

**7.0%**

Prime yields

YoY Chg



12-Mo. Forecast



**220,000**

Take-Up 2021, SQM



**€ 4.50**

Prime Rent, PSQM



## ECONOMIC INDICATORS Q2 2022

**+3.1%**

GDP growth rate 2022(estimation)

YoY Chg



12-Mo. Forecast



**12.1%**

Unemployment Rate June 2022



**12.1%**

Inflation rate June 2022



**53.8**

May PMI Markit Greece



**+3.2%**

May Industrial Production Index Elstat



## ECONOMY: The outbreak of the Ukrainian crisis is fueling uncertainty albeit the positive prospects.

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 12.1% in June a 12-year low and industrial turnover increased this May by 53.1% compared to May 2021, both thanks to the full recovery of economic activity after two years of the Covid pandemic, and to very high product prices. Consumer Price Index picked up more pace in May, rising by 12.1% year-on-year. Industrial output rose 8.4% year on year in working-day adjusted terms in June and among major sectors, the electricity supply index logged a double-digit growth of 13.2% at the same time, monthly increase in industrial production advanced to 8% from 4.5%.

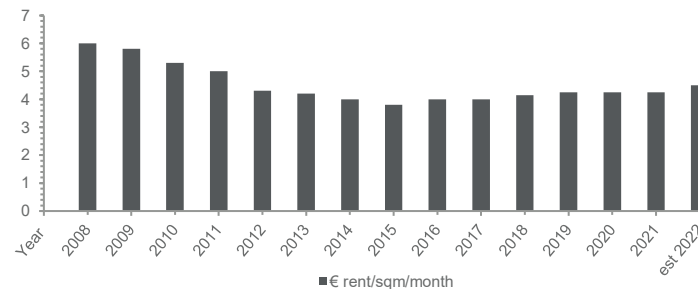
## DEMAND: Positive tenant activity recorded.

A series of projects are underway focusing on strengthening Greece's role in the global supply chain. Occupier demand for logistics continues to be particularly strong as e-commerce activity triggers increased rates of absorption of quality space, especially in Attica. The pandemic has not only boosted demand but also the whole process of digital transformation of the supply chain. The majority of transactions refer to built-to-suit transactions given the inability of the existing supply to serve the demand which is focused on modern and large-scale space. Thrasio in Western Attica, attracts more than 60% of new leases followed by Thessaloniki, Mesoghia, and Oinofyta. New logistics developments of 180,000 sqm are estimated to be completed by mid-2023 with an additional 100,000 sqm till the end of 2024. During this quarter Prodea Reic acquired 110,000 sqm land in Aspropyrgos, to develop a new logistics project. ACS will operate soon the new distribution centre of 26.750 sqm, and Fournalis group presented the Trade Logistics center in Oinofyta of 25,000 sqm. New warehouses have been announced for Vianex Pharma in Gerakas of 9000 sqm.

## PRICING: Yields tend to further compress.

Prime rents for logistics supply have remained relatively stable with Thrasio zone standing at € 4.50/sq.m/month. Additionally, urban logistics is growing where rental prices per sqm are higher reaching € 6.0 to 7.0/sq.m/month. Interest in data centres continues to increase Greece's state agency Enterprise Greece has given approval to fast-track a 100 million euros Microsoft investment project for three data centers in the country. The data centers will be located at Spata and Koropi in the Attica region and will provide technical business support and cloud computing services to Greece.

## RENT EVOLUTION



## YIELD EVOLUTION

