

SANTIAGO OFFICES

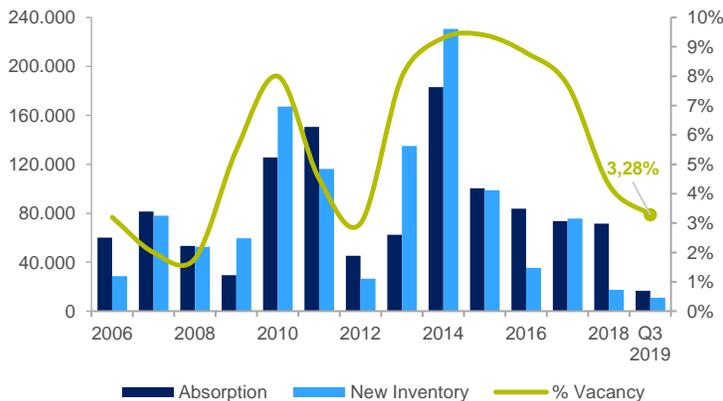
Economic Indicators

	Q3 18	Q3 19	12- Month Forecast
Unemployment rate (Q2)	7,2	7,1	▼
GDP variation rate (Q2)	5,3%	1,9%	▼
CPI (% var. anual)	3,1	2,1	▼

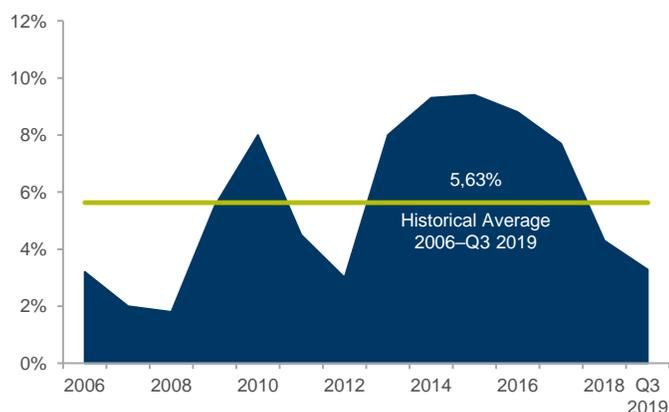
Market Indicators (Class A)

	Q3 18	Q3 19	12 - Month Forecast
Overall vacancy	5,3%	3,28%	▼
Under construction (sq.m)	128.076	138.340	▲
Average asking rent (USD/sq.m/month)	21,9	22,3	▲
Average asking rent (UF/sq.m/month)	0,53	0,57	▲

Net absorption (sq.m) / New Inventory (sq.m) / Vacancy (%) (Class A)



Overall vacancy (%) (Class A)



Economic Outlook

During the third quarter of the year, GDP registered a decrease, reaching 1,9%. This figure shows a stagnation of economic activity that, coupled with the complexity of the conflicts and the pessimism of external markets, project a lower momentum.

Regarding the mining sector, this shows a growth in metal mining, scaling 4,7% copper extraction, and 7,0% processing, all due to a low base of comparison for maintenance carried out during 2018 and a lower mineral law recorded in this period.

The internal demand increased 1,8%, below expectations, explained by lower consumption, dynamism of private wage employment, expectations of consumers and companies that have declined compared to the beginning of the year.

The CPI figures for September indicate that anual cumulative inflation was 2,1%. Part of this is due to the evolution of the external scenario, where trade tensions have increased global uncertainty, growth has slowed in different countries and trade volumes have declined, because the impact is reflected in other economies affecting investment decisions in various countries.

It is estimated that the effect of the international scenario will have lasting, but no permanente results, and therefore will not affect the medium-term growth capacity in the economy; where a potential growth, greater tan 3.0%, is projected by 2020.

Market Outlook

In the third quarter, vacancy has had a fall, reaching 3,28%. Although 11.000 sq.m offices from the Costanera Center entered, 2.000 sq.m were inmediatly absorved, wich exposes the market's need for greater availability to expand its operations.

The 12.670 sq.m of the Vista 360 building, located in Nueva Las Condes, is expected to enter in the next quarter, and the next delivery of 25.000 sq.m, to be launched by the Costanera Center, before the year. If given, these deliveries would allow dynamism in the market, although governed by the high prices attributable to the low vacancy that has been experienced during the year, and the quality of the incoming buildings.

The area taken in the third quarter of 2019 reached 21.309 sq.m, which 46% correspond to El Golf submarket and 20% to Providencia, and Nueva Las Condes. As for the companies, the Construction, Iron and Steel sectors, stand out, representing 35% of the total absorption of El Golf submarket, and in the same way the mining sector in the Providencia submarket.

