Prime News 2019-2020

Spain, Portugal, Brazil, Greece, Angola, Mozambique and Cabo Verde

15 2005 2020

primeyield®

PART OF GLOVAL

About Prime Yield

Prime Yield part of Gloval aims to be a leading company in its operating markets. The Prime Yield Group supports its business with four structural values: independence, international presence, international standards and innovation.

Company

Established in 2005 and since 2018 a part of Gloval, a leading Spanish group in the areas of valuation, engineering and consulting services, Prime Yield is a company that specializes in research, consulting and property valuations, which support their client's decision making.

Prime Yield is a company registered in the supervisory entities of the countries where it operates, also holding a certification by RICS and REV-TEGoVA. The company is present in Europe, Latin America and in the leading Portuguese-Speaking Countries.

Vision

Intelligence Services for those who want to achieve excellence.

Mission

To estimate the value of assets in an objective way and in the corresponding legal frame, building trust between the company and the client based on independence and competence.

Values

Commitment to the client
Competence
Innovation
Confidentiality
Independence
Trust

Services

Prime Yield's activity is organized into two integrated business areas, namely:

- Asset Valuation
- Consultancy

Asset Valuation

Prime Yield offers asset valuation services for all types of property both to institutional and private clients, based on multidisciplinary premises and procedures, provided by a multitask technical team that includes architects, economists, engineers and property managers.

Team Prime Yield's comprehensive expertise and know-how allows the company to meet the needs of highly complex valuations and specific requirements.

This line of service allows the client to make informed decisions based on data about market values and valuation criteria that are adjusted to the property's specific features.

Prime Yield's range of activity includes:

- Tangible assets (property and movable) such as residential, offices, stores, warehouses, industrial plants, urban sites, rustic sites, property developments, machinery, and equipment.

- Intangible assets such as brands, know-how, patent or formulas.

What is the purpose of Valuations?

- Mortgage lending
- Mortgage security
- Company management
- Insurance companies' reserves
- Asset management
- Investment analysis
- Portfolio revaluations
- Rental reviews
- Administrative Management
- Tax Consultancy
- Inheritance division

Consultancy

Prime Yield consultancy services provide the client solid ground for investing in the property market. The company is prepared to support the complete development process, offering specialized consultancy services and thus providing detailed reports for analysing and selecting the more fitted scenario for each of the stages of that process.

These services include detailed analysis and assessment, comprising both qualitative and quantitative features of the business. The outcomes of these studies allow, for example, to identify over or under supply situations facing a natural demand. Considering that risks increase in the construction and marketing stages both for the developer and the investor, Prime Yield can follow up the project in the perspective of preventive monitoring, timing control and budgetary issues.

What are the consultancy services offered by Prime Yield?

- Personalized Studies
- Quantitative and Qualitative
- Studies
- Feasibility Studies
- Demand Studies
- Supply Studies
- Urban planning Studies
- Tenant Mix and retail
- SWOT Analysis

What are the purposes of the Consultancy Services provided by Prime Yield?

- Decision-making support
- Knowing the competition
- Assess market needs
- Keep pace of how market values evolve

Research

Prime Yield develops annual research bulletins that are available to the market and that can be further deepened according to the specific needs of a client or a project. This support area reinforces our Consultancy and Valuation areas, allowing for a constant market update and monitorization.

Organizational Structure

All Prime Yield professionals understand, respect, and act in compliance with RICS' code of conduct.

The Prime Yield universe is based on a CRM platform that aims to serve the client, allowing for ongoing control and assessment of every process' development.

The development of reports, valuations or consultancy are processes supported by management tools integrated in an IT system available both to employees and clients through an intranet.

Prime Yield's largest investment focuses on focused in training programmes using a D&I platform that allows all employees to keep an updated and regular knowledge base.

Prime Yield develops studies and market reports that use the property portal's Casa Sapo shared database. This information is updated on a regular basis, thus it supports any valuation criteria at any time.

Intranet

Prime Yield implemented an advanced software system that allows for the management and processing of all information. The Prime Yield team can access this software in which all processes are classified.

The continuous update of the database allows to permanently use a set of comparative values that are highly reliable and that ensure full objectivity in each process.

Disclaimer

The present document's purpose is strictly informative and various sources of information were used in its preparation, including the data that was collected and processed by our company's research department.

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Editorial

HOW TO ASSESS THIS CRISIS?

Celebrating our 15th anniversary this year, we have already gone through two market cycles at Prime Yield and always had the ability to overcome difficult moments with management decisions that included internationalization and/or the diversification of services. Today, we are present in seven countries, with a diverse range of services and a wide team, being a reference in the markets in which we operate.

We are now living days of high uncertainty and neither the interest rate is relevant to the current market moment, because it has already reached the lowest levels ever, nor management strategies based on a diptych of internationalization and diversification will be winners in the short and medium term, since we are in a global pandemic situation. A pandemic that affects everyone, everywhere, at the same time.

Hence, this abrupt interruption in economic activity will unequivocally have a negative impact on the real estate market. A more detailed analysis to the different market segments will certainly allow to draw more specific conclusions, however, a general idea to keep in mind is that the turning point of this crisis may be reached faster than the one in the crisis that started in 2008.

Considering that all previous pandemics (1918; 1958; 1968; 2002) had a V-shaped curve associated, from the point of view of the economic cycle, we have reason to believe that the same will happen with this unprecedented Covid-19.

In addition, the timing of the recovery, even though its intensity also depends on the pre-Covid moment of each country, should not have significant gaps between the different markets, since we are all in the same situation. Therefore, the real estate markets are expected to return to the different phases of the cycle in which they were in a pre-Covid phase.

For this reason, in an edition that will be historic due to the unusual nature of the current moment that we face on a global scale, this newsletter is also planned to be used for benchmark. Being clear that it is difficult to predict the real impact of Covid-19 on this downward curve of economies, and more specifically in the real estate sector, it is very important, however, to clearly trace the point from which we started. Thus, in the current Prime News we present the picture of the different markets where we operate drawn before this pandemic. And we are already working on the production of information for the post-crisis with the use of data and predictive models that we are placing at the disposal of our clients.

