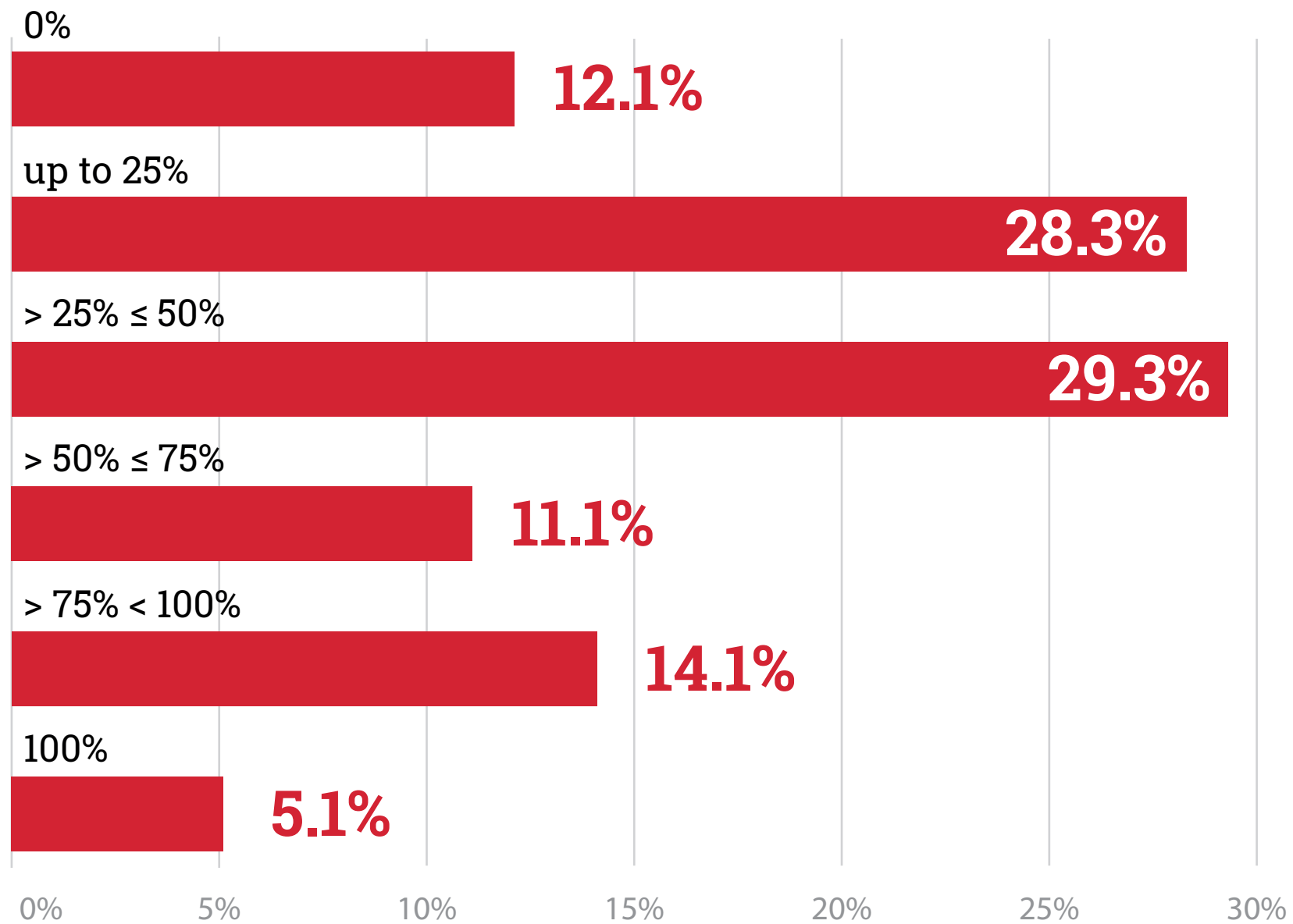


Were you involved in off-market transactions in the past 12 months?
Yes responses in per cent

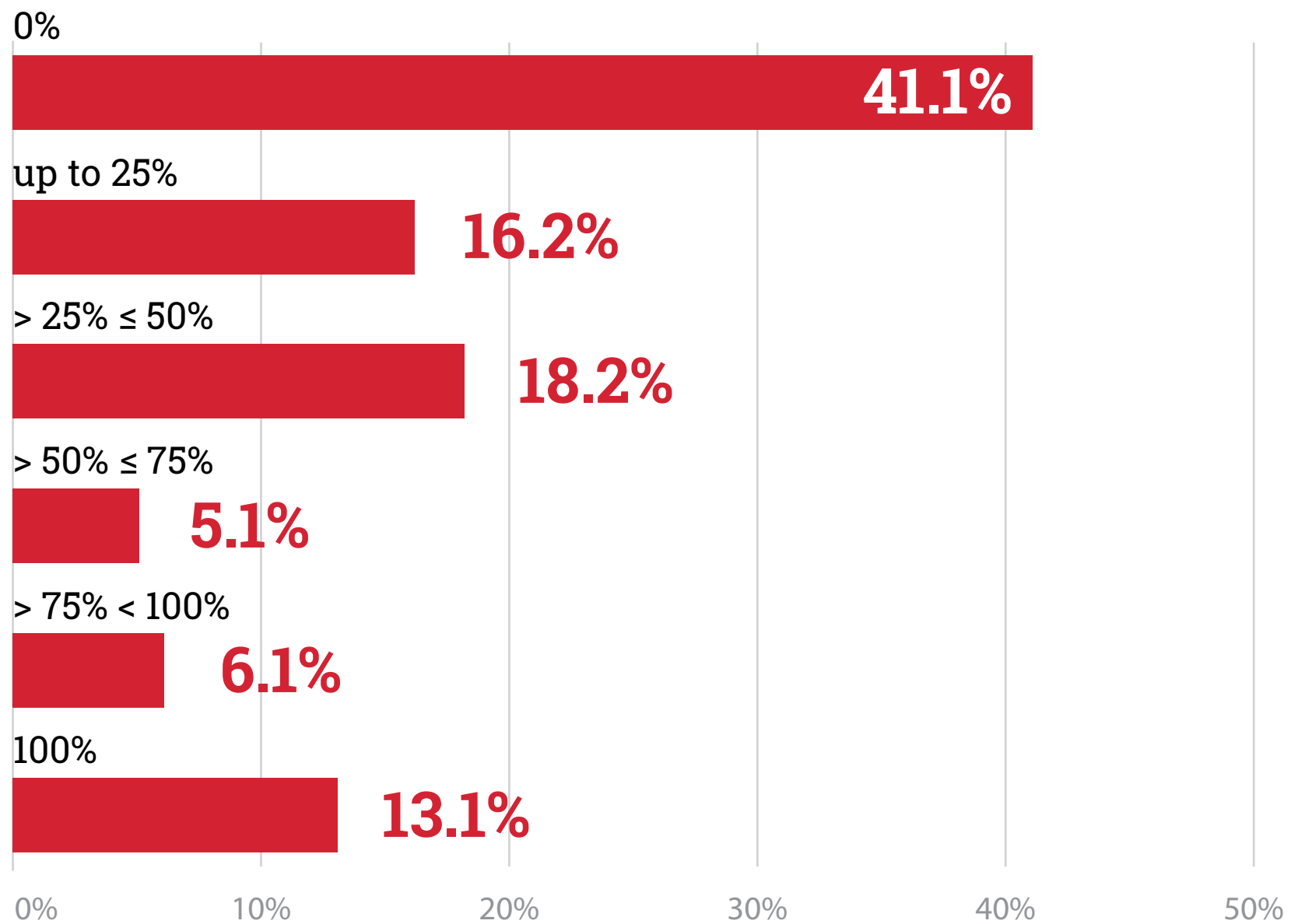
The latest study once again shows that the off-market segment is a fixed element in the transaction strategies of highly professional market players. In total more than 60 per cent of the market share is accounted for by real estate funds, stock corporations, private equity investors and insurers.



