

7.2%

Vacancy Rate

YoY Chg



12-Mo. Forecast



247.9K

Overall Take-Up (sq.m)



€25.00

Prime Rent (€/sq.m/month)



ECONOMIC INDICATORS 2022

6.4%

GDP Growth

YoY Chg



12-Mo. Forecast



2.1%

Job Creation



5.8%

Unemployment Rate



ECONOMY: GDP Expected to Grow 6.4% in 2022, Predominantly Driven by Exports

Moody's estimates a GDP growth of 6.4% for Portugal in 2022, followed by a slowdown to 0.9% in 2023. This growth will be predominantly driven by exports and further fueled by a revival in the tourism sector. A recovery in private consumption is expected for this year, surpassing 2021 by 5.0%. Inflation is currently forecasted to rise by 7.9% in 2022, and then grow more moderately by 5.5% in 2023 and 1.6% in 2024. Regarding trade, exports are expected to grow by 14.8% and imports are expected to grow by 9.8% in 2022. For 2023, Moody's Analytics foresees a 1.4% growth in exports and 0.1% increase in imports.

The labour market remains resilient, with Moody's forecasting an unemployment rate of 5.8% in 2022, likely to remain stable in 2023 and 2024.

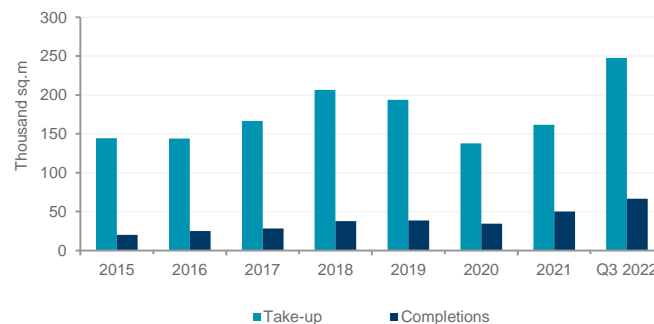
DEMAND: Take-up of 247,910 sq. until September 2022, Reaching an All-time High

The Greater Lisbon office market registered 57 new lease deals in a total take-up volume of 79,570 sq.m in Q3 2022. With a total of 162 deals until September, the year-to-date volume stands at 247,910 sq.m surpassing already the 2021 annual take-up and representing a year-on-year (YoY) growth of 209%. The average deal size increased to 1,530 sq.m, compared with 870 sq.m in the same period of 2021. Secondary Office Locations (zone 4) reached the highest share of take-up (30%) in the third quarter mainly influenced by the future occupation by two confidential occupants of a major part of the under-construction blocks of the ALLO (Alcântara Lisbon Offices) project. When considering the take-up volume from January to September, the total volume of leased area was mainly concentrated in Parque das Nações (zone 5) and the New Office Areas (zone 3), representing 28% and 20%, respectively. The vacancy rate slightly increased to 7.2% in Q3 2022, comparing to 6.9% in the previous quarter. A major part of this increase in the vacancy rate is explained by the completion of 2 World Trade Center buildings in Q3 2022 that still have an available area of 16,400 sq.m. Fueled by the market's expectations for short-term recovery, pipeline under construction for the next 3 years accounts for 255,670 sq.m, of which 74% are already pre-occupied.

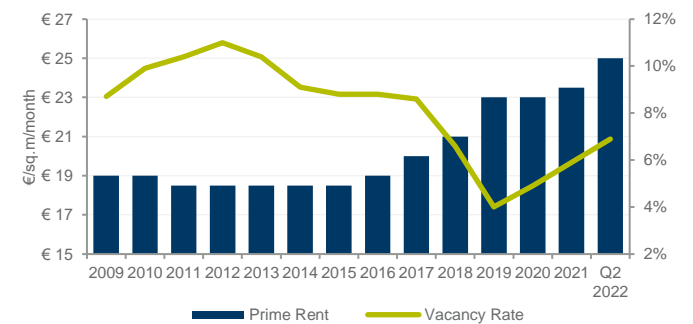
PRICING: Prime and Average Rents Remained Stable

When compared with Q2 2022, prime and average rents in Greater Lisbon remained stable with Prime CBD (Zone 1) at €25.00/sq.m/month.

OFFICES DEMAND & COMPLETIONS



OVERALL VACANCY & PRIME RENT



Source: Moody's Analytics

MARKETBEAT LISBON

Office Q3 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	22,940	4.2%	9,800	29,130	4,150	€25.00	4.00%
Zone 2 (Central Business District)	933,830	33,200	3.6%	5,850	15,820	9,870	€21.00	4.75%
Zone 3 (New Office Areas)	564,100	29,430	5.2%	11,050	50,730	38,380	€19.00	5.25%
Zone 4 (Secondary Office Locations)	363,760	6,790	1.9%	23,930	44,080	49,270	€20.00	5.00%
Zone 5 (Parque das Nações)	475,800	31,940	6.7%	17,560	68,630	51,920	€19.50	4.75%
Zone 6 (Western Corridor)	1,047,890	169,100	16.1%	10,870	30,670	44,660	€16.00	6.50%
Zone 7 (Other Zones)	459,810	21,800	4.7%	510	8,820	60,420	-	-
GREATER LISBON TOTALS	4,397,930	315,200	7.2%	79,570	247,910	255,670	€25.00	4.00%

MAIN OCCUPANCY TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)	TYPE
Alcântara Lisbon Office (ALLO) – Building 2	Zone 4	Confidential	17,750	Lease
Vodafone	Zone 5	Confidential	9,860	Lease
Alcântara Lisbon Office (ALLO) – Building 1	Zone 4	Confidential	5,570	Lease
Ramalho Ortigão, 51	Zone 3	Confidential	5,480	Lease
Orange - Taguspark	Zone 6	Novo Banco	3,415	Owner Occupied

MAIN INVESTMENT TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	SELLER / BUYER	AREA (SQ.M)	PRICE (€M)
Atrium Saldanha	Zone 1	Grupo Fibeira / Sonae Sierra & Bankinter Investment	31,220	€205.0 M
Explorer Offices Portfolio	Zone 1 & 2	Explorer / Castel Group	21,000	€110.0-120.0 M
Liberdade, 195	Zone 1	Novo Banco / Merlin Properties	15,230	€112.2 M

COMPLETIONS Q3 2022

PROPERTY	SUBMARKET	TENANT IF RESERVED	AREA (SQ.M)	OWNER / DEVELOPER
World Trade Center – Building 1 & 2	Zone 6	Worten, Bial, Helm	25,120	FVC Group

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