	YoY Chg	12-Mo. Forecast
12.9% Vacancy Rate	▼	▼
56.592 Net Absorption Sq.m	▲	▬
$ 5.2 Asking Rent, (USD/ Sqm/ Month)	▲	▲

(*) Corresponds to weighted average of all submarkets.

ECONOMIC INDICATORS H2.2021

	YoY Chg	12-Mo. Forecast
8.2% Unemployment rate (Q3.21)	▼	▬
10.1% Industrial production index (*)	▼	▬
51.2% Inflation index (Inflation index YTD) (**)	▲	▼

(*) Accumulated variation of the year compared to the same accumulated of the previous year taken to november 2021.
(**) Corresponds to the month of Oct 2021

Source: National Statistical and Census Institue (INDEC)

MARKET OUTLOOK:

The logistics market of Buenos Aires finishes the year with a strong recovery, positively facing 2022. Amongst the key milestones, there was a year-to-year drop of the vacancy rate to 68%, going from 18.9% to 12.9%, which interrupts the upward tendency that had been the same since the ending of 2018.

On the other hand, and regarding the factors to be taken into account, a long term vacancy has been detected in South Zone, where 89% of the vacant surface has been offered for over 12 months keeping the requested price stable.

SUPPLY AND DEMAND:

The annual net absorption closed in 203,965 sqm, as a result of 30,138 sqm vacant and 234,103 sqm occupied. Regarding the rented surface, 29% was a result of warehouses handed in during 2021 with a large part of it rented beforehand.
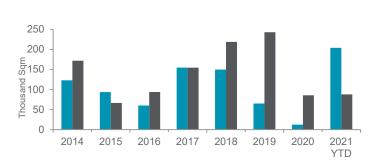
Looking at each submarket, North Zone has its second consecutive year with the most surface rented, reaching 80% share, with a great impact in the Triángulo de San Eduardo. The occupancy was a result of the expansion of existing operations in logistics centers, which left a debt regarding genuine growth because of the addition of new tenants.

PRICING:

Regarding the single monthly rent price, the total average reached USD 5.2 sqm, since the beginning of the pandemic. This end of the year sums up three years with a downward tendency. A reversal in the tendency of values is expected due to the decrease in the vacancy rate.

Amongst the submarkets with the biggest economical appreciation in rental prices, we should name the Triángulo de San Eduardo, with USD 5.6/sqm and South Zone, with USD 5.2/sqm. It is also important to say that this value is the average of a market that has A and A+ class. When considering premium offer (A+ class) the value can vary between 6 and 7 USD/sqm.

SPACE DEMAND / DELIVERIES

Net Absorption, (Sq.m) ▪ Contruction completions (Sq.m)

OVERALL VACANCY & ASKING RENT (*)

Average Asking Rent (USD/sqm) — Vacancy (%)

ECONOMIC OUTLOOK

Argentina finishes the year with economic indicators practically at pre pandemic levels, as a consequence of advances in the vaccination plan and the control of the new Delta variant. This results in a high opening level, which brings a higher consumption demand.

The GDP continues having a positive outcome, as it has reached 11.9% compared to the same period in 2020. On the other hand, the inflation in November was 51.2% (12 months accumulated).
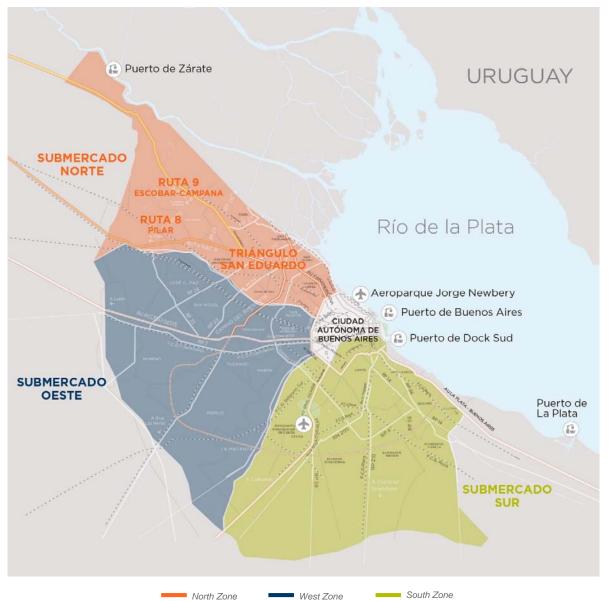
As for the logistics sector indicators, there are three of utmost importance that reflect on the adjustment of contracts. The official dollar had an increase of 27% when compared with December 2021, the index of the Argentinean Construction Chamber was 59% and the CEDOL/UTN index, that measures the behavior of logistics cost without transportation, had an increment of 48.85%, both results measured annually in November. Out of the three indicators, only the cost of construction was above the inflation rate, which causes concern regarding the stability of the official exchange rate.

FUTURE OUTLOOK

It was expected for the second semester an entrance of 104,026 sqm. However, only 27,676 were handed in. There are 99,666 sqm pending to enter the market in 2020, most of it during the first trimester, exhausting the surface under construction and pending new projects that begging works in the period 2022/2023.

Regarding the potential surface, there are 687,655 sqm projected, and 66% is located in North Zone. While there are investment plans, the developers are still defining in which submarket to start works, taking into account the potential demand, the impact of e-commerce and mass consumption.
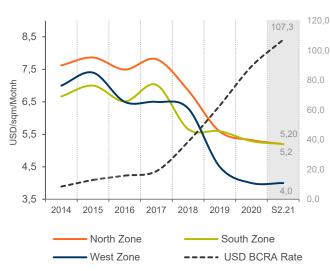
WAREHOUSE AND LOGISTIC CENTER CLASS A MAP

Legend:
— North Zone — West Zone — South Zone

MARKET STATISTICS

SUBMARKETS	INVENTORY CLASS A (SQM) (*)	NUMBER OF LOGISTICS CENTERS	AVAILABLE SURFACE (SQ.M)	VACANCY RATE (%)	YTD OVERALL NET ABSORPTION (SQM)	UNDER CONSTRUCTION (SQM) (*)	PROJECTED (SQM) (*)	OVERALL AVG ASKING RENT (ARS/SQM/MONTH) (***)	OVERALL AVG ASKING RENT (USD/SQM/MONTH) (***)
TRIANGULO SAN EDUARDO	1,019,175	30	100,138	9.8%	89,415	-	269,000	AR$ 602.0	USD 5.6
ROUTE 8	320,801	10	44,650	13.9 %	35,020	-	162,377	AR$ 521.6	USD 4.9
ROUTE 9	273,471	12	44,050	16.1 %	33,285	-	25,026	AR$ 476.6	USD 4.4
NORTH ZONE	1,613,447	50	188,838	11.7 %	157,720	-	456,403	AR$ 558.1	USD 5.2
SOUTH ZONE	702,810	21	119,693	16.7 %	41,200	12,000	131,252	AR$ 558.1	USD 5.2
WEST ZONE	64,000	3	-	-	5,045	70,000	100,000	-	-
TOTALS	2,392,907	76	308,531	12.9 %	203,965	82,000	687,655	AR$ 555.4	USD 5.2

(*) Includes class A and class A +.

(**) Values expressed in Argentinean Pesos. Source: BNA: Date: 12/31/2021. USD 1.00 = $ 107.3

(***) Corresponds to the weighted average price and net of taxes.

ASKING RENT PER SUBMARKET (USD/sqm/Month)

Legend: North Zone, South Zone, West Zone, USD BCRA Rate

NEW INVENTORY (sqm)
PROJECTED SURFACE (sqm)

Legend: New inventory, Under construction, Projected

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