

Focus on the Geneva market

Early April, the State Council decided to lower the threshold of the heat expenditure index (IDC) from 800 to 450 MJ/sqm/year. Could that be the first milestone of energy transition in Geneva? Furthermore, inflation, the increase of interest rates by central banks and the invasion of Ukraine by Russia have all a strong incidence on investment strategies. It is nevertheless necessary to weight these factors, as the appeal for real estate, combined with the important liquidity of capitals, remains stronger than ever, the offer of real estate returns being low and the return on investment alternatives poor or volatile.

The number of transactions is 40 for an exchanged volume of CHF 989'197'581. The average price of a transaction is CHF 24'729'940.-. Office buildings, in the amount of four, were sold at an average price of CHF 74'420'000.-. Two sales were more than CHF 100'000'000.-, an office building of over 9'000 sqm and an office building of 7'000 sqm, previously occupied by the BNP PARIBAS bank. This first quarter has a steady pace, equivalent to last year.

Investment per allocation	Volume of sales				Average price of transactions in CHF
	in CHF	in %	in amount	in %	
Multiple-unit housing	386'090'173.-	39 %	27	68 %	14'299'636.-
Mix housing-commercial activities	41'990'000.-	4 %	2	5 %	20'995'000.-
Condominiums (PPE)	33'360'000.-	3 %	2	5 %	16'680'000.-
Offices, Workshops, Storage facilities	297'680'000.-	30 %	4	10 %	74'420'000.-
Retail, Factories, Hotels, Others	55'777'408.-	6 %	2	5 %	27'888'704.-
Portfolios of different allocations	174'300'000.-	18 %	3	8 %	58'100'000.-
Total	989'197'581.-	100 %	40	100 %	24'729'940.-

Top 5 sales



Cointrin
2 buildings
CHF 121'800'000.-
Seller: Quadrima SA
Buyer: Crédit Suisse Fondation de Placement



Plainpalais
1 building
CHF 102'000'000.-
Seller: Swissreal Property
Buyer: CPEG



Servette
3 buildings
CHF 79'300'000.-
Seller: Valorigest SA
Buyer: Swiss Life SA



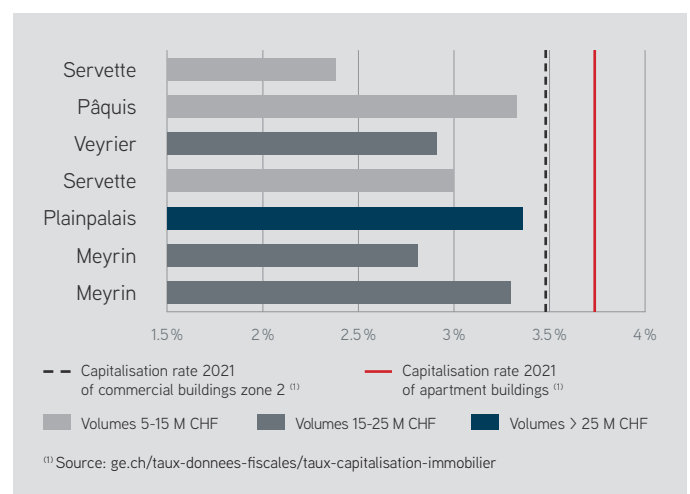
Grand-Pré
3 buildings
CHF 60'500'000.-
Seller: PSP Real Estate SA
Buyer: INA Invest AG



Plainpalais
1 building
CHF 51'000'000.-
Seller: Sunmills SA
Buyer: 1291 Die Schweizer Anlagestiftung

Gross yield of studied transactions

Among the sales of this quarter, we have identified rental statuses of around 20 % of exchanges. The sample examined has seven transactions, six regarding buildings with multiple-unit housing and one regarding offices. Based on known rental statuses, we have identified exchanges for gross yields between 2.38 % and 3.36 %. The average of exchanges is of 3%. On three occasions they were inferior to 3%. One even dropped below 2.5%. We thus observe that rates continue to decrease.





For information on our annual studies of the real estate market in French-speaking Switzerland, as well as our quarterly summaries of investment real estate in Geneva, please visit the News/Market studies section of our website at naef-invest.ch

Cyril Peyrot
Investment

cyril.peyrot@naef-invest.ch
+41 22 839 39 45

Vanessa Minkoff Cigdem
Investment

vanessa.minkoffcigdem@naef-invest.ch
+41 22 839 39 61

Antoine Humbert
Commercial Real Estate

antoine.humbert@naef-invest.ch
+41 22 839 37 72

Erika Bibollet
Commercial Real Estate

erika.bibollet@naef-invest.ch
+41 22 839 39 88



Genève

+41 22 839 39 00
ic-geneve@naef-invest.ch



Vaud

+41 21 318 77 07
ic-vaud@naef-invest.ch



Neuchâtel

+41 32 737 27 50
ic-neuchatel@naef-invest.ch