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SUMMARY AND FORECASTS

A summary of the latest data from the Istanbul Office Market in the second quarter of 2020 can be found below.

- The vacancy rate for Class A office buildings in the Central Business District (CBD) was 30.7%, it was determined to be 20.2% for Class B office buildings. The average rent for Class A office buildings in the CBD was US$ 17.1 /m² /month, and US$ 8.3 /m² /month for Class B office buildings.

- The vacancy rate for Class A office buildings in Out of CBD-Europe was 24.4% and the average rent for Class A office buildings was US$ 10.9 /m² /month.

- The vacancy rate for Class A office buildings in Out of CBD-Asia was 21.4% and the average rent for Class A office buildings was US$ 12.8 /m² /month.

- The top prime rent was observed to be US$ 30 /m² /month. During this period, the districts that demanded the highest rent were Levent, Maslak and Zincirlikuyu-Esentepe-Gayrettepe.
Second quarter period of 2020 was spent under the shadow of the countermeasures taken against the global COVID-19 Pandemic. Recession was observed in the real estate sector like other sectors.

Although the effects of the Pandemic had continued, some of the office users who were in the process of transaction and those who were approaching the end of this search process had completed their rents. It is seen that some users hastily switched to low-rise offices instead of their towers.

During the second quarter of 2020 which was within the Pandemic period, Mérieux NutriSciences, UPS and Integra Sigorta completed their leasing transactions under the brokerage of PROPIN. These leases were noted down as the leases with the biggest spaces during the Pandemic period of Istanbul Office Market.

The deceleration of the office stock growth continued during the second quarter of 2020. No growth in the office stock of Istanbul was noted except for an office building within the Airport District. Stock shares according to the office growth acquired at the end of the second quarter of 2020 are as follows; CBD 34%, Out of CBD Europe 18%, Out of CBD Asia 23% and Developing Office Districts [Kagithane, Bomonti - Piyalepaşa, Kartal-Maltepe, West Atasehir] 25%.

During the stagnant second quarter of 2020, vacancy rate for class A office buildings was observed to be the same as the previous quarter period. Vacancy rate rose to 38.2% for Levent and 24.5% for Maslak.

Rental rate for Class A buildings in Istanbul kept its downward trend as it did for the previous quarter periods. Average rent for Class A office buildings in the CBD became US$ 171/m²/month at the end of the second quarter of 2020. During the last four quarters, the drop in the average rent for CBD was 11%.

With the limitations getting lifted gradually starting from June 1st 2020, companies began returning to their offices gradually. However, office users gained a new perspective during the Pandemic period. Many of the companies began working part-time and, with relation to that, evaluating the optimization of office districts. The users that reside in high-rise buildings have begun migrating towards low-rise office buildings. Demand for office buildings with yards, terraces and balconies increased.

The office market will be re-shaped according to the office users’ new criteria. We anticipate that the attitudes of landlords against users will lead to the next six months of the Istanbul Office Market.
When analyzing the office areas with respect to international standards, the city is divided into a “Central Business District” (CBD) and “Out of Central Business Districts” (Out of CBD). The CBD is a district category densely populated with office buildings and a service sector, where pedestrian-vehicle traffic is hectic, and the demand is the highest.

In Istanbul, there are twelve main districts with a high office building density. In this report, these office districts are delineated and determined by taking the location and user profiles into account.

Istanbul’s CBD starts at Barbaros Boulevard, continues along Buyukdere Avenue and finishes in the Maslak district. This axis, named the CBD, includes Levent, Etlib, Maslak, Zincirlikuyu-Esentepe-Gayrettepe and Besiktas-Balmumcu.

Office districts located outside of these areas are defined as Out of CBD. Due to the geographic layout of Istanbul, Out of CBD is divided into two main categories: Asia and Europe.

In this context, Out of CBD-Europe includes the districts of Taksim-Nisantasi, Sisli-Fulya-Otim and the vicinity surrounding the Airport. Out of CBD-Asia consists of Kozyatagi, Altunizade, Kavacik and Umraniye.

There are Developing Office Districts found on both the Asian and European sides of the city. While Kagithane and Bomonti-Piyalepasa are located in Europe, Kartal-Maltepe and Atasehir are located in Asia.