As a real estate industry, we also have to reflect on how we can contribute to a more transparent and professionalized market.

In short, we all have a role to play in coming out of this war, as many call it, and, in that path, I end with a quote from Sun Tzu's "Art of War" which intends to convey the message of what we all have to do in combating the pandemic an that is also useful for the real estate business: *"… Those who know when to fight and when to wait… will triumph"*

Nelson Rêgo
Managing Director
Head of Portfolio Valuation Services

Spain

Through Gloval, Prime Yield is now also present in Spain. We believe that even with the strong and unexpected demand shock caused by the Covid-19 pandemic, the real estate market will return to the previous cycle.

Strongly sharing know-how in Iberia, Prime Yield brand is now also present in Spain, where it develops strong activity in the valuation of portfolios for the Non-Performing Loans and SOCIMI segments. The use of its Prime AVM&Analytics platform on this market allows customers to optimize the returns of their asset portfolios and to assure a valuation according to the market value.

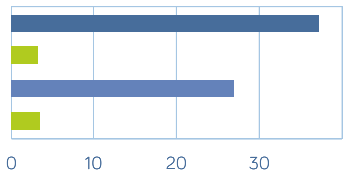
Before the corona virus pandemic health catastrophe, estimates pointed out to a continued growth in the Spanish economy, albeit already at a slower pace. Currently, due to the brutal effects of this pandemic, initial estimates show an economic contraction of 6.0% to 7.0% this year. Nevertheless, we believe that, once this situation is sorted out, production can return to pre-Covid-19 levels with some speed. We are facing a very strong, yet temporary, crisis.

As for the real estate market, the sentiment is similar. This totally unexpected situation brings an abrupt demand shock, but it is also temporary. Those sectors hardest hit will be the residential, with an immediate stop in sales and in credit granting; offices, with the companies holding back their need for space due to the imposition of telework; and the shopping centres, with great impact from the containment measures. On the other hand, the logistics segment is reinforced, being a key sector to the supply chain of essential goods and also because it is crucial to the expansion of e-commerce felt during this period. Despite this extremely strong and transversal impact, we reinforce that it will be temporary and that the cycle will return to the point where it was interrupted in the beginning of 2020.

Offices

Madrid - CBD	Prime rent (€/sq.m/month)	37
	Yield (%)	3,25
Barcelona - CBD	Prime rent (€/sq.m/month)	27
	Yield (%)	3,5

Prime rent and Yields

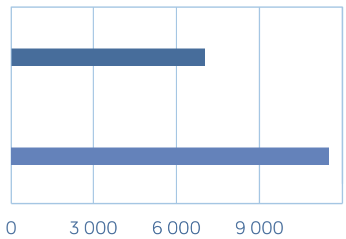


Once the restrictions imposed by Covid-19 are over and with the resumption of business activity, office take-up is expected to continue robust in the short and medium term, both in Madrid and Barcelona. In Madrid, take-up has increased about 20% to 600,000 sqm (vs 2018), recording a new market peak, while in Barcelona the activity stood at 390,000 sqm, in line with 2018 and with the average from the last five years. Prime rents in the CBD hit €37/sqm/month in Madrid and €27/sqm/month in Barcelona. Looking ahead for 2020, in a pre-Covid time Barcelona was expected to record an activity increase, while Madrid could experience a slowdown since the stock of available office space is limited.

Residential - Apartamentos

Madrid - Barrio Salamanca	Average price (€)	1 900 000
	Average unit price (€/sq.m)	7 000
	Average area (sq.m)	200
Barcelona - Paseo Grácia	Average price (€)	1 725 000
	Average unit price (€/sq.m)	11 500
	Average area (sq.m)	150

Average unit price



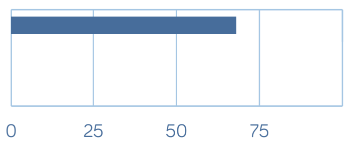
Overall, the residential market has stabilized, albeit remaining in high levels. Sales had a slight decrease (about 8%) to 501,000 dwellings sold in 2019. Focusing on the prime segment, recorded average sales price of 7,000€/sqm in the Centre area and 9,500 €/sqm in Barrio Salamanca, both increasing more than 15% regarding the previous year. In Barcelona, the 7,600 €/sqm in Sarriá Sant Gervasi and the 11,500 €/sqm in Paseo Gracia also shown increases compared to 2018 (between 9% and 15%). For 2020, even without the viral impact of the pandemic, the anticipated scenario would be of normalisation, even though there is still some room for prices to rise (less than 3%).

José María García
Head Department of RICS Valuations

Hotels

Spain	Occupancy rate (%)	68,0
	Yield (%) Hotel Urbano. Prime. Madrid/Barcelona	5,0
	RevPar (€)	59,0

Occupancy rate



Spain is a very attractive tourist destination, recording a slight increase in occupancy-rate to 68% in 2019 (compared to 67% in 2018) and in RevPar (from 57,3€ in 2018 to 59€ in 2018). Yields for prime urban hotels in Madrid and Barcelona contracted to 5.0% from the 6.3% recorded the year before. This sector continued to be one of the main targets for real estate investment (21% from total commercial investments), even though the total amount allocated to this asset class had decreased from €4,2 billion to €2,5 billion. The investment market is expected to keep the focus in assets in prime locations and in core markets. In terms of occupancy, this wil be one of the sectors hardest hit by Covid-19 in the face of the difficulties predicted for tourism.

