

**6.9%**

Vacancy Rate

YoY Chg



12-Mo. Forecast



**168.3K**

Overall Take-Up (sq.m)



**€25.00**

Prime Rent (€/sq.m/month)



**ECONOMIC INDICATORS 2022**

**6.2%**

GDP Growth

YoY Chg



12-Mo. Forecast



**2.1%**

Job Creation



**5.7%**

Unemployment Rate



Source: Moody's Analytics

**ECONOMY: Inflation forecasted to rise to 6.6% in 2022, but still expected to decrease to 2.4% in 2023**

Although short-term economic forecasts are currently clouded by uncertainty, Portuguese GDP should still increase by 6.2% in 2022 and maintain a positive trajectory in 2023 at 0.9%. Private consumption is expected to grow by 5.2% in 2022 but is forecasted to moderate its growth to 0.1% in 2023. Inflation is currently estimated to rise to 6.6% in 2022, driven by a steep increase in the prices of energy and food products, but still it is projected to decrease to 2.4% in 2023 and maintain similar levels onwards. Regarding the trade balance, exports are expected to grow by 13.2% and imports to grow by 8.5% in 2022. For 2023, Moody's Analytics foresees a 0.9% growth in imports and +3.7% in exports. The unemployment rate reached pre-pandemic levels (6.6%) in 2021 and it is expected to continue recovering, reaching 5.7% by the end of 2022 and remaining stable in 2023.

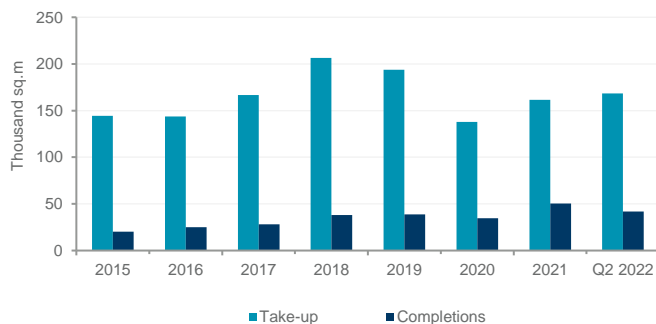
**DEMAND: The 168,340 sq.m Take-up in the First Half of 2022 represented a YoY Growth of 204%**

The Greater Lisbon office market registered 60 new lease deals in a total take-up volume of 104,050 sq.m in Q2 2022, reaching 168,340 sq.m in the first half of 2022, representing a year-on-year (YoY) growth of 204%. The average leased area in the second quarter of the year increased to 1,730 sq.m, compared with 970 sq.m in Q2 2021. Influenced by the future occupation by BNP Paribas of the under construction buildings "Exeo Office Campus - Echo" with 21,470 sq.m and "Exeo Office Campus - Aura" with 16,780 sq.m – Parque das Nações (Zone 5) reached the highest share of take-up (41%) in Q2 2022. Secondary Office Locations (Zone 4) followed with 19% with one large lease deal with 11,400 sq.m. representing almost 60% of the total leased area in this zone. Western Corridor (Zone 6) registered 17 deals representing 15% of the total take-up volume, with the future occupation by Novo Banco (8,230 sq.m) of the under construction "Novo Banco (Expansion)" building at Taguspark representing around half of the total leased area in this zone. The vacancy rate slightly increased to 6.9% in Q2 2022, comparing to 6.8% in the previous quarter. A major part of this increase in the vacancy rate is explained by the completion of 3 buildings in Q2 2022 with a total available area of 14,000 sq.m. Fueled by the market's expectations for short-term recovery, pipeline under construction for the next 3 years accounts for 235,000 sq.m, of which 73% are already pre-occupied.