How high was your proportion of off-market purchases in the past 12 months (in per cent)?

Proportion of participants in per cent

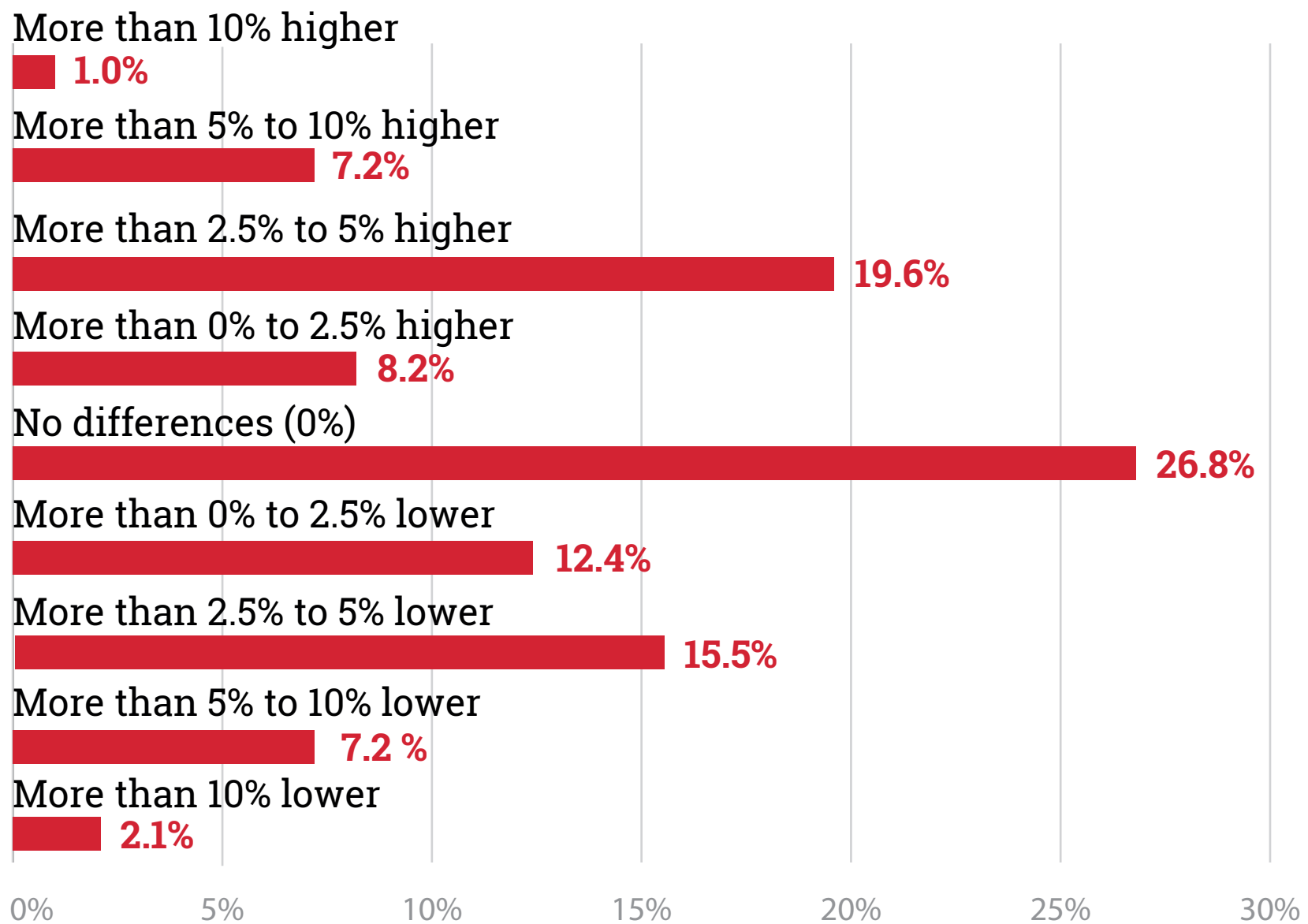
Both the proportion of those who exclusively purchase off-market and those who are not involved as an investor in off-market transactions have increased strongly. Approx. 19 per cent predominantly or exclusively purchase off-market, while some 40 per cent have rarely or never been involved in off-market acquisitions lately. The majority of respondents had an off-market share of between 25 and 50 per cent.



How high was your proportion of off-market sales in the past 12 months (in per cent)?

