

GREECE

Retail Q1 2020



YoY Chg 12-Mo. Forecast

€7,875

Median equivalized HH Income



-0.15%

Population Growth



16.4%

Unemployment Rate



Source: EUROSTAT(2018 data) & ELSTAT

GREECE ECONOMIC INDICATORS Q4 2019

YoY Chg 12-Mo. Forecast

1.7

GDP Growth rate 2019



-16.5

Consumer confidence



10.1% yoy

Turnover index Retail Trade



Source: Oxford economics, Hellenic Federation of Enterprises, Hellenic statistical services

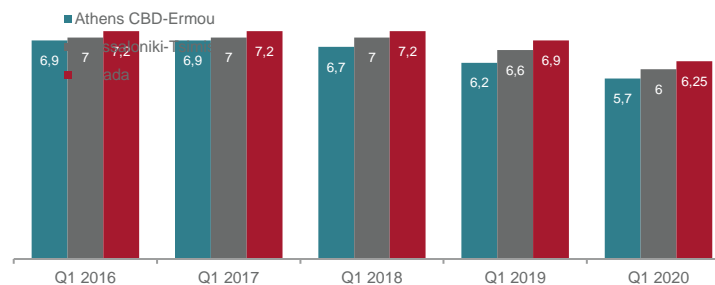
ECONOMY: Economic prospects weaken with the arrival of the COVID-19 pandemic

Following a recent emerged from a 10-year economic crisis, the arrival of the COVID-19 pandemic is expected to have sharp effects on the output level, household spending, business investment and international trade of Greece. This impact cannot, for the time being, quantified, due to a lack of available data and given that the pandemic is still unfolding. According to the baseline scenario of the Bank of Greece, GDP growth in 2020 is now projected to be zero, rather than 2.4% as last revised. Retail establishments, restaurants, schools and leisure activities, museums and most hotels and seasonal tourist accommodations, have almost all ground to a halt since 14th March while customers self-quarantine and practice social distancing. Tourism, retail trade and shipping seems to encounter a retrenchment of a smaller or larger size, depending on the duration and the impact of the COVID-19 to production, incomes and consumption. The government imposed severe social distancing measures at a much earlier stage than other European countries and Greece avoided the tragic healthcare crisis of other countries. Hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work but it is too early to say if these signs are sustainable and how they will impact the economy. Total retail sales in Greece increased by 8.4% y-o-y in the first month of 2020 and before COVID 19 outbreak according to statistics service ELSTAT. Retail sales were led higher by furniture, electrical appliances, apparel, footwear, cosmetics and pharmaceuticals, the data showed.

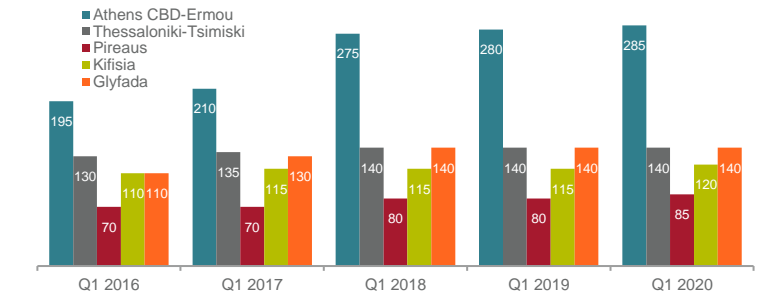
LEASING ACTIVITY: a lot of uncertainty remains on how the virus will affect retailers.

In the beginning of the 1st Q 2020 the activity continued to be buoyant and new store announcements included, new 2,600 sqm Intersport along Ermou in Athens while Attica department store announced refurbishment and expansion with additional 4,000 sqm. However since mid February the situation changes dramatically and retailers were seized to close. Online retailers posted strong sales growth y-o-y in certain categories such as puzzles, web cameras, athletics and Hobby and childrenware. Fashion recorded a 4% y-o-y during March due to Easter break. Most operators responded to Covid-19 by hosting online sales. Supermarket recorded strong sales growth as consumers increased grocery sales. Most F&B retailers offering home delivery reported also sales growth. Leasing activity is expected to be very weak in the next quarters as most of retailers defer expansion plans apart from the grocery retailing. Shopping malls and at lesser extend high street retail are expected to face strong competition from online sales as shoppers stay home and avoid crowded areas. Average retail rents forecast to decline and lease terms renegotiation, at least for a short-term period, is expected to take place. The Greek Ministry of Finance has announced a 40% reduction in retail rent for the month of March and April.

PRIME YIELDS(%)



PRIME RENTS(€/SQM/MONTH)





HIGH STREET STATISTICS

| MARKET | REGION | CONSUMER PROFILE | PRIME YIELD(%) | PRIME RENT(€/SQM/MONTH) |
|------------------------|------------------|--------------------------|----------------|--------------------------|
| Ermou | Athens CBD | Mass market and tourists | 5.50 | € 285 |
| Kolonaki | Athens CBD | Up market and tourists | 6.50 | €100 |
| Glyfada | Athens South | Mass market & tourists | 6.25 | €140 |
| Kifisia | Athens North | Mid to up market | 6.40 | €120 |
| Pireaus | Pireaus | Mass market and tourists | 6.40 | €85 |
| Thessaloniki -Tsimiski | Thessaloniki CBD | Mass market and tourists | 6.00 | €140 |
| Patras | Patras | Mass Market | 6.50 | €60 |
| Hrakleio | Crete | Mass market and tourists | 6.50 | €100 |

SHOPPING CENTRE MARKET STATISTICS

| TOWN | SHOPPING CENTRE STOCK(SQM) | SHOPING CENTRE PIPELINE (SQM) |
|----------------------|----------------------------|-------------------------------|
| Athens | 350,000 | 195,000 till 2025 |
| Thessaloniki | 133,500 | 0 |
| Larissa | 26,700 | 0 |
| Corinth | 15,000 | 0 |
| Other | 79,800 | 0 |
| GREECE TOTALS | 605,000 | 195,000 |

KEY LEASE TRANSACTIONS Q1 2020

| PROPERTY | SUBMARKET | TENANT | SQM | TYPE |
|------------------------------|-----------|-------------|-------|-----------|
| 13 Panepistimiou st | Kolonaki | Optima Bank | 415 | new lease |
| 46, Ermou st | Ermou | Intersport | 2,600 | new lease |
| Kifisias Ave & Panagitsas st | Kifissia | Optima Bank | 365 | new lease |
| 6. Kassaveti st | Kifissia | Pharmacie | 700 | new lease |
| Vas. Georgiou st | Pireaus | Sneaker 10 | 165 | new lease |

*Renewals not included in leasing statistics

KEY CONSTRUCTION COMPLETIONS YTD 2020

| PROPERTY | SUBMARKET | MAJOR TENANT | GLA SQM | DEVELOPER |
|------------------|--------------|---|--|-----------------------|
| GOLDEN HALL SC | North Attica | Attica Department Store, Inditex Group, Notos Galleries, Gap, Public | 41,000+ 11,500 expansion completed Q4 2019 | LAMDA Development S.A |
| SMART PARK SPATA | East Attica | Sklavenitis super market, Jumbo toy store, Inditex Group, H&M, Decathlon, Innersport, M&S, Gap, Toys Center | 36,000+ 15,500 expansion completed Q4 2019 | Reds S.A |

NICKY SIMBOURAS

Managing Director

+30 210 7480852

nicky.simbouras@cwproprius.com

cushmanwakefield.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

©2019 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.