

BOGOTÁ OFFICE

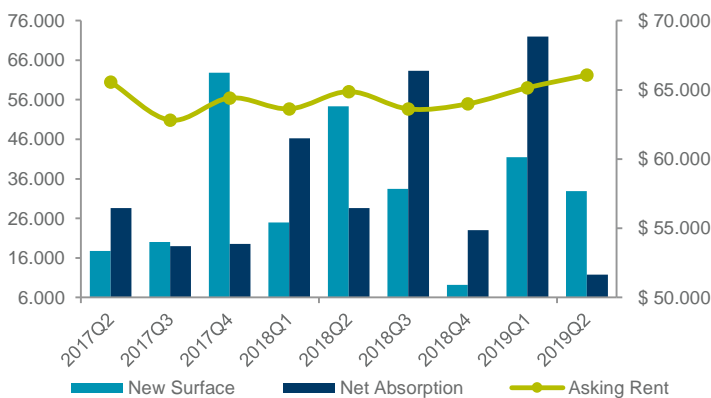
Economic indicators

	Q2 18	Q2 19	12-Month Forecast
Unemployment rate	9,6%	10,6% (*)	▼
GDP variation	2,8%	2,7% (**)	▲
Inflation index YTD	3,2%	3,4%	▬

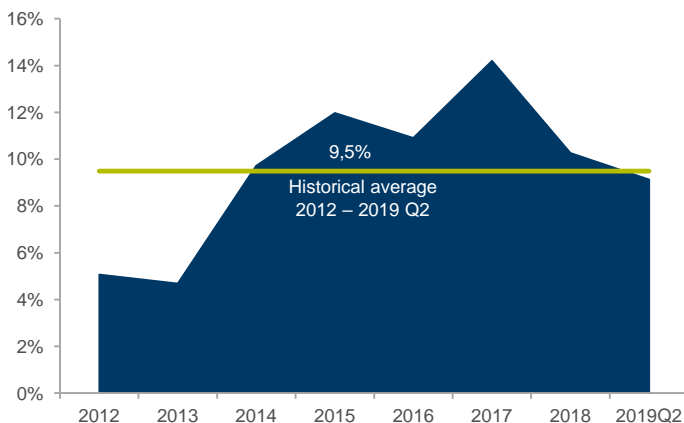
(*) MQT March May 2019 DANE
 (**) Forecast BBVA Research T2 2019.

Market indicators (Class A)	Q2 18	Q2 19	12-Month Forecast
Overall vacancy	13,72%	9,13%	▲
Net Absorption	28.591	11.730	▲
Under Construction (sq. m)	-	293.606	▬
Average asking rent (COP/sq. m/month)	\$64.878	\$66.070	▬
Average asking rent (USD/sq. m/month)	\$20,02	\$20,39	▬

Net absorption (sq. m) / New surface (sq. m.) / Asking rent (USD/sq. m/month) (Class A)



Overall vacancy (%) (Class A)



Economy

The Colombian economy began 2019 with a growth of 2.8% over the same period of 2018 maintaining the ascending phase of the economic cycle and generating positive perspectives for the second semester. Compared to the region, the behavior is positive.

The sectors that performed best were financial, mining and retail. All sectors reflected positive growth, except for construction which registered negative indicators. This situation has prompted the government to discuss strategies to achieve its recovery, such as reducing the down payment to 10% for non VIS home purchases.

Inflation is the economic indicator that behaved best, positioning itself below 3.5% during the year. On the other hand, household consumption grew by 4% in the first quarter and unemployment reached 10.3%.

In the political context, the congress began a new legislative period. Public spending will be restricted in the short term by the implementation of the “Ley de Garantías”, which freezes contracting during the upcoming mayor and governor elections.

It is expected for the government to implement measures to boost the economy and generate greater growth in the remainder of the year. There are positive expectations regarding trade and industry, according to the survey conducted by Fedesarrollo to entrepreneurs.

In the coming months, the government has to face different challenges as to reduce unemployment, recover the construction sector, decrease the trade balance deficit and stabilize public debt.

Market Overview

Class A office inventory continues to grow, alongside with an increase in the available surface. Despite this, a sound vacancy indicator is observed. There is a weakening in demand, compared to the first quarter of the year.

The average asking rent has slightly increased, mainly due to the entrance of high specifications buildings to the inventory.

The demand reflected in the net absorption falls compared to previous quarters, given the movement of companies to lower specifications buildings as well as the search of space efficiency by the companies. However, an improvement in this indicator is projected for the coming months.

The vacancy increased slightly compared to the previous quarter (+ 1.2%), resulting from the entry of approximately 33,000 sq m during the quarter.

