

- According to the SWX IAZI Real Estate Price Index, the prices for apartment buildings dropped in the 2nd quarter 2015 by 0,2%. On a yearly basis, the prices raised by 2,5% (prev. quarter 3,3%). The performance dropped slightly to 0,7%, on the yearly basis, to 6,2% (prev. quarter 7,1%).
- In the 1st quarter 2015, employment growth in the classic office market was, compared to the previous year, just above the 1 % threshold. This is still well below the long-term mean of growth in the classic office market after the millennium. Growth drivers are repeatedly business services companies while in most of the other branches, employment stagnated compared to the previous year.
- The Swiss consumer sentiment index reduced between April and July 2015 from -6 to -19 points. Consumer expectations with regard to future economic development showed a significant change (-8 points in April, -25 points in July) and unemployment is anticipated to continue rising (+51 points in April, +65 points in July). Domestic households were more negative about the assessment of their future financial situation (+5 points in April, -4 points in July).

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.

Helptext to the valuations: 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	●	→	●	↘	●	↘	●	→	→	→

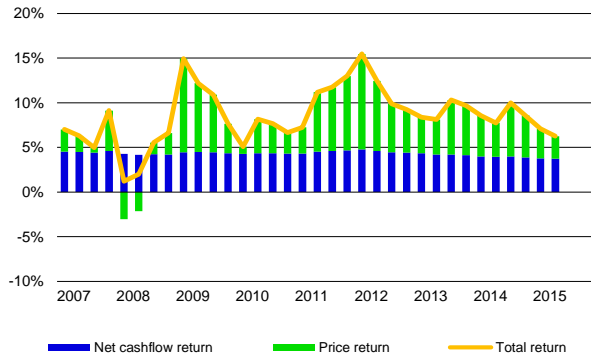
All valuations are done from a owner/seller perspective. The circles describe the actual situation: green: unproblematic situation; yellow: some problems; red: problematic situation. Arrows describe the forecast for the following 12 months. ↗: expected improvement; →: stable; ↘: expected aggravation.

Helptext to the valuations: http://www.fpre.ch/de/03_meta/Hilfetext_Einschaetzungen_FPPE.pdf

Source: Fahländer Partner.

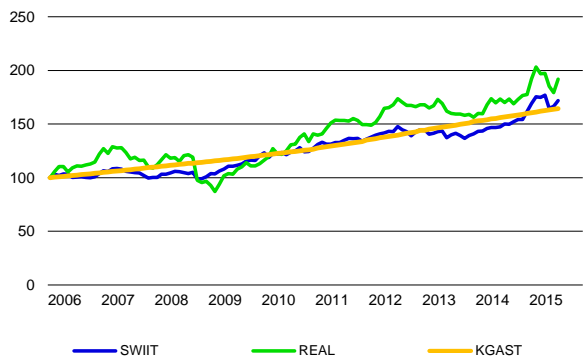
For all sources please check the glossary and impressum on the last page.

SWX IAZI Investment Real Estate Performance Index (3)



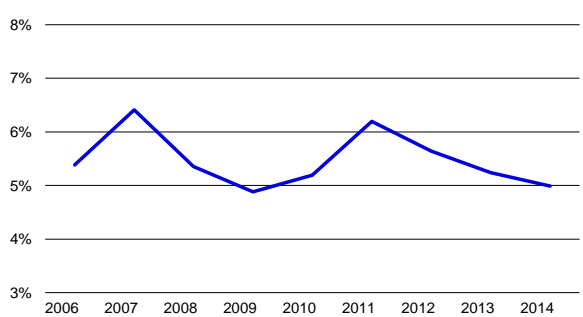
Source: IAZI, cf. meta analysis real estate FPRE.

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 KOF Economic Barometer increased by 10 points to 99,8 points in July 2015. While the strong Swiss franc continues to place a burden on the Swiss economy, however, the first shockwave after the abandon of the minimum price is clearly losing its power.
- The UBS Consumption Indicator rose from 1,62 to 1,68 points in June 2015, its third monthly increase in a row. Despite the retail sector's slightly more pessimistic mood, the rising number of new car registrations signals solid growth in private consumption.
- According to SECO, in the end of July 2015 133'754 unemployed were registered at regional unemployment centres. The unemployment rate stayed stable in July at 3,1%.

