

YoY Chg 12-Mo. forecast

19.9 %
Vacancy rate



7,543
Net abs., Sq.m. Q1-2023



\$16.1
Asking rent, PSM



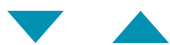
ECONOMIC INDICATORS Q1 2023

YoY Chg 12-Mo. forecast

7.3 %
Unemployment Rate (*)



2.7 %
GDP variation (**)



8.4 %
Inflation Rate (***)



(*) Dec-Jan-Feb 2022 (Source: INEI)
 (**) Annualized Jan 2022 - Dec 2022 (Source: INEI)
 (***) Lima. From Apr 2022 to Mar 2023. (Source: INEI)

MARKET OUTLOOK:

The progressive return to workspaces throughout this year has resulted in a downward trend in available office space. In this period, the vacancy rate only decreased by 2.1 % compared to the previous quarter and by 15.3 % compared to the same period in 2022, closing at 19.9%; This reduction shows a continuous downward trend and recovery of the market in general. San Isidro Financiero (23.8 %), San Isidro Empresarial (22.1 %) and Santiago de Surco (21 %) still have vacancy levels above 20 %, even though the first two experienced a significant reduction in their vacancy levels of 8.8 % and 4.4 %, respectively, compared to the same period last year, considering that they concentrate more than 50 % of the inventory of corporate offices in the capital.

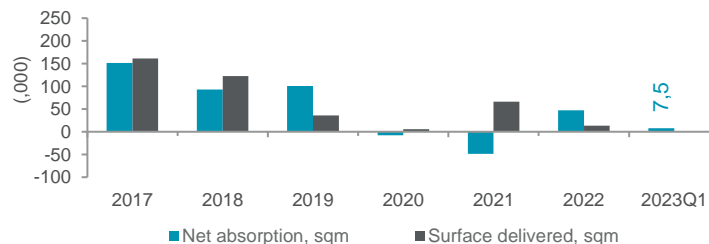
SUPPLY & DEMAND:

The year closes the first quarter with a net absorption that reached the figure of 7,543 sq.m. Despite the fact that occupancies fell by 38.2 % compared to the previous quarter, mainly in San Isidro Financiero and Miraflores, the reduction in vacancy by 44.5 %, mainly in San Isidro Empresarial, San Isidro Financiero and Santiago de Surco, made the net absorption remain at positive levels. In addition, to date and despite the caution of developers regarding the start of new projects due to high availability, there are still more than 73 thousand sq.m. to be delivered between 2023 and 2024, where Santiago de Surco stands out once again as the submarket with the largest amount of future area (40,022 sq.m.).

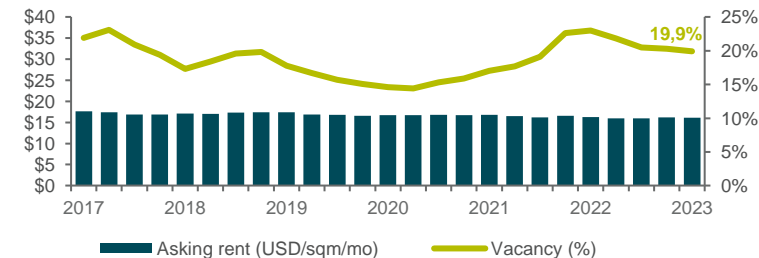
PRICING:

Although the asking rental price was reduced reaching an average of USD 16.1 per sq.m., this variation has not been significant. Despite this, it is important to mention that submarkets such as Miraflores and Chacarilla had variations of 6.1 % and -4.2 %, respectively. Likewise, in some cases, and due to the conditions in which the offices were unoccupied, some of them with implementation levels from basic to furnished, the offer of this type of space is broader and more varied where it is possible to consider prices for average rent above the asking price of an office in gray, depending on the condition of the spaces. These types of offices work as an alternative to the need for some tenants to move to ready-to-occupy offices that do not require a significant investment of time and money in the implementation process. Finally, the financing of the implementation of office spaces offered by some developers is also part of the evolution of the market and whose cost can be transferred to the monthly rent payment, as an operating cost for the occupying companies.

SURFACE DEMAND / SURFACE DELIVERED



VACANCY RATE & RENTAL ASKED PRICE



ECONOMIC OUTLOOK

In the first quarter of the year, the main economic indicators maintained a stability that, beyond being expected, is the reflection of an economy that remains strong despite the local political situation and global economy. In this way, Peru remains a location that continues to be attractive to investors.

The interannual variation of the GDP until February of this year was 2.7% according to INEI, with a growth projection of 3 % for 2023 according to BCRP. Regarding the construction sector, it presented a growth of 5.1 % and an increase in the physical progress of works of 24.6 %, where the construction of buildings had an interannual increase of 8.6 %. On the other hand, the internal consumption of cement varied by - 15.1 %, due to the decrease in imports and a lower local dispatch compared to the same period last year, a factor that affects this sector and the development of works in general.