### DESPITE AN ADDITIONAL SQUARE METERS OF COSTANERA CENTER, THE VACANCY CONTINUES TO DECLINE

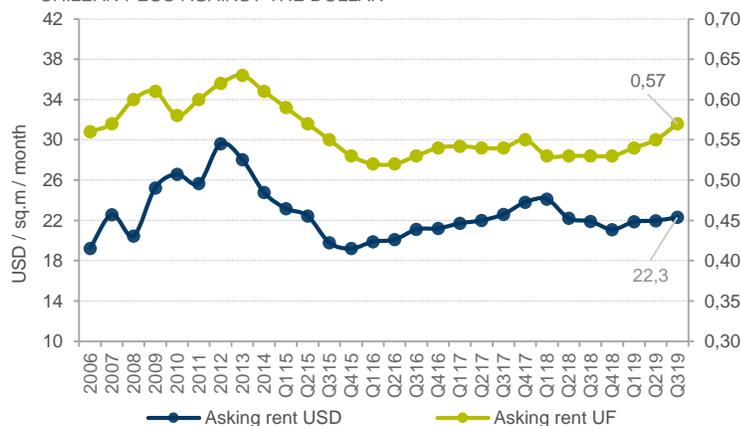
Regarding market prices, these have risen to 0,57 UF/ Sq.m (+0,02 U.F), explained by the price- vacancy ratio and the devaluation of the Chilean currency against the dollar reaching USD 22,31 / sq.m

A noticeable general increase in prices ( UF/ Sq.m), with the Providencia submarket, being the most varied, representing an increase of 25%, in respect to the previous quarter, and explained by the entry of Costanera Center. This sector will attract companies that were affected in their expansion plans in recent times, due to the low market offer, which become less price sensitive, and want good privileged location with adjoining spaces.

On the contrary, the Estoril submarket, has maintained its prices to remain competitive, since demand requires a major amount of square meters, and good connectivity with public transport. In the future, greater dynamism is projected in this sector, with the Metro line expansion Project.

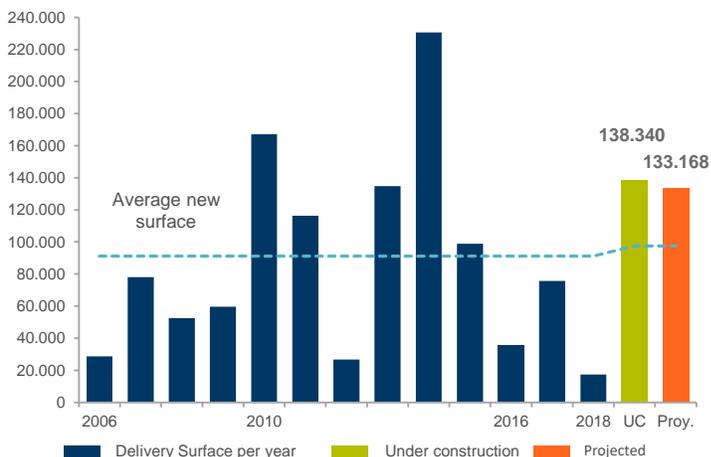
### Class A asking rent (USD/sqm/month) USD/UF

