EMEA

SERVICED OFFICE MARKET REPORTS // EMEA 2014

IN THIS EDITION

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HAMBURG // ISTANBUL // KIEV // NAIROBI // ZURICH

Instant

SERVICED OFFICE MARKET REPORT

CAPE TOWN

2014

MARKET COMMENTARY

Cape Town is the provincial capital and primate city of the Western Cape. Western Cape is one of the nine provinces that make up South Africa and contributes circa 14% of the national GDP for South Africa.

- The serviced office market across South Africa including Cape Town, remains highly transactional with a lower than normal average workstation rate.
- Current market conditions indicate office rents are still under pressure and remain lower due to the high vacancy rate throughout the city. The CBD however, is still relatively active.
- All operators offer Grade A space, with particular emphasis on security measures.
- The average workstation rate in Cape Town has seen a 25% increase in the past two years.
- We can confidently assume there is in excess of 10,000 sqm of serviced office space throughout Cape Town that can accommodate circa 1,000 workstations in total.

MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	R5,490
Average annual cost per head	R65,885
Total number of available business centres	9

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Monthly bundled
Average bundled IT/Telco monthly cost per user	R550 - 800

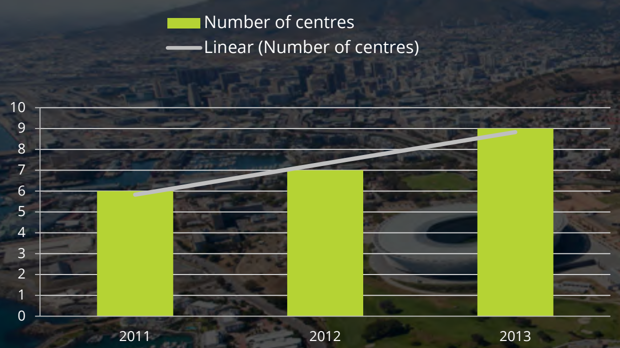
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 CBD	2
2 Century City	2
3 Bellville/Tyger Valley	1
4 Claremont (Southern Suburbs)	1

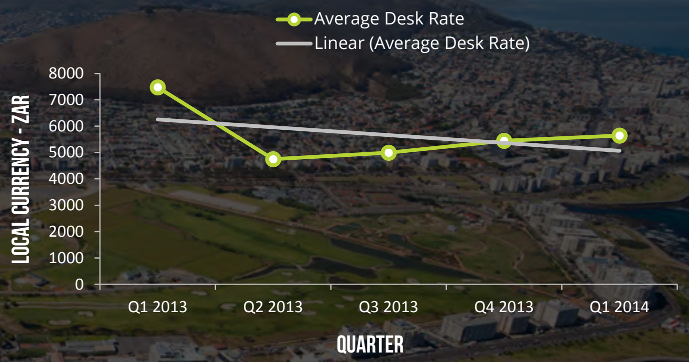
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	€
1 ZAR (R)=	0.05688	0.09467	0.06859

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



Note: The figures in this report were collated using Instant's proprietary data combined with data supplied by our partners for centre numbers and quoted workstation rates.

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SERVICED OFFICE MARKET REPORT
COPENHAGEN
2014

MARKET COMMENTARY

- Nearly half of the serviced offices in Copenhagen are located within the Indre By district with a small number of centres scattered throughout the other administrative districts.
- The market has remained flat with no new major serviced offices opening in the area since 2012.
- Copenhagen desk rates typically range between 3000 - 5000 DKK per desk per month. Higher rates for premium grade space are being achieved by some providers.
- Over the past 12 months, average workstation rates have remained largely the same with fluctuations mainly driven by variations in quality and location of the space within the centres' demise.

