

YoY Chg 12-Mo. forecast

16.6 %

Vacancy rate



13,436

Net abs., Sq m Q4 2023



\$15.3

Asking rent, PSM



ECONOMIC INDICATORS Q4 2023

YoY Chg 12-Mo. forecast

6.6 %

Unemployment Rate (*)



-1.0%

GDP variation (**)



3.6 %

Inflation Rate (***)



(*) Aug-Sep- Oct 2023 (Source: INEI)

(**) Annualized Nov 2022 - Oct 2023 (Source: INEI)

(***) Lima. From Dic 2022 to Nov 2023.

(Source: INEI)

MARKET OUTLOOK:

At the end of last quarter, office market shows a sustainable activity and keeps improving. Vacancy rate decreased 0.9 pp. compared to last quarter and 3.7 pp since last year, closing at 16.6%. This downward trend remained constant during 2023, proving that the market keeps recovering. The only submarket that still shows vacancy levels above 20% is San Isidro Financiero (20.3%), despite that it recored a decrease of 3.39% compared to third quarter. It is important to state that this submarket accounts for around 36% of the corporate office inventory.

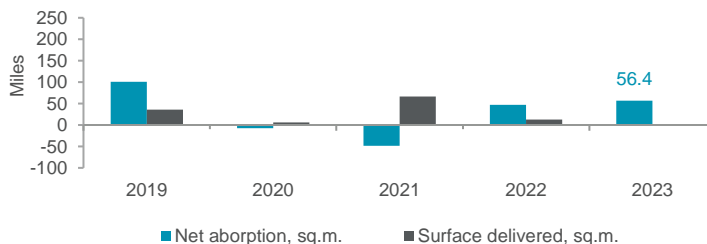
SUPPLY & DEMAND:

In the fourth quarter, net absorption was 13,436 sq.m. Even though the occupancies decreased by 6.5% compared to the previous quarter, and the vacant space increased in 100%, available space reduced in 5.1%. These variations were mainly found in submarkets such as San Isidro Empresarial (4,447 sq.m.), San Isidro Financiero (3,909 sq.m.) and Santiago de Surco (3,031 sq.m.). In addition, current surface under construction is limited to two buildings (28,000 sq.m.), in San Isidro Empresarial y Miraflores, that will be delivered during the first semester of 2024. There are 86,000 sq.m. of inventory in project; however, construction is unlikely to begin as they have been put on hold for several quarters.

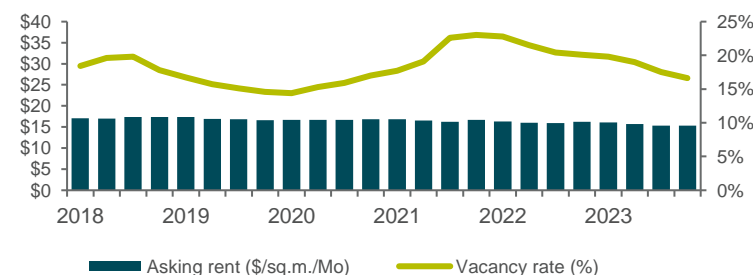
PRICING:

Average asking rent remained stable compared to the last quarter, closing at \$15.3 per sq.m. This value is mainly originated by changes in submarkets of San Isidro Financiero, San Isidro Empresarial and Santiago de Surco, as they account for 80% of available surface. In comparison to last quarter, the variations were 1.6%, -1.7%, 2.1% respectively. The biggest variation was recorded in Miraflores submarket with an average of \$17.9 per sq.m., an increase of 7.9%. This behavior reflects the need of property owners to occupy big surfaces that are still available and in implement strategy that not only focuses on price but in flexibility of spaces and supply of spaces that suit current market trends.

SURFACE DEMAND / SURFACE DELIVERED



VACANCY RATE & RENTAL ASKED PRICE



ECONOMIC OUTLOOK

At the end of last quarter, main economic indicators remained relatively constant. Peruvian economy aims for gradual stimulation stating the following year.

The interannual GDP variation until October of this year was 1.0%, as stated by INEI. It is expected that economic activity recover in 2024 and grow at a 3.0% rate according to the Central Reserve Bank. Regarding the construction sector, it registered 9.2% drop due to lower of both public and private construction work. The domestic cement consumption decreased by 10.5% and physical work progress by 7.1%.

