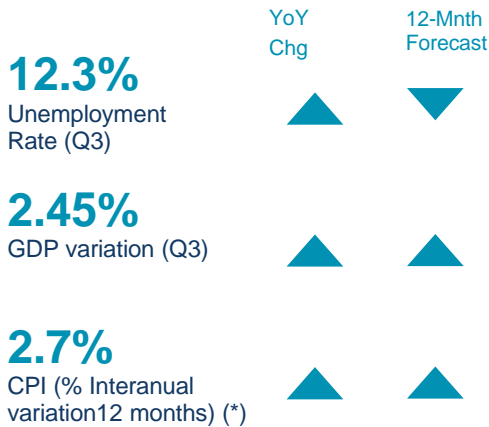


Industrial H2 2020



ECONOMIC INDICATORS H2 2020



(*) Average lease price requested, expressed in USD/Sq.m/Month
Source: Instituto Nacional de Estadísticas de Chile (INE) - Noviembre

MARKET OUTLOOK:

The year 2020 is coming to an end with a vacancy of 5.89%, 56% higher than the one registered in 2019. However, considering the effects of the social crisis and the pandemic, the performance of the warehouse market concluded better than expected. Compared to the previous semester, it is registered a reduction of 40% of available area; class B warehouses being the ones with the highest demand.

The acceleration of the market is mainly due to e-commerce and the companies flexibility of companies to adapt to this distribution channel. Companies that perform as logistics operators benefited the most, as they are the link between clients and companies that didn't have this distribution channel before the pandemic. These companies have even improved the status of the logistics centers in which they are located.

Currently, vacancy in class A warehouses is almost non-existent, barely 0.22%. For that reason, companies that are looking for international standards for their operations should consider "build to suit" alternatives, which implies planning at least 18 months ahead.

SUPPLY AND DEMAND:

The second semester net absorption reaches 190,219 sqm, 174% greater than during the last period, thus diminishing the impact caused by the migration of one of the main retail operators to its own distribution center during the first semester.

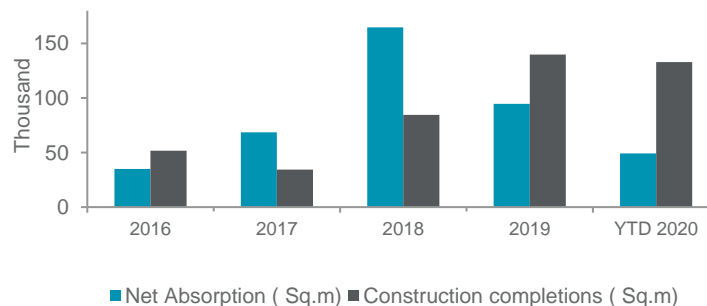
On the other hand, the Sur submarket registers 86% decrease of vacancy compared to the previous semester, becoming attractive for last-mile logistics companies as well as for investors who desire to build new projects.

The submarket that showed the biggest absorption is Norponiente, with 59% of the total sqm. This was due to the fast occupation registered in new projects that were already leased when they were being built, like in the cases of Megacentro Miraflores III and Anya lo Echevers.

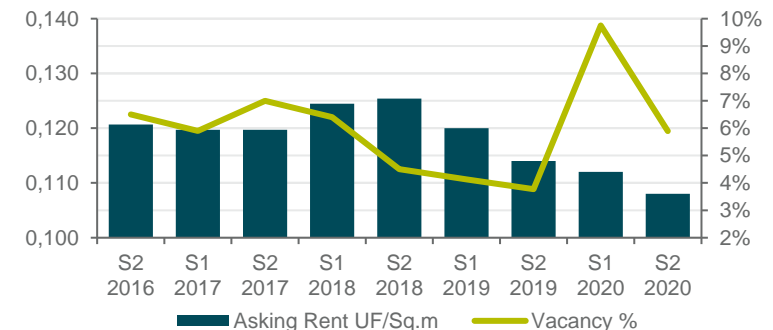
PRICING

The rent prices for the warehouse market closed with a value of 0.120 UF/sqm for class A and 0.108 UF/sqm for class B. It's important to consider take into account that the value in class A warehouses depends on the scarce availability (compared to the previous period, there was a 92% reduction of availability in class A warehouses) and it is not representative of the whole market, that has values between 0.130 and 0.140 UF/sqm.

SURFACE DEMAND / DELIVERIES



OVERALL VACANCY & AVERAGE ASKING RENT



ECONOMIC OUTLOOK

Improvements in the economical activity have been slower than expected in September. The withdraw of retirement savings has generated some transitory increases in consumption. However, health restrictions make construction and services sectors remain affected .

