

## **Globalization of Office Markets in Financial Centers: Transparency and Instability**

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The real estate brokers as well as large professional organisations, which formulate the standards for the comparative assessment of markets, play a determining role for the worldwide real estate investments. International real estate brokers reduce the transaction costs of the global activity of users (i.e. firms) and investors, and therefore act as global-local ‘translators’. International investors and project developers are thus able to better evaluate possible risks and chances at the place of their activity. However, as translators real estate brokers need binding standards in the market analysis. A definition and implementation of standards as a condition on the global activity of real estate brokers occur through powerful professional organisations – i.e. the Royal Institution of Chartered Surveyors (RICS) – which capture a central role in the professionalization of the real estate economy.

The aim of the paper is to reveal how the multifaceted interactions work between RICS, global commercial real estate brokers, as well as the investors. However, this does not contribute to a higher transparency of the market in the sense of identifying riskless markets which will be shown on the examples of London and Frankfurt. The property markets of both cities were clearly stronger hit by the financial crisis than any other property market in Great Britain and Germany.