CENTRAL COPENHAGEN

MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	kr4,205
Average annual cost per head	kr50,460
Total number of available business centres	13

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	kr799 - kr999

Please note some providers may include above costs in monthly rent

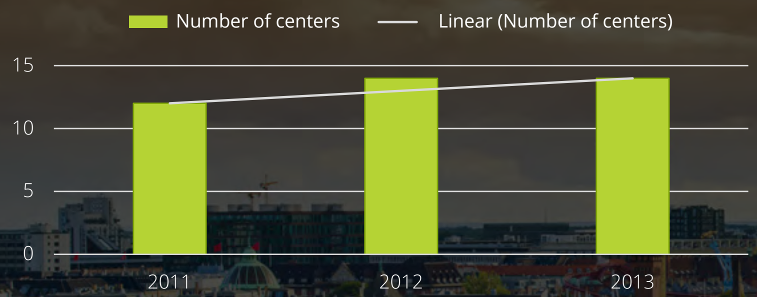
SUB-MARKET CENTRE SPREAD

Sub-market	No. of centres
1 Indre By	6
2 Østerbro	2
3 Amager Vest	2
4 Søborg	1
5 Frederiksberg	1
6 Valby	1

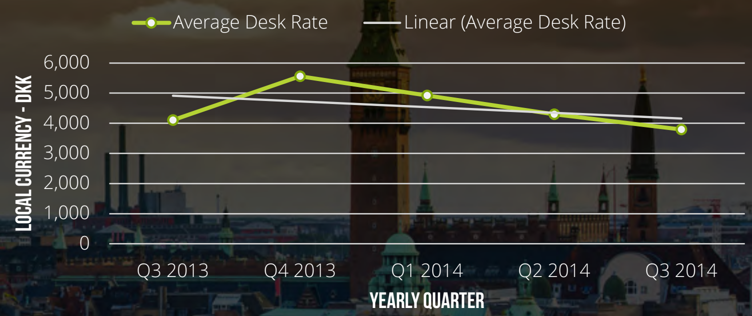
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	€
100 DKK (KR) =	0.105	0.173	0.131

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



SERVICED OFFICE MARKET REPORT

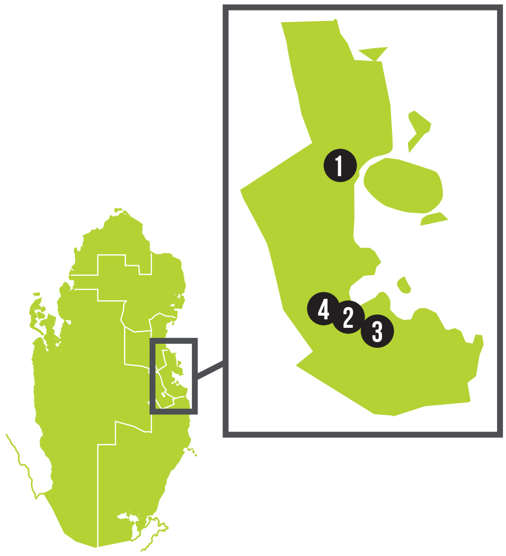
DOHA

2014

MARKET COMMENTARY

- Located on the coast of the Persian Gulf, Doha is the largest city in Qatar with nearly two thirds of the country's population residing in the vicinity.
- The West Bay sub-market has the largest concentration of serviced offices. West Bay is regarded as the new CBD where most multinational companies typically locate.
- The remaining serviced offices are located in secondary sub-markets including the C&D Ring Roads and in areas surrounding the airport. Most local businesses are located in these areas.
- Workstation rates in Doha have fluctuated from 5 - 6,000 QAR across the past year. One - two workstation offices typically command a much high rate of 8 - 10,000 QAR.
- Demand for office space is expected to rise steadily given the scheduled World Cup in 2022 and subsequent investment in infrastructure. Qatar is emerging as one of the prominent economic hubs in the Middle East.

DOHA



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	5,599ريال
Average annual cost per head	67,188ريال
Total number of available business centres	7

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	800ريال - 1,200ريال

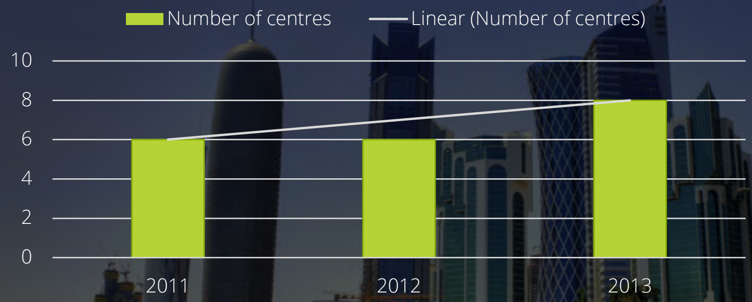
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 West Bay	4
2 Al Muntazah	1
3 Old Airport	1
4 Ghuwailina	1