According to national indicators, the mining production index has registered an increase of 1.9% annually. This is partly because of the 1.8% increase in extraction and processing of copper. Economic activity for 2021 is expected to grow between 5.5 and 6,5% and, for 2022, it is expected that it will return to the levels registered in September 2019 (depending on the progress of the vaccination process in 2021), growing between 3 and 4%. Finally, investment has improved because of the gradual resumption of works. After dropping 13% this year, it is projected that it will grow by 7.3% in 2021, subject to uncertainty.

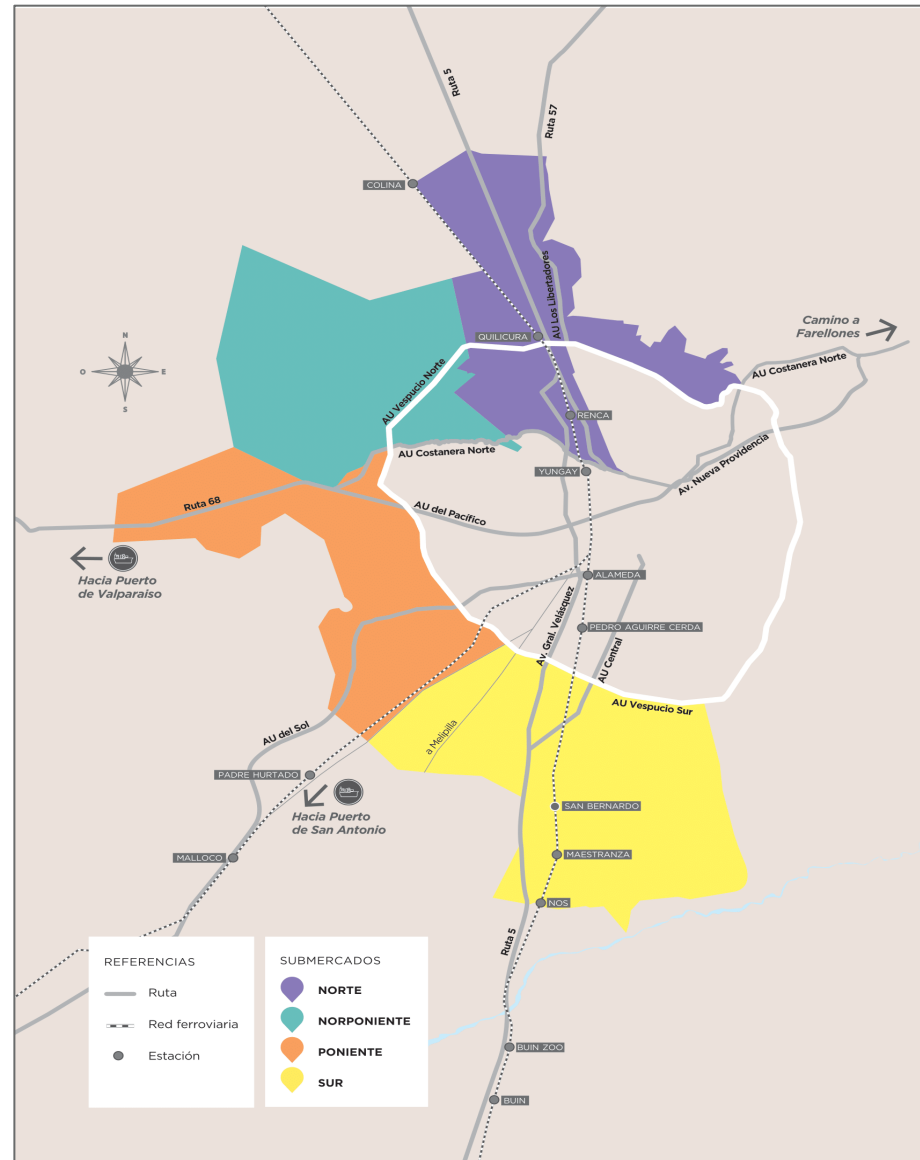
Regarding international overview, financial international markets have shown an important recovery since news of the vaccine. China has led the recovery with indicators that match and even exceed the ones registered before the pandemic, which has had a positive impact in copper prices.

FUTURE OUTLOOK

It is expected for the next trimester that 126,134 sqm will become available. 112,000 sqm are class A and are located in the Norte submarket. In this submarket, three “built to suit” projects are under construction. One of them is “Mercado Libre” and it is estimated to be finished by 2022 with 100,000 sqm warehouse.

The biggest challenge for the warehouse market, considering the low vacancy rate and the dynamism produced by e-commerce, will be to increment the participation of class A warehouses, that today have 38% participation in the stock and a vacancy that tends to zero.

WAREHOUSE MAP / SANTIAGO / CHILE



APPLIED METHODOLOGY

Classification of logistic centers class A: Surface area above 10,000 sqm / Shoulder height: above 9 meters / Construction: level platforms, level floors, fire system/ Infrastructure: Casino, changing rooms and offices / Antiquity: less than 15 years.

