

- According to SWX IAZI real estate price index, the price growth for condominiums (1st quarter 2017) shows an increase of 1,6% in comparison to the previous quarter. On a yearly basis, the price increase by +1,4%. The performance of condominiums is +2,5% on quarterly basis and higher on a yearly basis +5,1%. Performance is the total return and includes the net cash flow return and the increase in value.
- In 2016, the employment in the classic office market as well as the total employment grew slightly (+0,1%). The growth in the sector of company services slowed down (2016: +0,2%; 2015: +0,5%).
The KOF Employment Indicator (2nd quarter 2017) passed the zero mark for the first time in three years. Among other factors, this is due to the industrial sector which has not been this optimistic since before the Swiss franc shock at the beginning of 2015.
- SECO: The Swiss consumer sentiment in April 2017, with an index value of -8 points, is virtually at its long-term average, having been slightly more optimistic in January (-3 points). While expectations for overall economic developments are above average in April, they are less positive than they were in January.

Apartment buildings

(1)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2016	2017	2016	2017	2016	2017	2016	2017	2017	2018
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: <https://metaanalysen.ch/de/immobilien/>

Source: Fahländer Partner.

Office buildings (new construction)

(2)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2016	2017	2016	2017	2016	2017	2016	2017	2017	2018
Lake Geneva	●	↘	●	→	●	→	●	↗	↗	→
Jura	●	→	●	→	●	→	●	↗	↗	↗
Swiss plateau (Mittelland)	●	→	●	→	●	→	●	→	→	↘
Basel	●	→	●	→	●	→	●	↗	↗	→
Zurich	●	→	●	→	●	↘	●	↗	↗	→
Eastern Switzerland	●	→	●	↘	●	→	●	↗	↗	→
Alpine area	●	→	●	→	●	→	●	↗	↗	→
Southern Switzerland	●	↘	●	→	●	→	●	→	→	→
Switzerland	●	→	●	→	●	↘	●	↗	↗	→

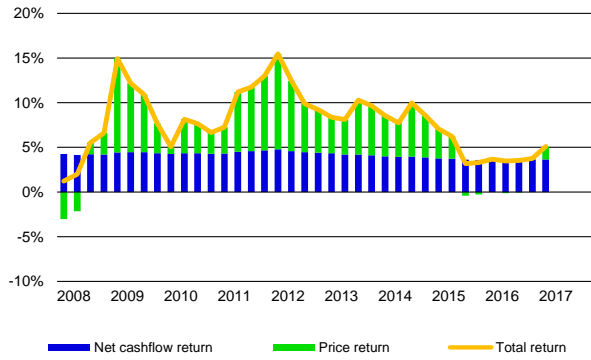
All valuations are done from a owner/seller perspective. The circles describe the actual situation: green: unproblematic situation; yellow: some problems; red: problematic situation. Arrows describe the forecast for the following 12 months. ↗: expected improvement; →: stable; ↘: expected aggravation.

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Source: Fahländer Partner.

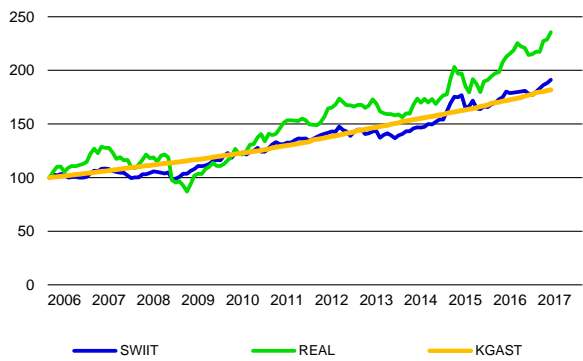
For all sources please check the glossary and impressum on the last page.

SWX IAZI Investment Real Estate Performance Index (3)



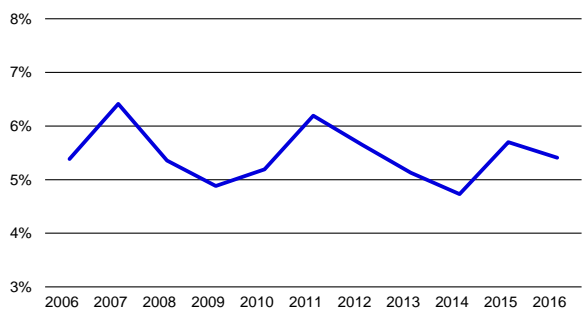
Source: IAZI, cf. meta analysis real estate FPRE.

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.

