

RENT IN KEY SHOPPING DISTRICT DROPS (24 09 10)

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Rent in key shopping district drops

Rent on Greece's most expensive commercial street, Ermou, in central Athens, fell more than 15 percent over the last year as rising taxes and growing unemployment weighed on consumption, according to figures released yesterday.

A list of global data, compiled by real estate broker **Cushman & Wakefield**, showed the cost of renting retail space on Ermou Street fell 15.4 percent on an annual basis to 2,640 euros per square meter per

year. In the affluent suburb of Kolonaki, rent on Tsakalof Street fell 22.2 percent to 1,680 euros/sq.m. per year.

"Occupier demand has dropped and leasing activity has been limited in the last year or so," the report said. "Main-street availability continues to edge up, which has had a negative impact on rents and key money."

Ermou now ranks as the 19th most expensive stretch to rent re-

tail property in the world, down from position No 12 last year.

The broker predicted that sentiment in the Greek retail property market is not expected to improve in the short term due to an expected further decline in gross domestic product.

The most expensive rental fees in the world are still on New York's 5th Avenue, where the average cost per square meter per annum is 16,257 euros, followed by Hong

Kong's Causeway Bay, where the going rate is 14,620 euros.

Closer to home, Turkey was the only market in Eastern Europe to see positive growth in rents for the year, the report said.

Occupier demand in Eastern Europe in general is still cautious with supply still high in some areas, allowing tenants to force down rents, as seen in Bulgaria, Romania and Slovakia, it added.

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