

# GLOBAL SPOTLIGHT

## Geneva, Switzerland



## Geneva Plays Host to International Corporate Headquarters

- Located in west Switzerland, Geneva lies in the French-speaking area and is traditionally known for private banking, the high-end watch industry and UN organizations. This small region has a high percentage of foreign nationals (45% are foreigners and there are 180 different nationalities). Geneva boasts many European headquarters and attracts multinational and foreign finance companies.
- The CBD office market has been in demand with an influx of hedge funds from London's West End. Major waterfront refurbishment projects were completed in 2007- 2008, placing high quality refurbished premises on the market and encouraging existing tenants to relocate. Prime rental values reached higher levels than in Zürich's CBD at achieved rents in excess of CHF 1,000/SM/YR for offices that accommodate excellent views over the waterfront.
- The investment market was strong in 2008, with the only noticeable reduction being in the volume of sales in the third quarter. Many foreign investors purchased office investments during the course of the year, including a number of waterfront properties. One of the major sales was the CHF 300 million deal for Palexpo Exhibition Centre, one of the largest centers in Europe.
- The industrial market has remained stable with little variation in rents. Rental rates range from CHF120-150/SM/YR for production areas and CHF 200-360/SM/YR for high tech space. The watch industry continues to stimulate out-of-town industrial parks, however, this is expected to change during 2009.
- 2008 was an exceptional year for Geneva's high street retailing. Newcomers on the scene include well known Italian designers Loro Piani and Fendi, together with Boucheron, the famous French jeweler from Place Vendôme, a Diesel Store, an Apple Store and Mont-Blanc.
- Following the general worldwide trend, Switzerland will experience a downturn in 2009. However, at the present time it has been less impacted than the majority of its European neighbors.

## Geneva At A Glance

Population	180,000
Location	At the mouth of the Rhone River and Lake Geneva
GDP Growth	1.9%
Inflation	0.7%
Unemployment	2.6% for 2008, estimate 3.3% for 2009%
Conversion	1.151 CHF = 1 USD (Jan 2009)

Property	Rent/SF/Year		Vacancy Rate
	Low	High	
Class A Office (City Center)	CHF 850	CHF 1,000	1%
Suburban Office Class A	CHF 400	CHF 550	3%
Industrial Bulk/Warehouse	CHF 70	CHF 90	1.7%
Retail City Center	CHF 3,250	CHF 4,500	Sub 0.5%

NAI Commercial CRE offers local market expertise in Geneva and Zurich, Switzerland.

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### At A Glance

325	Offices
55	Countries
5,000	Professionals
\$45 billion	Annual Transaction Volume
200	MSF of Property Management

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