



# REstate TURKEY

Issue 5

May  
2021

**A Close Look to  
Comparable Markets**

# RESTATE TURKEY: A Close Look to Comparable Markets

## Issue 5

### May 2021

#### EDITORIAL COORDINATION

Neşecan Çekici Vice Chairman of GYODER

Prof. Ali Hepşen President of Training, Publications and Information Production Committee of GYODER

Ahmet Özgür (MRICS) Colliers International, Director, Head of Valuation & Advisory Services, Turkey

Murat Berberoğlu (PhD), General Secretary of GYODER

#### EDITOR

Damla Erdem Öziş Senior Consultant, Valuation & Advisory Services, Turkey

#### CORPORATE COMMUNICATION AND COORDINATION

Sibel Metin Assistant Secretary General of GYODER

Sinem Tekin Corporate Communication Coordinator of GYODER

#### GRAPHIC DESIGN



#### CONTENT PROVIDER



#### THIS PUBLICATION BELONGS TO



Please do not cite without making reference.

All rights reserved 2021.

#### LEGAL DISCLAIMER

"REstate Turkey: A Close Look to Comparable Markets" report has been prepared in order to provide information to all groups related with the real estate sector. All data used herein was obtained from reliable resources that were verified by GYODER Real Estate Research and Report Generation Committee. It is not guaranteed that the prices, data and information provided herein are definite and precise. This report does not aim to establish a basis for any investment decision. GYODER and the institutions contributing to the preparation of this report shall not be held liable for the failures that may occur as a result of the utilization of such sources. The content of the report can be changed without previous notice.



# CONTENTS

<b>INVESTMENT MARKET</b>	<b>9</b>
Construction Sector	9
Foreign Direct Investment	10
Real Estate Fields	11
<b>OFFICE MARKET</b>	<b>13</b>
Average Rent and Yields	14
Istanbul Office Market	14
Rents and Vacancy Rates	16
Future Stock	16
Summary	17
Istanbul Financial Center	17
Istanbul Airport	18
<b>INDUSTRIAL MARKET</b>	<b>19</b>
Average Rent Rates and Yields	20
Industrial Sub-regions	20
Current Situation	21
Vacancy Rates	21
Rent Rates	22
Supply Chain Shifts	23
Silk Road Project	24
<b>RETAIL MARKET</b>	<b>25</b>
Average Rent Rates and Yields	26
Retail Market in Turkey	26
Updated Regulations on Rental Contracts	29
Consumer Confidence Index	30
Retail Trade Confidence Index	30
Household Disposable Income	31
<b>HOTEL MARKET</b>	<b>33</b>
Tourist Visitor Numbers	33
Tourism Revenues	34
Prices and Occupancy Rates - Istanbul	35
Forecast	35
<b>RESIDENTIAL MARKET</b>	<b>37</b>
Residential Sales	39
<b>WHO IS GYODER</b>	<b>42</b>
<b>WHO IS COLLIERS</b>	<b>45</b>

# GYODER CHAIRMAN'S MESSAGE



## Turkey continues to be a center of attraction

Turkey, with its natural and cultural richness, has always been a center of attraction for foreign investors. As one of the important trade centers of the world, our country becomes even more attractive today with its transportation facilities, tourism, entertainment, fair and congress tourism.

İstanbul as well as the cities like İzmir, Muğla and Antalya, where mostly corporate companies have developed real estate projects lately, continue to be a center of attraction for investors from all over the world.

Our country has also become the center of attention of foreign institutional investors with its young and dynamic population, production and supply capability at international standards, strong health infrastructure, airports, highways, and with its infrastructure supporting digital transformation.

With years of experience, Turkey's real estate sector has displayed a dynamic development in parallel with the existing conditions. The new legal regulations expanding the real estate sector's financing render the real estate investments more attractive.

More effective employment of the Real Estate Certificates, Real Estate Investment Funds and Infrastructure Real Estate Investment Trusts that are new financial resources for the sector in the capital market as well as the new regulations on the Real Estate Investment Trusts pave the way for the real estate sector. Containing numerous houses, shopping malls and offices, the Real Estate Investment Fund offers high returns and provides many advantages to the investors. Moreover, a new regulation facilitated the process required for acquiring Turkish citizenship. The amount determined as US\$ 1 million for property purchases as part of Turkish citizenship requirements has been reduced to US\$ 250 thousand.





The real estate sector, capable to rapidly recover by adapting to changing conditions with its experience and know-how, completed the year 2020 with more satisfactory performance than 2019 despite the pandemic. All-time record was set in 2020 in housing sales reaching 1 million 499 thousand units across the country. With the effect of low-interest housing loans launched by public banks, housing sales that accelerated in June, July and August became the most critical factor in this record.

Housing sales to foreign investors throughout Turkey in 2019 was around 45 thousand. 40.812 houses were sold to foreign investors in 2020, during which the entire world was adversely affected by the pandemic. İstanbul was the most preferred city by foreign investors in 2020. It was followed by Antalya, Ankara and Bursa.

Real estate is considered as one of the safest investment instruments in our country. The fact that Turkey has a strong real estate sector today along with the development and growth of financial instruments and housing loan system show that the real estate will maintain its safe position for many years.

I believe our recent report, in which we provide a comparative analysis of the İstanbul market with other big cities, by evaluating the investment returns in different sub-segments of the real estate sector in recent years, will contribute to your investment decision.

**Mehmet KALYONCU**  
*Chairman of the Board, GYODER*







# INTRODUCTION

We have the pleasure of introducing to you our research on the Turkish real estate market.

On this report, we have conducted a comparative analysis of the Istanbul market with the other major cities in terms of investment yields relating to different real estate sub-sectors over the past years. Istanbul has promised higher returns for the commercial real estate market in post-pandemic period.

You may find in-depth market research of the industrial and logistics market in The Greater Istanbul Area as well as the impacts of “Silk Road Project” to the Turkish logistics market on this report.

Covid-19 pandemic accelerated the shift away from China in supply chains. The production and supply chains are expected to shift to near-shoring and on-shoring. Expected demand increase for industrial facility and warehouse space due to the supply chain shifts combined with the increase of e-commerce volume present investment opportunity in the Turkish industrial real estate market. You may see the details of the effects of supply chain shifts in report.

Office and retail market sections include traditional shopping center and office market analysis with yields, prime rents, consumer confidence indexes and general trends in the market.

You may also find occupancy rates, ADR and RevPar in Istanbul hotel market and general residential market statistics of Turkey on this report.

We are more than happy to be able to share with you our market knowledge and experience in order to accelerate your success.

Enjoy Reading!

**Colliers International Turkey**

Istanbul is the largest city  
by population with  
**15** million **462** thousand  
**452** residents.

Up to **400** point direct  
**flights** from Istanbul, 22 direct  
access to the capital cities within 2 hours.

**1,499,316** housing sales  
annually in Turkey at 2020.

Turkey's Foreign Direct  
Investment (FDI)  
increased by 714.0 USD  
mn in Feb 2021.

A population of 83.6 mln  
**45,8%** under  
age 30.

Economical growth  
**1,8%** in 2020.

6.5 million residential units are expected to be renovated within the  
next 20 years, which means a sector of USD 400 billion.



# WHY INVEST IN TURKEY?

Expected to become within the first 15 economy in the world by 2050.

23 cities over **1 million** population.

Secondary potential cities for investment: Ankara, İzmir, Antalya, Bursa, Kocaeli and Mersin.

Turkey is visited by **45,0 mln** tourists in 2019.

Istanbul, as the financial centre of Turkey, has a **growth potential** of additional office development.

Implemented urban transformation projects increases the property market of Istanbul.

Well positioned in terms supply chain shifts

Central location with **strong** transport links

Strategic geographical position for both producer and consumer markets





# INVESTMENT MARKET

## Construction Sector

The construction sector feeds many different sub-sectors due to the goods and services it needs. Thus, the construction sector has a very vital role in the Turkish economy due to both the employment it creates and its contribution to the GDP.

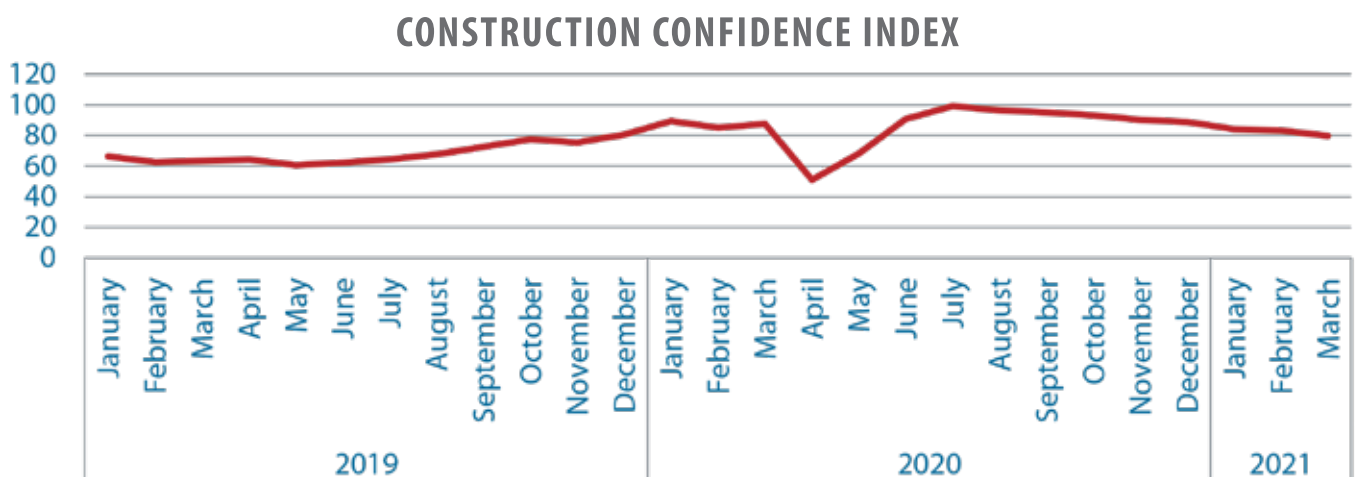
The share of the construction sector in GDP, which was 5.4% in 2019, remained constant in 2020 and stood at 5.4%. In the construction sector, which closed 2019 with an annual average decrease of 12.8% in terms of actual value, an annual average increase of 16.7% was observed in 2020.

Calculation method of construction sector confidence index values published by Turkstat has changed since January 2021 and retrospective values have been revised.

According to the announced figures, the construction confidence index, which declined sharply in April 2020, gradually increased and reached its highest level in July 2020. The index, which has declined since this date, closed the year as 88.8. Construction confidence index decreased by 8.8% to 79.8 in March 2021 compared to the same month of the previous year.

There was a decrease in the sub-index of total employee expectation in the next three months and the current level of registered orders sub-index, which are sub-indices that affect the seasonally adjusted construction sector confidence and trend indices. 48.5% of startups in the construction industry in April stated that there was at least one key factor limiting their activities. The main factors limiting the activities in the construction sector are the lack of demand and financing problems.

The change in the construction confidence index is as follows:



Source: TurkStat



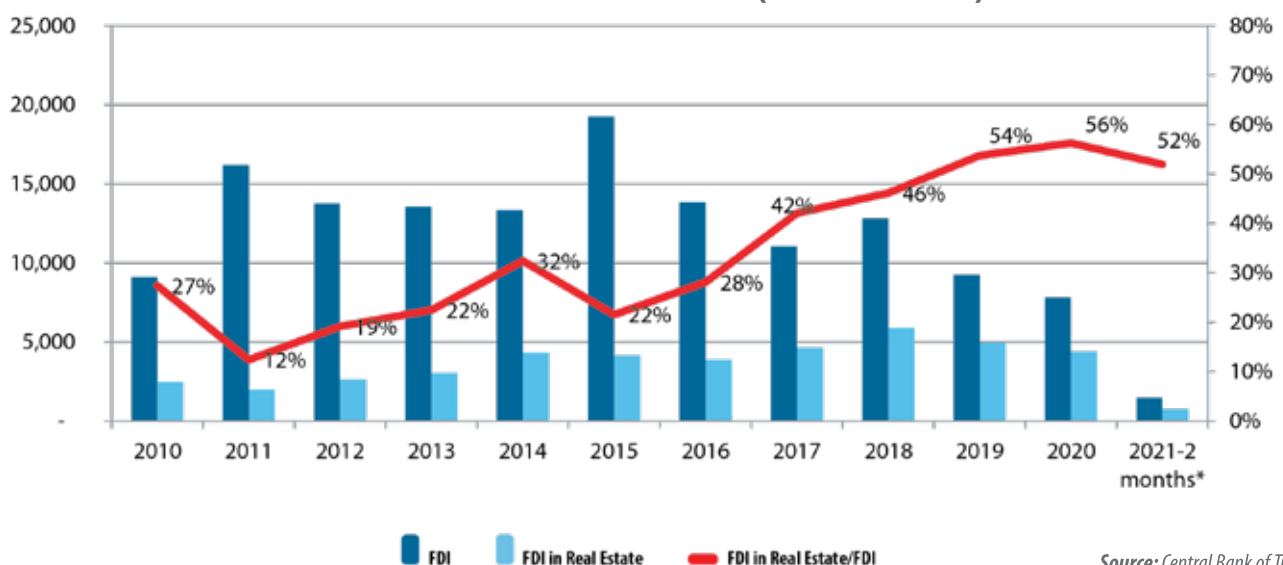
# Foreign Direct Investment

According to official balance of payments data, gross FDI into Turkey stood in the region of \$1.5 billion for the first two months of 2021, of which \$774 million was from gross real estate acquisition investments. The share of real estate acquisitions in total FDI during this period was 52%. This ratio represents the share of real estate purchases in revenues.

Legal regulations giving citizenship rights to real estate investors fulfilling certain conditions made a significant contribution to the obvious rise in real estate acquisitions.

Growth potential in the domestic market in recent years, coupled with expected increase in real estate value, has led to growing foreign investor interest in the Turkish real estate market. Factors such as legal regulations facilitating the acquisition of property by foreigners in Turkey, large-scale residential projects, and the phenomenon of migration-driven demand have also had a positive impact on investments in the sector.

