



RealtyCorp Analytics

Office & Industrial
2nd Quarter 2020

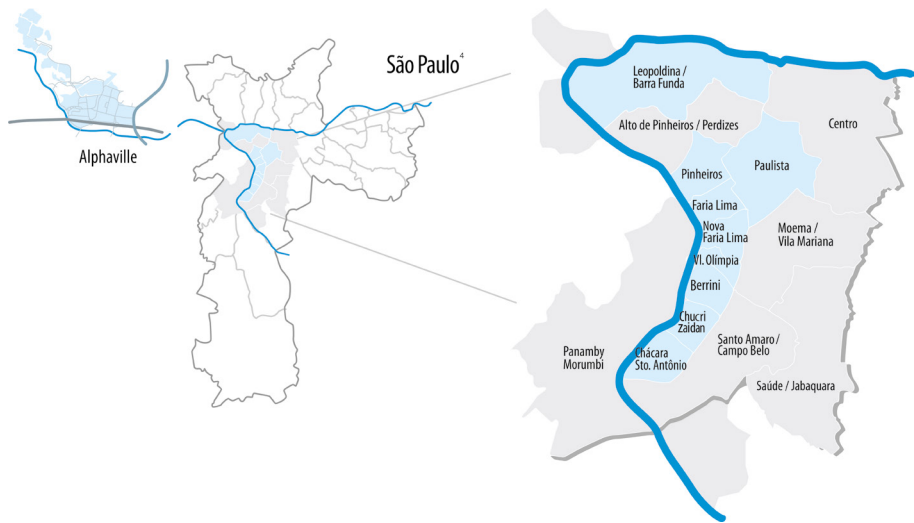
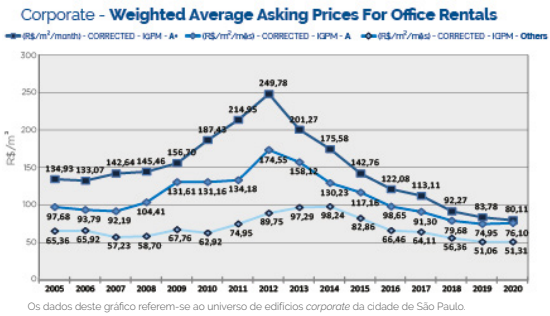


OFFICE

São Paulo³

The city of São Paulo has 11 million m² of office space in corporate buildings (Corporate¹) and 5.04 million m² of office space in Office¹ buildings (small commercial suites). Of the total inventory, 14,71% are Corporate A+ buildings, 9,91% Corporate A buildings and 43,97% Corporate Classes B and C buildings (known as Others), totaling 68,59% of Corporate office space in the city of Sao Paulo.

The weighted average asking prices for office rentals for the Corporate A and Other (B and C) universes increased in the 1st quarter 2020, whereas the average rental prices for the Corporate A+ universe decreased slightly, as shown in graph alongside. The reason for this drop in Corporate A+ is that supply of AAA and AA spaces in the more upscale regions of the city of São Paulo are very reduced, with a tightening vacancy rate quarter after quarter, since the beginning of 2019. As an example, vacancy rate in the Nova Faria Lima district, for A+ is down to 2,33% (availability 14.593 m² only) and the average asking rent of R\$ 166,07/m². In contrast, the volume of Corporate spaces A+ available in peripheral regions, with much lower asking rents, remains still much higher and pressures the weighted average downward. This can be seen in the Chácara Santo Antônio district, which has A+ vacancy rate at 55,74 % (availability of 69.818m²) and average asking rental prices at R\$ 62,10/m².