Track Record

ALMAGRO Capital **SPAIN** Valuations Portfolio valuation	AM LOCALES Prime Retail **SPAIN** Valuations Portfolio valuation	ARES **SPAIN** Valuations Valuation of several assets	ATOM HOTELS **SPAIN** Valuations Portfolio valuation
AUTONOMY SPAIN REAL ESTATE SOCIMI, SA **SPAIN** Valuations Valuation of several assets	EXCEM SOCIMI SIR **SPAIN** Valuations Portfolio valuation	Galil Capital **SPAIN** Valuations ECO Valuation of portfolio for acquisition purposes	GRUP ORTIZ **SPAIN** Valuations Ongoing business
LAFINCA ALWAYS EXCEPTIONAL **SPAIN** Valuations Valuation of several assets	mercal inmuebles socimi **SPAIN** Valuations Valuation of portfolio for acquisition purposes	MERLIN PROPERTIES **SPAIN** Valuations Portfolio valuation	MISTRAL **SPAIN** Valuations Portfolio valuation
PERSEPOLIS INVESTMENTS **SPAIN** Valuations ECO Valuation of portfolio for acquisition purposes	testa **SPAIN** Valuations Portfolio valuation	TORIMBIA **SPAIN** Valuations Annual asset valuation	VITRUVIO SOCIMI **SPAIN** Valuations ECO Valuation of portfolio for acquisition purposes

Portugal

We're now part of a multinational company present in seven countries, able to expand to other markets in an integrated way and to diversify clients and services. In this global environment, we are also dealing with an unprecedented challenge: the Covid-19 pandemic.

We are currently part of a large dimension project – Gloval – that enables us to act in an integrated way in seven countries. Following our path with a new breath, but always keeping in mind our DNA, we continue to focus in client attention, in the training of our teams and in innovating in our technological platform.

We are currently living in a scenario of uncertainty, driven by the Covid-19 pandemic. Thus far, the background was widely favourable, and the indicators were following a sustainable path with a 1.7% GDP growth and a retraction on the unemployment rate, to 5.9%. But, in this precise moment, in the midst of this health crisis, it is impossible to provide forecasts about economic growth or job creation. Even with all the measures proposed by Government's aid plan, it seems that a GDP recession and a unemployment growth for a two digit figure will be inevitable.

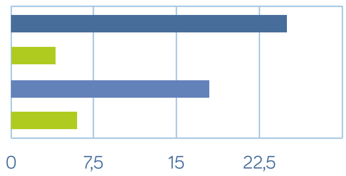
After a very positive trajectory along 2019, setting new record highs in commercial investment and solid levels of occupancy and sales, the real estate market is now facing new challenges and some uncertainty too. This will be a key-year for the new SIGI (REITs) but also for the several legal and tax changes in areas such as the Golden Visa, the Short-Term Rental or the residential lease, that can impact the sector, even though we do not now yet on what extent. Nevertheless, new opportunity windows in the alternative segments, such the coliving, coworking, senior and student housing, will foreseeably happen. The middle-class housing market, for sale or rental, isn't forgotten too. But all this is now under a major pressure focus due to the present economic uncertain and its predictable social consequences, that can't be measured yet.

José Manuel Velez
Director

New Offices

Lisboa - Prime CBD	Prime rent (€/sq.m/month)	25
	Yield (%)	4,0
Porto	Prime rent (€/sq.m/month)	18
	Yield (%)	6,0

Prime Rent and Yields

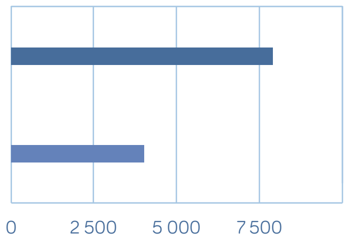


Office take-up hit 195,000 sqm (-6%) in Lisbon and 60,000 sqm (-25%) in Oporto in 2019. This backward movement is explained mainly by the shortage of supply, as demand remained buoyant. Lisbon's prime rent hit €25/sqm/month, showing an increase of 19.6% compared to its last peak in 2007 (20.9€/sqm/month), while in Oporto this value was €18/sqm/month, recording a new peak to date. As much as can be forecasted at this time, in 2020 the major uncertainty factor will be the impact of the global pandemic, for which, the widespread adoption of teleworking is now one of the answers that is being adopted.

Residential - Reabilitation 3-bedroom Apartments

Lisboa - Baixa/Chiado/Av. Liberdade	Average price (€)	1 416 213
	Average unit price (€/sq.m)	7 912
	Average area (sq.m)	179
Porto - Centro Histórico	Average price (€)	542 500
	Average unit price (€/sq.m)	4 019
	Average area (sq.m)	135

Average price per Sq.m

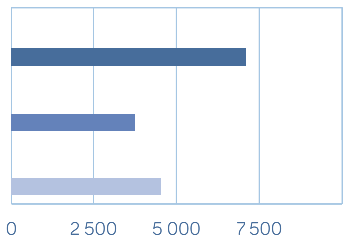


The residential market followed its growth path in 2019, in a scenario where demand continues to outstrip supply. In the urban renewal market, asking prices increased for the premium segment in all Lisbon's different areas (variations between 14.5% and 23%), ranging from 6,000€/sqm to 8,000 €/sqm. And there are some apartments with asking prices hitting peaks of 14,900 €/sqm (3-bedroom in the historical area). As for Oporto's residential market, development continued very buoyant in a movement spread from the city's historic centre to more peripherical zones. In the Historic Centre, the average asking price for premium rehabilitated dwellings rounds 5,500 €/sqm, even though there are apartments recording prices above 9,500 €/sqm. In 2020, this market segment will be under pressure due to the social impacts of the global pandemic, and which aren't possible to predict yet.

Residential Tourism - Golden Triangle, Algarve

Tourism Resort - Apartments T3	Average price (€)	993 954
	Average unit price (€/sq.m)	7 100
Tourism Resort - Townhouses T3	Average price (€)	669 839
	Average unit price (€/sq.m)	3 721
Tourism Resort - Villas T3	Average price (€)	1 403 750
	Average unit price (€/sq.m)	4 528

Average price per Sq.m



This market segment has as strong correlation with tourism, which has recorded a very positive year in 2019, with 27 million visitors (+7.3%) and 69.9 million of overnights stays (+4.1%). The Golden Triangle area continues in the leadership in terms of projects and sales prices, with demand continuing to show strength. The prices for dwellings in the area ranged from the 7,100 €/sqm for 3-bedroom apartments and the 3,721 €/sqm for 3-bedroom townhouses. These prices reflect rises of 1.4% and 7.9%, respectively. For 2020, in addition to the Brexit effects and the changes in the Golden Visa regime, some new challenges are emerging due to Covid-19.