**FDI IN REAL ESTATE IN TURKEY (BILLION USD)\*\***



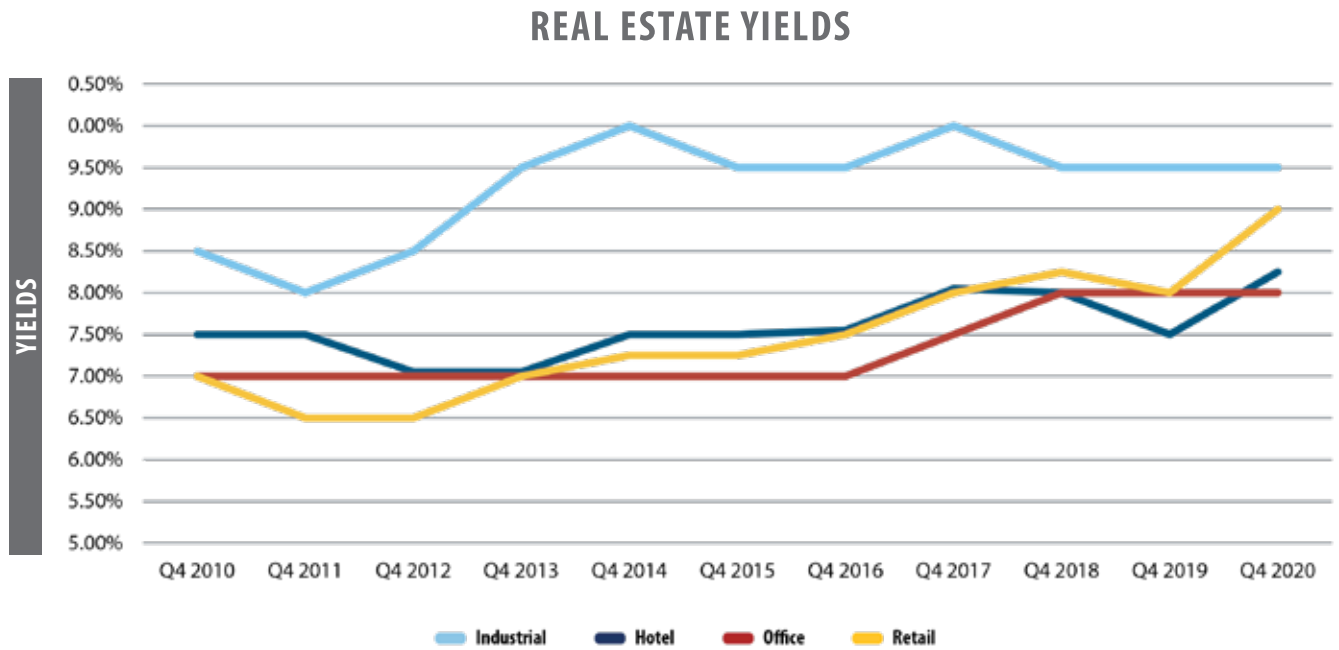
Source: Central Bank of Turkey

(\*) Temporary data

(\*\*) Data in the chart are those for Foreign Direct Investment and Foreign Direct Investment in Real Estate. The 55% ratio represents the share of real estate purchases in revenues.



# Real Estate Yields



In terms of transaction volume and scale of supply, the Istanbul real estate market constitutes more than one third of the entire Turkish market. So, keeping a finger on the pulse of the market effectively means doing the same for the Turkish market as a whole. As Colliers, we have conducted a comparative analysis of investment yields relating to different real estate sub-sectors over past years.

Between the years 2014 and 2016, the impact of escalating geopolitical risks in Turkey combined with an economic slowdown in the country led to flat real estate investment yields. Yields began to rise in 2017, and in 2018 even exceeded the levels it has reached in 2014. The reason for this is the increase of uncertainties arising from geopolitical and foreign exchange rates in the market.

In 2019, the real estate yields in retail, industrial and office sectors followed a horizontal course. The recovery in the tourism sector caused a decrease in hotel yields in 2019.

In 2020, hotel and retail returns were on the rise due to Covid-19, while office and industrial returns remained stable.

In Turkey, more than a year has passed since the beginning of the Covid-19 pandemic. In second half of 2020, the rate of return figure remained same as in the first half of 2020.

Investments in Turkey slowed and came to a halt. In our view, the recovery in transactions in the market will begin in the last quarter of 2021.

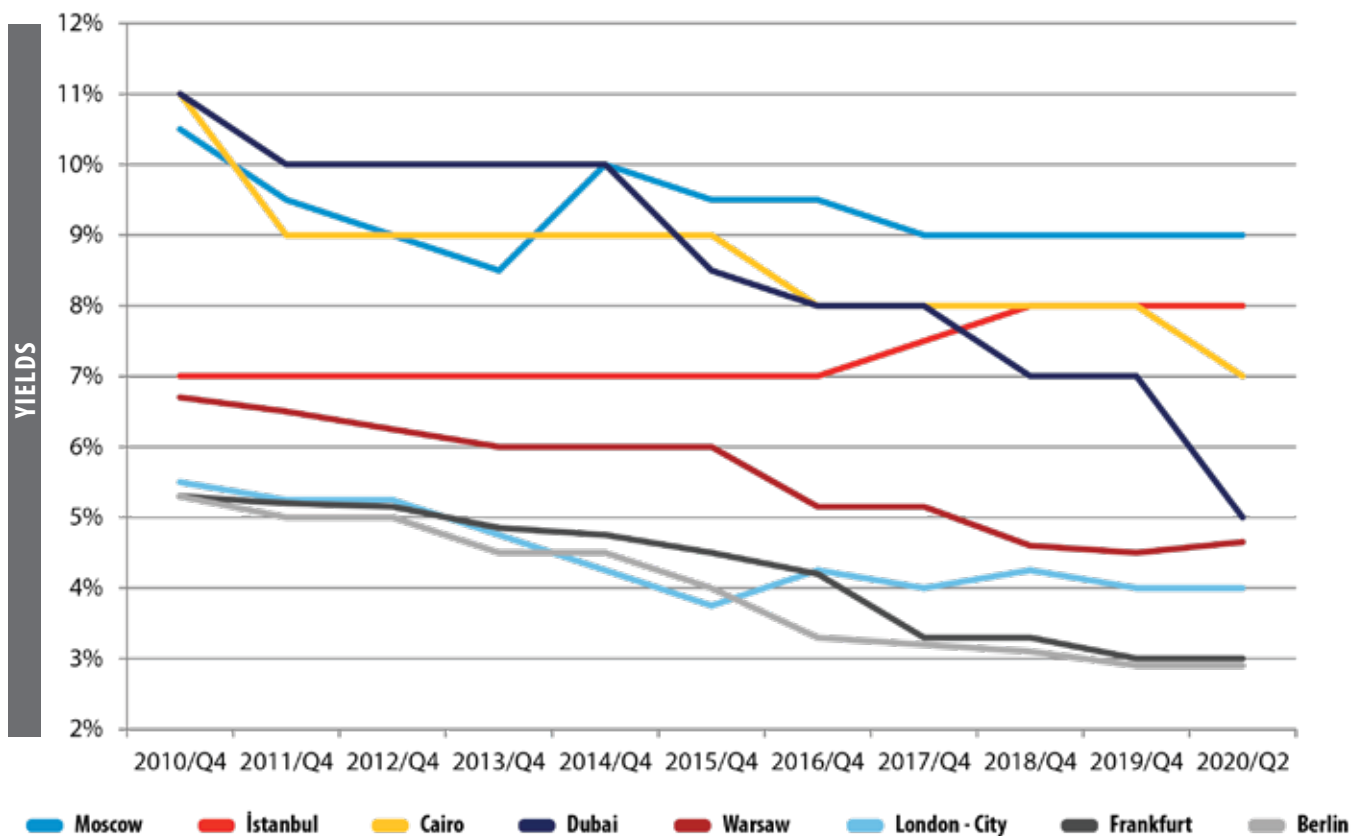
Negative impacts of pandemic on sales demand will continue until the first half of 2021, depending on the fluctuation in exchange rates and the increase in interest rates. We hope that controlling the volatility in exchange rates by the end of 2021 will reduce exchange rate risks for investors. With the decrease in the number of cases parallel with increasing vaccination, normalization in the market start and risk appetite for investors will increase. These positive developments and expectations in the market will begin to create favorable opportunities for investors.





# OFFICE MARKET

OFFICE YIELDS IN SELECTED CITIES



Source: Colliers International

Of all the selected cities, average yields in the Istanbul office market come in second after Moscow. We believe that the upward trend in yields that started in Istanbul office market in 2016 will maintain its current levels in the coming period.

# Average Rent and Yields

Office Market Indicators - Q4 2020 (Selected Cities)		
	Prime CBD Office Yield	Prime Headline Rent - CBD Office (USD/ m <sup>2</sup> / month)
Abu Dhabi*	6.00%	\$26.20
Amsterdam*	3.20%	\$45.78
Athens*	6.20%	\$29.50
Belgrade*	8.50%	\$18.88
Berlin*	2.80%	\$49.56
Bucharest*	7.00%	\$21.24
Budapest*	5.30%	\$27.14
Cairo	7.00%	\$27.26
Dubai*	5.00%	\$40.83
Frankfurt*	3.00%	\$53.10
Istanbul	8.00%	\$33.04
Lisbon	5.00%	\$28.22
London - City	4.00%	\$84.49
Madrid	3.50%	\$41.30
Moscow*	9.00%	\$75.17
Munich*	2.80%	\$47.79
Paris	2.80%	\$88.50
Prague	4.30%	\$26.55
Rome	3.80%	\$42.24
Sofia	8.30%	\$15.93
Vienna*	2.50%	\$33.04
Warsaw*	4.70%	\$28.91
Zagreb	7.50%	\$16.80

Source: Colliers International

(\*) Gross Yields

Gross Yield = First years` passing rent (i.e. net effective rent) / Property Price (irrespective of transaction costs)

Net (Initial) Yield = First year`s Net Operating Income (NOI) i.e. the net effective rent less operating expenses (OPEX) / Property Price (irrespective of transaction costs)

## Istanbul Office Market

In the second half of 2020, with the transition to the “new normal” caused by the pandemic and the return to offices, we started to see the effects of COVID-19 on data in the office market. With the decrease in the number of cases and the start of vaccination applications, the remote working model is still preferred by many companies, although the return to the offices has started with a limited extent. Compared to the pre-COVID-19 period, with the measures taken, the average staff density in offices is around 25%. We also see that this situation causes an increase in vacancy rates. On the other hand, there has been an increase of 5-6% in the rent figures.



The temporary closure of offices and the adoption of remote working models as a first reaction has served to dampen firms' need for leased space. Compared to previous periods, as well as the evident fact that leasing transactions in this period have declined.

We have observed that the flexible working model has become a permanent change in certain sectors; our information is that a number of companies are now planning to incorporate this model for particular functions. In addition, the implementation of social distancing rules has increased the amount of office space required per capita.

Office areas in Istanbul are analyzed on the basis of classification into a total of 8 sub-regions, 4 on the Asian side of the city and 4 on the European side. The following map shows the office districts in Istanbul:



1 Istanbul West 2 CBD\* 3 Kağıthane 4 Maslak 5 Kavacık 6 Ümraniye 7 Kozyatağı 8 Istanbul East

\*CBD: Levent, Etiler, Esentepe / Gayrettepe, Şişli, Beşiktaş, Taksim

Source: Colliers International

The total speculative Class-A leasable office stock in Istanbul at the end of the second half of 2020 stood at 2,657,834m<sup>2</sup>.

	Class	Total Office Area (m <sup>2</sup> )	Average Vacancy (%)	Average Asking Rates (USD)
Asia	A	973,417	24%	\$12.51
Europe	A	1,684,417	33%	\$15.60
<b>Total Istanbul</b>	<b>A</b>	<b>2,657,834</b>	<b>29%</b>	<b>\$14.47</b>

Source: Colliers International

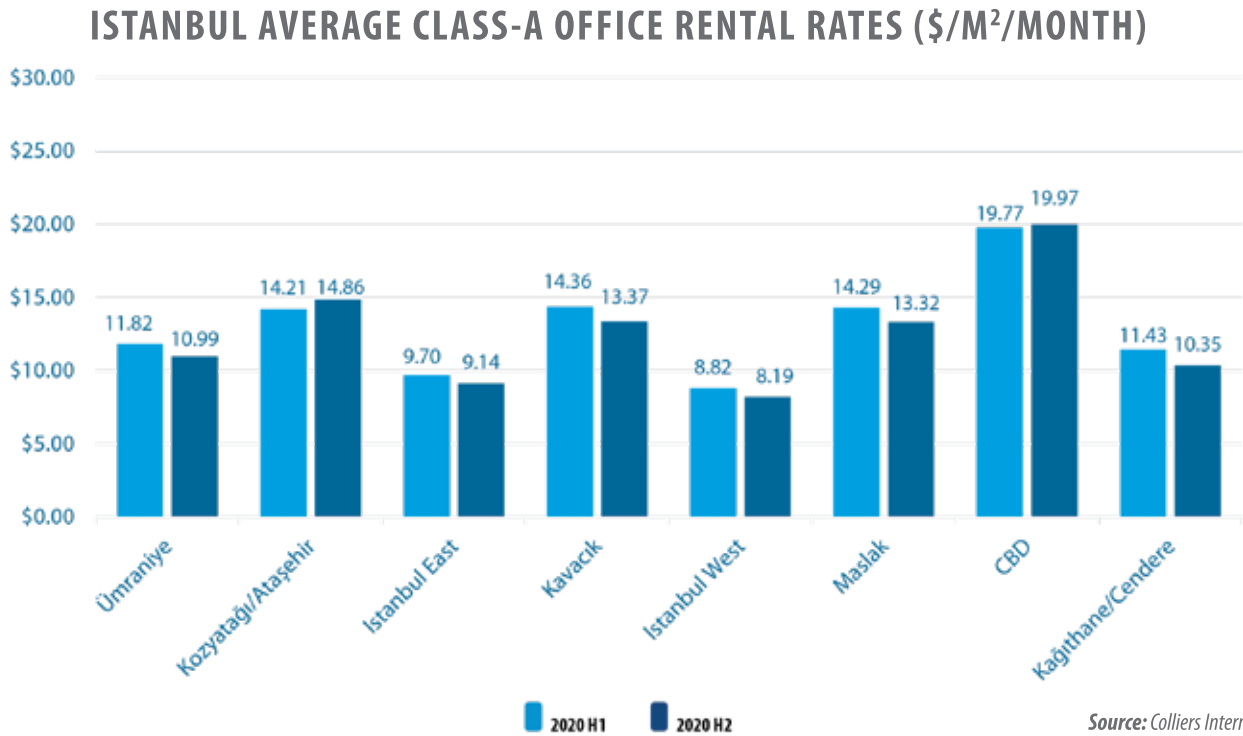
Approximately 39,657m<sup>2</sup> of new leasing transactions took place in the second half of 2020. Of these, 68% were in the Kozyatağı/Ataşehir and 13% in the CBD region. These regions are followed by the Kağıthane/Cendere region with a rate of 10%.