Four districts, shown in green circles on the map below, are the ‘Developing Office Districts’ in the Istanbul Office Market. The data related to these four districts will be illustrated with figures in the coming reports.
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MACRO ECONOMY

While the number of cases related to COVID-19 increase, the disease that shook the entire world during the first quarter period of 2020 seemingly slowed down its contagion. In light of this data, preventative measures worldwide were relaxed by the end of May 2020. Despite not completely, limitations getting lifted gradually at the end of the second quarter period of 2020 was favored well regarding economic activities.

Risk of a second wave and limitations being implemented again was brought up as some countries saw rapidly rising case numbers at the beginning of June. Due to the economic havoc the pandemic wrought, forecasts that foresaw shrinkage were updated bearishly. Economy is expected to shrink by 5% during 2020 and grow rapidly during 2021.

Turkish Economy has grown by 4.5% during the first quarter of 2020, against the expectations of 5.5%. While the rallying economy lost momentum during the second half of 2019, the growth continued during the first quarter of 2020. Due to COVID-19 Pandemic, the effects were being observed in Turkish economy during the second half of March alongside the rest of the world. These effects were the deciding factor behind the growth rate.

During the first quarter period of 2020, size of Turkish Economy became 4.4 trillion TL on a yearly basis. The size of the economy was disclosed as 758 billion US Dollars on a foreign currency basis during this period.

The partial rally in the supply and the global drop in demand is well-received from a petrol-focused perspective. Furthermore, the uncertainties surrounding the Pandemic are expected to create a long-term pressure on the petrol demand. With such developments, barrel price of Brent-type raw petrol fluctuated throughout June as the price was recorded as 41.5 US Dollars by the end of month. Petrol at this price range was calculated to have risen by 15.7% on a monthly basis.

As the concerns regarding a second wave arose, so did the demand for gold. With gold price becoming 1.81,7 US Dollars per ounce on June 30th after it rose by 3.1%, it reached a new high since the last 8 years.

INFLATION

Consumer Price Index (CPI) 1.13% on a monthly basis during June 2020, showing growth above expectations. With such rise, yearly CPI was calculated to be 12.6%. As such, the CPI which continued its rising trend reached its highest point since CPI of August 2019. During this period, Domestic Producer Price Index (D-PPI) rose by 0.69% on a monthly basis and the yearly D-PPI rise took place at a rate of 6.2%.

MONETARY POLICY

Monetary Policy Committee announced that it kept the weekly repo tender interest rate (political interest) stable at 8.25% during its meeting in June 2020. Political interest was lowered to 8.25% from 8.75% during the meeting in May. It was seen that the political interest discount since the beginning of 2020 was 375 base points in total.

Exchange Rates [July 2018 - June 2020]

ECONOMIC OVERVIEW

<table>
<thead>
<tr>
<th>ECONOMIC INDICATORS</th>
<th>July '19</th>
<th>August '19</th>
<th>September '19</th>
<th>October '19</th>
<th>November '19</th>
<th>December '19</th>
<th>January '20</th>
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<th>March '20</th>
<th>April '20</th>
<th>May '20</th>
<th>June '20</th>
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<tbody>
<tr>
<td>BIST-100 Index</td>
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<td>96,718</td>
<td>105,039</td>
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<td>14.0</td>
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<td>13.6</td>
<td>13.2</td>
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<td>Exchange Rate** (USD/TRY)</td>
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<td>Inflation (%)* (End-Year)</td>
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TABLE NO.1 SOURCE: *TURKSTAT **CBRT

Consumer Price Index (CPI) 1.13% on a monthly basis during June 2020, showing growth above expectations. With such rise, yearly CPI was calculated to be 12.6%. As such, the CPI which continued its rising trend reached its highest point since CPI of August 2019. During this period, Domestic Producer Price Index (D-PPI) rose by 0.69% on a monthly basis and the yearly D-PPI rise took place at a rate of 6.2%.

Table: Exchange Rates [July 2018 - June 2020]
The Distribution of Class A Office Stock by District Category in the second quarter of 2020 is displayed in Figure 2.

