

	YoY Chg	12-Month Forecast
0.17 % Overall Vacancy	▼	▼
139,728 Net Absorption Sq.m	▲	▲
6.34 (*) Avg Asking Rent, USD	▲	▲

ECONOMIC INDICATORS H2 2021

	YoY Chg	12-Mnth Forecast
8.0 % Unemployment Rate (H1.22)	▲	▲
-3.9 % GDP variation (H1.22)	▼	▼
13.3 % CPI (% Interannual variation 12 months) (*)	▲	▼

(*) Average lease price requested, expressed in USD/Sq.m/Month
Source: Instituto Nacional de Estadísticas de Chile (INE)- Boletín 289 December 8th, 2022 (INE)

MARKET OUTLOOK:

2022 ends with vacancy under 1%. This scenario has been extended for more than a year, due to a strong demand for logistics space.

This year stands out for a total inflow of almost 400,000 sqm, more than twice the average production of the last 5 years, which was 150,000 sqm. New centers production was splitted almost equally in 3 zones: The North leads the share in production, with 39%, followed by the North West zone with 33% and Southern zone with 28% of the total of new sqm.

Production consisted mainly of 7 projects, all of them concentrated among 5 developers. The leading player in this year's production added a total of approximately 170,000 sqm to the inventory, representing a 42% out of everything entering the market and distributed in 3 facilities of about 55,000 sqm each.

SUPPLY AND DEMAND:

Net absorption for 2nd half of the year was 139,728 sqm, 57% over the previous half. It is lower because it represents entry of pre-leased space, which decreased this year due to political uncertainty which delayed many projects to start construction in 2021.

Cumulative net absorption for the year registered 385,000 sqm, which is similar to the previous year 381,880 sqm in demand. The picture is different today, since this year absorption corresponds almost entirely to the entry of pre-leased space, as mentioned previously.

Despite large pre-committed warehouse space, there are companies which are not renewing their contracts and leasing speed is taking a little longer than before, in certain types of formats or locations. A situation that is reflected by the negative absorption, increasing from -776 to -8,500 sqm for this half.

PRICE:

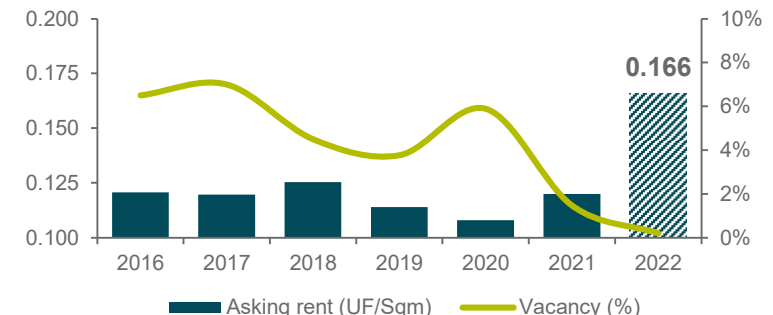
Asking rental prices reached 0.166 UF/sqm this semester for available space in under construction developments, and the asking rental price for availability in built centers is 0.193 UF/sqm. Prices were requested from several market landlords.

Rental prices show great contrasts this year compared to 2021. At the start of 2021, rental prices were still at the standard figure of 0.125 UF/sqm on average, and close to the end of the year, with no vacancy, the areas under construction were offered at 0.145 UF/m2. This year rental values for these same properties will average 15% more.

SURFACE DEMAND / DELIVERIES



OVERALL VACANCY & AVERAGE ASKING RENT



ECONOMIC OUTLOOK

Central Bank of Chile's December 2022 report confirms that inflation peaked this year, rising to 14.1% in August and then started declining. Adjustment in the local economy and reduction of high cost pressures will continue to contribute to lower inflation, which is why it is expected to decline in 2023, returning to the 3% target during 2024.

However, large economies such as the United States and Europe are expected to have a recession in 2023, which along with Russia's conflict with Ukraine could affect energy and food prices, that may have an impact on our economy.

During the third quarter, Imacec or economic activity index showed a variation of 0.9% with respect to the same period in 2021, commercial activity registered a variation of -9.6%. Specifically, commerce registered difficulties in its retail and wholesale areas. While retailers were affected by lower sales in large stores and supermarkets, wholesalers were influenced by raw materials, food, beverages, machinery and equipment.