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	0.8	1.6	0.4	1.3	0.8	1.5	0.8	1.2	0.5	1.1	0.6	1.5	0.7	1.4
	↘	↘	↗	↗	↘	↘	→	→	→	→	↘	↘	→	→
Private consumption	1.7	1.3	1.9	1.8	0.8	-0.1	1.5	1.0	1.5	1.6	1.5	1.3	1.5	1.2
	↗	→	↘	↗	↘	↘	→	→	↗	↗	↘	↘	→	↗
Public consumption	2.6	2.1	1.9	1.2	-	-	1.8	1.5	1.8	1.0	2.2	1.6	2.1	1.5
	→	↘	↗	→	→	→	→	→	↗	↘	↗	↗	↗	→
Equipment investments	1.5	1.7	1.2	2.9	0.2	-3.1	1.3	1.5	-0.3	0.5	-0.1	1.2	0.6	0.8
	→	↘	↗	↗	↘	↘	↗	→	→	→	↘	↘	→	→
Investments in construction	-1.2	0.0	-1.1	-0.6	1.0	2.0	-1.5	1.0	-0.8	0.4	-2.2	-0.3	-1.0	0.4
	↗	→	↘	↘	↘	↘	↘	↘	↘	↘	↘	↗	↘	↘
Exports	1.7	3.4	1.5	2.8	-2.6	2.0	-0.5	2.0	-1.0	0.5	-0.1	2.7	-0.2	2.2
	↗	↘	↗	↗	↘	↘	↘	→	→	→	↘	↘	→	→
Imports	3.8	3.1	3.0	3.8	-3.4	-0.9	3.0	2.0	0.0	0.5	2.1	2.3	1.4	1.8
	↗	→	↗	↘	↘	↘	↗	→	→	→	↗	↘	→	→
Unemployment rate	3.3	3.5	3.3	3.6	3.4	4.1	3.4	3.8	3.6	3.5	3.3	3.6	3.4	3.7
	→	↗	↘	↘	↗	↗	→	→	→	→	→	↗	→	→
Consumer prices	-1.0	0.3	-1.1	-0.3	-0.9	0.5	-1.3	0.0	-1.0	0.2	-1.2	-0.1	-1.1	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:

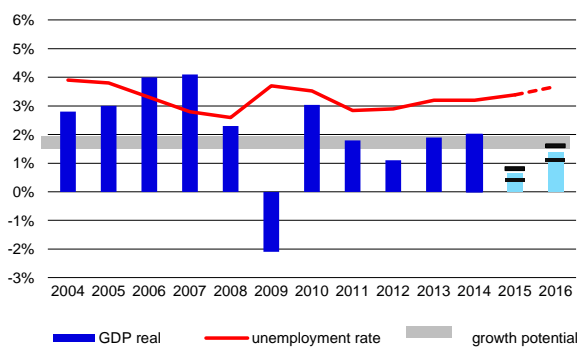
SECO: 15.6.2015 (19.3.2015), KOF: 12.6.2015 (26.3.2015), Créa: 31.5.2015 (18.11.2014), CS: 9.6.2015 (3.3.2015), UBS: 24.6.2015 (20.4.2015), BAKBASEL: 9.6.2015 (10.3.2015).

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.

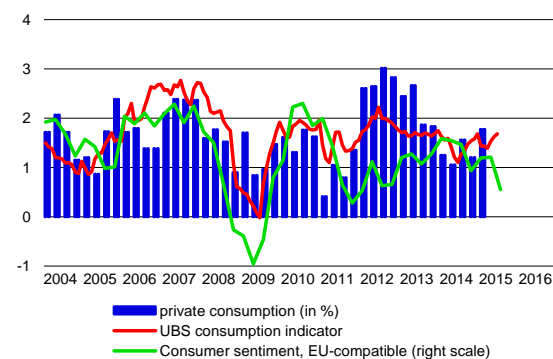
Note: In June 2012, the population census 2012 replaced the one of 2000 as database.

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

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

Private consumption, consumer sentiment and UBS consumption indicator

(8)

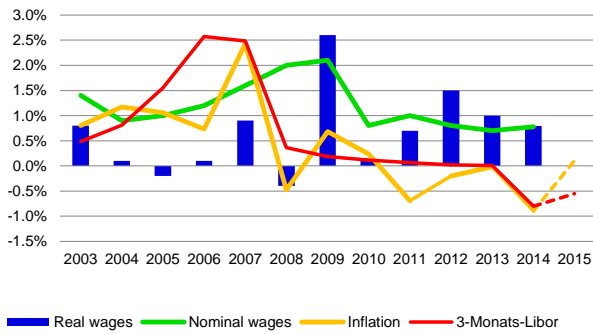


- The UBS Consumption Indicator rose from 1,62 to 1,68 points in June 2015, its third monthly increase in a row. Despite the retail sector's slightly more pessimistic mood, the rising number of new car registrations signals solid growth in private consumption.