At the moment there are 137,333 sq m of Class A office space available; from which 57% is concentrated in the Noroccidente and Salitre submarkets. The submarkets with less availability - and inventory - are Centro and Av. Chile.

The current vacancy is at a level of 9.13%, the Noroccidente corridor being the one with the highest level (20%) followed by Chico (17.2%). This vacancy is explained in part by the entry of new buildings only partially occupied.

THE SECOND SEMESTER WILL STAND OUT BY THE ENTRANCE OF 11 CLASS A BUILDINGS, ADDING 186,883 SQ M TO THE INVENTORY

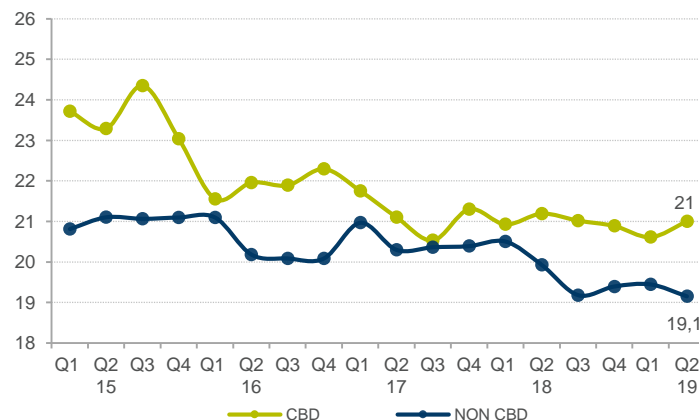
The average asking rent has increased approximately by 2,000 COP compared to the end of 2018; positioning at \$66,070 COP / sq m. This increase is mainly explained by the entry of new high-standards buildings - especially in the Chicó submarket - which have entered with a high asking rent.

At this moment there are 293,606 sq m under construction, from which 64% are estimated to be delivered in 2019. 92% of the under construction area is located in the CBD. Two of these projects will add around 120,000 sq m to the inventory: Atrio and Torre Américas.

In Project, there are 523,874 sq m, which will be delivered starting year 2021. 86% of them are also located in the CBD. To highlight, projects such as Proscenio, the second towers of Atrio and Americas, Connecta 80 and the remaining towers of the Sarmiento Angulo Business City; all of them being of high standards.

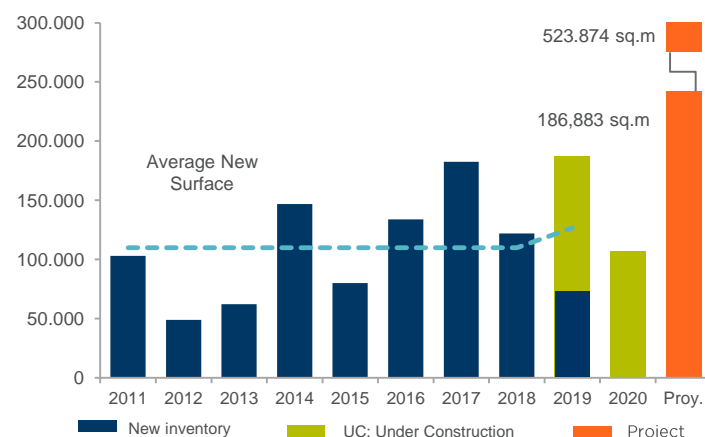
Asking rent(USD/sq m/month) CBD / NON CBD

THE ASKING RENT PRICE IN THE NON-CBD AND CBD ZONE MAINTAINS A CONSTANT AVERAGE COMPARED TO Q2 2018



New inventory (sq m) / Projected surface (sq m)