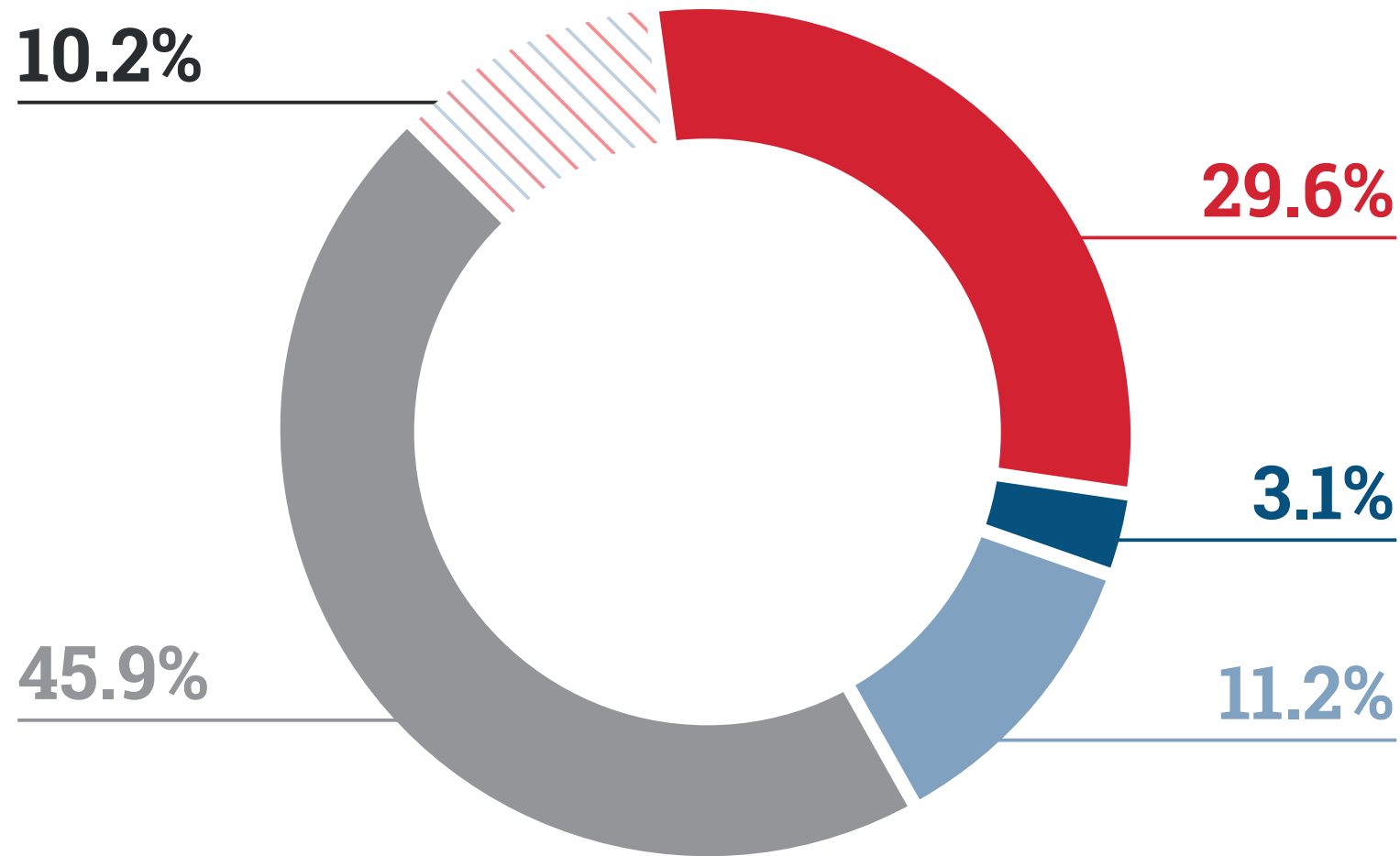
Proportion of participants in per cent

A strong polarisation is also to be seen with off-market sales: approx. 19 per cent of all the survey respondents sell predominantly or exclusively using off-market models, whereby more than 57 per cent of all the respondents also predominantly or exclusively utilise on-market models, however. In total it may be seen quite clearly that bidding processes and other open-market structures do not cover the entire market, however.



What in your opinion is an appropriate price delta with off-market transactions in the next 12 months?

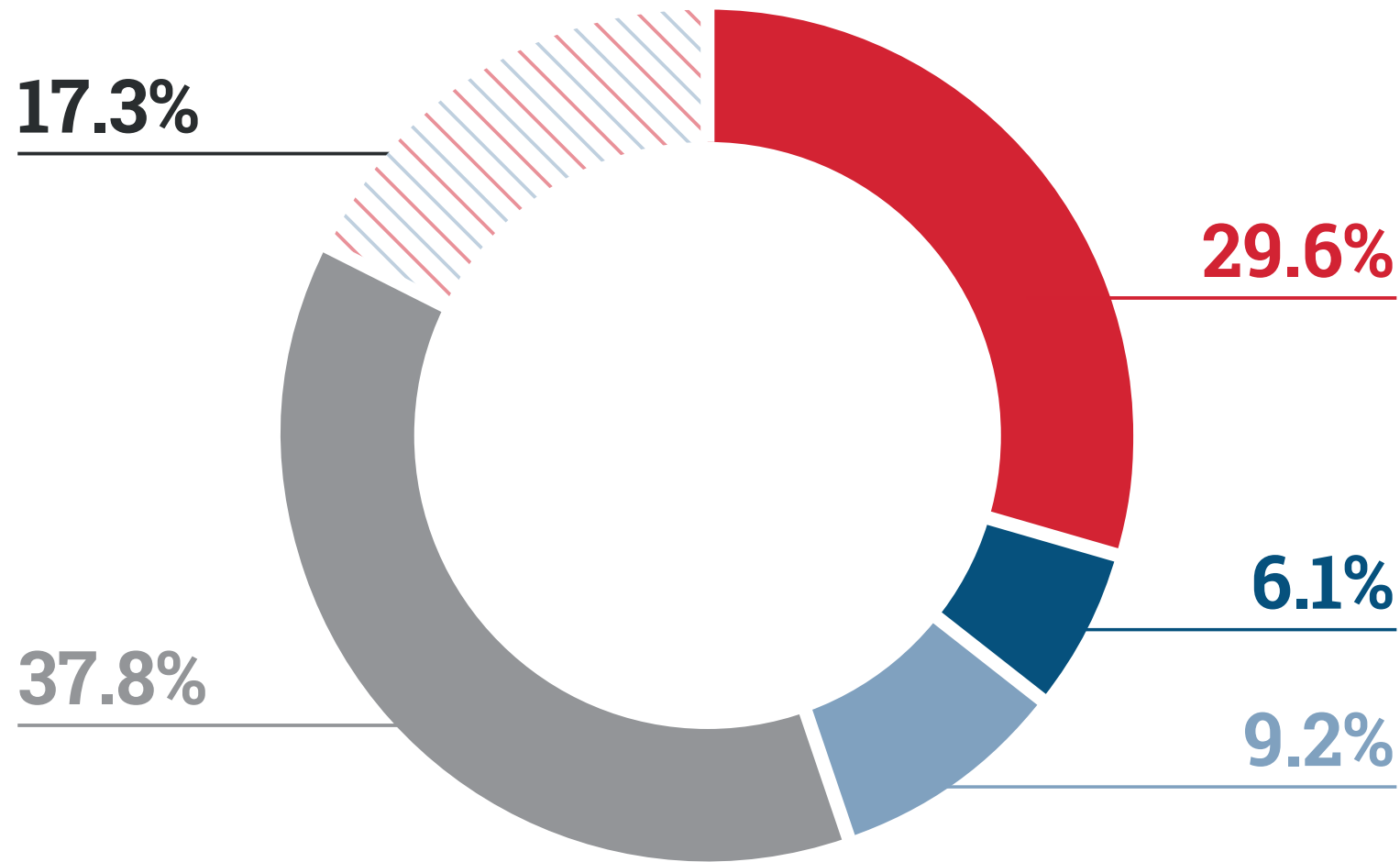
The 4th HPBA Off-Market Study confirms the fully differentiated result of the previous survey. It shows that off-market transactions in general are not primarily motivated by the purchase price, but rather by other factors such as deal security. Nevertheless, it is striking that about 36 per cent are in part prepared to pay considerable price mark-ups, while 37 per cent assume there will be a price mark-down.



