OFFICE SPACE ACROSS THE WORLD

CUSHMAN & WAKEFIELD®

2012

A Cushman & Wakefield Research Publication

“From a broad global perspective, rental growth has been driven primarily by modest economic improvements in an environment of limited new supply.”

Glenn Rufrano
President & CEO

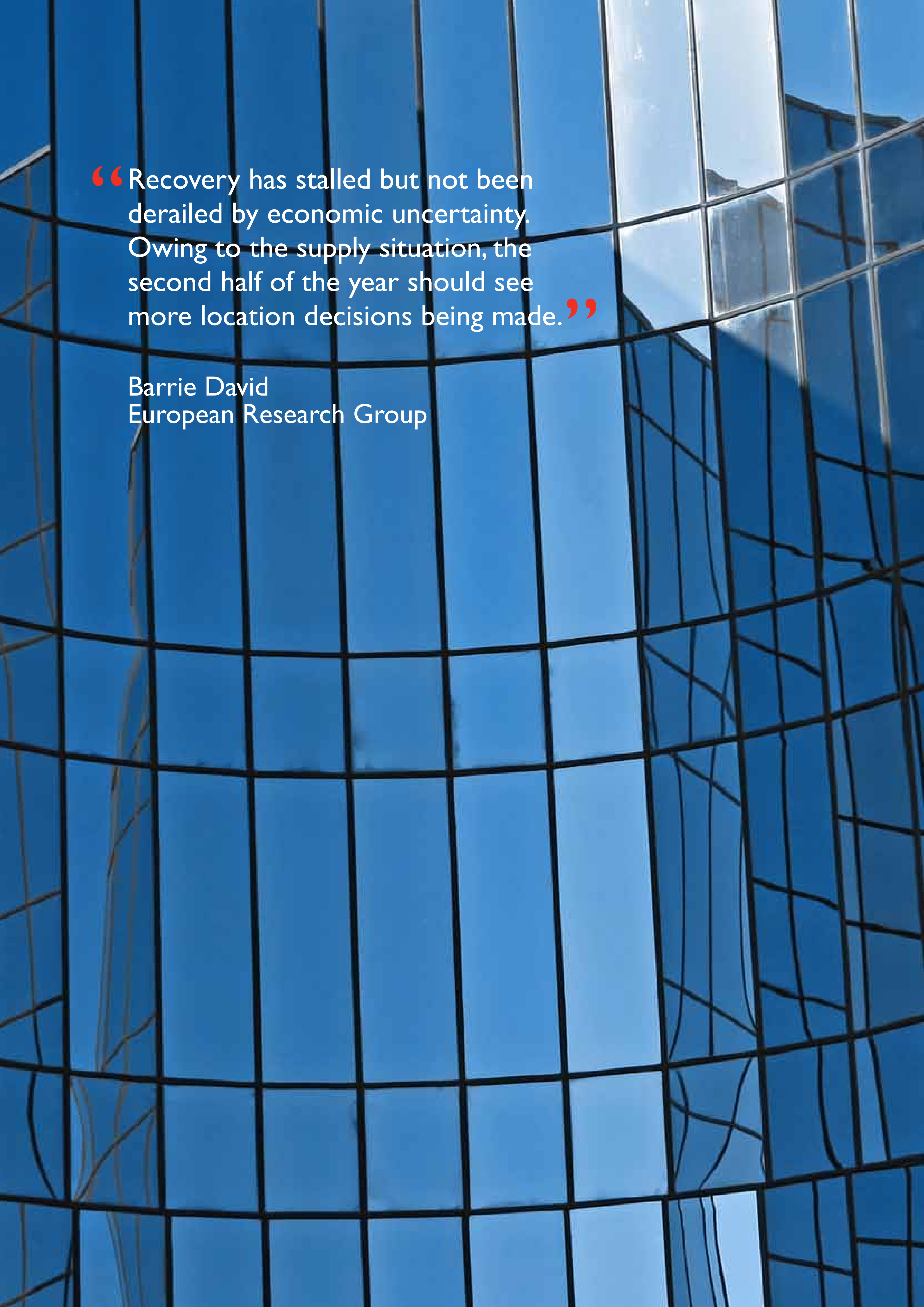
Cushman & Wakefield is committed to providing the highest quality of service to its business space clients through the continuous monitoring of office and industrial trends and practices. This edition of Office Space Across the World provides a detailed analysis of prime office property rental performance and occupancy costs across the globe in the twelve months to December 2011.

The information and data provided in this report are based on a comprehensive survey of Cushman & Wakefield's international offices and the editors are extremely grateful to them for their time, effort and assistance.

Our international representation is designed to facilitate the rapid flow of information across borders and is supported by a comprehensive database of market information and regular liaison meetings. This allows for the exchange of local market knowledge and expertise and for the co-ordination of strategy for international investment and locational decision-making.

Information on the markets has been provided by Cushman & Wakefield and its alliance offices listed in the table below:

AUSTRIA	Inter-pool
BULGARIA	Forton International
DENMARK	RED - Property Advisers
FINLAND	Tuloskiinteistöt Oy
GREECE	Proprius SA
IRELAND	Lisney
ISRAEL	Inter Israel Real Estate Consultants
KAZAKHSTAN	Veritas Brown
JORDAN	Michael Dunn & Co S.A.L
LEBANON	Michael Dunn & Co S.A.L
MALAYSIA	YY Property Solutions
NEW ZEALAND	Bayleys Realty Group Ltd
NORWAY	Malling & Co
PHILIPPINES	Cuervo Far East, Inc.
SOUTH AFRICA	Pace Property Group (PTY) Ltd
SWITZERLAND	SPG Intercity
TAIWAN	REPro International Inc.
THAILAND	Nexus Property Consultants Ltd



"Recovery has stalled but not been derailed by economic uncertainty. Owing to the supply situation, the second half of the year should see more location decisions being made."

Barrie David
European Research Group

A Cushman & Wakefield Research Publication

Hong Kong

“Hong Kong has been the most expensive office market for the last two years, and also for three of the past five years.”

GLOBAL SUMMARY & OUTLOOK

Global office market performance was positive in 2011 as robust leasing activity in the first half of the year resulted in rising rents in the majority of markets. This appreciation in prime rents was fuelled by growth within Asia Pacific, where rents advanced by 8%. Elsewhere, rental growth was more muted: the Americas registered a 4% increase and Europe, the Middle East and Africa (EMEA) only a 1% rise. Hong Kong held its position as the most expensive location in the world, with London (West End) remaining in second place and Tokyo in third and all three cities retaining the same positions as held in the previous year.

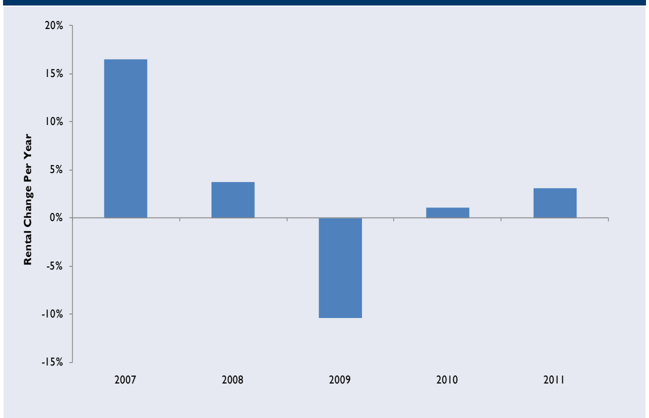
In Asia Pacific, the principal Chinese cities of Beijing and Shanghai led the way in terms of rental growth. Beijing saw rents accelerate by a staggering 75% over the year, subsequently overtaking Shanghai as the most expensive location in mainland China. However, rental performance in Shanghai was far from subdued, as rents rose by nearly 30% over the course of the year. Moscow also witnessed significant rental growth to secure the second highest prime rental rise in 2011. This was largely a result of a notable lack of prime space coupled with robust demand, which pushed rents forward by just over 40%.

Although increasing tenant activity yielded a promising beginning to 2011, the second half of the year saw caution within the occupier sector rise, and activity across a number of markets experienced notable slowdowns. Apprehension rose from both the Eurozone sovereign debt crisis and the US deficit, resulting in demand levels easing and occupiers becoming more restrained when making location decisions. By the close of 2011, this hesitancy had spread to the Asia Pacific region, with caution – particularly from financial services occupiers – becoming increasingly evident in locations such as Hong Kong.

Looking ahead, the occupier market within EMEA is anticipated to remain largely subdued into 2012 with the core cities of London, Paris, Moscow and Frankfurt outperforming other markets. Furthermore, the shortage of prime space in a number of these locations will result in significant location decisions being put on hold until the second half of 2012.

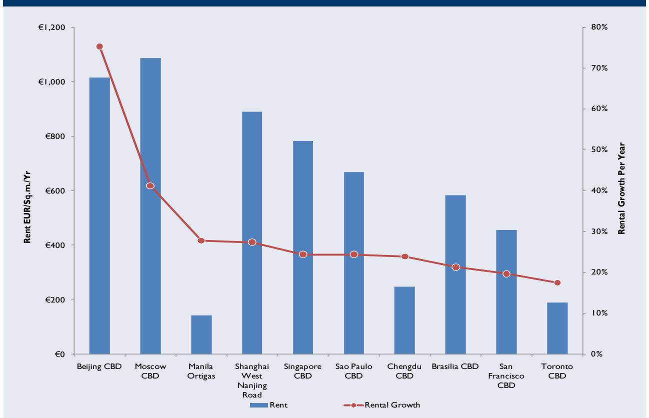
With occupier demand expected to remain strong in 2012, the Brazilian cities of São Paulo and Rio de Janeiro will continue to drive the wider Americas region in terms of rental growth and market activity. In the US a slow economic recovery is underway, but any further shocks may hamper future growth. Nevertheless, markets such as Houston and San Francisco are expected to see positive activity due to the growing presence of technology and energy industries.

GLOBAL: ANNUAL RENTAL GROWTH OVER 5 YEARS



Source: Cushman & Wakefield 2012

GLOBAL CITIES WITH LARGEST RENTAL GROWTH



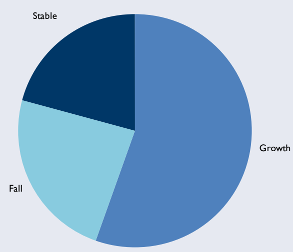
Source: Cushman & Wakefield 2012

RENTAL PERFORMANCE IN THE YEAR TO DECEMBER 2011

Country Rental Performance
(% of Countries Showing)

Average Rent 382
€/sq. m./Year

Average Rental Change 3%
% Change



Source: Cushman & Wakefield 2012

AMERICAS RENTAL OVERVIEW

Rental performance across the region continued to be driven by expansion in South America, with Brazil in particular experiencing sustained growth over the year. As the graph to the right indicates, following the decline seen in 2009, rental levels within the Americas witnessed slow and steady improvement in 2010 and 2011.

In terms of rental comparison between South and North America over the year, the polarisation between the two regions, most evident in 2010, has narrowed. Rents appreciated in North America by almost 3% in 2011 while those in South America rose by 4% in the same period. Although rents accelerated by nearly 13% over the year in Brazil and by 14% in Peru, this growth was balanced by the declining rents seen in both Colombia and Chile. In North America, rental performance was driven by the USA, where most of the major cities experienced steady rental growth, resulting in an overall increase of 4%. On the other hand, Mexico witnessed a slight easing in rents over the year, by 3%.