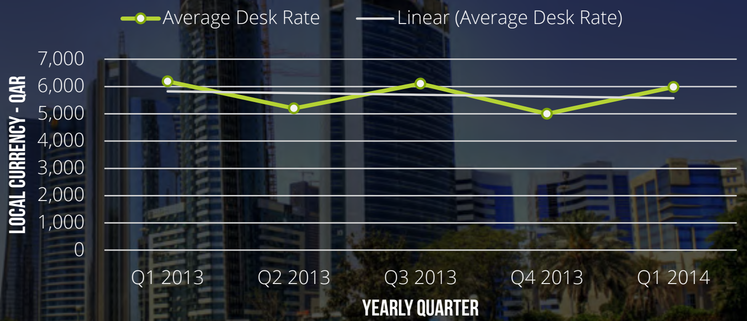
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	€
1 QAR (ريال) =	0.163	0.2746	0.2013

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



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SERVICED OFFICE MARKET REPORT

DUBLIN

2014

MARKET COMMENTARY

- 56% of Dublin serviced office space is located in Dublin 2.
- IT and recruitment companies are the main sectors that have driven serviced office demand in the past year.
- The level of stock in Dublin has fluctuated by +/-2% in the past two years. Similarly, rents have remained stable throughout the year ranging between 370 and 430 EUR overall.
- Serviced office transactions throughout 2013 have remained strong - consistent with the conventional property market.
- The majority of serviced office requirements have been for CBD area (Dublin 2 and 4).

SUB-MARKET CENTRE SPREAD

Sub-market	No. of centres
1 Central Business District (Dublin 2, 4)	29
2 West Dublin (Citywest)	6
3 City Fringe/Suburbs	4
4 South Dublin (Sandyford)	4
5 City Centre (Dublin 1 and IFSC)	1
6 North Dublin (Airport)	1

The above list of sub-markets is not exclusive, but where Instant have a presence

MARKET REVIEW

TOP LEVEL MARKET INFORMATION

Average monthly workstation rate	€407
Average annual cost per head	€4,887
Total number of available business centres	46

ADDITIONAL SERVICES GUIDELINE COSTS

Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	€150

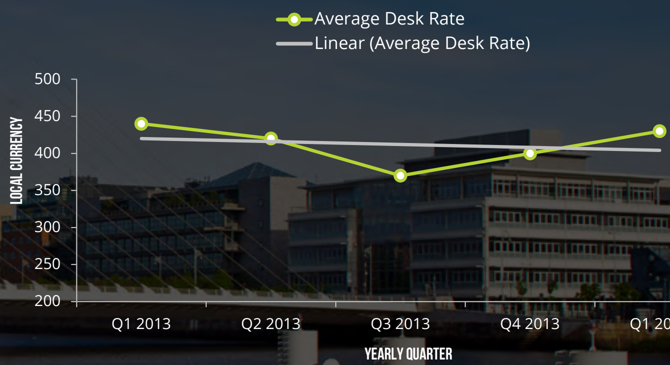
Please note some providers may include above costs in monthly rent

EXCHANGE RATES

	£	$	€
1 EUR (€) =	0.81602	1.37528	1

SERVICED OFFICE CENTRE GROWTH Y-O-Y

AVERAGE WORKSTATION RATE CHANGES



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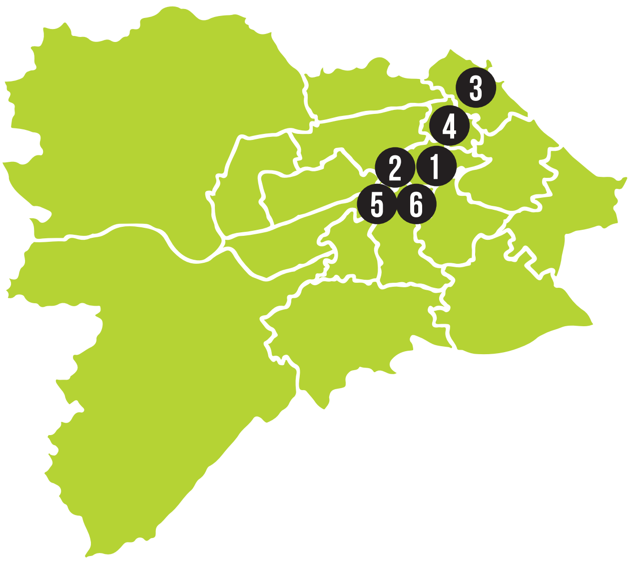
SERVICED OFFICE MARKET REPORT
EDINBURGH
2014