- In April 2017, the KOF Economic Barometer declined compared to the previous month (revised to 107,2 from 107,6) by 1,2 to a value of 106,0. Declines in the hotel and restaurant industry, in the manufacturing and construction sector are responsible in April, they are less positive than they were in January.
- The UBS consumption indicator registered at 1,50 points in March 2017, indicating private consumption growth around the long-term average. Solid automotive demand drove this figure. Domestic tourism, on the other hand, took a breather after a strong start in 2017. Pessimism still prevails in retail.
- According to SECO, the unemployment rate decreased from 3,4% in March 2017 to 3,3% in April 2017. Compared to the same month of the previous year, there are 3'213 less unemployed (-2,1%).

Economic forecasts Swiss economy

(6)

	SECO		KOF		Créa		CS		UBS		BAK		Arithmetic means	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
GDP, real	1.6	1.9	1.5	1.9	1.5	2.4	1.5	1.7	1.4	1.6	1.6	1.8	1.5	1.9
	↘	→	↘	→	↗	↗	→	→	→	→	↘	↘	→	→
Private consumption	1.5	1.4	1.0	1.0	1.3	1.4	1.2	1.5	1.3	1.3	1.4	1.6	1.3	1.4
	↗	→	↗	↘	↗	↗	↗	↗	↗	↗	↗	↗	→	→
Public consumption	1.8	1.9	1.5	1.2	-	-	1.8	1.8	1.2	1.0	1.1	1.1	1.5	1.4
	↘	→	↗	↗	→	→	→	→	↘	→	→	↗	→	→
Equipment investments	2.3	2.3	-0.9	1.0	3.4	4.7	2.5	2.8	0.5	2.7	1.9	3.8	1.6	2.9
	→	→	↘	↘	↗	↗	→	→	↘	↘	↘	↗	→	→
Investments in construction	1.2	1.5	1.1	2.3	2.8	2.5	1.5	1.5	0.4	1.2	1.2	1.3	1.4	1.7
	↘	↘	↗	↗	↗	↗	→	→	↘	→	↘	→	→	→
Exports	2.8	3.7	2.0	3.7	1.7	3.5	4.5	4.0	1.3	3.1	2.7	3.5	2.5	3.6
	↘	→	↘	↗	↘	↘	→	→	↘	→	→	↘	→	→
Imports	2.8	3.8	2.4	4.0	5.9	6.1	3.5	3.5	1.7	3.2	2.7	4.6	3.2	4.2
	↘	→	↘	↗	↘	↘	→	→	↘	→	↘	↗	→	→
Unemployment rate	3.2	3.1	3.3	3.3	3.2	3.0	3.3	3.1	3.2	3.0	3.3	3.2	3.3	3.1
	→	→	→	↘	↘	↘	→	→	→	→	→	→	→	→
Consumer prices	0.5	0.3	0.3	0.3	0.6	0.8	0.5	0.5	0.4	0.9	0.3	0.6	0.4	0.6
	↗	↗	→	→	↗	↗	→	→	→	→	↘	↘	→	→

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:

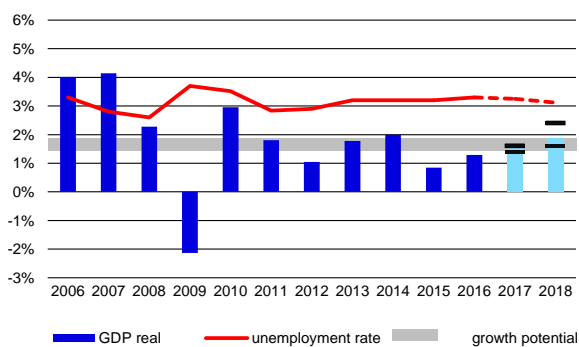
SECO: 21.3.2017 (15.12.2016), KOF: 29.3.2017 (15.12.2016), Créa: 24.10.2016 (25.5.2016), CS: 20.3.2017 (14.12.2016), UBS: 10.4.2017 (26.1.2017), BAK: 9.3.2017 (9.12.2016).

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)



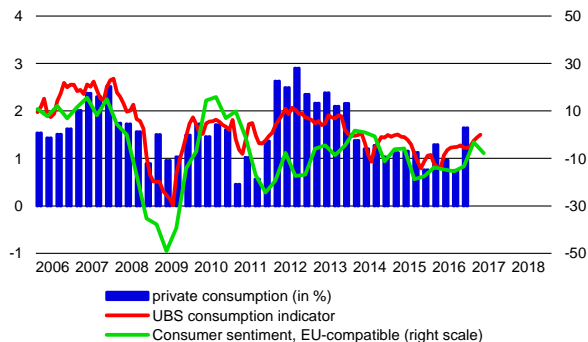
Note: The values for 2016 and 2017 are forecasts.

Since June 2016, the unemployment rate is based on occupation numbers according to the pooling 2012-2014 (revised from January 2014).