Brazil led the way in terms of the locations with the most prominent rental growth across the Americas region, with the cities of São Paulo and the capital, Brasilia, positioned at the top of the list. Robust occupier demand in both areas, coupled with a scarcity of high-quality space, resulted in rental rises of 24% and 21%, respectively. In third place for the region – and the city with the highest rental growth in North America – was San Francisco, where rents increased significantly on the back of strong demand from the Technology sector. The most expensive location within the Americas, New York Midtown (Madison/5th Avenue), also witnessed positive rental growth of just over 4% as demand held firm against a declining amount of available high-quality space.

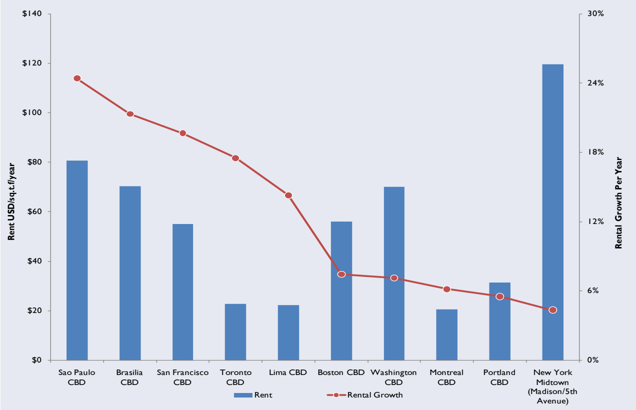
Individual country performances were mixed across the Americas, demonstrated by the graph located to the right. However, the prevailing trend was for rental growth, with just under two-thirds of the countries seeing figures rise over the year. However, the effects of the global economic slowdown became apparent in 2011, as uncertainty clouding certain markets led a small number of countries to witness rental declines as the year progressed.

Nevertheless, other locations remained resilient to such economic turbulence. Cities such as New York and San Francisco witnessed high demand stimulate healthy occupier activity, which resulted in rising prime rents. Another notable example is Brazil, which continued to experience significant economic growth over the year as other economies weakened. Brazil's solid conditions also helped to retain strong demand for office space, particularly from expansionary occupiers, and this pushed rents forward throughout 2011.

AMERICAS: ANNUAL RENTAL GROWTH OVER 5 YEARS

Source: Cushman & Wakefield 2012

AMERICAS: CITIES WITH LARGEST RENTAL GROWTH

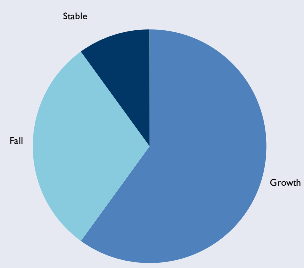


Source: Cushman & Wakefield 2012

RENTAL PERFORMANCE IN THE YEAR TO DECEMBER 2011

Country Rental Performance
(% of Countries Showing)

Average Rent *USD/sq. ft/Year*	45.3
Average Rental Change *% Change*	4%



Source: Cushman & Wakefield 2012

AMERICAS OCCUPIER OVERVIEW

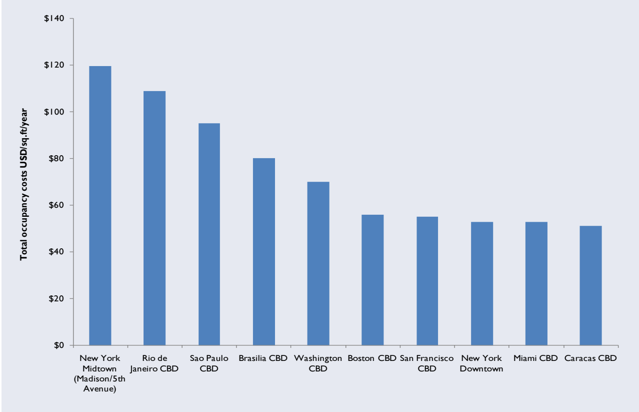
The Americas have seen a mixture of rental trends; however, the majority of cities witnessed rises in prime rents over the year. The most expensive city in the region was New York – Midtown (Madison/5th Avenue), which remains one of the principal office locations within the USA and consequently has witnessed increased occupier interest. Such high demand – coupled with an absence in the amount of new space delivered onto the market – has resulted in Midtown rents appreciating over the year. In Rio de Janeiro, demand for office space remained strong, and although Rio's prime CBD rents fell by 8% in 2011, the city remained the second most expensive location within the region. A number of occupiers have begun looking at the non-CBD areas of the city in order to secure high-quality space which is largely restricted in more central areas. Consequently, while CBD rents edged down in 2011, non-CBD rents came under an increasing upwards pressure as the year progressed.

The US markets as a whole witnessed steady demand and solid leasing activity over the year, and consequently, US cities dominated the most expensive locations within North America. Following New York – Midtown (Madison/5th Avenue), Washington, Boston and San Francisco were the next most expensive cities. Although most US markets saw minor rental increases in 2011, San Francisco witnessed the most robust growth as rents accelerated by almost 20%, fuelled by soaring demand from high-tech and IT firms. This 'tech boom' in San Francisco and Silicon Valley continued unabated throughout 2011, with demand for high quality space underpinning strong activity.

In Canada, the most expensive city was Vancouver, as occupier demand sustained throughout most of the central Canadian cities during 2011. In Toronto, rental growth was strong as declining supply levels helped to alleviate stagnation in prime rents, which witnessed a 17% rise over the year. In Mexico, leasing activity in Mexico City has held steady over the year, with financial services and technology companies the most active sectors within the market. However, demand was largely characterised by cost-cutting and space rationalisation strategies, and this was particularly apparent in the CBD areas which witnessed rental decline. The suburban submarkets tell another story, as growing demand pushed rental figures forward over the year.

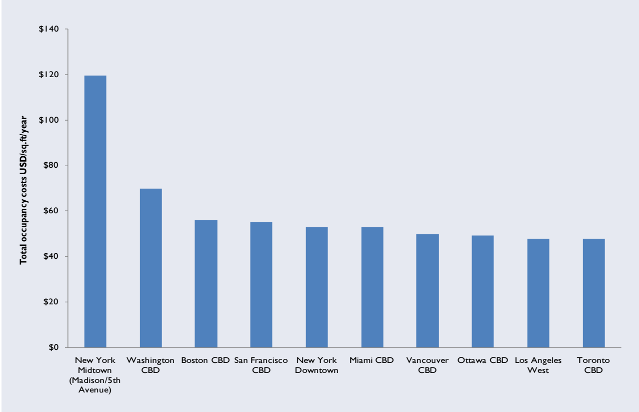
In South America, the most expensive location was Rio de Janeiro, followed by the other Brazilian cities of São Paulo and the capital, Brasilia, with Caracas in Venezuela some distance behind in fourth place. Indeed, regional yearly performance was largely driven by Brazil's buoyant rental growth. Amid global economic uncertainty, Brazil's domestic economy continued to advance, encouraging occupier interest and sustaining market activity.

MOST EXPENSIVE LOCATIONS: ALL AMERICAS



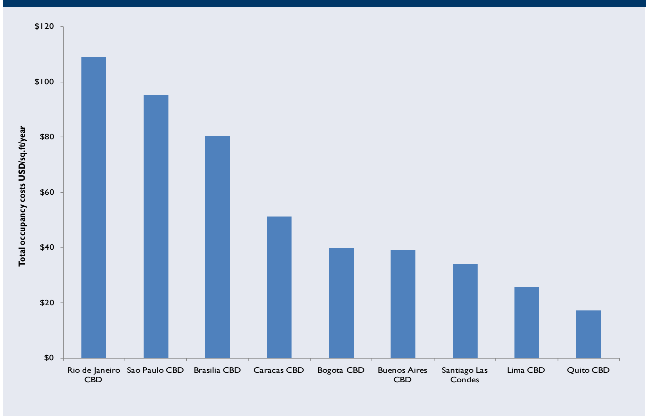
Source: Cushman & Wakefield 2012

MOST EXPENSIVE LOCATIONS: NORTH AMERICA



Source: Cushman & Wakefield 2012

MOST EXPENSIVE LOCATIONS: SOUTH AMERICA



Source: Cushman & Wakefield 2012

ASIA PACIFIC RENTAL OVERVIEW

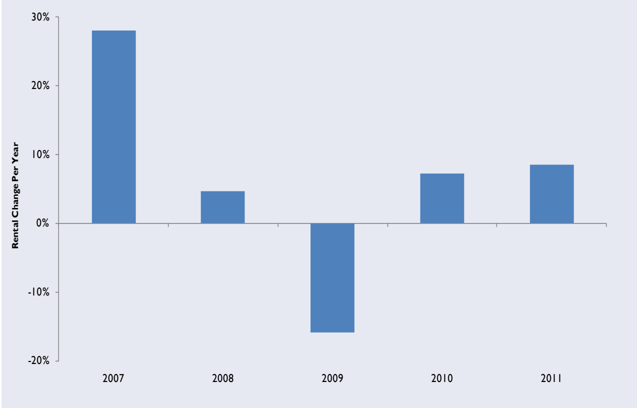
Following the buoyant performance seen in 2010, the Asia Pacific region continued to experience significant rental growth in 2011, appreciating by 8% over the year. Asia Pacific has seen the strongest regional expansion for the second consecutive year, helping to push the overall global rental performance upwards by 3%. Solid economic growth in the first half of the year resulted in rents rising in most Asian countries on an annual basis. However, although the global economic difficulties caused activity to slow in a number of these markets, most locations held on to the rental gains witnessed in the earlier part of 2011.

As demonstrated by the chart to the right, the last two years have seen the region recover steadily from the significant slowdown witnessed in 2009. This recent growth has been driven by the rental rises that have occurred in China over the past two years, where both Shanghai and particularly Beijing have experienced remarkable uplifts since 2009. In Beijing, prime rental rates have soared by 75% over the year, overtaking Shanghai to secure the city's position as the most expensive location in mainland China. This is a formidable feat particularly when considering that rents in Shanghai West Nanjing advanced by nearly 30% over the course of the year. Furthermore, the Chinese second-tiered city of Chengdu also witnessed notable rental growth during 2011, rising by 24% in the CBD as the year progressed.

Robust rental performances in 2011 were not merely restricted to China; indeed, prominent growth has occurred across the region. The chart to the right highlights at least seven Asian cities that have experienced double-digit rental expansion in 2011. In Singapore, the office market continued its recovery from the downturn seen in 2008-2009 with a second consecutive year of significant rental growth. Following the 16% rise in 2010, this year saw rents accelerate further, this time by 24%. Furthermore, both the Philippines and Indonesia have both witnessed rental levels rise sharply, with the outsourcing industry fuelling demand in Manila and the financial and mining sectors seeking prime space in Jakarta during 2011.

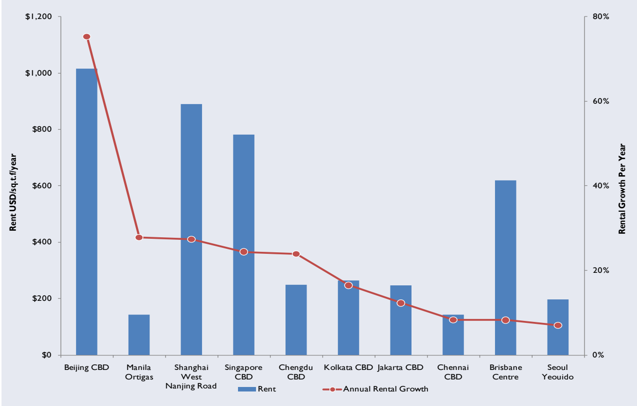
Consequently, the prevailing regional trend was a positive one defined by booming demand and sustained rental expansion, as the chart to the right indicates. From a rental growth standpoint, over two-thirds of the Asian countries witnessed positive movement, with markets in Malaysia and New Zealand holding firm and only those in Thailand and Vietnam showing any declines throughout the year.