Occupancy, Vacancy and Construction Activity^{3,4}

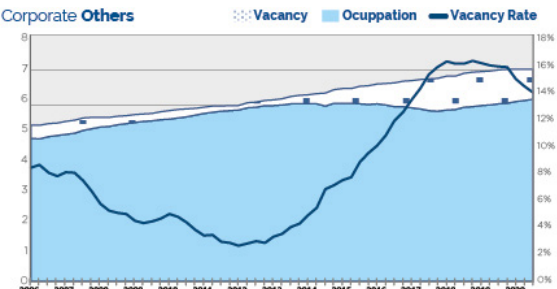
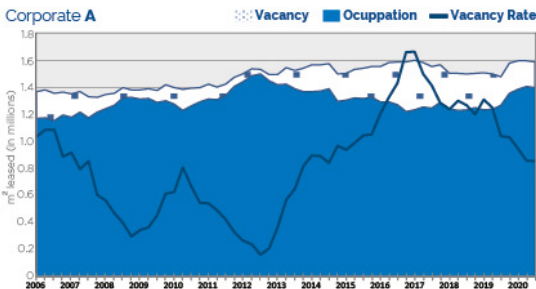
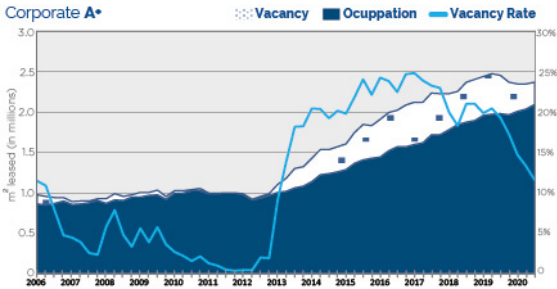
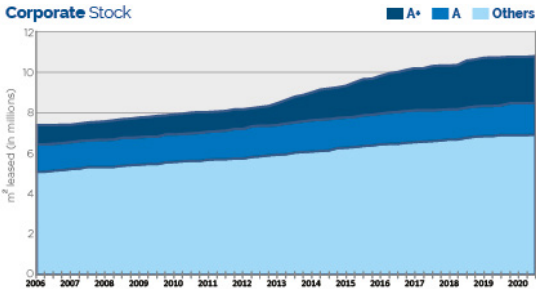
Vacancy Rate (%)		Vacancy	Occupation Class A+	Occupation Class A	Construction Activity
Nova Faria Lima	2,33%	14.594	611.574		50.706
	3,62%		10.808	287.865	11.847
Pinheiros/ Faria Lima	0,00%			150.608	40.899
	2,88%			3.554	119.876
Chucuri Zaidan	10,46%	58.254	498.764		219.33
	10,47%		12.025	102.772	20.938
Berrini	4,94%		12.675	243.787	0
	17,68%		36.387	169.449	9.792
Vila Olímpia	3,07%		4.710	148.889	0
	2,99%			2.967	96.366
Paulista	4,59%		6.858	142.630	16.266
	7,11%		17.365	226.844	29.395
Leopoldina/ Barra Funda	35,31%		50.559	92.640	32.124
	16,36%		27.325	139.658	48.600
Chácara Santo Antônio	55,74%	69.818	55.445		30.000
	26,05%		14.540	41.267	0
Others Regions	28,23%		55.778	141.798	46.318
	22,63%		63.513	217.132	23.177

The data in this table refers to the universe of corporate buildings.¹ (m² leased)

Trend Panel²

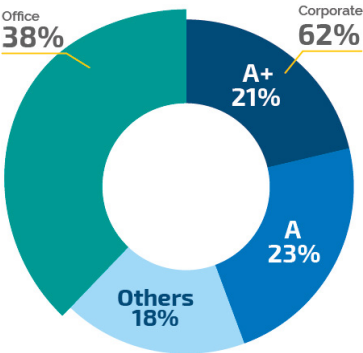
Corporate Market	A+			A			OTHERS		
	Q4/2019	Q1/2020		Q4/2019	Q1/2020		Q4/2019	Q1/2020	
Vacancy Rate	13,23%	11,58%	⬇️	11,92%	11,86%	⬇️	14,59%	14,11%	⬇️
Occupation (m²)	2.032.998	2.086.133	⬆️	1.409.881	1.401.230	⬇️	6.019.059	6.058.601	⬆️
New Stock (m²)	-	16.495	⬆️	-	-	↔️	2.818	945	⬇️
Construction Activity (m²)	452.121	435.626	⬇️	168.125	168.125	↔️	41.268	46.961	⬆️

(m² leased)



