



YoY
Chg

12- Mo.
Forecast

4.67%

Vacancy Rate



- 4,170

Net Absorption, (Sq.m) Q2-2020



0.60

(*) Asking Rate



ECONOMIC INDICATORS Q2 2020

Year-on-
year

12- Month
Forecast

8.23%

Unemployment
Rate (Q1)

0.36%

GDP Variation (Q1)



2.8%

Inflation Index
(Accumulated 12 months)

(*) Average lease price requested, expressed in
UF/Sq.m/Month

Source: Instituto Nacional de Estadística (INE)

Newsletter: "Índice de Precios al Consumidor"- May 2020

MARKET OUTLOOK:

The uncertainty existing and the low activity in the general market, have affected the cash flow of companies, generating actions akin to preservation in the decision-making involving investment, which in turn translates into the low amount of square meters acquired during this quarter.

Within this period, a slight trend that could start to rise is beginning to be observed, such as the subletting of offices, which provides a solution to increase liquidity to the business by optimizing the idle space generated by teleworking, a modality that has impacted even essential companies.

In summary, it is still too early to reach a diagnosis of the negative effects brought about in recent months. However, it was observed that "Class A" offices showed stability in the face of the situation. Although there was a trend to release square meters, this situation is mostly due to contract termination regardless of the external situation.

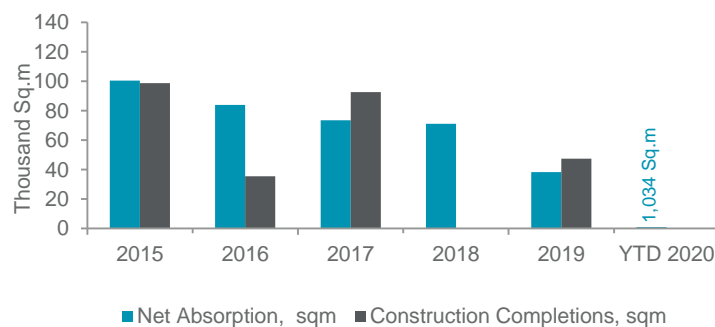
SUPPLY AND DEMAND:

The net absorption of this quarter, - 4,170 sqm, reveals that there were more square meters left vacant than leased, where 83% corresponds to the Las Condes market (El Golf - Nueva Las Condes - Apoquindo). The total area occupied was 2,779 sqm, which includes 1,236 sqm corresponding to a company in the Pharma business, in Costanera Center building. On the other hand, the vacancy remains at 4.67%, which is a healthy indicator since it has been stable since the beginning of 2019.

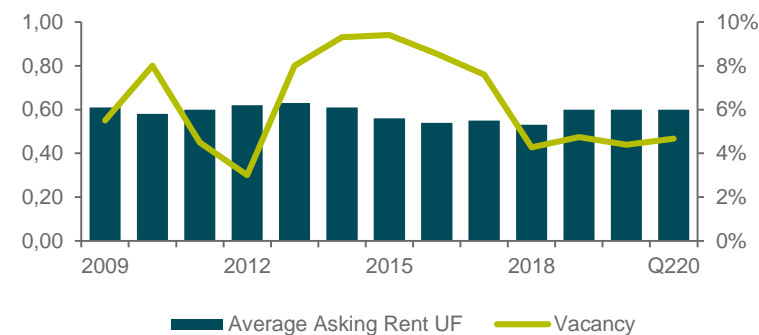
PRICING:

For this quarter, prices remain at 0.60 UF/m² as a result of the largest available area being found in one of the most appreciated buildings, concentrating approximately 41% of availability in Class A offices.

SURFACE DEMAND / DELIVERIES



OVERALL VACANCY & AVERAGE ASKING RENT





ECONOMIC OUTLOOK

As of January, the impact of COVID-19 has been severe, lasting longer than expected and with long-term repercussions that are still uncertain. The government has implemented various aid programs, both for the business sector and for vulnerable families. All this, aimed at maintaining the functioning of the local economy in the best possible way. Access the most recent information specific to COVID [here](#)

In this international scenario, national economic activity, despite the contraction forecast for this year of -5.5 and -7.5%, has increased to 0.36%. For the 2021-2022 period, a recovery of 4.75 to 6.25% and 3 to 4% respectively is forecast, considering that they will be periods with greater certainty.

