

### 250 INVESTMENT PROFESSIONALS ASKED

113 INVESTMENT PROFESSIONALS ANSWERED

REPRESENTING 5 DIFFERENT INVESTORS IN THE NORWEGIAN MARKET

EXPECTATIONS FOR THE NEXT SIX MONTHS

The survey was conducted in week 1-2



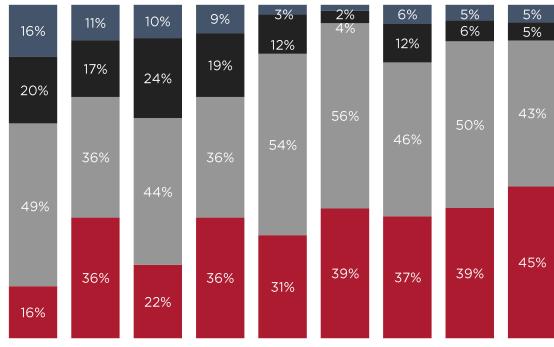


#### MAIN SURVEY CONCLUSIONS

#### Investor expectations for the next 6 months

- ✓ The worst shock has passed, and more investors are now looking at opportunities
- ✓ A small number plan to sell
- ✓ Investors more concerned about demand for office and logistics
- ✓ Prime yields expected to increase further in all segments
- ✓ Most investors still expecting difficult financing conditions
- ✓ Investors expecting negative value impact from higher yields
- ✓ Investors believe the office segment will perform best
- ✓ More investors have sustainability as part of their formalized investor prerequisite
- ✓ Investors willing to pay a premium for sustainability

# DO YOU CONSIDER SUSTAINABILITY CLASSIFICATIONS WHEN INVESTING IN REAL ESTATE?

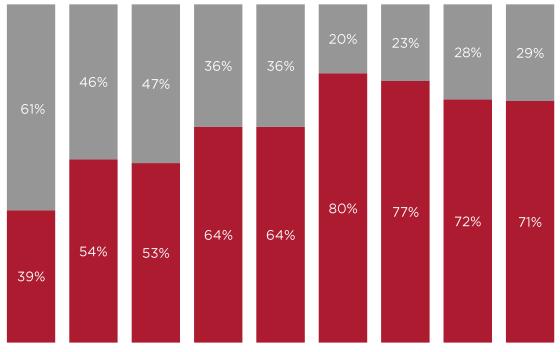


Q1 2019 Q3 2019 Q1 2020 Q3 2020 Q2 2021 Q3 2021 Q1 2022 Q3 2022 Q1 2023

- No
- ■Yes, but not important
- ■Yes, but we don't have a formal approach to it
- ■Yes, it is part of our formalised investor prerequisite



# ARE YOU WILLING TO PAY A PREMIUM FOR HIGH SUSTAINABILITY CLASSIFICATIONS?

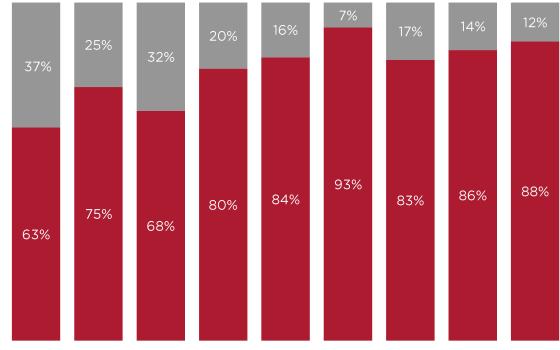


Q1 2019 Q3 2019 Q1 2020 Q3 2020 Q2 2021 Q3 2021 Q1 2022 Q3 2022 Q1 2023

■Yes ■No



#### DO YOU CONSIDER HIGH SUSTAINABILITY CLASSIFICATIONS IMPORTANT FOR FUTURE PROOFING YOUR PORTFOLIO'S VALUE?



Q1 2019 Q3 2019 Q1 2020 Q3 2020 Q2 2021 Q3 2021 Q1 2022 Q3 2022 Q1 2023

■Yes ■No



### What do you think will characterize the transaction market going 6 months forward?

Low volume due to macroeconomic uncertainty

Financing continues to weigh heavy on the market. Refinancing risk can lead to opportunities

Bid/ask spread expected to decrease

"We will see a slow market in Q1, and if SWAP rates stabilize, the volume will pick up towards the spring"

"...a recession will be a wild card during this time"