MARKET COMMENTARY

- The average workstation rate in the Edinburgh market has remained stable throughout the past year with the rate not fluctuating beyond +/-9%.
- The Edinburgh market has remained buoyant and transactional throughout 2013. This mirrors the positive conditions reported in the conventional Edinburgh office market.
- Demand for office space is mainly concentrated in the Central Core of the New Town area.
- The quality of serviced office space available ranges significantly, however this is coupled with a very large choice of providers with a total of 48 in the area.
- 2014 will see the launch of the Edinburgh tram service which is expected to have a positive effect on the appeal of the city to potential occupiers by improving access to greater Edinburgh.

EDINBURGH



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	£281
Average annual cost per head	£3,368
Total number of available business centres	51

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Separate
Guide Telco monthly cost per user	£25 - £50
Guide IT monthly cost per user	£30 - £100

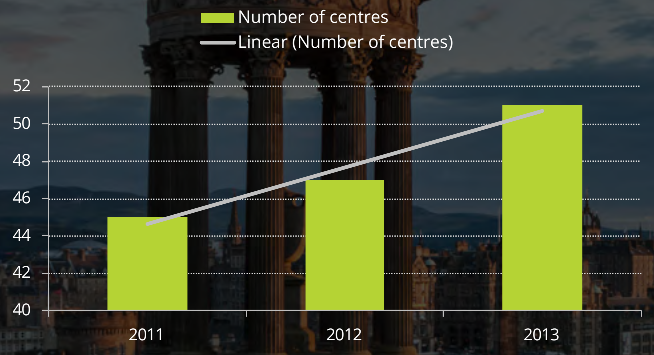
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 New Town (Central Core)	20
2 West End (Central Core)	9
3 Leith	6
4 Leith Walk	5
5 Haymarket & Dalry	4
6 Old Town (Central Core)	1

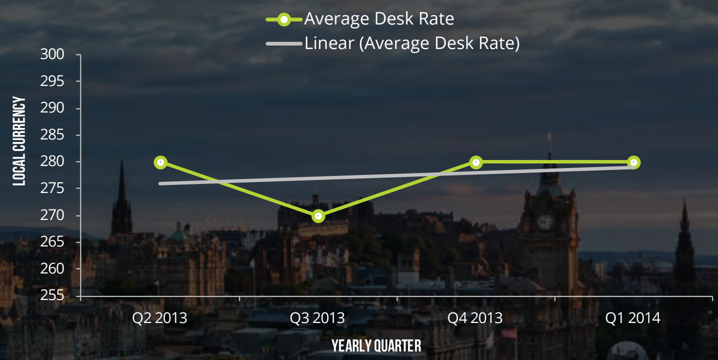
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	$	€	¥
1 GBP (£) =	1.6799	1.2138	171.6393

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



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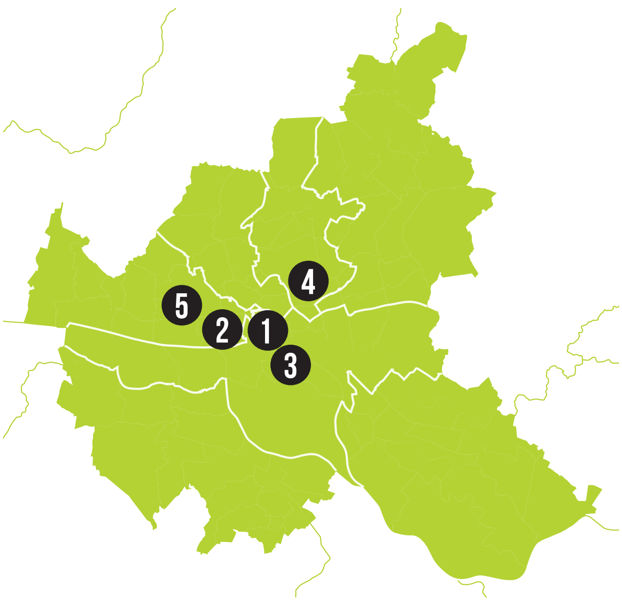
SERVICED OFFICE MARKET REPORT
HAMBURG
2014