Which asset class was at the focus of your off-market transactions when making purchases in the past 12 months?

- Office real estate
- Retail
- Logistics / industrial real estate
- Residential real estate
- Other

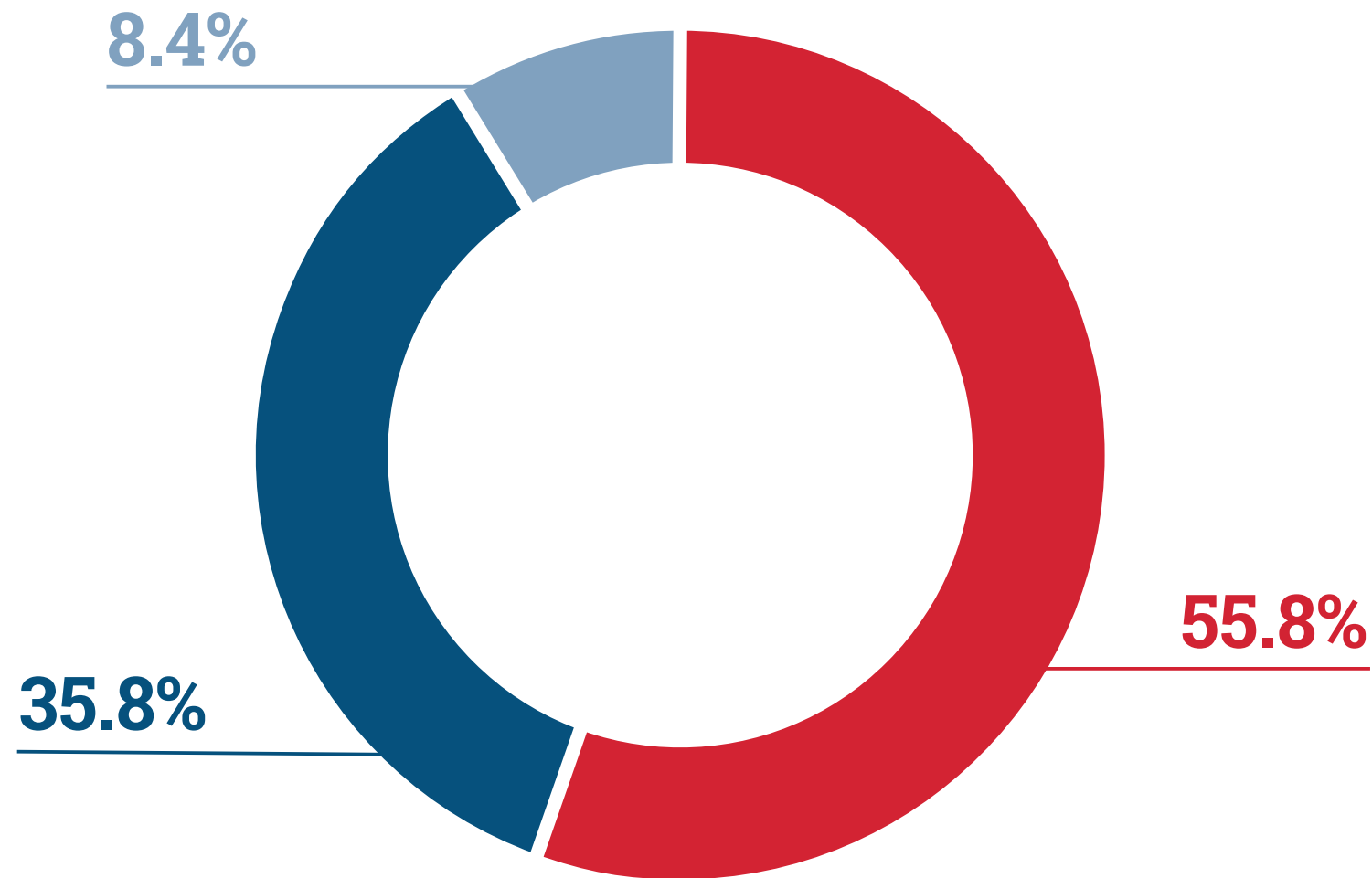
With a share of nearly 46 per cent and a clear increase of more than eleven percentage points compared to the previous study residential real estate has most recently characterised the off-market segment. The share of office properties has decreased slightly, in contrast. It is remarkable that the strong growth on the logistics real estate markets has also been observed in the off-market segment, with their share virtually doubling since the last study period.



Which asset class was at the focus of your off-market transactions in the sales sector in the past 12 months?

- Office real estate
- Retail
- Logistics / industrial real estate
- Residential real estate
- Other

With sales the spread between residential and office real estate is lower than that seen with purchases. It is also noteworthy that the category “Other real estate” is more than seven percentage points higher for sales than it is for purchases. The reason for this could be that numerous survey participants have sold plots of land that fall into this category.

