

	YoY Chg	12-Mo. forecast
<b>22.8 %</b> Vacancy rate	▲	▲
<b>95</b> Net abs., Sq.m. Q1-2022	▲	▲
<b>\$16.0</b> Asking rent, PSM	▼	▼

### ECONOMIC INDICATORS Q1 2022

	YoY Chg	12-Mo. forecast
<b>8.9%</b> Unemployment Rate (*)	▼	▼
<b>13.6%</b> GDP variation (**)	▲	▲
<b>6.8%</b> Inflation Rate (***)	▲	▼

(\*) Dec-Jan-Feb 21/22 (Source: INEI)  
 (\*\*) Annualized Jan 2021 - Dec 2021 (Source: BCRP)  
 (\*\*\*) Accumulated annually. Source: BCRP

### MARKET OUTLOOK:

In the first quarter of 2022, 5,653 sq.m. of new inventory were delivered resulting a slight increase in the vacancy rate of 1.1 % compared to the previous period and 31.5 % compared to the same period of 2021, closing at 22.8%. The upward trend of this indicator was further accentuated due to the delivery of more than 72 thousand sq.m. in San Isidro Financiero and San Isidro Empresarial during the last year. In addition, the submarkets that concentrated the highest vacancy levels were San Borja (37.6 %), San Isidro Financiero (27 %) and Santiago de Surco (22.7 %). It should be noted that San Borja once again increased its availability by 6.9 p.p. compared to the previous quarter and starts the year with 13,389 sq.m. unoccupied, while Santiago de Surco experienced a similar behavior increasing its availability to 77,582 sq.m..

### SUPPLY & DEMAND:

At the end of the first quarter, net absorption exceeded the negative trend that it had been experiencing during 2021 and closed at 95 sq.m. as a result of the increase in occupancies of more than 16 thousand sq.m. and a variation of 39.8% in vacancies compared to the same quarter of the previous year, which resulted in a difference of less than 100 sq.m.. Additionally, more than half of the vacancies in the quarter (57%) occurred in San Isidro Financiero and San Isidro Empresarial, two of the submarkets with the highest inventory and availability that still have 38,630 sq.m. of new surface to deliver until 2024. Despite the reactivation in the decision-making of companies, San Borja persists to experience significant levels of availability, having freed 2,441 sq.m., which represents an increase of 7 % in its vacancy levels compared to the previous quarter. On the other hand, it should be noted that more than half of the total occupations occurred in San Isidro Financiero (5,255 sq.m.) and San Isidro Empresarial (8,374 sq.m.).

### PRICING:

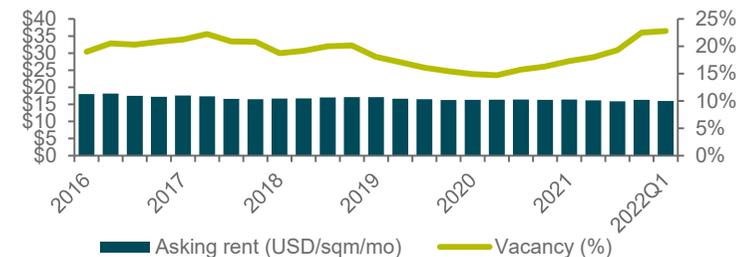
The asking rent had a reduction of 1.7 % compared to the previous quarter and 2.7 % compared to the same period of 2021, reaching an average of USD 16 per square meters (psm). Although in the last quarter there was an increase in said indicator, this happened mainly the result of the entry of new surface quoted with asking rents above the average. Despite of that, in this quarter, the asking rents have been adjusted even further downwards, a trend that could continue for the rest of the year, since there is evidence of an increase of 36.6% compared to the same quarter of 2021. The most significant variations in asking rents during the first quarter were in San Isidro Financiero with a reduction of 4.7 % (USD 16.1 psm.) and Magdalena del Mar with an increase of 3.8 % (USD17.2 psm). It is worth mentioning that, in some cases, and due to the type of vacancies that have occurred in recent months, the spaces are offered with implementation that can be included in the rental price and increase it in a range between USD 1.0 and USD 3.5 psm.

### SURFACE DEMAND / SURFACE DELIVERED



(\*) Net absorption is the difference of less than 100 m2 between vacancies and occupations for the quarter.

### VACANCY RATE & RENTAL ASKED PRICE



**ECONOMIC OUTLOOK**

The first quarter of the year closes in a scenario of resurgence of the national economy and like most of the countries in the region, Peru already has all the economic sectors up and running and has added to this a successful response capacity of the industries to the new needs of consumers.