Alphaville^{3,4}

- The total inventory of office space in the Alphaville¹ district is 1.29 million m² rentable area. Of this total, 37,86% consists of Office¹ buildings (small commercial suites), 21,32% in Corporate¹ Class A+ buildings, 23,04% in Corporate A buildings and 17,78% in Corporate B and C buildings (Others), equivalent to 62,14% of the total inventory in Corporate buildings.
- Alphaville's vacancy rate - which has been close to 30% since the beginning of 2016, remains high at 28,83% as shown in the graph below. The outcome of this scenario is the average rental prices in Alphaville (R\$ 48,76/m²) for the entire Corporate universe are, on average, 16,5% lower than the entire city of São Paulo (R\$ 58,38/ m²), for the same universe.
- Construction activity for the Corporate universe in Alphaville is 197 thousand m², which represents almost 25% of the entire Corporate stock in the district - significantly higher construction rate when compared to the city of São Paulo whose rate is only 6%. This data indicates an upward trend in vacancy when new buildings are delivered in the market.

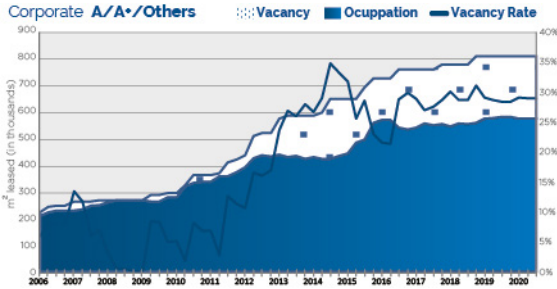
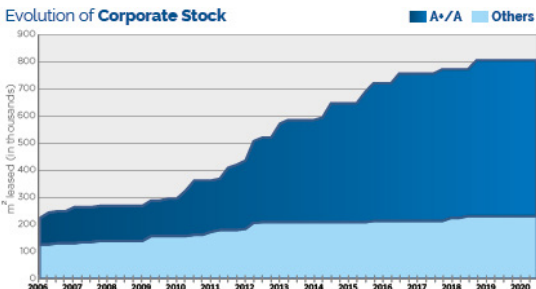


Occupancy, Vacancy and Construction Activity^{3,4}

Vacancy Rate (%)	Vacancy	Occupation Class A+	Occupation Class A	Occupation Class Others	Construction Activity
Alphaville	22,46%	62.004	214.035	84.060	
	35,69%	106.502	191.888	12.279	
	27,58%	63.524	166.766	1.614	

The data in this table refers to the universe of corporate buildings.¹

(m² leased)



Corporate Market	A+ / A			OTHERS		
	Q4/2019	Q1/2020		Q4/2019	Q1/2020	
Vacancy Rate	38,17%	38,63%	↗	14,07%	15,37%	↗
Occupation (m²)	1.120.905	1.103.864	↘	3.166.454	3.131.330	↘
New Stock (m²)	8.379	-	↘	-	-	↔
Construction Activity (m²)	84.975	155.172	↗	7.402	15.802	↗



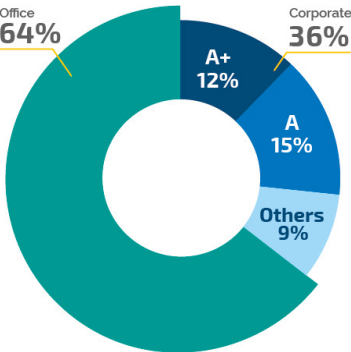
Occupancy, Vacancy and Construction Activity^{3,4}

Vacancy Rate (%)	Vacancy	Occupation Class A+/A	Occupation Class Others	Construction Activity
Port	26,10%	58.231	164.844	49.089
	17,10%	17.850	86.539	3.802
Botafogo	25,94%	29.802	85.072	5.589
	16,49%	83.653	423.685	0
Downtown	42,82%	348.168	464.938	34.800
	13,40%	330.389	2.135.441	3.600
Others Regions	42,73%	182.751	202.341	70.196
	3,95%	19.272	469.219	8.400

The data in this table refers to the universe of corporate buildings.¹ (m² leased)

