

YoY Chg 12-Mo. Forecast

12.3 %
Vacancy Rate

37,590 (Sqm)
Net Absorption YTD

\$ 17.8
Asking Rent, (USD/ Sqm/ Month)

ECONOMIC INDICATORS Q2 2023

YoY Chg 12-Mo. Forecast

10.4 % *
Unemployment Rate

0.6 % **
GDP Variation

12.4 % ***
Inflation Index

Source:
(*) DANE Mar – May 2023
(**) Forecast BBVA Research Q2-2023
(***) 12 months - May 2023

MARKET OUTLOOK

The Class A office market in Bogota continues to update the supply with the entry of new inventory, responding to the demand for spaces with efficient designs, features focused on sustainability, developments in consolidated submarkets and locations with access to mobility services..

The scenario for this type of product is rapidly becoming clearer, with most companies opting for the hybrid model as a strategy that supports the growth or adjustment cycle of their businesses. This has been reflected in the relocations that has occurred throughout the year.

On the other hand, workspaces continue to be updated with the purpose of improving the office experience, offering dynamic environments that encourage in-person collaborative work. In line with this trend, there is a growing interest in obtaining Fitwel certifications, which focus on the design and operation of the office.

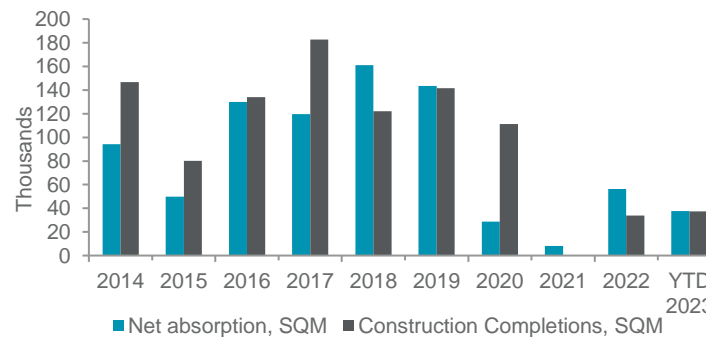
SUPPLY / DEMAND:

During the year, approximately 37,000 sq m of new competitive supply has been added in corridors such as Nogal Andino, Noroccidente and Salitre. So far, 40% of this supply has been occupied. These new entries are partly the result of the increase in the vacancy rate, which reached 12.3% in the second quarter, reflecting an increase of 2% compared to the previous quarter. However, on a YoY comparison, the vacancy rate remained the same, indicating a positive space absorption cycle. This is due to the dynamics of area adjustments, company movements and demand for new space, which are generally in the range of 200 sq m to 500 sq m and from 800 sq m to 1,500 sq m.

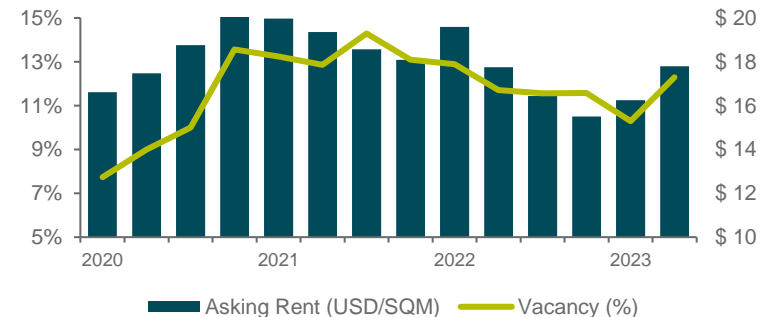
PRICING:

As for asking rent, it reached \$17.8 USD/sq m, an increase of 2% YoY. This increase continues representing the new supply available, given that, according to their specifications, mainly entered the market with a higher price. In addition, the submarkets with the best performance in terms of supply and absorption in the last year have been Nogal Andino (\$19.9 USD/sq m) and Chicó (\$16.9 USD/sq m).

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



ECONOMIC OUTLOOK

In the first quarter of 2023, economic growth was 3.0% compared to the same quarter of the previous year. This figure was lower due to the decrease in consumption and investment in the country. Although economic activity continued to slow in April, the labor market showed positive signs, as there was an increase in employment and a decrease in the unemployment rate at the national level.

Annual consumer price inflation decreased in May for the second consecutive month, reaching 12.4%. This decrease is mainly due to the reduction in annual food inflation, which dropped from 27.8% in December 2022 to 15.7% in May 2023. However, there were increases in regulated prices and services, due to increases in gasoline prices..