Currently, 77.6 % of the Peruvian population has completed the vaccination process, which has allowed the economic and social stability of the country to be progressively restored, and GDP growth expectations remain positive towards the end of 2022. The interannual variation of the GDP until January of this year was 13.6 % according to the INEI. With this, it is expected that, in 2022, this indicator will grow even more to 3.4 %, according to the Central Reserve Bank, assuming a scenario in which the main economic activities have a constant behavior and there is political and social stability that provides confidence. to the different markets.

Because of the reactivation of the economic sectors, the unemployment rate was 5.6 p.p. lower than that observed in the same quarter of 2021, closing at 8.9 %, in an analysis between December 2021 and February 2022. Unemployment levels continue a downward trend directly related to the progress of the vaccination process that has allowed workers return to face-to-face work, despite the outbreak of new variants globally.

On the other hand, the annualized inflation rate closed the month of March at 6.8 %, still outside the target range of 1 %-3 % proposed by the Ministry of Economy.

At the end of the third quarter, the exchange rate remained at S/3.7 / USD, experiencing a reduction of 5.1 % compared to the previous quarter. The exchange policies applied by the state are maintained to achieve greater stabilization of said indicator. Considering that the rental and sale prices in the office market are generally quoted in dollars, their fluctuation must be considered, contemplating the extension of the rental contracts.

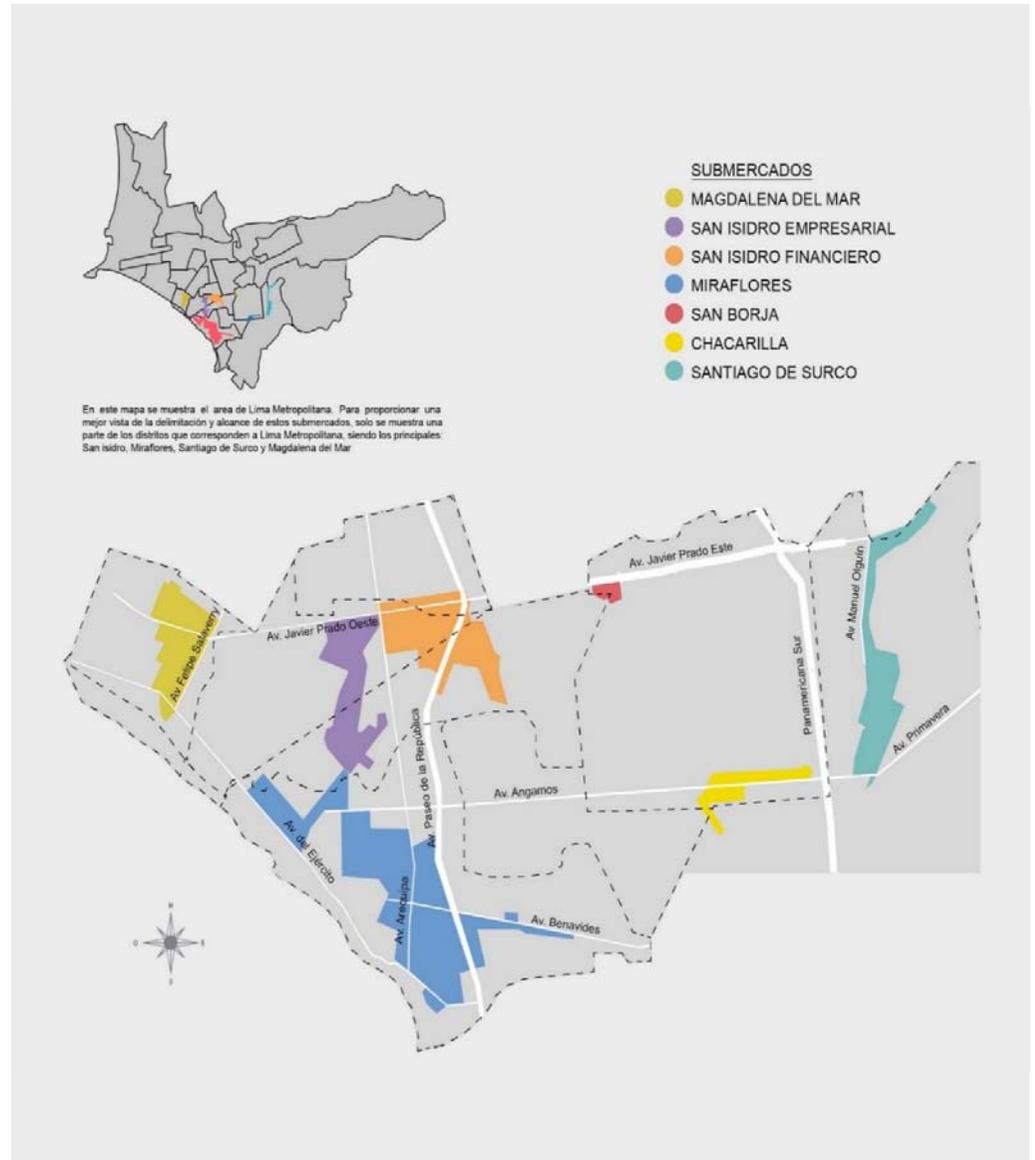
Finally, the current presidential administration ends 8 months of government with significant changes at the political level that have led to variations in the main macroeconomic and social indicators, so it is necessary to maintain a conservative profile on the impact on the projections for the coming months.