# Rents and Vacancy Rates

The total speculative Class-A leasable office stock in Istanbul at the end of the second half of 2020 stood at 2,657,834m<sup>2</sup>. Compared to the first half of 2020, office rents fell by approximately 2% in the second half of 2020 in USD terms.

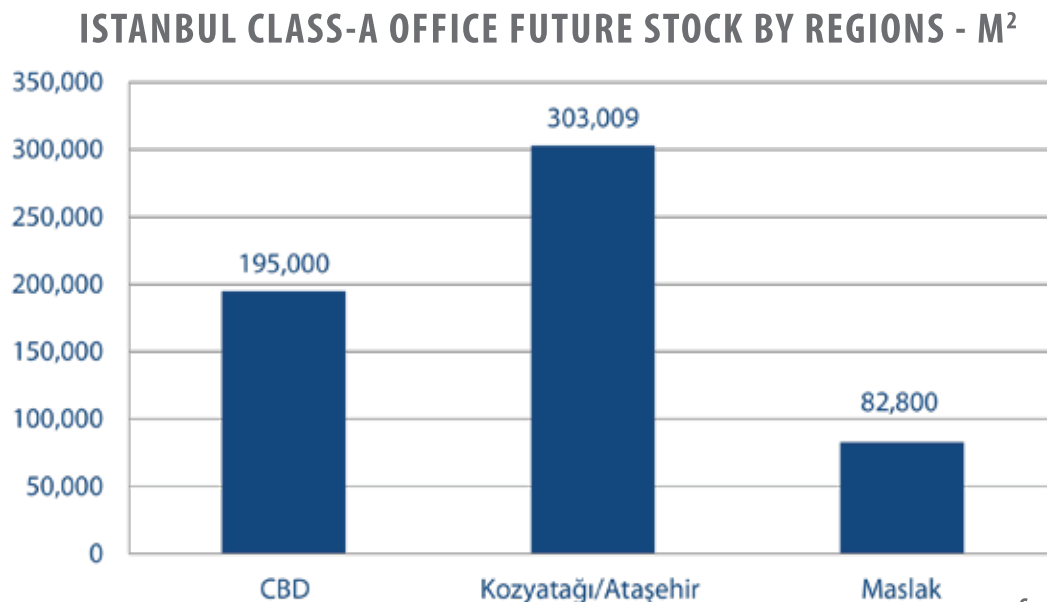
While average Class-A rents in Istanbul West and Kağıthane/Cendere regions fell by 3% in the second half of 2020, rents in all other regions slightly increased. Rents in the Maslak, Kavacık, Ümraniye and Istanbul East regions remained stable.

In the second half of 2020, rent figures increased by 5.3% across Istanbul compared to the first half of 2020.



## Future Stock

580,809m<sup>2</sup> of office space is set to be added to Class A leasable office supply in Istanbul over the next three years. 52% of Office space in the pipeline is located in the Kozyatağı / Ataşehir region, 34% in the CBD and 14% in the Maslak region. A number of projects at the planning phase on which construction has not yet begun are expected to be postponed or cancelled due to the Covid-19 pandemic.







## Summary

The contraction in new leasing transactions continues: The total area of new leases remained below 100,000 m<sup>2</sup> by the end of 2020. The last time we encountered a similar picture was in 2016. Although we observe that the new leasing volume was higher in the second half compared to the first half of 2020, the lease of a total of 14,750m<sup>2</sup> area by a single user (flexible / co-work office provider) has been instrumental in this rise. We think that after the pandemic, with the success of the remote working system, we expect that companies wanting to reduce their leased office space area and general expenses will generate high demand for flexible / co-work office providers.

The impacts of Covid-19 are serving to maintain uncertainty with respect to the degree to which office spaces will continue to be used: The transition to the “new normal” forged by the pandemic combined with the beginning of a return to offices (generally with 20% - 25% capacity) means that the true impact of Covid-19 on the office market is set to become clearer in the coming period. While social distancing practices boost per capita office space requirements, the rise in remote and shift working modes has the opposite effect. The course of rents and vacancy rates in the office market will determine how widespread and enduring these practices will be. However, our expectation is that remote working practices will become more prevalent overall and serve to exert downward pressure on rents and upward pressure on vacancy rates until the end of pandemic period.

As in other countries, Covid-19 pandemic period has adversely affected all sectors in Turkey and continues to impress. Although it remains uncertain when this process will end, it is expected that the recovery in the markets will accelerate in the second half of 2021. Turkey has promised higher returns for the real estate market in post-pandemic period. For this reason, we believe that Turkey's real estate market offers investment opportunities.

## Istanbul Financial Center

Construction of Istanbul Financial Center, which is planned to be an important financial center of Turkey, is under construction. The Istanbul Financial Center project will house the Headquarters of the Banking Regulation and Supervision Agency (BDDK), the Central Bank, the Capital Markets Agency, Ziraat Bank, Halkbank, Vakıfbank and other institutions.

TWF (Turkey Wealth Fund) announced in September 2019 that it plans to take over 465,000m<sup>2</sup> of the IFM project. In the event of this partnership, the project is planned to be completed in the first quarter of 2022.

With the draw of the Istanbul Financial Center complementing the region's existing accessibility and advanced infrastructure advantages, Kozyatağı – Ataşehir has begun to gain prominence as one of the Asian side's leading office regions. This is expected to have an imminent positive impact on demand for office and residential space in the region's environs.



Financial center project in the Kozyatağı/Ataşehir region together with the major finance institutions it will house is expected to transform the Kozyatağı/Ataşehir region into Istanbul's center of attraction and increase demand in this region. We forecast that it will increasingly be perceived as a prestigious office region, and that rents will rise in line with growing demand.

With approximately 1.3 million m<sup>2</sup> of office stock, the Istanbul Financial Center comes in below other finance centers such as the City of London with 9 million m<sup>2</sup>, Dubai with 7 million m<sup>2</sup>, and Paris La Défense with some 4 million m<sup>2</sup>. Drawing a comparison with office stock in other financial centers, it seems possible to decrease unoccupied office stock in the region with the growing prestige of the Istanbul Finance Center and an interest from international banks and finance institutions.

## Istanbul Airport

The construction of the Istanbul new airport on the north of the city's European side, increased the development potential of northern side of Istanbul city around and close to the new airport.

The four-phase new airport project includes 6 runways, many hotels, office buildings, a fair and an exhibition area. The first phase of the airport is completed, and domestic and international flights started in April 2019. The completion of the final phase is slated for 2028.

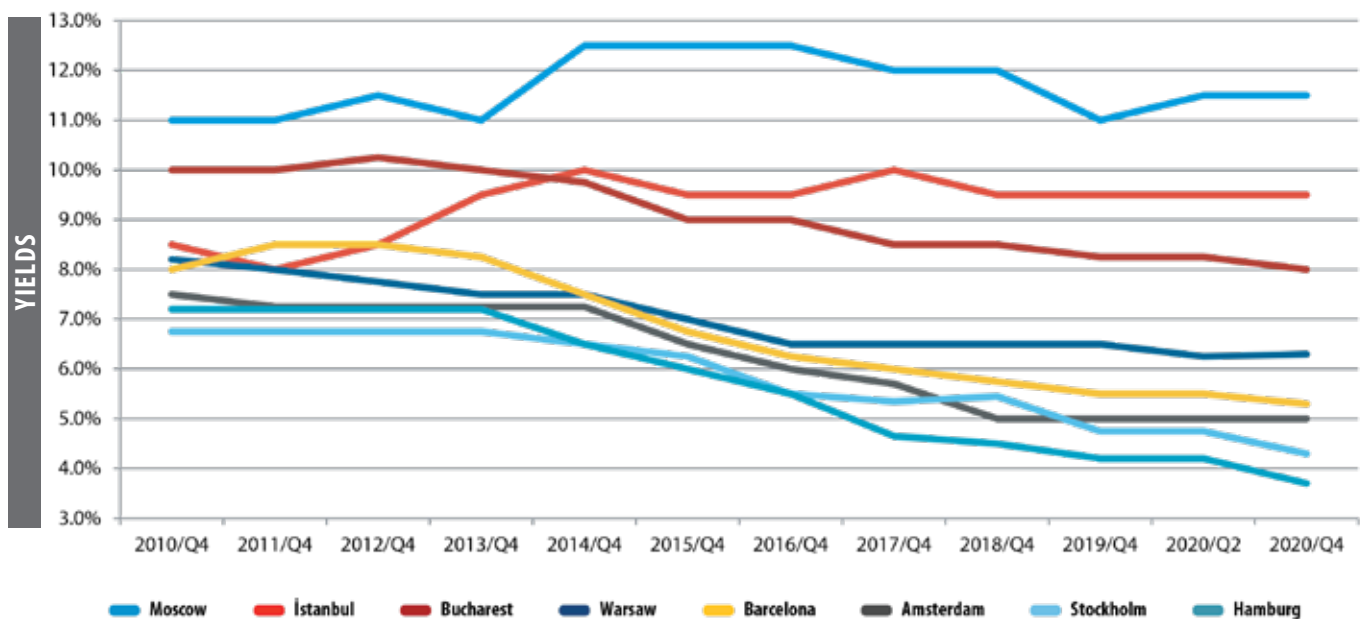
Istanbul Airport is expected to become one of the most important transportation and transfer centers in Europe after Covid-19 and to initiate the northward expansion of business centers on the European side of Istanbul.

Due to the decrease in domestic and international flights during the Covid-19 period and the economic stagnation in all sectors, the projected growth for the airport and its immediate surroundings fell behind the forecast. However, it is expected that the project hike office investments towards the north of the Istanbul city center as the region's transportation facilities increase.



# INDUSTRIAL MARKET

INDUSTRIAL YIELDS IN SELECTED CITIES



Source: Colliers International

It is noteworthy that yields for logistics and industrial facility decreased to 9.5% and we expect it to remain at these levels in the short term.

Average yields in the Istanbul industrial market came in 2nd after Moscow in the cities that were surveyed. Yields in the Istanbul industrial market constitute a significant opportunity for international investors, especially when we consider the expected increase in industrial business volume to be generated by supply chain shifts, e-commerce growth and the planned Silk Road project.

# Average Rent and Yields

Industrial Market Indicators - Q4 2020(Selected Cities)		
	Prime Yield	Prime Headline Rent (USD/ m <sup>2</sup> / month)
<b>Amsterdam*</b>	5.00%	\$6.37
<b>Barcelona</b>	5.30%	\$6.37
<b>Berlin*</b>	3.70%	\$7.32
<b>Bucharest*</b>	8.00%	\$4.72
<b>Budapest*</b>	7.00%	\$5.55
<b>Hamburg*</b>	3.70%	\$7.67
<b>Istanbul</b>	9.50%	\$4.48
<b>London (Greater London)</b>	3.80%	\$18.64
<b>Madrid</b>	4.50%	\$6.25
<b>Moscow*</b>	11.50%	\$4.59
<b>Paris</b>	3.90%	\$6.37
<b>Prague</b>	5.00%	\$5.78
<b>Rome</b>	5.50%	\$5.66
<b>Rotterdam*</b>	4.50%	\$6.84
<b>Stockholm</b>	4.30%	\$9.20
<b>Vienna*</b>	4.50%	\$6.84
<b>Warsaw*</b>	6.30%	\$3.89
<b>Zagreb</b>	8.00%	\$5.90

Source: Colliers International

(\*) Gross Yields

Gross Yield = First years' passing rent (i.e. net effective rent) / Property Price (irrespective of transaction costs)

Net (Initial) Yield = First year's Net Operating Income (NOI) i.e. the net effective rent less operating expenses (OPEX) / Property Price (irrespective of transaction costs)

## Industrial Sub-regions

Our industrial market research divides Istanbul and its near vicinity into 8 sub-regions. The sub-regions under analysis consist of Dudullu and Tuzla on the Asian side of the city, and Esenyurt-Kıraç and Silivri on the European side. The industrial sub-regions under examination in neighbouring provinces are Gebze and Dilovası in the province of Kocaeli, and Çerkezköy and Çorlu in the province of Tekirdağ.



# Current Situation

Industrial Market (m <sup>2</sup> )*	
Owner Occupied Space	4,131,627
Total Leasable Stock	5,139,608
Vacant Space	900,078
<b>Subtotal</b>	<b>9,271,235</b>
Under Construction Projects	72,500
Planned Projects	185,390
<b>Total</b>	<b>9,529,125</b>

(\*) The data specifies all industrial stock that is leasable, sellable or usable by the owner.

