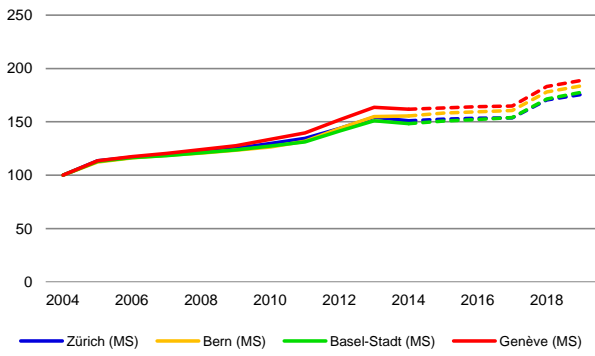
2nd half year 2014	Index (2010=100)	Change compared to previous half year	Change p.a.
<b>Total building sector</b>	102.8	-0.3%	-0.1%
- Office buildings	102.3	-1.1%	0.0%
- Apartment buildings	101.5	-0.3%	-0.5%

- The Swiss building price index is an economic indicator which captures the evolution of construction costs as reported by local construction companies.

Source: FSO, vedi Meta-analisi immobiliare FPRE.

Market value index apartment buildings

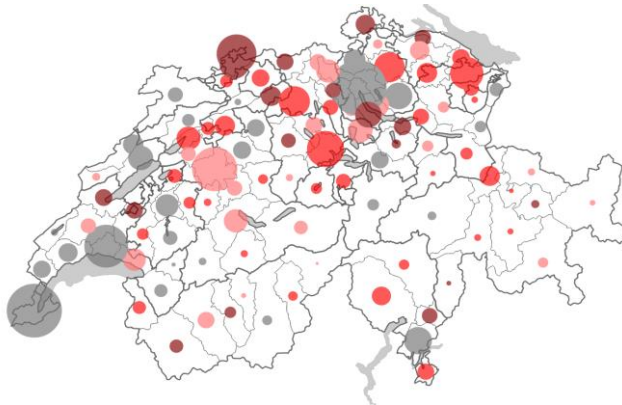
(20)



Note: market value index (2001=100).  
Source: RESC Fahrländer Partner, base scenario April 2015

Market value evolution apartment buildings 2014-2018

(21)

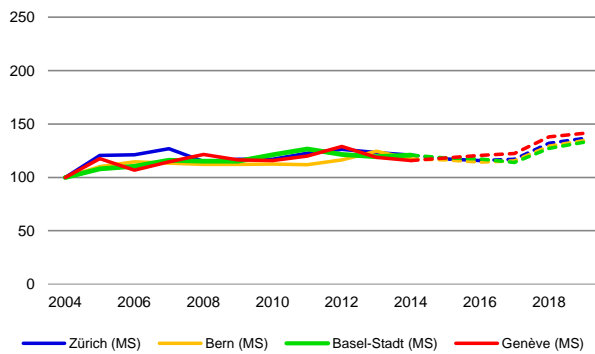


Note: all values are based on new constructions (excl. depreciation).  
Circle radius in relation to stock of rented apartments 2012.  
Maps: FSO Geostat/Swisstopo.  
Source: RESC Fahrländer Partner, base scenario April 2015.

- < 13 %
- 13 % - 14 %
- 14 % - 15 %
- > 15 %

Market value index office property

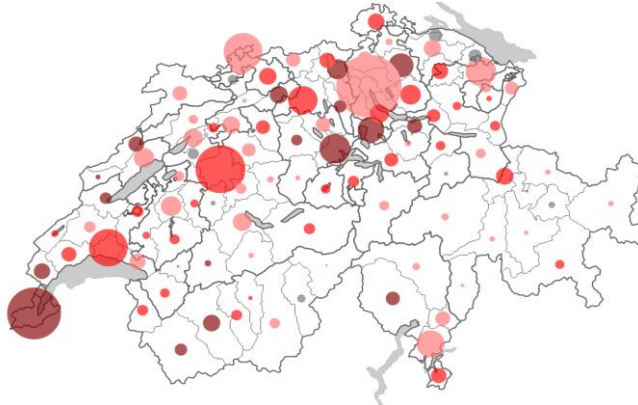
(22)