**FUTURE OUTLOOK**

At the end of the first quarter of the year, there is an area under construction of 50,796 sq.m. located in buildings in Santiago de Surco and San Isidro Empresarial. The projects that have not yet started construction or are in the evaluation stage add up to 76,523 sq.m. concentrated in Miraflores, San Isidro Empresarial and Callao.

It should be noted that there are buildings in the project whose construction start date has not yet been confirmed and therefore the delivery date could vary in the coming months. This is a behavior that could also be reflected in projects under construction, however, in this case it is possible to estimate delivery dates as the progress of the works is visualized.

**MAP OF OFFICES WITH DIVISION OF SUBMARKETS / LIMA / PERU**



**MARKET STATISTICS**

SUBMARKETS	CLASS A INVENTORY	NUMBER OF BUILDINGS	SURFACE AVAILABLE (sqm)	VACANCY RATE (%)	NET ABSORPTION (sqm)	UNDER CONSTRUCTION (sqm) (*)	PROJECTED (sqm) (**)	CLASS A ASKING RENT (USD/sqm/mo)	CLASS B ASKING RENT (USD/sqm/mo)
San Isidro Financiero	593,659	43	160,178	27.0%	-3,653	-	-	\$16.1	\$15.0
San Isidro Empresarial	254,820	32	55,492	21.8%	2,196	10,774	22,335	\$18.2	\$13.8
Miraflores	221,972	23	37,160	16.7%	382	-	25,188	\$16.1	\$14.7
Santiago de Surco	342,305	19	77,582	22.7%	4,122	40,022	-	\$14.2	\$13.4
Magdalena del Mar	171,564	11	26,868	15.7%	219	-	-	\$17.2	\$15.3
San Borja	35,588	4	13,389	37.6%	-2,441	-	-	\$17.5	\$18.7
Chacarilla	30,225	5	3,427	11.3%	-	-	-	\$13.4	\$13.7
<b>TOTAL LIMA</b>	<b>1,686,547</b>	<b>138</b>	<b>384,176</b>	<b>22.8%</b>	<b>95</b>	<b>50,796</b>	<b>76,523</b>	<b>\$16.0</b>	<b>\$13.2</b>

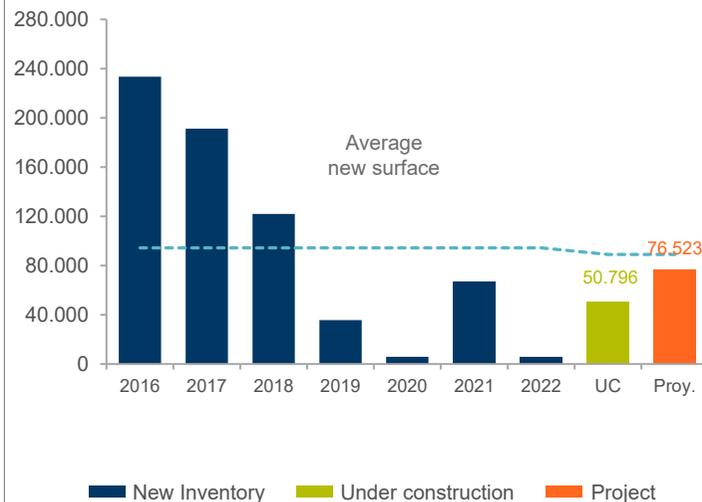
(\*) Square meters under construction period 2022Q1 to 2023Q4

(\*\*) Square meters in project period 2024Q1 onwards

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



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



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