

# SANTIAGO

Office Q4 2019

	YoY Chg	12- Mo. Forecast
<b>4.75%</b> Vacancy Rate	▲	▲
<b>4,388</b> Net Absorption, (Sq.m)	▼	▲
<b>0.60</b> Asking Rent, (UF/Sqm/Month)	▲	▲

## ECONOMIC INDICATORS Q4 2019

	Year-on-year	12- Month Forecast
<b>7,0%</b> Unemployment Rate (Q3)	▼	▲
<b>3,3%</b> GDP Variation (Q3)	▲	▼
<b>2,7%</b> Inflation Index (Acumulado 12 meses) (*)	▲	▲

Source: Instituto Nacional de Estadísticas de Chile (INE)  
(\*) Newsletter: Índice de Precios al Consumidor  
Noviembre 2019

## MARKET OUTLOOK:

Despite the pessimism in the economic scenario, added to the national situation, the vacancy maintains healthy records in the last quarter, due to the release of footage during the year of the Costanera Center Complex, with 36,000 sqm (Providencia Submarket) and the Vista Building 360 of 12,672 sqm (New Las Condes).

Within the footage released in this quarter, the Vista 360 Building registers a rapid absorption since upon entering the market, 4 floors were leased to a mining company.

Regarding the national contingency, there is no strong office movement in significant terms. More time will be able to measure the real impact on the premium office market.

## SUPPLY AND DEMAND:

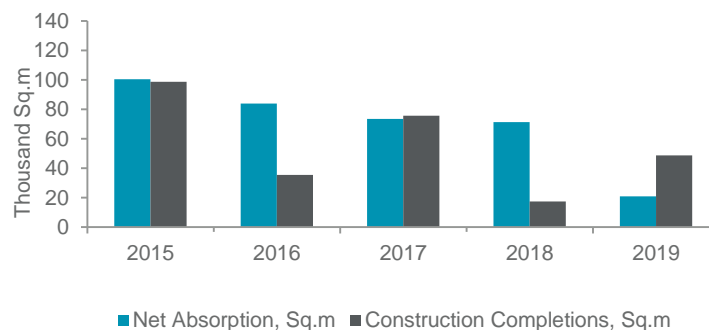
As for the offer, the market has high availability, allowing companies to place operations in adjoining spaces. However, the mobilizations have paused the decisions, so it is expected that, once the social problems have been resolved, these spaces will begin to be absorbed quickly.

Regarding the demand, in the fourth quarter of the year more spaces have been released than have been leased, reaching net absorption at 4,388 sqm. As occupants with greater absorption, two stand out; Mining Area with 5,587sqm and Energy with 3,873 sqm.

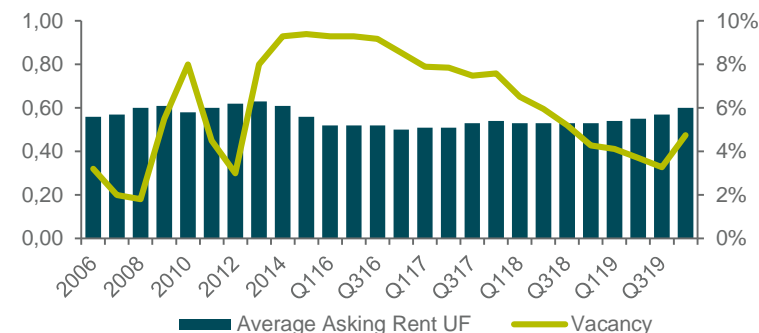
## PRICING:

Regarding prices, they reach 0.60 UF / sqm on average due to the high price registered by the Costanera Center Complex, being the building with the highest rate of the submarkets under study.

