

MARKETBEAT GREECE



CUSHMAN &
WAKEFIELD

PROPRIUS

Office Q4 2021

10.8%
Vacancy Rate

YoY
Chg



12-Mo.
Forecast



21,000
Take-Up sqm



€25.00
Prime Rent, PSQM



ECONOMIC INDICATORS Q4 2021

6.7%
GDP growth rate
for 2021*

YoY
Chg



12-Mo.
Forecast



12.8%
Unemployment Rate
December 2021**



+5.1%
Inflation rate
December 2021**



Source: *OECD**Elstat

ECONOMY: Economic sentiment brightens.

Strong tourism performance helped Greece's economy rebound in the third quarter of the year despite the ongoing Covid-19 pandemic, with GDP increasing by 13.9 % over Q3 2021 on an annual basis, according to provisional data released by ELSTAT. Public life has largely returned to normal and that gives confidence for the future. Greek authorities are expecting GDP to grow by 7 % this year after a 9 % contraction last year and a rise of about 5% for 2022. The main drivers of annual growth were consumer spending, private investments and exports. Minimum wage is set to rise by 2% from the start of 2022 while Investments and private consumption are seen increasing by 17.3% and 4.4%, respectively, and exports are projected to grow by 14.2% this year and 13% in 2022. The unemployment rate is expected to drop to 12.9% in 2022. Inflationary expectations are rising, but price increases could possibly be limited because of the slow production capacity of economy. Harmonized inflation index is projected to reach 3.1% in 2022, with core inflation at 1.9%.

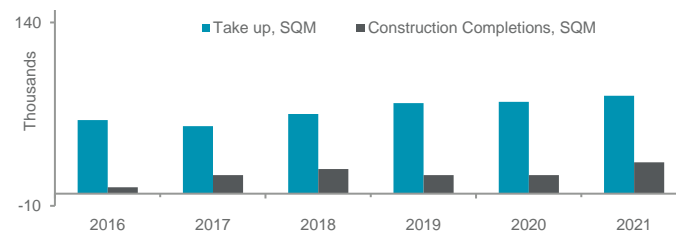
SUPPLY & DEMAND: Office tenant sentiment is gradually improving.

The improved sentiment as well as some large-scale office completions led the Athens office market to register a year-on-year growth of 10% in 2021, and an annual take-up of 80,000 sq.m. Sustainability criteria continue to attract attention and landlords are gradually investing in improvements of their buildings. Occupiers are increasingly focusing in prime, Grade A products preferably with Green certifications, located in business hubs with improved level of services, with the aim to encourage a return to working in the office more regularly. This trend is also evident in the high occupancy rates of the buildings completed recently. Kifisias Ave was the most appealing office submarket during the 4th quarter, followed by the CBD. The market has been characterized by small to medium sized leasing transactions (< 3,000 sqm) which represents 95% of deals. On the investment side, ESG criteria are considered essential and are causing an increase in the gap between prime and secondary market. Although investors are focusing in Athens, Thessaloniki increases in attractiveness. Flexibility in leasing contracts remains crucial especially by occupiers from the technology sector, since their operations are subject to rapid changes, impacting the total leased area.

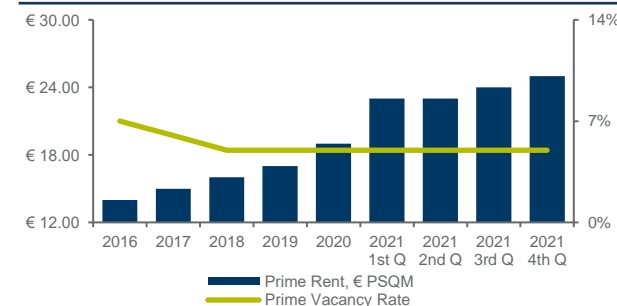
PRICING: Headline rents increasing.

The limited availability amongst the better quality buildings in the prime submarkets has led to a spike in prime rents across these locations. It remains to be seen the medium term impact of increasing completions of office projects on rents. Office developments totaling around 101,000 sq.m are currently under construction and are expected to be delivered till end of 2022, while the long term additional office developments are estimated to exceed 250,000 sqm.

TAKE UP/DELIVERIES



OVERALL VACANCY & PRIME RENT





MARKET STATISTICS ATHENS

SUBMARKET	INVENTORY (SQM)	AVAILABILITY (SQM)	OVERALL VACANCY RATE(%)	YTD OVERALL TAKE-UP(SQM)	UNDER CNSTR ONGOING (SQM)	DEVELOPMENT IN THE PIPELINE(SQM)	PRIME RENT* (€/SQM/MNTH)	PRIME YIELD*
CBD & CBD periphery	1,750,000	157,500	9.00	5,000	50,493	50,000	€25.00	5.80
Athens North East(Kifisias Ave, Attiki Odos, Mesoghion)	1,850,000	166,500	5.88	12,120	14,900	33,500	€25.00	6.00
Athens North(E75)	60,000	5,400	19.00	1,000	0,00	0,00	€16.00	7.00
Athens South(Syngrou, Vouliagmenis)	1,000,000	90,000	7.20	4,000	21,500	99,450	€20.00	6.30
Piraeus Port	280,000	25,200	14.00	850	16,000	0,00	€18.00	6.90
Other	150,000	13,500	18.00	1,030	21,000	20,000	€13.00	7.50
TOTALS	5,090,000	458,100	10.80	24,000	123,893	202,950	€19.50	6.58

*Rental rates & yields reflect average prime

KEY LEASE TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	SQM	TYPE
Marousi	Athens North East	consumer products	2,600	New lease
Chalandri	Athens North East	pharma	979	New lease
Marousi	Athens North East	technology	3,796	New lease
Pallini	East Athens	media	3,996	New lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SQM	PRICE (€)
Christou Lada 1-3	CBD	Sodia capitalEhret+Klein	3,500	Confidential

KEY CONSTRUCTION COMPLETIONS YTD 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SQM	DEVELOPER
Anthousis str	Athens Northeast	Vacant	3,180	NEW ELEVEN CAPITAL
Michalakopoulou str	CBD Periphery	Leased(partly)	10,000	TRASTOR REIC
Vas. Sofias Ave	CBD Periphery	Vacant	3,600	TEN BRINKE

NICKY SIMBOURAS

Managing Director

+30 210 7480852

nicky.simbouras@cwproprius.com

cushmanwakefield.com

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

©2021 All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.