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

Real wages and rate of price increase

(9)



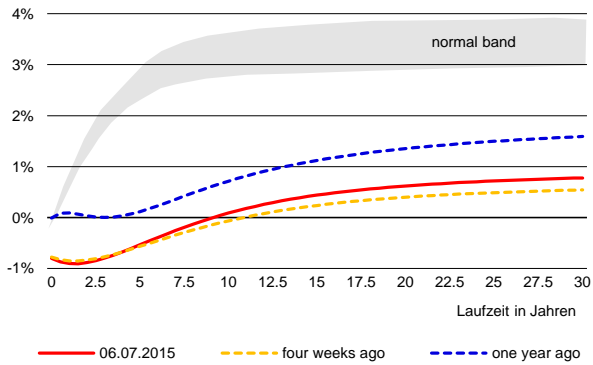
Inflation forecast SNB	2015	2016	2017
Forecast June 2015	-1.0%	-0.4%	0.3%
Libor	-0.75%		
Forecast March 2015	-1.1%	-0.5%	0.4%
Libor	0.00%		

- SNB: The new conditional inflation forecast does not differ greatly from the one we presented in March. The forecasts for 2015 and 2016 are up slightly, by 0.1 percentage points to -1.0% for 2015 and to -0.4% for 2016.

Source: FSO, cf. meta analysis economy FPPE.

Yields on Confederation bonds

(10)

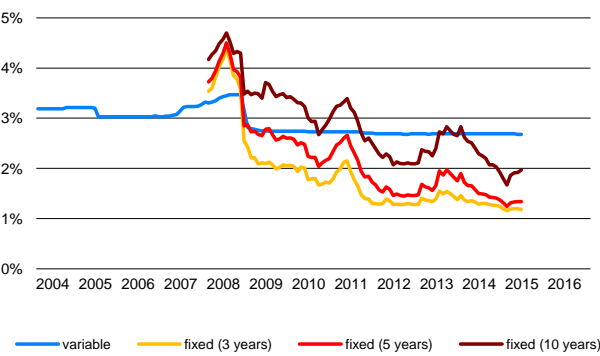


Duration	06.07.2015	four weeks ago	one year ago
1 year	-0.91%	-0.85%	0.09%
3 years	-0.80%	-0.77%	0.00%
5 years	-0.54%	-0.57%	0.12%
10 years	0.09%	-0.07%	0.71%

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

Mortgage rates

(11)

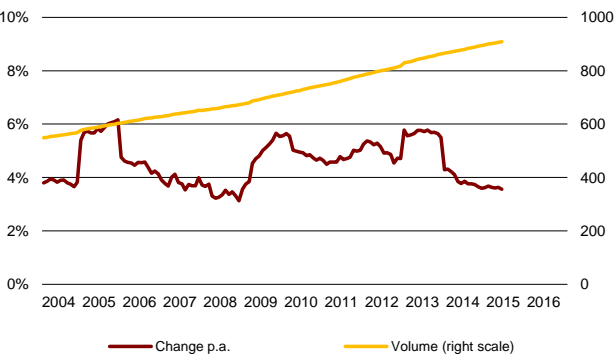


Mortgage	May 2015
variable	2.7%
fixed (3 years)	1.2%
fixed (5 years)	1.3%
fixed (10 years)	2.0%

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

Mortgage volume inland (in bn CHF)

(12)

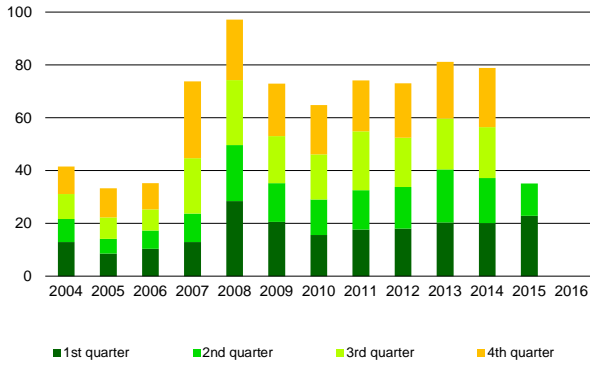


May 2015	Volume in billion CHF	Change p.a.
Mortgage claims	909.0	3.6%

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

Net immigration permanent resident population (in 1'000)