The unemployment rate has maintained a downward trend in the last 12 months, with the figure as of February of this year being 1.6 p.p. lower than that observed in the same period of 2022 (8.9 %). This reflects a progressive recovery of the labor market, in general, after the pandemic scenario.

On the other hand, the annualized inflation rate closed the month of March at 8.4 %, a figure that despite being outside the target range indicated by the Central Reserve Bank, it is expected that in the short term, this indicator will adjust towards the low with a projection of 3 % towards the end of the year.

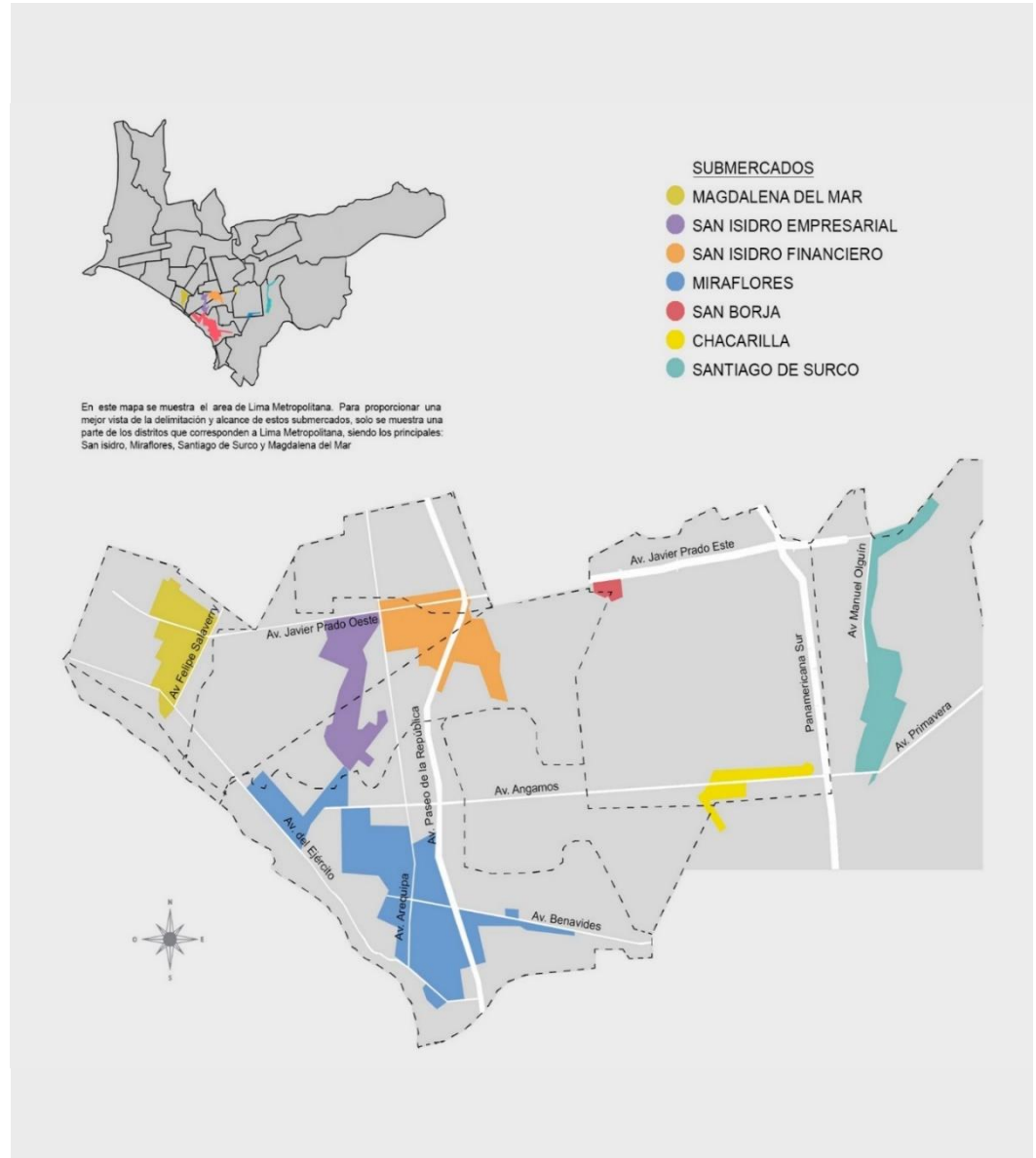
Likewise, at the end of this first quarter, the exchange rate closed at S/3.8 / USD, falling slightly in recent months. Considering that rental and sale prices in the office market are generally quoted in dollars, significant changes in this indicator may influence negotiations, contemplating the extension of rental contracts.