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

Private consumption, consumer sentiment and UBS consumption indicator

(8)

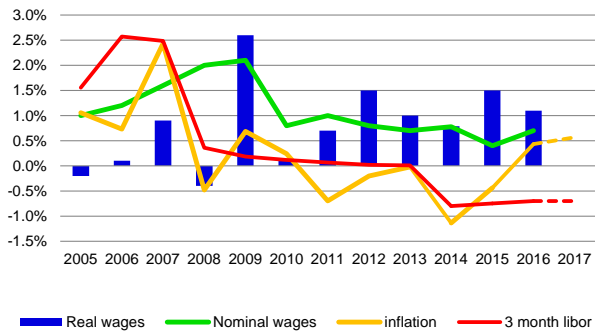


- The UBS consumption indicator registered at 1,50 points in March 2017, indicating private consumption growth around the long-term average. Solid automotive demand drove this figure. Domestic tourism, on the other hand, took a breather after a strong start in 2017. Pessimism still prevails in retail.

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

Real wages and rate of price increase

(9)



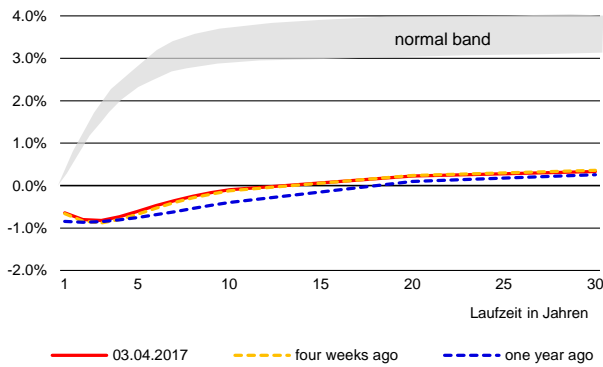
Inflation forecast SNB	2017	2018	2019
Forecast March 2017	0.3%	0.4%	1.1%
Libor	-0.75%		
Forecast December 2016	0.1%	0.5%	
Libor	-0.75%		

- The inflation forecast for 2017 has risen to 0.3%, compared to 0.1% in the previous quarter. For 2018, the SNB anticipates inflation of 0.4%, compared to 0.5% in the previous quarter. The forecast for 2019 is 1.1%.

Source: FSO, cf. meta analysis economy FPPE.

Yields on Confederation bonds

(10)

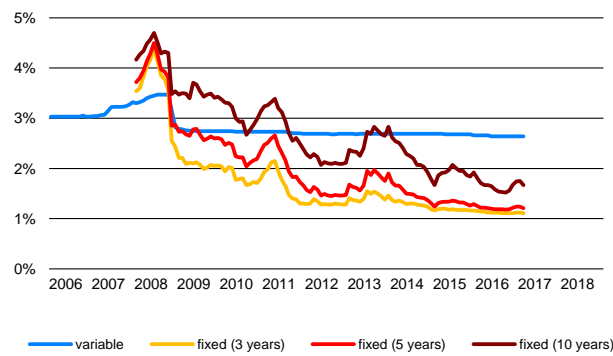


Duration	03.04.2017	four weeks ago	one year ago
1 year	-0.64%	-0.66%	-0.85%
5 years	-0.60%	-0.67%	-0.75%
10 years	-0.10%	-0.12%	-0.39%

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

Mortgage rates

(11)

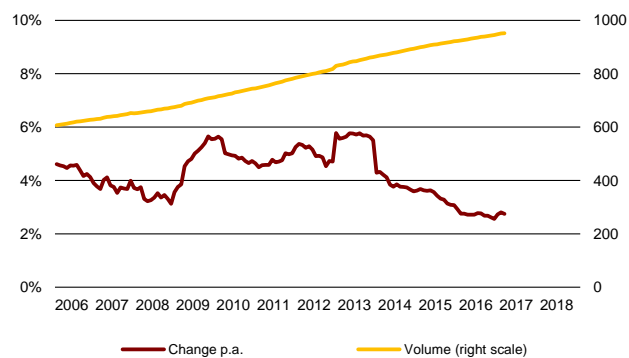


Mortgage	February 2017
variable	2.6%
fixed (3 years)	1.1%
fixed (5 years)	1.2%
fixed (10 years)	1.7%

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

Mortgage volume inland (in bn CHF)

(12)

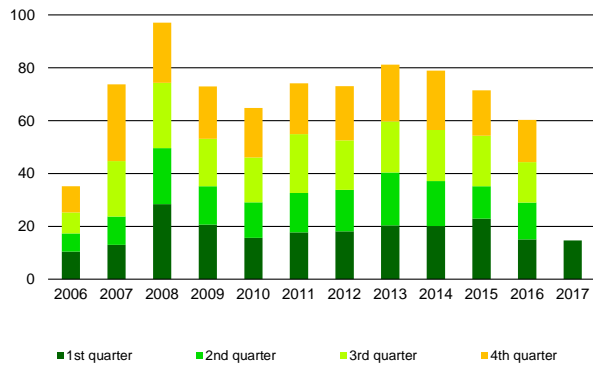


February 2017	Volume in billion CHF	Change p.a.
Mortgage claims	951.9	2.7%

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

Net immigration permanent resident population (in 1'000)