## SURFACE DEMAND/ DELIVERIES



## OVERALL VACANCY & AVERAGE ASKING RENT



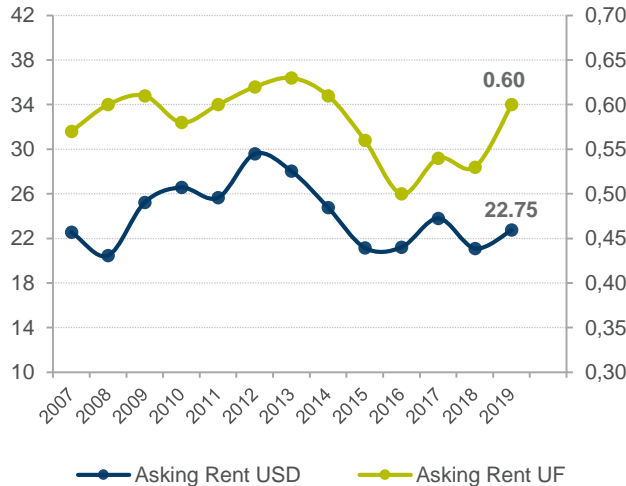
MARKET STATISTICS

SUBMARKETS	INVENTORY CLASS A	NUMBER OF BUILDINGS	AVAILABLE SURFACE (SQ.M)	VACANCY RATE (%)	ANNUAL ABSORPTION TO DATE (SQ.M)	UNDER CONSTRUCTION (SQ.M) (*)	PROJECTED (SQ.M) (*)	OVERALL AVG ASKING RENT CLASS A (USD/SQ.M/ MES)	OVERALL AVG ASKING RENT CLASS A (UF/SQ.M/MES) (**)
El Golf	760,438	46	19,259	2.53	9,401	44,247	-	\$21.99	0.58
Nueva Las Condes	378,992	22	11,610	3.06	7,386	21,264	-	\$21.99	0.58
Apoquindo	187,915	12	2,319	1.23	6,773	-	33,239	\$21.23	0.56
Estoril	30,809	4	1,761	5.72	2,045	-	-	\$15.92	0.42
<b>LAS CONDES</b>	<b>1,358,154</b>	<b>84</b>	<b>34,949</b>	<b>2.57</b>	<b>25,605</b>	<b>65,511</b>	<b>33,239</b>	<b>\$21.61</b>	<b>0.57</b>
Santiago Centro	195,598	11	5,673	2.90	391	-	-	\$16.68	0.44
Providencia	98,035	5	36,297	37.02	- 5,127	44,064	99,929	\$24.64	0.65
Vitacura	40,144	4	3,395	8.46	128	-	-	\$21.23	0.56
<b>SANTIAGO TOTALS</b>	<b>1,691,931</b>	<b>104</b>	<b>80,314</b>	<b>4.75</b>	<b>20,997</b>	<b>109,575</b>	<b>133,168</b>	<b>\$22.75</b>	<b>0.60</b>

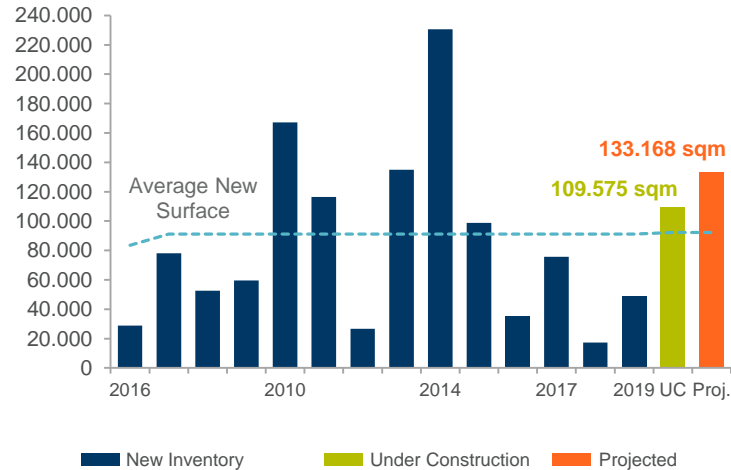
(\*) Corresponds to rentable Surface according to available information

(\*\*) The Unidad de Fomento is a unit of account used in Chile, readjusted according to the inflation. Its value it is ajusted 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 27th 2019: 1 UF = CLP \$ 28,306.29 = USD \$37,91; 1 USD = CLP \$746.66

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



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



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