

- SWX IAZI real estate price index: Prices for apartment buildings grew with a rate of 1,8% in the 1st quarter 2018 remaining therefore dynamic. Out of an annual perspective, the price trend is more dynamic (+6,2%). In the 1st quarter 2018, the performance of apartment buildings was 2,6% on a quarterly basis and 9,6% on a yearly basis. Performance is the total return and includes the net cash flow return and the increase in value.
- In 2017, the employment in the classic office market grew slightly (+0,5%). For the year 2018, economic forecasts are generally very optimistic and a positive impact on the employment can be expected. The increase shall mainly touch the employment in the sector of classic office market.
- SECO: The consumer sentiment index stands at 2 points in April 2018, once again putting it significantly above its long-term average (-9 points). The index has fallen slightly since last January (5 points). But essentially, it has remained on the highest level since 2014.

Apartment buildings

(1)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2017	2018	2017	2018	2017	2018	2017	2018	2018	2019
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: Fahrländer Partner.

Office buildings (new construction)

(2)

	Demand		Supply		Cash-flow		Initial yields		Market values	
	2017	2018	2017	2018	2017	2018	2017	2018	2018	2019
Lake Geneva	●	↘	●	→	●	↘	●	→	→	→
Jura	●	→	●	→	●	→	●	→	↘	→
Swiss plateau (Mittelland)	●	→	●	→	●	↘	●	→	↘	↘
Basel	●	→	●	→	●	↘	●	→	↘	→
Zurich	●	→	●	→	●	↘	●	↗	→	→
Eastern Switzerland	●	→	●	→	●	↘	●	→	↘	→
Alpine area	●	→	●	→	●	→	●	→	↘	→
Southern Switzerland	●	↘	●	→	●	↘	●	→	↘	→
Switzerland	●	→	●	→	●	↘	●	→	↘	→

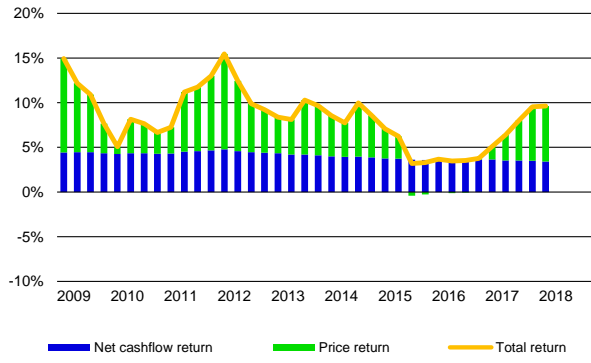
All valuations are done from a owner/seller perspective. The circles describe the actual situation: green: unproblematic situation; yellow: some problems; red: problematic situation. Arrows describe the forecast for the following 12 months: ↗: expected improvement; →: stable; ↘: expected aggravation.

Help text to the valuations: <https://metaanalysen.ch/de/immobilien/>

Source: Fahrländer Partner.

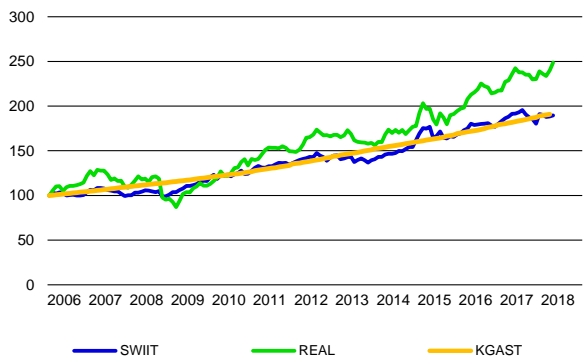
For all sources please check the glossary and impressum on the last page.

SWX IAZI Investment Real Estate Performance Index (3)



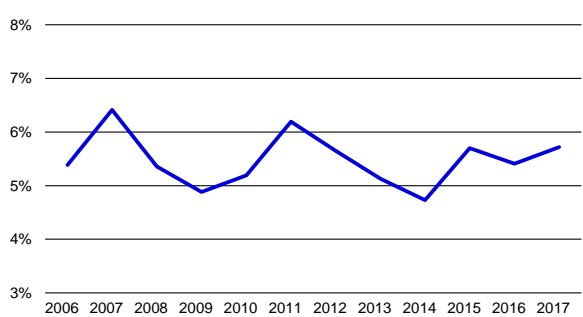
Source: IAZI, cf. meta analysis real estate FPRE.

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.

- SECO: The consumer sentiment index stands at 2 points in April 2018, once again putting it significantly above its long-term average (-9 points). The index has fallen slightly since last January (5 points). But essentially, it has remained on the highest level since 2014.
- The procure.ch/Credit Suisse PMI closed April at 63,6 points and therefore significantly up on the previous month (+3,3 points). The PMI remains well within the growth zone that starts at 50 points.
- According to SECO, in the end of April 2018, 119'781 unemployed were registered at regional unemployment offices, 10'632 less than in the previous month. The unemployment rate remained at 3,0%.