(13)



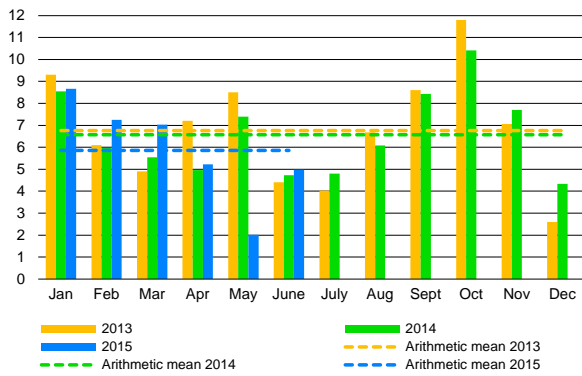
2nd quarter 2015

Net immigration permanent resident population (in 1'000)
12.2

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

Net immigration monthly (in 1'000)

(14)



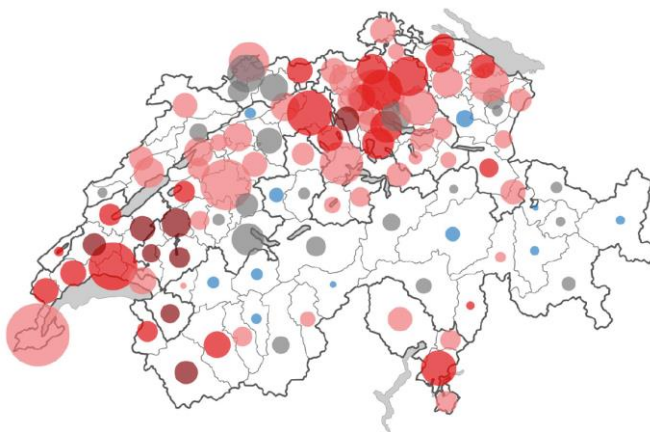
June 2015

Net immigration permanent resident population (in 1'000)
4.7

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

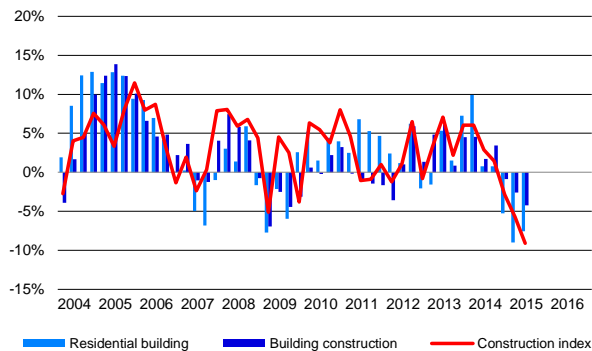
(16)

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

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

Construction index Credit Suisse / SBV (nominal)

(17)



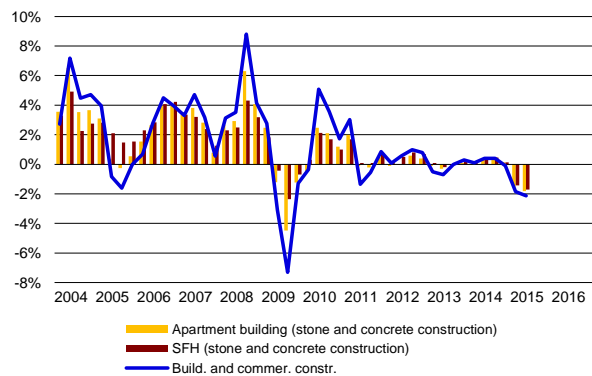
2nd quarter 2015	Index (1996=100)	Change p.a.
Construction index total		-9%
- Building construction		-4%
- Residential building		-8%

- 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)