ASIA PACIFIC: ANNUAL RENTAL GROWTH OVER 5 YEARS



Source: Cushman & Wakefield 2012

ASIA PACIFIC: CITIES WITH LARGEST RENTAL GROWTH

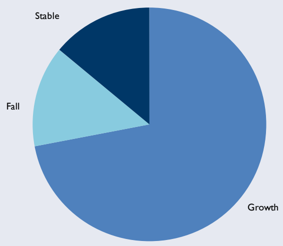


Source: Cushman & Wakefield 2012

RENTAL PERFORMANCE IN THE YEAR TO DECEMBER 2011

Country Rental Performance
(% of Countries Showing)

Average Rent *USD/sq. ft./year*	59.5
Average Rental Change *% Change*	8%



Source: Cushman & Wakefield 2012

ASIA PACIFIC OCCUPIER OVERVIEW

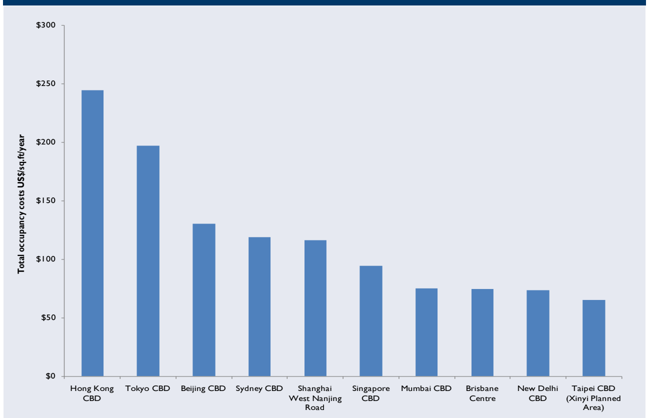
The office markets in Asia Pacific remain some of the most expensive across the globe. Indeed, Hong Kong possesses the highest office occupancy cost in the world, with Tokyo coming in at third place. However, as the chart to the right indicates it is China that currently holds the most dominance within the region, with Beijing and Shanghai representing two of the top five most costly locations within Asia. This surge of China's prominence was led by Beijing's remarkable annual growth rate of 75%, where strong occupier demand – combined with a scarcity of high quality space and a lack of new supply arriving onto the market – resulted in rents soaring over the year. The Chinese economy continued to grow at a robust rate, and this helped to propel activity from expansionary occupiers seeking to capitalise on China's booming market.

Concerning the presence of occupiers in 2011, the outsourcing sector continued to show strong demand for the Asia Pacific region. The Philippines particularly benefitted from this trend of moving operations to lower cost destinations, and as a result the country witnessed a notable rise in demand from BPO companies. This heightened activity helped to push rents in the Philippines forward by 14% over the year.

One of the most active sectors over the year within the Asia market was the banking sector. As a result many key financial hubs, such as Shanghai, witnessed prime rental figures moving up. Unlike its European and North American counterparts, the Asian banking sector has largely been resilient to the turbulence hitting many of the global financial markets. However, the second half of 2011 saw the worldwide trend of slowing occupier activity hit Asia, and consequently many financial services companies were more cautious.

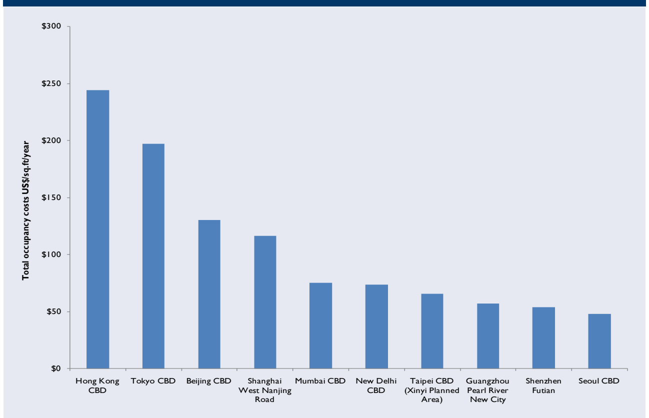
Although the majority of locations experienced robust rental performance, many markets slowed towards the end of the year on the back of wider economic concerns. The prevailing cost cutting and space rationalisation strategies seen most notably in Europe and North America became increasingly apparent within the Asian markets during the second half of the year. Occupiers were hesitant when locating the optimum premises for their operations, and because of this, certain non-CBD locations offering lower occupancy costs with good-quality space became attractive options for tenants. Nevertheless, the relative strength of China within the region, along with the progression of both the Japanese and Thai markets over the year, should ensure that economic growth throughout the region remains steady amidst difficulties elsewhere.

MOST EXPENSIVE LOCATIONS: ASIA PACIFIC



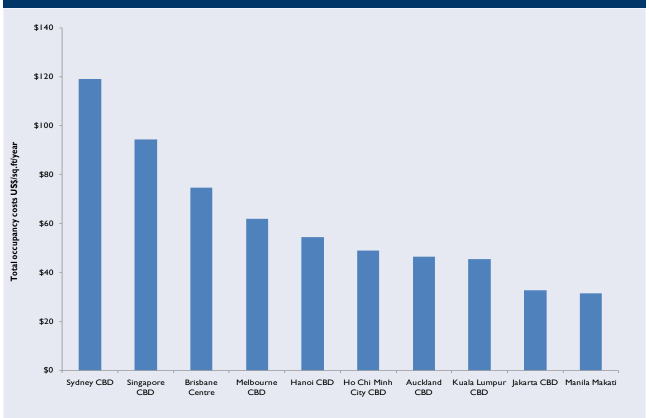
Source: Cushman & Wakefield 2012.

MOST EXPENSIVE LOCATIONS: NORTH ASIA AND INDIA



Source: Cushman & Wakefield 2012.

MOST EXPENSIVE LOCATIONS: SOUTH ASIA AND PACIFIC



Source: Cushman & Wakefield 2012.

EMEA RENTAL OVERVIEW

Amidst Eurozone concerns, the sovereign debt crisis and global economic uncertainties, the 2011 rental performance in EMEA was largely subdued. The region saw growth of 1%, which is an improvement on the 1% decline seen in 2010. However, this hides the disparity between the steep rental falls in some locations, such as the 14% depreciation seen in Athens, and the significant growth in others, such as the 41% increase witnessed in Moscow.

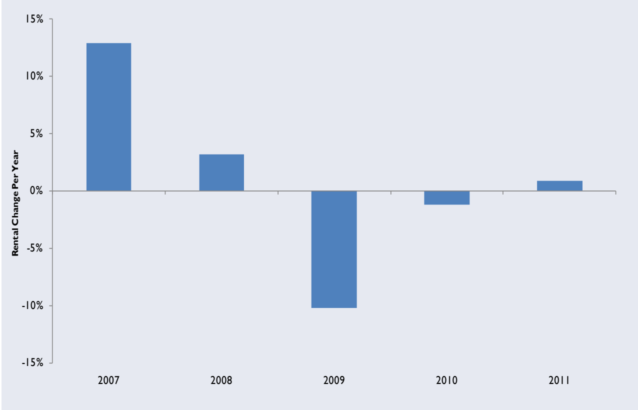
As indicated by the chart to the right, although the region experienced a significant decline in 2009, rental performance has been steadily improving over the past two years. The beginning of 2011 brought signs of slowly improving economic conditions, which in turn reinforced demand. However, in the second half of the year these fundamentals weakened, and a number of markets saw demand ease.

Central and Eastern European (CEE) saw the highest regional rental rise within EMEA with growth of 3%. However, this was largely boosted by the positive performance seen in Russia. Although rental levels in the Middle East and Africa continued their downward trajectory, the pace of decline was significantly reduced over the year. Indeed, the region experienced an overall depreciation of 1% this year, which is strong when compared with the 10% drop witnessed in 2010. Western Europe saw a similar level of rental performance to that seen in the previous year, with a marginal uplift of 1%.

The most notable rental growth seen across EMEA in 2011 was in Moscow, with Oslo and Beirut in second and third place, respectively. As a whole, the core Western European cities (London and Paris) remained largely resilient to the turbulence seen elsewhere, with rents rising and demand holding firm. Furthermore, most of the Scandinavian markets saw impressive rental performance over the year, with Helsinki and Oslo experiencing rises of between 12-15% and Stockholm, Gothenburg and Aarhus also recording robust rental growth in 2011. Beirut was one of the few locations within the Middle East that saw rents increased over the year, owing to a scarcity of high quality space.

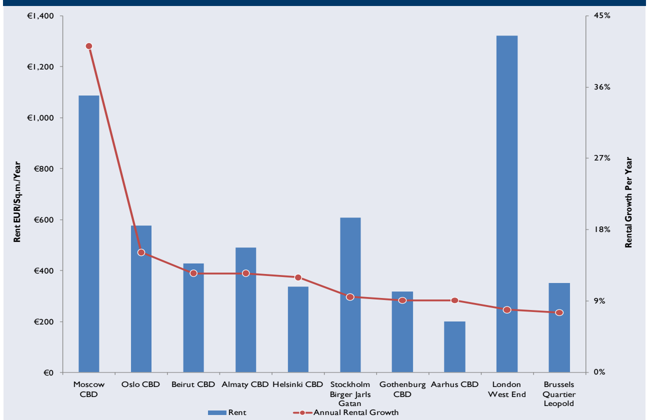
Despite the overall EMEA rental performance showing positive results, a country by country breakdown highlights a different, more mixed picture. Roughly half of the countries analysed showed rental levels appreciating over the year and just over 25% saw rents declining in the same period. In Western Europe, the rental growth picture was mixed across the region with Scandinavia showing the most positive rental growth in Western Europe whereas each of the so called "PIIGS" were the only countries in Western Europe to see rental levels move down over the year on a countrywide basis.

EMEA: ANNUAL RENTAL GROWTH OVER 5 YEARS



Source: Cushman & Wakefield 2012

EMEA: CITIES WITH LARGEST RENTAL GROWTH



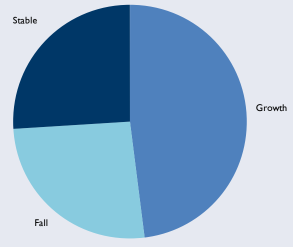
Source: Cushman & Wakefield 2012

RENTAL PERFORMANCE IN THE YEAR TO DECEMBER 2011

Country Rental Performance
(% of Countries Showing)

Average Rent 339
€/sq. m./Year

Average Rental Change 1%
% Change



Source: Cushman & Wakefield 2012.

EMEA OCCUPIER OVERVIEW

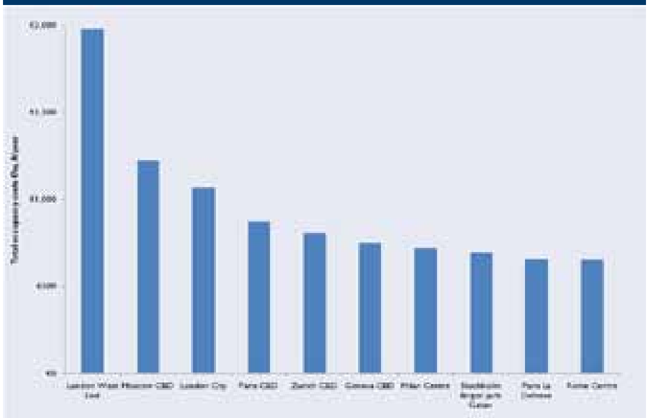
Regional performances across the wider EMEA were similar, with each area witnessing muted levels of growth. This was largely a result of the increasing prevalence of cost reduction methods and lease renegotiations in occupier activity as the year progressed. The most expensive location within EMEA was London's West End, which secured the position ahead of Moscow and London's City submarket. The availability of high-quality space within London's West End has become much tighter over the year, and with demand largely holding firm prime rents saw further movement in 2011.