MARKET COMMENTARY

- The average workstation rate for Hamburg fluctuated throughout 2013/14 but remained largely stable, within the boundaries of 420 and 520 EUR per workstation per month.
- The supply of serviced office stock in Hamburg has remained fairly flat over the past two years with no indications of growth. This mirrors the Hamburg conventional market where there has been limited new supply delivered.
- Workstation rates vary dependent on the district, with Neustadt/Alstadt central city and Hafencity commanding a higher rate than Altona and Hamburg-Nord.
- The key industries driving demand for serviced office space in Hamburg include Media, IT and Financial Services.

HAMBURG



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	€439
Average annual cost per head	€5,268
Total number of available business centres	22

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	€100 - €150

Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD

Sub-market	No. of centres
1 Neustadt	8
2 Alstadt	7
3 Hafencity	2
4 Hamburg-Nord	2
5 Altona	1

The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	¥
1 EUR (€) =	0.798	1.3682	138.88

SERVICED OFFICE CENTRE GROWTH Y-O-Y

AVERAGE WORKSTATION RATE CHANGES

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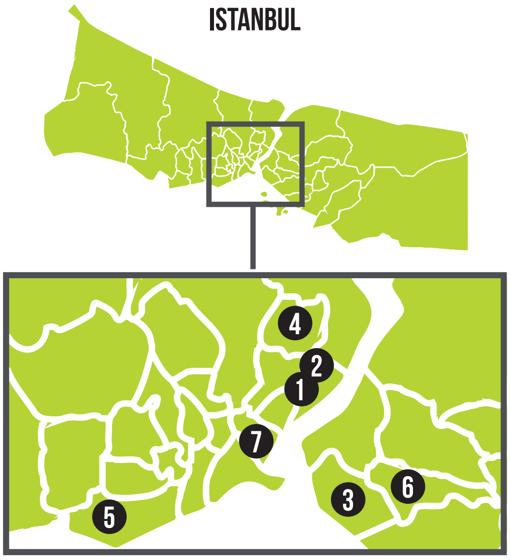
SERVICED OFFICE MARKET REPORT

ISTANBUL

2014

MARKET COMMENTARY

- In two years the number of business centres in Istanbul has more than doubled, indicating confidence in the significance of Istanbul as a key city and business hub.
- The increased supply has resulted in a slight decrease in average workstation rates when compared to 2012.
- Istanbul is now one of the largest Eastern European/Middle Eastern markets in terms of centre volume.
- The main concentration of centres can be found in Levent and Maslak - the current CBDs.
- There has been particular growth on the Asian side of Istanbul in the last 6 months with four new centres opening in Kadikoy (close to the new Financial District).
- Istanbul is an expensive market and has consistently maintained rates above the global average.



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	$976
Average annual cost per head	$11,708
Total number of available business centres	42

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	$150 - $300

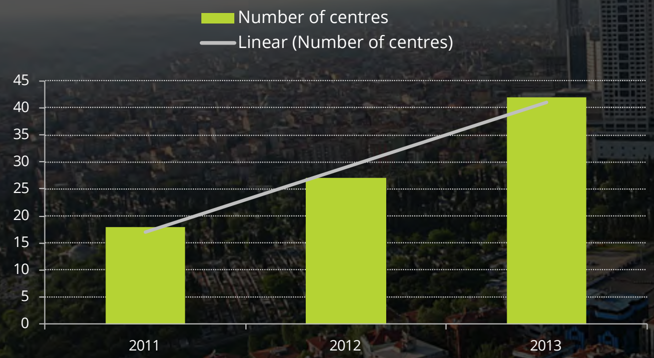
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 Levent (CBD)	13
2 Maslak (CBD)	7
3 Kadikoy	6
4 Sisli	5
5 Istanbul Airport	2
6 Atasehir	2
7 Taksim	1

