	YoY Chg	12-Mo. Forecast
2.8 % Vacancy Rate	▼	▼
73.104 Net Absorption Sq.m	▲	▲
$ 7.0 (USD/Sq.m/Month) Average Asking Rent	▲	▲

(*) Corresponds to weighted average of all submarkets.

ECONOMIC INDICATORS H1-2023

	YoY Chg	12-Mo. Forecast
6.9 % Unemployment rate (H1-23)	▼	▬
2.2 % Industrial production index *	▼	▬
114.2 % Inflation index (Inflation index YTD) **	▲	▲

* Accumulated variation of the year compared to the same of the previous year taken May 2023.
** Corresponds to the month of May 2023

Source: National Statistical and Census Institue (INDEC)

MARKET OUTLOOK:

Industry in Argentina continues to grow, which has an impact on the demand of space in logistics centers and warehouses. During the first half of the year, the demand remained strong, with a historical vacancy rate that decreases period by period. Following the trends of the last researches, the most demanded area during the first six months of the year continues to be the Triangulo de San Eduardo submarket, which consolidates the highest demand in Zona Norte, with 22,504 sq.m of contracted space, leaving the vacancy rate at only 1.0 %. In response to this, 110,000 sq.m under construction were delivered in Zona Norte, leaving a total market balance of 266,726 sq.m. Compared to the previous year's periods, absorption is lower due to the limited availability of logistics centers, while the vacancy indicator will continue to decrease until projects under construction are completed.

SUPPLY AND DEMAND:

The midyear net absorption clearly showed the high concentration of demand in the Zona Norte area, with a balance of 44,304 sq.m between occupied and vacated space, while in the Zona Surt and Zona Oeste the net absorption was 13,000 and 15,800 sq.m, respectively. Given the country's situation and import restrictions, most of the space was leased by e-commerce and automotive companies. The vacancy rate fell from 4.5% to 2.8% on a half-yearly basis. The most significant drop was recorded in Ruta 8 (Pilar), where it fell from 4.0% to 0%, leaving the area without available surface.

PRICING:

Asking prices were affected due to low supply, generating an increase. Monthly rents reached USD BNA 7/sq.m/month, almost 30 % higher in a half-year comparison. The increase in the average is related to the entry of 6,000 sq.m with an asking price of USD BNA 8.5/sq.m/month, while the rest of the available space also recorded increases, but not as strong. It is expected that the average asking price will continue to rise as new construction sites enter the market, which register these values due to their category (A+) and inflated values.

SPACE DEMAND / DELIVERIES

Net Absorption, (Sq.m) Contruction completions (Sq.m)
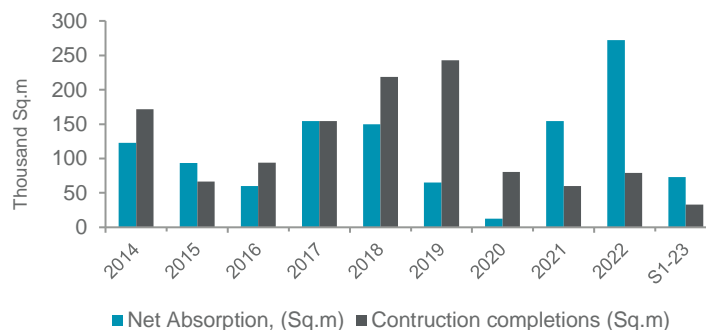
OVERALL VACANCY & ASKING RENT (*)

Average Asking Rent (USD/sq.m) Vacancy (%)
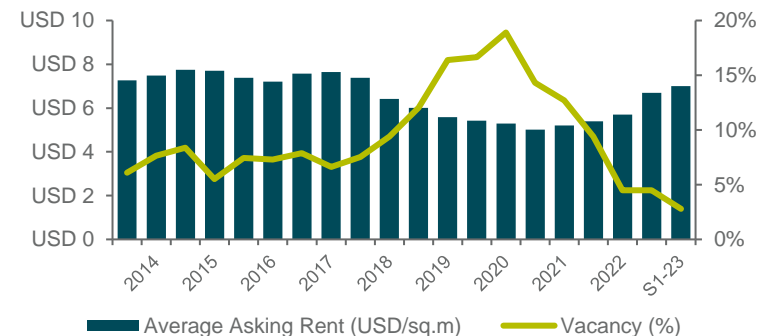
ECONOMIC OUTLOOK

The industry in general and the automotive sector in particular were recently benefited due to new investment programs and production subsidies implemented by the National Government. Despite this, the measures are not structural for the time being, given the uncertainty generated by the change of government.

As for the logistics sector indicators, there are three key indicators that impact on contract adjustments: the official dollar (USD BNA) which reached mid-year with an increase of 83 % year-on-year; the index of the Argentine Chamber of Construction which registered 115.1 % in the same period; and the CEDOL/UTN index, which measures the behavior of logistics costs without transportation, which increased by 122.5 % at the end of June.

Except for the increase in the official dollar, the other two indicators exceeded the 114.2 % year-on-year inflation rate recorded as of May of this year.