Note: market value index (2001=100).  
Source: RESC Fahrländer Partner, base scenario April 2015

Market value evolution office property 2014-2018

(23)



Note: all values are based on new constructions (excl. depreciation).  
Circle radius in relation to stock of office space 2010.  
Maps: FSO Geostat/Swisstopo.  
Source: RESC Fahrländer Partner, base scenario April 2015.

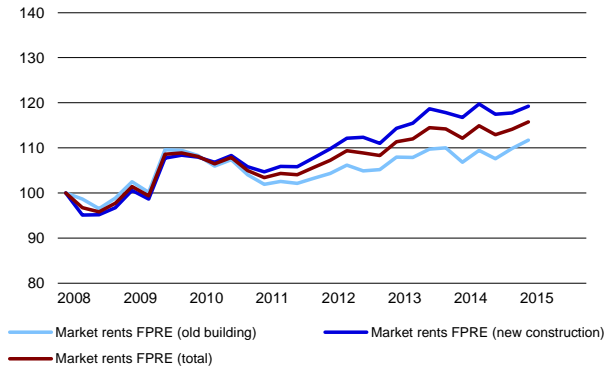
- < 4 %
- 4 % - 9 %
- 9 % - 13 %
- > 13 %

## Forec. rented ap. / ap. buildings (tot. / av. new constr.) (24)

CS(2)		FPRE(1)		W&P(2)
Rents	Rents	Prices	Prices	Rents
Forecast	2015	2015	2016	2015
→	→	↗	→	0.4%

Note: market rents / transaction prices (1) resp. quoted rents (2).  
Source: Credit Suisse, FPPE, Wüest & Partner, meta analysis real estate FPPE.

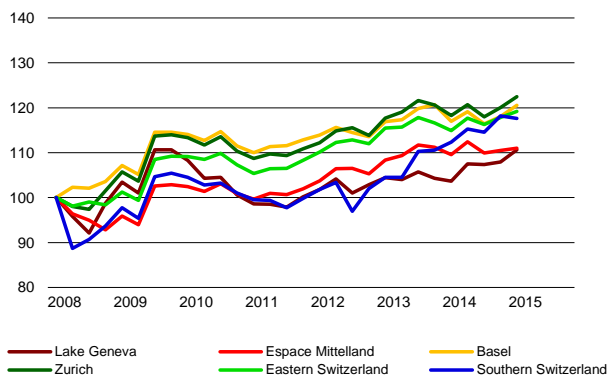
## Market rents rented apartments (RA) Switzerland (25)



	1st quarter 2015	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		110.6	2.5%	6.8%
Jura		98.6	-0.3%	1.6%
Espace Mittelland		111.0	0.4%	1.3%
Basel		120.5	2.1%	3.0%
Zurich		122.4	2.0%	3.5%
Eastern Switzerland		119.2	1.2%	3.7%
Alps		103.4	1.4%	-1.8%
Southern Switzerland		117.6	-0.5%	4.7%

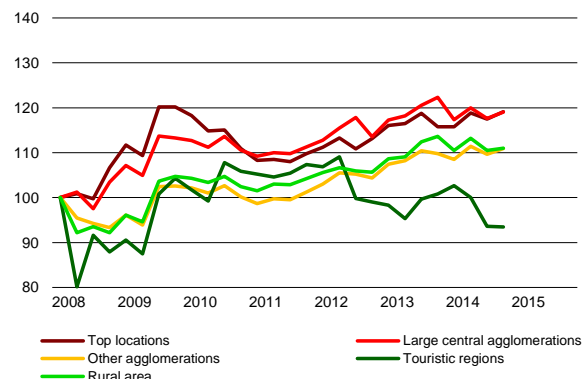
Source: Fahrländer Partner, meta analysis real estate FPPE.

