

# MARKETBEAT GREECE



CUSHMAN &  
WAKEFIELD

PROPRIUS

Office Q1 2022

**7.45%**  
Vacancy Rate

YoY  
Chg



12-Mo.  
Forecast



**35,000**  
Take-Up sqm



**€25.00**  
Prime Rent, PSQM



## ECONOMIC INDICATORS Q1 2022

**3.1%**  
GDP growth rate  
for 2022\*

YoY  
Chg



12-Mo.  
Forecast



**12.8%**  
Unemployment Rate  
February 2022\*\*



**+8.9%**  
Inflation rate March  
2022\*\*



Source: \*EU \*\*Elstat

## ECONOMY: The outbreak of the Ukrainian crisis is fuelling uncertainty.

The projections for the new year, despite the Ukrainian crisis are positive and it is expected that the economy will grow by 3.1% revised downwards. The reforms and investments, implemented under the Recovery and Resilient Plan, as well as the expected increase of tourism and domestic demand, is expected to create a favorable economic environment and attract foreign investment. The outbreak of the Ukrainian crisis has fueled uncertainty, increased price levels and volatility, accelerated inflation, and aggravated supply chain disruptions. However unemployment registered at 12.8 % in February, lowest since summer 2010 and industrial turnover stayed on a solid recovery path rising by 33.8 % in February, while Consumer Price Index picked up more pace in March, rising by 8.9 % year-on-year.

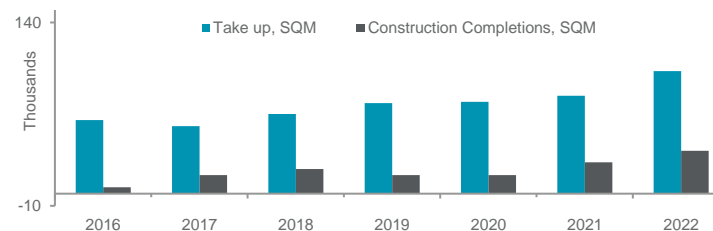
## SUPPLY & DEMAND: Office tenant sentiment is gradually improving.

Occupier's confidence has been reflected by the high absorption in Athens of 35,000 sqm, well above the quarterly average and 55% higher than the figure been registered in 1<sup>st</sup> Q 2021. Key aspects for this are considered the prospects for the end of the pandemic and the improved economic sentiment. CBD and North East Athens are the most attractive sub-markets while the size of the leasing transactions has been increased and the average deal is now 750 sq. from 600 sqm of the 2021 average. Majority of office lettings were coming from the public sector, consultancies, and technology sector. On the investment side, Prodea investments acquired prime development land along Kifisias Avenue in Marousi and will develop with projected completion at the end of 2023, two buildings of total 17,000 sqm GLA prime offices. In addition ehret+klein, German investment company, entered the Greek market by acquiring a central 3,500 sqm office building along Stadiou street.

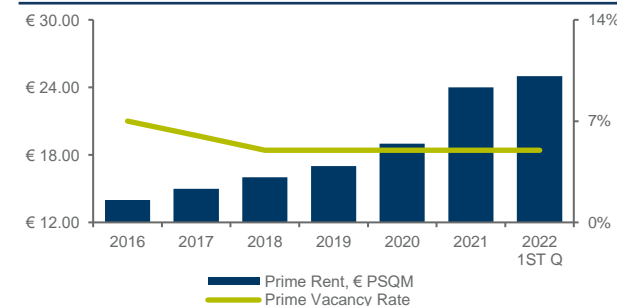
## OUTLOOK: Albeit geopolitical developments positive momentum prevails.

During the quarter, prime rents have stayed stable while the demand for high-quality spaces with high sustainability standards, in line with ESG criteria. Given the number of ongoing negotiations and agreed deals, we expect an even more positive second part of the year in terms of investment activity although geopolitical developments in Ukraine and the international economic consequences can be a risk to the momentum. Landlords and tenants will be faced with the challenge of significantly increased inflation and rising construction costs. Furthermore, material and staff shortages on construction sites might postpone the completion of office projects. Even if most companies will continue to offer their employees the right to remote working, the office is proving to be a crucial place for internal exchange and cooperation, developing corporate identification and culture, and promoting employee satisfaction.

## TAKE UP/DELIVERIES



## OVERALL VACANCY & PRIME RENT





## MARKET STATISTICS ATHENS

SUBMARKET	INVENTORY (SQM)	AVAILABILITY (SQM)	OVERALL VACANCY RATE(%)	YTD OVERALL TAKE-UP(SQM)	UNDER CNSTR ONGOING (SQM)	DEVELOPMENT IN THE PIPELINE(SQM)	PRIME RENT* (€/SQM/MNTH)	PRIME YIELD*
CBD & CBD periphery	1,750,000	157,500	9.00	5,000	50,493	50,000	€25.00	5.80
Athens North East(Kifisias Ave, Attiki Odos, Mesoghion)	1,850,000	166,500	5.88	12,120	14,900	33,500	€25.00	6.00
Athens North(E75)	60,000	5,400	19.00	1,000	0,00	0,00	€16.00	7.00
Athens South(Syngrou, Vouliagmenis)	1,000,000	90,000	7.20	4,000	21,500	99,450	€20.00	6.30
Piraeus Port	280,000	25,200	14.00	850	16,000	0,00	€18.00	6.90
Other	150,000	13,500	18.00	1,030	21,000	20,000	€13.00	7.50
<b>TOTALS</b>	<b>5,090,000</b>	<b>458,100</b>	<b>10.80</b>	<b>24,000</b>	<b>123,893</b>	<b>202,950</b>	<b>€19.50</b>	<b>6.58</b>

\*Rental rates & yields reflect average prime

## KEY LEASE TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	TENANT	SQM	TYPE
Syntagma square	CBD	State	4,500	New lease
Panepistimiou	CBD	State	2,500	New lease
Marousi	Athens North East	technology	2,400	New lease
Marousi	Athens North East	technology	2,200	New lease

\*Renewals not included in leasing statistics

## KEY SALES TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SQM	PRICE (€)
Christou Lada 1-3	CBD	Sodia capital/Ehret+Klein	3,500	Confidential
Kifisias Ave and Dionysou	Athens North East	Jehovah's Witnesses/Prodea Investments	10,433	Confidential

## KEY CONSTRUCTION COMPLETIONS YTD 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SQM	DEVELOPER
Fragoklisias str 7	Athens Northeast	Google, Elpedison	6,800	Prodea Investments
Alexandras Avenue	CBD Periphery	Na	3,700	Ten Brinke

## NICKY SIMBOURAS

Managing Director

+30 210 7480852

[nicky.simbouras@cwproprius.com](mailto:nicky.simbouras@cwproprius.com)

[cushmanwakefield.com](http://cushmanwakefield.com)

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