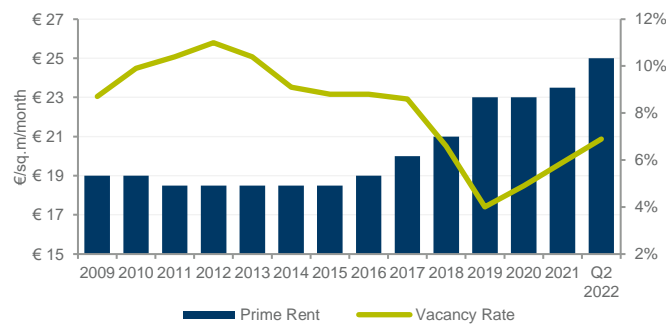
**PRICING: Prime Rental Growth in Zone 1 and Zone 4**

When compared with Q1 2022, prime rents registered an increased at Prime CBD (Zone 1) and Secondary Office Locations (Zone 4) reaching €25.00/sq.m/month and €20.00/sq.m/month, respectively, and remained stable in the remaining zones.

**OFFICES DEMAND & COMPLETIONS**



**OVERALL VACANCY & PRIME RENT**



# MARKETBEAT LISBON

Office Q2 2022



## MARKET STATISTICS

SUBMARKET	STOCK (SQ.M)	AVAILABILITY (SQ.M)	VACANCY RATE (%)	QUARTER TAKE-UP (SQ.M)	OVERALL TAKE-UP (SQ.M)	UNDER CONSTRUCTION (SQ.M)	PRIME RENT (€/SQ.M/MONTH)	PRIME YIELD (%)
Zone 1 (Prime Central Business District)	552,740	28,260	5.1%	9,230	19,360	0	€25.00	3.75%
Zone 2 (Central Business District)	933,830	31,030	3.3%	4,080	9,980	4,170	€21.00	4.50%
Zone 3 (New Office Areas)	569,110	22,890	4.0%	5,000	39,680	38,380	€19.00	5.00%
Zone 4 (Secondary Office Locations)	363,760	7,040	1.9%	19,680	20,150	49,270	€20.00	4.75%
Zone 5 (Parque das Nações)	475,800	31,790	6.7%	42,780	51,070	51,920	€19.50	4.50%
Zone 6 (Western Corridor)	1,022,760	159,340	15.6%	15,210	19,800	66,790	€16.00	6.25%
Zone 7 (Other Zones)	459,810	22,160	4.8%	8,060	8,310	24,920	-	-
<b>GREATER LISBON TOTALS</b>	<b>4,377,800</b>	<b>302,510</b>	<b>6.9%</b>	<b>104,050</b>	<b>168,340</b>	<b>235,450</b>	<b>€25.00</b>	<b>3.75%</b>

## MAIN OCCUPANCY TRANSACTIONS Q2 2022

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)	TYPE
Exeo Office Campus - Echo	Zone 5	BNP Paribas	21,470	Sale
Exeo Office Campus - Aura	Zone 5	BNP Paribas	16,780	Sale
Sede EDP 2	Zone 4	EDP	11,400	Owner Occupied
Novo Banco - TagusPark (Expansion)	Zone 6	Novo Banco	8,240	Owner Occupied
Alcântara Lisbon Office (ALLO) - Building 1	Zone 4	Confidential	7,840	Pre-let

## MAIN INVESTMENT TRANSACTIONS 2022

PROPERTY	SUBMARKET	SELLER / BUYER	AREA (SQ.M)	PRICE (€M)
Tranquilidade Headquarters	Zone 1	Lace (Real Added Value) / AFIAA	7,740	€65.0-70.0 M
Former Banco Popular Headquarters	Zone 3	Santander Asset Management / Incus Capital	11,660	€50.0-55.0 M
Berna, 54	Zone 2	Tristan Capital Partners / SGFPBP	3,830	€14.0-15.0 M

## COMPLETIONS Q2 2022

PROPERTY	SUBMARKET	TENANT IF RESERVED	AREA (SQ.M)	OWNER / DEVELOPER
Beloura Business Campus	Zone 6	n.a.	8,100	The Edge Group/ Fundo Ardma FCR
Duque de Palmela, 11	Zone 1	n.a.	4,390	Santalucía
Alegria One	Zone 1	n.a.	1,510	Eastbanc

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