Unemployment rate stayed the same as last quarter (6.6%), with a downward trend. The Central Reserve Bank estimates private sector jobs increase by 3.7%.

On the other hand, annualized inflation rate closed at 3.6% in November. Although this value is still outside the target range, the trend continues to be downward. According to Central Reserve, the inflation rate is expected to be on target and close at 2.4% by 2024.

In addition, at the end of this quarter, the exchange rate closed at S/.3.73 / USD, decreasing by 1.6% compared to last quarter. Considering that office rental and sale prices are generally expressed in dollars, significant changes in this indicator can affect negotiations when extending lease agreement.

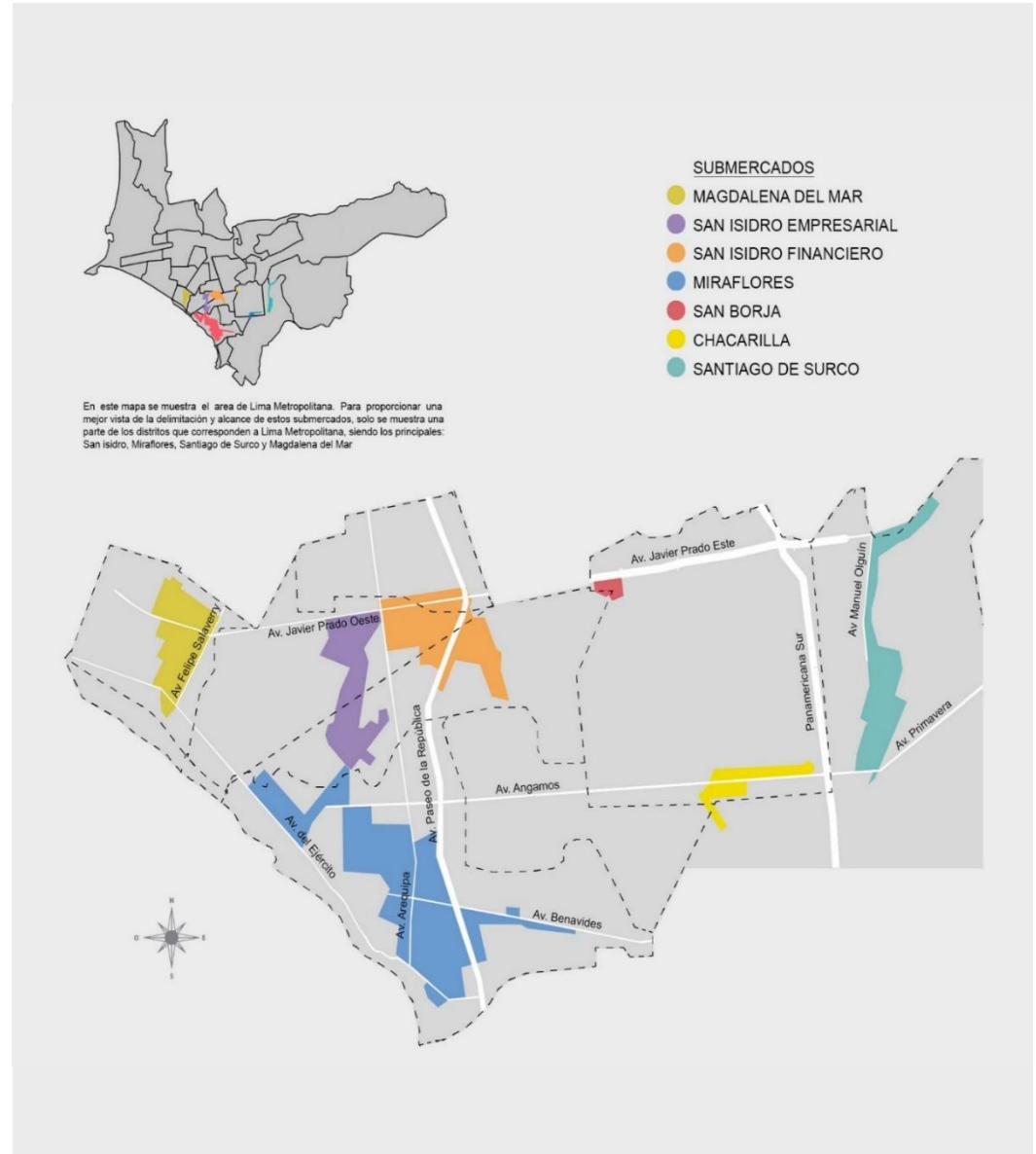
FUTURE OUTLOOK

At the end of the fourth quarter, there are 27,938 sq.m. of under construction surface summarized in two buildings: Pardo 200 in Miraflores and Fibra Camino Real in San Isidro Empresarial. The delivery date is due to the first half of 2024.