(13)



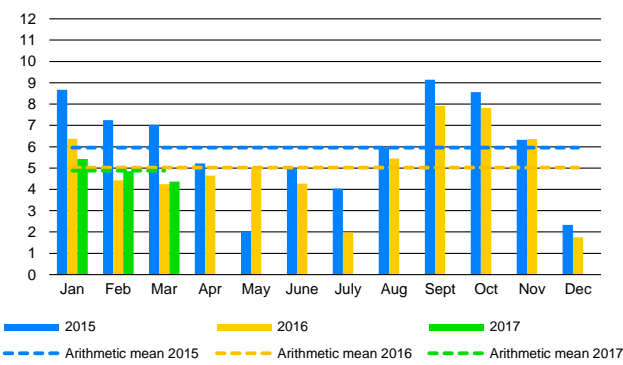
1st quarter 2017

Net immigration permanent resident population (in 1'000)
14.6

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

Net immigration monthly (in 1'000)

(14)



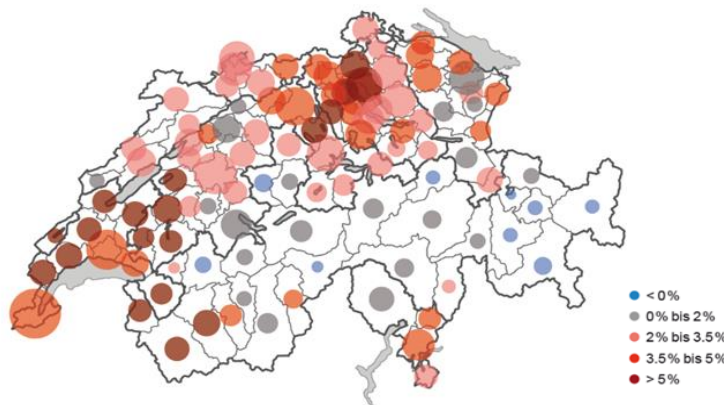
March 2017

Net immigration permanent resident population (in 1'000)
4.4

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

Population growth by MS regions (2012-2015)

(15)



Note: circle radius in relation to population 2015.
Maps: FSO Geostat/Swisstopo.

Source: FSO, cf. Immobilien-Almanach Schweiz 2017.

Forecast construction activity

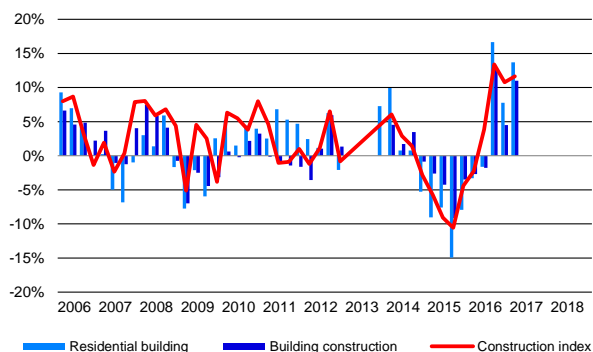
(16)

in m CHF	2016	2017	2018	Change p.a.	2016	2017	2018
Building construction	53'886	54'812	55'523	Building construction	0.6%	1.7%	1.3%
Residential building	33'154	33'804	34'286	Residential building	0.7%	2.0%	1.4%
Industrial buildings	11'981	12'053	12'110	Industrial buildings	0.2%	0.6%	0.5%
Infrastructure	8'751	8'955	9'126	Infrastructure	1.1%	2.3%	1.9%

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

Construction index Credit Suisse / SBV (nominal)

(17)



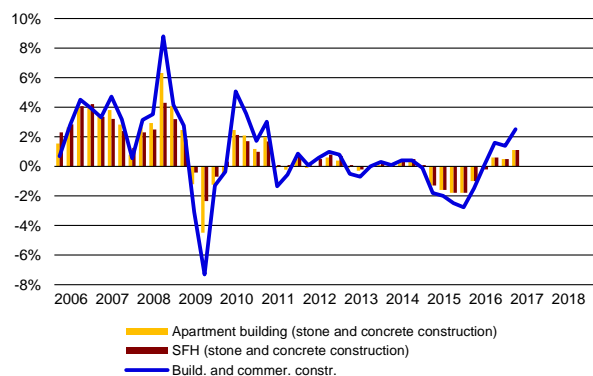
1st quarter 2017	Index (1996=100)	Change p.a.
Construction index total		12%
- Building construction		11%
- Residential building		14%

- 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)