Economic forecasts Swiss economy

(6)

	SECO		KOF		Créa		CS		UBS		BAK		Arithmetic means	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
GDP, real	2.4 ↗	2.0 ↗	2.5 ↗	1.8 ↗	1.5 ↘	2.0 ↘	2.2 ↗	1.7 ↗	2.4 ↗	1.9 ↗	2.4 →	1.7 →	2.2 →	1.9 →
Private consumption	1.4 →	1.5 →	1.6 →	1.4 ↘	1.4 →	1.4 →	1.4 ↗	1.4 ↗	1.4 →	1.7 ↗	1.6 →	1.7 →	1.5 →	1.5 →
Public consumption	0.7 →	0.6 ↗	1.2 →	0.6 →	- →	- →	0.9 ↘	0.9 ↘	1.1 ↗	0.7 ↘	1.3 →	1.2 →	1.0 →	0.8 →
Equipment investments	3.7 →	3.5 ↗	3.6 ↘	2.4 ↗	4.5 ↗	3.4 ↗	4.0 ↗	3.0 ↗	2.6 ↘	2.7 ↘	4.7 ↘	3.3 ↘	3.9 →	3.1 →
Investments in construction	1.1 →	0.3 →	2.0 ↗	0.9 ↘	1.4 ↗	0.1 ↗	1.4 ↗	0.4 ↗	1.5 ↗	0.8 ↘	0.7 ↘	0.7 ↘	1.4 →	0.5 →
Exports	4.8 ↗	4.1 →	5.5 ↘	4.9 ↗	2.8 ↘	4.7 ↘	4.0 →	3.5 →	3.2 ↘	3.4 ↗	4.8 ↘	3.3 ↘	4.2 →	4.0 →
Imports	3.9 →	3.8 →	5.3 ↗	5.0 ↗	4.3 ↗	3.5 ↗	3.5 →	3.0 →	2.8 →	3.0 ↘	4.8 ↘	4.0 ↘	4.1 →	3.7 →
Unemployment rate	2.9 →	2.8 →	2.9 ↘	2.8 ↘	3.3 ↗	3.4 ↘	2.9 ↘	2.8 ↘	2.9 →	2.7 →	2.8 ↘	2.7 ↘	3.0 →	2.9 →
Consumer prices	0.6 ↗	0.7 →	0.7 ↗	0.5 →	1.0 →	1.4 →	0.5 →	0.7 →	0.6 →	0.9 →	0.7 ↘	0.9 ↘	0.7 →	0.9 →

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:

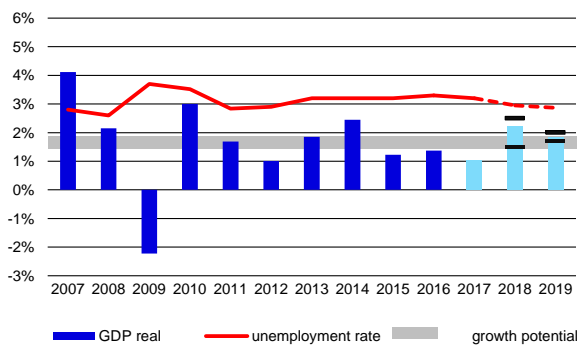
SECO: 20.3.2018 (19.12.2017), KOF: 28.3.2018 (14.12.2017), Créa: 17.11.2017 (30.5.2017), CS: 19.3.2018 (12.12.2017), UBS: 9.4.2018 (19.1.2018), BAK: 8.3.2018 (7.12.2017).

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)



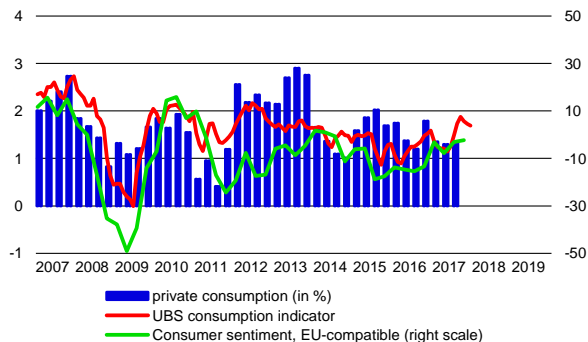
Note: The values for 2016 and 2017 are forecasts.