The CBD [Levent, Etiler, Maslak, Zincirlikuyu-Esentepe-Gayrettepe, Besiktas-Balmumcu]: Stock shares of the CBD was 34% for the first quarter of 2020.

Out of CBD-Europe [Taksim-Nisantasi, Sisli-Fulya-Otim, Airport District]: Growth was observed for class A office stock in the Airport District during the second quarter period of 2020. During this period, stock share of Out of CBD-Europe was 18%.

Out of CBD-Asia [Kozyatagi, Altunizade, Kavacik, Umranliye]: Stock share for Out of CBD-Asia was 23% for the second quarter of 2020.

Developing Office Districts [Kagithane, Bomonti-Piyalepasa, Maltepe-Kartal, West Atasehir]: Second quarter period of 2020 was static for the rapidly growing Developing Office Districts, there were no new office projects added to the stock. Stock share for Developing Office Districts was 25% during the second quarter period of 2020.

No stock growth has been observed for the Istanbul Office Market, where the limitations regarding COVID-19 Pandemic was felt very heavily, during the second quarter period of 2020. Despite the fact that we have entered into a normalization period post-pandemic, deadlines for office construction projects are expected to be postponed.

Airport District was the sole district that saw any growth for Class A office spaces during the second quarter of 2020. As a result of this growth, the total office area within the Airport Districts reached over 890,000 m²’s. According to the district growth attained at the end of the second quarter period for 2020; the Airport District maintained its status as the office district with the biggest space in the Istanbul Office Market. Maslak follows the Airport District’s with 760,000 m² worth of office space. The third largest district in the Market is Levent with 690,000 m² office space.
The second quarter period of 2020 passed under the shadow of COVID-19 Pandemic. Real estate segment was uneventful just like many others. On the other hand, some of the users who were in the process of searching for space and those that were nearing the end of their search have completed their leasing transactions. With the limitations being lifted starting from June 1st 2020, the Market gained a new dynamic. A large group of office users began working part-time physically in offices and due to that, evaluating the optimization of the office spaces.

Vacancy rate in CBD was 30.7% for Class A office buildings and 20.2% for Class B office buildings. During the second quarter of 2020, Etiler also saw completion of new leasing transactions. Integra Broker leased 1,241 m² large office in Le Meridien. The transaction that completed under the brokerage of PROPIN has been one of the most significant transactions during the Pandemic for Istanbul and Etiler in general. Leasing transactions and the companies that migrated out of the district equalized each other. The vacancy rate for the Class A office buildings in Etiler maintained their vacancy rate at 10.2% just as the previous year.

Vacancy rate in CBD-Europe was 24.4% for Class A office buildings and 25.2% for Class B office buildings. Vacancy rate in CBD-Asia was 21.4% for Class A office buildings and 25.2% for Class B office buildings.

Vacancy rates for Class A and Class B buildings in the twelve business districts of Istanbul are displayed in Figure 5.1

Vacancy rates for Class A office buildings in the Airport District grew during the second quarter of 2020. Despite this, vacancy rate did not grow quickly thanks to the companies that relocated within the district, there were companies that migrate outside the district. The companies that used medium scale office spaces migrating to Developing Office Districts was the driving force behind the rising vacancy rate of Class A buildings in Maslak.

Vacancy rate for Class A building in Maslak rose to 24.5% during the second quarter of 2020. In addition to the companies that relocated within the district, there were companies that migrate outside the district. The companies that used medium scale office spaces migrating to Developing Office Districts was the driving force behind the rising vacancy rate of Class A buildings in Maslak.

Vacancy rate for Class A office buildings in Kozyatagı was more dynamic compared to the qualified office building transactions completed in the district. Vacancy rate for Class A office buildings in the Airport District was in parallel with the previous quarter at 22.4%.

Vacancy rate for Class A office buildings in Kozyatagı was more dynamic compared to the other districts during the second quarter of 2020. There were migration and leasing transactions for the small scale office buildings in particular. Vacancy rate for Class A office buildings in Kozyatagı was 24.7%.