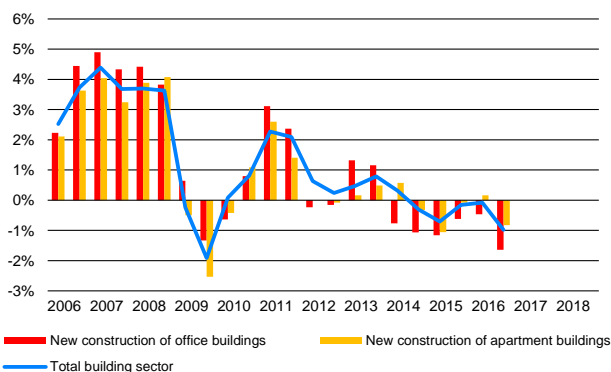
1st quarter 2017	Index (2003=100)	Change compared to previous quarter	Change p.a.
Stone and concrete construction			
- Apartment building	108.8	1.1%	0.4%
- SFH	109.0	1.1%	0.4%
Build. and commer. constr.	111.1	2.5%	1.0%

- 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 2016	Index (2010=100)	Change compared to previous half year	Change p.a.
Total building sector	101.7	-1.0%	-0.4%
- Office buildings	100.0	-1.6%	-0.6%
- Apartment buildings	100.6	-0.8%	-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

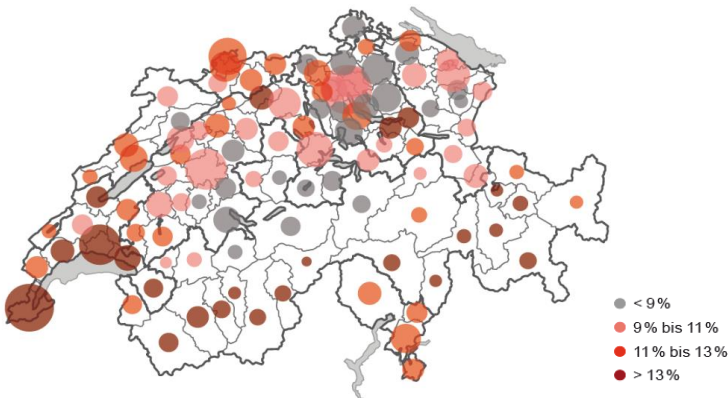
(20)



Note: market value index (2005=100).
Source: RESC Fahrländer Partner, base scenario November 2016.

Market value evolution apartment buildings 2015-2019

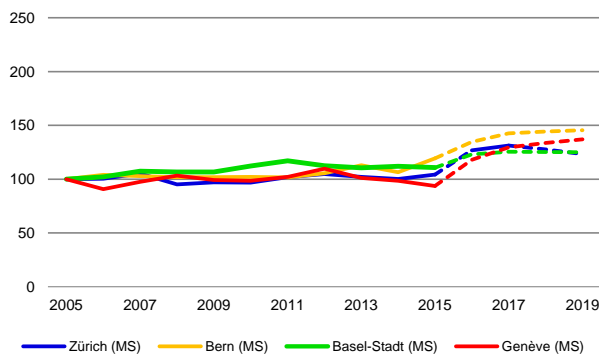
(21)



Note: all values are based on new constructions (excl. depreciation).
Circle radius in relation to stock of rented apartments 2015.
Maps: FSO Geostat/Swisstopo.
Source: RESC Fahrländer Partner, base scenario November 2016.

Market value index office property

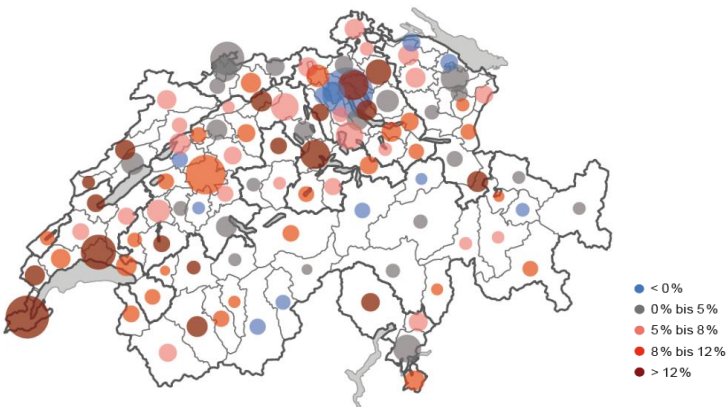
(22)



Note: market value index (2005=100).
Source: RESC Fahrländer Partner, base scenario November 2016.