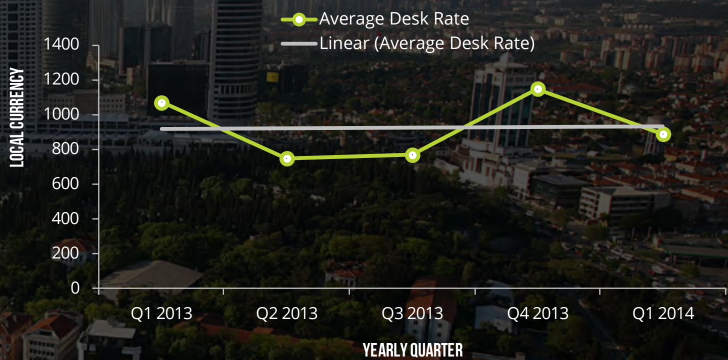
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	€	¥
1 USD ($) =	0.5949	0.7211	102.4911

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



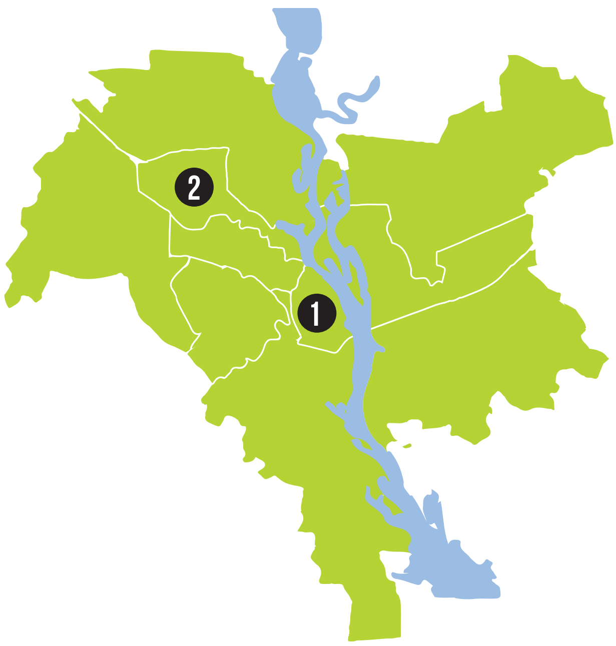
SERVICED OFFICE MARKET REPORT
KIEV

2014

MARKET COMMENTARY

- The political and economic fragility of the Ukraine has impacted the serviced office market. Subsequently workstation rates have declined, and there is no forecasted growth in the volume of serviced office centres entering the market. The impact has been far greater in the traditional property market.
- All serviced offices are located in the central business district in Pechersk or Podil where Kiev's stock exchange is centred.
- The continuing uncertainty faced by the country has significantly contributed to a low demand for office space. Workstation rates are expected to remain flat and could see additional decline if conflict in the region continues.

KIEV



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	$888
Average annual cost per head	$10,656
Total number of available business centres	5

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	$150 - $250

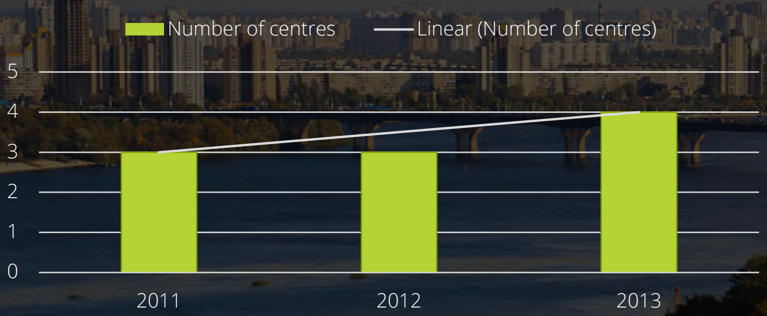
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 Pechersk	4
2 Podil	1

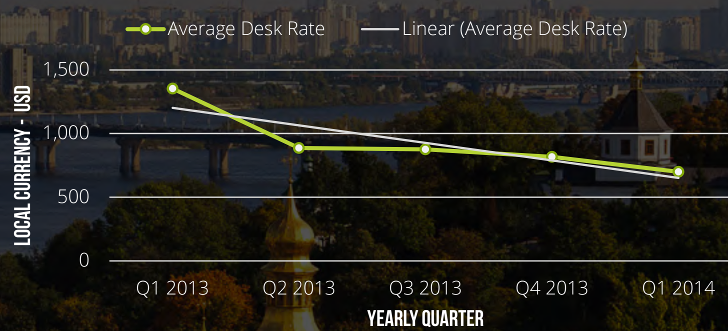
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	€	¥
1 USD ($) =	0.60	0.75	103.75