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 and consumer sentiment

(8)

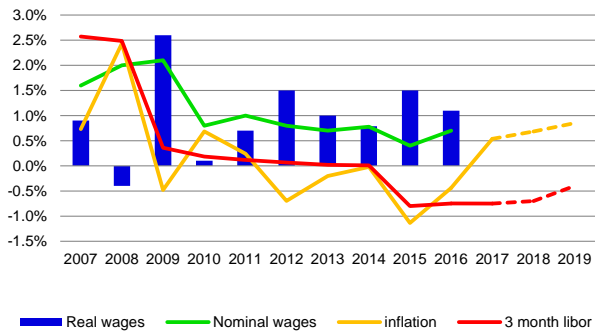


- SECO: The consumer sentiment index stands at 2 points in April 2018, once again putting it significantly above its long-term average (-9 points). The index has fallen slightly since last January (5 points). But essentially, it has remained on the highest level since 2014.

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

Real wages and rate of price increase

(9)



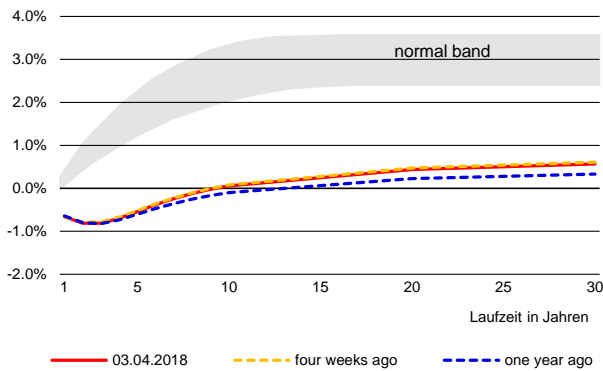
Inflation forecast SNB	2018	2019	2020
Forecast March 2018	0.6%	0.9%	1.9%
Libor	-0.75%		
Forecast December 2017	0.7%	1.1%	-
Libor	-0.75%		

- SNB: The conditional inflation forecast for the year 2018 has decreased marginally to 0,6%, from 0,7% in the previous quarter. For 2019, the SNB now expects inflation of 0,9%, compared to 1,1% last quarter. For 2020, it anticipates an inflation rate of 1,9%.

Source: FSO, cf. meta analysis economy FPRE.

Yields on Confederation bonds

(10)

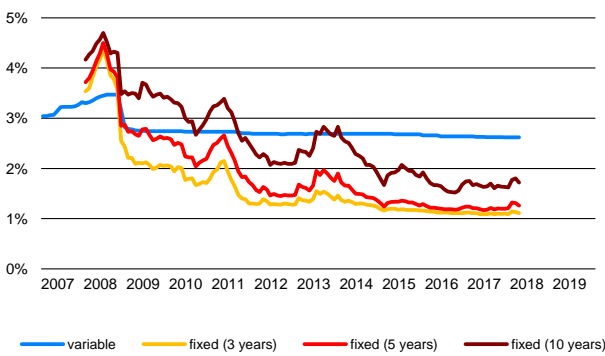


Duration	03.04.2018	four weeks ago	one year ago
1 year	-0.66%	-0.66%	-0.64%
5 years	-0.54%	-0.52%	-0.60%
10 years	0.06%	0.08%	-0.10%

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

Mortgage rates

(11)

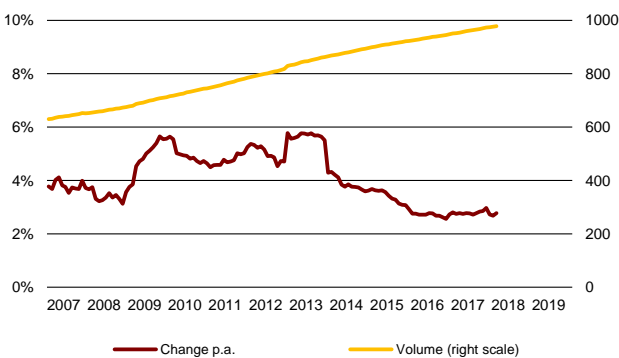


Mortgage	March 2018
variable	2.6%
fixed (3 years)	1.1%
fixed (5 years)	1.3%
fixed (10 years)	1.7%

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

Mortgage volume inland (in bn CHF)

(12)

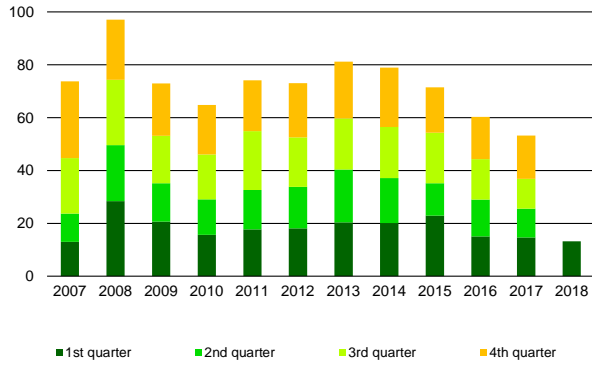


February 2018	Volume in billion CHF	Change p.a.
Mortgage claims	978.3	2.8%

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

Net immigration permanent resident population (in 1'000)