Market value evolution office property 2015-2019

(23)



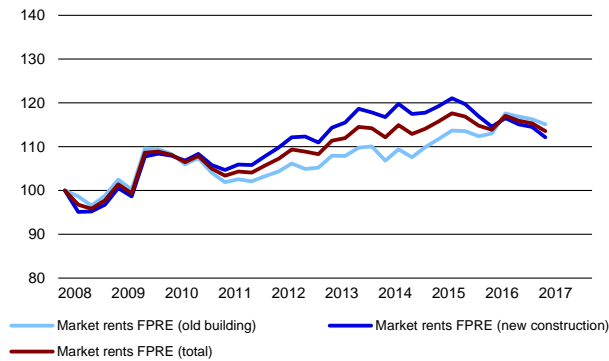
Note: all values are based on new constructions (excl. depreciation).
Circle radius in relation to stock of office space 2014.
Maps: FSO Geostat/Swisstopo.
Source: RESC Fahrländer Partner, base scenario November 2016.

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

CS(2)		FPRE(1)		WP(2)
Rents	Rents	Prices	Prices	Rents
Forecast	2017	2017	2018	2017
↘	→	↗	→	-0.9%

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

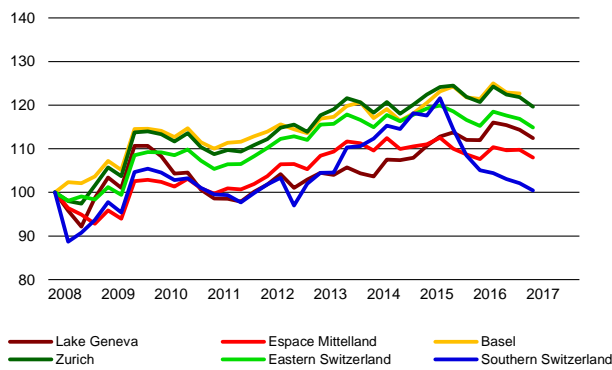
Market rents rented apartments (RA) Switzerland (25)



	1st quarter 2017	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		112.5	-1.6%	0.4%
Jura		100.0	0.2%	3.1%
Espace Mittelland		108.0	-1.6%	0.3%
Basel		120.4	-1.9%	-0.9%
Zurich		119.6	-1.8%	-0.9%
Eastern Switzerland		114.9	-1.7%	-0.3%
Alps		110.5	0.9%	1.5%
Southern Switzerland		100.5	-1.6%	-4.4%

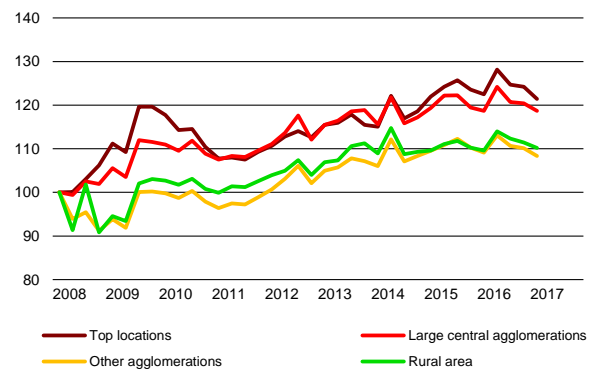
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by region (26)



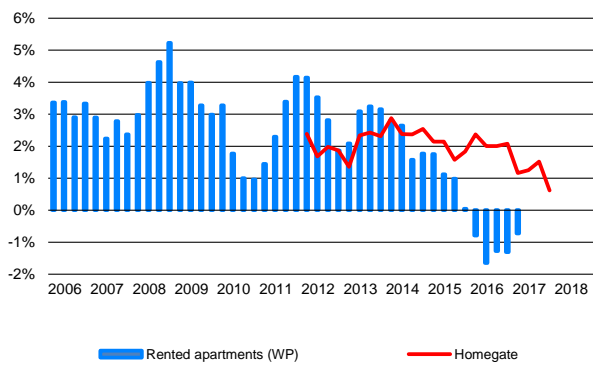
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by spatial type (27)



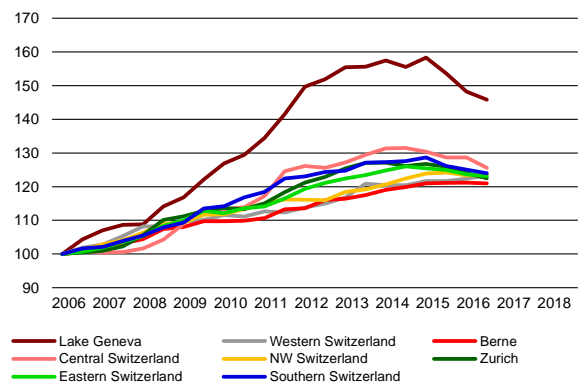
Source: Fahrländer Partner, meta analysis real estate FPRE.