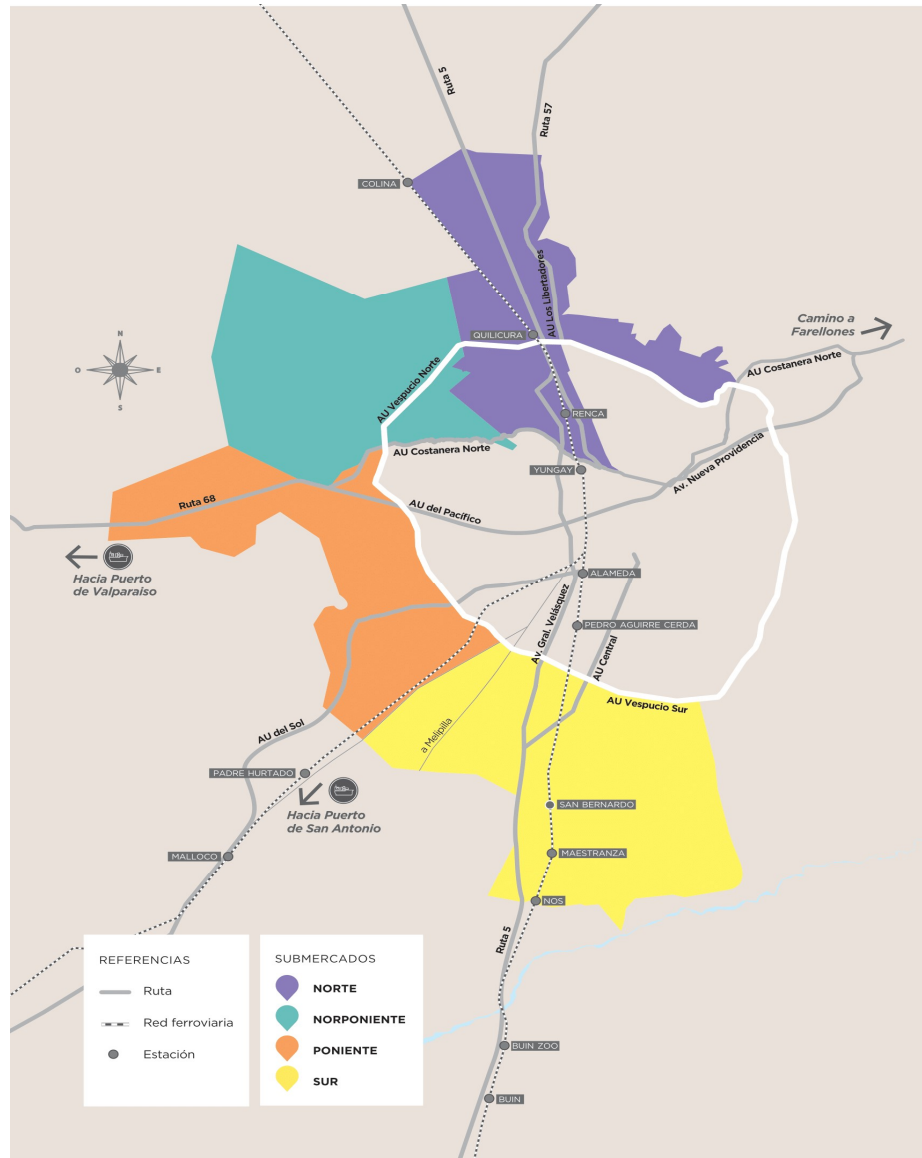
FUTURE OUTLOOK

Next year, 620,305 sqm are expected to be added, nearly double the new space brought into the market in 2022. Sixty percent of the new inventory for 2023, approximately 363,000 sqm, will be located in the North-West Zone, primarily within a 14 kilometer radius to the center of the Metropolitan Region. These 18 projects are located on remaining land of highly established and demanded industrial clusters, which is currently only 20% of their future availability.

By 2024, it is forecasted that the southern zone will be the main player in developing new logistics centers, accounting for 60% of estimated surface areas, which adds up to approximately 214,000 sqm. This is an important indicator of importance of last mile logistics: In the south of the Metropolitan Region are located districts which have experienced great population growth, such as San Bernardo, Maipú, Cerrillos and Puente Alto; and in view of the increasing transportation costs, proximity to residential areas becomes crucial. Future construction of South Orbital Highway will strengthen such developments, due to its immediate connection to San Antonio and Valparaíso ports, through Routes 78 and 68, respectively.

A total of 1,332,457 sqm are currently in the pipeline, of which 20%, or approximately 263,000 sqm, are about to start construction in the next semester. The remaining projects are under environmental evaluation and others are part of future proposals from some developers.

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.