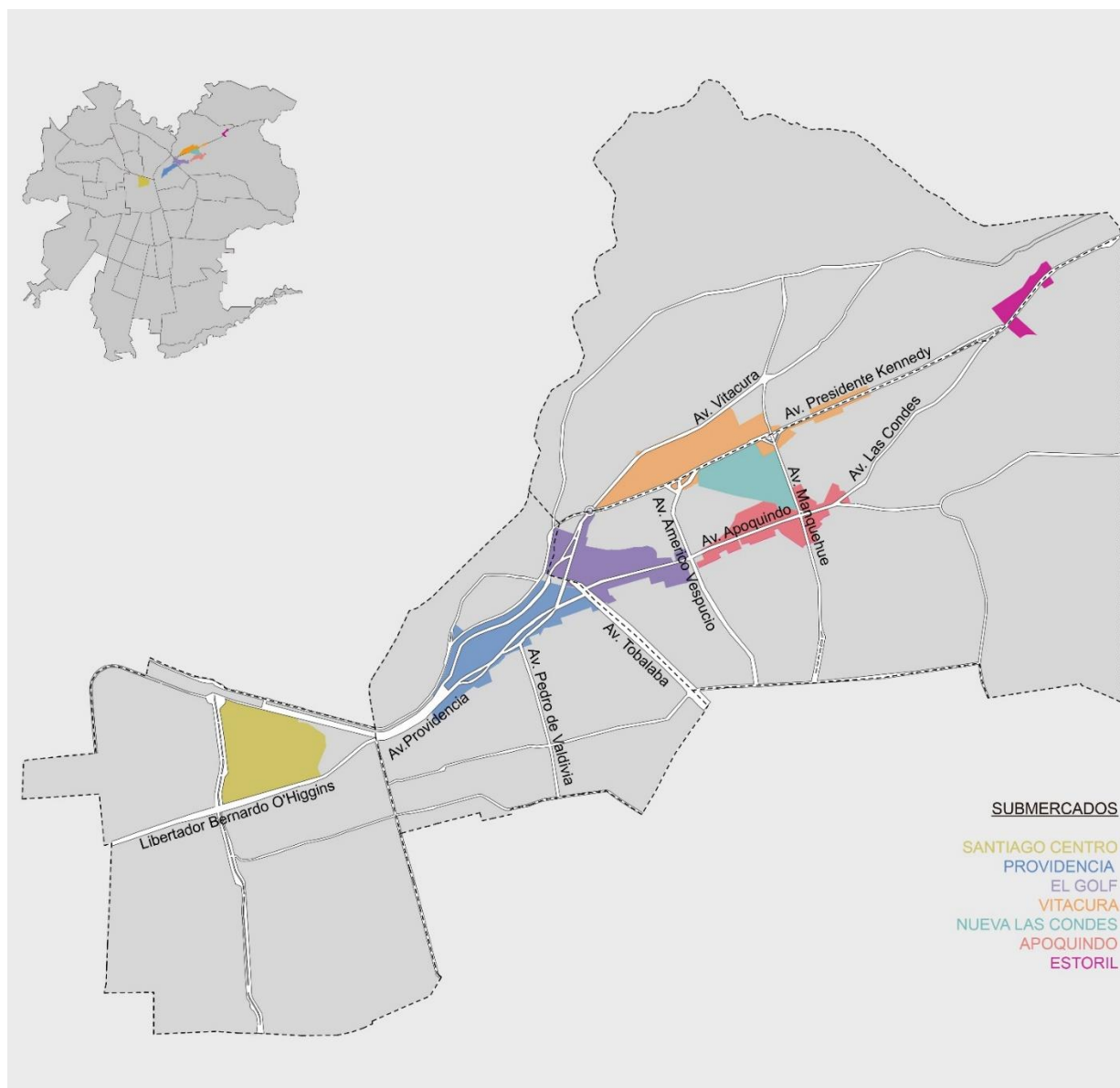
As for inflation, it reaches 2.8%, forecasting that it will be, for the second quarter of 2022, at 3%. In the mining sector, the metal mining indicator fell to 0.8%, as a result of a 1.4% drop in processing and lower grade of copper ore. Finally, investment contracted to 16% due to uncertainty and lack of liquidity; a reactivation is expected for the years 2021 - 2022.