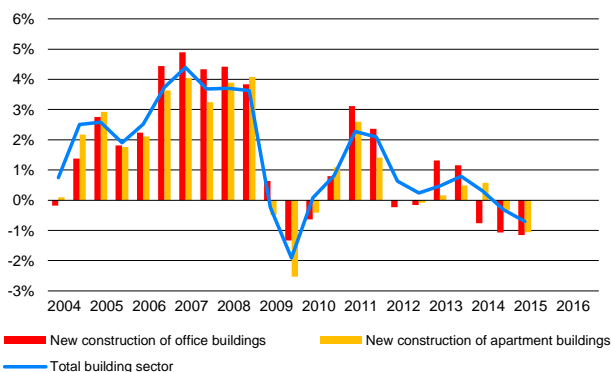
2nd quarter 2015	Index (2003=100)	Change compared to previous quarter	Change p.a.
Stone and concrete construction			
- Apartment building	113.1	-1.8%	-0.4%
- SFH	114.0	-1.7%	-0.4%
Build. and commer. constr.	114.5	-2.1%	-0.5%

- 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)



1st half year 2015	Index (2010=100)	Change compared to previous half year	Change p.a.
Total building sector	102.2	-0.7%	-0.6%
- Office buildings	101.1	-1.2%	-1.2%
- Apartment buildings	100.9	-1.1%	-0.6%

- 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.

FPRE

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On 18 december 2015, the guide for Swiss residential and commercial properties markets for the year 2015 will be published.

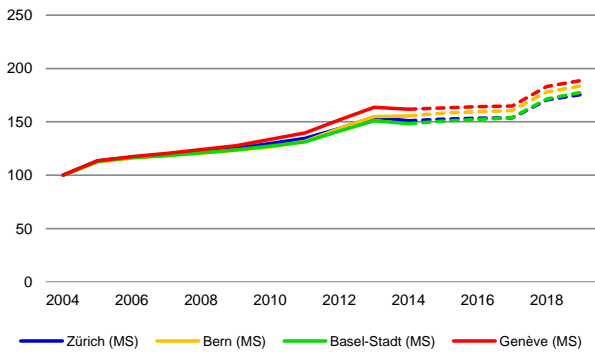
Order: almanach@fpre.ch

Costs: CHF 150 / copy

Information: http://www.fpre.ch/en/produkte_almanach.asp

Market value index apartment buildings

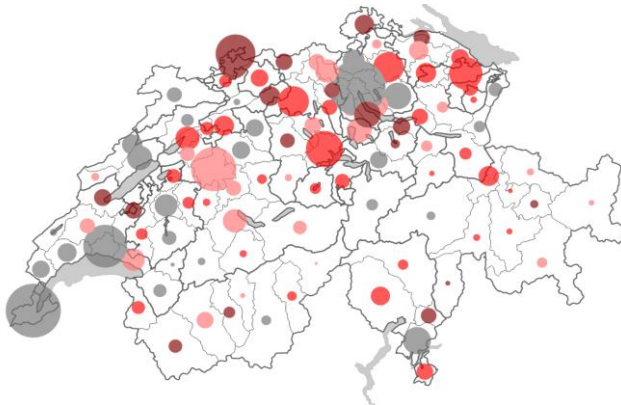
(20)



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

Market value evolution apartment buildings 2014-2018

(21)

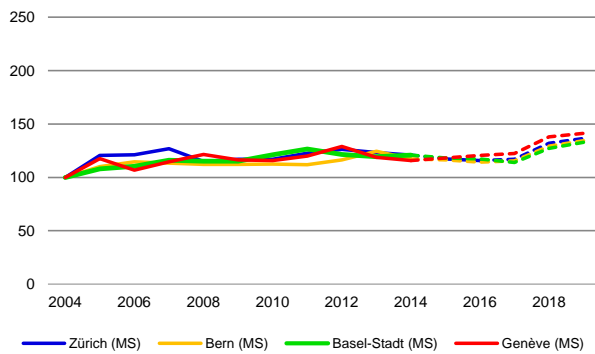


Note: all values are based on new constructions (excl. depreciation).
Circle radius in relation to stock of rented apartments 2012.
Maps: FSO Geostat/Swisstopo.
Source: RESC Fahrländer Partner, base scenario April 2015.

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

Market value index office property

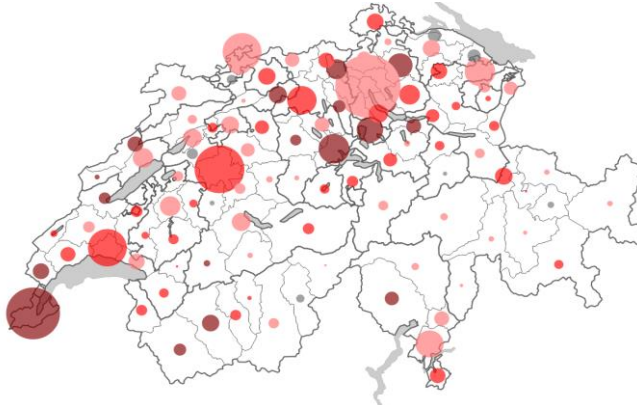
(22)



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.