IN 2019-S2, 186,883 M2 OF CLASS A OFFICES WILL BE DELIVERED

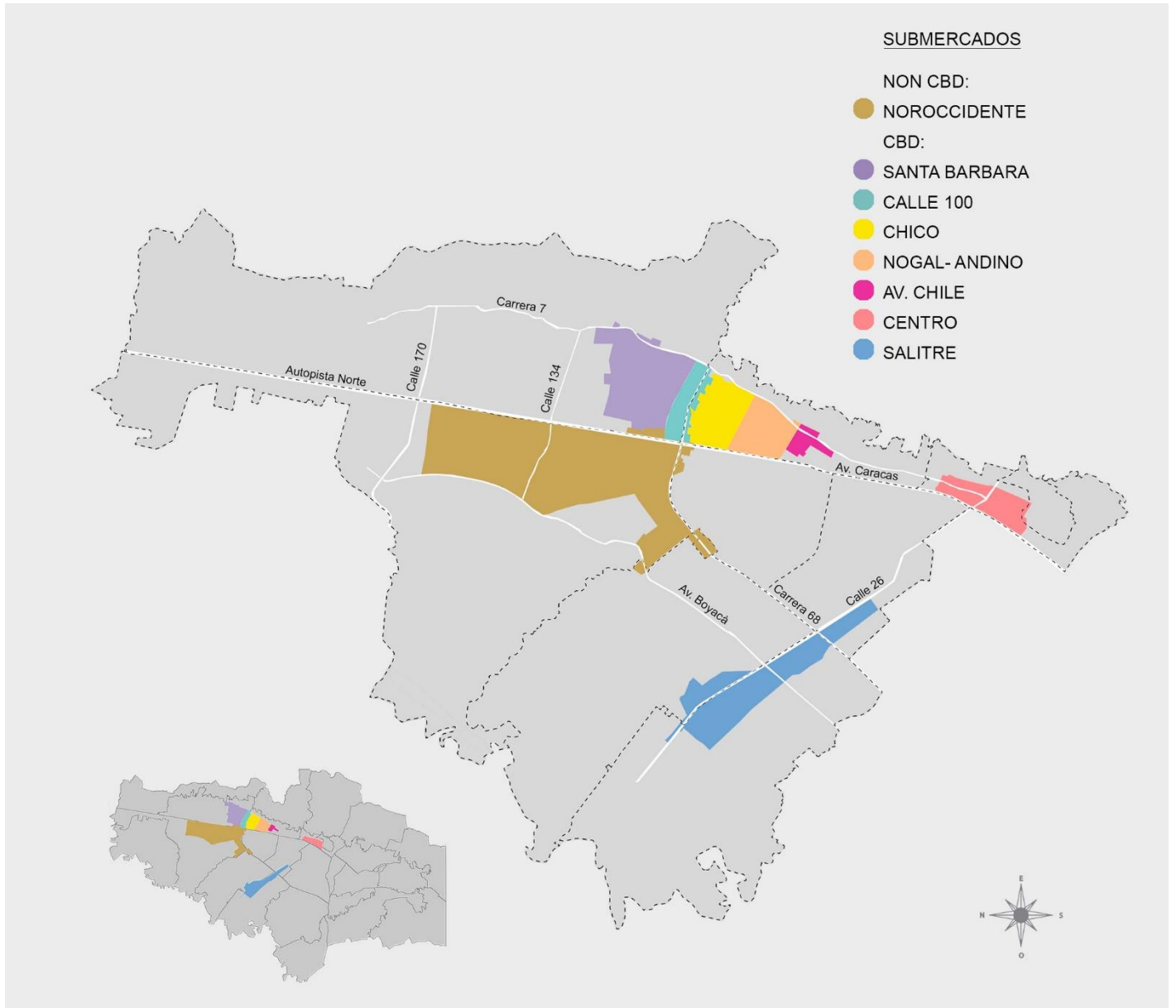


SUBMARKET	INVENTORY (SQM)	AVAILABLE AREA (SQM)	VACANCY RATE %	UNDER CONSTRUCTION AREA (SQM)	PROJECTS AREA (SQM)	ASKING RENT COP/SQM/MONTH	ASKING RENT USD/SQM/MONTH
CBD	1.308.408	97.961	6.57%	270.678	452.445	68.063	21
Avenida Chile	92.118	1.999	2.17%	-	-	60.000	19
Calle 100	164.657	8.154	4.95%	80.000	52.400	64.702	20
Centro	31.178	688	2.21%	64.000	160.000	60.000	19
Chicó	150.467	25.910	17.22%	10.230	-	73.725	23
Nogal-Andino	141.757	6.289	4.44%	11.000	30.000	83.719	26
Salitre	520.446	39.508	7.59%	105.448	210.045	59.544	18
Santa Bárbara	207.785	15.413	7.42%	-	-	74.754	23
NON CBD	196.182	39.372	20.07%	22.928	71.429	62.059	19.1
Noroccidente	196.182	39.372	20.07%	22.928	71.429	62.059	19.1
TOTAL BOGOTÁ – CLASS A	1.504.590	137.333	9.13%	293.606	523.874	66.070	20.39

NOTE:
 CBD: Central Business District; Main corporate Submarkets Type A.
 NON-CBD: Non-Central Business District; Non-traditional corporate Submarkets Type A
 TRM: 3.241 COP = 1USD

OFFICE MARKET MAP WITH SUBMARKET DIVISION

BOGOTÁ / COLOMBIA



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