The first half of the year was marked by a slow but steady economic recovery within Europe, and this stimulated encouraging market activity for most European locations. However, economic conditions towards the end of 2011 changed significantly, with the sovereign debt crisis affecting business confidence throughout the region. Consequently, occupier demand in Europe declined steadily in the second half of the year, as uncertainty heightened within the market. This resulted in a rising number of occupiers adopting cost-cutting strategies, and tenants became increasingly conscious of the space they occupied. Nevertheless, the core locations within Western Europe (London, Paris and Frankfurt) remained attractive to occupiers, with rents appreciating in the majority of these locations. This was borne out by both London's West End and City submarkets as the two most expensive locations in Western Europe, followed by Paris in third.

Within the CEE region, by far the most expensive location was Moscow followed by Almaty, with Istanbul (Levent) in third position. There is a shortage of high quality space within Moscow, and with robust occupier demand for the majority of the year, prime rents rose significantly in 2011. However, with weakening economic conditions, the majority of markets in the CEE region were characterised by occupiers looking to rationalise their space and the desire to reduce operating costs.

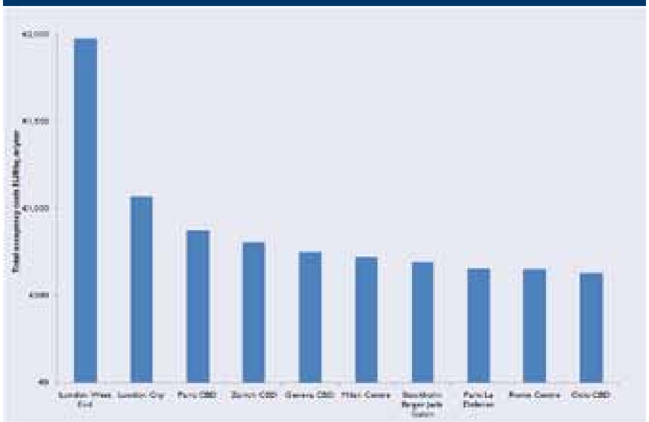
Although rental levels have continued to move down in Africa and the Middle East, the rate of decline eased noticeably in 2011. A number of markets, such as Jordan and Lebanon, witnessed a similar pattern to that seen across the wider region of reassessing costs and justifying space occupation. The UAE in particular remains oversupplied in terms of prime space. Indeed, in the most expensive location in Africa and the Middle East region, Abu Dhabi, the market is characterised by supply outstripping current demand levels. Furthermore, with additional completions expected in 2012 and demand levels expected to weaken, further rental pressure is anticipated.

MOST EXPENSIVE LOCATIONS: EMEA



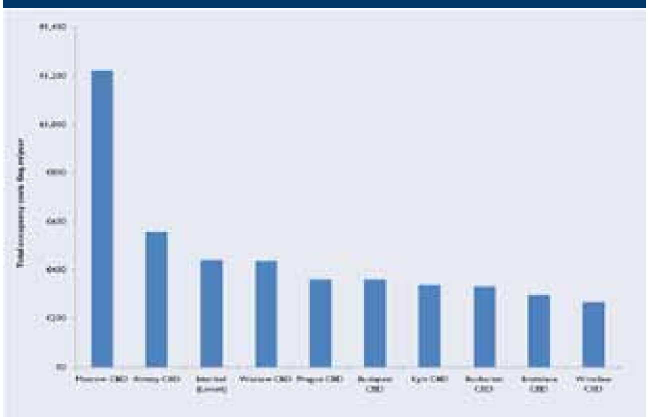
Source: Cushman & Wakefield 2012.

MOST EXPENSIVE LOCATIONS: WESTERN EUROPE



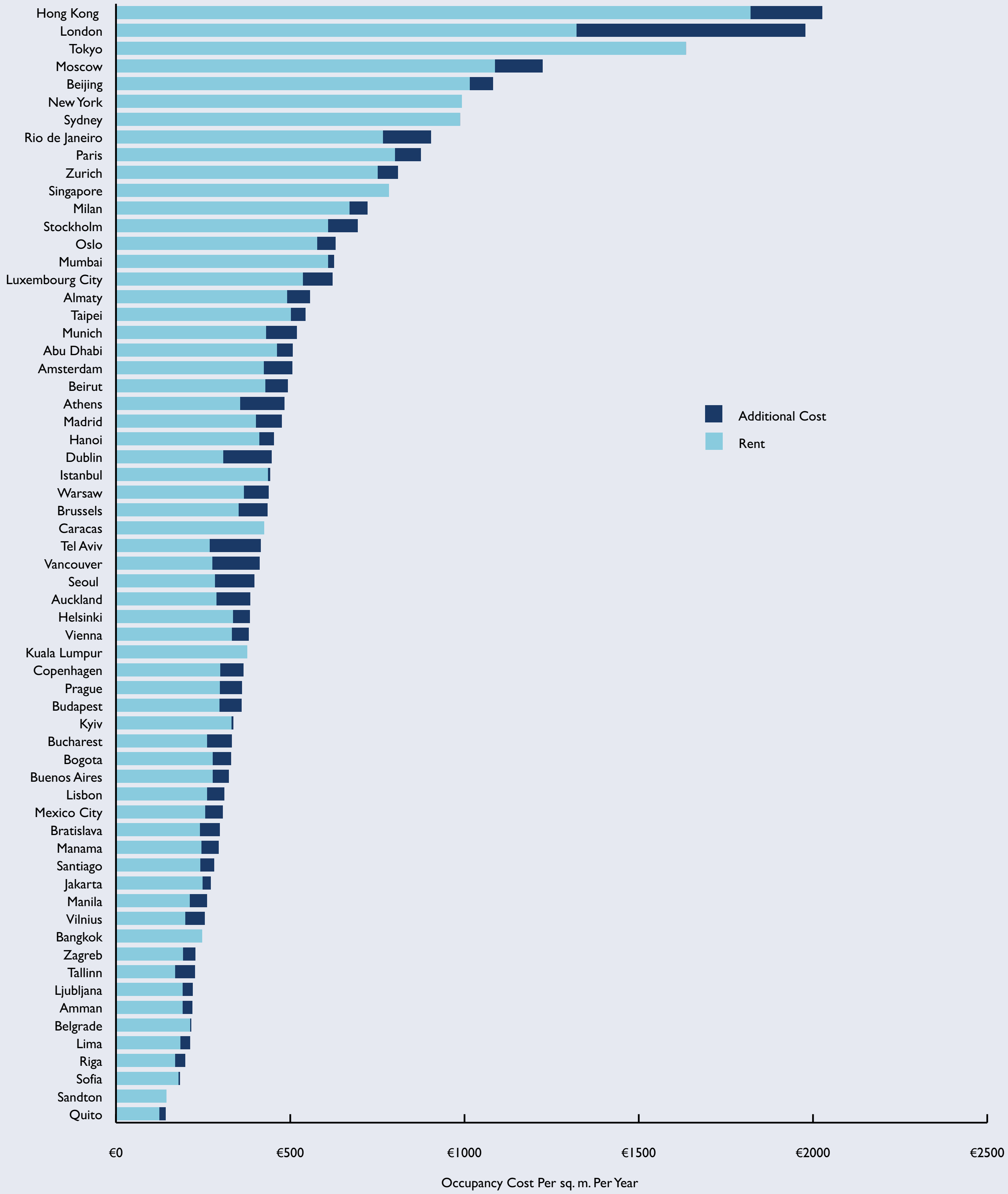
Source: Cushman & Wakefield 2012.

MOST EXPENSIVE LOCATIONS: CEE



Source: Cushman & Wakefield 2012.

MOST EXPENSIVE LOCATION BY COUNTRY: CBD



MOST EXPENSIVE LOCATION BY COUNTRY: CBD

COUNTRY RANK 2011	2012	COUNTRY	CITY	LOCATION	OCCUPANCY COST €/SQ. M./YEAR
1	1	Hong Kong	Hong Kong	CBD	2026
2	2	UK	London	West End	1978
3	3	Japan	Tokyo	CBD	1635
7	4	Russia	Moscow	CBD	1223
13	5	China	Beijing	CBD	1082
5	6	United States	New York	CBD	992
6	7	Australia	Sydney	CBD	987
4	8	Brazil	Rio de Janeiro	CBD	904
9	9	France	Paris	CBD	875
10	10	Switzerland	Zurich	CBD	809
12	11	Singapore	Singapore	CBD	783
11	12	Italy	Milan	CBD	722
14	13	Sweden	Stockholm	Birger Jarlsgatan	694
18	14	Norway	Oslo	CBD	630
8	15	India	Mumbai	CBD	626
15	16	Luxembourg	Luxembourg City	CBD	621
20	17	Kazakhstan	Almaty	CBD	556
19	18	Taiwan	Taipei	Xinyi Planned Area	544
23	19	Germany	Munich	CBD	519
16	20	United Arab Emirates (UAE)	Abu Dhabi	CBD	508
21	21	Netherlands	Amsterdam	Zuidas	506
28	22	Lebanon	Beirut	CBD	492
25	23	Greece	Athens	Syntagma Square	483
22	24	Spain	Madrid	CBD	476
24	25	Vietnam	Hanoi	CBD	452
26	26	Ireland	Dublin	CBD (2/4 Districts)	447
32	27	Turkey	Istanbul	CBD (Levent)	442
27	28	Poland	Warsaw	CBD	438
30	29	Belgium	Brussels	CBD	435
33	30	Venezuela	Caracas	CBD	425
29	31	Israel	Tel Aviv	CBD	415
31	32	Canada	Vancouver	CBD	412
35	33	South Korea	Seoul	CBD	397
39	34	New Zealand	Auckland	CBD	385
42	35	Finland	Helsinki	CBD	384
34	36	Austria	Vienna	CBD	381
37	37	Malaysia	Kuala Lumpur	CBD	377
36	38	Denmark	Copenhagen	Harbour Area	366
38	39	Czech Republic	Prague	CBD	361
40	40	Hungary	Budapest	CBD	360
47	41	Ukraine	Kyiv	CBD	337
43	42	Romania	Bucharest	CBD	332
n/a	43	Colombia	Bogota	CBD	330
44	44	Argentina	Buenos Aires	CBD	324
48	45	Portugal	Lisbon	Ave. de Liberdade	311
50	46	Mexico	Mexico City	CBD	306
49	47	Slovakia	Bratislava	CBD	297
45	48	Bahrain	Manama	CBD	294
53	49	Chile	Santiago	Las Condes	282
62	50	Indonesia	Jakarta	CBD	273
56	51	Philippines	Manila	Makati	261
55	52	Lithuania	Vilnius	CBD	255
52	53	Thailand	Bangkok	CBD	247
57	54	Croatia	Zagreb	CBD	228
60	55	Estonia	Tallinn	CBD	227
59	56	Slovenia	Ljubljana	CBD	219
61	57	Jordan	Amman	CBD	218
58	58	Serbia	Belgrade	CBD	215
64	59	Peru	Lima	CBD	213
63	60	Latvia	Riga	CBD	198
65	61	Bulgaria	Sofia	CBD	183
67	62	South Africa	Sandton	CBD	145
68	63	Ecuador	Quito	CBD	142

