



EMEA Property Guide

2008 - 2009

COLLIERS
INTERNATIONAL

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SALE AND LEASING STANDARDS

Country	Broker Fees (excl.VAT) %	Legal Fees (excl.VAT) %	Transfer Tax (Stamp) %	Rent Review	Repairs (Landlord/Tenant)	
					Internal	External
ALBANIA	1.5 - 3	2	10 (on revenue)	Indexation	Tenant	Landlord
AUSTRIA	4	1 - 3	3.5	Indexation; open market for business premises.	Tenant	Landlord
BELGIUM	1 - 3	0.25 - 1.25	10 - 12.5	Indexation	Tenant	Landlord
BULGARIA	1.25 - 1.5	1	2	Indexation	Tenant	Landlord
CROATIA	2	2	5	Indexation	Tenant	Landlord
CZECH REPUBLIC	0.75 - 3	1 - 1.5	3	Indexation	Tenant	Landlord
DENMARK	0.5 - 2	0.1 - 0.5	None	Indexation	Tenant	Landlord
ESTONIA	2 - 4	0.5	None	Indexation	Tenant	Landlord
FINLAND	1 - 3	0.25	1.6 - 4	Indexation	Landlord/Tenant	Landlord
FRANCE	2 - 5	2 - 4	5.09	Indexation	Tenant	Landlord
GERMANY	1 - 6	0.5 - 1.5	3.5 (Berlin: 4.5)	Indexation/ Stepped Rent	Tenant	Landlord
GREECE	1 - 3	1 - 3	5 - 11	Indexation/ Indexation +1%	Tenant	Landlord
HUNGARY	3 - 5	0.5 - 1.5	2 - 10	Indexation	Tenant	Landlord
IRELAND	1 - 3	0.5 - 1	9	Market Review	Landlord/Tenant	Tenant
ISRAEL	1 - 2	1	5	Indexation fixed uplifts	Tenant	Landlord
ITALY	2 - 3	1 - 2	1 - 10	Indexation	Tenant	Landlord
LATVIA	1 - 2	n/a	2 (max EUR 42,686)	Indexation/ Open market	Landlord/Tenant	Landlord
LITHUANIA	1 - 3	Upon agreement/ hourly based	None	Indexation	Tenant	Landlord
NETHERLANDS	1 - 2	0.25 - 1	6	Indexation	Tenant	Landlord
NORWAY	0.75 - 3	n/a	2.5/none in sales of shares	Indexation	Tenant	Landlord
POLAND	3	0.25 - 3.3	2	Indexation	Tenant	Landlord
PORTUGAL	3 - 5	1-2	6.5	Indexation	Tenant	Landlord
QATAR	1 - 2	0.25	None	Market Review	Tenant	Landlord
ROMANIA	2 - 3	1-2	2 - 3	Indexation	Tenant	Landlord
RUSSIA	8.3 (lease contracts)	Varies significantly	n/a	Indexation	Landlord/Tenant	Landlord
SERBIA	3	Capped at 1.5	2.5	Market Review/ Indexation	Landlord/Tenant	Landlord
SOUTH AFRICA	2.5 - 4	1.5	high/VAT zero-rated	Market Review	Tenant	Landlord
SPAIN	1 - 3	0.25 - 0.75	6 - 7	Indexation	Tenant	Landlord
SWEDEN	0.5 - 2.5	0.25 - 1.0	0 - 3	Indexation	Landlord/ Tenant	Tenant
SWITZERLAND	3 - 5	0.02 - 1	0 - 4	Indexation	Tenant	Landlord
TURKEY	1 - 2	n/a	0.75	Indexation fixed uplifts	Tenant	Landlord
UKRAINE	1 - 3	0.5	None	Indexation	Tenant	Landlord
UNITED ARAB EMIRATES	5	n/a	1.5	Capped at 7%	Tenant	Landlord
UNITED KINGDOM	1	0.5 - 1	0 - 4	Market Review	Tenant	Tenant