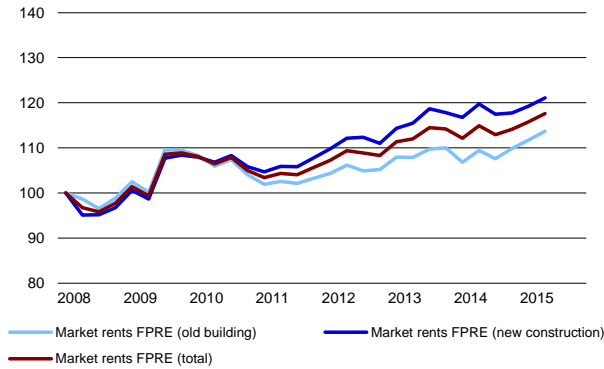
- < 4 %
- 4 % - 9 %
- 9 % - 13 %
- > 13 %

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, FPRE, Wüest & Partner, meta analysis real estate FPRE.

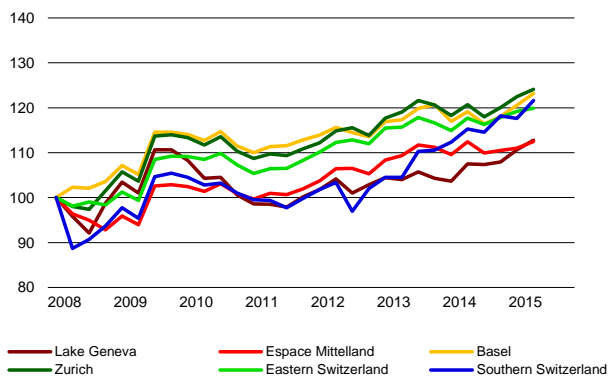
Market rents rented apartments (RA) Switzerland (25)



	2nd quarter 2015	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		112.8	1.9%	4.9%
Jura		99.9	1.3%	-3.1%
Espace Mittelland		112.5	1.4%	0.1%
Basel		123.2	2.2%	3.4%
Zurich		124.1	1.4%	2.8%
Eastern Switzerland		119.9	0.6%	1.9%
Alps		108.0	4.4%	2.2%
Southern Switzerland		121.6	3.4%	5.4%

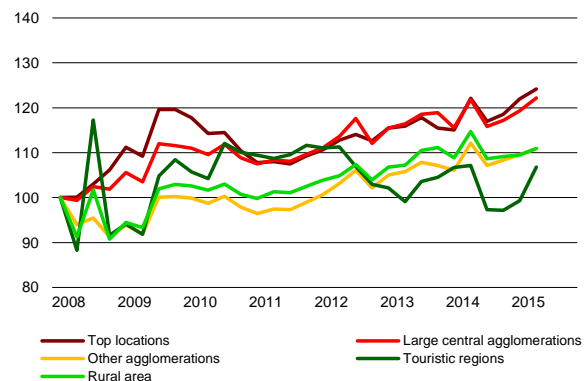
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by region (26)



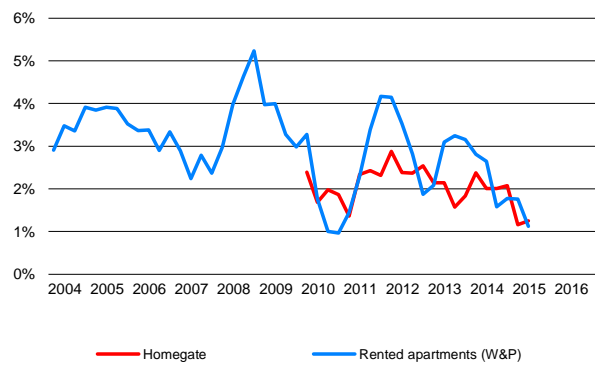
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by spatial type (27)



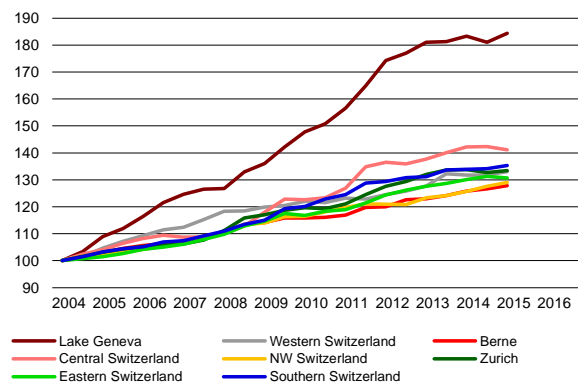
Source: Fahrländer Partner, meta analysis real estate FPRE.