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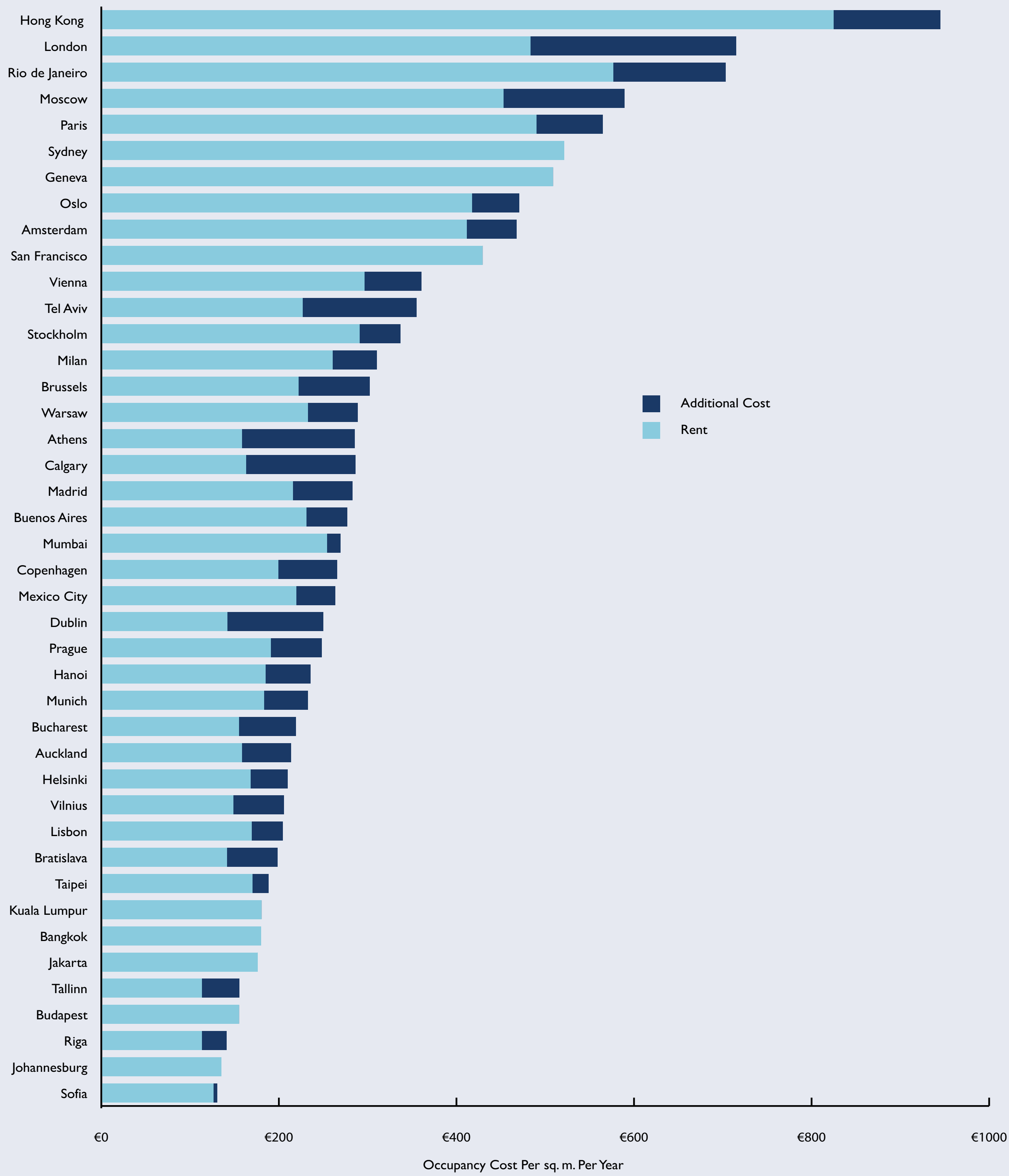
MOST EXPENSIVE LOCATION BY COUNTRY: NON CBD



MOST EXPENSIVE LOCATION BY COUNTRY: NON CBD

2011	2012	COUNTRY	CITY	LOCATION	OCCUPANCY COST EUR/SQ. M./YEAR
n/a	1	Hong Kong	Hong Kong	Wanchai/Causeway Bay	945
1	2	United Kingdom	London	Decentralised (Hammersmith)	715
2	3	Brazil	Rio de Janeiro	Barra de Tijuca (Non CBD)	703
7	4	Russia	Moscow	Out of Town	589
3	5	France	Paris	South West Suburbs	565
4	6	Australia	Sydney	North Sydney	521
5	7	Switzerland	Geneva	Out of Town	509
9	8	Norway	Oslo	Oslo West	471
6	9	Netherlands	Amsterdam	Out of Town	468
n/a	10	United States	San Francisco	Non CBD	430
12	11	Austria	Vienna	Donau City	360
10	12	Israel	Tel Aviv (Herzliya)	Herzliya	355
15	13	Sweden	Stockholm	Decentralised	337
16	14	Italy	Milan	Decentralised	310
17	15	Belgium	Brussels	Decentralised	303
25	16	Poland	Warsaw	Non Central Locations	289
21	17	Greece	Athens	Out of Town	286
18	18	Canada	Calgary	Suburban	286
14	19	Spain	Madrid	Out of Town	283
19	20	Argentina	Buenos Aires	Non CBD	277
11	21	India	Mumbai	Andheri-Kurla	270
20	22	Denmark	Copenhagen	Ørestaden	266
23	23	Mexico	Mexico City	Suburban	264
22	24	Ireland	Dublin	Suburban	250
33	25	Czech Republic	Prague	Outer City	248
24	26	Vietnam	Hanoi	Ba Dinh	236
n/a	27	Germany	Munich	Decentralised	233
27	28	Romania	Bucharest	Decentralised	219
32	29	New Zealand	Auckland	Non CBD	214
34	30	Finland	Helsinki	Out of Town	210
26	31	Lithuania	Vilnius	Non CBD	205
28	32	Portugal	Lisbon	Decentralised	205
29	33	Slovakia	Bratislava	Non CBD	198
37	34	Taiwan	Taipei	Neihu	188
41	35	Malaysia	Kuala Lumpur	Non CBD	180
31	36	Thailand	Bangkok	Non CBD	180
30	37	Indonesia	Jakarta	Non CBD	176
38	38	Estonia	Tallinn	Non CBD	156
40	39	Hungary	Budapest	Periphery	155
42	40	Latvia	Riga	Non CBD	142
39	41	South Africa	Johannesburg	Centurion	135
43	42	Bulgaria	Sofia	Non CBD	131

N.B. The Non CBD zone is a distinct office submarket, principally serving corporate rather than local users but may be complementary or competing with the CBD itself. It is not necessarily abutting the principal CBD, however it is located within the immediate sphere of influence of the city.

COUNTRY SUMMARIES

COUNTRY OVERVIEW	CITY	MEASURING STANDARD	RENTS QUOTED IN	RENT	ANNUAL RENTAL GROWTH (%)	NET INTERNAL AREA RENT USD/ SQ.FT/YR	NET INTERNAL AREA RENT EUR/ SQ.M/YR	RENTAL TREND 2012
AMERICAS								
ARGENTINA								
The market was mostly stable during 2011, with occupier demand holding firm. As a result, prime rents in Buenos Aires remained unchanged. A tightening in high-quality space may push rents forward in 2012. However, 2013 should bring an increase in supply, and consequently, increased rents may not be sustained.	Buenos Aires CBD	NIA	USD/sq.m/mth	30.00	0%	33.45	277.31	↗
BRAZIL								
Notwithstanding the uncertainty surrounding the global economy, the Brazilian office market experienced buoyant conditions in 2011. Solid demand brought an overall rental appreciation of 13%, with certain markets achieving record rental growth. A number of new high-end office buildings are anticipated to come onto market in the near future, particularly in São Paulo. This resurgence of supply should boost demand, although with rents close to peaking, rental growth may slow.	São Paulo CBD	GIA	BRL/sq.m/mth	114.24	24%	80.57	668.06	↗
	Rio de Janeiro CBD	GIA	BRL/sq.m/mth	130.91	-8%	92.32	765.54	→
	Brasilia CBD	GIA	BRL/sq.m/mth	99.67	21%	70.29	582.86	↗
CANADA								
The Canadian markets witnessed growing demand over the year, causing Toronto and Montreal rents to increase throughout 2011. Consequently, many CBD submarkets are now witnessing the lowest level of available space seen in more than 20 years.	Toronto CBD	NIA	CAD/sq.ft/year	23.30	17%	22.88	189.73	↗
	Montreal CBD	NIA	CAD/sq.ft/year	20.84	6%	20.47	169.70	→
	Calgary CBD	NIA	CAD/sq.ft/year	26.02	-21%	25.55	211.87	↗
Occupier demand is expected to slowly weaken across most of the country during 2012. The primary exceptions to this are the markets in the west of the country, which should retain demand – particularly Calgary due to the recent increases in oil prices.	Vancouver CBD	NIA	CAD/sq.ft/year	33.87	1%	33.26	275.80	↗
	Ottawa CBD	NIA	CAD/sq.ft/year	26.04	3%	25.57	212.04	→
CHILE								
Occupier demand continued to suffer from considerably low vacancies of both Grades A and B space, leading to a 2% easing in rental growth over the year. However, 2012 should see conditions improve slightly as the delivery of new supply is anticipated to increase over the year, helping to push rents forward across most submarkets.	Santiago Las Condes	NIA	USD/sq.m/mth	26.12	-2%	29.12	241.44	↗
COLOMBIA								
Colombia's positive economic performance stimulated office demand over they year, although conditions and rental levels eased towards the end of the year. Despite this, the construction pipeline has slowed, lessening the availability good-quality space. Positive demand is expected in 2012, with multinational companies to the fore. As a result, demand should outstrip supply, pushing rental levels forward over the course of the year.	Bogota CBD	NIA	USD/sq.m/mth	30.01	-8%	33.46	277.40	↗
ECUADOR								
Performance was stable in 2011, with activity deriving from both corporate and public operators. There remains a notable undersupply of large premises available in Quito. Corporate demand is expected to remain robust in 2012, and with limited large floorplates available in Quito, activity may begin to pickup in Guayaquil, pushing rents forward in both locations.	Quito CBD	NIA	USD/sq.m/mth	13.39	0%	14.93	123.77	↗
MEXICO								
Notwithstanding solid activity levels, rents in Mexico City fell by 3% over the year. International and financial companies accounted for the majority of active demand. Performance in 2012 should be relatively similar. However, the development pipeline may tighten, which could help to stabilise rents.	Mexico City CBD	NIA	USD/sq.m/mth	27.62	-3%	30.79	255.31	→
PERU								
The market experienced robust conditions as rising demand – coupled with dwindling good-quality supply – placed an upwards pressure on prime rents. The upcoming year should bring new developments onto the market. However, with many sold before completion, supply levels should be largely unaffected, pushing rents forward.	Lima CBD	NIA	USD/sq.m/mth	20.00	14%	22.30	184.87	↗