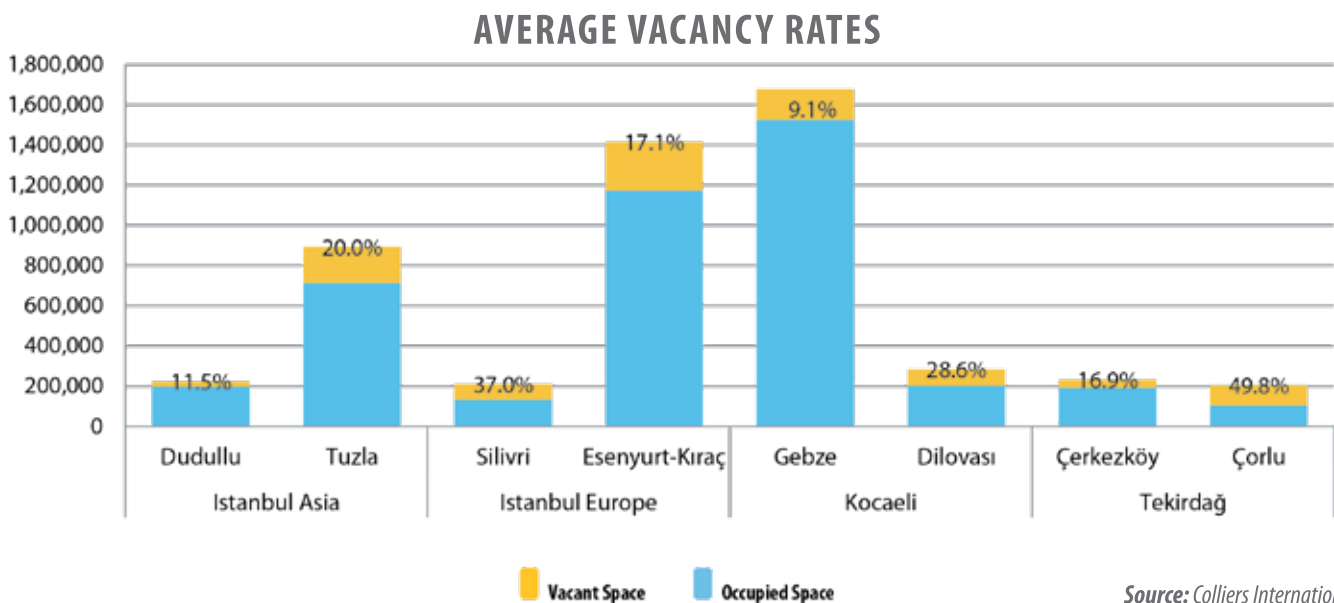
Source: Colliers International

Analysis of the current situation in the industrial market in Istanbul and its environs reveals that 97% of total supply consists of existing leasable / sellable stock, 1% projects under construction, and 2% projects that remain in the planning stage.

## Vacancy Rates

Fifty five percent of the existing stock in the industrial market in Istanbul and its environs constitutes leasable space. The vacancy rate of the total of 5,139,621m<sup>2</sup> existing leasable stock stands at 18%.

The distribution of total existing and under-construction supply, and average vacancy rates, by region, is shown below:



Source: Colliers International

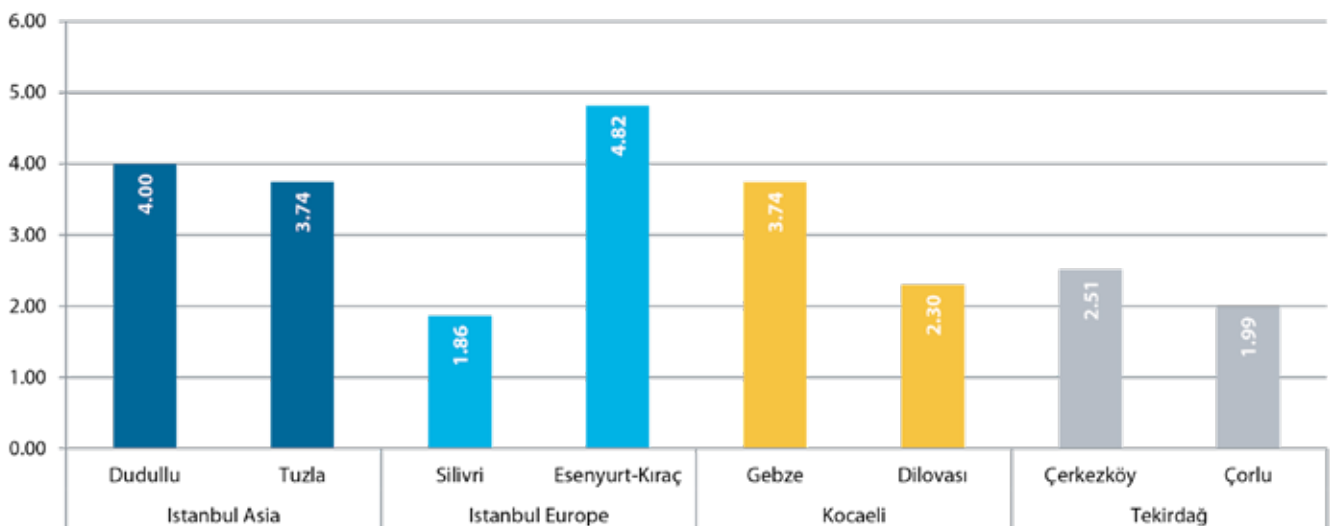
We have observed a fall in vacancy rates in most regions in the second half of 2020 compared to the first half. The rise in demand for last-kilometer logistics led to a particularly steep fall in vacancy rates in the Dudullu region, which is relatively close to the city center. The Çorlu region saw a significant rise in vacancy rates. The main reason for this is an increase in stocks in the region.



## Rent Rates

Asking rents in the second half of 2020 are shown in the chart below:

**AVERAGE RENTAL RATES FOR FACILITIES (\$/M<sup>2</sup>/MONTH)**



Source: Colliers International

All regions under analysis have seen a rise in TL-based average rents. The increased requirement for logistic facilities is one of the principal causes of these rent hikes, as well as the growth in production to previous levels. We forecast a long-term continuation of the demand for logistic facilities. We forecast that over the coming 12-month period, the change in TL terms in logistics and industrial rents will remain linked to the course of the exchange rate and that rents for high-quality facilities shall continue their upward path.

# Supply Chain Shifts

Many sectors, such as pharmaceuticals, agriculture, and energy, have come under pressure amid Covid-19 pandemic, as their reliance on economies like China and limitations on international logistics have weighed on supply chains. With the uncertainty and unprecedented changes brought about from Covid-19, manufacturers are re-evaluating their global supply chains.

It is expected that the companies around the world will alter their supply chains to be less dependent on China in the wake of the Covid-19 crisis. Many global enterprises have been moving toward regional manufacturing and sourcing footprints to be closer to end markets. Their factories in China are increasingly targeting the huge, still growing domestic market and nearby countries, while factories in North America and Europe concentrate on local markets. It is expected to be a diversification where these supply chains get moved into places like Vietnam, Bangladesh, Turkey, and Brazil, so that these companies can have a more diversified supply chain.

According to Emerging Europe mid-range manufacturing matrix formed by Fitch Solutions, Turkey is ranked highest with Ukraine. According to Fitch Solutions' ranking, Turkey stands to gain the most from a shift of supply chains of mid-range manufacturing, but also as an emerging European economy it is a potential location for textile manufacturers.

## Well Positioned to Attract Foreign Investment

Matrix: Emerging Europe Mid-Range Manufacturing

Countries	Labor (Costs, Quality & Flexibility)	Current Mid-Range Manufacturing Capacity/ Industrial Clusters	Logistics & Connectivity	Regulatory Environments & Trade Agreements	Business Environment
Turkey	Medium	Medium	High	High	High
Czech Republic	Low	High	High	High	High
Poland	Low	High	High	High	High
Romania	Medium	Medium	High	High	High
Hungary	Low	High	High	High	High
Slovakia	Low	High	High	High	High
Russia	Medium	Medium	Medium	Low	Medium
Kazakhstan	Medium	Medium	Low	Low	Medium
Azerbaijan	Medium	Medium	Medium	Low	Medium
Georgia	Medium	Low	Low	Low	Low

Turkey has an already well-developed manufacturing sector which constitute 16.9% of its total gross value-added. Its growing workforce and relatively low-cost labour force, with a large pool of skilled workers, make Turkey attractive to its counterparts in central and eastern Europe. Its location between the east and west, as well as its commercial access to the European Union and strong transport links make Turkey a potential hub for producers.

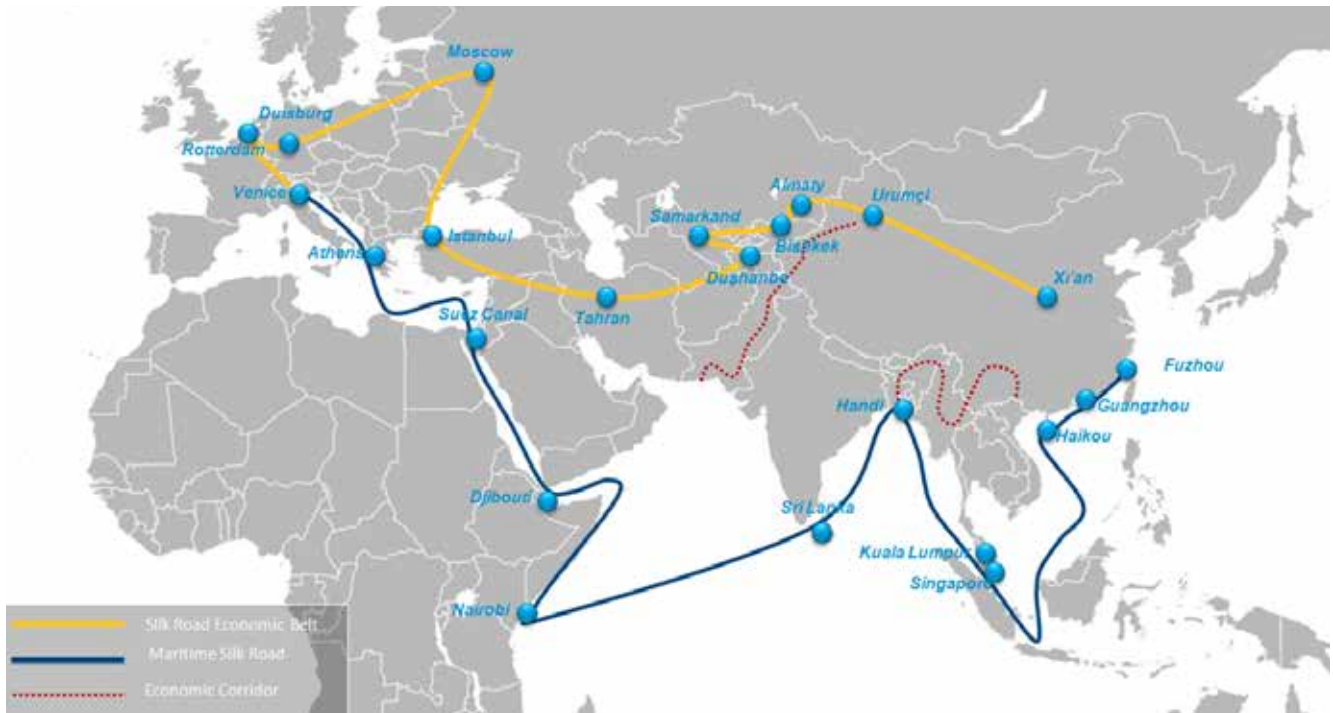
Considering the anticipation of transition to near-shoring and on-shoring of manufacturing and supply chains, Turkey is well positioned in terms of costs, manufacturing capacity, logistics capability and business & regulatory environment. We therefore believe that in the wake of the short-term impacts of Covid-19, Turkey's clear locational and cost advantages will encourage the country's emergence as an important alternative manufacturing center to China. Expected demand increase for industrial facility and warehouse space due to the supply chain shifts combined with the increase of e-commerce volume present investment opportunity in the Turkish industrial real estate market.

Source: Fitch Solutions



# Silk Road Project

The “New Silk Road Project” unveiled at the New Silk Road Summit held in Beijing in May 2017 aims to connect more than 65 countries by land, sea and railway.



Source: [www.weforum.org](http://www.weforum.org), Colliers International

Internationally entitled the “One Belt One Road Initiative”, the project envisages development along 6 distinct lines. One of the six lines will pass through Turkey. The “China-Middle Asia and West Asia Economic Corridor”, which crosses Turkey, will link China, Central Asia, Russia and Europe. The One Belt, One Road initiative partly dovetails with other infrastructure development programs undertaken by other regional economies.

With this project, a cargo departing from China will be transported to Europe within 12 to 15 days by train, which takes 40 days by sea. For now, the political significance of the Silk Road seems to outweigh the actual economic/trade benefits, with many projects still in an early phase or yet to be signed off. Also, several projects are energy-related (pipeline construction) rather than focused on the construction of manufacturing capacity. However, as connections/infrastructure improves and trade barriers are removed, it's easy to see how trade between the eastern-western blocks and regional economies could increase. Furthermore, it could open up areas once seen as remote and geographically isolated, to new investment.

Turkey is strategically located between European countries and Asia in the Silk Road's middle corridor. Turkey's crucial logistic positioning within the scope of the planned project has given the country's industrial spaces and warehousing areas additional significance. The completion of some strategic projects will enhance its appeal as a manufacturing and, increasingly, regional distribution hub. These include the Baku-Kars railway route, which connects Turkey's eastern borders to the Caspian Sea coast in Azerbaijan, where freight arrives by ferry from Kazakhstan.

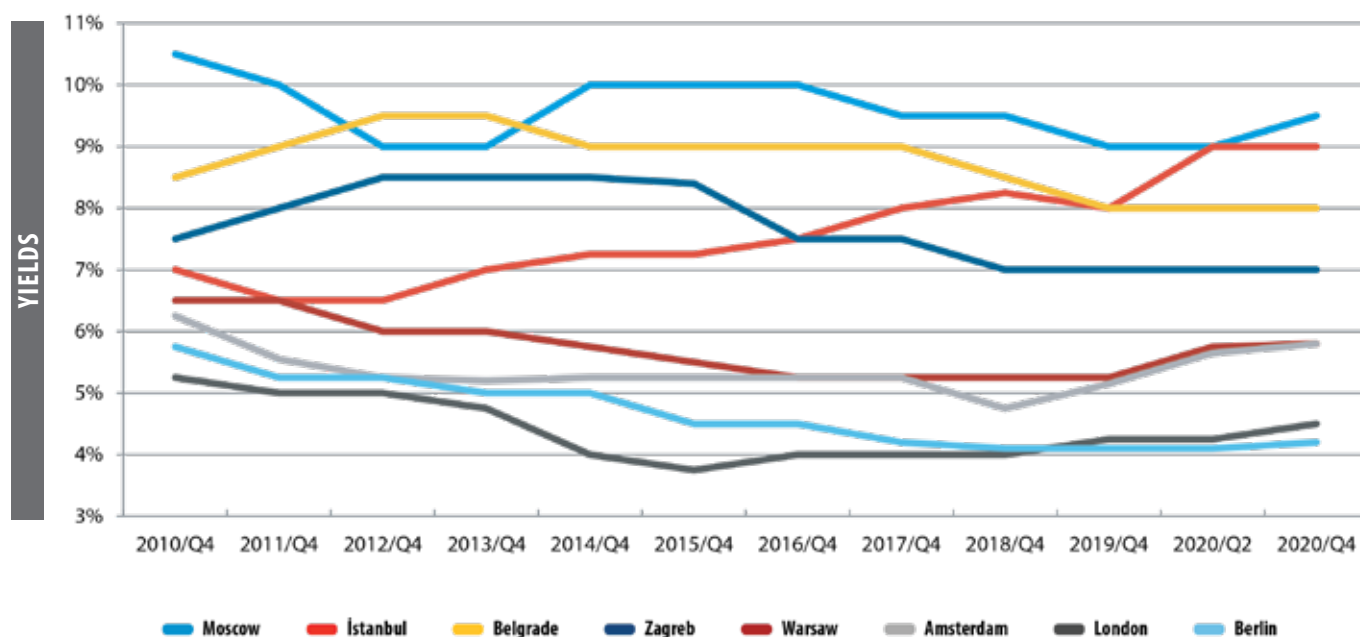
The Baku-Tbilisi-Kars Railway Line which is a part of Silk Road Project has a total length of 838km. 76km of the line, which was opened in October 2017, pass through Turkey, 259km through Georgia, and 503km through Azerbaijan. It is slated to be a significant alternative to the railway links between China and Europe passing over Russia. Its passenger and freight capacities are projected to rise to 3 million passengers and 17 million tons respectively, by 2034.

