

Arcades in Athens

Small Alternative Malls

Executive Summary

Arcades in the center of Athens are an integral part of the city's history. They appeared at the end of the 19th century and were designed according to the standards of Western European cities, such as Paris, London and Milan. The initial purpose of the arcade was to offer an easy pedestrian passage within the city's buildings, many of which were the size of an entire building block.

The majority of commercial arcades in Athens can be found along Panepistimiou and Stadiou streets and around Omonoia square, while within the wider area of the Municipality of Athens there are around 180 arcades.

During the 50's and the 60's, arcades experienced a blooming period. Even their basements were fully occupied with commercial stores. However, from the 1970's arcades started to decay, unable to follow the change of times. Today, given the prolonged economic crisis, most of the Athenian arcades in the city center are characterised by vacant stores and dozens of yellow lease adverts glued to the windows of the once thriving stores. There are arcades where occupancy rates reach a mere 10%, while the remaining 90% is comprised of empty stores, most of them poorly maintained.

Within the commercial triangle of the city center (Panepistimiou, Stadiou and Athinas streets), there are more than 40 arcades, each with a Gross Leasable Area (GLA) of approximately 1,300m², that totals an area of approximately 65,000m², that is similar to the total area of a mall.

The average occupancy of the non-renovated arcades is 54%, while for the renovated arcades it reaches 83%. The rental values of stores in the non-renovated arcades range from €15-€25/m²/month, while for the city center arcades that have undergone renovation, namely Arcade Spiromiliou-City Link and Arcade Korai, rental values reach a range of €60-€90/m²/month.

Today, the majority of Athen's commercial arcades are essentially abandoned, with a limited number of stores still operating. There are primarily two reasons for this decay. Firstly, the inability to anticipate the coming progress and secondly, multi-ownership that does not allow for a cohesive management strategy of the stores of an arcade and its common areas.

NAI Hellas' proposition for the regeneration of Athens' arcades is the development of small alternative malls. In this regard, we propose the development of commercial destinations with a specific concept, in conjunction with the necessary renovation, appropriate tenant mix, professional property management of the stores and coordinated marketing activities on par with standards of contemporary malls. By following active asset management principles, arcades could become new commercial destinations of supralocal character, thus creating added value for both owners and tenants.

The regeneration and operation of Athenian arcades as small alternative malls could significantly assist the upgrade of the city's historical center.

Interesting facts

The first arcade in Athens was developed in 1883, at 54 Ermou street and was named Arcade Mela, after the businessman and owner of the four stories neoclassical building, Vasilis Melas. Today, both the building and the arcade house a store of the fashion retail chain H&M.

Next to the Mela building at 56 Ermou Street, there is Athens' second oldest arcade, Arcade Pirrou. This arcade was built around 1885 and until today links Ermou street with Athinaidos street. Arcade Orfeos or Arcade Arsakiou was to follow. This arcade was designed by Ernesto Tsiler in 1907, according to the European standards of galleries. It has an excellent architectural design with an impressive glass roof and an octagonal shape square with a dome on its roof. The arcade is cross-shaped and links Panepistimiou, Arsaki, Stadiou and Pesmatzoglou streets.

Arcades in Athens were and still remain themed. In some arcades, Athenians mostly found men's clothing while in others electrical appliances, keys, stamps or printing stores and typing services.

In 1950's Greece, the idea of the courtyard prevailed or as it is known today, the "akalyptos" or "uncovered". Arcades share the same philosophy, as they are courtyards on a commercial level. Arcade Anatoli is a typical example of the idea of the courtyard. The arcade is semicircle in shape with a patio combining both closed and open space. In Arcade Anatoli, one can find the city's smallest stores, of just 2m².

Historic arcades that have revived

While the majority of arcades is decaying, with rental values decreasing and vacancies increasing, there are some that have managed to anticipate change and remain commercially viable today.

Arcade Spiromiliou or City Link that connects Amerikis Street with Voukourestiou and Stadiou steets is a good example of an arcade that has been revived.

From 1834 to 1910, within the building block where the arcade is located today was where the royal stables were housed. In 1925, the government transferred the building block to the army's equity fund, when the architectural contest for the development of the building began. The construction of the Megaron was completed in 1939 based on the designs of architects L. Boni and V. Kassandra. The largest building of Athens, with a total area of 60,000m², immediately became the heart of the cultural and cosmopolitan life of the city and in 1989 it was declared historic listed monument.

Changing times brought the decaying of the Megaron, however, in 2000 Piraeus Bank undertook its regeneration. In 2005-2006 the renovation of the building was completed by the architecture office of Yiannis Kizis. The success of the regeneration is evident. The initial art deco character of the interwar period is maintained and has been blended with elements of modern architecture. The arcade

Spiromiliou now has a masterly glass roof and a bright glass slit, becoming a center for food & beverage stores and a commercial and fine arts destination.

Another arcade that has been revived is that of Korai or Galleria. Even though Arcade Korai is less impressive than Arcade Spiromiliou, it has a long history. Approximately, 40 years ago, the National Insurance Company after having moved to the Rossels building (4 Korai Street) decided to develop a building that would meet its standards. As a result, on the 30th of December, 1938, the architects M. Likoudis, I. Akselos and A. Kriezis delivered, for the time, a very modern building. In less than a year the building was forcedly leased to the Ministry of Internal Affairs, Press and Tourism and on the 19th of May, 1941 it was requisitioned by the German occupation troops. The building began to house services of the Germans and of the Kommandatur, while in the basement anti-aircraft shelters were turned into prisons.

Following Greece's liberation in 1944, while the National Insurance Company was preparing to relocate itself to its building, it was once more requisitioned, for a third time, by the National Liberation Front. When, the English forces withdrew from the country, the building was again requisitioned by the Greek government in order to house the national electricity supply and transportation services.

In 1991, the building was declared historic listed monument, while the National Insurance Company repeatedly conducted maintenance works. The arcade Korai was designed according to European gallery standards and housed several commercial stores, including Floka patisserie, a hotspot of the Athenian society at the time. Today, the arcade Korai has a high occupancy rate and is a destination for coffee and light lunches.

Our full report, including rental values and occupancy rates for 25 arcades in the center of Athens is available in Greek only via the link below or via our website at www.naiglobal.com/research.

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For more information please contact

Mr. Thomas Ziogas
Business Development Manager
NAI Hellas
+30 210 6811760
t.ziogas@naihellas.gr



4 Nikitara street & Psaron
152 32 Chalandri
Athens, Greece
T.: +30 210 6811760
F.: +30 210 6811722