In addition, there are 86,000 sq.m. of future projects distributed across the submarkets of San Isidro Empresarial and Santiago de Surco. However, It is unlikely that construction starts in the short-term due to an excess of availability in the market that needs to be filled.

The current economic situation and the high number of available spaces has resulted in developers and landlords to be more cautious before construction of new projects in order to keep supply and demand at equilibrium.

MAP OF OFFICES WITH DIVISION OF SUBMARKETS / LIMA / PERU



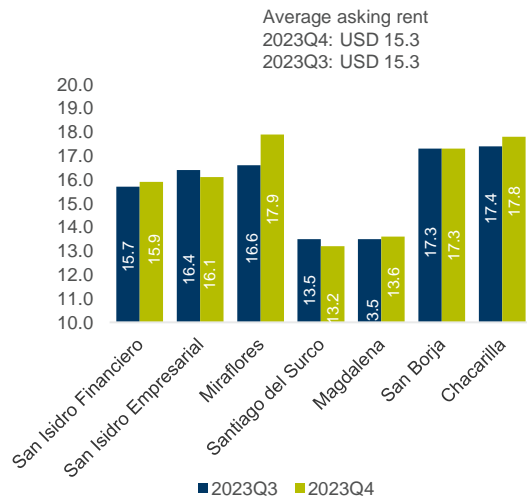
MARKET STATISTICS

| 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 | 111,302 | 20.3 | 12,244 | - | - | \$15.9 | \$13.7 |
| San Isidro Empresarial | 248,936 | 30 | 43,750 | 17.6 | 14,939 | 10,774 | 17,069 | \$16.1 | \$12.8 |
| Miraflores | 177,411 | 15 | 16,042 | 9.0 | 3,302 | 17,164 | - | \$17.9 | \$14.7 |
| Santiago de Surco | 322,550 | 16 | 56,267 | 18.4 | 13,640 | - | 40,022 | \$13.2 | \$13.2 |
| Magdalena del Mar | 140,580 | 9 | 17,850 | 12.7 | 4,955 | - | - | \$13.6 | \$13.6 |
| San Borja | 35,588 | 4 | 4,448 | 12.5 | 4,398 | - | - | \$17.3 | \$9.5 |
| Chacarilla | 20,649 | 3 | 657 | 3.2 | 1,750 | - | - | \$17.8 | \$13.4 |
| TOTAL LIMA | 1,513,649 | 117 | 251,465 | 16.6 | 56,436 | 27,938 | 86,091 | \$15.3 | \$12.9 |

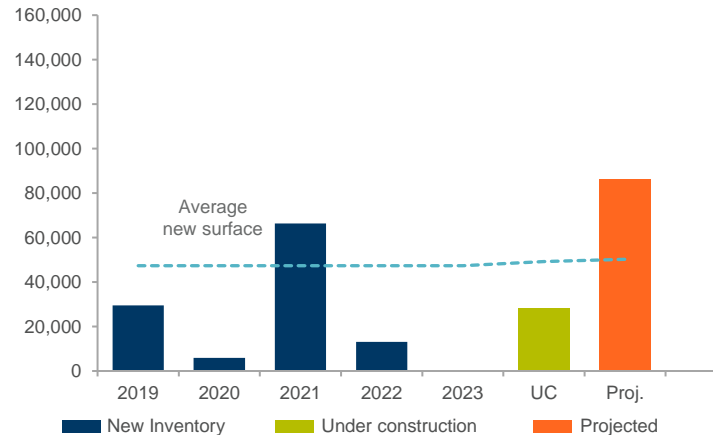
(*) Square meters under construction period 2024Q1 to 2025Q1

(**) Square meters projected period 2025Q2 onwards. 29,000 sq.m. are included in the Callao submarket.

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



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



DIEGO BRICEÑO

Head of Brokerage

+51 9 905 20140

diego.briceno@cushwake.com

DENISE VARGAS

Market Research Coordinator

+51 1 2238184

denise.vargas@cushwake.com

cushwakeperu.com

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