Various Turkish railway upgrading projects are set to increase accessibility to the project's various logistic centers. There are also plans to connect major ports such as Istanbul-Ambarlı and Izmir-Çandarlı to the main railway line. These connections will serve to integrate Turkey's regional and global supply chains and boost the global role of Turkey's logistics sector.

Essentially encompassing trade and commerce in goods, the New Silk Road also represents a major potential for the energy sector. Energy transfer infrastructure work is also planned within this framework.

# RETAIL MARKET

RETAIL YIELDS IN SELECTED CITIES



Source: Colliers International

While the average yields in the Istanbul retail market increased from 2012 to 2019, it showed a slight decline in 2019 due to the Covid-19 effect. The increase, which started with the first half of 2020, continued in the second half of 2020 and ranks 1st with Moscow and Cairo among the cities participating in the survey.

# Average Rent Rates and Yields

Retail Market Indicators - Q2 2020 (Selected Cities)		
	Prime Traditional SC Yield	Prime Traditional SC Headline Rent - in-line Tenants (USD/ m <sup>2</sup> / month)
<b>Amsterdam*</b>	5.80%	\$88.5
<b>Belgrade*</b>	8.00%	\$82.6
<b>Berlin*</b>	4.20%	\$188.8
<b>Bucharest*</b>	6.80%	\$82.6
<b>Budapest*</b>	6.30%	\$88.5
<b>Cairo</b>	9.00%	\$45.1
<b>Dubai*</b>	N/A	\$115.3
<b>Istanbul</b>	9.00%	\$65.1
<b>London (Greater London)</b>	4.50%	\$247.7
<b>Madrid</b>	5.10%	\$88.5
<b>Moscow*</b>	9.50%	\$115.4
<b>Paris</b>	3.50%	\$176.5
<b>Prague</b>	5.30%	\$153.4
<b>Rome</b>	5.50%	\$76.7
<b>Vienna*</b>	4.00%	\$118.0
<b>Warsaw*</b>	5.80%	\$141.6
<b>Zagreb</b>	7.00%	\$59.0

Source: Colliers International

(\*) Gross Yields

Gross Yield = First years` passing rent (i.e. net effective rent) / Property Price (irrespective of transaction costs)

Net (Initial) Yield = First year`s Net Operating Income (NOI) i.e. the net effective rent less operating expenses (OPEX) / Property Price (irrespective of transaction costs)

## Retail Market in Turkey

Our analysis of the shopping center market incorporates centers only which have a tenant mix of minimum 25 retailers, and a total leasable area of minimum 5.000m<sup>2</sup>.

The total leasable area throughout the 437 shopping centers operating in Turkey as of the second half of 2020 stands at 13,536,784m<sup>2</sup>. This represents a 4% rise over the same period of 2019.

Six shopping centers opened in the second half of 2020. There are plans for the opening of 44 new shopping centers within the next five-year period, with total leasable space set to reach 14,792,344m<sup>2</sup>. However, we expect pandemic-related delays and cancellations of shopping centers at the planning and construction stages.



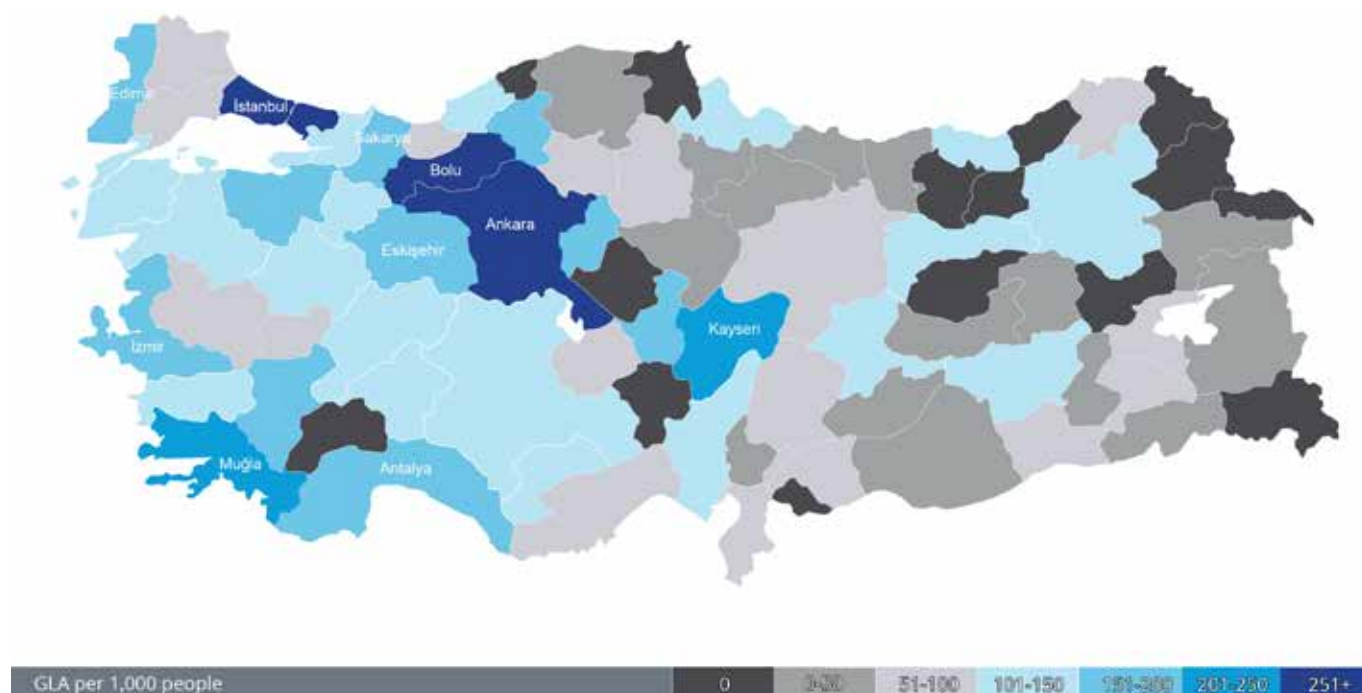
Comprising 25% of Turkey's entire population, the provinces of Istanbul and Ankara boast 48% of the country's total shopping center leasable area and in terms of total leasable space per 1,000 head of population they rank 1st and 2nd, respectively. Turkey's fifth most populous province Izmir ranks 7th place in the league table in 2020 by the same measure.

Cities Gross Leasable Area/1,000 person *									
Cities	Population	Current Stock				Gross Leasable Area (GLA) m <sup>2</sup> /1,000 persons	Future Stock		
		No of Shopping Centers	%	Total Leasable Area (sq m)	%		No of Shopping Centers	Total Leasable Area (sq m)	
1	Istanbul	15,462,452	124	28.4%	4,841,128	35.8%	313	8	201,410
2	Ankara	5,663,322	41	9.4%	1,685,212	12.4%	298	1	95,000
3	Bolu	314,802	4	0.9%	89,600	0.7%	285	0	0
4	Kayseri	1,421,455	9	2.1%	373,690	2.8%	263	0	0
5	Muğla	1,000,773	15	3.4%	231,355	1.7%	231	2	24,700
6	Antalya	2,548,308	16	3.7%	510,358	3.8%	200	3	69,500
7	Izmir	4,394,694	27	6.2%	808,331	6.0%	184	5	237,150
8	Edirne	407,763	4	0.9%	75,678	0.6%	186	0	0
9	Eskişehir	888,828	6	1.4%	158,943	1.2%	179	0	0
10	Sakarya	1,042,649	7	1.6%	180,777	1.3%	173	0	0
Top 10 City Total		33,145,046	253	57.9%	8,955,072	66.2%	270	19	627,760
Turkey Total		83,614,362	437	100.0%	13,536,784	100.0%	162	44	1,255,560

Source: Colliers International

The total leasable shopping center area per 1,000 people for Turkey reached 162m<sup>2</sup> as of the second half of 2020. The entry into the top ten of the provinces of Bolu, Kayseri, Muğla, Edirne, Eskişehir and Sakarya, which have populations of less than 500,000, is striking. Located midway between Istanbul and Ankara, Bolu takes third place with 285m<sup>2</sup> of total leasable space per 1,000 head of population. Turkey's fifth most populous province Izmir ranks 7th place in the league table in 2020 by the same measure.

## RETAIL MAP OF TURKEY

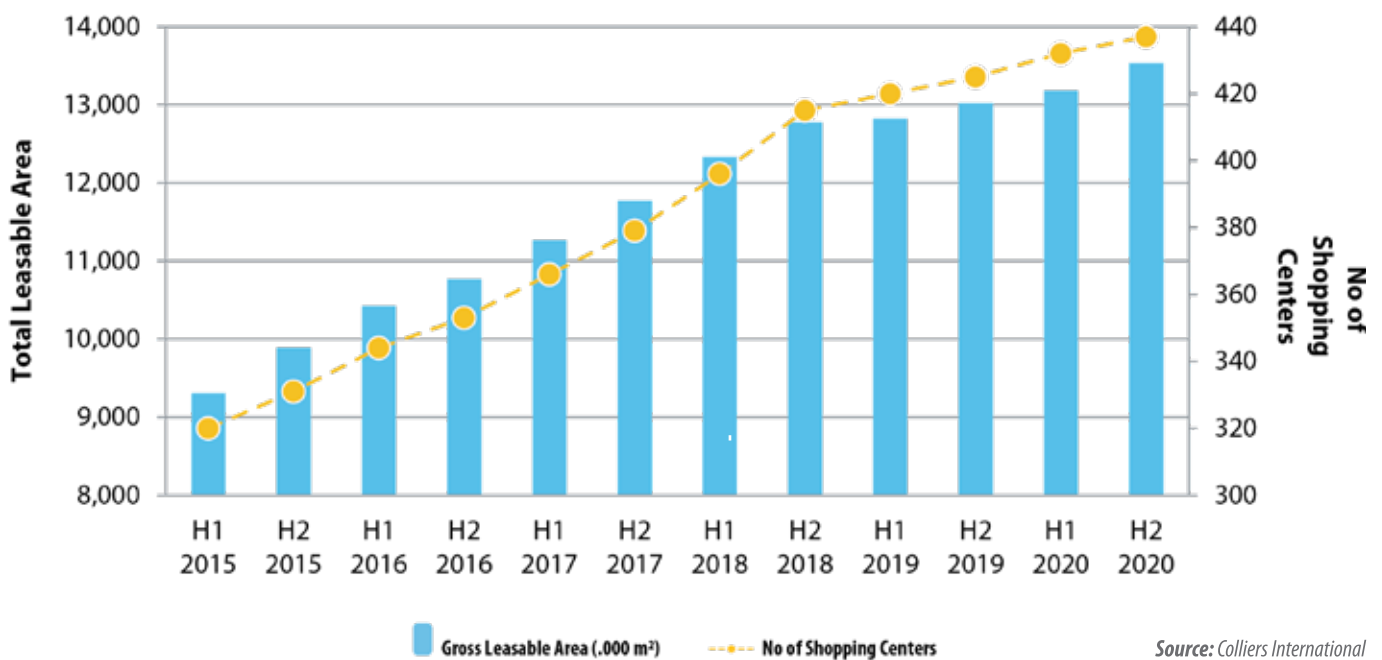


Source: Colliers International



The chart below shows the total leasable area of shopping centers in Turkey and changes recorded over the past five years.

### GROSS LEASABLE AREA AND NUMBER OF SHOPPING CENTERS IN TURKEY



An overview of the past two years demonstrates a slowdown in the growth in the number of shopping centers and their total gross leasable area. Our view is that this situation, the result of saturation in shopping center space in certain regions and provinces, is set to continue in the coming period.

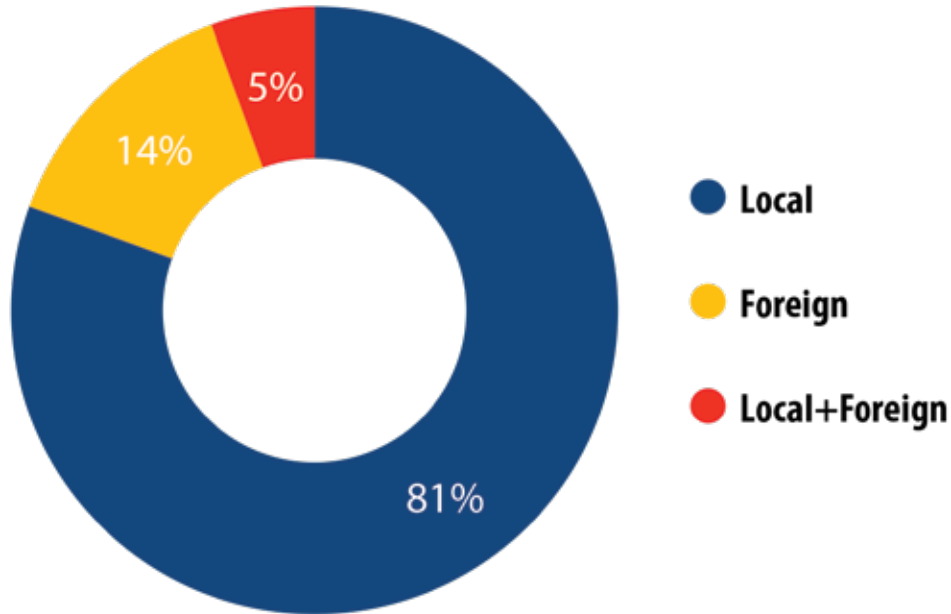
In line with the harsher competitive conditions associated with the current growth of the share of e-commerce and s-commerce platforms in total retail volume, traditional retailers are focusing more on the more effective use of technology and consumer data analysis directly to reach their target customer groups.