Track Record

PORTUGAL
Valuations

Valuation of the portfolios of Projects Veleiro, Victoria, Mars, and Mars Extended

PORTUGAL
Consultancy

Study of the Lisbon Office Market - Rental values analysis

PORTUGAL
Valuations

Valuation of the portfolios of Projects Indian, Nata, Viriato, Neptune

PORTUGAL
Valuations

Valuation of several land sites and properties

PORTUGAL
Valuations

Valuation of Alfamar Hotel Beach & Sport Resort, in Albufeira

PORTUGAL
Valuations

Valuation of several buildings located in Lisbon

PORTUGAL
Valuations

Valuation of portfolio Pumas

PORTUGAL
Consultancy

Property Market and Feasibility study for the Jardim Miraflores project

PORTUGAL
Valuations

Valuation of mixed-use buildings located in Lisboa

PORTUGAL
Valuations

Valuation of properties managed by the management company

PORTUGAL
Valuations

Valuation of a set of assets owned by the company

PORTUGAL
Valuations

Valuation of properties managed by the management company

PORTUGAL
Valuations

Valuation of assets located in Angola, Brazil, Mozambique and Portugal

PORTUGAL
Valuations and Consultancy

Study of the Hotel Market in Portugal - Lisbon, Oporto and Algarve. Valuation of hotel portfolio

PORTUGAL
Valuations

Valuation of properties managed by the management company

PORTUGAL
Valuations

Valuation of the portfolios of Projects Brick, Atlas III, Mars Extended

Brazil

In order to minimize the negative consequences from Covid-19, Brazil has stopped and postponed the upturn of its economic growth. At Prime Yield we are positioned to continue delivering a qualified service to meet the needs of the real estate market.

Prime Yield remains committed in delivering a service of excellence to its clients and partners. One of the highlights of 2019 was our partnership with ZAP Imóveis in developing an AVM – Automatic Valuation Model, providing services to the national banking sector and, we expect, to players from the NPL&REO market.

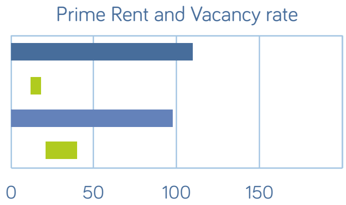
Following two years of uncertainty, the Brazilian economy was finally consolidating the process of economic upturn when the world was hit by the Covid-19 pandemic. GDP expanded about 1.0% last year and the initial projections for 2020 estimated a 2.5% growth, which was now revised downwards to 0% after the virus outbreak. Selic rate, the most important interest rate for the Brazilian economy and a monetary policy instrument that controls inflation and the level of investment in the country, is now at 3.25% a year, the lowest in history. But the prospects of increased investment, controlled inflation, GDP growth and reduced unemployment rate, among other positive indexes that are clear signals of solid economic growth are now threatened by the pandemic.

Despite this serious and unprecedented crisis, the real estate industry continues optimistic given the market's performance in 2019 and forecasts positive developments for the second half of 2020 and beyond. The increased attractiveness of real estate financing, the increased job creation and household consumption, open up good prospects for the growth of property demand. Estimates from the associative sector foresee that 2.8 million families will have access to housing credit, while the Governmental housing program forecasts the construction of around 1 million new houses this year.

José Antonio dos Santos
Director

Class A Offices

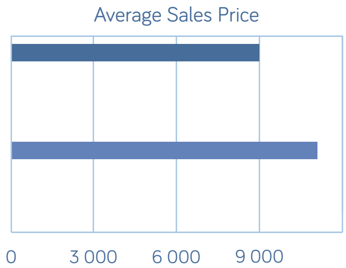
São Paulo	Prime Rent (R$/sq.m/month)	110
	Vacancy rate (%)	15-20
Rio de Janeiro	Prime Rent (R$/sq.m/month)	95
	Vacancy rate (%)	23-40



There is finally a trend of recovery in the office market and the take-up pace is now more intense both in Sao Paulo and Rio de Janeiro. But supply remains high, making prime rents still retreating in 2019. In Rio de Janeiro, where the vacancy rate is higher (estimated to correspond between 25% to 40% of the stock), rents fell more sharply (about -27%), standing at R$ 95/sqm/month. In São Paulo, where the vacancy rate stands between 15% to 20%, the rents stood at R$ 110/sqm/month (-8% than in 2018). Although pre-Covid forecasts estimated a greater dynamic in demand in 2020 followed by a rental grow; they should now suffer a delay of at least one semester.

Residencial

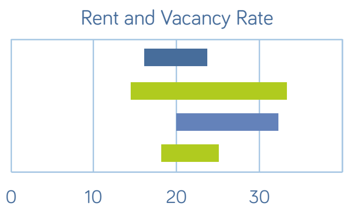
São Paulo	Average sale value (R$/sq.m)	9 000
	Launched units	53 545
	Sold units	44 134
Rio de Janeiro	Average sale value (R$/sq.m)	11 000
	Launched units	10 489
	Sold units	12 827



The Selic rate hit its lowest value, 3.25% per year, showing the future trend of low interest rates in Brazil. This situation should lead to an increase in real estate credit access among households, what, together with the economic recovery initially foreseen, would contribute to the recovery of the housing market. Over the course of 2019, there has already been an increase in the number of new projects launched, as well as a reduction in the available stock level, together with a growth in the number of units sold in São Paulo and Rio de Janeiro. This shows that the residential market is leaving behind the recession period, although this recovery path may now be delayed. In terms of sales prices, the average value reached the R$ 9,000/sqm in Sao Paulo and R$ 11,000/sqm in Rio de Janeiro, both above 2018.

Industrial/Logistics

São Paulo	Rent (R$/sq.m/month)	16-24
	Vacancy rate (%)	14-33
Rio de Janeiro	Rent (R$/sq.m/month)	20-32
	Vacancy rate (%)	18-25



There is a positive outlook for the industrial and logistics real estate markets, although they have now been postponed for the second semester. Logistics condos will benefit the most from this improvement, especially those with locations closer to large urban centres. Sao Paulo's average rents showed growth (now standing at R$16-R$24/sqm/month), following the decrease in the vacancy rate (to a range of 14%-33%), while in Rio de Janeiro there was a trend of stabilization in these two indicators (average rents of R$20-R$32/sqm/month and vacancy ranging between 18% and 25%).