COUNTRY SUMMARIES

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AMERICAS								
UNITED STATES								
The majority of American cities witnessed prime rents increase marginally over the year. However, rental growth was primarily driven by a 20% appreciation in San Francisco on the back of strong demand from the Technology sector.	Atlanta CBD	GIA	USD/sq.ft/yr	26.75	1%	31.57	261.72	↘
	Boston CBD	GIA	USD/sq.ft/yr	47.50	7%	56.05	464.73	↗
	Chicago CBD	GIA	USD/sq.ft/yr	37.63	1%	44.40	368.17	→
	Houston CBD	GIA	USD/sq.ft/yr	38.08	4%	44.93	372.57	↑
	Los Angeles West	GIA	USD/sq.ft/yr	40.56	-2%	47.86	396.83	↗
	Miami CBD	GIA	USD/sq.ft/yr	44.84	3%	52.91	438.71	↗
Looking forward, most markets are expected to slow while the continuing economic uncertainty persists. Nevertheless, demand levels should hold up over the year, and with certain key locations suffering from a shortage of prime space, rental rises are expected in the majority of submarkets.	New York Downtown	GIA	USD/sq.ft/yr	44.92	1%	53.01	439.49	↑
	New York Midtown (Madison/5th Avenue)	GIA	USD/sq.ft/yr	101.41	4%	119.66	992.18	↑
	Philadelphia CBD	GIA	USD/sq.ft/yr	26.99	-3%	31.85	264.07	↗
	San Francisco CBD	GIA	USD/sq.ft/yr	46.69	20%	55.09	456.81	↑
	Portland CBD	GIA	USD/sq.ft/yr	26.56	6%	31.34	259.86	→
	Washington CBD	GIA	USD/sq.ft/yr	59.29	7%	69.96	580.09	→
VENEZUELA								
As a result of steady activity in the market, prime office rents remained largely stable in 2011, with Caracas's CBD experiencing a 2% rise. Looking forward, the market is anticipated to remain mostly unchanged throughout 2012, with rents holding firm and limited new developments helping to keep vacancy steady.	Caracas CBD	NIA	USD/sq.m/mth	46.00	2%	51.28	425.20	→
ASIA PACIFIC								
AUSTRALIA								
Although Australia registered a 7% country growth, market performances were mixed in 2011. For example, while demand slowed in Sydney, Brisbane saw increased office activity. The outlook for 2012 is more subdued, with demand levels expected to ease. Development activity has stalled and is not likely to recommence unless a pre-let agreement is secured.	Sydney CBD	NIA	AUD/sq.m/yr	1,250.00	6%	119.06	987.21	→
	Melbourne CBD	NIA	AUD/sq.m/yr	650.00	7%	61.91	513.35	→
	Brisbane Centre	NIA	AUD/sq.m/yr	785.00	8%	74.77	619.97	→
CHINA								
Both Beijing and Shanghai experienced surging occupier demand, which resulted in significant rental rises over the year. Indeed, with rents climbing by 75% in 2011, Beijing overtook Shanghai as the most expensive location within China.	Beijing CBD	NIA	CNY/sq.m/mth	691.00	75%	122.39	1014.86	↑
	Shanghai West Nanjing Road	NIA	CNY/sq.m/mth	605.96	27%	107.33	889.96	↗
Prime rents are expected to keep increasing in 2012, albeit at a gradually waning pace. With supply tight and the development pipeline largely dry, Beijing should continue to outpace Shanghai in terms of rental growth.	Guangzhou Pearl River New City	NIA	CNY/sq.m/mth	279.00	n/a	49.42	409.76	↗
	Chengdu CBD	NIA	CNY/sq.m/mth	169.30	24%	29.99	248.65	→
	Shenzhen Futian	NIA	CNY/sq.m/mth	273.00	n/a	48.36	400.95	↗
HONG KONG								
Although rents in Hong Kong CBD posted an increase year-on-year, it started to ease in the second half of 2011 primarily due to rising domestic and global economic concerns. The 2012 outlook is for occupier demand to gradually ease, and this should result in a subsequent decline in rental levels	Hong Kong CBD	NIA	HKD/sq.ft/mth	142.12	1%	219.59	1820.75	↓
INDIA								
Steady activity lead to a country growth of 3% over the year. However, this masks the 8% rental decline seen in Mumbai's CBD, largely due to the increased demand seen in the regional cities.	Mumbai CBD	GIA	INR/sq.ft/mth	275.00	-8%	73.33	608.00	↘
	New Delhi CBD	GIA	INR/sq.ft/mth	257.00	3%	68.53	568.21	↗
	Bangalore CBD	GIA	INR/sq.ft/mth	85.00	6%	22.66	187.93	↗
	Chennai CBD	GIA	INR/sq.ft/mth	65.00	8%	17.33	143.71	↗
Although rising interest rates are slowing market activity, conditions should hold firm in 2012. In Mumbai, demand is expected to be conservative due to the cautious approach of occupiers faced with current weak economic scenario.	Hyderabad CBD	GIA	INR/sq.ft/mth	46.00	-2%	12.27	101.70	→
	Pune CBD	GIA	INR/sq.ft/mth	60.00	0%	16.00	132.66	→
	Kolkata CBD	GIA	INR/sq.ft/mth	120.00	17%	32.00	265.31	↗
INDONESIA								
Prime rents have appreciated by 12% over the year due to solid occupier demand primarily from the mining and financial services sectors. Rents should continue to climb throughout 2012, although the rate of growth may slow due to the additional space set for delivery over the year.	Jakarta CBD	NIA	USD/sq.m/mth	26.81	12%	29.89	247.82	↗

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COUNTRY SUMMARIES

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ASIA PACIFIC								
JAPAN								
As a response to the devastating earthquake witnessed earlier in the year, tenant preference in the Tokyo office market was for newer buildings with higher disaster-resistant properties. As a result, prime rents in Tokyo have moved up by 7% over the year. However, rental growth in 2012 is expected to be much more muted as a significant amount of new supply arrives onto market.	Tokyo CBD	NIA	JPY/tsubo/mth	45,000.00	7%	197.24	1635.46	↘
MALAYSIA								
The occupational market in Kuala Lumpur was active during 2011, and although demand was prominent from a number of sectors, prime rents held firm over the year. In 2012, it is anticipated that occupiers may become more cautious in their property decisions due to uncertainty within the global economy, keeping rental growth minimal.	Kuala Lumpur CBD	NIA	MYR/sq.ft/mth	12.00	0%	45.43	376.65	→
NEW ZEALAND								
Although high-quality space is scarce within Auckland's office market, flat demand kept prime rents unchanged over the year. The outlook for 2012 is for slow and steady growth in line with economic expectations. However, rents are not anticipated to rise, as any upwards pressure will be alleviated by a reduction in landlord incentives.	Auckland CBD	NIA	NZD/sq.m/mth	40.00	0%	34.79	288.44	→
PHILIPPINES								
The growing outsourcing market helped to drive rental levels forward in most locations during 2011. For example, prime rents in the Ortigas submarket of Metro Manila rose by 28%.	Manila Makati	GIA	PHP/sq.m/mth	850.00	0%	25.50	211.42	→
Further rental growth is expected as the Philippines remains a choice destination for outsourcing. This demand extends not just to Metro Manila and Cebu but also to other parts of the country, which are increasingly sought after by occupiers.	Manila Ortigas	GIA	PHP/sq.m/mth	575.00	28%	17.25	143.02	↗
SINGAPORE								
Occupier demand was strong in the beginning of 2011, particularly from the financial, media and pharmaceutical sectors. However, as the year progressed, prevailing economic concerns weakened market sentiment, leaving occupiers cautious when concluding deals. Although prime rental growth was positive in 2011 – up by 24% over the year – the outlook for 2012 is considerably more subdued. A significant amount of new supply is due on the market in the upcoming year and, with an easing economy, rents are expected to decline.	Singapore CBD	NIA	SGD/sq.ft/mth	10.20	24%	94.39	782.69	↘
SOUTH KOREA								
There has been a notable amount of new office supply entering Seoul's CBD, shifting the market in favour of tenants and, consequently, lowering rents over the year. Conversely, both Gangnam and Yeouido witnessed rental rises due to the scarcity of high-quality space.	Seoul CBD	GIA	KRW/sq.m/mth	29,965.00	-1%	34.22	283.73	↘
	Seoul Gangnam	GIA	KRW/sq.m/mth	27,109.00	1%	30.96	256.68	↑
Rental performances in 2012 are anticipated to be mixed. While Gangnam and Yeouido are anticipated to experience growth, Seoul's CBD should see a further vacancy rises resulting in falling prime rents.	Seoul Yeouido	GIA	KRW/sq.m/mth	20,750.00	7%	23.70	196.47	↗
TAIWAN								
In line with the economic slowdown, rental growth within Taipei was minimal in 2011. The Xinyi Planned Area remained the main focus for occupiers, particularly from financial services companies. With no new Grade A space expected to arrive onto the market until 2013, prime rents are anticipated to rise over the coming year.	Taipei CBD (Xinyi Planned Area)	GEA	TWD/ping/mth	4,379.00	0%	60.48	501.46	↗
THAILAND								
Despite recent flooding within Thailand, the Bangkok CBD has barely been affected. In 2011, occupier demand remained solid, and as a result rental levels were largely unchanged. Prime rents are anticipated to rise in 2012 on the back of an improving economy and a more settled political environment. Growth should be further supported by the declining level of new supply available on market.	Bangkok CBD	GIA	THB/sq.m/mth	714.00	0%	29.77	246.85	↗

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ASIA PACIFIC								
VIETNAM								
Prime rents in the majority of locations witnessed steady decline throughout the year. The notable exception to this was in Hanoi CBD, where values increased by 7% in 2011.	Ho Chi Minh City CBD	NIA	USD/sq.m/mth	35.00	-22%	39.02	323.52	↓
Rents are anticipated to fall in a similar fashion in 2012. Hanoi remains the exception, as the significant expected supply in the city will not complete in 2012.	Hanoi CBD	NIA	USD/sq.m/mth	44.50	7%	49.61	411.34	→
EUROPE								
AUSTRIA								
Rental performance in Austria was solid, increasing by 3% over the year. However, tenant activity slowed in the second half of 2011 on the back of growing economic uncertainty.	Vienna Central	GIA	EUR/sq.m/mth	23.50	4%	40.01	331.76	↘
Occupier demand is expected to be subdued in 2012 as a result of the continuing uncertainty in the economy, and therefore, rents are anticipated to ease in 2012.	Innsbruck CBD	GIA	EUR/sq.m/mth	11.00	2%	18.73	155.29	↘
BELGIUM								
The Belgian market finished the year strongly in 2011, with rental growth occurring in both Brussels and Antwerp. In Brussels, demand from the public sector was the main driver of occupier activity.	Brussels Quartier Leopold	GEA	EUR/sq.m/yr	285.00	8%	42.46	352.06	↗
Surprisingly, the Eurozone uncertainty and the resultant increase in regulations have had a positive effect on the Brussels market, stimulating additional requirement for office space. Therefore, the market should also remain active during 2012.	Antwerp Centre	GEA	EUR/sq.m/yr	145.00	7%	21.60	179.12	↗
BULGARIA								
Despite weakened market fundamentals persisting over the year, prime rents in Sofia eased down by 2% in 2011. Landlords continued to offer generous incentive packages rather than reducing rents. The market is anticipated to remain subdued into 2012, with many occupiers remaining cautious when making location decisions and keeping rental growth minimal.	Sofia CBD	GEA	EUR/sq.m/yr	144.00	-2%	21.54	178.56	→
CROATIA								
As Croatia suffered from the effects of a recession, cost-efficiency strategies remained key features for occupier demand in 2011. With activity low and demand constrained by economic factors, rents just about held firm over the year. Minimal growth is expected for the Croatian economy, which should sustain the weak market performance seen in 2011 with the risk of rental compression.	Zagreb CBD	NIA	EUR/sq.m/mth	16.00	0%	23.16	192.00	↘
CZECH REPUBLIC								
Prime rents remained unchanged over the year on the back of subdued leasing activity. Occupier demand has been slow but steady, with the economic uncertainty causing hesitancy within the market.	Prague CBD	GIA	EUR/sq.m/mth	21.00	0%	35.86	297.36	→
The outlook is for market conditions to remain similar in 2012. Government austerity measures should ease economic activity and keep demand largely quiet.	Brno CBD	GIA	EUR/sq.m/mth	12.00	0%	20.49	169.92	→
DENMARK								
Activity in Copenhagen was robust in first half of 2011; however, economic uncertainty grew as the year progressed, which compressed demand and lead prime rents to depreciate by 5%.	Copenhagen Harbour Area	GEA	DKK/sq.m/yr	1,800.00	-5%	36.08	299.17	↘
With economic conditions resonating into 2012, occupiers may adopt a 'wait and see' attitude when approaching location decisions, which could impact rental values.	Aarhus CBD	GEA	DKK/sq.m/yr	1,200.00	9%	24.05	199.44	→
ESTONIA								
Occupier demand was positive throughout the majority of 2011, and as a result this led to a 4% appreciation in prime rents in Tallinn's CBD. However, economic growth is anticipated to decline sharply in 2012, and a slowing market should keep any rental movements to a minimum.	Tallinn CBD	GIA	EUR/sq.m/mth	12.00	4%	20.49	169.92	→