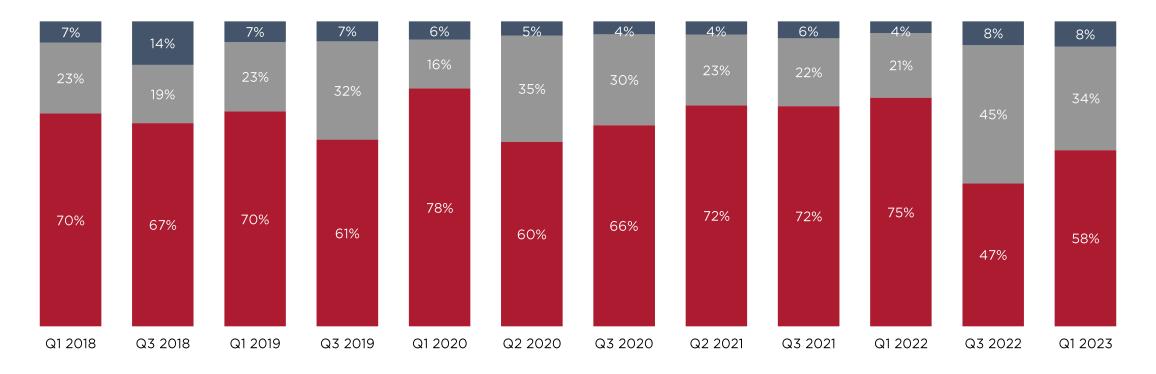
"Financing will be a big issue, expect lower transaction value"

"The market will be slow, expect refinancing and covenants to force some sell offs"

"New yield level will be set in first half of 2023. The bid/ask spread will decrease. More normalized market and increasing volume"

#### THE WORST SHOCK HAS PASSED AND MORE ARE NOW LOOKING AT OPPORTUNITIES

What is your objective with regards to the size of your portfolio during the next 6 months?



■ Increase: more acquisition than disposal

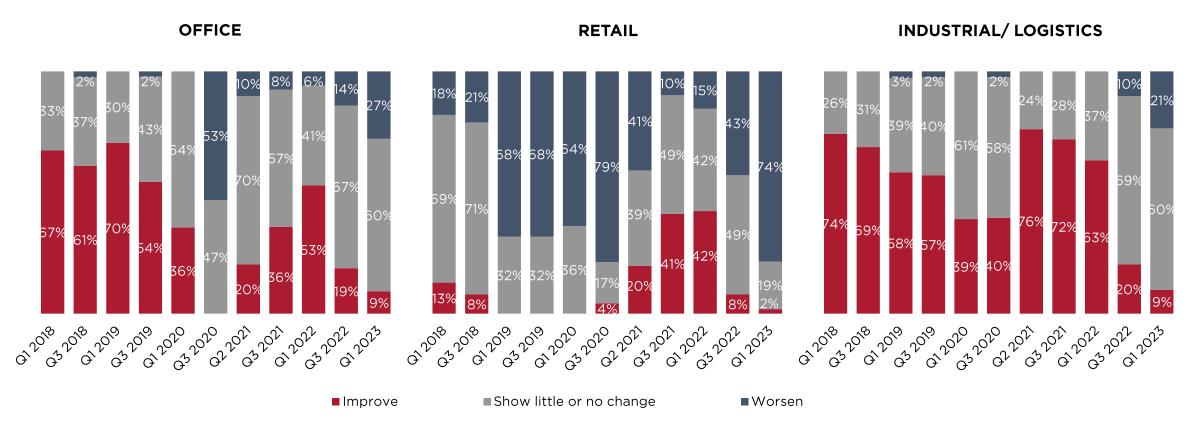
■ Stable: as much disposal as acquisition