Barra da Tijuca^{3,4}

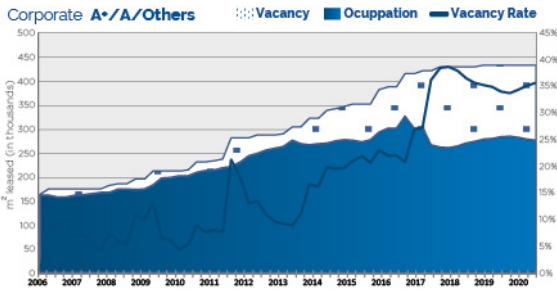
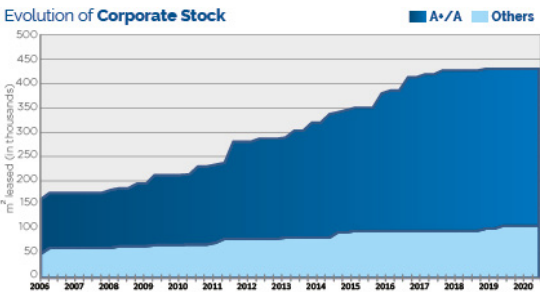
- The total inventory of offices in Barra da Tijuca, Rio de Janeiro is 1.23 million m² rentable area, with 35,56% of this total consisting of corporate buildings (Corporate¹) and the other 64,44% of the inventory by Office¹ buildings (small commercial suites). Of the total stock, 12,18% are Corporate Class A+ buildings, 14,51% of Corporate Class A buildings and 8,87% of Corporate Classes B and C buildings (Others), totaling 35,56% of the stock in Corporate buildings.
- The Barra da Tijuca region is formed predominantly by Office¹ buildings, with 171 buildings classified as Office¹ and 94 Corporate¹ buildings. With a large inventory available for lease and demand well below expectations due to the ongoing crisis faced by the state of Rio de Janeiro in recent years, the vacancy rate in Barra da Tijuca in the 1st quarter of 2020 is 36,07% for the universe Corporate buildings.
- Public transport limitations and accessibility to other regions of the city of Rio, Barra da Tijuca region makes access to other regions of the city more difficult, which ends up hampering the interest of companies to relocate to the region. As a result, the average rental prices have been dropping quarter by quarter since 2016, reaching R\$ 62,94/m² in the 1st quarter 2020 (refers to the average for the entire Corporate universe). Down from R\$ 103,76/m²/month in the 4th quarter 2015 (nominal value – not adjusted to inflation).



Ocupação, Vacância e Atividade Construtiva^{3,4}

Vacancy Rate (%)		Vacancy	Occupation Class A+	Occupation Class A	Occupation Class Others	Construction Activity
Barra da Tijuca	38,16%	57.236	92.759			20.297
	37,73%	67.400	111.232			0
	30,47%		33.290	75.953		0

The data in this table refers to the universe of corporate buildings.¹ (m² leased)