Vacancy rate for Class A office buildings in Kavacik regressed down to 12.1%. Companies that migrated to Kavacik was the driving force behind this regression compared to the previous quarter period.
Changes in the Vacancy Rate of Class A Office Buildings in Istanbul Office Market between the third quarter of 2019 and second quarter period of 2020 is displayed in the Figure 6.

Vacancy rate for Class A office buildings in the CBD dropped during the period between the quarter of 2019 and the second quarter of 2020. Vacancy rate for Class A office buildings in the CBD was at 33.7% due to the stock increase in Levent during the third quarter of 2019. In the following quarters, vacancy rate began following a downward trend. It regressed down to 29.9% during the first quarter of 2020. Due to the companies migrating to other districts, the vacancy rate for Class A office buildings within the CBD rose to 30.7% during the second quarter of 2020.

Vacancy rate for Class A office buildings in Out of CBD-Europe began rising for the last four quarterly periods. Vacancy rate for Class A office buildings in Out of CBD-Europe was 22.4% during the third quarter of 2019. Vacancy rate for Class A office buildings in Out of CBD-Europe became 24.2% during the fourth quarter of 2019. During the first two quarter periods of 2020, the vacancy rate was maintained the same as the fourth quarter of 2019. Vacancy rate for Class A office buildings in Out of CBD-Europe was 24.4% during the second quarter of 2020.

During the period between the third quarter of 2019 and the second quarter of 2020, vacancy rate for the office buildings in the CBD did not show any downward trend. At the end of four quarter periods, the 23.5% vacancy rate of the third quarter of 2019 dropped by 9%. Vacancy rate for Class A office buildings in Out of CBD-Asia regressed down to 21.4% during the second quarter of 2020.

Changes in Vacancy Rate for Class B Office Buildings by District Categories during the last four quarter periods is displayed in Figure 7.

Vacancy rate of Class B office buildings in Out of CBD-Asia saw the last four quarters within the 25-26.5% range. The vacancy rate was 25.7% during the second quarter of 2020. The vacancy rate for Class B office buildings in Out of CBD-Europe rose to 26.4% during the fourth quarter of 2019, it dropped in the following quarters. The vacancy rate that was 16.9% during the third quarter of 2019 regressed down to 16.0% during the fourth quarter. The rising rate of vacancy rate for Class B office buildings during the beginning of 2020 was at the same rate of 20.2% during the second quarter, just as the previous quarter period.

Vacancy rate of Class B office buildings in Out of CBD-Europe saw the last four quarters within the 25-26.5% range. The vacancy rate was 25.7% during the third quarter of 2019. While the vacancy rate for Class B office buildings in Out of CBD-Europe rose to 26.4% during the fourth quarter of 2019, it dropped in the following quarters. The vacancy rate that was 16.9% during the third quarter of 2019 regressed down to 16.0% during the fourth quarter. The rising rate of vacancy rate for Class B office buildings during the beginning of 2020 was at the same rate of 20.2% during the second quarter, just as the previous quarter period.

The vacancy rate for Class B office buildings in the Out of CBD-Asia kept regressing between the third quarter of 2019 and the second quarter of 2020. The vacancy rate was 19.3% during the third quarter of 2019. The vacancy rate for Class B office buildings in the Out of CBD-Asia, which dropped to 18.5% during the fourth quarter of 2019, kept dropping during 2020. The 17.2% vacancy rate of the second quarter of 2020 was observed to be down by 11% at the end of four quarters.
The average rental rates for Class A and Class B office buildings in the twelve business districts of Istanbul are compared in Figure 9.¹²

Rather than the effects of COVID-19, the changes observed in the figures for the average rental rates of second quarter of 2020 were due to devaluation of Turkish Lira against exchange.

No discounts were made in the district for listing figures in Turkish Lira for Class A office buildings in Levent. Some users within the Class A office buildings with above average rent were observed to be vacating their spaces and such spaces rejoined the market. As a result of these developments, the average rental rate for the Class A office buildings in Levent was 20.7 US$ /m²/month during the second quarter of 2020.