■ Decrease: more disposal than acquisition



#### INVESTORS ARE MORE CONCERNED ABOUT DEMAND

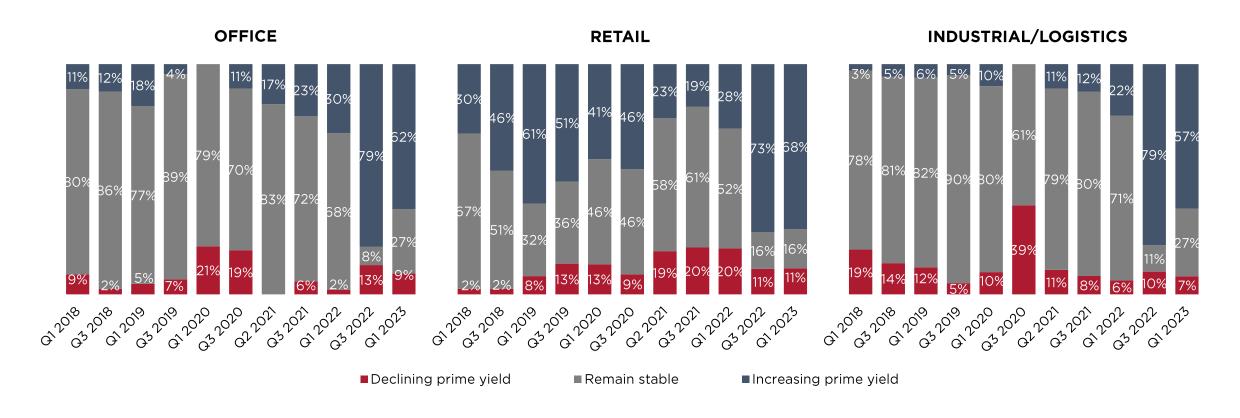
The demand on the occupier market during the next 6 months will:





#### PRIME YIELDS EXPECTED TO INCREASE FURTHER IN ALL SEGMENTS

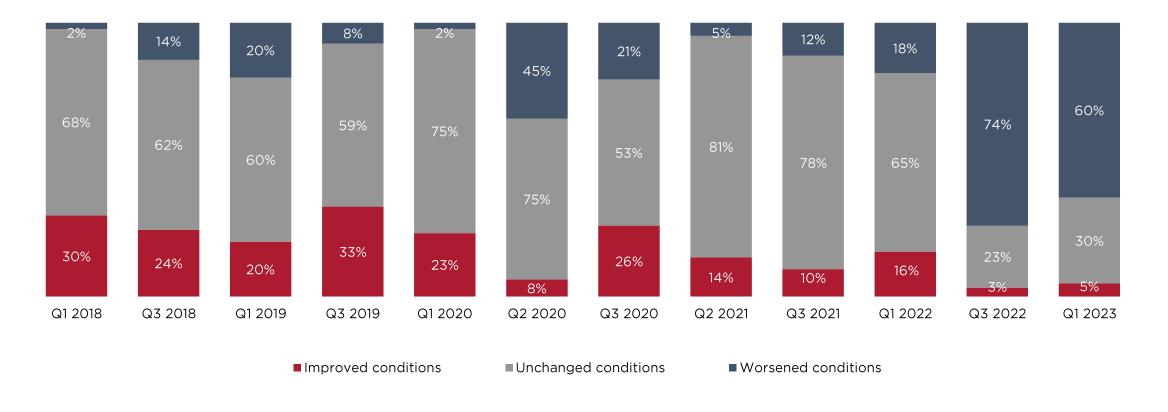
Prime yield during the next 6 months will:





#### INVESTORS STILL EXPECT DIFFICULT FINANCING CONDITIONS

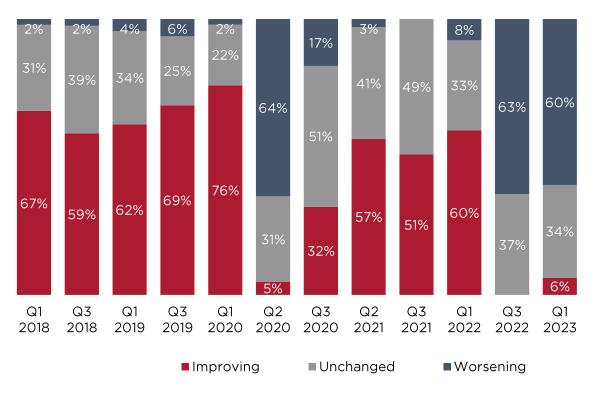
Outlook for financing of new acquisitions or refinancing of existing properties