Track Record

BRAZIL
Consultancy

Valuation of assets
for accounting purposes: CPC

BRAZIL
Consultancy

Business valuation

BRAZIL
Valuations

Valuation of property
in Belém - PA

BRAZIL
Valuations

Valuation of portfolio of assets
located in Brazil

BRAZIL
Valuations

Business valuation

BRAZIL
Valuations

Valuation of properties

BRAZIL
Valuations

Valuation of property located
in Mata de São João - BA

BRAZIL
Valuations

Study of value in rural areas
in Brazil and Colombia

BRAZIL
Valuations

Business valuation - PPA -
Purchase Price Allocation

BRAZIL
Valuations

Valuation of real estate
development in Recife - PE

BRAZIL
Valuations

Valuation of assets
in Taboão da Serra - SP

BRAZIL
Valuations

Business valuation - PPA -
Purchase Price Allocation

BRAZIL
Valuations

Study of value in rural areas
in Chile

BRAZIL
Valuations

Business valuation

BRAZIL
Valuations

Business valuation - PPA -
Purchase Price Allocation

BRAZIL
Valuations

Valuation of properties

Greece

Prime Yield has associated with Solum Property Solutions in Greece, strongly focusing on the NPL & REO segment, and is harvesting the first benefits of its strategy to approach the Greek market.

About a year ago, Prime Yield associated with Solum Property Solutions to provide valuation, research and consultancy services to the property market in Greece. This joint venture is specially focusing on the NPL & REO markets and is harvesting the first benefits of its strategy to approach the Greek market.

Pre Covid-19 forecasts (Bank of Greece) stated further economic growth, with an increase of 2.2% of GPD in 2020, following the strengthening felt since 2018. Unemployment was also expected (European Commission) to further decrease over 2020, to 16.8%. Expectations for this year have been adjusted, decreasing the Growth of real GDP by 0.7%-0.9% for 2020 and unemployment is expected to retain the highest spot in Europe. It has to be noted however that Greece has so far been successful in controlling the spread of the virus.

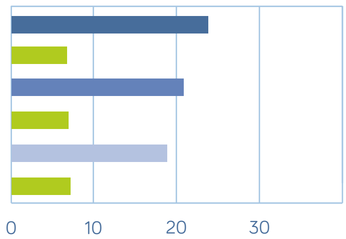
Although the property market was still far from the peak of 2009, it was recovering, and Greece had a very attractive investment proposition pre Covid-19. The outbreak of the pandemic has imposed a standstill on all transactions and most investment activity in the property market. International demand has greatly decreased, affecting at first Chinese citizens and currently all other nationalities. There is however still some latent demand that will be materialised after the situation hopefully normalises. The tourism sector has also been greatly affected. Greece is however well positioned amongst its immediate vicinity and we expect to see a return to healthy growth within the next semester.

Panos Charalambopoulos
Director

Offices

CBD	Prime rent (€/sqm/month)	24
	Yield (%)	6,75
Northern Suburbs	Prime rent (€/sqm/month)	21
	Yield (%)	7,00
Southern Suburbs	Prime rent (€/sqm/month)	19
	Yield (%)	7,25

Prime Rent and Yields

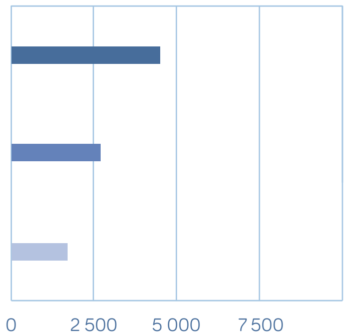


The office sector is experiencing significant growth in the upper part of the market, impacted by the shift in political certainty, tax cuts, decreasing, albeit high unemployment, global economic climate and the ongoing transformation of the Greek business model. Investment demand is increasing in prime office areas of Athens Thessaloniki as well as Piraeus, focusing on high end, energy efficient and Class A buildings, which are however very scarce due to the limited construction activity during the 10-year economic crisis. This has led to significant yield compression of more than 100 basis points over 2019. This of course marks the pre Covid-19 situation and we expect demand to curve for traditional office spaces and shift into coworking, flexible and modern workspaces, although the effects of the pandemic are yet to be felt and measured in the marketplace.

Residential Market (prime)

Glyfada (new)	Average price (€)	607 500
	Average unit price (€/sqm)	4 500
	Average area (sqm)	135
Marousi (new)	Average price (€)	256 500
	Average unit price (€/sqm)	2 700
	Average area (sqm)	95
Peristeri (new)	Average price (€)	136 000
	Average unit price (€/sqm)	1 700
	Average area (sqm)	80

Average unit price

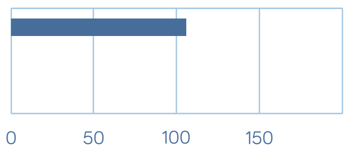


The residential market continued to move in three distinctive speeds within 2020, up until the Covid-19 outbreak. Demand was booming in areas with international appeal such as the Athenian Riviera, popular Islands with airport access, and Athens city center, affecting market values as well as rents. There is less demand with few transactions in areas targeted towards domestic buyers where market values have started slowly picking up, whilst rents are moving at higher rates due to very limited supply. Most areas in the country are however facing lack of demand, although supply is ample, but the bid ask spreads remain very high. Demand for short-term rentals and the Golden Visa program have helped modernize old building stock and push the economy forward.

Hotels

Athens	Average room rate ADR (€)	106
	Occupancy rate per room (%)	79
	RevPar (€)	83

Average room rate



Occupancy levels in Athens showed a small decline (data up to September 2019), while room rates increased marginally. As a result, RevPAR declined 1.3% y-o-y YTD September. Hotel supply has increased significantly in the upper categories over the past years and especially in the centre of Athens. Occupancy at hotels in Thessaloniki declined slightly, while ADR increased a few percentage points, resulting in an improvement of RevPAR of 2.0% y-o-y YTD September 2019. In terms of supply, we recorded a number of new openings and a pipeline of about 15 new hotel projects. Occupancy and ADR's are now under severe pressure due to the Covid-19 pandemic.