(13)



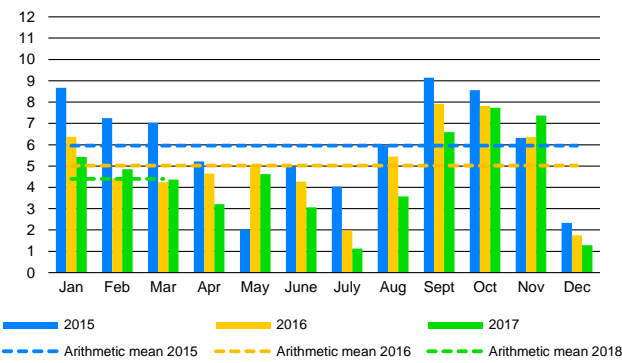
1st quarter 2018

Net immigration permanent resident population (in 1'000)
13.2

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

Net immigration monthly (in 1'000)

(14)



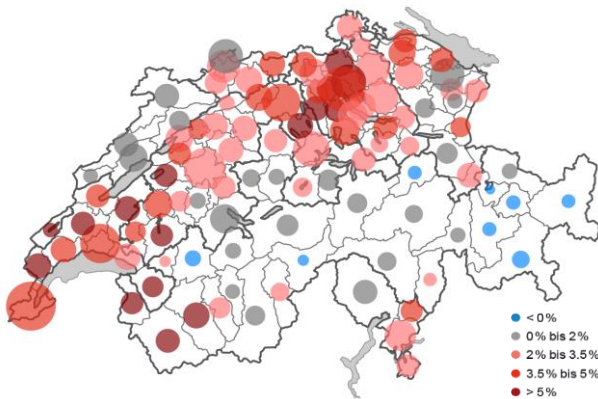
March 2018

Net immigration permanent resident population (in 1'000)
4.1

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

Population growth by MS regions (2013-2016)

(15)



Note: circle radius in relation to population 2016.

Maps: FSO Geostat/Swisstopo.

Source: FSO, cf. Immobilien-Almanach Schweiz 2018.

Forecast construction activity

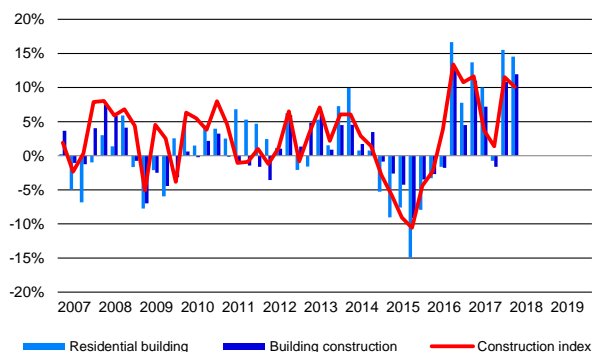
(16)

in m CHF	2017	2018	2019	Change p.a.	2017	2018	2019
Building construction	54'519	54'737	55'063	Building construction	0.7%	0.4%	0.6%
Residential building	33'767	34'249	34'473	Residential building	0.7%	1.4%	0.7%
Industrial buildings	11'617	11'505	11'501	Industrial buildings	1.9%	-1.0%	0.0%
Infrastructure	9'136	8'982	9'089	Infrastructure	-0.9%	-1.7%	1.2%

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

Construction index Credit Suisse / SBV (nominal)

(17)



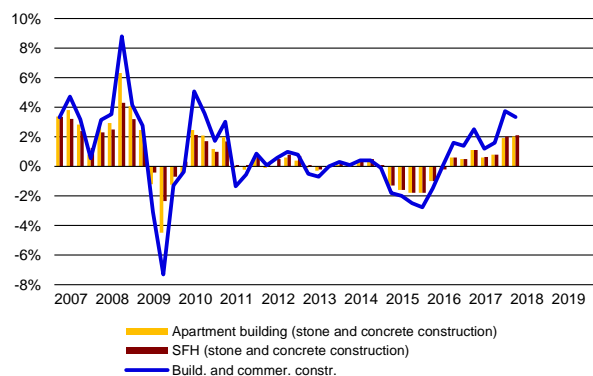
1st quarter 2018	Index (1996=100)	Change p.a.
Construction index total		10%
- Building construction		12%
- Residential building		15%

- 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 FPPE.

Production price index (change p.a.)