SALE AND LEASING STANDARDS

Country	Length of Lease	Insurance (Landlord/Tenant)	Termination Provisions
ALBANIA	5 - 10 years	Tenant	Upon expiry/Abnormal termination admissible under certain circumstances (eg, non-payment of rent, improper use)
AUSTRIA	3 years/indefinite	Tenant	Upon expiry/Abnormal termination admissible under certain circumstances (eg, non-payment of rent, improper use)
BELGIUM	3/6/9 years	Landlord	Upon expiry
BULGARIA	Maximum 10 years/ indefinite	Tenant	Upon expiry/Leases without fixed duration may be terminated by either party with one month notice.
CROATIA	10 years	Landlord	Upon expiry/Abnormal termination admissible under certain circumstances (eg, non-payment of rent)
CZECH REPUBLIC	3 - 5 years	Landlord	Upon expiry of the lease / Abnormal termination - failure of Tenant to perform obligations or Landlord's default (non-payment of rent, declaration of insolvency)
DENMARK	Indefinite	Landlord	Upon termination for convenience affected by either party
ESTONIA	3/5 years	Landlord – external, Tenant – internal	Upon expiry
FINLAND	3/5/7 years	Landlord – external, Tenant – internal	Upon expiry
FRANCE	3/6/9 years	Landlord/Tenant	Every 3 years/Landlord may terminate on certain conditions (eg, if he wishes to reconstruct premises)
GERMANY	5 years with option	Tenant	Upon expiry (If tenant does not exercise option, lease extends for an indefinite term)
GREECE	12 years + 6 renew	Included	Upon expiry/Tenant after 2 years of initial term with 6 months notice
HUNGARY	5 years/indefinite	Landlord – external, Tenant - internal	Upon expiry/mutual agreement
IRELAND	20 - 25 years	Tenant	Upon expiry/surrender/break clause
ISRAEL	5 years with option 3 - 5	Tenant	Upon expiry, or when tenant does not exercise option.
ITALY	6 years (9 hotels)	Landlord	Upon end of first renewal period (Tenant also after first 6/9 year period or any time with 6 months notice)
LATVIA	1/3/5/10 years	Landlord – external, Tenant – internal	Upon expiry/mutual agreement; automatic renewal
LITHUANIA	3/5 years	Landlord – external, Tenant – internal	Upon expiry
NETHERLANDS	5/10 years	Landlord	Upon expiry/request of tenant or landlord
NORWAY	5/10 years	Landlord	Upon expiry
POLAND	Max 10 years (comm/res)/ Max 30 years (office)/indefinite	n/a	Upon expiry
PORTUGAL	3/5/10 years	Landlord - external, Tenant - internal	Upon expiry/mutual agreement; automatic renewal
QATAR	1/3 years	Landlord	Upon expiry
ROMANIA	5/7 years	Tenant	Upon expiry/break option
RUSSIA	3 - 15 years	Landlord/Tenant	Upon the early termination right/expiry
SERBIA	1 - 12 years	Landlord - external, Tenant - internal	Upon expiry or according to the provisions set out in the lease agreement
SOUTH AFRICA	3/5/10 years	Landlord - external, Tenant - internal	Per lease, as agreed
SPAIN	3/5/10 years	Tenant	Upon expiry or according to the provisions set out in the lease agreement
SWEDEN	3 - 5 years (except sale/leaseback or new build)	Landlord ¹	Automatic renewal unless notice given by landlord/tenant.
SWITZERLAND	5/10 years	Landlord	Upon expiry
TURKEY	5/10 years	Landlord	Upon expiry or according to the provisions set out in the lease agreement
UKRAINE	3 - 5 years	Tenant	Upon expiry or according to the provisions set out in the lease agreement
UNITED ARAB EMIRATES	1/3 years	Landlord	Upon expiry
UNITED KINGDOM	15 years	Tenant	Upon expiry/surrender/break clause

¹(except sale/leaseback or some retail/logistics)