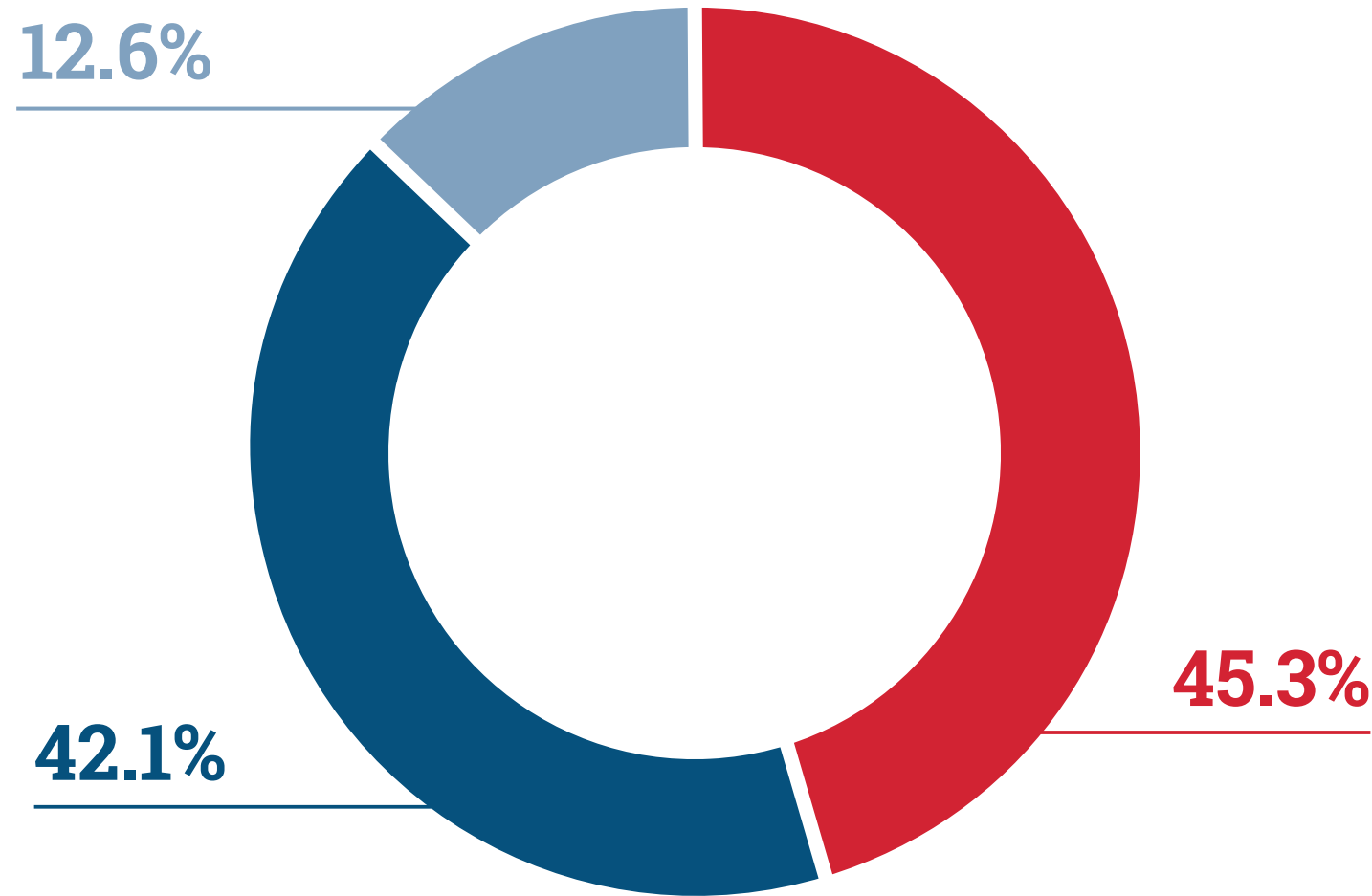


Off-market transactions

Will the volume of real estate transactions change in the coming 12 months in your opinion?

- Increase
- No change
- Decrease

Compared with the previous study a high degree of consistency may be seen in the latest HPBA Off-Market Study: more than half of the market players still assume that the off-market segment will post strong to very strong growth. In contrast, the proportion of respondents who assume the volume will decrease has declined, from 11.3 to 8.4 per cent.

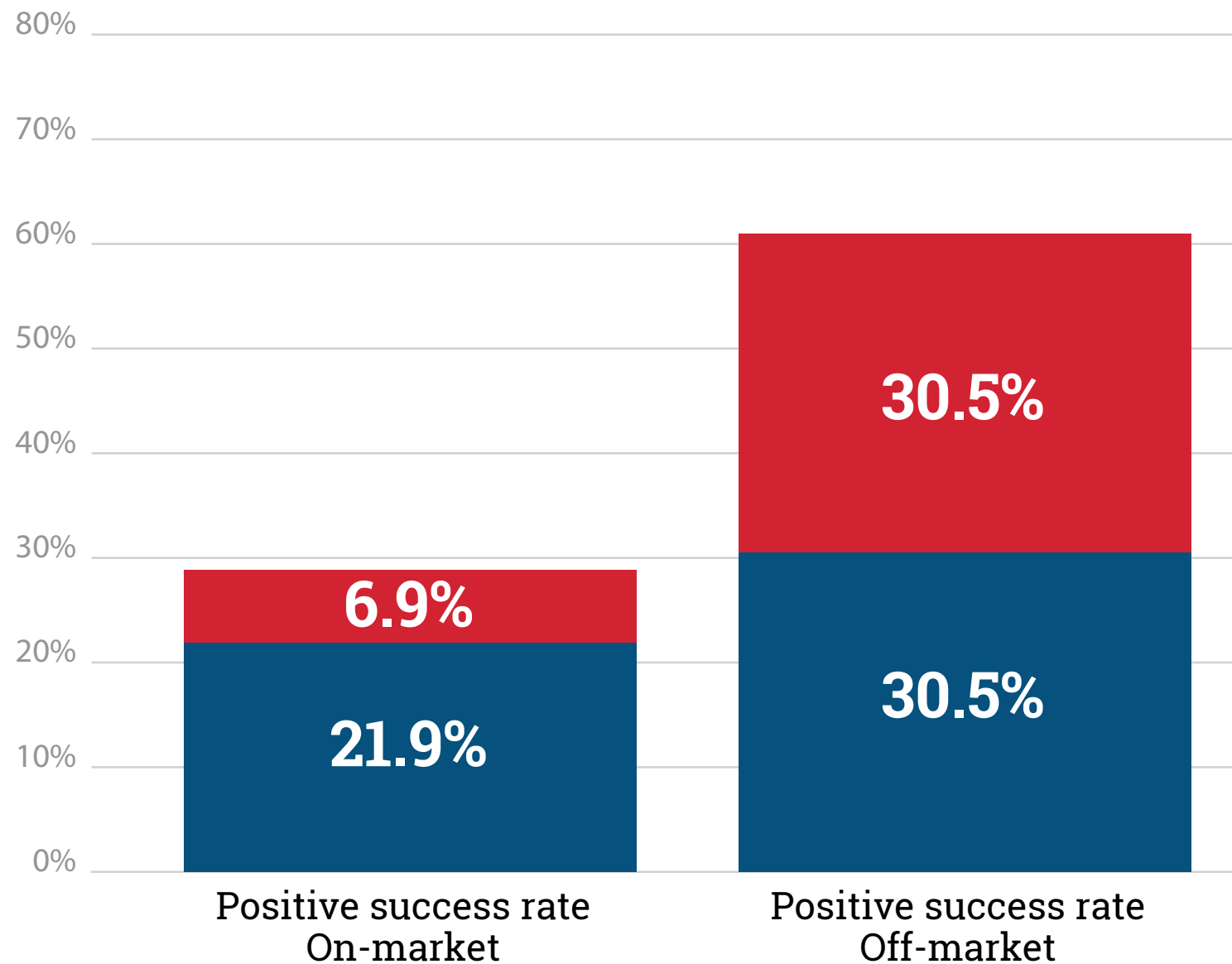


On-market transactions

Will the volume of real estate transactions change in the coming 12 months in your opinion?