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Portfolio Valuation "Pillar and Smart"

BainCapital

GREECE
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Portfolio Valuation "Europe, Cairo, Neptune and Icon"

BLE KEDROS REIC

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REIC Valuations & Aqcuisitions

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doValue

GREECE
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ELLIOTT

GREECE
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Grant Thornton

GREECE
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GREECE
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Valuations for Sale and Lease

HHG Hellenic Healthcare Group

GREECE
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IFRS Valuations

NATIONAL BANK OF GREECE

GREECE
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PIRAEUS BANK

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Valuations for underwriting and IFRS valuations

PQH

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Valuations for loan servicing and liquidation

protio

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AVM for iBuyer

Quant master servicer

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Case studies AVM

UCI.

GREECE
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Case studies AVM

Angola

In years of great challenges for Angola and its real estate market, now accentuated by the global pandemic of the new coronavirus, Prime Yield is more committed than ever towards the professionalization of this industry.

One year after the unification of Prime Yield brand for Angola and belonging a multinational company, we reinforced our commitment to the Angolan market. Present times bring great challenges for the country and its real estate industry, especially now that a global action pandemic has set in; but Prime Yield keeps its focus on contributing for this market to be increasingly professionalized.

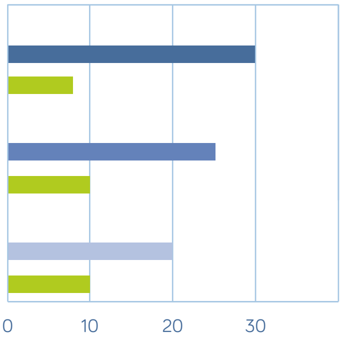
As for the Economic outlook, 2020 was expected to begin reversing the recession cycle of the last four years. However, the impact of Covid-19 on reducing oil prices has immediate effects on Angola's economic environment, so such a reversal may not happen this year. Before this pandemic, the support of the International Monetary Fund that had helped with the needed structural reforms to ensure a return to macroeconomic stability; and the government's commitment in fighting corruption (with Angola rising significantly in international rankings), opened up good prospects.

As for the real estate market, to the very challenging scenario of recent years, in which transactions have retreated in the residential and offices sectors and those that exist are carried out in kwanzas (a currency in devaluation), now join the challenges imposed by Covid-19. With the closure of airspace and international borders, the number of expats will decrease even further, affecting directly the market, and, in special, the rental residential sector as the expats are prevented from entering in Angola. Thus, it is estimated that the current pandemic will further delay the possibilities of launching the real estate market recovery.

Valdire Coelho
Director

New Offices

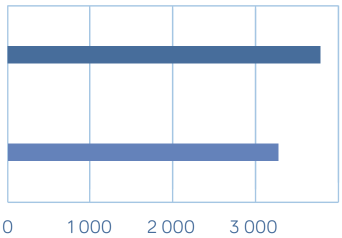
CBD	Average unit price (USD/sq.m)	4 500
	Average rent (USD/sq.m/month)	30
	Yield (%)	8,0
Cidade	Average unit price (USD/sq.m)	3 000
	Average rent (USD/sq.m/month)	25
	Yield (%)	10,0
Luanda Sul	Average unit price (USD/sq.m)	2 400
	Average rent (USD/sq.m/month)	20
	Yield (%)	10,0



As a result of the outflow of international investment from the country, the office market remains sluggish, showing a high vacancy rate and lower take-up levels; an outlook that is now expected to get worse with the Covid-19. Sales and rental values followed downwards thanks to the demand reduction, even though rents are most affected, with decreases around 40%. Regarding office sales prices, there is a contraction of about 20%. Nevertheless, Luanda Sul continues to be an area sought by companies as an alternative to the city centre. From the supply side, and given the availability of stock, the development activity is scarce.

Residential - 3-Bedroom Apartments and Townhouses

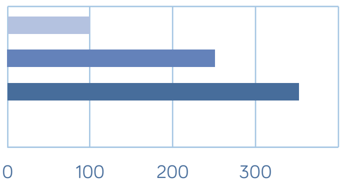
Ingombota - Apartments	Average price (USD)	650 000
	Average unit price (USD/sq.m)	3 824
	Average area (sq.m)	170
Luanda Sul/Talatona - Townhouses	Average price (USD)	675 000
	Average unit price (USD/sq.m)	3 214
	Average area (sq.m)	210



Angola's residential market continued to suffer as demand led by expats is roughly scarce, a situation that will further aggravate due to Covid-19. At the same time, domestic buyers are still facing difficulties in accessing the market given the constraints in financing. As result this is a market of low liquidity, what is pushing down the real estate prices in dollars, even though there is a stabilization trend for prices in kwanza. The 3-bedroom apartments in Ingombota/ Maianga show an average price of US$ 3,824/sqm, 25% less than in 2018. As for the 3-bedroom villas in Luanda Sul/Talatona, the average sales price now stands at US$ 3,214/sqm, having decreased by 10% compared to 2018.

Hotels

Luanda	3* Hotels	Average room rate (USD)	100
	4* Hotels	Average room rate (USD)	245
	5* Hotels	Average room rate (USD)	350
		Average occupancy rate (%)	35



The hotel sector also heavily depends on the corporate investment, and more specifically on the business tourism; a scenario that will be further impacted by the effects of Covid-19. Occupancy rates are low, now standing at 35% in Luanda. As for the Average Daily Rates (ADR), the five-star units recorded the greatest decline (-17% to US$ 350). In 3-star and 4-star units (with ADR of US$ 100 and US$ 245, respectively), given the lower margin to reduce prices against a background of low occupancy, the decrease stood below 10%. Even though there are decreases of the market values in dollar, as result of currency devaluation, the ADR in kwanza showed an increase, with an impact in the reduction of the occupancy rates from domestic clients.

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BancoBNI Paixão pelo futuro

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Banco Económico

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BancoKeve

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Valuation of properties for credit purposes

BCS

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BDA

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China International Fund Limited 中國國際基金有限公司

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CLÍNICA SAGRADA ESPERANÇA, LDA

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Valuation of a group of properties

Grupo SICCAL Andrades

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IGAPE

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NOVA CIMANGOLA

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Valuation of facilities located in Cacuaco

Standard Bank

ANGOLA
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Valuation of properties for credit purposes

Mozambique

Confidence was returning into the market, with 2019 marking the turning point in the Economy. Now, the Covid-19 undermines economic recovery, and the investment plans can be delayed. At Prime Yield we remain committed in boosting the market.