Regarding the foreign exchange market, the Colombian peso has appreciated around 13% so far this year, while risk premiums for Colombia have decreased. This situation has occurred in the context of the uncertainty in the global economy and the reduction in oil prices

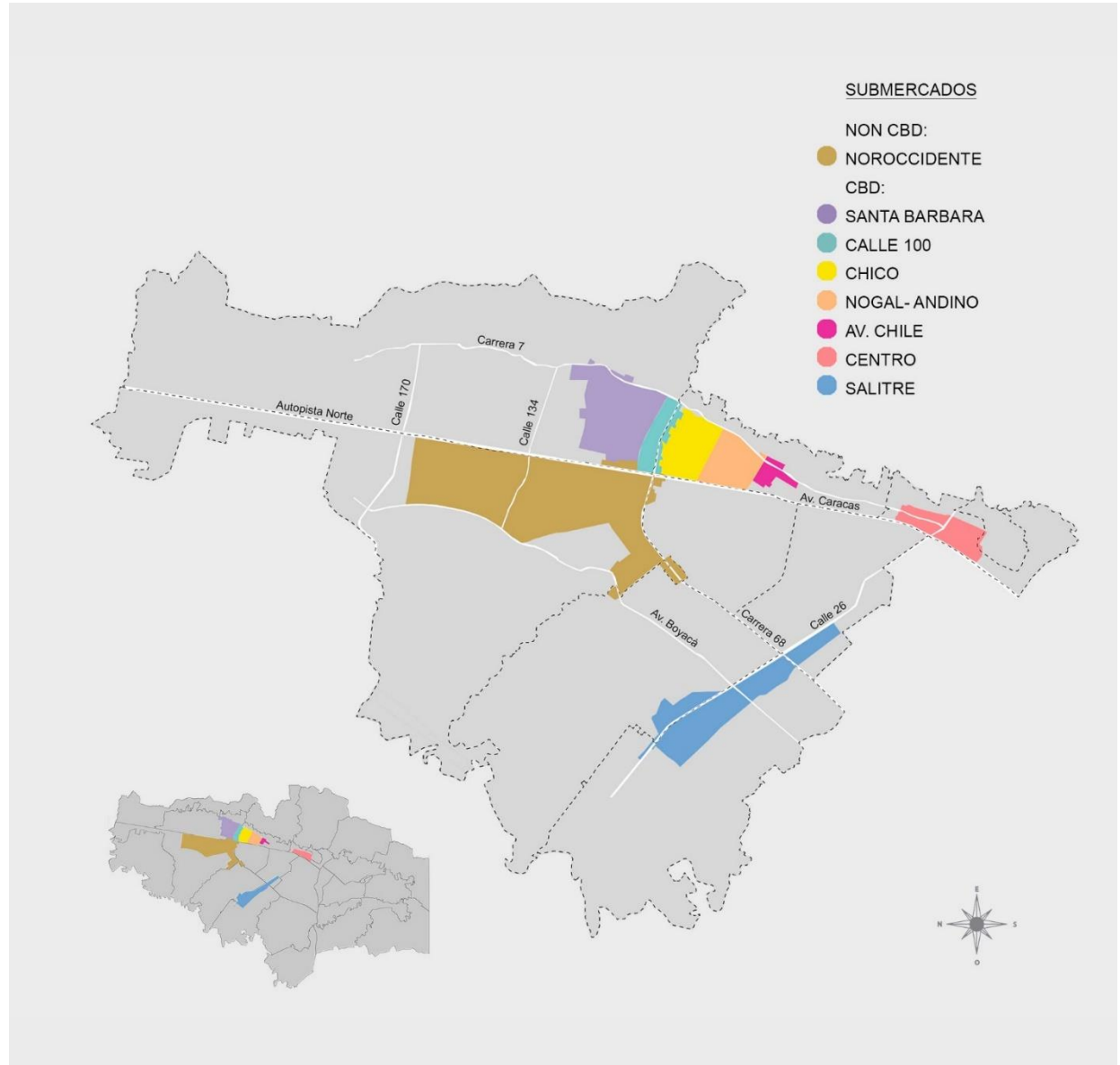
FUTURE OUTLOOK

At present, there are 150,015 sq. m. under construction in eight projects, and by the end of this year, 10,800 sq. m. are expected to enter the market, corresponding to two of the eight projects located in the Chicó and Nogal Andino corridors. Most of the remaining projects show moderate construction progress.

In relation to the projected surface area in plans, 679,740 sq. m. of GLA has been identified, with delivery periods ranging from 6 to 9 years. Within this future supply, 36% is comprised by the Salitre corridor, followed by Centro with 24%. Projects such as Proscenio, Connecta 80 and América Centro de Negocios also stand out, which will contribute significantly to the increase in office inventory.

It is important to highlight that within the stock of projects there are some that do not have a confirmed construction start date.

