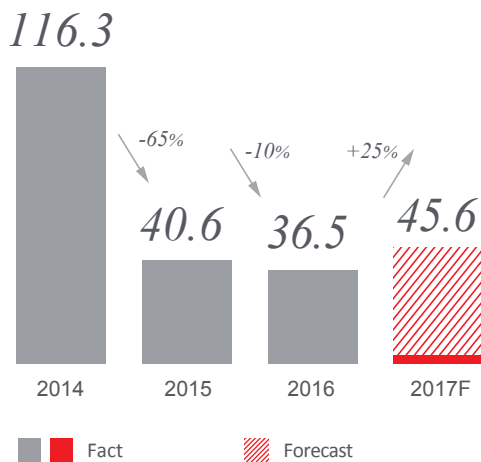


Kiev Office Market

- The office construction activity is moribund. The total annual completions this year are expected at 45,600 sq m, a third of the annual levels in 2011-2013.
- In H1 2017, take-up was 90,500 sq m, 54,200 of which in Q2. The figures are close to 2016 levels and are comparable with pre-crisis ones. For comparison, take-up in 2014-2015 was twice lower.
- IT companies are the main office demand driver on. In H1 2017, their share in the take-up reached a historical peak of 60%.
- Stable demand and low completions brought the vacancy down from 19.3% at the end of 2016 to 16.3% in Q2 2017.
- The prime base rent remains stable at USD28/sq m/month (excluding VAT and OPEX).