Rental rates for some office buildings in Maslak that joined the supply during the second quarter period of 2020 was higher than the average rental rate of the district. On the other hand, it was observed that some office buildings offered discounts with the intensifying competition. Average rental rate for Class A office buildings in Maslak was US$ 13.5 /m²/month during the second quarter of 2020.

The office buildings that offered discounts were in Besiktas-Balmumcu. After these discounts, average rental rate for Class A office buildings in Besiktas-Balmumcu regressed down to US$ 21.4/m²/month during the second quarter of 2020.

Average rental rate for Class A office buildings in Taksim-Nisantasi was US$ 18.85/m² /month. Average rental rate for the district was unaffected from the rising exchange rates and was maintained at the same level as the previous quarter due to the existing rental office buildings disclosing their listing prices in foreign currency.

The second quarter of 2020 was stagnant for the Class A office buildings in Altunizade. Some office buildings in the district was seen offering discounts based on Turkish Liras. Average rental rate for Class A office buildings in Altunizade was US$ 15.5/m² /month during the second quarter of 2020.

For Kawacik, the drop due to the devaluation of Turkish Lira was equalized with the office buildings getting leased for listing figures under the average rental rate during the second quarter period of 2020. As a result of this equalization, the average rental rate for Class A office buildings in Kavacik district was maintained at the same level as the previous quarter at US$ 12.3/m²/month during the second quarter of 2020.

¹²The districts’ average rental rates are calculated by landlords on the basis of listing prices declared by landlords to the market. Rooms for negotiation were not taken into the account in the evaluations.
A comparison of the Listing Prices of Prime Rent by District in Istanbul over the last four quarters is displayed in Figure 10. These figures are un-negotiated listing prices declared by the landlords to the market.

During the second quarter of 2020, it was observed that the prime rent rate for CBD was demanded for Levent, Maslak and Zincirlikuyu-Esentepe-Gayrettepe. It was observed that the prime rent rate demanded was US$ 30/m²/month (roughly TL 202/m²/month) during the second quarter of 2020. While the rental rates for Levent and Zincirlikuyu-Esentepe-Gayrettepe districts was maintained as the previous quarter, the prime rental rate figure for Maslak rose by 2 US Dollars.

The prime rent rates was for the districts in the CBD except for Maslak was the same as the previous quarter during the second quarter of 2020.

During the second quarter of 2020 the prime rent rate for the Out of CBD-Europe was demanded within Taksim-Nisantasi at US$ 23/m²/month (roughly TL 155/m²/month). Prime rent rates demanded for Out of CBD-Europe was maintained at the same level as the previous quarter.

Prime rent rate demanded for Out of CBD-Asia was US$ 23/m²/month (roughly TL 155/m²/month) during the second quarter of 2020. The prime rent rate demanded for Out of CBD-Asia during the second quarter of 2020 was from Kozyatagi. While the prime rent rate for Umraniye dropped by 1 US Dollar, it was seen that the other districts within the Out of CBD-Asia was as static as the previous quarter.

---

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Changes in Average Rental Rates of Class A Buildings from the third quarter of 2019 to the second quarter of 2020 can be seen in Figure 1.

Average rental rate of the Class A office buildings in CBD dropped during the period between the third quarter of 2019 and the second quarter of 2020. Average rental rate for the third quarter of 2019 was US$ 19.3/m²/month during the third quarter of 2019. Average rental rate for the Class A office buildings in the CBD dropped down to US$ 17.1/m²/month. Turkish Lira’s depreciation against the foreign currency was effective in the drop of the average rental rate by more than 11% at the end of the last four periods.

During the last four quarter periods, average rental rate for Class A office buildings in Out of CBD-Europe began following a downward trend. While the average rental rate was US$ 12.4/m²/month, it became US$ 12.2/m²/month during the first quarter of 2020. Average rental rate for the Class A office buildings in Out of CBD-Europe dropped down to US$ 10.9/m²/month during the second quarter of 2020.

While the average rental rate for the class A office buildings in Out of CBD-Asia was more static during the last two quarters of 2019, it began following a downward trend during the first quarter of 2020. The average rental rate for Class A office buildings in Out of CBD-Asia, which was US$ 14.4 /m²/ month during the third quarter of 2019, closed the year at a similar level. As the average rental rate for the Class A office buildings in the Out of CBD-Asia kept dropping during 2020, it was observed to be US$ 12.8 /m²/ month during the second quarter.