## Market rents RA by region (26)



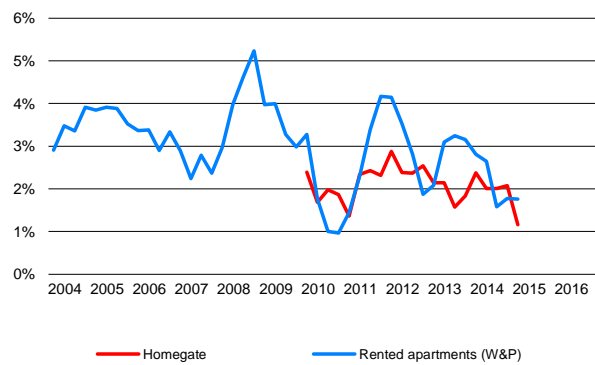
Source: Fahrländer Partner, meta analysis real estate FPPE.

## Market rents RA by spatial type (27)



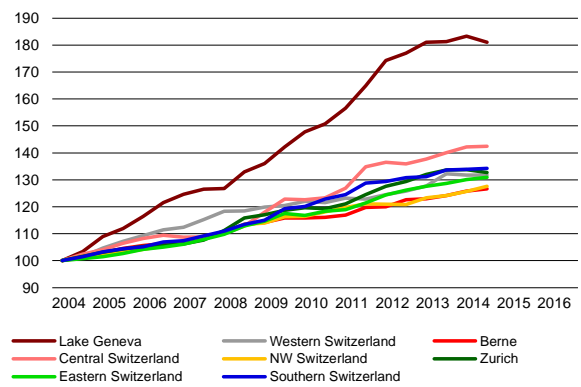
Source: Fahrländer Partner, meta analysis real estate FPPE.

## Quoted rents RA Switzerland (change p.a.) (28)



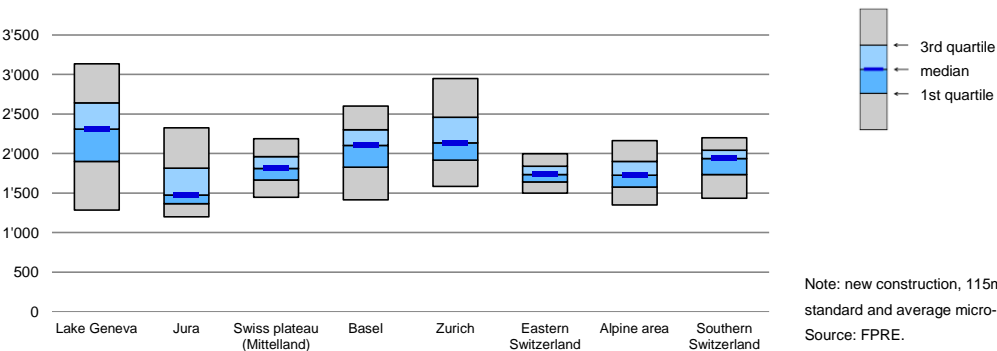
Source: Homegate, Wüest & Partner, cf. meta analysis real estate FPPE.

## Quoted rents RA by regions (29)



Source: SNB, Wüest & Partner, cf. meta analysis real estate FPPE.

## Market rent 4.5 room apartment by regions (CHF/month) (30)



Note: new construction, 115m2 HNF SIA 416, average standard and average micro-location.  
Source: FPPE.