OFFICE MAP WITH SUBMARKET DIVISIONS / BOGOTA / COLOMBIA

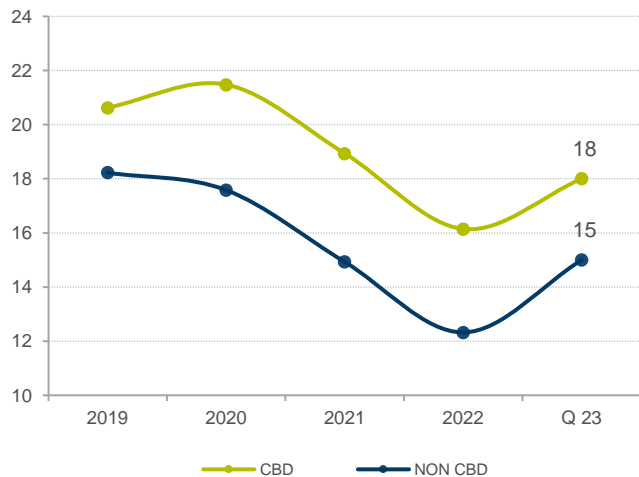


MARKET STATISTICS

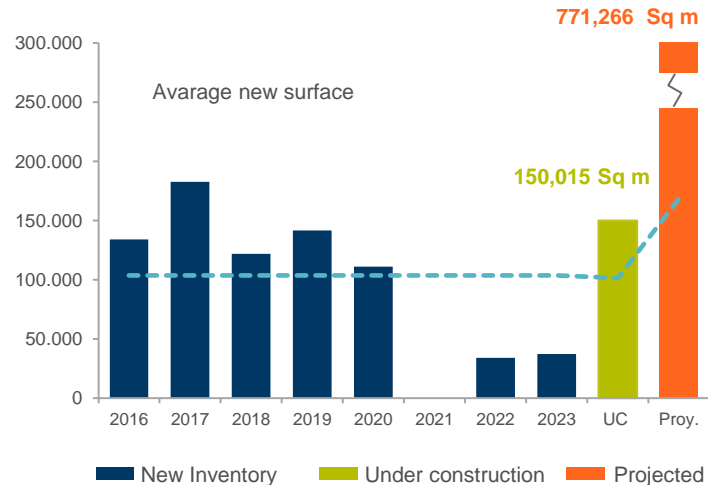
SUBMARKETS	INVENTORY CLASS A	NUMBER OF BUILDINGS	SURFACE AVAILABLE (SQM)	VACANCY RATE (%)	YTD OVERALL NET ABSORPTION (SQM)	UNDER CONSTRUCTION (SQM)	PROJECTED (SQM)	OVERALL AVG ASKING RENT (USD/SQM/MONTH)	OVERALL AVG ASKING RENT (COP/SQM/MONTH)
Avenida Chile	92,118	5	8,447	9.2%	3,214	-	-	\$ 16.6	\$ 69,689
Calle 100	175,657	16	20,685	11.8%	-2,936	79,200	52,400	\$ 16.8	\$ 70,451
Centro	96,178	3	45,829	47.7%	3,148	-	166,000	\$ 22.0	\$ 92,363
Chicó	179,711	24	10,021	5.6%	11,672	9,390	16,081	\$ 16.9	\$ 70,721
Nogal-Andino	157,457	22	6,933	4.4%	5,509	17,325	72,313	\$ 19.9	\$ 83,440
Salitre	636,553	50	79,532	12.5%	3,193	-	277,505	\$ 16.0	\$ 67,170
Santa Bárbara	207,785	14	10,701	5.2%	1,304	11,100	49,738	\$ 17.7	\$ 74,129
CBD	1,545,459	132	182,148	11.8%	25,114	117,015	634,037	\$ 18.0	\$ 75,374
Noroccidente	211,722	15	33,207	15.7%	10,196	33,000	137,229	\$ 15.0	\$ 62,716
NON CBD	211,722	15	33,207	15.7%	10,196	33,000	137,229	\$ 15.0	\$ 62,716
TOTAL BOGOTÁ	1,757,181	149	207,355	12.3%	37,590	150,015	771,226	\$ 17.8	\$ 74,761

CBD: Central Business District: Main corporate Submarkets Type A
 NON-CBD: Non-Central Business District: Non-traditional corporate Submarkets Type
 (*) TRM: 4.191 COP = 1 USD

ASKING RENT (USD / Sq.m / Month)
 CBD / NON CBD



NEW INVENTORY (Sq.m)
 PROJECTED SURFACE (Sq.m)



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**The vacancy rate calculated and established by Cushman Wakefield, takes into account the physical / effective occupation of the spaces as opposed to the commercial vacancy which considers negotiations. The entrance to the inventory of a building is considered when it begins operations, including reception and administration.