The Changes in the Average Rental Rates of Class B Buildings grouped in District Categories over the last four quarters are shown in Figure 12.

Average rental rate for the Class B office buildings within the CBD fluctuated during the period between the third quarter of 2019 and the second quarter of 2020. The average rental rate that was US$ 8.1 /m²/ month during the third quarter of 2019 was US$ 8.7 /m²/ month during the following two quarters. Average rental rate for Class B office buildings within the CBD regressed down to US$ 8.3 /m²/ month and was recorded to be at the same level as the third quarter of 2019.

The average rental rate for Class B office buildings in Out of CBD-Europe dropped at the end of four quarter periods. Average rental rate during the last two quarter periods of 2019 was US$ 8.9 /m²/ month. The average rental rate that dropped to US$ 7.6 /m²/ month during the first quarter of 2020 was maintained at the same level during the second quarter of 2020.

Average rental rate for the Class B office buildings in the Out of CBD-Asia was static during the period between the third quarter of 2019 and the second quarter of 2020. The average rental rate was US$ 7.5 /m²/ month during the third quarter period of 2019. Average rental rate for Class B office buildings in Out of CBD-Asia was US$ 7.3 /m²/ month during the second quarter of 2020.
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FLEXIBLE LEASING?

The rise in the areas and services that provide flexible leasing conditions bring solutions in community, openness, collaboration and accessibility, to the diversifying and changing needs of the office users.

With awareness of this increasing demand, we have been expanding our network with service providers that offer Ready-to-Use Office, Virtual Office, Co-Working Office and Enterprise Flexible Office areas each year.

Who uses flexible office spaces?
Investors, freelancers, project-based firms that require short-term growth, users that wish to have a roof over them until the decoration of their new office is completed, small-scale firms that wish to be located in a high-grade office tower but cannot lease due to scale, users that do not wish to lease offices on both sides of Istanbul but need somewhere to host their meetings to manage their time efficiently...

What are the term options of leases?
Whether daily, monthly or even annually, it is a system that is suitable for different contracts.

Where are such offices located?
Ready-to-Use Office, Virtual Office and Co-Working Office areas are generally located in the new-generation Class A Office Buildings across the 16 office districts of the Istanbul Office Market. Also, Class B and C Office Buildings offer solutions to meet needs that are posed by smaller budgets.

• Everything is set, all you have to do is bringing your computer!
• Many services are provided in the areas
• Payment based on usage
• Open office space or private room options
• Suitable for decoration of offices in accordance with the corporate identity
• Secretary service that answers calls in Turkish and English dedicated to your company
• Modern meeting rooms with all kinds of infrastructure that you can use for as long as you need
• Opportunity to improve sharing economy in order to lower the expenses of the end-user
• The opportunity to work with branches in different locations across Istanbul, provided that an agreement is made with a provider that provides working spaces across multiple locations.
• Quick set up of business network and possibilities for co-working/sharing projects due to a working environment created with other users
• More creative decoration design; a work environment that motivates a user beyond standard office usage
• More innovative and flexible technology use aimed towards daily office needs
• Different resting and entertainment opportunities in the common areas; a chance to expand your business circle while relaxing
• Various events such as workshops, chats, etc. that incentivize standing as a community and which are open to all users

What kind of benefit does contacting PROPIN provide when looking into flexible leasing services?

You can find such office alternatives yourself at the expense of your time: however, you will reach all service providers that offer flexible leasing and solution options much faster with PROPIN.

Our priority is to provide you with various office alternatives quickly and to help you reach solutions easily.
Is it possible to rent on a flexible enterprise scale?

Flexible models for enterprise users now applied worldwide began to be implemented in Turkey. This new generation solution appeals to the needs of medium and large-scale corporate firms, among flexible models and the usual conventional building rental models, making it easier for organizations to have new offices. It is an office solution designed according to the needs of institutions, where it can be moved to offices with flexible lease contracts without the need for construction and pre-investment, and where difficult processes such as all decoration and operation are undertaken from one hand.