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



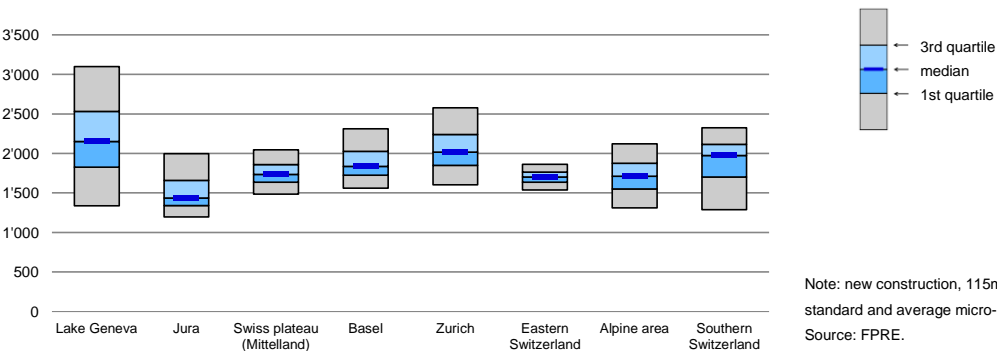
Source: Homegate, Wüest Partner, cf. meta analysis real estate FPRE.

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)



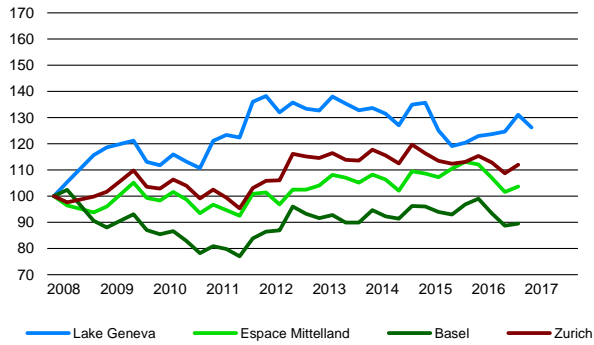
Note: new construction, 115m2 HNF SIA 416, average standard and average micro-location.
Source: FPRE.

Forecast office space (31)

	CS(2) Forecast	FPRE(1) 2017 2018	WP(2) 2017
Rents	↘	↘	-0.4%
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)

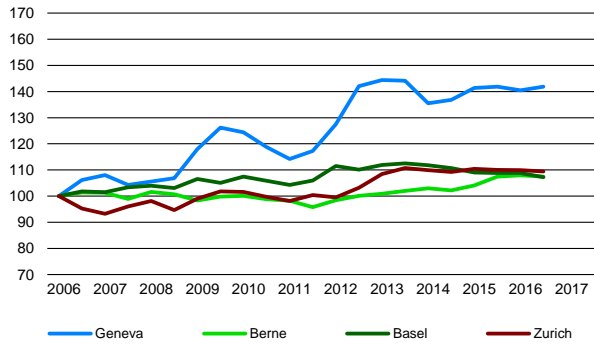


(32)

	1st quarter 2017	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		126.2	-3.8%	2.6%
Espace Mittelland		98.9	-4.5%	-11.7%
Basel		85.0	-5.0%	-14.1%
Zurich		106.3	-5.0%	-7.8%

Source: Fahrländer Partner, meta analysis real estate FPRE.

Quoted rents for office space (net rents)



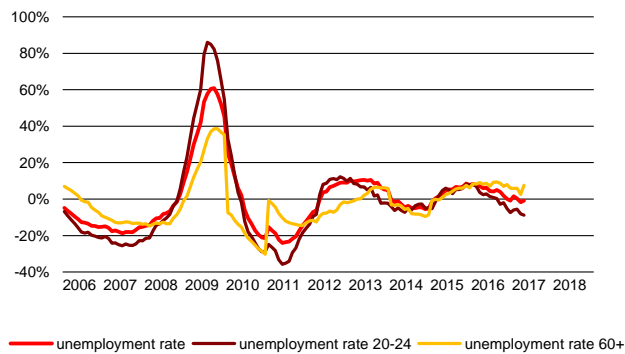
(33) Office space: supply rate for the major Swiss centres

	Zurich	Geneva	Basel	Switzerland	
1st Q. 2017	JLL	4.0%	4.6%	-	-
	CBRE	3.1%	6.1%	-	-
	WP	6.0%	11.5%	3.2%	6.4%
	CS	6.5%	7.0%	3.8%	4.2%
	CSL	-	-	-	-
Change compared to previous quarter	JLL	4.00%p	4.60%p	-	-
	CBRE	-0.10%p	0.30%p	-	-
	WP	-0.40%p	-0.90%p	0.50%p	-0.10%p
	CS	-	-	-	-
	CSL	-	-	-	-
Change p.a.	JLL	0.07%p	-0.17%p	-	-
	CBRE	-0.39%p	-0.50%p	-	-
	WP	-0.40%p	-1.10%p	0.70%p	-0.50%p
	CS	0.10%p	-1.60%p	-1.00%p	0.00%p
	CSL	-	-	-	-

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

Source: JLL, CBRE, WP, CS, CSL Immobilien.