(18)



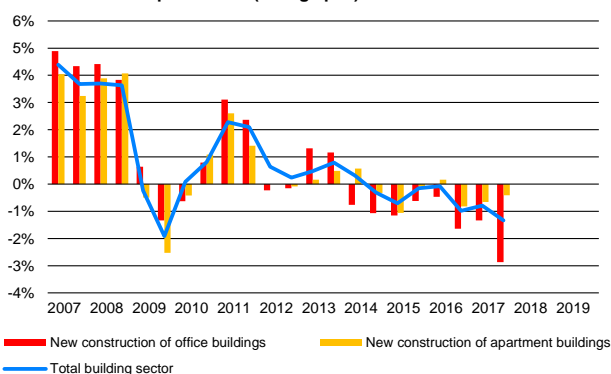
1st quarter 2018	Index (2007=100)	Change compared to previous quarter	Change p.a.
Stone and concrete construction			
- Apartment building	107.4	2.0%	0.5%
- SFH	107.7	2.1%	0.5%
Build. and commer. constr.	111.1	3.3%	0.6%

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

Source: SBV, vedi Meta-analisi immobiliare FPPE.

Swiss construction price index (change p.a.)

(19)



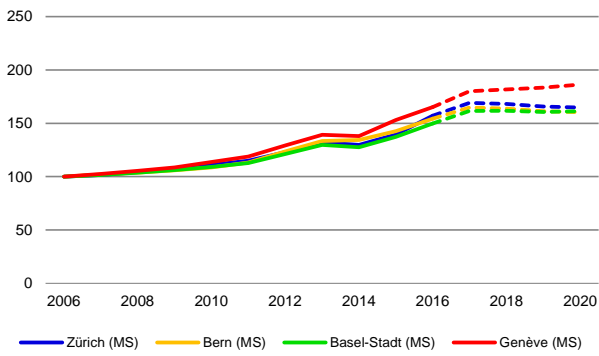
2nd half year 2017	Index (2010=100)	Change compared to previous half year	Change p.a.
Total building sector	101.3	-1.3%	-0.8%
- Office buildings	98.7	-2.9%	-1.9%
- Apartment buildings	101.0	-0.4%	-0.1%

- 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 FPPE.

Market value index apartment buildings

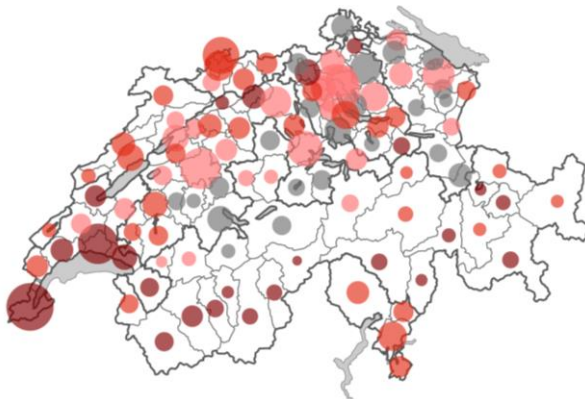
(20)



Note: market value index (2006=100).
Source: RESC Fahrländer Partner, base scenario November 2017.

Market value evolution apartment buildings 2016-2020

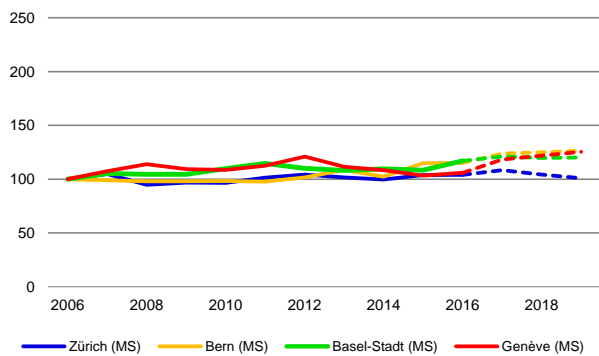
(21)



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 2017.

Market value index office property

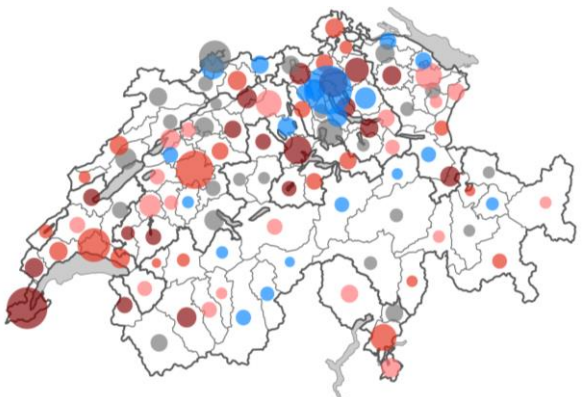
(22)



Note: market value index (2006=100).
Source: RESC Fahrländer Partner, base scenario November 2017.