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



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SERVICED OFFICE MARKET REPORT

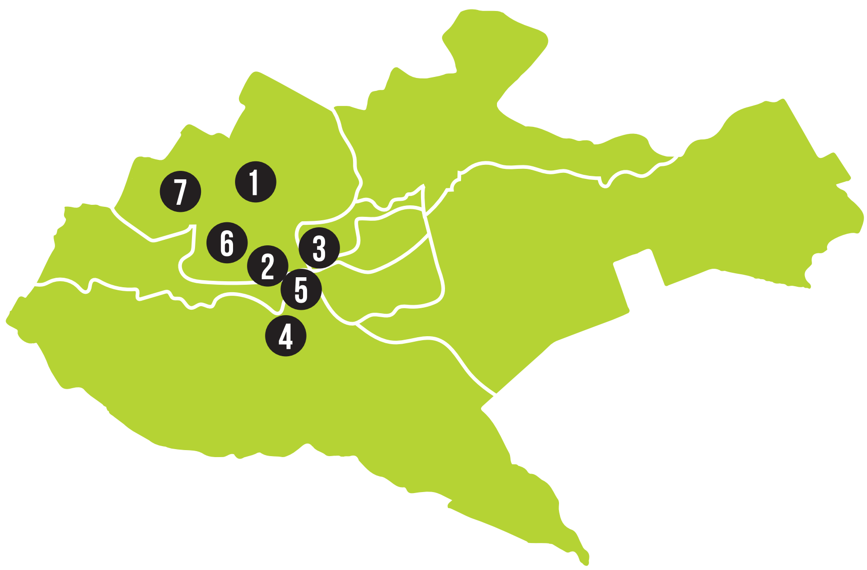
NAIROBI

2014

MARKET COMMENTARY

- Nairobi is the capital and largest city of Kenya, with a population of circa 3 million.
- Nairobi is a key city for international corporations and hub in Africa for politics and finance.
- The serviced office market has benefited from Nairobi's international reputation and transacts a substantial number of requirements from global corporate companies.
- Africa commands a cross-section of workstation rates depending on the location. Nairobi is mid-range in terms of workstation rates typically ranging from 50 - 70,000 KES.
- The workstation rate has slowly decreased in the past 12 months, which has been attributed to an increase in supply.

CENTRAL NAIROBI



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	KSh63,300
Average annual cost per head	KSh759,600
Total number of available business centres	15

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	KSh100,000 - 110,000

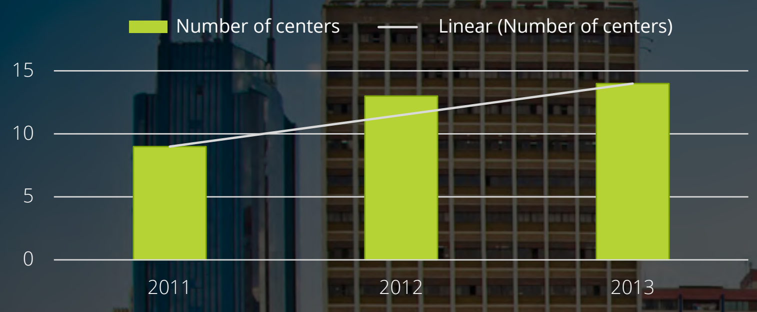
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 Westlands	5
2 Kilimani	4
3 Nairobi Central	2
4 Nairobi West	1
5 Upper Hill	1
6 Kileleshwa	1
7 Kitsuru	1

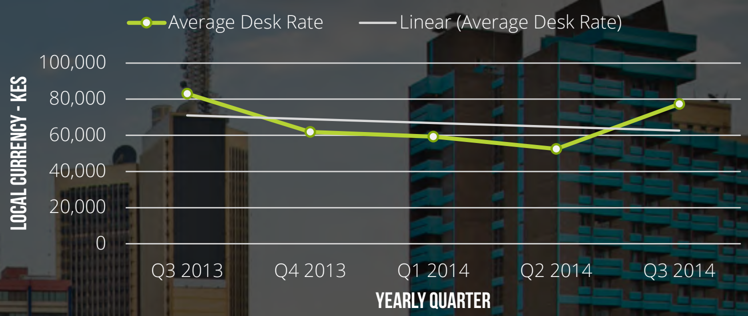
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	€
100 KES (KSH) =	0.703	1.121	0.828