- Increase
- No change
- Decrease

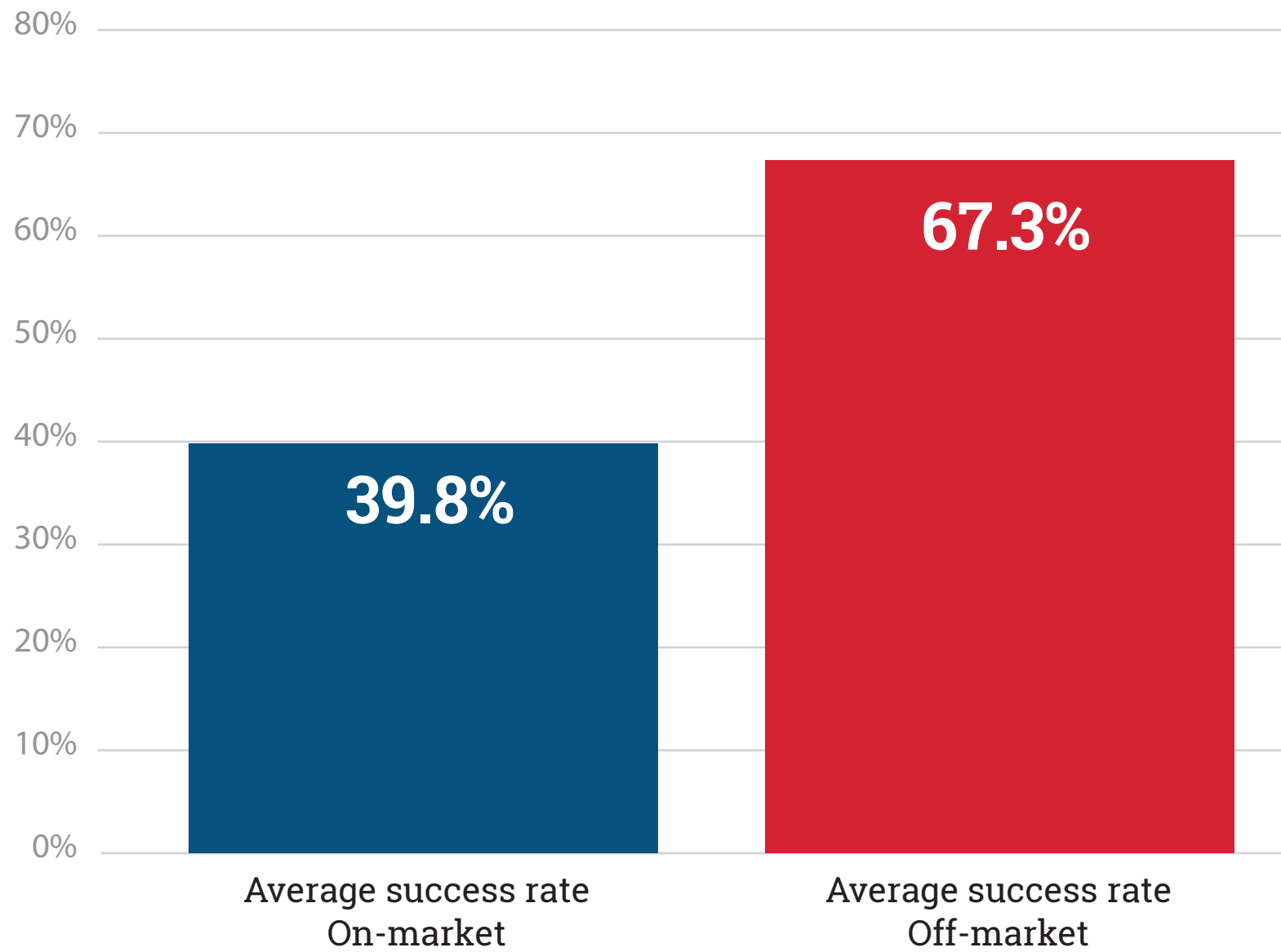
At present 45.3 per cent of the respondents believe there will be growth in the classic on-market segment, while 42.1 per cent assume the market volume will remain stable. This represents a clear difference to the previous issue of the HPBA Off-Market Study. This allows us to draw the conclusion that a broad cross-section of the market believes that the “coronavirus shock” has been more or less overcome.



What proportion (in %) of off-market transaction processes came to a successful conclusion in the past 12 months?

- Transaction success 100%
- Transaction success between 50 % and 99 %

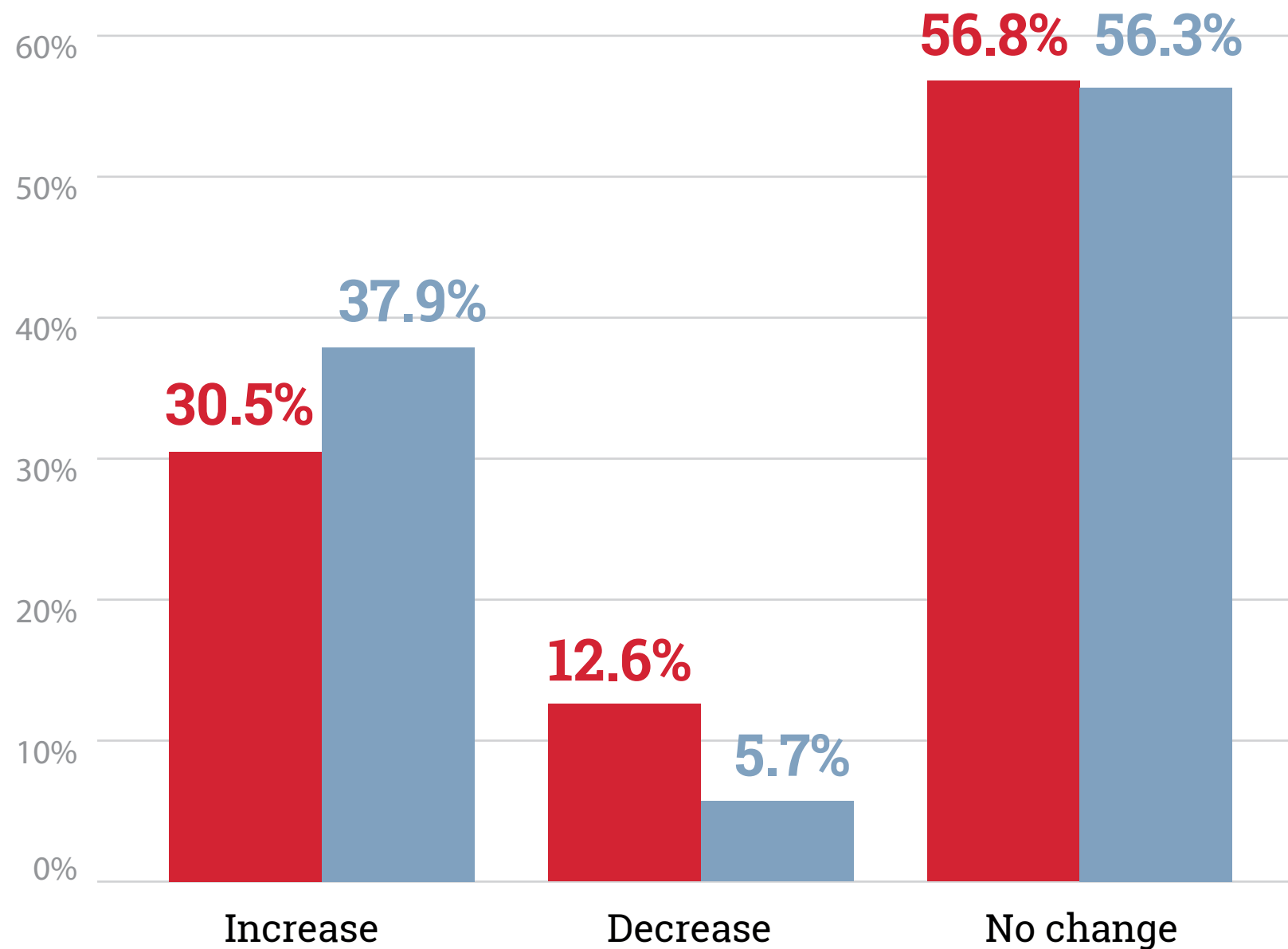
61 per cent of all the respondents recorded a positive success rate with off-market transactions, with more than every second transaction being successfully concluded. With on-market transactions the success rate is merely about 29 per cent. If one merely considers the share with a one hundred per cent success rate, off-market transactions are about four times greater than on-market ones.