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EUROPE								
FINLAND								
The Finnish market was characterised by strong rental growth in 2011, although the rate of appreciation eased in the second half of the year. Nevertheless, rents rose by 12% over the year in Helsinki's CBD. However, occupier demand is expected to be subdued in 2012 due to prevailing economic uncertainties. Therefore, minimal rental growth is anticipated, although it may improve if economic conditions recover.	Helsinki CBD	NIA	EUR/sq.m/mth	28.00	12%	40.52	336.00	→
FRANCE								
The French office market witnessed leasing activity rise in 2011, and with limited new supply in the more sought after locations, rents have increased in many Ile-de-France submarkets.	Paris CBD	NIA	EUR/sq.m/yr	800.00	5%	96.49	800.00	↗
	Paris La Defense	NIA	EUR/sq.m/yr	580.00	2%	69.95	580.00	→
For the short term, solid demand should keep the market largely resilient to the economic troubles seen elsewhere. However, the continuing Eurozone uncertainty could begin to ease demand.	Lyon CBD	NIA	EUR/sq.m/yr	260.00	0%	31.36	260.00	→
	Marseille CBD	NIA	EUR/sq.m/yr	240.00	4%	28.95	240.00	↗
GERMANY								
Germany's positive economic performance has kept occupier activity robust and, consequently, led to higher rents in most cities. This is particularly evident in Berlin, which has seen demand momentum build for the innovative industries.	Berlin CBD	NIA	EUR/sq.m/mth	21.50	2%	31.12	258.00	↗
	Frankfurt CBD	NIA	EUR/sq.m/mth	34.00	-3%	49.21	408.00	↗
	Hamburg CBD	NIA	EUR/sq.m/mth	23.50	4%	34.01	282.00	↗
Falling unemployment rates are anticipated to keep market sentiment steady in 2012, leading to a continued growth in demand and instigating further rises in prime rents.	Munich CBD	GIA	EUR/sq.m/mth	30.50	5%	51.93	430.59	↗
	Dusseldorf CBD	NIA	EUR/sq.m/mth	24.00	4%	34.73	288.00	↗
GREECE								
Greece's deteriorating financial situation yielded sluggish market conditions in 2011. Limited activity was underpinned by the prevalence of lease renegotiations and the lack of demand for new space, leading to a 14% rental drop in Athens. As the Greek economy continues to weaken, the occupier market is anticipated to witness further rental declines on the back of low demand driven by consolidation.	Athens Syntagma	GEA	EUR/sq.m/mth	24.00	-14%	42.91	355.76	↘
HUNGARY								
Occupier demand in Budapest was fuelled by space consolidation rather than business expansions. Consequently, limited activity levels kept prime rents firm over the year.	Budapest CBD	GIA	EUR/sq.m/mth	21.00	0%	35.76	296.47	→
Cost-cutting strategies are anticipated to remain prevalent for market activity in 2012. However, an easing pipeline and a resultant decline in prime availability should hamper significant rental falls.	Debrecen CBD	GIA	EUR/sq.m/mth	11.00	0%	18.73	155.29	↘
IRELAND								
Despite the difficult economic climate, the Dublin occupier market was significantly more active in 2011 than in 2010. Nevertheless, prime rents in Dublin's 2/4 districts still fell by 5%.	Dublin 2/4 District	NIA	EUR/sq.m/yr	307.00	-5%	37.03	307.00	→
The amount of prime space within Dublin is anticipated to decrease if current demand levels are sustained. As a result, prime rents are expected to stabilise over the course of the year.	Dublin IFSC	NIA	EUR/sq.m/yr	194.00	-10%	23.40	194.00	→
	Cork Lapps Quay	NIA	EUR/sq.m/yr	200.00	0%	24.12	200.00	→
ITALY								
Occupier demand has been largely subdued over the year in the core office locations of Milan and Rome. Consequently, prime rents have eased down by 2% in both cities.	Rome Centre	GEA	EUR/sq.m/yr	490.00	-2%	73.28	607.60	↘
The outlook for 2012 anticipates for current conditions to continue. Concerns remain regarding the Italian economy, and this has seen caution rise in the occupational market.	Milan Centre	GEA	EUR/sq.m/yr	540.00	-2%	80.76	669.60	↓
KAZAKHSTAN								
Kazakhstan, largely unaffected by global economic uncertainty, recorded positive growth over the year. Occupier demand in Almaty has expanded due to both cost optimisation tactics and new tenants entering the market. The already limited amount of prime space is anticipated to dwindle even further as demand continues to rise. Heightened competition for properties should push headline rents forward in the year ahead.	Almaty CBD	GIA	USD/sq.m/mth	45.00	13%	59.20	490.83	↑

COUNTRY SUMMARIES

COUNTRY OVERVIEW	CITY	MEASURING STANDARD	RENTS QUOTED IN	RENT	ANNUAL RENTAL GROWTH (%)	NET INTERNAL AREA RENT USD/ SQ.FT/YR	NET INTERNAL AREA RENT EUR/ SQ.M/YR	RENTAL TREND 2012
EUROPE								
LATVIA								
With Latvia seeing encouraging economic growth throughout the year, sentiment remained largely positive in the office market, helping to sustain stable rental figures. However, economic growth is anticipated to slow in 2012 on the back of continued uncertainty within the Eurozone, and consequently, market conditions may lose momentum.	Riga CBD	GIA	EUR/sq.m/mth	12.00	0%	20.49	169.92	→
LITHUANIA								
Lithuania witnessed a steady economic recovery over the year, which broadened office market demand and helped to lift rents by 2% in the Vilnius CBD. However, continuing economic concerns are expected to hamper activity levels witnessed in 2011. This should result in an easing of market sentiment and may halt rental growth.	Vilnius CBD	GIA	EUR/sq.m/mth	14.00	2%	23.91	198.24	→
LUXEMBOURG								
Prime rents were unchanged over the year as occupier demand eased. The Luxembourg market is dominated by the financial services sector, and with the sustained European economic difficulties, demand from this sector has fallen. Therefore, the outlook for 2012 is for performance to be much the same as in 2011, particularly so if conditions within the financial markets remain uncertain.	Luxembourg City CBD	GIA	EUR/sq.m/mth	38.00	0%	64.70	536.47	→
NETHERLANDS								
The Netherlands office market was relatively stable during 2011. However, sentiment was less positive in the second half of the year as economic difficulties within the Eurozone became more pronounced.	Amsterdam Zuidas	GIA	EUR/sq.m/yr	360.00	0%	51.08	423.53	→
Prime rents in Amsterdam were unchanged over the year as demand was steady. In 2012, this pattern is expected to continue, with prime rents holding firm throughout the year.	Rotterdam CBD	GIA	EUR/sq.m/yr	180.00	0%	25.54	211.76	→
NORWAY								
The Norwegian economy witnessed steady growth over the year, and this has been reflected in rising occupier demand. As a result, prime rents in Oslo have continued to move up by 15% in the CBD submarket.	Oslo CBD	GIA	NOK/sq.m/yr	3,800.00	15%	69.59	577.05	↗
Although good-quality properties in prime Oslo areas remains limited, more space is anticipated to come onto market the latter half of 2012. This is expected to both ease the pressure on supply and the rate of rental growth during 2012.	Bergen CBD	GIA	NOK/sq.m/yr	2,000.00	0%	36.63	303.71	→
POLAND								
Prime rental growth in Poland was driven by increased activity and positive economic conditions within the capital city, Warsaw, over the year. With solid levels of occupier demand, rents rose in Warsaw by 6% in 2012.	Warsaw CBD	GIA	EUR/sq.m/mth	26.00	6%	44.27	367.06	→
	Krakow CBD	GIA	EUR/sq.m/mth	15.00	0%	25.54	211.76	→
The outlook for the Polish economy is for slow and steady growth in 2012. However, demand for prime space is expected to remain for Warsaw, leaving activity in other areas largely subdued.	Wroclaw CBD	GIA	EUR/sq.m/mth	15.00	0%	25.54	211.76	→
PORTUGAL								
The turbulent economic environment in Portugal resulted in subdued occupier demand in 2011. Consequently, activity levels were muted and rents eased down by 6% across the country.	Lisbon Av de Liberdade	GIA	EUR/sq.m/mth	18.50	-3%	31.50	261.18	→
The current economic outlook anticipates a difficult 2012 for the Portuguese office market. With occupier demand at such low levels, prime rents are expected to see no growth in the upcoming year	Porto CBD	GIA	EUR/sq.m/mth	13.50	-10%	22.99	190.59	→
ROMANIA								
Although sluggish economic conditions dominated most of 2011, the market witnessed declining vacancy from sustained demand and a lack of new supply, which helped to maintain rents throughout the year.	Bucharest CBD	GIA	EUR/sq.m/mth	18.50	0%	31.50	261.18	↗
Economic growth is anticipated for 2012, albeit at low levels, and this should help gradually push rents forward in Bucharest.	Timisoara CBD	GIA	EUR/sq.m/mth	11.50	0%	19.58	162.35	↘

