

7.5%

Vacancy Rate

YoY Chg



12-Mo. Forecast



127.6K

Overall Take-Up* (sq.m)



€28.00

Prime Rent (€/sq.m/month)



* January to June

ECONOMIC INDICATORS 2024

1.7%

GDP Growth

YoY Chg



12-Mo. Forecast



0.9%

Job Creation



6.4%

Unemployment Rate



Source: Moody's Analytics

ECONOMY: GDP annual growth forecasted to stabilize at circa 2,0% figures between 2024 and 2026

According to Moody's Analytics, despite the slowdown in 2024, Portugal will remain a top performer in the euro zone, with GDP growing by 1,7%, followed by slight increases over the next two years (1,8% in 2025 and 2,0% in 2026).

Private consumption is projected to stabilize at 1,6% until 2025, dropping to 0,5% in 2026. The inflation rate is anticipated to continue decreasing, reaching 2.2% in 2024 and falling below the 2,0% target in 2025 (1,3% in 2025 and 1,4% in 2026). After an upward trend in 2023, unemployment should decrease to 6,4% this year, reaching 5,8% in 2025 and 5,3% in 2026 – a 25-year historical low.

DEMAND: first semester take up of 127,650 sq.m already above annual 2023 volume

The Greater Lisbon office market registered 41 new lease deals in the second quarter of 2024, with a take-up of 53,920 sq.m. This brought the first semester's total volume to 127,650 sq.m, surpassing the entire annual take-up of 2023 (112,470 sq.m), also indicating a robust market growth. This represents a year-on-year growth of three times.

Main deals of the quarter included Leaseplan/Ayvens occupying 3,780 sq.m at Quinta da Fonte's Q43 - Fernão Magalhães in the Western Corridor (zone 6); and Pictet Tech leasing 2,650 sq.m at IDB Lisbon – Innovation & Design Building Lisbon in Parque das Nações (zone 5). Parque das Nações remained the most sought-after zone, with a first semester take-up of 50,130 sq.m, accounting for 39% of the total volume. Financial Services dominated sector distribution, representing 40% of the semester's take-up.

The vacancy rate increased to 7.5%, a 1.2-percentage point rise compared to the previous quarter. Development activity continues to address the shortage of quality supply, with 44,420 sq.m completed during the second quarter across four buildings. The largest of these was the Echo building, part of the Exeo Office Campus scheme at Parque das Nações (zone 5), which was bought for owner occupation by BNP Paribas. The pipeline remains high, with an expected 385,100 sq.m to be completed over the next three years. Of this, 234,840 sq.m is already under construction, with 44% of the space pre-occupied.

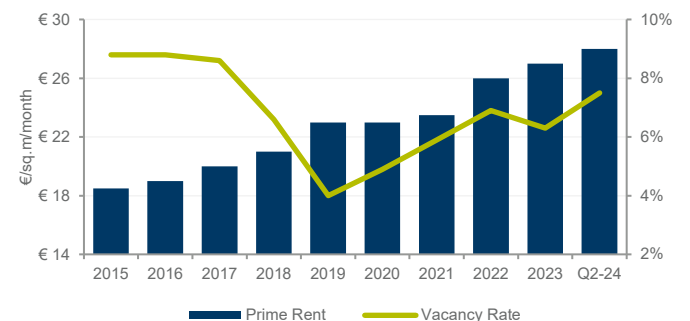
PRICING: stable rents

Compared to the previous quarter, prime rents remained stable across all zones in Greater Lisbon.

OFFICES DEMAND & COMPLETIONS



OVERALL VACANCY & PRIME RENT



MARKETBEAT LISBON

Office Q2 2024



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)	542,470	21,920	4.0%	2,980	13,080	14,080	€ 28.00	5.00%
Zone 2 (Central Business District)	926,740	32,230	3.5%	7,190	10,680	25,740	€ 23.00	5.75%
Zone 3 (New Office Areas)	550,340	54,540	9.9%	2,050	28,170	83,000	€ 21.00	6.25%
Zone 4 (Secondary Office Locations)	397,580	13,880	3.5%	550	3,750	7,900	€ 23.00	5.50%
Zone 5 (Parque das Nações)	562,140	42,020	7.5%	21,460	50,130	67,810	€ 20.00	5.75%
Zone 6 (Western Corridor)	1,052,220	151,670	14.4%	19,130	21,260	33,820	€ 17.00	7.50%
Zone 7 (Other Zones)	492,310	22,850	4.6%	560	560	2,500	-	-
GREATER LISBON TOTALS	4,523,800	339,110	7.5%	53,920	127,630	234,850		

MAIN OCCUPANCY TRANSACTIONS Q2 2024

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)	TYPE
Q43 - Fernão Magalhães	Zone 6	Leaseplan/Ayvens	3,780	Lease
IDB Lisbon – Innovation & Design Building Lisbon	Zone 5	Pictet Tech	2,640	Lease
Lisboa	Zone 5	Neotalent	1,530	Lease
Báltico	Zone 5	Confidential	1,080	Lease
Q57 - Dom Sancho I	Zone 6	Beiersdorf	820	Lease

MAIN INVESTMENT TRANSACTIONS Q2 2024

PROPERTY	SUBMARKET	SELLER / BUYER	AREA (SQ.M)	PRICE (€M)
Liberdade 136	Zone 1	Developer / Asset manager	1,950	€13-15 M
Corpo Santo 13	Zone 4	Private equity / Private investors	4,020	€10-15 M

COMPLETIONS Q2 2024

PROPERTY	SUBMARKET	TENANT IF RESERVED	AREA (SQ.M)	OWNER / DEVELOPER
Exeo Office Campus - Echo	Zone 5	BNP Paribas	21,470	BNP Paribas / Avenue
EDP Headquarters 2	Zone 4	EDP	11,400	EDP
Taguspark - Novo Banco (expansion)	Zone 6	Novo Banco	8,230	Novo Banco / Taguspark
Marquês de Pombal, 2	Zone 1		3,310	Zurich

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