What proportion (in %) of off-market transaction processes came to a successful conclusion in the past 12 months?

- Off-Market
- On-Market

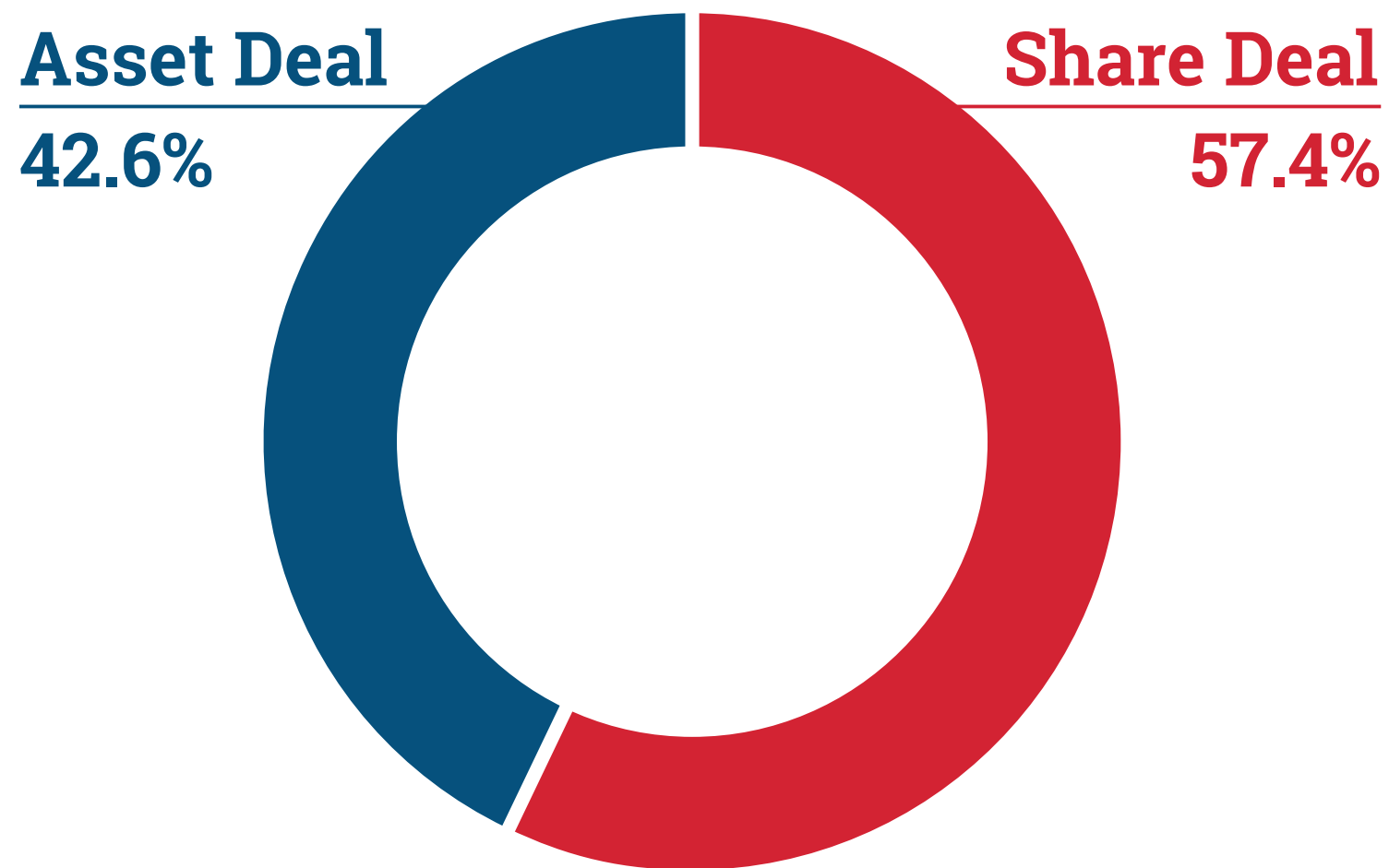
In the weighted average more than two out of three off-market transactions are successful. The direct comparison to the Third HPBA Off-Market Study shows that off-market transactions tend to offer greater deal security, whereas on-market models offer less security.



Will in your opinion the volume of real estate transactions change in the coming 12 months?