Change in job vacancies

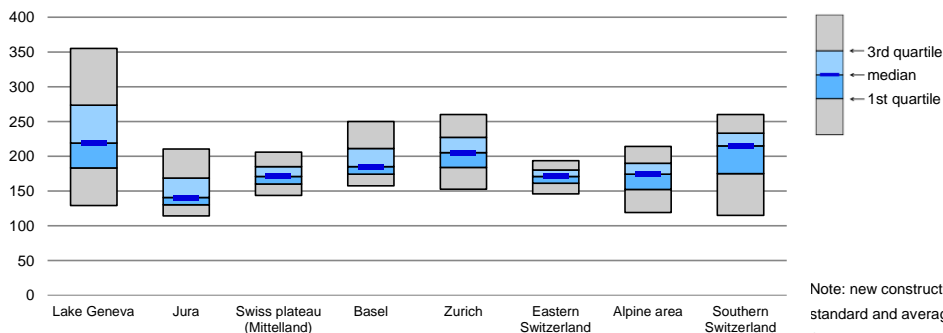


(35)

Index of job vacancies	Change p.a. 4th quarter 2016
TOTAL	8%
Banking and insurance sector	-8%
Real estate sector	5%
IT sector	26%

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

Market rents office space by region (CHF/m2a)



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

(36)

Glossary	Note	Indicator	Source	Data as of
1-2			Fahrländer Partner	2nd quarter 2017
3	Cf. meta analysis real estate FPPE		IAZI	1st quarter 2017
4	Closing Prices	SWIIT, REAL KGAST	SIX KGAST	30.12.2016 30.12.2016
5			SFA	4th quarter 2015
6	Cf. meta analysis economy FPPE		SECO SECO FSO SECO KOF Créa	4th quarter 2016 April 2017 April 2017 21.03.2017 29.03.2017 24.10.2016
7	Cf. meta analysis economy FPPE		Credit Suisse	20.03.2017 fig. 6
8	Cf. meta analysis economy FPPE		Source SECO SECO	Data as of 4th quarter 201 4th quarter 201
9	Cf. meta analysis economy FPPE		FSO	2016
10	Cf. meta analysis real estate FPPE		SNB	03.04.2017
11-12	Cf. meta analysis real estate FPPE		SNB	Feb 2017
13	Cf. meta analysis real estate FPPE		FSO, SEM	1st quarter 2017
14	Cf. meta analysis real estate FPPE		SEM	March 2017
15	Immobilien-Almanach Schweiz 2017		FSO, FOM	2015
16	Cf. meta analysis real estate FPPE		BAKBASEL	2016
17	Nominal change compared to same quarter of previous year		Credit Suisse, SBV	1st quarter 2017
18			SBV	1st quarter 2017
19			FSO, FOM	2nd half year 2016
20	Base scenario November 2016		Fahrländer Partner	4th quarter 2016
21	Cf. meta analysis real estate FPPE Base scenario November 2016 Maps		Fahrländer Partner FSO Geostat/Swisstopo	4th quarter 2016 4th quarter 2016
22	Base scenario November 2016		Fahrländer Partner	4th quarter 2016
23	Cf. meta analysis real estate FPPE Base scenario November 2016 Maps		Fahrländer Partner FSO Geostat/Swisstopo	4th quarter 2016 4th quarter 2016
24	Cf. meta analysis real estate FPPE		Fahrländer Partner	1st quarter 2017
25-27	Cf. meta analysis real estate FPPE		Homegate Wüest Partner	1st quarter 2017 1st quarter 2017
28			SNB/WP	2nd half year 2016
29	Cf. meta analysis real estate FPPE		IMBAS FPPE	4th quarter 2016
30				
31	Cf. meta analysis real estate FPPE		Fahrländer Partner	1st quarter 2017
32	Cf. meta analysis real estate FPPE		SNB/WP	2. half year 2016
33	Cf. meta analysis real estate FPPE		Jones Lang Lasalle	1st quarter 2017
34	Cf. meta analysis real estate FPPE		CBRE Wüest Partner Credit Suisse CSL	1st quarter 2017 4th quarter 2016 4th quarter 2016 4th quarter 2016
35	Cf. meta analysis economy FPPE		SECO	April 2017
36			IMBAS FPPE	4th quarter 2016
Forecasts		Schweizer Immobilienmarkt 2017 Immobilien-Almanach Schweiz 2017 Immo-Monitoring 2017 2 UBS Real Estate Focus 2017 Hochbauprognose 2016-2022	Credit Suisse Fahrländer Partner Wüest Partner UBS BAKBASEL	2016 2016 2016 2016 2016

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