



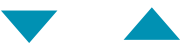
12.0%

Vacancy Rate



9K

YOY Net Absorption, sqm



\$19.20

Asking Rent, per sqm



(Overall, All Property Classes)

ECONOMIC INDICATORS Q4 2019

2,183M

Costa Rica Employment



12.5%

Costa Rica Unemployment



2,536M¹

Foreign Direct Investment (FDI)²



¹ FDI reflects YOY data in US\$

² Data reported for Q4 2019, Q1 2020 data currently not available

Source: Central Bank of Costa Rica (BCCR) and National Institute of Statistics and Census (INEC)

ECONOMY: Services sector supported by operations of companies under special regimes

According to the Central Bank of Costa Rica (BCCR), as of Q1 2020, the country began to reflect some effects generated by the COVID-19 pandemic. Country production, measured by the Monthly Economic Activity Index (IMAE), reported a 0.9% increase, the lowest since November 2009. The services sector reported a 1.0% growth, affected by the decrease in general activities such as food services, tourism and education. However, it was offset by a 4.2% growth in corporate services under special regimes, which have continued to operate solidly. Other relevant economic activities such as construction (-15.6%) and retail/commerce (-1.6%) reported negative variations, as well as higher unemployment figures.

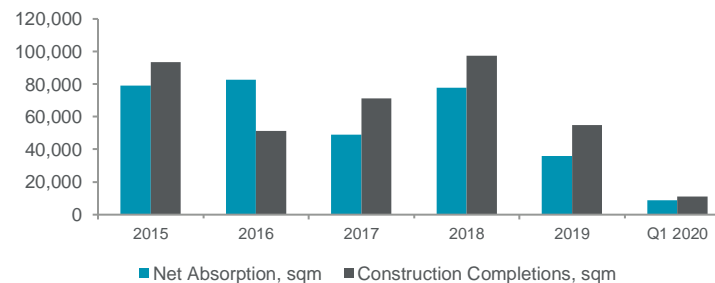
MARKET OVERVIEW: Quick companies' adjustment to ensure business continuity and productivity

During the last months, the corporate office market has shown a dynamic behavior with multiple transactions, some of which have already been absorbed and other materialize over the next 6-12 months. At the end of Q1 2020, the economy and the real estate market began to face an unprecedented situation such as the COVID-19 pandemic. The situation has caused a series of widespread economic impacts in all companies and business environments and has led to apply sudden measures such as Work From Home (WFH), social distancing and a generalized migration to virtual environments and online meetings through an intensive technology usage. This situation has led companies to prioritize their resources' productivity, ensure business continuity, and has slowed down certain investment decisions. Rent reliefs, payment methods flexibility, and temporary changes in commercial terms have also been renegotiated between certain landlords and tenants.

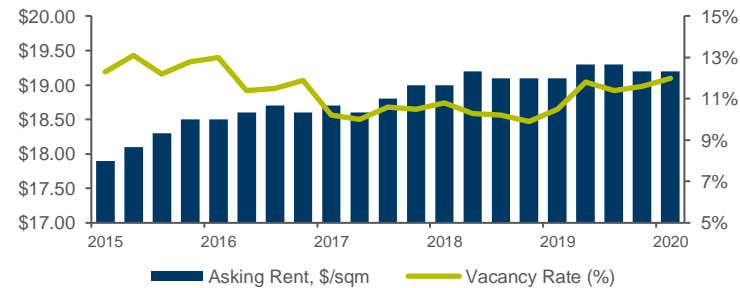
OUTLOOK: Social distancing measures will guide the progressive return to the workplace

Still being an ongoing situation, there is uncertainty about the long-term effects of the COVID-19 pandemic on CRE common practices such as required building densities, touchless-environments, workplace configuration, virtual and physical work balance, common areas and elevators modifications, among others. For now, the importance of safeguarding human health has caused the authorities to recommend strict sanitary measures for the progressive and imminent return to the workplace. The Cushman & Wakefield "6 Feet Office" Initiative seeks to guide landlords and tenants with a series of parameters, guidelines and best practices for this next phase of economic recovery and business upturn.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKETBEAT COSTA RICA

Office Q1 2020



**CUSHMAN &
WAKEFIELD**
AB Advisory

MARKET STATISTICS (BY SUBMARKET)

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SQM)	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CNSTR (SQM)	OVERALL AVG ASKING RENT (ALL CLASSES)	OVERALL AVG ASKING RENT (CLASS A)
Alajuela	11	32,200	3,200	9.9%	-	-	400	-	\$17.00	\$17.50
Cartago	10	24,600	2,600	10.6%	-	-	-	-	\$17.10	\$18.50
Heredia	80	492,900	62,500	12.7%	12,600	12,600	19,700	15,600	\$19.10	\$20.30
San José Centro	132	443,400	56,700	12.8%	(6,300)	(6,300)	1,400	41,700	\$18.10	\$20.20
San José Este	85	307,400	22,100	7.2%	100	100	1,800	23,600	\$18.90	\$19.80
San José Oeste	108	483,400	66,600	13.8%	2,200	2,200	7,400	48,300	\$21.10	\$20.90
Totals	426	1,783,900	213,700	12.0%	8,600	8,600	30,700	129,200	\$19.20	\$20.50

MARKET STATISTICS (BY CLASS)

CLASS	TOTAL BUILDINGS	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SQM)	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CNSTR (SQM)	OVERALL AVG ASKING RENT (ALL CLASSES)	OVERALL AVG ASKING RENT (CLASS A)
Clase A+	16	163,400	6,100	3.7%	4,100	4,100	4,200	-	N/A	\$24.00
Clase A	136	925,500	112,700	12.2%	3,000	3,000	20,300	126,800	N/A	\$20.50
Clase B	274	695,000	94,900	13.7%	1,500	1,500	6,200	2,400	N/A	\$16.50

KEY TRANSACTIONS 2020

PROPERTY	SUBMARKET	TENANT	SQM	TYPE
Ultrapark II – Edificio III	Heredia	National Instruments	5,500	Lease
Leumi Business Center	San José Centro	Confidencial	5,000	Lease
Epic Corporate Center	San José Oeste	EY	4,500	Lease
Leumi Business Center	San José Centro	Confidencial	4,000	Lease
Centro Corporativo El Cafetal – Edificio F	Heredia	Confidencial	3,300	Lease
Zona Franca América – E21	Heredia	Dell	1,600	Lease
Centro Corporativo El Cafetal – Edificio F	Heredia	Confidencial	1,600	Lease
Torre Universal	San José Centro	Confidencial	1,100	Lease

*Rental rates reflect gross asking US\$/sqm/month

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KEY CONSTRUCTION COMPLETIONS 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SQM	OWNER / DEVELOPER
C3 Cariari Corporate Center	Heredia	WeWork	11,100	Portafolio Inmobiliario