

LOGISTICS REAL ESTATE MARKET OVERVIEW

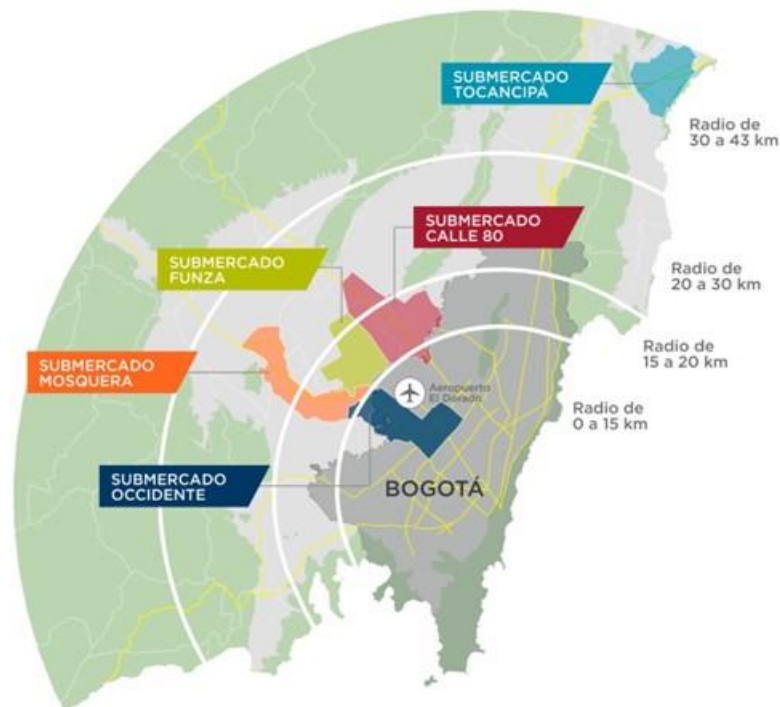
BOGOTÁ | Q3 2023

MARKET OVERVIEW

The logistics and industrial market continues to show solid demand, currently experiencing record low vacancy numbers. In the past year vacancy has dropped 7.2%, settling at only 0.8% at the end of the trimester. In this context, market conditions favor property owners. 53% of available spaces are class A, 39% are class B+, and a reduced 0.08% are class A+

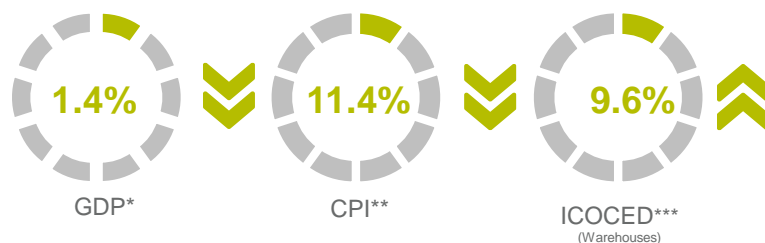
Available area totals 26.658 sq m in all of the submarkets excluding the Funza submarket. This low vacancy is due to high demand for logistics properties driven by the e-commerce boom. New offerings are made up primarily of built-to-suit properties and pre-leased spaces, leaving few available spaces entering the market. Rental prices are rising, especially in areas close to the city and in the Calle 80 submarket.

The trend towards built-to-suit projects remains strong and new urbanized parks are being developed to meet this demand with 853,000 sq m in the project phase.



ECONOMIC THERMOMETER – Q3 2023

Inflation rates have declined, reaching 11.4% in the month of August. This is mainly due to activity in the food and non-alcoholic beverage sectors. According to BBVA projections, GDP growth is expected to be 1.4% for the third trimester, a deceleration reflecting modest consumer spending. The construction price index (ICOCED) of the warehouse sector finished higher than the national average, mainly driven by the cost of labor.



Sources: .
GDP * Interannual projection BBVA Research T3-2023
CPI **As of August (12 months)
ICOCED (Warehouses) *** DANE 12 months (August 2023)

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Submarket results

SUBMARKET	INVENTORY (SQ M)	AVAILABILITY (SQ M)	ASKING RENT (COP / sq m / month)	ASKING RENT* (USD / sq m / month)	NUMBER OF CENTERS
CALLE 80	1,731,687	8,380	\$ 22,658	\$ 5.6	18
FUNZA	288,963	-	-	-	2
MOSQUERA	624,943	8,312	\$ 15,258	\$ 3.8	6
OCCIDENTE DE BOGOTÁ	147,997	1,766	\$ 33,000	\$ 8.1	6
TOCANCIPÁ	353,134	8,200	\$ 21,512	\$ 5.3	6
TOTAL	3,146,724	26,658	\$ 20,684	\$ 5.1	38

(*) TRM: \$4.054 COP = 1 USD

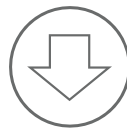
Primary market indicators



161,900 sq m

NET ABSORPTION YTD

Calle 80 is the area with the most absorption this year driven by built-to-suit projects and pre-leased warehouse space.



0 %

VACANCY

In the Funza submarket.



15%

ASKING RENTS

Interannual increase in asking rents across all submarkets.



853,000 sq m

IN PROJECT WITH PLANS

80% of projects are located in the Calle 80 submarket, the majority of which are in urbanized parks.



The owner-friendly industrial and logistics market requires low interest rates, flexible monetary policy, and competitive construction costs to attract investors. In this context of low availability, efficient validation of projects by experts is necessary to maintain sustainable growth in the sector.



Diego Zapata
Broker Director



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Analysis by radius

INDICATOR	RADIUS FROM 0 TO 15 KM	RADIUS FROM 15 TO 20 KM	RADIUS FROM 20 TO 30 KM	RADIUS FROM 30 TO 43 KM
INVENTORY (sq m)	187,005	1,313,298	1,293,287	353,134
AVAILABLE AREA (sq m)	1,766	10,904	5,788	8,200
ASKING PRICE (COP/sq m/mes)	\$ 33,000	\$ 18,981	\$ 18,957	\$ 21,512
ASKING PRICE (USD/sq m/mes)	\$ 8.1	\$ 4.7	\$ 4.7	\$ 5.3
NUMBER OF LOGISTICS CENTERS	7	18	7	6

(*) TRM: \$4.054 COP = 1 USD

Primary market indicators by radius



41%

NEW OFFERING AVAILABLE

The radius from 15 to 20 km represents the majority of this availability.



0.4 %

VACANCY

The 20 to 30 km radius has the highest vacancy rate in relation to inventory.



179,200 sq m

UNDER CONSTRUCTION

The 15 to 20 km radius has the most area under construction, representing 60% of the total.



\$33,000/ m²

ASKING RENT

The last-mile radius has seen a 21% increase in rent prices in the past year.



Though the logistics-industrial market is currently experiencing very low vacancy rates (reaching almost 0%), availability is expected to rise due to the built-to-suit approach to new space. Nevertheless, available space in the market is expected to be occupied to meet the current demand for warehousing space.



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LET'S TALK

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