- Distress sales
- Joint ventures

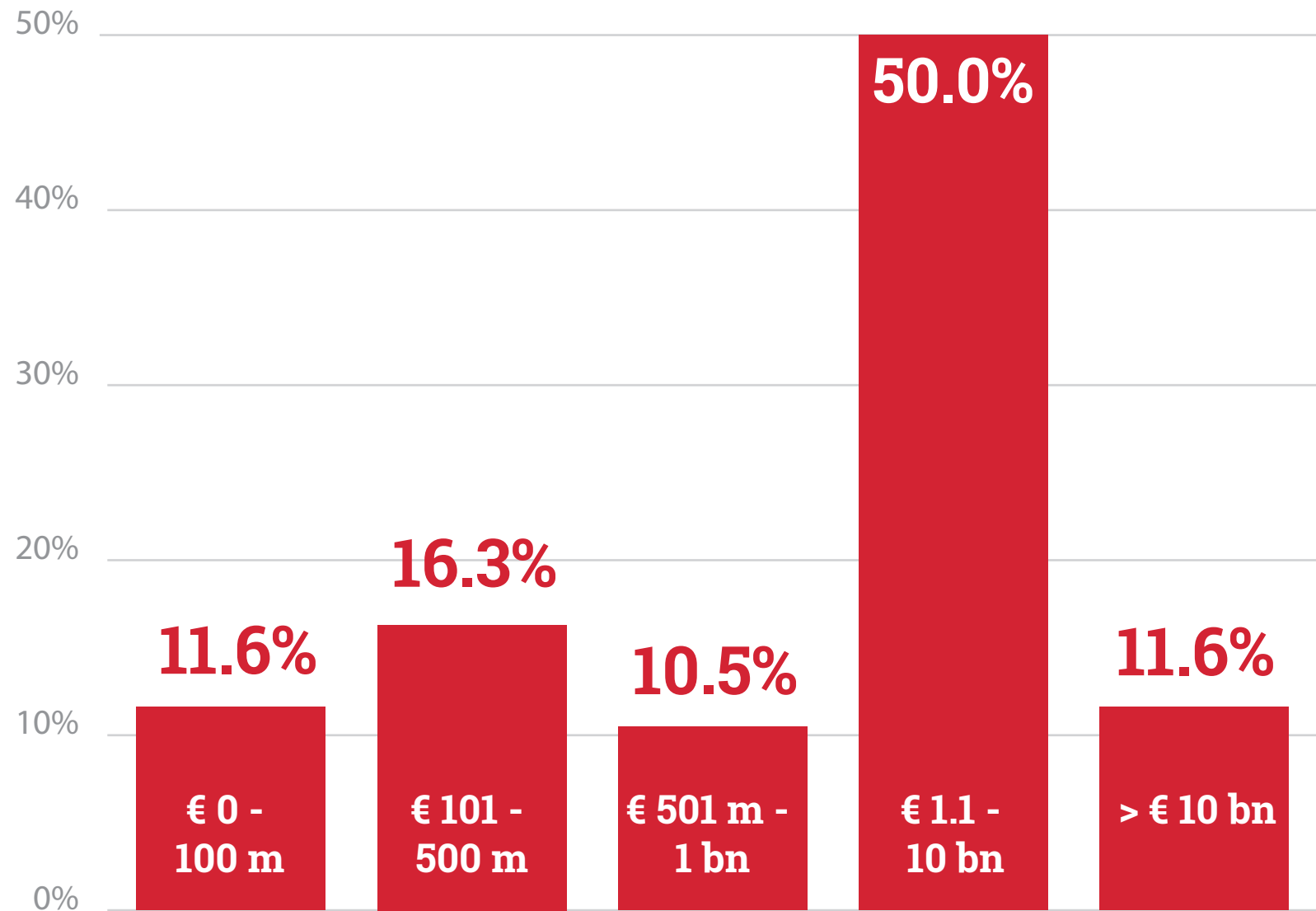
With a share of about 30 per cent the proportion of those respondents who assume there will be a rise in distress sales has declined by more than half compared to the previous study. This indicates that there is now greater stability than at the beginning of the coronavirus pandemic. Given the ever more complex starting positions on the markets, as well as the increasing internationalisation of the actors, it would appear more likely that there will be joint ventures.



How high was your proportion of share deals for sales and purchases in the past 12 months?

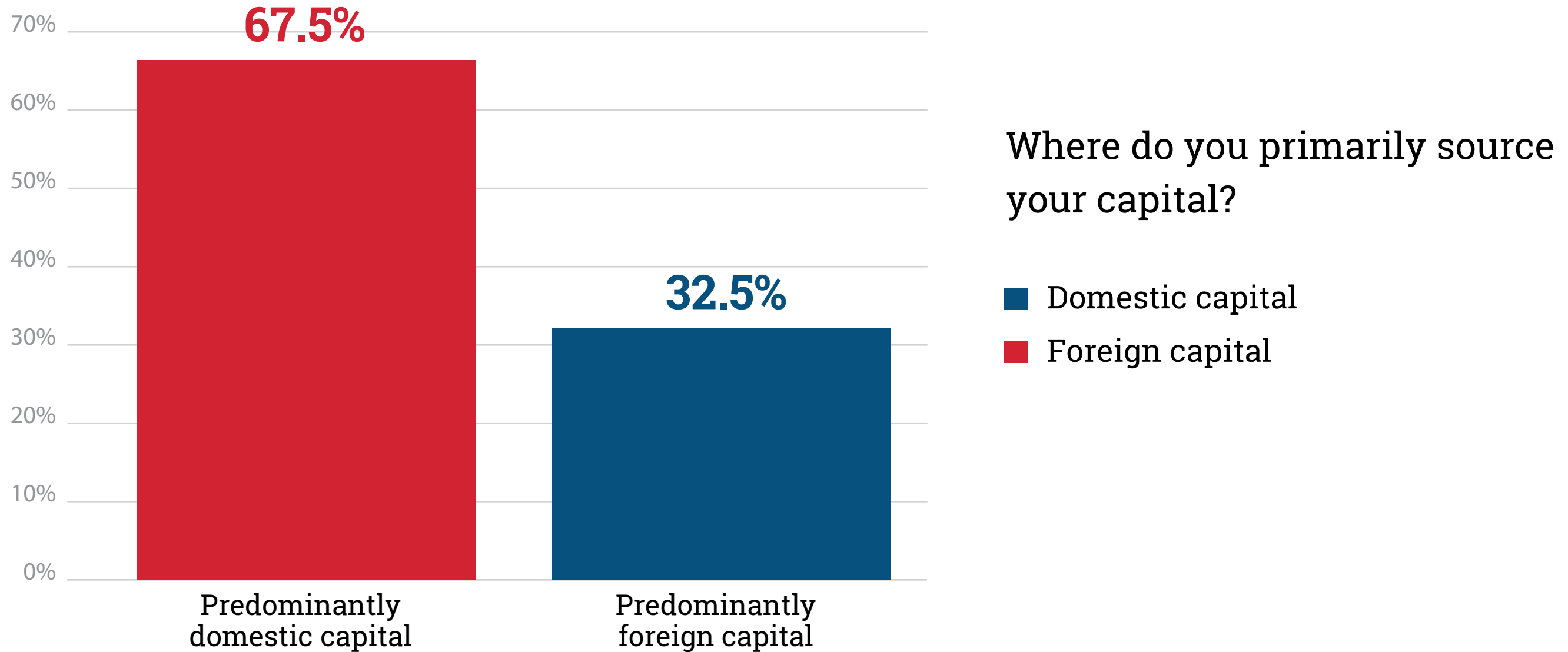
Figures in per cent

Despite the change in legislation, the proportion of share deals has once again risen considerably of late. Reports on market practice reveal that buyers frequently acquire 100 per cent of the shares in the respective company against a moderate price mark-down so as to offer the seller tax benefits. In these cases the land transfer tax is paid, thus ensuring the legislation has attained its objective.



How high – using broad categories – is the value of your assets under management?

The participants in the 4th HPBA Off-Market Study continue to correspond to a representative cross-section of the investor types and the respective assets under management (AuM). With a share of 50 per cent the majority of survey participants are in the category from 1.1 to 10.0 billion euros AuM, whereby these are likely to be larger project developers and fund managers above all.



The capital of the respondents continues to predominantly originate from domestic sources (whereby market participants from Germany, Austria and Switzerland were surveyed). The proportion of actors with international capital sources has increased slightly, however.