MEASURING APPROACH

Country	Office	Industrial	Retail
ALBANIA	GLA	n/a	GLA
AUSTRIA	NIA (City), GIA (Suburban)	GEA	NIA (City), GIA (Shopping Centres)
BELGIUM	GLA	GLA	GLA
BULGARIA	Bulgarian State Standard (BDS) + add on factor (BDS similar to Net)	Bulgarian State Standard (BDS) + add on factor (BDS similar to Net)	No generally accepted practice
CROATIA	GIA	GIA	NIA
CZECH REPUBLIC	NIA	GIA	NIA
DENMARK	GIA	GIA	GIA
ESTONIA	NIA	GIA	GIA
FINLAND	NIA	GIA	NIA
FRANCE	NIA	NIA	NIA (City), GLA (Shopping Centres)
GERMANY	LA (defined by German gif)	GEA & LA (defined by German gif)	LA (defined by German gif)
GREECE	NIA (shops), GIA (Shopping Centres)	GEA	NIA (City), GIA (Shopping Centres)
HUNGARY	NIA	GEA	NIA
IRELAND	NIA (City), GIA (Suburban)	GEA	NIA (City), GIA (Shopping Centres)
ISRAEL	GEA	GEA	NIA (City), GIA (Shopping Centres)
ITALY	GEA	GIA	GIA
LATVIA	NIA	NIA	NIA
LITHUANIA	GEA & GIA (buildings), GIA (premises)	GEA & GIA (buildings), GIA (premises)	GEA & GIA (buildings), GIA (premises)
NETHERLANDS	NIA	NIA	NIA
NORWAY	GEA	GEA	GEA
POLAND	NIA	GIA	NIA
PORTUGAL	GIA	No generally accepted practice	GIA
QATAR	GIA	GIA	GIA
ROMANIA	GIA	GEA	NIA
RUSSIA	Local measuring system (BTI) or Rentable area using BOMA standards	Local measuring system (BTI) or Rentable area using BOMA standards	Local measuring system (BTI) or Rentable area using BOMA standards
SERBIA	NIA / NUA with add-on factor	GEA	GIA
SOUTH AFRICA	BOMA/SAPOA	BOMA/SAPOA	BOMA/SAPOA
SPAIN	GEA	GEA	GEA
SWEDEN	NUA	NUA/NIA if entire building	NUA/NIA if entire building
SWITZERLAND	GIA	GIA	GIA
TURKEY	GIA	GEA	NIA
UKRAINE	NIA	GIA	NIA
UNITED ARAB EMIRATES	GIA	GIA	GIA
UNITED KINGDOM	NIA	GIA	NIA (City), GIA (Shopping Centres)

VALUATION APPROACH

Country	Vacant Possession	Leasehold Interest	Proposed Development
ALBANIA	Comparable Method/Residual Method	Income Approach	Discounted Cash Flow
AUSTRIA	Comparable Method	Discounted Cash Flow/ Income Approach most common	Residual Method
BELGIUM	Comparable Method	Income Approach ¹	Residual Method
BULGARIA	Comparable Method	Discounted Cash Flow	Residual Method
CROATIA	Comparable Method	Term & Reversion	Residual Method
CZECH REPUBLIC	Market Rent	Term & Reversion	Residual Method
DENMARK	Comparable Method/Discounted Cash Flow	Discounted Cash Flow	Residual Method
ESTONIA	Comparable Method	Income Approach/ Discounted Cash Flow	Residual Method
FINLAND	Cash Flow		Residual Method
FRANCE	Income Approach	Discounted Cash Flow/Comparable Method/ Income Approach	Residual Method
GERMANY	Income Approach	Income Approach (sometimes separating land and building values)	Residual Method / Comparable Method
GREECE	Comparable Method	Discounted Cash Flow	Residual Method/Discounted Cash Flow
HUNGARY	Comparable Method, Income Approach and Depreciated Cost Method	Leasehold Right Calculation (based on Income Approach)	Comparable Method/Residual Method
IRELAND	Comparable Method	Term & Reversion/Hardcore Method	Residual Method
ISRAEL	Comparable Method	Income Approach ¹	Residual Method
ITALY	Comparable Method/Income Approach	Income Approach	Discounted Cash Flow
LATVIA	Comparable Method	Discounted Cash Flow	Residual Method
LITHUANIA	Comparable Method	Discounted Cash Flow	Residual Method
NETHERLANDS	Comparable Method/Income Approach	Income Approach/Discounted Cash Flow	Residual Method
NORWAY	Comparable Method/Income Approach	Income Approach/Discounted Cash Flow	Net Present Value
POLAND	Comparable Method/Income Approach	Income Approach/Discounted Cash Flow	Residual Method
PORTUGAL	Comparable Method	Income Approach	Net Present Value
QATAR	Comparable Method/Discounted Cash Flow	Comparable Method/Discounted Cash Flow	Residual Method
ROMANIA	Comparable Method/Income Approach	Income Approach	Residual Method
RUSSIA	Cost, Comparison, and Income Approaches	Discounted Cash Flow	Comparable Method/Income Approach (residual technique)
SERBIA	Comparable Method/Income Approach	Discounted Cash Flow/Comparable Method	Discounted Cash Flow/Comparable Method/ Residual Method
SOUTH AFRICA	Comparable Method	Income Approach	Discounted Cash Flow/Yield in Year 1
SPAIN	Comparable Method	Discounted Cash Flow	Residual Method
SWEDEN	Comparable Method/Discounted Cash Flow	Discounted Cash Flow	Comparable Method/Residual Method/ Discounted Cash Flow
SWITZERLAND	Income Approach	Income Approach/Discounted Cash Flow	Residual Method
TURKEY	Comparable Method	Income Approach	Residual Method
UKRAINE	Comparable Method	Income Approach	Income Approach
UNITED ARAB EMIRATES	Comparable Method/Discounted Cash Flow	Comparable Method/Discounted Cash Flow	Residual Method
UNITED KINGDOM	Comparable Method	Term & Reversion/Hardcore Method	Residual Method