FUTURE OUTLOOK

At the end of the first quarter of the year, there is a surface under construction of 73,226 sq.m. in projects located in Santiago de Surco, San Isidro Empresarial and Miraflores. The projects that have not yet started construction or are in the evaluation stage add up to 54,093 sq.m., with a leasable area of more than 10,000 sq.m., mainly concentrated in Miraflores, San Isidro Empresarial and Callao, although there is a high probability that these projects will resume their course in the medium to long term.

The current situation and the high availability of spaces in gray as implemented has resulted in large developers taking the start of construction of new projects with caution with the expectation that the market is more prepared in terms of occupancy to receive new surface. In projects under construction, however, it is possible to estimate delivery dates as the progress of the works is displayed.

MAP OF OFFICES WITH DIVISION OF SUBMARKETS / LIMA / PERU



MARKET STATISTICS

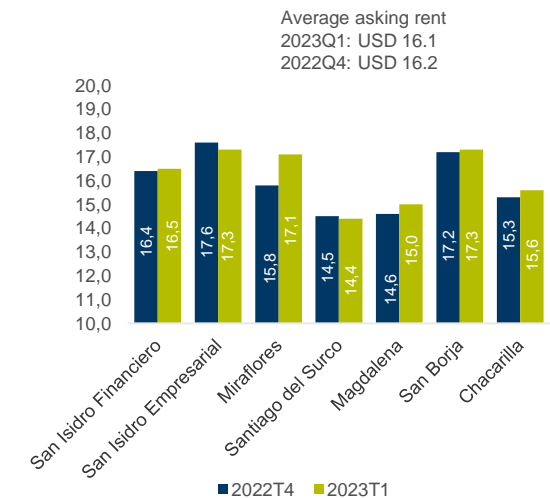
SUBMARKETS	CLASS A INVENTORY	NUMBER OF BUILDINGS	SURFACE AVAILABLE (sq.m.)	VACANCY RATE (%)	NET ABSORPTION (sq.m.)	UNDER CONSTRUCTION (sq.m.) (*)	PROJECTED (sq.m.) (**)	CLASS A ASKING RENT (USD/sq.m./mo)	CLASS B ASKING RENT (USD/sq.m./mo)
San Isidro Financiero	547,232	39	130,209	23.8%	-6,710	-	-	\$16.5	\$14.3
San Isidro Empresarial	246,677	30	54,567	22.1%	4,086	16,040	17,069	\$17.3	\$13.5
Miraflores	177,411	15	17,078	9.6%	2,266	17,164	8,024	\$17.1	\$14.3
Santiago de Surco	322,550	16	67,673	21.0%	2,236	40,022	-	\$14.4	\$13.3
Magdalena del Mar	140,580	9	21,717	15.5%	1,088	-	-	\$15.0	\$14.1
San Borja	35,588	4	4,943	13.9%	3,903	-	-	\$17.3	\$14.5
Chacarilla	20,649	3	1,732	8.4%	674	-	-	\$15.6	\$13.4
TOTAL LIMA	1,511,390	117	300,276	19.9%	7,543	73,226	54,093	\$16.1	\$13.0

(*) Square meters under construction period 2023Q2 to 2024Q4

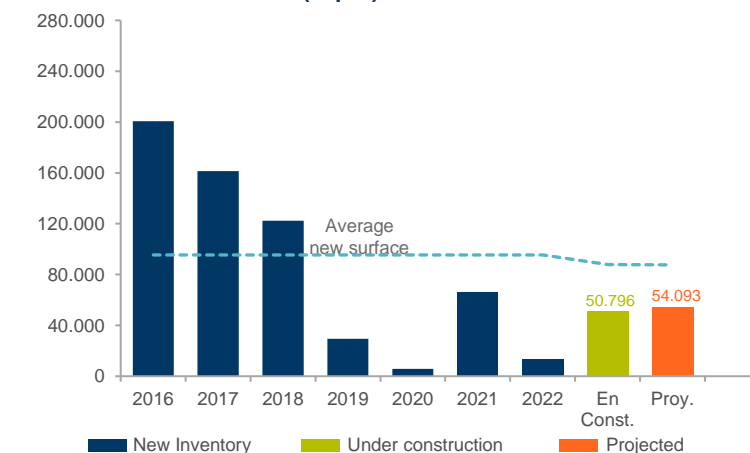
(**) Square meters projected period 2025Q1 onwards. 29,000 sq.m. are included in the Callao submarket.

(***) During this period, updates have been made to the inventory, due to changes in classes and adjustments in leasable areas.

RENTAL PRICE REQUESTED BY SUBMARKET (USD / Sq.m. / Mo)



SURFACE DELIVERED PER YEAR (Sq.m) PROJECTED SURFACE (Sq.m)



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