Growth in e-commerce and s-commerce share decreased the number of visits in shopping centers. Thus, shopping centers began to transform into lifestyle centers in order to increase demand. Efforts to maintain and increase the turnover and visit numbers of shopping centers continue. In this context, the importance of integration of shopping centers with the theme and social media uses and urban areas (business areas, socio-cultural areas, assembly-distribution areas, important transportation axes etc.) is increasing.

The rise in e-commerce volume is expected to continue after Covid-19. However, in the medium term, shopping centers' ability to address the need for socialization, and for traditional shopping by seeing, touching, trying and feeling will help to maintain the appeal of physical stores for a while longer.

Examining the distribution of domestic and foreign capital in shopping center investments in Turkey as whole, approximately 81% of total shopping center leasable area is made up of domestic investors; 14% foreign investors; and 5% domestic/foreign joint ventures.

### CAPITAL DISTRIBUTION\*



Source: Colliers International

(\*) The distribution is calculated over the total leasable area.

## Updated Regulations on Rental Contracts

In October 2018, a very important regulation concerning both Shopping Center investors and tenants was launched. Due to the rapid depreciation of the Turkish Lira, tenants faced the difficulty of paying the rents in lease contracts made in US Dollars. In order to curb the stagnation in the sector, it was decided to arrange all lease contracts in Turkish Lira and put into effect in October 2018 for a two-year period. This situation has reduced the risks caused by exchange uncertainty from the point of view of tenants. However, the rents collected in terms of Turkish Lira became an important disadvantage for the shopping center investors borrowed in foreign currency. It is seen that this new regulation has slowed down the investments in the retail sector.

As of October 6, 2020, new notification is published in the official newspaper to lengthen the period of prohibition of an arrangement of lease contracts in foreign currency for both old and new leases.

This situation, which became clear about the lease agreements, is a positive development for the stagnating retail sector. With the removal of uncertainty, it will be easier for investors and other market players to interpret the market and this will affect their investment decisions.

As in other countries, Covid-19 pandemic period has adversely affected all sectors in Turkey and continues to impress. Although it remains uncertain when this process will end, it is expected that the recovery in the markets will accelerate in the second half of 2021. Turkey has promised higher returns for the real estate market in post-pandemic period. For this reason, we believe that Turkey's real estate market offers investment opportunities.

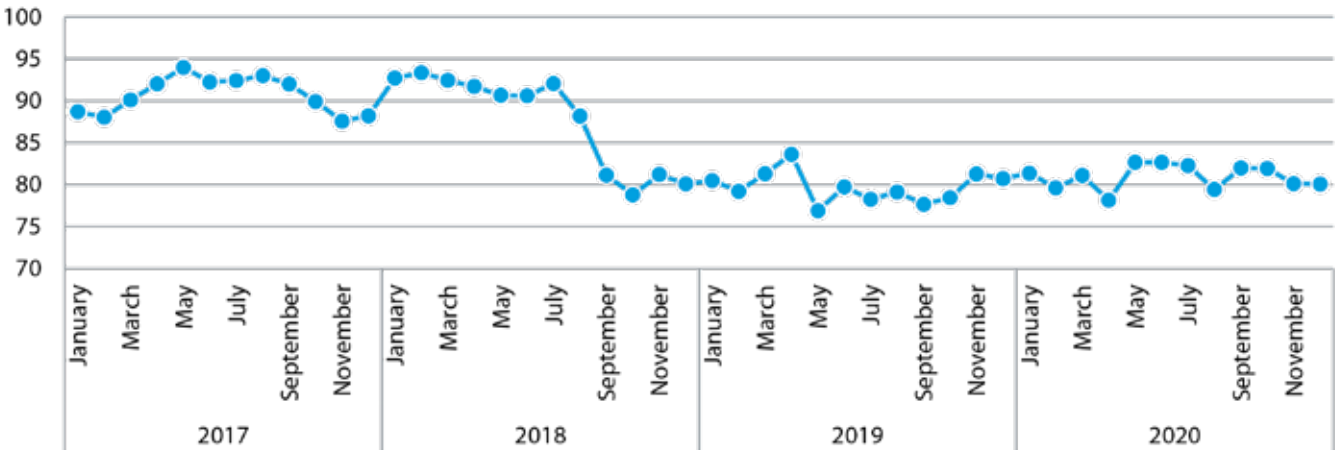


# Consumer Confidence Index

TURKSTAT excluded the “expectation for the number of unemployed people” and “the possibility of saving”, two of the four sub-indices used in the calculation of the consumer confidence index, in line with the recommendations of the Directorate-General for Economic and Financial Affairs (DG ECFIN).

The consumer confidence index started to decline rapidly due to the Covid-19 pandemic that emerged in March and had a global impact. The shopping centers, which were closed down with the pandemic, started to open partially in June and have been opened gradually in the process. The consumer confidence index, which showed a sharp rise in September, continued to rise in October. However, it decreased slightly in November and December. The main reason for this increase is that the immediate shock effect caused by Covid-19 was overcome and the economic activity started to accelerate after the shock.

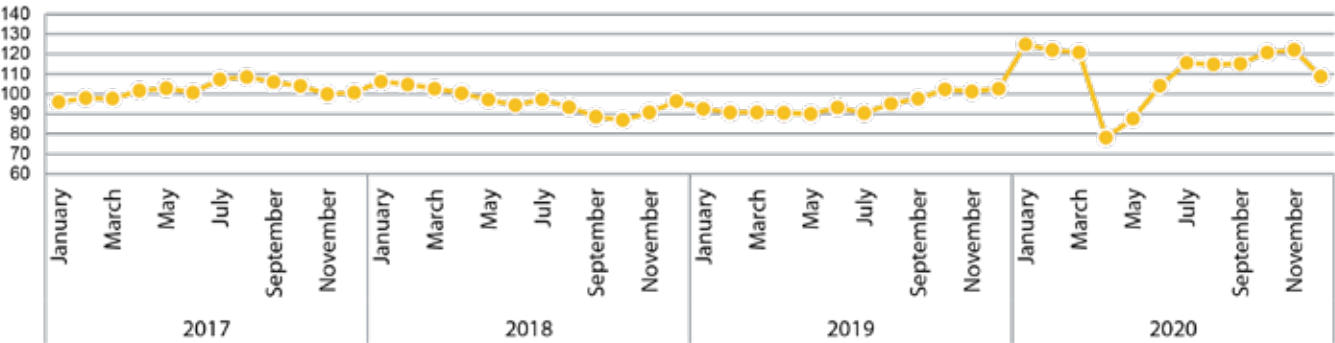
CONSUMER CONFIDENCE INDEX



Source: TurkStat

# Retail Trade Confidence Index

RETAIL TRADE CONFIDENCE INDEX



Source: TurkStat

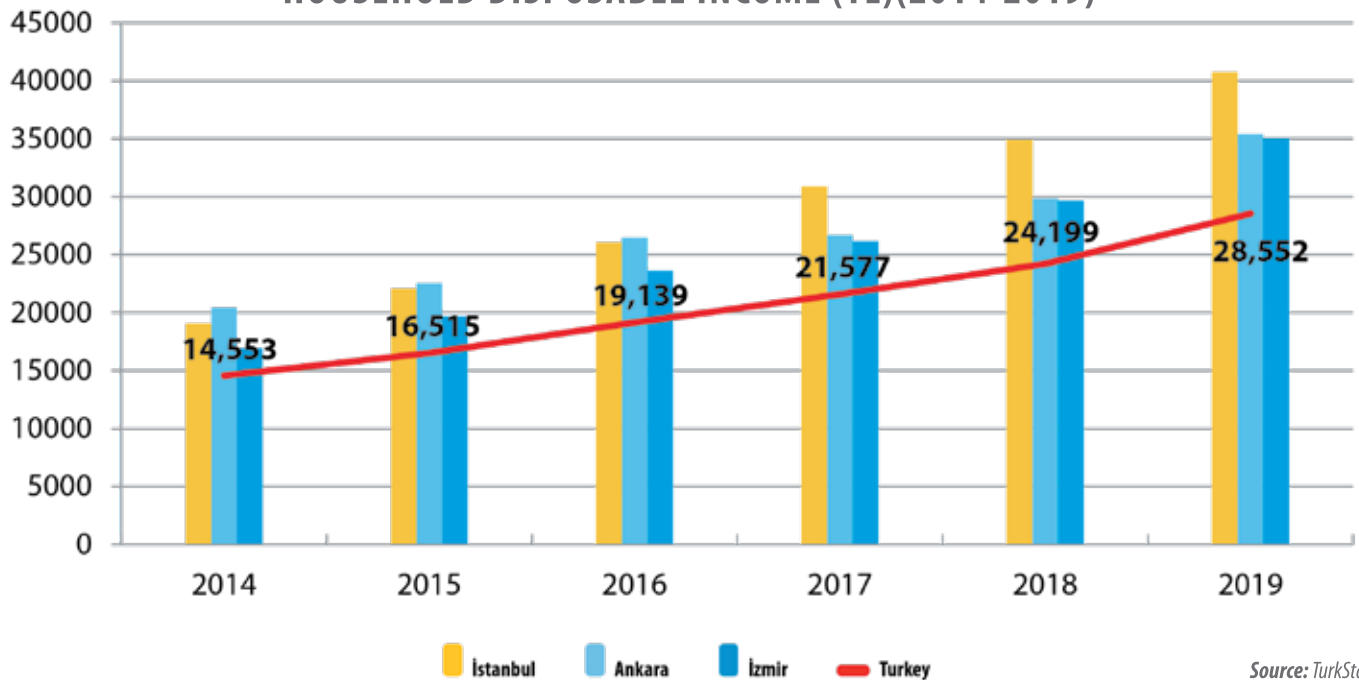
The index, which decreased by 3% in March compared to January, due to the Covid-19 Pandemic, which had a global impact, started to increase slightly as of May. The index, which gradually increased with a slow pace with the effect of Covid-19 after June, decreased in December compared to the previous month, but increased by 5% compared to the same period of the previous year.

# Household Disposable Income

Turkey's average annual household disposable income was 28,552TL in 2019. Istanbul topped the region-by-region rankings with a figure of 40,729TL, followed by the Ankara Region with 35,399TL and Izmir with 35,044TL.



HOUSEHOLD DISPOSABLE INCOME (TL)(2014-2019)



Source: TurkStat





THE  
PENINSULA

แอมบาสเดอร์โอเรียนเต็ล



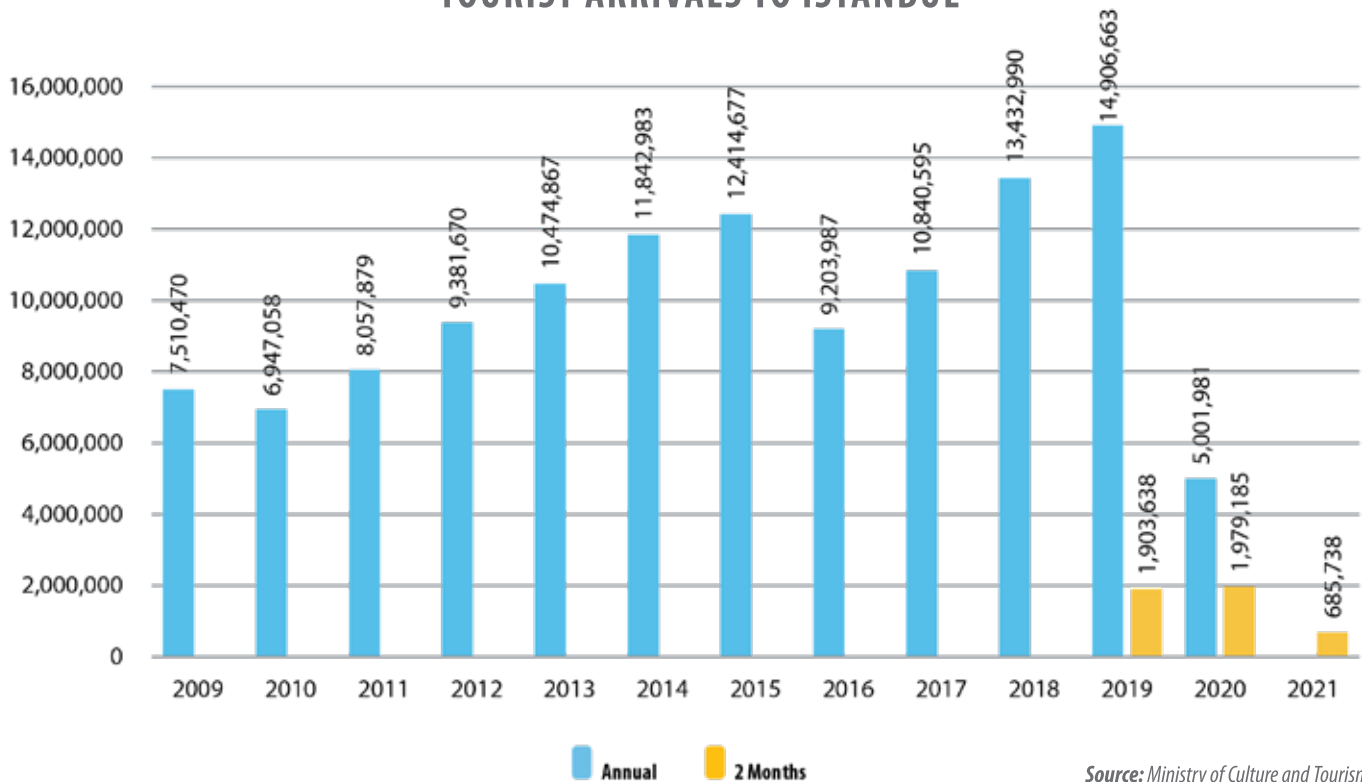
# HOTEL MARKET

## Tourist Visitor Numbers

Visitor numbers in the first two months of 2020 were on an upward trend compared to the previous year. However, a Covid-19 related fall in visitor numbers took place in the following months and the number of visitors in 2021 decreased by 66% compared to the previous year.