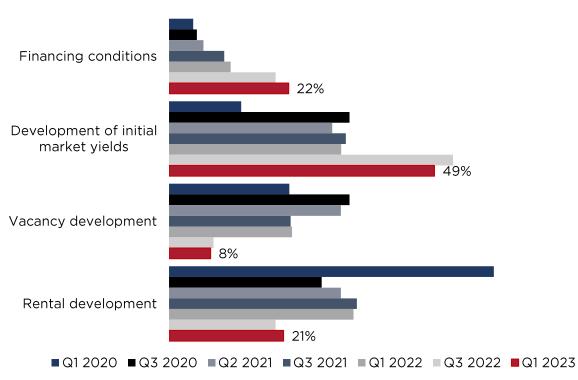




#### INVESTORS EXPECTING NEGATIVE IMPACT FROM HIGHER YIELDS

Portfolio value developing and influencing factors over the next 6 months

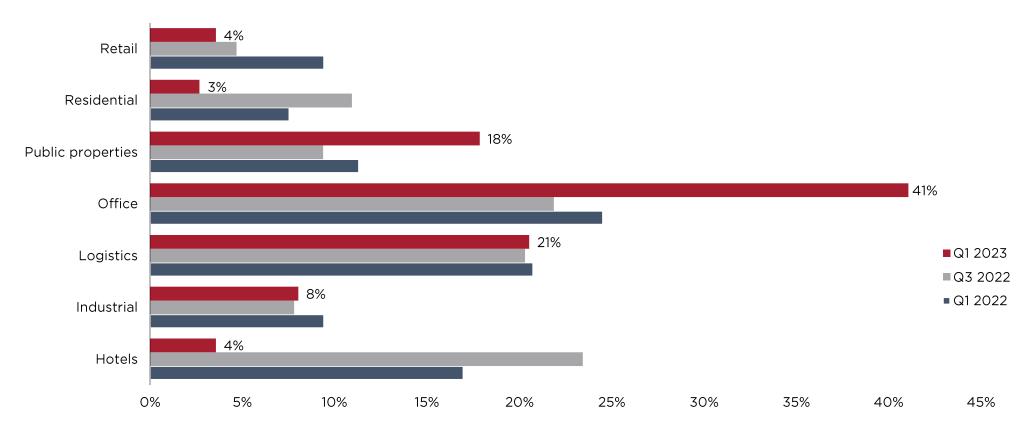






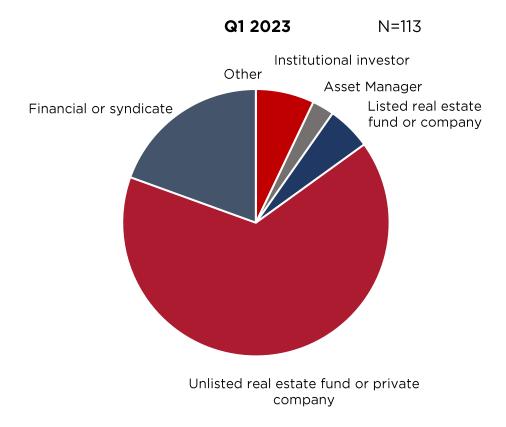
#### INVESTORS BELIEVE OFFICE WILL PERFORM BEST

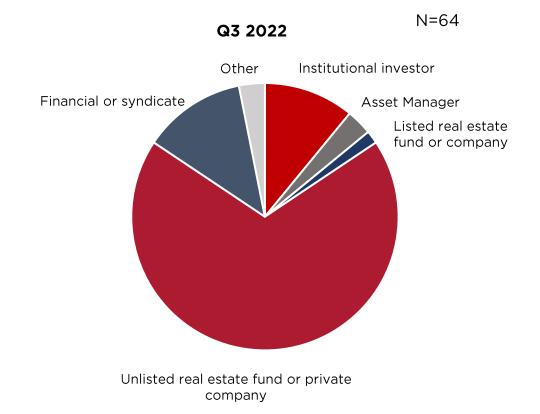
Which segment do you consider to have the best potential to perform well over the next 6 months?

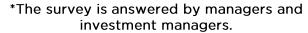


#### ABOUT THE SURVEY: PARTICIPANTS AND NUMBER OF RESPONSES

What kind of organization are you working for?











PETTER W. CHRISTENSEN

Managing Partner

pwc@cwrealkapital.com



MARIUS G. DIETRICHSON

Head of Capital Markets | Partner md@cwrealkapital.com



Hans Petter skogstad Head of Research hps@cwrealkapital.com



ALI HASSAN ANWAR Analyst aha@cwrealkapital.com

#### © 2023 Disclaimer information.

Realkapital Eiendom AS, its affiliates, directors, officers, employees and/or agents expressly disclaim any and all liability relating or resulting from the use of all or any part of this presentation. This presentation has been prepared solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. The Company should not construe the contents of this presentation as legal, tax, accounting or investment advice or a recommendation. The Company/Client should consult its own counsel, tax and financial advisors as to legal and related matters concerning any transaction described herein. This presentation does not purport to be all-inclusive or to contain all of the information that the Company may require. No investment, divestment or other financial decisions or actions should be based solely on the information in this presentation.