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EUROPE								
RUSSIA Demand for high-quality space continued throughout 2011, although the pace of growth has slowed over the year. Prime rents increased by 41% in Moscow as demand outstripped supply mostly in the first half of the year. The outlook for 2012 is for largely muted rental growth. Occupier activity is expected to be subdued, with economic uncertainties and the forthcoming presidential perpetuating caution within the market.	Moscow CBD	GIA	USD/sq.m/yr	1,200.00	41%	131.16	1087.48	→
SERBIA Uncertainty clouding both the economy and business sentiment lead to a weak occupier market for 2011, resulting in a 6% drop in rents. With unemployment anticipated to remain high, cost-cutting strategies should remain the primary driver behind already-low occupier activity. As a result, further rental compression is expected in 2012.	Belgrade CBD	GIA	EUR/sq.m/yr	180.00	-6%	25.62	212.40	↘
SLOVAKIA Weak business confidence significantly reduced occupier activity in 2011. The market was characterised by lease renegotiations rather than expansions, which kept prime rents stable over the year. With rising inflation and further economic uncertainty, business confidence is expected to remain low. As a result, market conditions should continue to be subdued into 2012.	Bratislava CBD	GIA	EUR/sq.m/mth	17.00	0%	29.03	240.72	→
SLOVENIA With a weak economy and unemployment reaching record highs, the office market witnessed limited activity and deteriorating demand in 2011, leading to a 10% fall in rents. Uncertainties surrounding the economy are anticipated to affect business confidence, and this could translate into another subdued year for the market.	Ljubljana CBD	GIA	EUR/sq.m/mth	13.50	-10%	23.06	191.16	↘
SPAIN Difficult economic conditions in Spain have seen business confidence ease over the year. Consequently, demand has slowed in both Barcelona and Madrid, leading to rental decreases of between 4-5% in 2011.	Madrid CBD	GEA	EUR/sq.m/yr	324.00	-4%	48.45	401.76	↘
Amidst new austerity measures, the economic outlook remains largely uncertain, and this is expected to translate into weakened occupier demand. As a result, prime rents may experience further reductions in 2012.	Barcelona CBD	GEA	EUR/sq.m/yr	222.00	-5%	33.20	275.28	→
SWEDEN For the majority of the year, the Swedish market saw steady occupier demand and, coupled with a declining availability of space, prime rents in Stockholm rose by 10%.	Stockholm Birger JarlsGatan	GIA	SEK/sq.m/yr	4,600.00	10%	73.34	608.11	→
However, the outlook for rental growth in 2012 is slightly more subdued, with occupier demand expected to be largely muted as a result of wider economic concerns.	Gothenburg CBD	GIA	SEK/sq.m/yr	2,400.00	9%	38.26	317.28	→
SWITZERLAND Rental performance in the two main cities has been polarised in 2011, with rents in Geneva appreciating on the back of robust demand, whereas those in Zurich declined from the prevalence of cost-cutting and space rationalisation.	Zurich CBD	GIA	CHF/sq.m/yr	775.00	-3%	90.58	751.10	→
It is anticipated that both of the primary markets will continue the performance trends witnessed in 2011. The Swiss economy has sustained positive fundamentals, although uncertainty in the surrounding European region may restrict occupier demand.	Geneva CBD	GIA	CHF/sq.m/yr	775.00	3%	90.58	751.10	↗
TURKEY Domestic demand has boosted economic growth in Turkey, which in turn helped to sustain a robust market and resulted in increased rents in central Istanbul submarkets.	Istanbul European side (Levent)	GEA	USD/sq.m/yr	456.00	6%	52.53	435.56	↗
Looking forward, a lack of good quality supply -- particularly in Istanbul – is anticipated to continue the upwards pressure on rental levels as demand is expected to remain steady.	Ankara CBD	GEA	USD/sq.m/yr	252.00	0%	29.03	240.70	→

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COUNTRY OVERVIEW	CITY	MEASURING STANDARD	RENTS QUOTED IN	RENT	ANNUAL RENTAL GROWTH (%)	NET INTERNAL AREA RENT USD/SQ.FT/YR	NET INTERNAL AREA RENT EUR/SQ.M/YR	RENTAL TREND 2012
EUROPE								
UKRAINE								
The market witnessed growing demand for city-centre office space in Kyiv, which helped to push rents forward by 2% in 2011. With multiple office projects set to commence construction in 2012-13, it is anticipated that supply levels should balance occupier demand, sustaining slow but steady rental growth.	Kyiv CBD	NIA	USD/sq.m/yr	430.00	2%	39.95	331.23	→
UNITED KINGDOM								
The prime Central London market was largely resilient to the global economic difficulties in 2011, where increasing rents were underpinned by rising demand and a limited amount of available space. Performances were mixed throughout the rest of the country, with some regional cities seeing positive growth while others declined.	London West End	NIA	GBP/sq.ft/yr	102.50	8%	159.29	1320.84	↗
	London City	NIA	GBP/sq.ft/yr	55.00	0%	85.47	708.75	↗
	Manchester CBD	NIA	GBP/sq.ft/yr	29.00	2%	45.07	373.70	→
	Birmingham CBD	NIA	GBP/sq.ft/yr	27.50	-5%	42.74	354.37	→
Market activity is anticipated to moderate slightly in 2012, with the occupational sector weakening and demand easing. Nevertheless, the dwindling supply of good-quality space should sustain an upwards pressure on headline rents in specific submarkets.	Belfast CBD	NIA	GBP/sq.ft/yr	12.50	0%	19.43	161.08	→
	Edinburgh CBD	NIA	GBP/sq.ft/yr	27.00	0%	41.96	347.93	→
	Glasgow CBD	NIA	GBP/sq.ft/yr	29.00	0%	45.07	373.70	→
	St.Peter Port CBD	NIA	GBP/sq.ft/yr	42.50	0%	66.05	547.67	→
MIDDLE EAST								
BAHRAIN								
In Manama, falling business confidence resulted in a 9% decline in rents over the year. With demand remaining steady for good-quality office space in secure locations, albeit at a reduced level, this should help to improve and stabilise falling rents.	Manama CBD	NIA	BHD/sq.m/mth	10.00	-9%	29.57	245.20	→
ISRAEL								
The Tel Aviv office market recorded a solid rental performance in 2011, with demand holding firm on the back of a limited availability of prime space.	Tel Aviv CBD	GEA	NIS/sq.m/mth	90.00	2%	32.41	268.77	↘
With turbulence in the global economy, office sector outlook remains uncertain. Conditions may be worsened by a high amount of Grade A stock expected onto market throughout the year.	Tel Aviv (Ramat Hahayal)	GEA	NIS/sq.m/mth	70.00	0%	25.21	209.04	↘
JORDAN								
The market continued to suffer from flat demand and oversupply. However, the majority of this space is of lower grade, and consequently good-quality supply levels are dwindling. Conditions are anticipated to continue largely unabated in 2012. With supply levels remaining a concern, rental growth should be minimal over the year.	Amman CBD	GEA	USD/sq.m/yr	200.00	0%	23.04	191.03	→
LEBANON								
Political unrest had a slowing effect in Beirut, with activity largely comprised of consolidations and relocations. However, a lack of good-quality supply helped rents to appreciate in 2011. The outlook for 2012 is for similar conditions to remain, with demand for smaller floor-plates anticipated to rise in order to keep costs minimal.	Beirut CBD	GEA	USD/sq.m/yr	450.00	13%	51.64	428.19	→
SOUTH AFRICA								
Despite rising vacancy rates nationwide, the prime office market experienced a positive performance over the year, helping to stabilise rents.	Durban CBD	NIA	ZAR/sq.m/mth	50.00	0%	6.90	57.25	→
	Durban La Lucia/Berea	NIA	ZAR/sq.m/mth	100.00	0%	13.81	114.50	→
	Cape Town CBD	NIA	ZAR/sq.m/mth	85.00	0%	11.74	97.32	→
Amidst an inflating vacancy there persists a growing shortage of Grade A space, and combined with sustained demand, prime rents should hold firm in 2012.	Cape Town Belville	NIA	ZAR/sq.m/mth	75.00	0%	10.36	85.87	→
	Johannesburg CBD	NIA	ZAR/sq.m/mth	65.00	0%	8.98	74.42	→
	Sandton CBD	NIA	ZAR/sq.m/mth	126.25	0%	17.43	144.55	→
UNITED ARAB EMIRATES								
In Dubai conditions improved in 2011, with demand holding up for free-zone areas despite a general market oversupply. In Abu Dhabi, new office developments arriving onto market weakened prime rents.	Abu Dhabi CBD	NIA	AED/sq.m/yr	2,200.00	-12%	55.64	461.39	↘
In both markets, further office construction is anticipated for 2012. This is expected to exacerbate the continuing oversupply and place a compressing pressure on rents.	Dubai CBD (excluding DIFC)	NIA	AED/sq.ft/yr	170.00	-6%	46.28	383.76	↘

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EXCHANGE RATES

COUNTRY	LOCAL CURRENCY	US$	EURO	COUNTRY	LOCAL CURRENCY	US$	EURO
Brazil	Real (BRL)	0.5361	0.4130	Denmark	Krone (DKK)	0.1747	0.1345
Canada	Dollar (CAD)	0.9820	0.7565	Norway	Kroner (NOK)	0.1676	0.1291
Australia	Dollar (AUD)	1.0252	0.7898	Sweden	Krona (SEK)	0.1459	0.1124
China	Renminbi (CNY)	0.1589	0.1224	Switzerland	Franc (CHF)	1.0694	0.8238
Hong Kong	Dollar (HKD)	0.1288	0.0992	United Kingdom	Pound (GBP)	1.5540	1.1972
India	Rupee (INR)	0.0188	0.0145	Bahrain	Dinar (BHD)	2.6525	2.0433
Indonesia	Rupiah (IDR)	0.0001103	0.0000850	Israel	Shekel (ILS)	0.2615	0.2015
Japan	Yen (JPY)	0.0130	0.0100	South Africa	Rand (ZAR)	0.1239	0.0954
Malaysia	Ringgit (MYR)	0.3155	0.2430	UAE	Dirham (AED)	0.2722	0.2097
New Zealand	Dollar (NZD)	0.7801	0.6009	Eurozone	Euro (EUR)	1.2982	1.0000
Philippines	Peso (PHP)	0.0228	0.0176	United States	Dollar (USD)	1.0000	0.7703
Singapore	Dollar (SGD)	0.7712	0.5941				
South Korea	Won (KRW)	0.0008680	0.0006686				
Taiwan	Dollar (TWD)	0.0330	0.0254				
Thailand	Baht (THB)	0.0317	0.0244				

Source: Financial Times, 31st December 2011. All currencies to four decimal places unless stated.

TECHNICAL SPECIFICATIONS

NIA (Net Internal Area)

GIA (Gross Internal Area)

GEA (Gross External Area)

For each location a standard definition of a prime unit is employed to endeavour to make the results as comparable as possible given varying local practices. Rents are often quoted on different measurement basis and for this reason we have standardised the office rents used in this guide by adjusting the rent to a net internal area basis. Some countries quote their rents inclusive and some exclusive of service charge and property taxes, so in order to make a more detailed comparison across regions, the total occupancy costs should be used. CBD office figures relate to new prime centre, high specification units of a standard size commensurate with demand in each location. The Non CBD zone is a distinct office submarket, principally serving corporate rather than local users but may be complementary or competing with the CBD itself. It is not necessarily abutting the principal CBD, however it is located within the immediate sphere of influence of the city.

The Net Internal Areas figures have been calculated by standardising the floorspace measurements on which the quoted rent is based. There are various efficiency rates that are relevant to different countries and we have used a standard for each country (unless stated). Cushman & Wakefield Asia quote all rents on a net usable area and quote effective rents, which takes into account rent free period or capital contributions where appropriate, security deposits are not included. These rents have not been adjusted. Direct Class A rents are quoted in all US locations. Rents have been expressed in US$ per sq. ft per year and Euros per sq. m per year, converted using exchange rates as at December of the relevant year. Rental growth figures are quoted in local currency unless otherwise indicated. Total occupancy costs take into account service charges and local taxes to allow direct comparison between countries.

RESEARCH REPORTS

MAIN STREETS ACROSS THE WORLD

A detailed analysis of retail property rental performance across the globe, with a strong focus on the occupational market. The report covers over 40 countries and 240 locations and also looks at regional trends.

INDUSTRIAL SPACE ACROSS THE WORLD

Analysis of the global industrial market fundamentals and its main trends for the year ahead. The report's main focus is on prime industrial rental performance and occupancy costs across the globe. It ranks the most expensive locations across the world in which to occupy industrial space. The report also provides a brief country overview for all countries analysed.

INTERNATIONAL INVESTMENT ATLAS

A review of global investment markets, country by country, detailing market characteristics and key data, recent trading activity and market outlook.

GLOBAL FORECASTING REPORT

A review of global investment markets, country by country, detailing market characteristics and key data, recent trading activity and market outlook.

EUROPEAN CITIES MONITOR

A long standing market survey based report looking at Europe's top office markets, the factors determining success and occupiers views as to how each city ranks on these factors. Specific topics of note are considered each year.

MARKETBEAT SNAPSHOTS

One page summary including rent and yield information on various European countries for Economic, Office, Industrial and Retail sectors.

WHAT'S IN STORE? EUROPEAN RETAIL REPORT

An analysis of the Pan European retail market and an assessment of how it may perform in the year ahead, including occupier and consumer trends.

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