Market value evolution office property 2016-2020

(23)



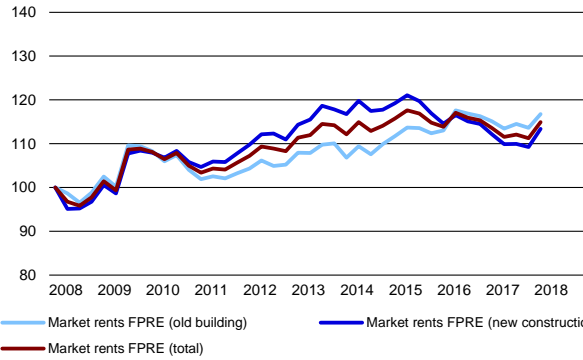
Note: all values are based on new constructions (excl. depreciation).
Circle radius in relation to stock of office space 2015.
Maps: FSO Geostat/Swisstopo.
Source: RESC Fahrländer Partner, base scenario November 2017.

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

CS(2)		FPRE(1)		UBS(2)	WP(2)
Rents	Rents	Prices	Prices	Rents	Rents
2018	2018	2018	2019	2018	2018
-1.0%	↘	→	→	-2.5%	-1.0%

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

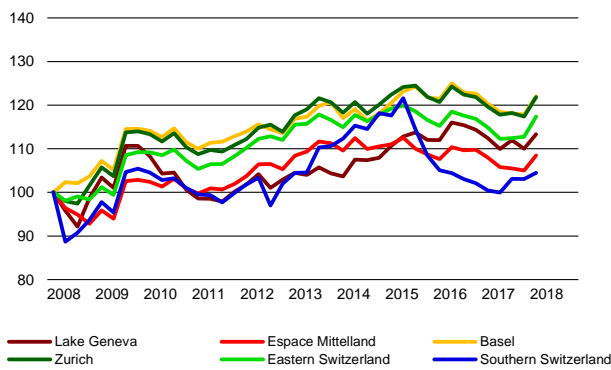
Market rents rented apartments (RA) Switzerland (25)



	1st quarter 2018	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		113.3	3.0%	0.8%
Jura		97.1	1.5%	-2.9%
Espace Mittelland		108.5	3.3%	0.5%
Basel		122.0	3.6%	1.4%
Zurich		121.8	3.8%	1.9%
Eastern Switzerland		117.4	4.1%	2.2%
Alps		111.2	0.3%	0.6%
Southern Switzerland		104.5	1.4%	4.0%

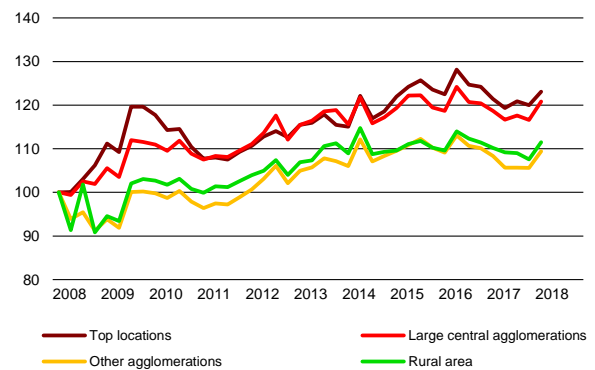
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by region (26)



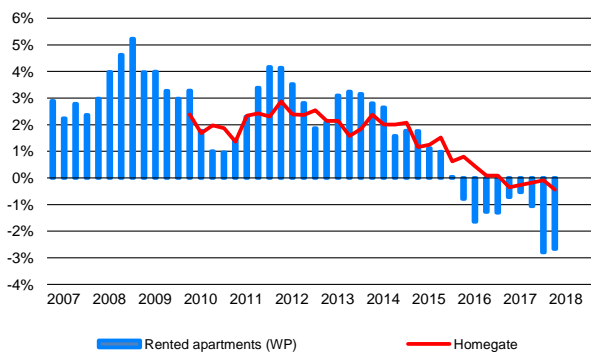
Source: Fahrländer Partner, meta analysis real estate FPRE.

Market rents RA by spatial type (27)



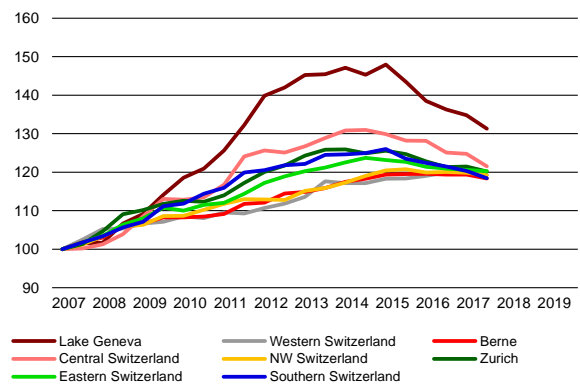
Source: Fahrländer Partner, meta analysis real estate FPRE.