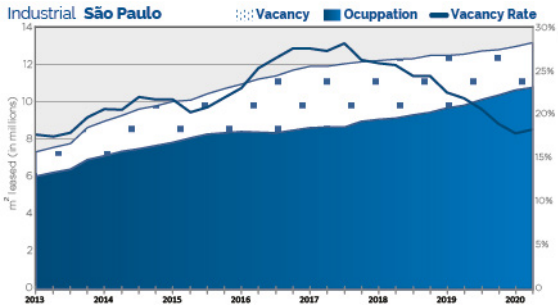
INDUSTRIAL

State of São Paulo³

- Total inventory industrial and/or logistical warehouse condominiums in Brazil is 22.83 million m². The Southeast region alone represents 1743 million m² of rentable stock, that is, 76.34% of the Brazilian total. The state of São Paulo represents 57.51% of the total stock in Brazil, Rio de Janeiro 10.73%, and Minas Gerais State 6.98%.
- The vacancy rate in the state of São Paulo increased from 17.81% in the 4th quarter 2019 to 18.20% in the 1st quarter 2020. The current average rental prices for the entire state is R\$ 18.11/m², an increase of 0.60% percentage points in relation to the previous quarter. Asking rental prices range from R\$ 7.62/m²/month to R\$ 35.00/m²/month, depending on the region and the technical specifications of the warehouses.
- Average rental prices for warehouses in industrial and/or logistical condominiums fell on the Anchieta / Imigrantes, Fernão Dias and Castelo Branco axes, while on the Bandeirantes/ Anhanguera, Regis Bittencourt, São Paulo (Capital) and Dutra SP axes, the average asking prices for rentals rose, as shown in the table below.
- The Bandeirantes/Anhanguera axis has the largest inventory of industrial and/or logistical warehouse condominiums in the state of São Paulo with 6.12 million m² of inventory. This represents 46.61% of the total inventory in the state of São Paulo. The vacancy rate for the axis is 20.57%.

Average Asking Price Lease m²/month

AXIS	Gated Parks		
	Q4/2019	Q1/2020	↑ ↓
Anchieta Imigrantes	R\$ 22.82	R\$ 22.63	↓
Fernão Dias	R\$ 18.43	R\$ 18.06	↓
Regis Bittencourt	R\$ 21.77	R\$ 21.96	↑
São Paulo (Capital)	R\$ 17.15	R\$ 17.31	↑
Dutra SP	R\$ 16.24	R\$ 17.28	↑
Castelo Branco	R\$ 18.83	R\$ 18.55	↓
Bandeirantes/Anhanguera	R\$ 16.34	R\$ 17.74	↑
State of São Paulo	R\$ 17.51	R\$ 18.11	↑



Trend Panel - Industrial SP

Logistics Condominiums	A+ / A		OTHERS	
	Q4/2019	Q1/2020	Q4/2019	Q1/2020
Vacancy Rate	18,96%	19,64%	15,48%	15,19%
Occupation (m ²)	7.039.123	7.155.362	3.572.973	3.583.286
New Stock (m ²)	138.845	218.777	0	3.400
Construction Activity (m ²)	971.878	998.568	202.900	201.189

(m² leased)

Occupancy, Vacancy and Construction Activity^{3,4}

Vacancy Rate (%)	Vacancy	Occupation Class A+/A+	Occupation Class Others	Construction Activity
Anchieta Imigrantes	12,36%	39.720	281.726	0
	5,68%	13.931	231.497	1.689
Fernão Dias	47,73%	21.869	23.953	34.000
	8,78%	19.923	207.093	0
Regis Bittencourt	9,76%	58.238	538.455	0
	1,54%	1.163	74.312	39.000
São Paulo (Capital)	16,18%	70.044	362.742	0
	10,41%	33.805	290.890	0
Dutra SP	14,78%	237.542	1.369.212	170.884
	13,37%	82.789	536.299	6.300
Castelo Branco	27,73%	322.455	840.233	96.524
	17,19%	232.300	1.118.993	34.833
Bandeirantes/Anhanguera	21,06%	997.752	3.740.571	697.161
	18,80%	260.366	1.124.560	119.367

The data in this table refers to the universe of corporate buildings.¹

(m² leased)

[1] RealtyCorp's classification methodology for office buildings is based on the Buildings classification, which is: Office: buildings with suites smaller than 100 m²; Corporate: buildings with suites larger or equal to 100 m²; A+: buildings equivalent to AAA and AA of the Buildings classification; A: buildings equivalent to A in the Buildings classification; Others: buildings equivalent to BB, B and C of the Buildings classification;
[2] The statistical data relating to Alphaville have not been consolidated in the data for the City of São Paulo;
[3] The statistical data of this Analytics refers to the 1st Quarter 2020 and were consolidated on 03/31/2020.
[4] RealtyCorp adopted Buildings' new regional divisions, known as Buildings 2.0 Regions. We believe this new segmentation is more consistent with the current market reality of the office regions in the cities of São Paulo and Rio de Janeiro. In the case of the city of São Paulo, the most significant change was the elimination of the Marginal region and the inclusion of the developments previously assigned to this region into other regions with more appropriately defined competitive hubs.

*Past trends should not be used as indicators of future results.
*RealtyCorp is not responsible for decisions taken based on the information contained in this bulletin.



Evolution Corporate

Alphaville
Barueri/SP

Property Acquisition executed in December/2019.
Process coordinated by RealtyCorp.