Industrial H2 2022

MARKET STATISTICS

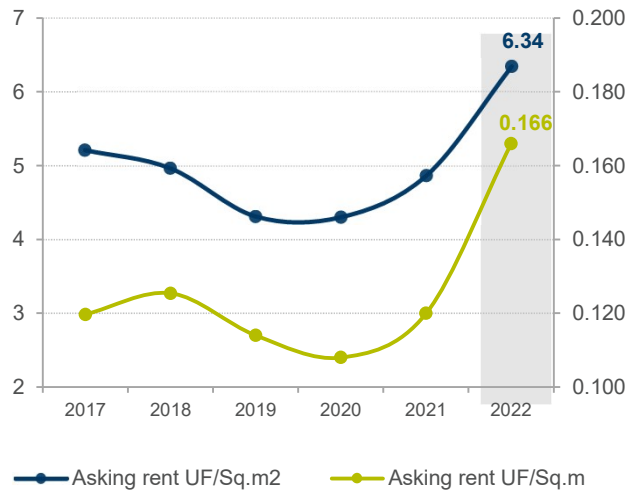
SUBMARKETS	INVENTORY CLASS A (*)	NUMBER OF LOGISTICS CENTERS	AVAILABLE AREA (SQ.M)	VACANCY RATE (%)	ANNUAL ABSORPTION DATE (SQ.M)	UNDER CONSTRUCTION (SQ.M) (**)	PROJECTED (SQ.M) (**)	OVERALL AVG ASKING RENT CLASS A (USD/SQ.M /MONTH)	AVERLL AVG ASKING RENT CLASS A (UF/SQ.M/MON TH) (***)
Poniente Clase A	485,483	4	-	-	-	19,973	374,58	6,34	-
Norponiente Clase A	978,162	18	2,712	0,3	99,823	300,733	249,88	6,8	0,154
Sur Clase A	162,069	4	-	-	62,52	172	43,2		0,165
Norte Clase A	421,176	9	2,86	0,7	129,14	43	36,797	6,59	-
SUBTOTALES CLASE A	2.046.890	35	5,572	0,3	291,483	535,706	704,457	5,97	0,160
Poniente Clase B	1.542.926	13	-	-	-	26,09	490	7,62	0,145
Norponiente Clase B	678,981	20	376	0,1	27,769	74,385	-	5,97	0,185
Sur Clase B	531,249	13	1	0,2	67,013	12,674	68	7,7	0,145
Norte Clase B	345,083	15	1,925	-	-1,733	112,87	70	7,13	0,187
SUBTOTALES CLASE B	3.098.239	61	3,301	0,1	93,049	226,019	628	6,84	0,173
TOTAL	5.145.129	96	8,873	0,17	384,532	761,725	1.332.457	6,34	0,166

(*) 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 it 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 215th, 2022: 1 UF = CLP \$ 35.099,72 = USD \$ 41,20 ; 1 USD = CLP \$ 860

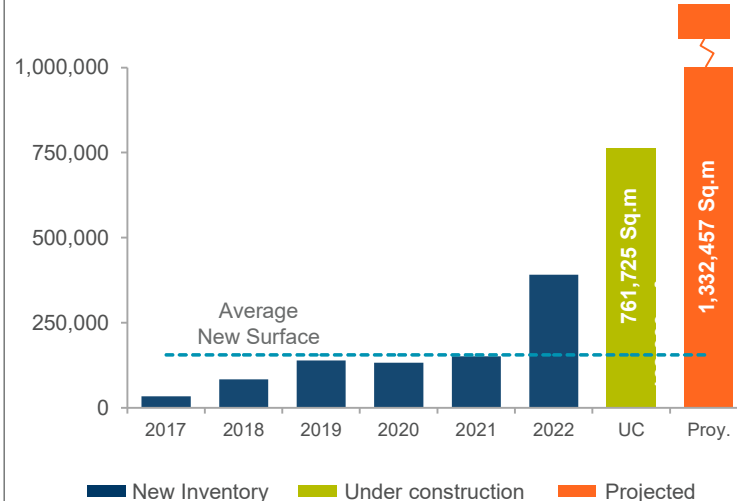
(****) Prices survey refers to values requested in future projects, areas indicated in the columns "Under construction"

ASKING RENT (***) UF / SQ.M / Month vs. USD / SQ.M / Month



(****) Note: Due to the fact that vacancy for the semester is equal to 0%, it is not possible to analyze the current asking price and the values (UF and USD) of the projects under construction are taken as a reference.

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



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