

**7.6%**

Vacancy Rate

YoY Chg



12-Mo. Forecast



**72.1K**

Overall Take-Up\* (sq.m)



**€27.00**

Prime Rent (€/sq.m/month)



\* January to September

### ECONOMIC INDICATORS 2023

**2.2%**

GDP Growth

YoY Chg



12-Mo. Forecast



**0.9%**

Job Creation



**6.4%**

Unemployment Rate



Source: Moody's Analytics

### ECONOMY: GDP expected to grow 2.2% in 2023, the 6th highest rate in the euro zone

According to Moody's Analytics, Portuguese GDP growth will slow down to 2.2% in 2023 and 1.4% in 2024, progressing to 2.2% in 2025. Nevertheless, the country remains as one of the fastest-growing economies in the euro zone. Investment is expected to drop 1.2% in 2023 and to increase 4.7% in 2024. Inflation should ease in the near term, reaching 4.5% in 2023 and 2.6% in 2024. Despite the increase in the unemployment rate to 6.4% in 2023, it is forecasted to decrease to 5.9% in 2024 as the labour market resumes its recovery.

### DEMAND: year-to-date take up volumes decreased by 71%, to 73,130 sq.m

During the third quarter of 2023, the Greater Lisbon office market registered 41 new leases, with a total take-up volume of 34,220 sq.m. The year-to-date figures, which include 113 deals, regard a take-up volume of 73,130 sq.m – the second lowest in the past decade and an expressive year-on-year drop of 71%. Likewise, the average deal size reduced by 58%, to 640 sq.m.

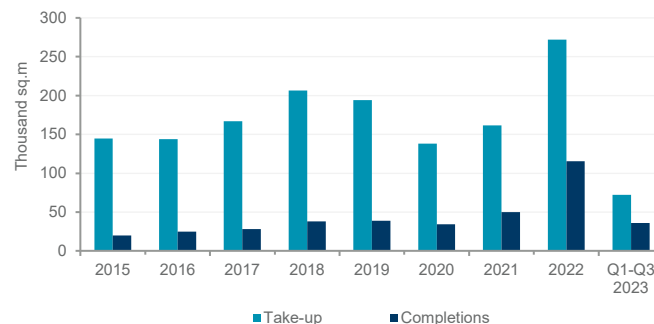
The New Office Areas (zone 3) aggregated the highest share of take-up, representing 41% of the total in the third quarter and 27% from January to September. This performance was mainly influenced by the top three deals of the quarter, all located in this zone, the largest one being the lease of 4,130 sq.m at Torres de Lisboa by Hospital da Luz.

The vacancy rate maintained the slight upward trend during the third quarter, climbing to 7.6%, a 0.3-percentage point increase when compared to the second quarter. In the quarter under analysis there were no new building completions. Regarding pipeline, there are currently 269,440 sq.m under construction, with 43% of this space already pre-occupied.

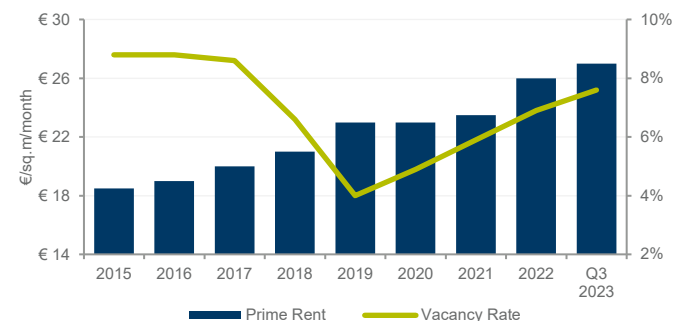
### PRICING: majority of both prime and average rents stabilized

Compared to the previous quarter, there was an overall maintenance of both prime and average rents across most Greater Lisbon's zones.

### OFFICES DEMAND & COMPLETIONS



### OVERALL VACANCY & PRIME RENT



# MARKETBEAT LISBON

Office Q3 2023



## 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)	553,540	24,200	4.4%	3,410	6,120	3,850	€27.00	4.75%
Zone 2 (Central Business District)	938,960	30,050	3.2%	8,220	13,880	17,450	€22.00	5.50%
Zone 3 (New Office Areas)	565,460	31,230	5.5%	14,150	19,520	82,530	€20.00	6.00%
Zone 4 (Secondary Office Locations)	400,700	17,480	4.4%	0	4,210	17,280	€22.00	5.50%
Zone 5 (Parque das Nações)	492,070	21,570	4.4%	5,650	15,680	67,120	€19.50	5.50%
Zone 6 (Western Corridor)	1,054,490	182,170	17.3%	1,510	8,050	43,190	€17.00	7.25%
Zone 7 (Other Zones)	507,140	35,790	7.1%	1,270	4,670	38,020	-	-
<b>GREATER LISBON TOTALS</b>	<b>4,512,360</b>	<b>342,490</b>	<b>7.6%</b>	<b>34,220</b>	<b>72,130</b>	<b>269,440</b>	<b>€27.00</b>	<b>4.75%</b>

## MAIN OCCUPANCY TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)	TYPE
Torres de Lisboa - Tower H	Zone 3	Hospital da Luz	4,130	Lease
Ramalho Ortigão, 51	Zone 3	Cimpor	2,430	Lease
Green Park	Zone 3	CTT	2,430	Lease
Barata Salgueiro, 21	Zone 1	Pérez-Llorca	2,430	Lease
Lumnia	Zone 5	Promanec	1,910	Lease

## MAIN INVESTMENT TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	SELLER / BUYER	AREA (SQ.M)	PRICE (€M)
Casal de Alfragide (former SKF)	Zone 6	M7 Real Estate / Colares Capital	3,650	€2.5-3.0 M

## COMPLETIONS Q3 2023

PROPERTY	SUBMARKET	TENANT IF RESERVED	AREA (SQ.M)	OWNER / DEVELOPER
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