FUTURE OUTLOOK

During the first half of the year, 33,000 sq.m of logistic centers entered the market. As a result of extremely high demand, construction began on several projects, adding 266,726 sq.m, of which 110,000 sq.m began their construction in the last month. Although this shows a balance for the future, based on the current low vacancy, they will only enter the market towards the end of the year, so a second half of the year with very little availability is expected, which means that vacancy will continue to fall, and prices will continue to rise.

Furthermore, these projects which began construction in the last month are based in Zona Norte, the submarket with the lowest vacancy rate. It is worth mentioning that most of these projects will enter the market pre-leased, so the 492,629 sq.m in the pipeline will soon began construction, as demand will continue to increase.

### WAREHOUSE AND LOGISTIC CENTER CLASS A MAP

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 CLASS A (ARS/SQM/MONTH) ***	OVERALL AVG ASKING RENT CLASS A (USD/SQM/MONTH) ***
Triangulo San Eduardo	1,037,175	31	10,800	1.0 %	22,504	82,500	89,000	AR$ 2170.8	USD BNA 8.1
Ruta 8	320,801	10	0	0.0 %	12,800	50,000	162,377	AR$ 2144.0	USD BNA 8.0
Ruta 9	273,221	12	7,500	2.7 %	9,000	77,526	15,000	AR$ 1876.0	USD BNA 7.0
Zona Norte	**1,613,197**	**53**	**18,300**	**1.1 %**	**44,304**	**210,026**	**266,377**	**AR$ 2063.6**	**USD BNA 7.7**
Zona Sur	**734,460**	**23**	**49,400**	**6.7 %**	**13,000**	**72,200**	**104,252**	**AR$ 1822.4**	**USD BNA 6.8**
Zona Oeste	**134,000**	**4**	**2,200**	**1.6 %**	**15,800**	**-**	**100,000**	**AR$ 1688.4**	**USD BNA 6.3**
Totals	**2,499,657**	**80**	**69,940**	**2.8 %**	**73,104**	**282,226**	**470,629**	**AR$ 1876.0**	**USD BNA 7.0**

* Includes class A and class A +.

*** Values expressed in Argentinean Pesos. Source: : Date: 30/06/2023. USD 1,00 = $ 268*

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

ASKING RENT PER SUBMARKET (USD/sqm/Month)

- Zona Norte
- Zona Sur
- Zona Oeste
- USD BCRA Rate
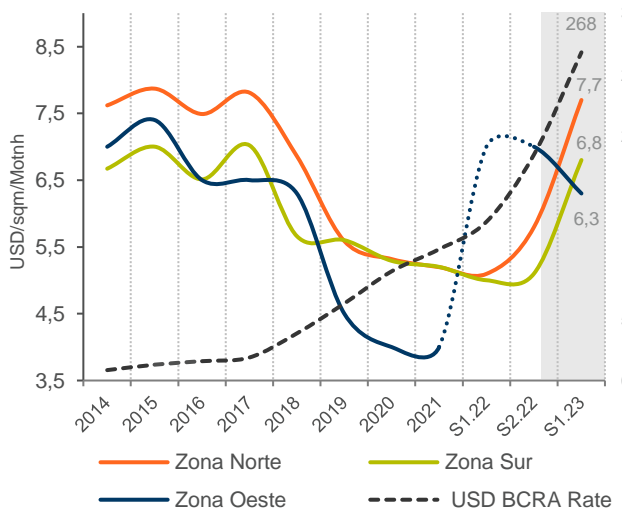
(*) The Zona Oeste submarket showed a rental value above the market during 2022, this happened because there was only one premium project with a great impact on the asking rent.

NEW INVENTORY (sqm) PROJECTED SURFACE (sqm)

Average new surface

282,226 sq.m
470,629 sq.m

- New inventory
- Under construction
- Projected
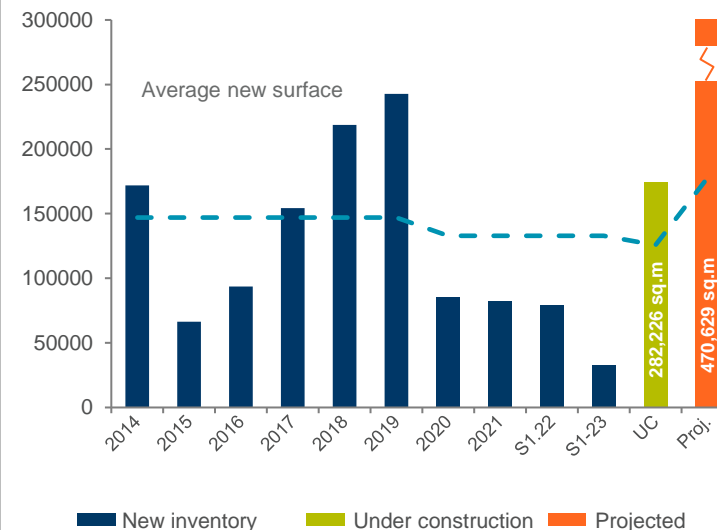
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