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



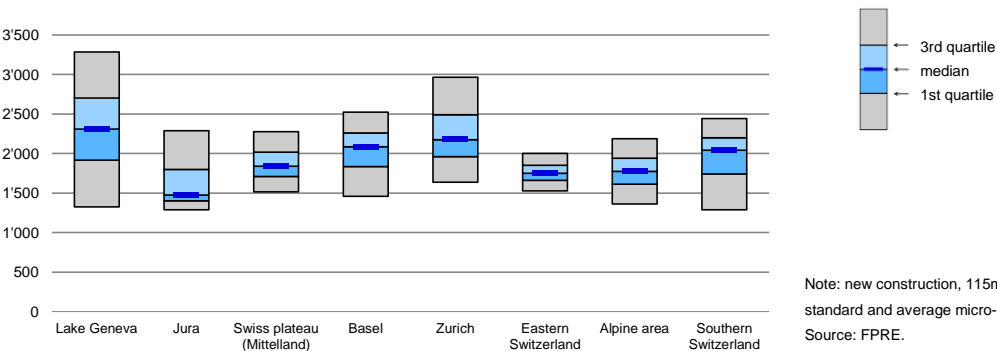
Source: Homegate, Wüest & Partner, cf. meta analysis real estate FPRE.

Quoted rents RA by regions (29)



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

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: FPRE.

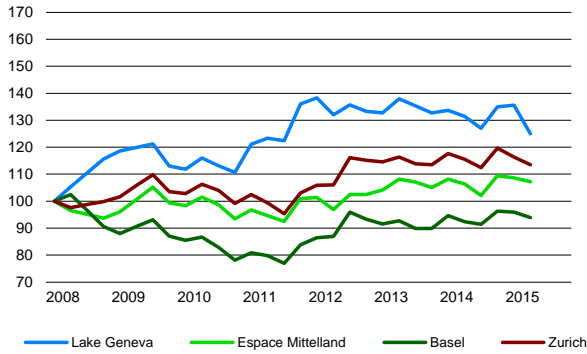
Forecast office space (31)

	CS(2) Forecast	FPRE(1) 2015	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)

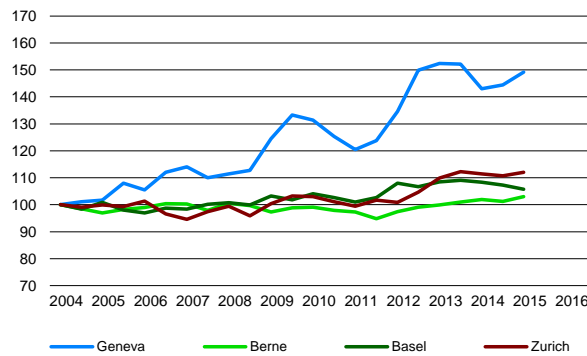
(32)



2nd quarter 2015	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva	125.0	-7.8%	-4.9%
Espace Mittelland	107.2	-1.3%	0.8%
Basel	93.9	-2.1%	1.8%
Zurich	113.5	-2.4%	-1.8%

Source: Fahrländer Partner, meta analysis real estate FPRE.

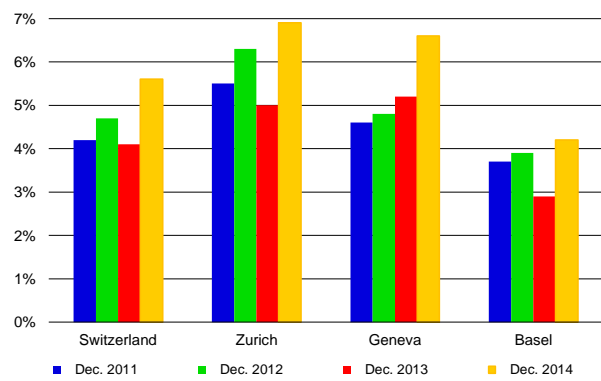
Quoted rents for office space (net rents)