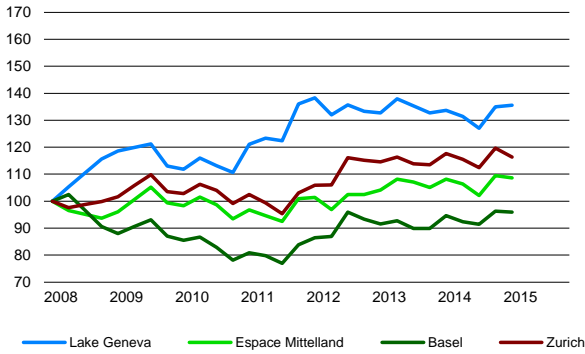
Forecast office space (31)

	CS(2) Forecast	FPRE(1) 2015	FPRE(1) 2016	W&P(2) 2015
Rents	↘	↘		-2.0%
Prices		→	→	

Note: market rents / transaction prices (1) resp. quoted rents (2).  
Source: Credit Suisse, FPRE, Wüest & Partner, meta analysis real estate FPRE.

Market rents for office spaces by region (net rents)

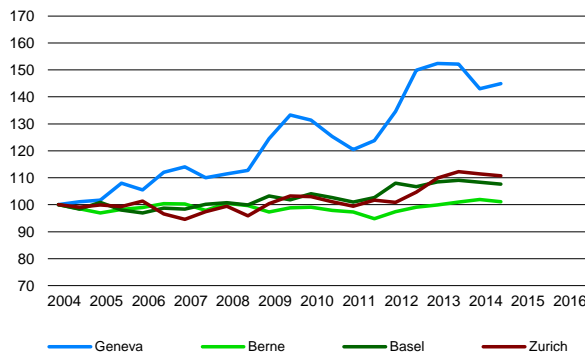
(32)



	1st quarter 2015	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		135.6	0.5%	1.5%
Espace Mittelland		108.6	-0.8%	0.4%
Basel		96.0	-0.3%	1.5%
Zurich		116.3	-2.8%	-1.2%

Source: Fahrländer Partner, meta analysis real estate FPRE.

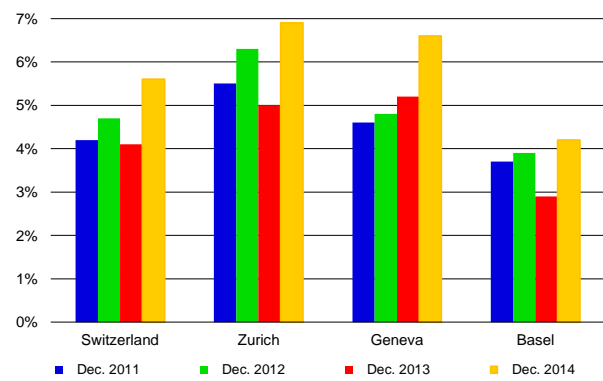
Quoted rents for office space (net rents)



Source: SNB, Wüest & Partner, meta analysis real estate FPRE.

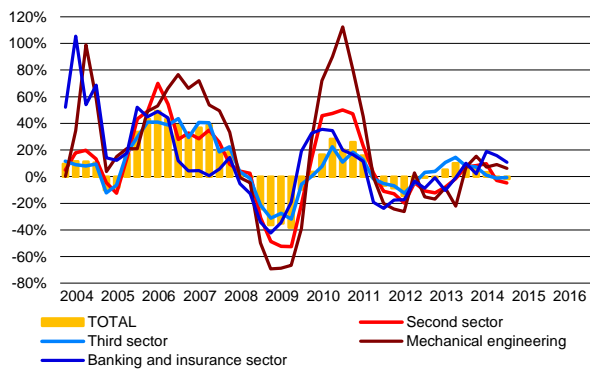
(33) Office markets: offer as a % of total space available

(34)



Source: CSL Immobilien, meta analysis real estate FPRE.