¹ (If depreciated assets or market change is anticipated, consider deferred land value)

DEFINITIONS

Broker Fees: Indication of brokers' fees typically involved in a sales transaction, expressed as a percentage of transaction value.

Legal Fees: Indication of lawyers' fees typically involved in a sales transaction, expressed as a percentage of transaction value.

Transfer Tax (Stamp): Indication of transfer/stamp tax levels typically involved in a sales transaction, expressed as a percentage of transaction value.

Rent Review: Indication of the standard method for rental adjustments at time of rent review.

Repairs: Indication of the party (Tenant or Landlord) responsible for repairing and maintaining the property. Matrix includes separate response for internal and external repairs.

Length of Lease: Indication of the standard lease length in a market.

Insurance: Indication of the party (Tenant or Landlord) responsible for property insurance.

Termination Provisions: Indication of the timing, possibilities and method for terminating a lease agreement.

Measuring Approach: Indication of the way in which properties are typically measured for each asset class (office, industrial, retail). NUA = Net Usable Area, NIA = Net Internal Area, GIA = Gross Internal Area, GEA = Gross External Area.

Valuation Approach: Indication of most common valuation method used for various types of properties (Vacant Possession, Leasehold Interest, Proposed Development). Common approaches include the Comparable Method, Income Approach, Residual Method and Discounted Cash Flow.

COLLIERS EMEA OFFICES



COLLIERS EMEA VALUATION BUSINESS TEAM

CLIENT EXPECTATIONS

Valuation is a key measure of real estate performance and an essential requirement of owners, occupiers, investors and the providers of finance. In a global real estate market, such clients require a detailed and secure valuation of one or many properties, in one or many countries. Only those that can provide a high standard of professional advice based on detailed knowledge of many markets across international, regional and global boundaries can deliver such a service.

COLLIERS DELIVERY

With more than 90 offices in 37 countries, Colliers EMEA's Valuation Business Team provides the broadest possible coverage of a region which has many different languages, laws and regulations, cultural traditions and expectations. In this potentially complex region, it matters to our clients that a multi-national team with in-depth local market knowledge is led by highly experienced and senior valuation professionals providing one single point of contact across any number of national borders.

COLLIERS REQUIREMENTS

Colliers EMEA's Valuation Team advises a wide range of national and international clients for a variety of purposes, including:

- Corporate strategy
- Investment analysis
- Balance sheet
- Mortgage lending
- Merger and acquisition
- Disposal strategies

COLLIERS STANDARDS

Colliers' national, regional and international clients require and receive valuations undertaken in accordance with International Valuation Standards, presented in a consistent and uniform style and in the format required.

Our clients include:

- National, regional & multi-national corporations
- National and local government
- Institutional investors
- Private investors
- Banks
- Investment and pension funds

COLLIERS COMMITMENT

Colliers EMEA's Valuation Team draws upon the skill and experience of qualified professionals in almost 40 countries, delivering valuations underpinned by solid and reliable market data. As well as being active in the core sectors of offices, logistics and retail, Colliers specialists also advise on hotels and leisure, healthcare, planning and development, automotive and roadside, and residential properties.

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