Prime Yield operates in the Mozambican market for ten years, with several national and international clients. More and more, our company is as a reference in Mozambique, being committed in contributing to the vitality of is real estate market and economy, especially in this moment that marks a turning point for Mozambique.

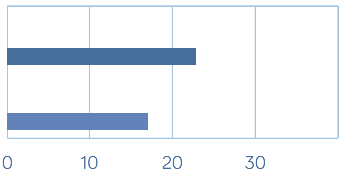
Even though Mozambique's GDP growth was of just 2%, 2019 is perceived as the year from which the economic contraction cycle would invert. There is optimism in business environments, justified by the precise dates stablished to begin the natural gas production, by the inauguration of new Government as well as by stable exchange rate policy and inflation. The initial forecast for GDP growth in 2020 was 6%, but with the devastating effect of the Covid-19 worldwide, it may not even reach half.

As for the real estate sector, in late 2019 we saw the launch of several small and medium-sized projects that had been delayed by their developers in Maputo, and also in Cabo Delgado (where is located the future City of Gas), with confidence coming-back into the market. But now, due to this pandemic background, the most likely is that will be further delays in construction, besides a drop in sales, what could lead investors to adopt a more cautious attitude. In the hotel market, 2019 was also a year of recovery, but as in the rest of the world, it should be strongly affected by the expected contraction in tourism. However, we must highlight the movement that is asking to create a legal framework to real estate investment funds regulation, a step that would bring benefits to the market.

Catarina Esteves
Director

New Offices

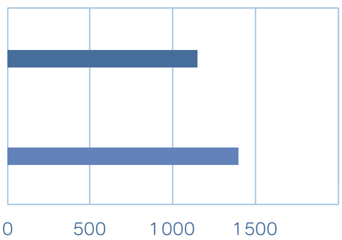
Bairro Central C	Average unit price (USD/sq.m)	2.578
	Average rent (USD/sq.m/month)	23
Polana Cimento A	Average unit price (USD/sq.m)	1.941
	Average rent (USD/sq.m/month)	17



2019 brought a modest rebound in demand, now threatened by the effects of the coronavirus. Nevertheless, there is still an oversized supply stock for the current demand, as a result of the migration of large companies to new buildings or their own headquarters and of small businesses to residential properties. Against this background, the sales values have still recorded a further decrease in 2019, albeit in Bairro Central C area the downwards had been of only -1.1% (to US$ 2,578/sqm). In Polana Cimento A, the value declined 20% to US$ 1,941/sqm. In terms of rental values, Bairro Central C stabilized at US$ 23/sqm/month and Polana Cimento A reduced the decrease pace, sitting at US$ 17/sqm/month. A more optimistic environment was expected for 2020, but that scenario is now under threat.

Residential - 3-Bedroom Apartments and Townhouses

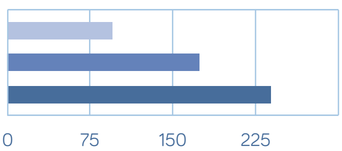
Polana Cimento - Apartments	Average price (USD)	324 746
	Average unit price (USD/sq.m)	2 045
	Average area (sq.m)	159
Sommerschield - Townhouses	Average price (USD)	414 375
	Average unit price USD/sq.m)	1 875
	Average area (sq.m)	221



The end of 2019 also set the start of several small and medium-sized residential projects that had been postponed by their developers, but their construction can now be delayed because of the Covid-19, and also is to be expected a reduction in sales. Most of the residential developments projected for Maputo's ring area, targeted for the emergent middle-class, still continues in stand-by, with exception for those in Vila Alice, that stands as the most dynamic area. Therefore, self-construction continues to be the main way for accessing housing by most of the demand headed by the middle and lower classes. Unitary sales values remained relatively stable, showing residual falls of 2%.

Hotels

Maputo	3* Hotels	Average room rate (USD)	95
	4* Hotels	Average room rate (USD)	174
	5* Hotels	Average room rate (USD)	239



Business tourism continues to be the main driver for hotel occupation in Maputo, but a worsening of this market is now expected due to the restrictions on tourism brought by Covid-19. In 2019, the growth recorded in average daily rates (ADR) reflected not only the increase in costs but also a (smooth) rise in demand. There was growth in prices in all hotel categories, hitting 3% in 3-star units, 7% in 4-star units and 9% in 5-star hotels. Along 2018 and 2019 five new hotels opened their doors, and there are also other two hotels under construction in Maputo, as well as two international hotel chains looking for a partner in order to open units in the medium term (2 years). It is now still to know if investment plans are to continue.

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Valuation and revaluation of a property portfolio owned by the Bank

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Valuation and revaluation of a property portfolio owned by the Bank

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Valuation of a office building located in Maputo

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Valuation & revaluation of assets owned by the Group in several Mozambican provinces

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Valuation of hotels located in Bazaruto and Inhaca

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Cabo Verde

Brexit and the Covid-19 pandemic, highlight the increasing uncertainty on how the tourism sector will evolve, and therefore, the real estate investment activity. However, the country is aiming to launch new investment vehicles that could capture more international capital.

In touch with the sector and keen in bringing its contribution for the market dynamics, Prime Yield highlights the legislative changes that are being prepared within the Colective Investment Organisms (CIO) framework, namely the revision of the Decree-law 15/2005, proposing the establishment of a legal framework to create REITs. Also, within the framework of "compliance", changes are planned to bring Cabo Verde's legislation more into line with existing international regulation. From Prime Yield's perspective, such changes could have a very positive impact on the market, boosting the trust of international investors looking to invest in the country, but also of the national community living in Europe and the USA.