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



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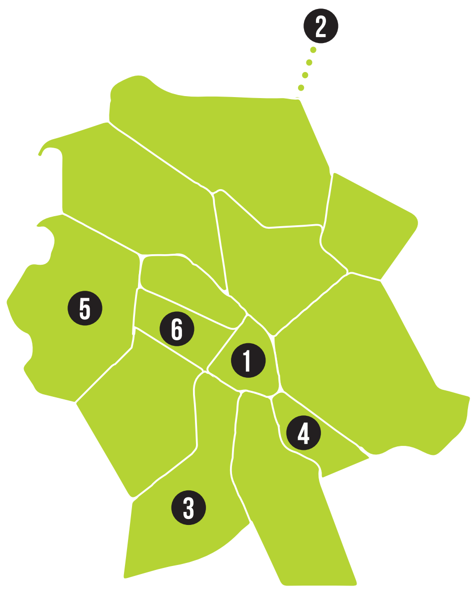
SERVICED OFFICE MARKET REPORT
ZURICH
2014

MARKET COMMENTARY

- Zurich is the largest city in Switzerland and is one of the world's largest financial hubs.
- The central business district (District 1) commands the highest workstation rates due to high property costs and limited supply.
- Over the past year, serviced office requirements have been driven by the financial, government and IT sectors.
- There has been no centre growth in the serviced office market in the past year. This has put pressure on supply and slowly driven rents upwards.
- The traditional office market has also noted a rise in demand for smaller office units in the central business district, indicating demand for additional supply of serviced office space in the market.

ZURICH



MARKET REVIEW

TOP LEVEL MARKET INFORMATION	
Average monthly workstation rate	SFr1,114
Average annual cost per head	SFr13,368
Total number of available business centres	12

ADDITIONAL SERVICES GUIDELINE COSTS	
Typical market charges format	Bundled
Average bundled IT/Telco monthly cost per user	SFr150 - SFr250

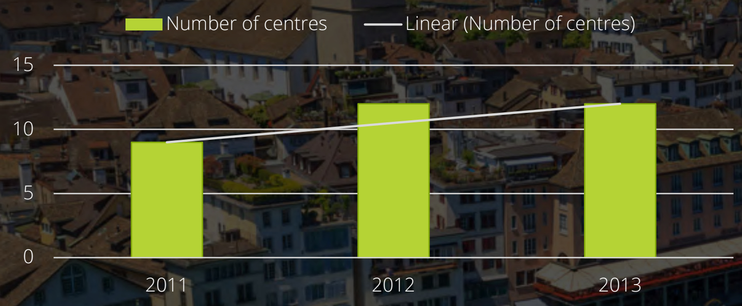
Please note some providers may include above costs in monthly rent

SUB-MARKET CENTRE SPREAD	
Sub-market	No. of centres
1 District 1	4
2 Zurich Airport	4
3 District 2	1
4 District 8	1
5 District 9	1
6 District 4	1

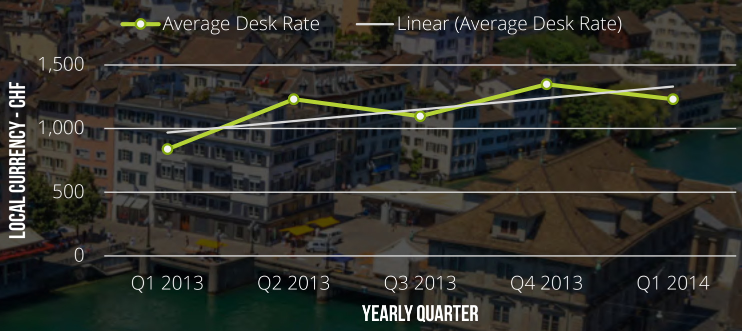
The above list of sub-markets is not exclusive, but where Instant have a presence

EXCHANGE RATES	£	$	€
1 CHF (SFr) =	0.6635	1.1116	0.8208

SERVICED OFFICE CENTRE GROWTH Y-O-Y



AVERAGE WORKSTATION RATE CHANGES



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