For which companies can enterprise flexible rental models be applied?

A service suitable for an enterprise company of all sizes; from a rapidly growing mid-size institution of 50 people to a global company of 1000 people. If we look at the worldwide examples, we can see that global banks, telecoms, retail and technology companies have already switched to this model.
What benefits do enterprise companies provide?

Flexible rental models within the scope of enterprise office solutions offer many benefits together. Most importantly, companies can have new offices without incurring high upfront investment costs. In addition, instead of working with many parties regarding location finding, design and office management, accessing consolidated services with one partner makes having an office comfortable and more efficient. Flexible contract terms and the possibility of growth and shrinkage make structures for the future more agile. In short, corporate working areas can be more dynamic, flexible and efficient with these new solutions. In this way, they increase the financial power they want to transfer to their jobs and can concentrate on growing their business.

In addition to financial savings, time and energy savings, the new generation corporate offices bring the social needs and perspective of today into the offices. These models, which offer more common areas, equipped meeting infrastructures, social space and services together, increase the motivation of employees and thus their efficiency, as well as providing companies with great advantages in subjects such as talent recruitment and retention.

- Opportunity to move to new office without investment
- Fast, easy, one-stop operation
- Flexible rental terms and space optimization
- Flexible, agile and changeable working space and operation structure
- Environment and firm-specific design that increases employee satisfaction

Have flexible enterprise solutions and examples been implemented in the market?

The enterprise flexible office model started to be offered to its customers by Kolektif House which closely follows innovations. They aim to be the only solution partner of medium and large-scale companies with their 2 new office models. With the “Kolektif Enterprise” and “Kolektif Suites” office models they have implemented within the scope of “Enterprise Office Solutions”, they offer ease of use to enterprise users with their single partner model that undertakes flexible rental conditions, legal obligations, decoration and operation processes.

Under Kolektif Enterprise, companies are offered the opportunity to take fast action with the requested size and office selection in the desired location, special design for the company’s identities and preferences, without any investment and the moving process in which the entire operation is managed from one hand. With Kolektif Suites, they provide apartment offices and office-type office spaces in the region where you choose the same flexibility.

In collaboration with KOLEKTIF HOUSE

T. 0212 217 8555
ISTANBUL OFFICE MARKET
DESCRIPTIONS

Explanation of some of the terms used in the PROPIN Office Market Overview are as follows

Class A Office Buildings:
These buildings have a modern technical and mechanical infrastructure, fire safety, generators, parking areas and professional building management. They have the best location and the highest rent value in the city’s office market.

Class B Office Buildings:
When compared to Class A office buildings, Class B office buildings have a lower rent and sale value within the same market. If this type of building is new, it possesses an ordinary design; if the building is old, it has been enhanced to look better.

Closing Price:
This is the rental price which has been agreed upon between the property owner and the tenant and placed in the contract.

Common Areas:
All areas including the main lobby, lift lobbies on the floors, corridors between rentable areas, toilets outside of the offices, and fire exit stairs shared by the Occupiers in the building are the common areas.

Completion Date:
This refers to the completion date of the construction of a building.

Contract Renewal Consultancy:
This is the consultancy service to users/owners who wish to renew the terms of the contract during the preparation of the new contract, taking into account the current circumstances and market conditions.

Delivery Condition:
It is the way of delivering office spaces to users. (Shell&core, decorated and second generation)

Green Building Certificate:
They are certificates received as a result of the rating of “green buildings” according to standards, which reduce the negative effects on the natural environment through sustainable design starting from land selection. Green Building Certificates vary according to the standards of different countries; the most common ones are BREEAM and LEED certificates.

Landlord Representation:
The mediator who represents the interests of the property owner in a typical renting operation is referred to as the property owner representative.

Listing Price:
The rental price requested by the property owner for the rental area is the listing price. The price can change as a result of negotiations.

Off-location:
Office locations which are not included in the existing business district boundaries and cannot be defined as an office region due to the small amount of stock.

Office Stock:
All leasable areas which are reserved for speculative office use.

Office User/Tenant Representation:
The mediator who represents the interests of the tenant in a typical renting operation is referred to as the tenant representative.

