

Industrial Q4 2021

706.0K
Overall Take-up (sq.m)



€4.20
Prime Rent (€/sq.m/month)



ECONOMY: Trade Commerce Recovering at Different Paces

According to Moody's Analytics, economic activity will continue recovering throughout 2022, with GDP forecasted to grow by 5.2% (above the 4.3% figure of 2021). GDP is forecasted to keep growing from 2023 onwards, albeit at a slower pace. This favourable outlook, despite ongoing supply-chain issues and COVID-19 cases increase, will continue to support both job and private consumption growth, with tourism only fully recovering by 2023, when foreign demand returns to pre-pandemic levels.

On the trade commerce, with imports recovering quicker than exports, a short-term trade deficit will temporarily occur, as the first grew by 10.0% and the latter 8.5% in 2021. By 2022, this trend will reverse, with imports increasing by 2.3% and exports by 7.1%.

DEMAND: Quarterl and Annual Take-up Record High Achieved in Q4

The increased activity in the occupational market of the industrial & logistics sector during 2021 reached its peak in Q4, with a quarterly take-up of 297,500 sq.m contributing to a year-end volume of 706,000 sq.m, both record-high figures (the latter representing twice what was registered in 2020). With a total of 100 deals, the annual average leased area increased to 7,000 sq.m, influenced by some large deals, including the largest of the year in Q4 – the pre-lease by a confidential tenant of circa 80,500 sq.m at the Azambuja Green Logistics Park, a project currently under construction by Aquila Capital.

Speculative development continues on the rise and, in addition to Aquila Capital's project in Azambuja with 116,000 sq.m, VGP is currently spearheading three projects, namely in Santa Maria da Feira, Loures and Sintra, with a total of 60,000 sq.m. Merlin Properties is also scheduled to start the second stage of the Northern Lisbon Logistics Platform (Castanheira do Ribatejo) that will eventually total an additional 180,000 sq.m.

PRICING: Increasing Quality Supply Creates Space for Rental Growth

The emergent number of projects with higher quality standards is tackling the shortage of quality supply, which had been limiting both the occupational and investment market, creating more opportunities for prime rent growth and prime yield compression. Zone 1 prime rents in the last quarter of 2021 increased to €4.20/sq.m/month in Lisbon and to €4.00/sq.m/month in Porto.

ECONOMIC INDICATORS 2021

4.3%
GDP Growth

YoY Chg: ▲
12-Mo. Forecast: ▲

8.5%
Exports Growth

YoY Chg: ▲
12-Mo. Forecast: ▼

100.5
Industrial Production Index

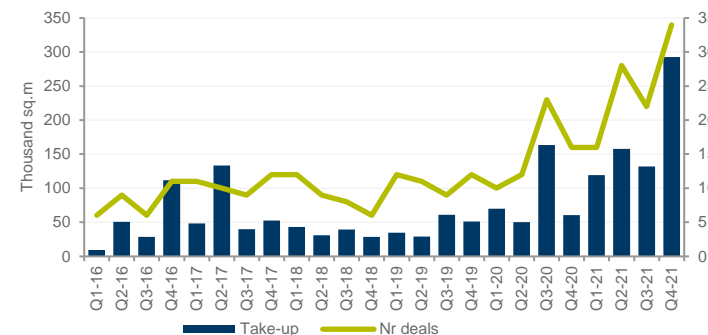
YoY Chg: ▲
12-Mo. Forecast: ▲

-2.1
Manufacturing Industry's Confidence Indicator

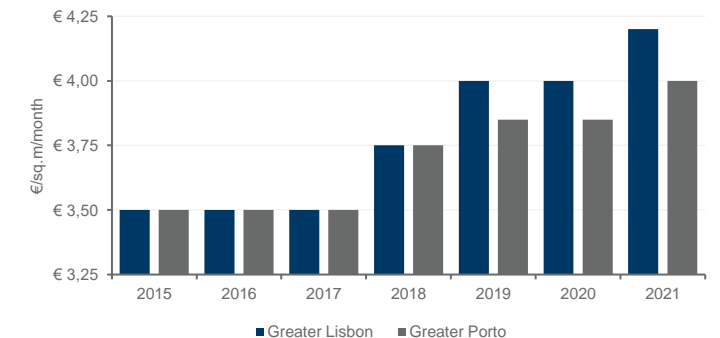
YoY Chg: ▲
12-Mo. Forecast: ▲

Source: Moody's Analytics; INE

INDUSTRIAL & LOGISTICS DEMAND



PRIME RENTS



MARKET STATISTICS

SUBMARKET	STOCK (SQ.M)	AVAILABILITY (SQ.M)	VACANCY RATE (%)	QUARTER TAKE-UP (SQ.M)	YTD TAKE-UP (SQ.M)	PRIME RENT (€/SQ.M/MONTH)	PRIME YIELD (%)
Greater Lisbon	11,939,375	1,797,650	15%	224,570	449,950	€4.20	5.00%
Greater Porto	12,848,800	-	-	10,870	107,220	€4.00	5.25%
PORTUGAL TOTALS	-	-	-	297,500	706,000	€4.20	5.00%

MAIN OCCUPANCY TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)	TYPE
Azanbuja Green Logistics Park	Greater Lisbon	Confidential	80,500	Pre-let
Lisgráfica	Greater Lisbon	Confidential	42,000	Owner-occupier
Industrial Facilities in Setúbal	Greater Lisbon	ETERMAR	37,500	Owner-occupier
Northern Lisbon Logistics Platform	Greater Lisbon	Rangel	13,100	Lease
Montemor-o-Velho Warehouse	Center	Euromais	13,000	Owner-occupier

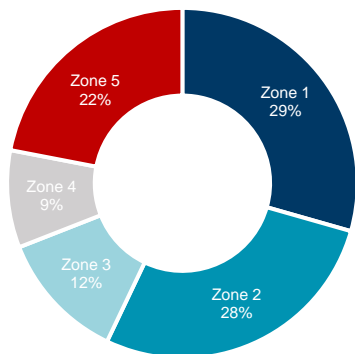
ANDREIA ALMEIDA

Head of Research

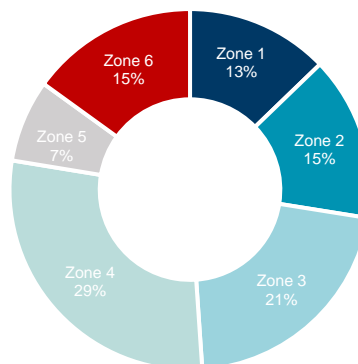
+351 211 207 560 / andreia.almeida@cushwake.com

cushmanwakefield.com

STOCK DISTRIBUTION – GREATER LISBON



STOCK DISTRIBUTION – GREATER PORTO



A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in 400 offices and 60 countries. In 2020, the firm had a revenue of \$7.8 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

©2019 Cushman & Wakefield. 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.