Looking at the first 2 months of 2021, the number of visitors to Istanbul decreased by 65% compared to 2020 in the same period. While we anticipate a rise in visitor numbers as of the second quarter of 2021, number of visitors figure will struggle to reach 2019 levels.

TOURIST ARRIVALS TO ISTANBUL\*



Source: Ministry of Culture and Tourism

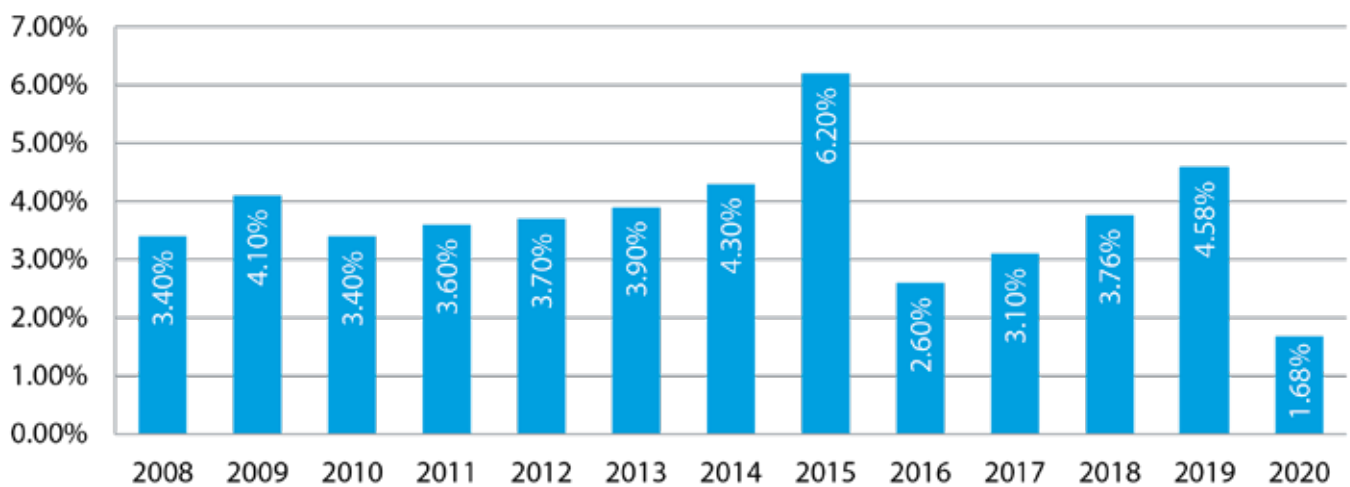
(\*) Yellow bars in the graph show the first 2 months of that year



## Tourism Revenues

The share of tourism revenue in overall GDP in Turkey rose until 2015 but dropped sharply in 2016. Starting with the recovery in the tourism sector in 2017, the share of tourism revenues in GDP continues to increase in 2019. Due to the Covid-19 pandemic, the borders were closed in March-June, which significantly reduced the share of tourism revenues for 2020.

**SHARE OF TOURISM INDUSTRY IN GDP-TURKEY**



Source: [www.tursab.org.tr](http://www.tursab.org.tr)

As of 2020, tourism revenues decreased by 71.2% compared to the previous year. We expect sharp increases in number of visitors in the following periods due to the base effect created by this decrease. Globally decreasing visits due to Covid-19 are expected to increase gradually in the following periods and catch up with the previous levels.

# Prices and Occupancy Rates-Istanbul

## ISTANBUL HOTELS AVERAGE OCCUPANCY RATES AND ROOM RATES\*

The number of visitors, which experienced a sharp decrease due to Covid-19, also affected hotel occupancy rates and revenue per available room (RevPAR). In 2020, the occupancy rates in 5-star, upscale and upper-midscale hotels in Istanbul decreased by 49.3% and revenue per available room (RevPAR) decreased by 55.3% in Euro terms compared to the same period of the previous year.

(\*) 5-Star Hotels, Upscale & Upper  
Midscale Hotels in Istanbul.  
**Source:** STR Global, [www.turob.org.tr](http://www.turob.org.tr)

Year	Occupancy Rate (%)	Average Daily Room Rate (Euro)	Revpar (Euro)
2008	76.00%	€ 160.0	€ 122.0
2009	70.00%	€ 155.0	€ 109.0
2010	72.00%	€ 155.0	€ 112.0
2011	71.00%	€ 161.0	€ 114.0
2012	73.00%	€ 163.0	€ 119.0
2013	69.00%	€ 167.0	€ 115.0
2014	69.00%	€ 140.0	€ 97.0
2015	64.80%	€ 121.0	€ 78.0
2016	49.60%	€ 89.0	€ 44.0
2017	62.50%	€ 76.0	€ 48.0
2018	71.10%	€ 82.7	€ 58.8
2019	73.70%	€ 88.7	€ 65.4
2020	37.40%	€ 78.1	€ 29.2



## Forecast

Considering the data of the first months of 2021, it is seen that the contraction in tourism continues. Mandatory tests, quarantines and the complete closure of some borders prevented the resumption of international travel. With the emergence of the mutated virus, many countries have closed their borders to countries such as England, Denmark and Brazil. The pace of vaccination application and its distribution will be slower than expected, further delaying the resumption of tourism.

Enhanced coordination and harmonious travel and health protocols between countries are crucial to restoring confidence in tourism and ensuring that international travel continues safely. Many countries, especially EU countries, are preparing to introduce 'vaccine passports' in order to stimulate tourism.

Recovery is expected in the second half of 2021 at best, with the removal of travel restrictions drastically, the success of vaccination programs, or the introduction of harmonized protocols between countries.



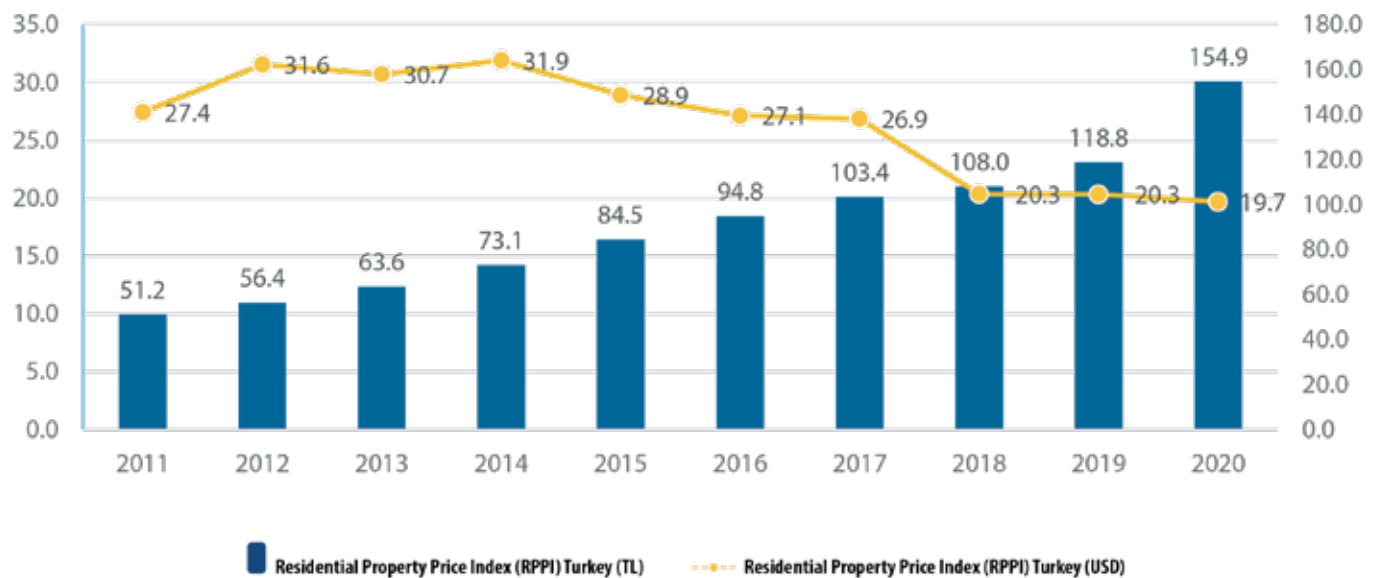


# RESIDENTIAL MARKET

A year ago, the Covid-19 pandemic that reached Turkey in March 2020 had a negative impact on both the housing sector and the overall economy. Housing sales, which came to a standstill after the pandemic, were revived with low mortgage interest campaigns. Thus, the housing sales in 2020 were realized at the level of 2019.

Residential Property Price Index (RPPI) increased by 30.8% in February compared to the same period of the previous year. Inflation stood at 15.6% while the Turkish lira (TRY) lost 17.2% of its value against the US dollar during the same period; annual deposit interest rates for TRY stood at 15.5%.

## RESIDENTIAL PROPERTY PRICE INDEX



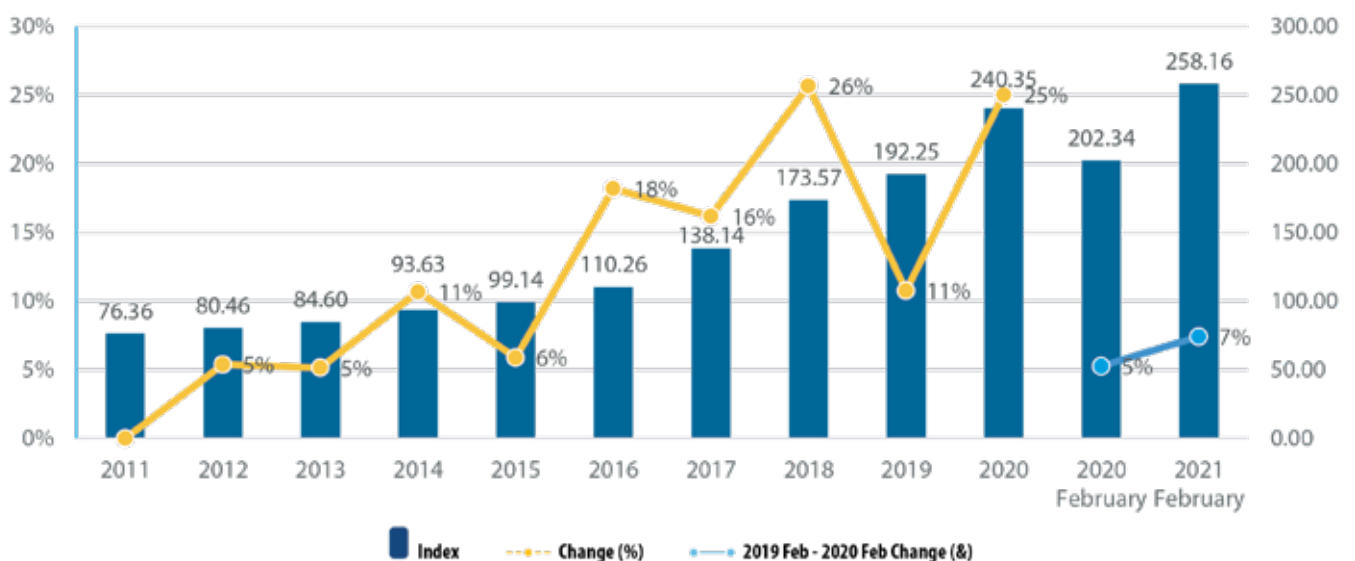
The table below presents changes in inflation and the USD/TRY exchange rate, together with the weighted average interest rates on TRY deposits (up to 1 year), with real and nominal changes in the Central Bank's Residential Property Price Index (RPPI), and construction costs, over the past ten years:

Years	CPI- Annual	USD/TRY Annual Change	Weighted Average Interest Rates For Deposits In TRY(up to 1 year)	Residential Property Price Index (RPPI) Turkey	Residential Property Price Index (RPPI) Istanbul	Construction Cost Index Change
2011	10,5%	22,8%	10,1%	6,5%	12,1%	12,4%
2012	6,2%	-4,3%	8,8%	10,1%	13,5%	5,4%
2013	7,4%	15,8%	9,2%	12,7%	20,2%	5,1%
2014	8,2%	10,7%	9,3%	15,0%	22,9%	10,7%
2015	8,8%	27,5%	10,7%	15,5%	23,1%	5,9%
2016	8,5%	19,6%	10,3%	12,2%	12,8%	18,2%
2017	11,9%	10,2%	13,5%	9,1%	4,4%	16,2%
2018	20,3%	37,9%	22,3%	4,5%	0,9%	25,6%
2019	11,8%	10,0%	14,6%	10,0%	3,6%	10,8%
2020	14,6%	34,6%	13,5%	30,4%	27,9%	25,0%
2021 (February)	15,6%	17,2%	15,5%	30,8%	27,8%	27,6%
Nominal Change 2011-2020 (February)	220,9%	506,2%	263,9%	321,0%	365,8%	344,9%
Real Change 2011- 2020 (February)	-	285,2%	43,0%	100,0%	144,9%	

Source: Central Bank of Turkey, TurkStat

Inflation, which increased in 2018, fell in 2019 again. It started to increase in 2020 and reached the level of 15.6% in February 2021. Although there was a significant increase in exchange rates in 2020 compared to the previous year, this increase slowed down in February 2021. Although there are increases in construction costs, this increase is at the level of the previous year's average in February. While construction costs increased by 25.0% in 2020, it increased by 7% in February 2021 compared to the same period of the previous year.

## CONSTRUCTION COST INDEX CHANGE



Source: Central Bank of Turkey, TurkStat





## Residential Sales

With the low interest loan opportunity, housing sales increased by 11% in 2020 compared to the previous year. In the period from January to March 2021, total housing sales decreased by %22.69 compared to the same period of the previous year. While 18% of total house sales in the January-March period of 2021 were mortgaged sales, this rate was 38% in the same period of the previous year.