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



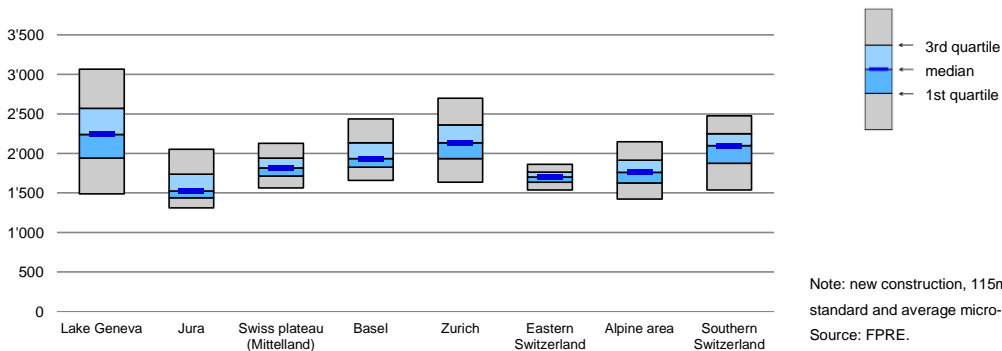
Source: Homegate, Wüest Partner, cf. meta analysis real estate FPRE.

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)



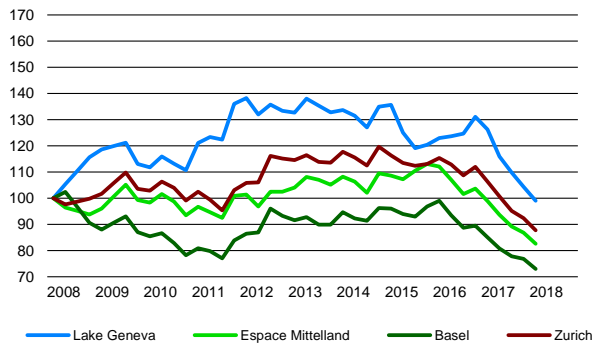
Note: new construction, 115m2 HNF SIA 416, average standard and average micro-location.
Source: FPRE.

Forecast office space (31)

	CS(2)	FPRE(1)	UBS(2)	WP(2)
	Forecast	2018	2018	2018
Rents	→	↘	-2.0%	-0.3%
Prices		↘	→	

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

Market rents for office spaces by region (net rents)

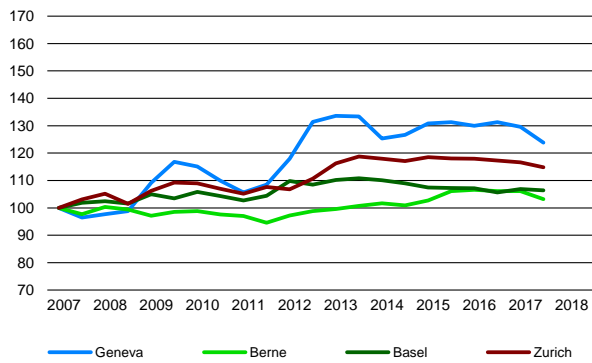


(32)

	1st quarter 2018	Index (=100)	Changes to previous quarter	Change p.a.
Lake Geneva		99.0	-5.1%	-21.5%
Espace Mittelland		82.6	-4.9%	-16.5%
Basel		73.0	-5.0%	-14.2%
Zurich		87.7	-5.0%	-17.5%

Source: Fahrländer Partner, meta analysis real estate FPRE.

Quoted rents for office space (net rents)



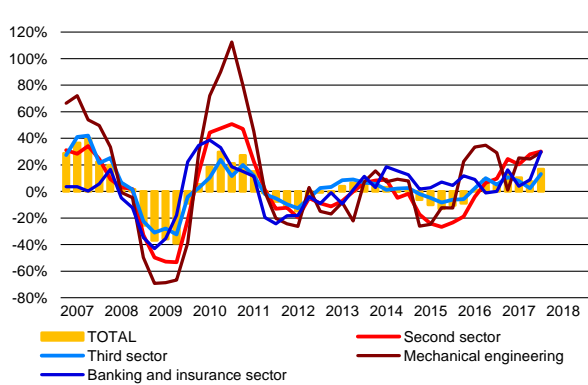
(33) Office space: supply rate for the major Swiss centres (34)

Data as of		Zurich	Geneva	Basel	Switzerland
1st Q. 2018	JLL	3.6%	4.2%	-	-
4th Q. 2017	CBRE	3.1%	5.5%	-	-
1st Q. 2018	WP	6.2%	10.3%	3.3%	7.0%
3rd Q. 2017	CS	6.9%	7.5%	4.4%	4.3%
Change compared to previous quarter	JLL	-1.80%p	-1.30%p	-	-
	CBRE	0.10%p	0.10%p	-	-
	WP	0.10%p	-0.90%p	-0.10%p	0.30%p
	CS	-	-	-	-
Change p.a.	JLL	-0.40%p	-0.40%p	-	-
	CBRE	-0.10%p	-0.30%p	-	-
	WP	0.10%p	-4.00%p	0.30%p	0.10%p
	CS	0.40%p	0.50%p	0.60%p	0.10%p

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

Source: JLL, CBRE, WP, CS.