Completion levels

'000 sq m



Office stock

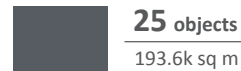
Right bank



CBD



Podol



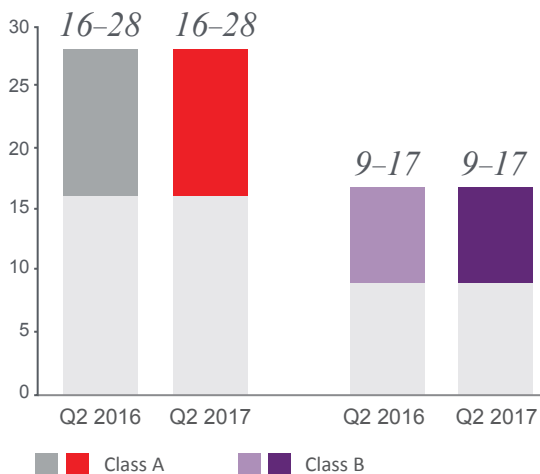
Left bank



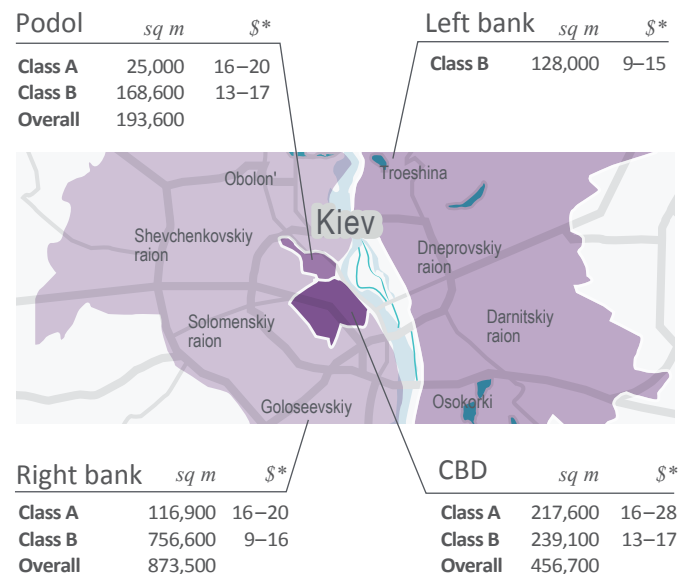
186 business centres
1 651.8k sq m*

Rental rents

USD / sq m / month



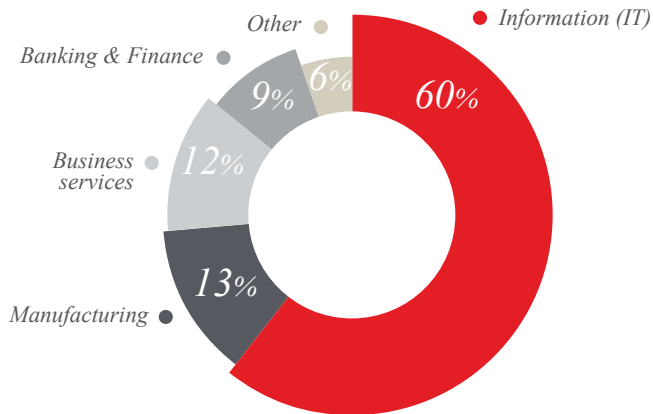
Kiev office submarkets



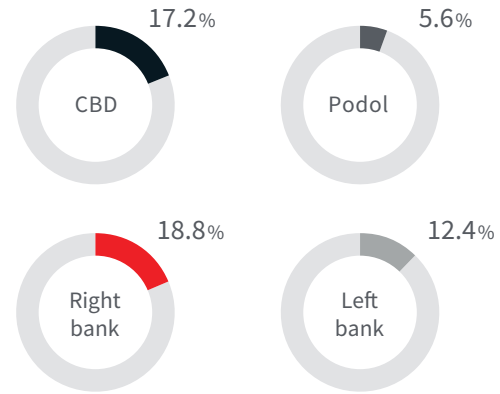
*Excluding VAT and operating expenses

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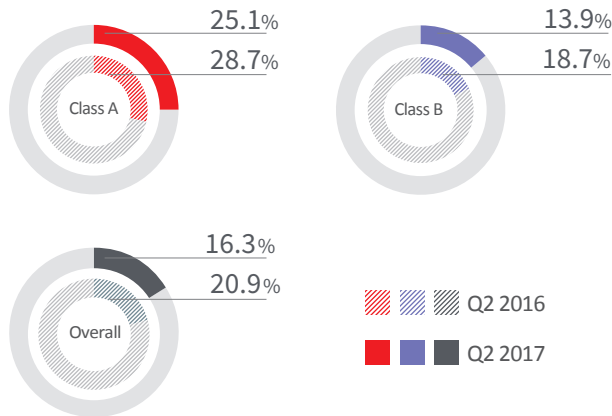
Deals breakdown by business sector, H1 2017



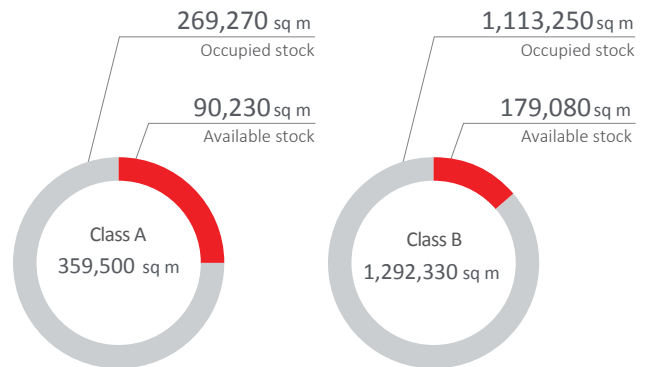
Vacancy rates by submarkets



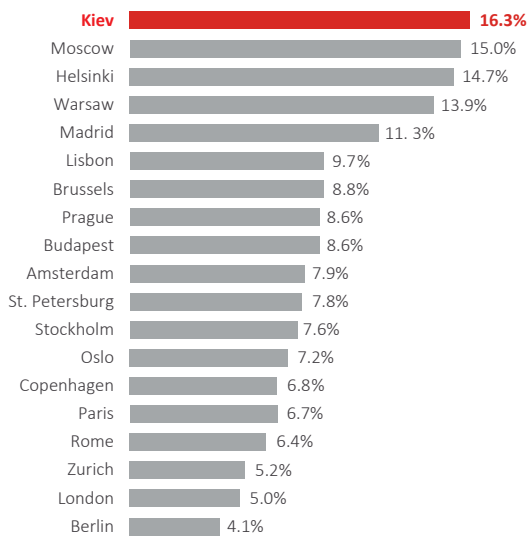
Vacancy rates



Existing stock by class

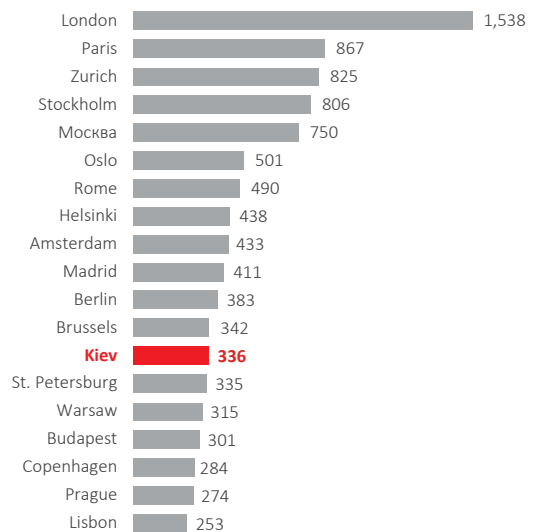


European comparison: vacancy rate



European comparison: rental rate

USD / sq m / year (triple net)



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