Years	Turkey				Istanbul			
	Total Sales	Change	Mortgaged Sales	Share of Mortgage Sales	Total Sales	Change	Mortgaged Sales	Share of Mortgage Sales
2010	607.098		246.741	41%	153.897		76.176	49%
2011	708.275	16,7%	289.275	41%	169.015	9,8%	85.161	50%
2012	701.621	-0,9%	270.136	39%	167.110	-1,1%	79.626	48%
2013	1.157.190	64,9%	460.112	40%	234.789	40,5%	106.977	46%
2014	1.165.381	0,7%	389.689	33%	225.454	-4,0%	87.757	39%
2015	1.289.320	10,6%	434.388	34%	239.767	6,3%	93.564	39%
2016	1.341.453	4,0%	449.508	34%	232.428	-3,1%	87.350	38%
2017	1.409.314	5,1%	473.099	34%	238.383	2,6%	87.001	36%
2018	1.375.398	-2,4%	276.820	20%	234.055	-1,8%	49.206	21%
2019	1.348.729	-1,9%	332.508	25%	237.675	1,5%	55.819	23%
2020	1.499.316	11,2%	573.337	38%	265.098	11,5%	55.819	21%
January-March 2020	341.038	-	129.299	38%	63.759	-	23.739	37%
January-March 2021	263.050	-22,9%	47.216	18%	51.602	-19,1%	10.155	20%

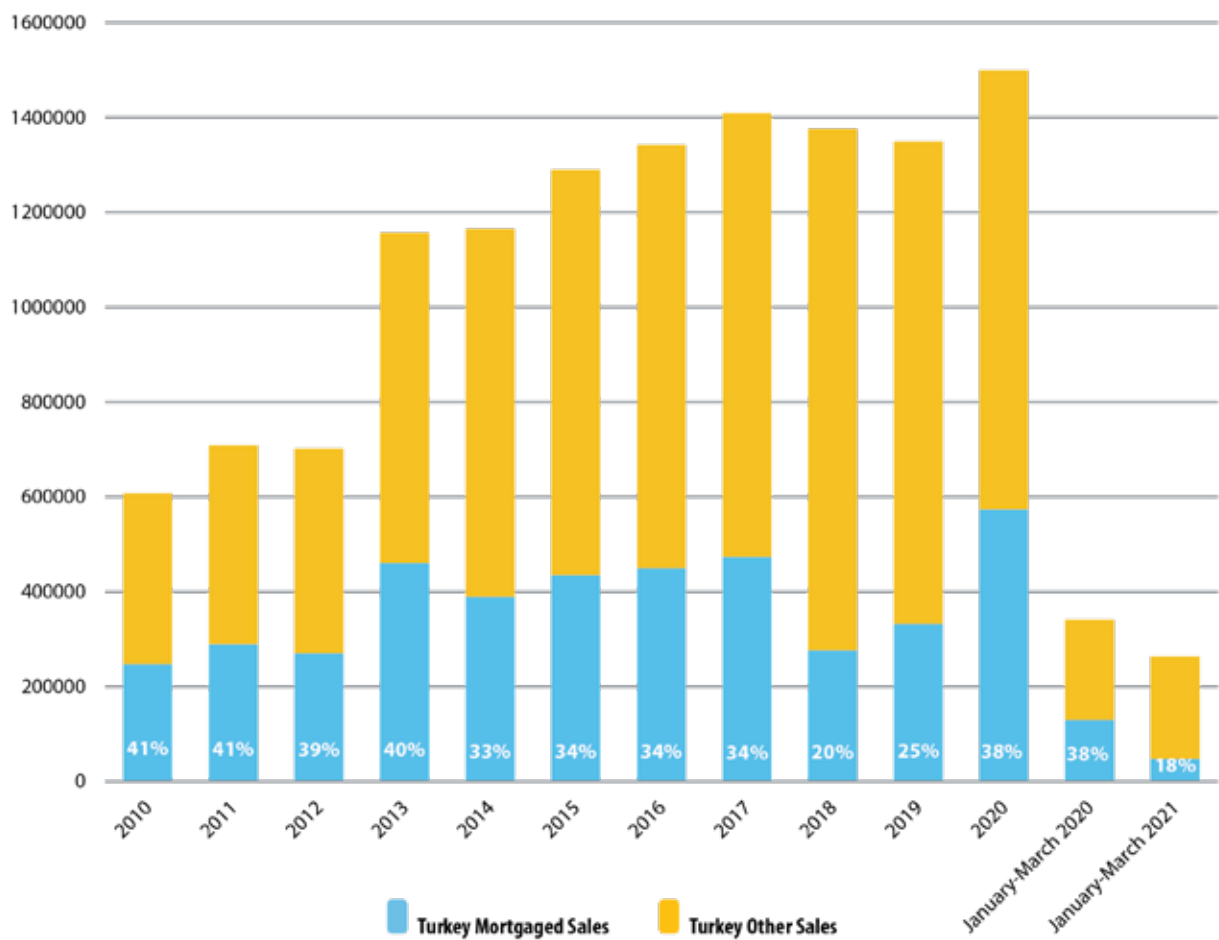
Source: Central Bank of Turkey, TurkStat

Total house sales in Istanbul in the period between January and March 2021 decreased by 19.1% compared to the same period of previous year. Mortgage sales account for 20% of total sales in Istanbul in the period between January and March 2021. This rate was 37% in the same period of 2020.



The table below shows the change in mortgaged and other residential property sales in Turkey.

### RESIDENTIAL SALES (2010-2021)

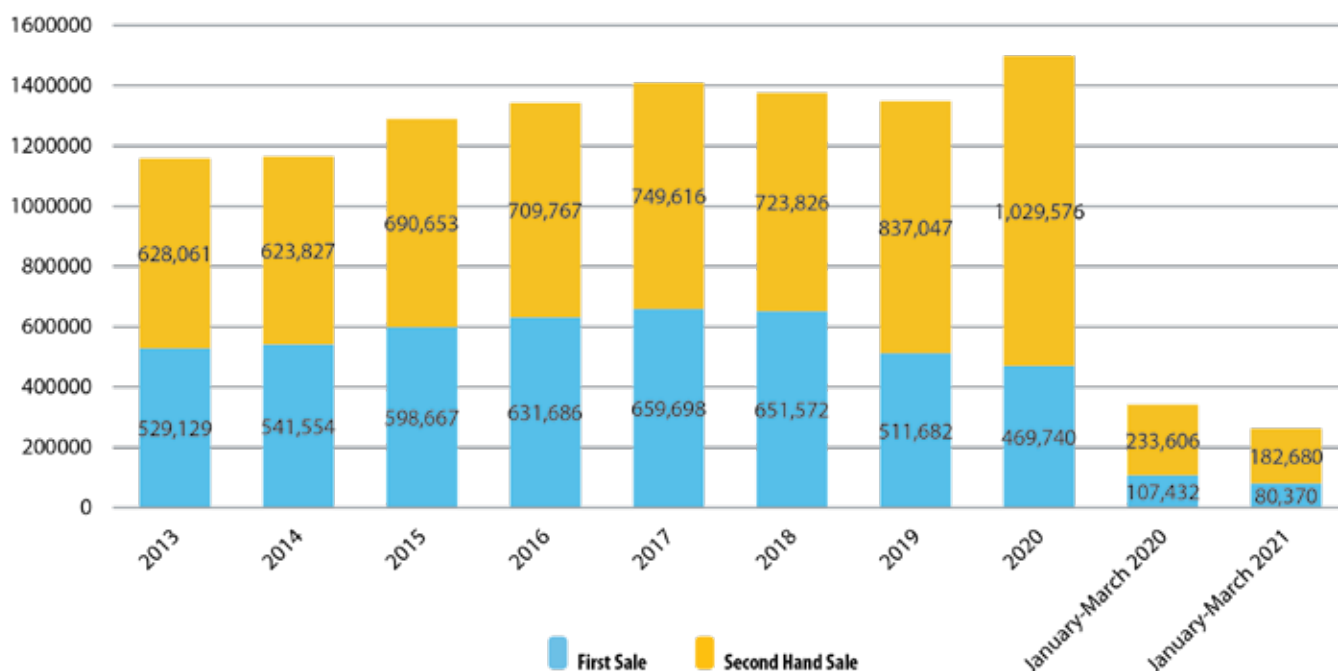


Source: TurkStat



The table below shows first and second-hand residential sales, by year:

## HOUSE SALES IN DETAIL OF FIRST SALE AND SECOND HAND SALE BY YEARS



Source: TurkStat

The proportion of first sales in overall sales in Turkey between 2013 and 2018 stands at 46%-47%. The ratio of first sales in overall sales decreased to 38% in 2019. The share of first sales in total sales in the period between January and March 2021 is 31% which is the same with the same period of 2020.

In the period from January to March 2021, first sales decreased by 25.2% compared to the same period of the previous year, while second-hand sales decreased by 21.8%.



# WHO IS GYODER?

## GYODER (The Association of Real Estate and Real Estate Investment Companies)

GYODER, the Association of Real Estate and Real Estate Investment Companies, was established in 1999 for the purpose of encouraging the development of the newly booming real estate industry in Turkey. Today, GYODER has more than 200 corporate members ranging from project developers, consulting companies, REITs to appraisers, constructing companies. GYODER works to foster real estate standards and generating cooperation between all local authorities, relevant state bodies, private institutions, academics and NGOs, in shaping quality environments and exchange of information among them. As a common voice of the real estate industry, it contributes to the improvement of the legislation regulating the real estate sector such as Law on the protection of the consumer, zoning plans, communiqué on REICs, VAT Law, Reciprocity Law, Corporate Tax Law and Regulation on Energy Savings in Buildings.

GYODER aims to make real estate more institutional by creating reliable data and knowhow. It releases annually and quarterly reports on Turkish Real Estate Sector. GYODER organizes along with Capital Markets Board of Turkey and Istanbul Stock Exchange workshops on IPO's of REICs and analyst meetings with the Association of Capital Market Intermediary Institutions of Turkey. It publishes monthly new home price indices along with REIDIN.

GYODER also publishes GYODER Indicator every quarter of year. In this report containing a wide variety of information and statistics ranging from fundamental macroeconomic indicators to in-sector production figures, there are statistical data about sectors growth speed's reflections on GDP, annual inflation rates, Euro/Dollar parity parallel to trends in international market, BIST REIT stock performances, real estate investment fund datas, mortgage loan interest and usage rates, housing and office sales data and, statistical data on s/c and tourism and hotel management together.

Turkish Real Estate Summits, organized annually by GYODER since 2000, have become sector's traditional meeting and idea sharing events with their international participants. Since 2009, GYODER had been organizing Turkey's primary regional real estate and investment fair.

GYODER organizes "Developing Cities Summit" in order to present investment opportunities in developing cities in Turkey to sector representatives and national and international real estate investors. Developing Cities Summit organized by GYODER in 9 different cities.

To spread the awareness on Turkey, an international road show starting in the UK has been planned by GYODER in cooperation with the Investment Support and Promotion Agency of Turkey (ISPAT). First Road Show was held on November 2012 in London.

GYODER is also representing the Turkish Real Estate Sector in foreign associations, institutions, exhibitions, fairs and conferences with globally known MIPIIM, Cityscape Global, Expo Qatar by Turkey. Also GYODER has been participating the Cityscape Global, Dubai UAE, since 2012.

# GYODER Committees

- Education, Publications and Production of information
- Real Estate Export Committee
- Real Estate Technologies Committee
- Youth Committee
- REIT Committee
- Urban Transformation and Urban Planning Committee
- Organization and Communication Committee
- Sustainability and Green Buildings Committee
- Tourism and Tourism Investments Committee
- International Relations Committee
- Legal Regulations Committee

## Members' profile

### **more than 200 members**

- REIT's,
- Project Developers,
- Construction,
- Architecture,
- Contractors,
- Consultancy,
- Appraisers,
- Banking,
- Finance,
- Insurance,
- Retail,
- Service,
- Law,
- Media,
- Investors







# WHO IS COLLIERS?

Colliers International Group Inc. (NASDAQ and TSX: CIGI) is an industry-leading real estate services company with a global brand operating in 67 countries and a workforce of 18,400 skilled professionals serving clients in the world's most important markets. Colliers is the fastest-growing publicly listed global real estate services company, with 2020 corporate revenues of \$3.3 billion. With an enterprising culture and significant employee ownership and control, Colliers professionals provide a full range of services to real estate occupiers, owners and investors worldwide. Services include strategic advice and execution for property sales, leasing and finance; global corporate solutions; property, facility and project management; workplace solutions; appraisal, valuation and tax consulting; customized research; and thought leadership consulting.

Colliers International has been operating in Turkey since 1998 and is a recognized knowledge leader in the Turkish commercial real estate sector. Colliers International provides a full range of professional services to both multinational, national and local companies and institutions in Turkey, across all market sectors.

**Agency Services** are targeted primarily towards corporate occupiers and real estate investors and include tenant representation, landlord representation, lease renegotiation, built-to-suit development, development consultancy, as well as sale & lease back transactions.

**Valuation and Advisory Services** are targeted towards corporate clients and are designed to increase efficiency, reduce costs and allow clients to focus on their core business activities.

**Valuation and Advisory Services** include in-depth location and market research analysis, feasibility analysis, single asset and portfolio valuations, highest and best use analysis, lease and cost analysis, investment analysis and concept generation studies.

Colliers International is one of the leading real estate service companies in Turkey that focuses to maximize the potential of property and accelerate the success of clients. They simply think differently and produce innovative outcomes to see developers, investors, landlords or tenants succeed.

Colliers International Turkey is a member of GYODER (Real Estate Investment Trusts Foundation) in Turkey.

The Colliers logo is a blue rounded rectangle with the word "Colliers" in white serif font. Below the text are three horizontal stripes: yellow, blue, and red.

Colliers





# GYODER

The Association of Real Estate and Real Estate Investment Companies

**The Association of Real Estate and Real Estate Investment Companies**  
Esentepe Mah. Büyükdere Cad. Yonca Apt. C Blok No: 151-1 D: 43 Zincirlikuyu, Şişli/İstanbul  
T: +90 (212) 282 53 65 - +90 (212) 325 28 25 F: +90 (212) 282 53 93

[www.gyoder.org.tr](http://www.gyoder.org.tr)