Change in job vacancies

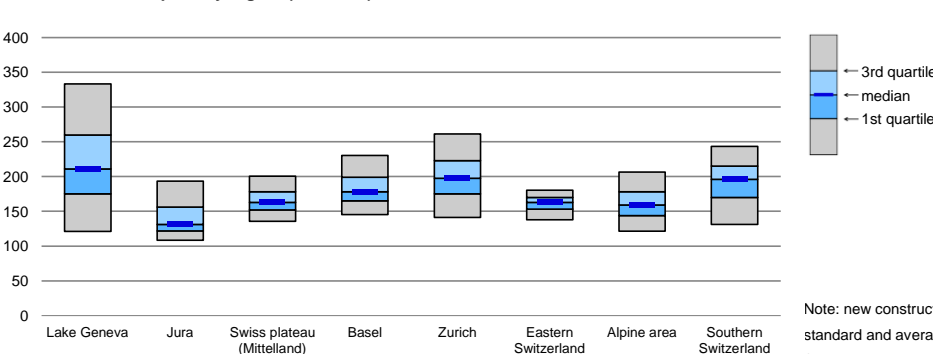


(35)

Index of job vacancies	Change p.a. 4th quarter 2017
TOTAL	17%
Banking and insurance sector	30%
Real estate sector	26%
IT sector	-16%

Source: FSO, cf. meta analysis economy 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	Cf. meta analysis real estate FPRE		Fahrländer Partner	2nd quarter 2018
3			IAZI	1st quarter 2018
4	Closing Prices	SWIIT, REAL	SIX	30.04.2018
		KGAST	KGAST	30.04.2018
5			SFA	3th quarter 2017
6	Cf. meta analysis economy FPRE		SECO	20.03.2018
			KOF	28.03.2018
			Créa	17.11.2017
			Credit Suisse	19.03.2018
			UBS	09.04.2018
			BAK	08.03.2018
7	Cf. meta analysis economy FPRE		SECO	2017 fig. 6
8	Cf. meta analysis economy FPRE		SECO	4th quarter 2017
			UBS	December 2017
			SECO	2nd quarter 2018
9	Cf. meta analysis economy FPRE		FSO	2016
10	Cf. meta analysis real estate FPRE		SNB	03.04.2018
11-12	Cf. meta analysis real estate FPRE		SNB	February 2018
13	Cf. meta analysis real estate FPRE		FSO, SEM	1st quarter 2018
14	Cf. meta analysis real estate FPRE		SEM	March 2018
15	Immobilien-Almanach Schweiz 2018		FSO, FOM	2015
16	Cf. meta analysis real estate FPRE		BAK	2017
17	Nominal change compared to same quarter of previous year		Credit Suisse, SBV	1st quarter 2018
18			SBV	1st quarter 2018
19			FSO, FOM	2nd half year 2017
20	Base scenario November 2017		Fahrländer Partner	4th quarter 2017
21	Cf. meta analysis real estate FPRE		Fahrländer Partner	4th quarter 2017
	Base scenario November 2017			
	Maps		FSO Geostat/Swisstopo	
22	Base scenario November 2017		Fahrländer Partner	4th quarter 2017
23	Cf. meta analysis real estate FPRE		Fahrländer Partner	4th quarter 2017
	Base scenario November 2017			
	Maps		FSO Geostat/Swisstopo	
24	Cf. meta analysis real estate FPRE			
25-27	Cf. meta analysis real estate FPRE		Fahrländer Partner	1st quarter 2018
28			Homegate	4th quarter 2017
			Wüest Partner	1st quarter 2018
29	Cf. meta analysis real estate FPRE		SNB/WP	2nd half year 2017
30			IMBAS FPRE	4th quarter 2017
31	Cf. meta analysis real estate FPRE			
32	Cf. meta analysis real estate FPRE		Fahrländer Partner	1st quarter 2018
33	Cf. meta analysis real estate FPRE		SNB/WP	2. half year 2017
34	Cf. meta analysis real estate FPRE		Jones Lang Lasalle	1st quarter 2018
			CBRE	4th quarter 2017
			Wüest Partner	1st quarter 2018
			Credit Suisse	3rd quarter 2017
35	Cf. meta analysis economy FPRE		FSO JOBSTAT	4th quarter 2017
36			IMBAS FPRE	4th quarter 2017
Forecasts		Schweizer Immobilienmarkt 2017	Credit Suisse	2016
		Immobilien-Almanach Schweiz 2018	Fahrländer Partner	2017
		Immo-Monitoring 2018 1	Wüest Partner	2017
		UBS Real Estate Focus 2018	UBS	2017
		Hochbauprognoze 2017-2023	BAK	2017

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