FUTURE OUTLOOK

New availability of 74,171 sqm is projected for this year, corresponding to the remainder of the Costanera Center building (44,064 sqm), Nueva Córdova Building (21,264 sqm) and Vespucio 345 building (8,843 sqm), which will mean an increase in Providencia submarket by 41.8%, Nueva Las Condes 5.6% and El Golf 1.2%, respectively

All of this is subject to possible delays, as a result of the little progress in sites, first with the social crisis, which directly impacted the workers due to the interruption of public transportation and then with the pandemic and the quarantines established by the health authority.

OFFICE MAP WITH SUBMARKETS DIVISION / SANTIAGO / CHILE





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/MONTH) (*)	OVERALL AVG ASKING RENT CLASS A (UF/SQ.M/MONTH) (***)
El Golf	760,438	46	17,064	2.24	2,195	44,247	-	\$ 20.47	0.58
Nueva Las Condes	377,713	22	14,444	3.82	-2,834	21,264	-	\$ 20.47	0.58
Apoquindo	187,915	12	1,211	0.64	1,108	-	33,239	\$ 19.06	0.54
Estoril	30,809	4	1,835	5.96	-74	-	-	\$ 15.53	0.44
LAS CONDES	1,356,875	84	34,554	2.55	395	65,511	33,239	\$ 20.12	0.57
Santiago Centro	195,598	11	7,393	3.78	-1,720	-	-	\$ 15.88	0.45
Providencia	105,471	5	34,742	32.94	1,555	50,678	93,315	\$ 23.29	0.66
Vitacura	40,144	4	2,591	6.45	804	-	-	\$ 20.82	0.59
TOTAL SANTIAGO	1,698,088	104	79,280	4.67	1,034	116,189	126,554	\$ 21.17	0.60

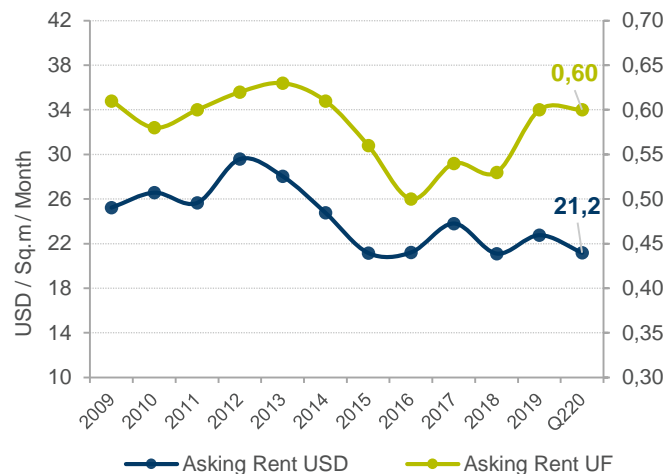
(*) The report reflects an inventory adjustment.

(**) 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 is adjusted 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 June 26th 2020: 1 UF = CLP \$ 28,700.24 = USD \$35.29 ; 1 USD = CLP \$813.25

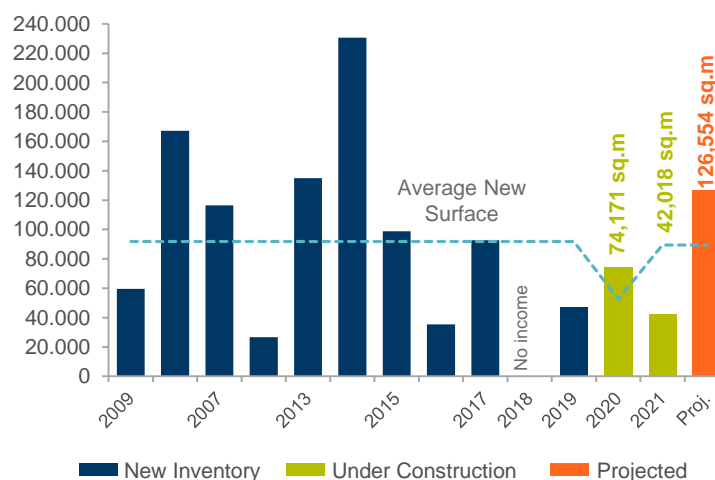
ASKING RENT

UF / SQ.M / Month) vs. USD / SQ.M / Month



NEW INVENTORY (SQ.M)

PROJECTED SURFACE (SQ.M)



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