Change in job vacancies



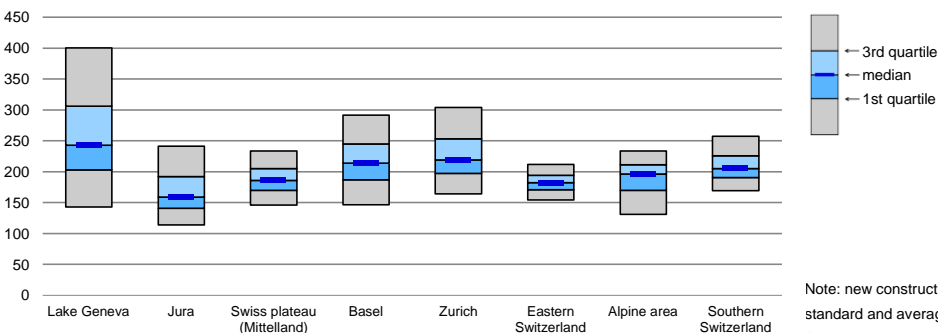
(35)

Index of job vacancies	Change p.a. 4th quarter 2014
TOTAL	-2%
Banking and insurance sector	11%
Real estate sector	-17%
IT sector	-9%
Other services	-30%

Source: FSO, cf. meta analysis real estate FPRE.

Market rents office space by region (CHF/m2a)

(36)



Note: new construction, 200m2 NF SIA 416, average standard and average micro-location.  
Source: FPRE.

Glossary	Note	Indicator	Source	Data as of
1-2			Fahrländer Partner	2nd quarter 2015
3	Cf. meta analysis real estate FPPE		IAZI	1st quarter 2015
4	Closing Prices	SWIIT, REAL KGAST	SIX KGAST	30.04.2015 30.04.2015
5			SFA	3rd quarter 2014
6	Cf. meta analysis economy FPPE	GDP	SECO KOF Créa Credit Suisse UBS BAKBASEL	19.03.2015 26.03.2015 18.11.2014 03.03.2015 20.04.2015 10.03.2015
7	Cf. meta analysis economy FPPE	GDP	SECO	2014 fig. 6
8	Cf. meta analysis economy FPPE		KOF Créa Credit Suisse	26.03.2015 18.11.2014 03.03.2015
9	Cf. meta analysis economy FPPE		FSO	2014
10	Cf. meta analysis real estate FPPE		SNB	06.04.2015
11-12	Cf. meta analysis real estate FPPE		SNB	Feb 2015
13	Cf. meta analysis real estate FPPE		FSO, SEM	3rd quarter 2014
14	Cf. meta analysis real estate FPPE		SEM	Feb 2015
15	Immobilien-Almanach Schweiz 2015		FSO, FOM	2014
16	Cf. forecast below			
17	Nominal change compared to same quarter of previous year		Credit Suisse, SBV	1st quarter 2015
18			SBV	1st quarter 2015
19			FSO, FOM	2nd half year 2014
20	Base scenario April 2015		Fahrländer Partner	4th quarter 2014
21	Cf. meta analysis real estate FPPE Base scenario April 2015 Maps		Fahrländer Partner FSO Geostat/Swisstopo	4th quarter 2014
22	Base scenario April 2015		Fahrländer Partner	4th quarter 2014
23	Cf. meta analysis real estate FPPE Base scenario April 2015 Maps		Fahrländer Partner	4th quarter 2014
24	Cf. forecast below			
25-27	Cf. meta analysis real estate FPPE		Fahrländer Partner	1st quarter 2015
28			Homegate Wüest & Partner	1st quarter 2015 1st quarter 2015
29	Cf. meta analysis real estate FPPE		SNB/W&P	2nd half year 2014
30			IMBAS FPPE	3rd quarter 2014
31	Cf. forecast below			
32	Cf. meta analysis real estate FPPE		Fahrländer Partner	1st quarter 2015
33	Cf. meta analysis real estate FPPE		SNB/W&P	2. half year 2014
34	Cf. meta analysis real estate FPPE		CSL Immobilien	2014
35	Cf. meta analysis economy FPPE		SNB	April 2015
36			IMBAS FPPE	3rd quarter 2014
Forecasts		The Swiss Real Estate Market	Credit Suisse	2015
		Immobilien-Almanach Schweiz 2015	Fahrländer Partner	2015
		Immomonitoring	Wüest & Partner	2015   2
		Hochbauprognose 2013-2019	BAKBASEL	2013

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