Classification of logistic centers class B: Surface area above 10,000 sqm / Shoulder height: less than 9 meters / Construction: no level platforms and lower quality floors / Antiquity: more than 15 years.

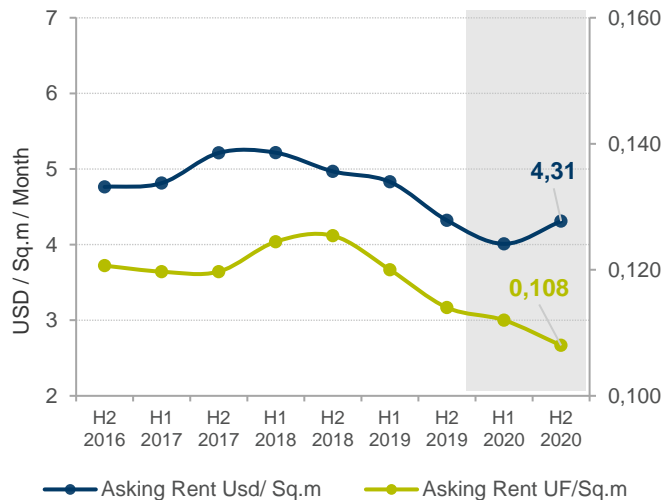
MARKET STATISTICS

SUBMARKETS	INVENTORY (*)	NUMBER OF BUILDINGS	AVAILABLE AREA (SQ.M)	VACANCY RATE(%)	YTD OVERALL NET ABSORPTION (SQ.M)	UNDER CONSTRUCTION (SQ.M) (**)	PROJECTED (SQ.M) (**)	OVERALL AVG ASKING RENT (USD/SQ.M/MONTH)	OVERALL AVG ASKING RENT (UF/SQ.M/MONTH)
Poniente Class A	407,603	3	-	-	23,068	-	184,000	-	-
Poniente Class B	1,484,222	10	182,611	12.30 %	-108,645	-	576,090	\$ 4.23	0.106
Norponiente Class A	881,138	16	-	-	44,958	-	124,873	-	-
Norponiente Class B	311,367	10	24,333	7.81 %	55,917	14,134	14,134	\$ 4.39	0.110
Sur Class A	60,427	1	-	-	3,400	-	68,000	-	-
Sur Class B	426,859	10	4,304	1.01 %	28,174	-	68,000	\$ 5.19	0.130
Norte Class A	78,000	1	3,100	3.97 %	866	112,000	210,576	\$ 4.79	0.120
Norte Class B	82,000	3	5,388	6.57 %	1,500	-	40,000	\$ 5.50	0.138
SUBTOTALS CLASS A	1,427,168	21	3,100	0.22 %	72,292	112,000	587,449	\$ 4.79	0.120
SUBTOTALS CLASS B	2,304,448	33	216,636	9.40 %	-23,054	-	684,090	\$ 4.31	0.108
TOTAL	3,731,616	54	219,736	5.89 %	49,238	126,134	1,271,539	\$ 4.31	0.108

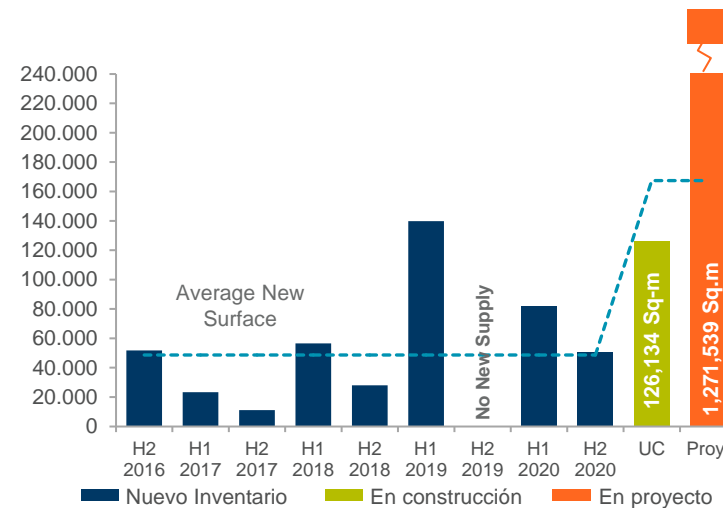
(*) Corresponds to rentable surface according to available information

(**) The Unidad de Fomento is a unit of account used in Chile, readjusted according to the inflation. Its value is adjusted daily by the Central Bank of Chile accordingly to the CPI index calculated by the National Institute of Statistics (INE); its code ISO 4217 is CLF. Data up December 23th : 1 UF = CLP \$ 29,077.84 = USD \$39.89; 1 USD = CLP \$728.96

ASKING RENT UF / SQ.M / Month vs. USD / SQ.M / Month



NEW INVENTORY (SQ.M) PROJECTED AREA (SQ.M)



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