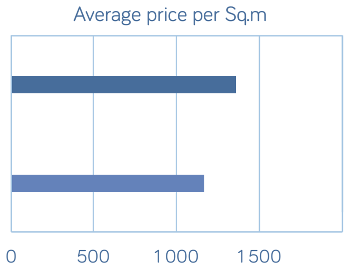
However, this scenario is now threatened by the unprecedented Covid-19 pandemic outbreak. As a country strongly dependent on tourism, specially from Europe, Cabo Verde will be one of the most exposed markets to the slowdown on global tourism. As for the Economic outlook before the Covid-19 that estimated a GDP growth of 5%, should now be certainly adjusted downwards.

Turning to real estate, there was already a growing uncertainty about the market's evolution and, in particular, residential tourism, due to Brexit and the impossibility to forecast its impact in tourism flows and property sales. On top of this, there is now the Covid-19 impact, expected to drop tourist inflows and the country growth rates. Besides a price fall because of the demand retraction, the question is rather to know if the planned investments will be delayed or even put on stand-by.

Celestino Moreira
Director

Residential Tourism - New Apartments

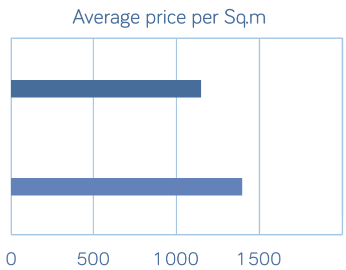
Ilha do Sal - 1-bedroom	Average price (€)	87 000
	Average unit price (€/sq.m)	1 359
	Average area (sq.m)	64
Ilha do Sal - 2-bedroom	Average price (€)	105 000
	Average unit price (€/sq.m)	1 167
	Average area (sq.m)	90



Sal and Boavista islands continue to be the most sought-after destinations by tourists and, because of that, are also the main targets for investment both by developers in new projects and by the individuals who acquire properties to residential touristic use. The entry of new hotel brands into the market is expected, being known several investment intentions. However, the Covid-19 crisis can have repercussions within these investment plans as well as in sales, now threatened by the Covid-19's brake in tourism. In 2019, although figures show a higher tourist demand, that wasn't reflected on real estate, which recorded value contraction. In terms of prices for new apartments in residential tourism in Sal island, the average sales price for 2-bedroom apartments was €1,167/sqm (-9% vs 2018) and for 1-bedroom apartments was €1,359/sqm (-13%).

Residential - New 3-bedroom Townhouses

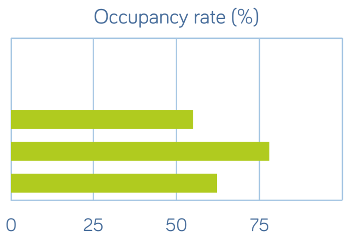
Ilha de Santiago	Average price (€)	230 000
	Average unit price (€/sq.m)	1 150
	Average area (sq.m)	200
Ilha do Sal	Average price (€)	224 000
	Average unit price (€/sq.m)	1 400
	Average area (sq.m)	160



2019 was marked by a period of stagnation in residential transactions, which led to a value correction. For new villas (3-bedroom), the average price fell by 16% to €1,150/sqm in Santiago island, and 10% to €1,400/sqm in Sal island. However, some projects have been resumed at the end of the year, which suggests some dynamism in the market for 2020. The market of new construction is still limited to major city centres and, most recently, also emerging in more touristic locations, thus continuing to be strongly directed for the foreign market.

Hotel

Cabo Verde	Overnight stays 2018	4 935 891
	Overnight stays 2019	5 117 403
Cabo Verde	Occupancy rate 2019 (%)	55
Ilha da Boavista	Occupancy rate 2019 (%)	78
Ilha do Sal	Occupancy rate 2019 (%)	62



Tourism continued to grow along 2019, with the number of tourists increasing by 7% in annual terms, to more than 819,000 guests (vs. 2018), and the nights spent rising by 3.7% to 5,1 million. The UK continued to be the market who sought the most this destiny (24% from total entries) and the one who stays for longer (8,1 nights), wherefore the Brexit's impact is now bringing lots of uncertain about the way Cabo Verde's tourism will evolve. The country's occupancy rate was 55%, with the islands of Boavista and Sal recording the highest rates: 78% and 62%, respectively. However, in face of the abrupt brake expected for tourism globally, the evolution of Cabo Verde, highly exposed to this sector, will certainly be threatened.

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CABO VERDE
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CABO VERDE
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CABO VERDE
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Valuation of several assets in Boavista island, including the Sabi Sands resort

CABO VERDE
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Valuation of several properties located in Fogo, Sal, São Vicente and Santiago islands

CABO VERDE
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Valuation of the Vila Verde Resort

CABO VERDE
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Valuation of several assets in Santiago and Sal islands

CABO VERDE
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Valuation of the Salinas Beach Resort development in Maio island

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CABO VERDE
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Valuation of the Salinas Sea Resort in Sal island

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Valuation of industrial facilities in the Island of Santiago.

CABO VERDE
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Valuation of a land site for which is planned a new resort in Santiago island

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Valuation of land sites in Baía de Salamanca, Island of São Vicente.

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Hotel Market Study and Feasibility Analysis of tourism projects for Sal and Boavista islands

CABO VERDE
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Valuation of a land site with plans for a new resort, in Santiago island

Contacts

Angola
Edifício Presidente
Largo 17 de Setembro, 3 - 4º piso (419)
Luanda | Angola
Tel.: (+244) 938 659 461

Brazil
Av. Brigadeiro Faria Lima, 1.461 - 4º
Pinheiros | CEP 01452-002
São Paulo - SP | Brasil
Tel.: (+55) 11 3382-1536

Cabo Verde
Fazenda - Praia | Caixa Postal 309C
Santiago | Cabo Verde
Tel.: (+238) 261 19 98

Spain
Calle Eucalipto, 33 - 5ª Planta
28016 Madrid | Espanha
Tel.: (+34) 917 372 978

Greece
1, Neofitou Vamva Street
GR-106 74 – Athens | Greece
Tel.: (+30) 210 68 01 786 int. 16

Mozambique
Av. Vladimir Lenine, 174, 13º
Maputo | Moçambique
Tel.: (+258) 21 321 806

Portugal
Av. Columbano Bordalo Pinheiro, 75
7º andar – Fração 7.06 | Edif. Pórtico
1070-061 Lisboa | Portugal
Tel.: (+351) 217 902 540

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