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

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

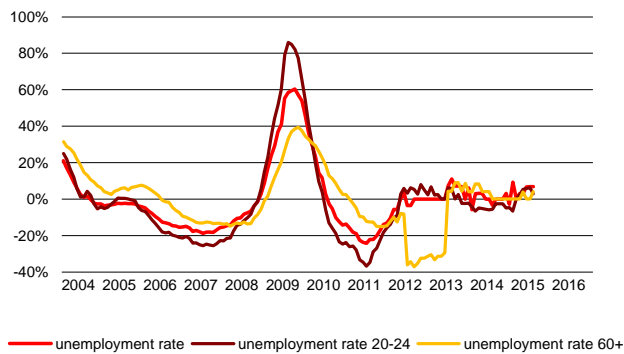
(34)



Source: CSL Immobilien, meta analysis real estate FPRE.

Change in job vacancies

(35)

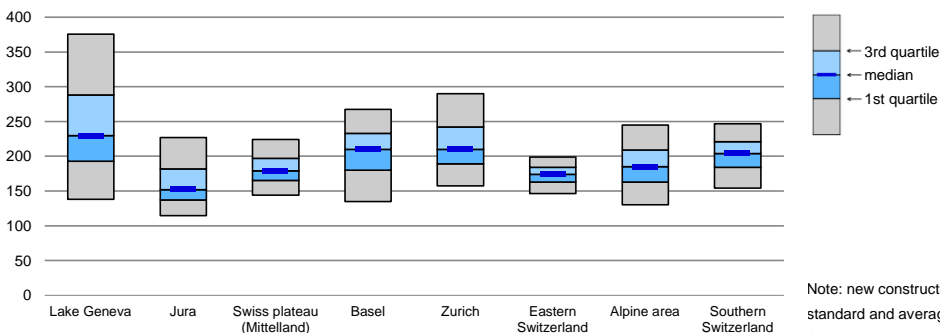


Index of job vacancies	Change p.a. 1st quarter 2015
TOTAL	-6%
Banking and insurance sector	2%
Real estate sector	-21%
IT sector	-17%
Other services	-5%

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	3rd quarter 2015
3	Cf. meta analysis real estate FPPE		IAZI	2nd quarter 2015
4	Closing Prices	SWIIT, REAL KGAST	SIX KGAST	30.06.2015 30.06.2015
5			SFA	3rd quarter 2014
6	Cf. meta analysis economy FPPE	Forecasts	SECO KOF Créa Credit Suisse UBS BAKBASEL	15.06.2015 12.06.2015 31.05.2015 09.06.2015 24.06.2015 09.06.2015
7	Cf. meta analysis economy FPPE	Forecasts	SECO	2014 fig. 6
8	Cf. meta analysis economy FPPE		FSO SECO KOF	July 2015 15.06.2015 12.06.2015
9	Cf. meta analysis economy FPPE		FSO	2014
10	Cf. meta analysis real estate FPPE		SNB	06.07.2015
11-12	Cf. meta analysis real estate FPPE		SNB	May 2015
13	Cf. meta analysis real estate FPPE		FSO, SEM	2nd quarter 2015
14	Cf. meta analysis real estate FPPE		SEM	May 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	2nd quarter 2015
18			SBV	2nd quarter 2015
19			FSO, FOM	1st half year 2015
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	2nd quarter 2015
28			Homegate Wüest & Partner	2nd quarter 2015 2nd quarter 2015
29	Cf. meta analysis real estate FPPE		SNB/W&P	1st half year 2015
30			IMBAS FPPE	3rd quarter 2014
31	Cf. forecast below			
32	Cf. meta analysis real estate FPPE		Fahrländer Partner	2nd quarter 2015
33	Cf. meta analysis real estate FPPE		SNB/W&P	1. half year 2015
34	Cf. meta analysis real estate FPPE		CSL Immobilien	2014
35	Cf. meta analysis economy FPPE		Administration	June 2015
36			IMBAS FPPE	3rd quarter 2014
Forecasts		The Swiss Real Estate Market Immobilien-Almanach Schweiz 2015 Immomonitoring Hochbauprognose 2013-2019	Credit Suisse Fahrländer Partner Wüest & Partner BAKBASEL	2015 2015 2015 2 2013

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