ASKING RENT PRICE IN USD GROWTH 1,5% BY THE DEPRECIATION OF CHILEAN PESO AGAINST THE DOLLAR



### New Inventory (sqm) / Projected Surface (sqm)

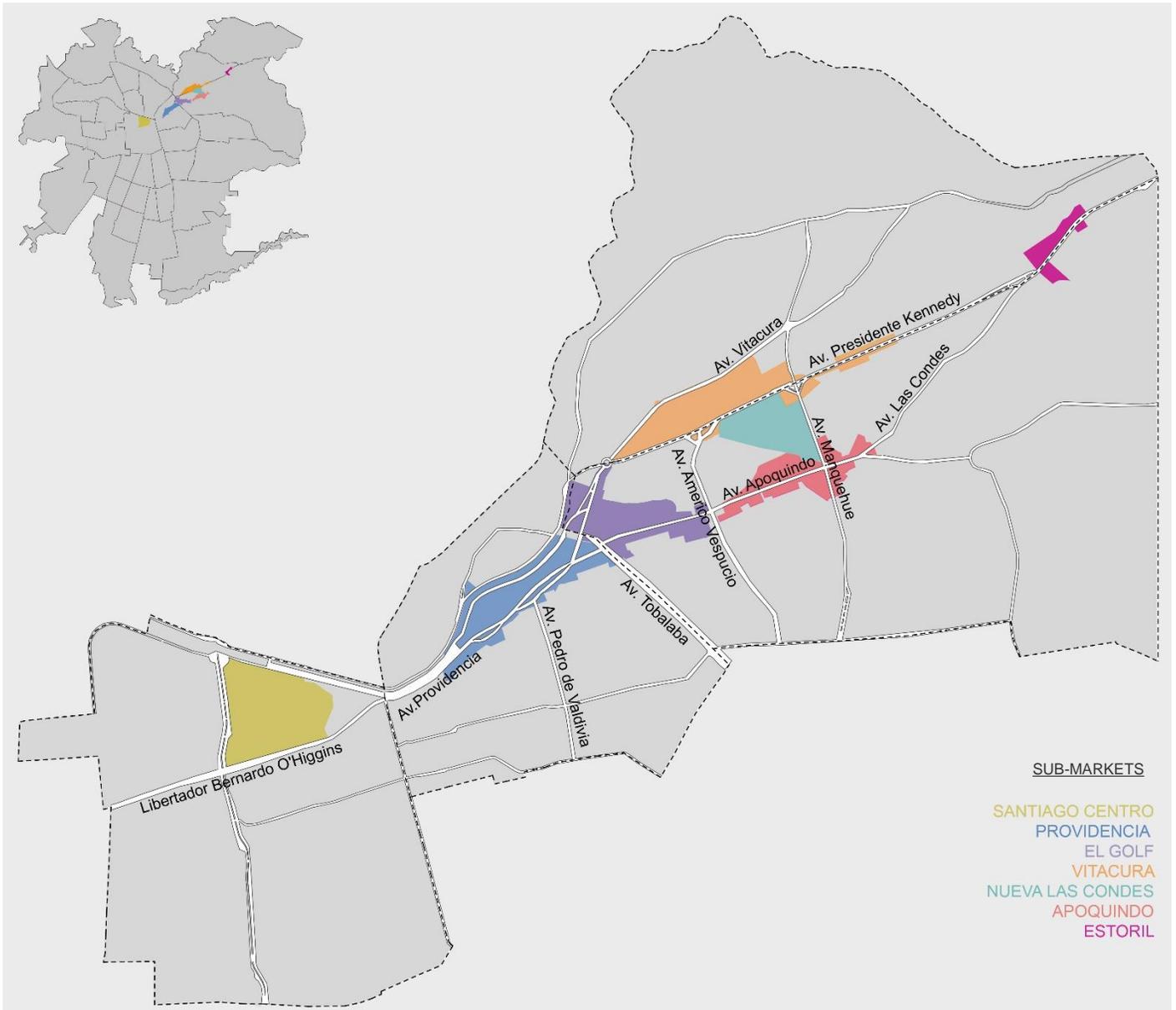
PROJECTED AND UNDER CONSTRUCTION SURFACE RISE UP TO 7,0% THE HISTORICAL AVERAGE OF NEW SURFACE



SUBMARKET	INVENTORY CLASS A	SURFACE AVAILABLE (SQ.M)	VACANCY RATE (%)	AVERAGE ASKING RENT(USD/SQ.M/MONTH)	AVERAGE ASKING RENT (USD/SQ.M/MONTH)	UNDER CONSTRUCTION (SQ.M)
Las Condes	1.345.482	30.819	2,29	0,58	22,70	69.340
- El Golf	760.438	22.385	2,94	0,59	23,09	35.404
- Nueva Las Condes	366.320	2.408	0,66	0,58	22,70	33.936
- Apoquindo	187.915	4.265	2,27	0,58	22,70	-
- Estoril	30.809	1.761	5,72	0,42	16,44	-
Santiago Centro	195.598	5.328	2,72	0,45	17,61	-
Providencia	80.535	14.988	18,61	0,60	23,48	69.000
Vitacura	40.144	3.395	8,46	0,55	21,53	-
<b>TOTAL CLASS A</b>	<b>1.661.759</b>	<b>54.530</b>	<b>3,28</b>	<b>0,57</b>	<b>22,31</b>	<b>138.340</b>

OFFICE MARKET MAP WITH SUBMARKET DIVISION

SANTIAGO / CHILE



SUB-MARKETS

- SANTIAGO CENTRO
- PROVIDENCIA
- EL GOLF
- VITACURA
- NUEVA LAS CONDES
- APOQUINDO
- ESTORIL

UF\*: The Unidad de Fomento (UF) is a unit of account used in Chile, readjusted according to the inflation. Its ISO 4217 code is CLF. Its a way of determining the cost of construction, housing values and mortgage for both the private and public sectors. It is adjusted daily.

Data up to October 08,2019: 1 UF = CLP \$ 28.063,48 = USD \$39,14; 1 USD = CLP \$717,05

About Cushman & Wakefield

Cushman & Wakefield was founded in New York in 1917. Argentina's office opened in 2000. It offers a wide range of real estate Premium services for both corporations (companies) and investors. The company is known for its excellence in client service and for following international quality standards, as well as for having a team of highly trained professionals.

Cushman & Wakefield is among the largest commercial real estate services firms in the world with revenues of \$6 billion across core services of agency leasing, asset services, capital markets, facility services, global occupier services, investment & asset management, project & development services, tenant representation, and valuation & advisory

Cushman & Wakefield

Av. Apoquindo 3600, piso 17  
Las Condes, Chile  
www.cushmanwakefield.com

For more information contact to:

Gustavo Valenzuela,  
Director de Brokerage  
Tel: +56 2 2604 6800  
Gustavo.valenzuela@sa.cushwake.com