

# GLOBAL SPOTLIGHT

## Stockholm, Sweden



**Stockholm has been the political and economic center of Sweden since the 13th century.**

- The Swedish real estate market is one of the most attractive markets in Europe for both domestic and foreign investors. Investment activity is very high and is predicted to increase. Foreign investors have played a significant role in the Swedish market. International investment volume is expected to total approximately 70%.
- Several factors have made the property market in Sweden attractive for foreign investors. The combination of low transfer taxes and low costs for tax, legal and other advisory services and a transparent office market where market information is easily accessible contribute to this trend. Foreign investor interest is expected to remain at a high level. However, domestic investors have been more active and have increased the competition for properties at sale.
- The office market is stable and rental levels have risen in the Stockholm CBD. The less attractive submarkets and less modern properties are suffering since demand is for modern premises in the best locations. Property owners have realized that substantial refurbishments are needed to attract tenants.
- The retail market is strong with a significant number of new developments in the pipeline for the next couple of years. Most of the developments are planned for Stockholm, other big cities and in connection to existing malls and retail parks. However, there are also developments in smaller cities around Sweden due to larger retail establishments. The vacancy rate for retail has been extremely stable over the last decade and has never exceeded 5%.
- The investment market is strong, primarily in retail. The multifamily sector has not fared as well, causing construction of multifamily properties to decline in Stockholm, Gothenburg and Malmö.

## Stockholm At A Glance

Population	1,932,763 (metro area)
Location	Capital and Largest City in Sweden
GDP	\$372.5 billion (2006 est.)
Inflation	1.4% (2006 est.)
Interest	4.31% European Central Bank- 10 yr
Unemployment	5.6% (Sweden- 2006 est.)
Conversion	1 USD = 6.41 SEK

Property	Rent/SF/Year Low	High	Vacancy Rate
Downtown Office Class A	\$53.54	\$66.57	4%
Suburban Office Class A	\$24.60	\$33.28	8%
Industrial Bulk Warehouse	\$11.58	\$14.47	4%
Retail Downtown	\$144.71	\$217.06	3%

NAI Svefa offers local market expertise in Sweden.

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### At A Glance

375	Offices
55	Countries
8,000	Professionals
\$45 billion	Annual Transaction Volume
250	MSF of Property Management

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