Pipeline Projects:
This project refers to the supply of a particular type of real estate asset that is in the planning or construction phase, yet not ready for occupancy.

Pre-Rented Area:
The amount of area in a building that has been rented prior to the end date of the construction and prior to occupancy permit date is the pre-rented area.

Prime Rent:
The list price for the rentable area within the business district is the highest rent figure.

Ready-to-Use Office:
It is a fully equipped office operating system that meets the physical office needs of users (including rent, renovation, electricity, water, internet, office supplies, withholding payment, cleaning, etc.).

Rent Average:
The rental average is the weighted average of the rent of the vacant areas. The weight coefficient of the rental prices is calculated in accordance with the total office area and the vacant area. Listing prices are used in the calculations.

Rentable Area:
This term refers to the total area which is currently being marketed during a certain time period. The term covers all sorts of areas, whether the land is vacant, occupied or suitable for subleasing in the future.

Sub-lease:
It is the right of a tenant to rent the leased space to a third party in whole or in part, provided that the tenant remains responsible to the landlord.

Take-up:
This is a gross figure representing the total floor area known to have been let or pre-let, sold or pre-sold, to tenants or owner-occupiers within a specified period of time. It does not include any area that is under offer. A property is taken up when the contract is signed.

Users:
The companies of the current office users of the building.

Unit Price:
This term represents the ratio of total asked rent value to gross areas for rent.

Vacancy Rate:
This is the ratio between total vacant areas and total office areas.

Virtual Office:
It is the next-generation office solution where users who do not need a physical workspace but need a legal address receive mail/cargo, resulting in the reduction of costs related to starting a business.
We represent more than 500,000 m² office area. Contact PROPIN staff for the properties you may interest listed below!

Responsibility for payment of the agency service fee rests with the landlord!

Giving us a call makes your office searching process easier.

You can visit the building as soon as possible.

You can reach technical and architectural documents rapidly.

You can reach lease or purchase offers in written!

You can proceed in legal phases easily during contract process.

For the rest of the list please visit www.propin.com.tr.

AGENCY SERVICE FEE:
In any case of leasing or purchasing the properties which are marketed by us, clients don’t pay PROPIN in exchange for the service given to your company. This service will be provided to make the process easier and faster for you by the authorization vested in by landlord.

For further information, please don’t hesitate to contact us. We would be more than happy to help.  T. 0212 217 8555

FOR LEASE
Kozyatagi No.8

VERA PLAZA
- 1,875 m² total office area
- 247 m² floor area
- Decorated delivery
- Walking distance from Yenisahra Metro Station
- Users Including: Locpick, Matris Engineering, UIP Movies, Gokbil Logistics, Groupama Insurance, Univera Computer Systems

FOR LEASE
Umranıye No.10

RELUX RSO 50
- 301 m² gross floor area
- Walking distance from metro
- Gardens that can be used by users
- Independent office options
- Cafe, GYM, meeting and conference halls
- Users including: A&G, Altunbukken Construction, Bimaks, E-Ofis, GTK International Trade, İz Atölye, Purple HR, Saren Wind Tribunes

FOR LEASE
Esentepe No.9

ESENTEPE BUILDING
- 310 m² gross floor area
- 1,370 m² leasable office area
- Walking distance from Gayrettepe Metro and Metrobus stations
- Standalone building

FOR LEASE
Kagithane No.11

PAPIRUS PLAZA
- Floor area varying between 1,687 m² and 4,907 m²
- On Cendere Highway
- Connection to the TEM Highway and bridges
- Cafe, restaurant, meeting hall, GYM, food hall

For the rest of the list please visit www.propin.com.tr.
SERVICES

AGENCY SERVICES

USER REPRESENTATION
- Tenant / Buyer Consultancy
- ‘Built-to-Suit Model’ Development Consultancy
- Contract Renewing Consultancy

LANDLORD REPRESENTATION
- Property Marketing Consultancy
- Contract Renewing Consultancy

ADVISORY SERVICES
- Market Research Reports
- Office Feasibility Reports
- Project Development Consultancy

Call us now!
T. 0212 217 8555