REC - Real Estate Capital, a CVM (SEC) authorized asset management specialized in the real estate market with a proven track record and an extensive relationship network across the local real estate industry. REC is also well connected with local and international investors. The company was reviewing real estate investment opportunities for real estate investment funds FII UBS (BR) OFFICE. The objective was to find a Class A + building, with a good lease agreement in place and offering a good yield for Real Estate Investment Fund (Fii) quota holders.

Considering the assumptions provided by the client, RealtyCorp with the help of its comprehensive database, market relationship with key players in the corporate real estate market, negotiated the sale of 15.000 m² in the Ed. Evolution Corporate building, the best in Alphaville.

Parque da Cidade - Jequitibá

Chucrí Zaidan
São Paulo/SP

Lease acquisition executed in November/2019.
Process coordinated by RealtyCorp.

Founded in 1968, Easynvest is one of the country's largest investment brokers, continuously investing in technology it was one of the first companies to launch the home broker, as well as the first to open a fixed-income investment app. Over the years, the brokerage grew and started to occupy several floors in a building in the Vila Olímpia district, space which turned out to be insufficient. Accompanied with its growth needs, was the desire to relocate to a more modern and imposing building to meet its corporate image needs.

The solution was to locate a building which could accommodate the entire operation, limited to two floors, avoiding unwanted compartmentalization. RealtyCorp negotiated 3,362m² in the Parque da Cidade - Torre Jequitibá - a Triple A building.



Ventura Corporate Towers

Centro District
Rio de Janeiro/RJ

Lease acquisition executed in December/2019.
Process coordinated by RealtyCorp.

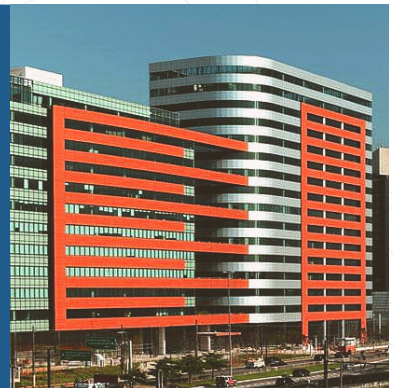
Trident Energy is an independent developer of enabling technology for the offshore renewable energy sector. Trident was searching for a new space to accommodate its operation. The demand was presented by a business partner. We joined the bid by submitting the floors of the Ventura Building, where RealtyCorp has exclusivity through UFRJ. After several rounds of negotiations, the deal was concluded. Attention was given to floor division and by offering an attractive rent-free period.

WTorre Nações Unidas - II

Pinheiros
São Paulo/SP

Lease acquisition executed in February/2020.
Process coordinated by RealtyCorp.

The Grupo Fleury was looking for a well-located space, as ready as possible, to adapt its telemedicine installation. After a brief meeting with GAP7 to learn about the client's requirements, Realty Corp presented the WTorre Nações Unidas II as the first option. The option promptly fit the assumptions set by the client - location, easy access to public transport, exclusive access to Marginal Pinheiros and was fully furnished.



SERVICES

(Office, Retail and Industrial)

LEASE



Concluding excellent deals by identifying and connecting demand with the product, swiftly and efficiently.

- Lease Administration, identifying potential tenants;
- Management of Build-to-Suit Projects;
- Up-to-date database of landlords, tenants, offers and transactions;
- Coordinating property lease in partnership with real estate brokers;
- Strategy for identifying demand in the market;
- Representing companies for property search, analysis and negotiation.

SALE & ACQUISITION



Market intelligence, information and efficiency in the search of business opportunities which meet our clients needs.

- Divestment of Real Estate Assets;
- Direct or Bid Process sale;
- Relationship with brokers and key market players;
- Representing investors and/or developers in the acquisition of property for development;
- Marketing Strategy;
- Managing Sale & Leaseback Transactions;
- Representing investors and companies in property acquisition for income or for occupation;

VALUATION & CONSULTANCY



High-level real estate valuation, undertaken by professionals with extensive experience and credibility, certified by first class Brazilian institutions and primarily by international institutions such as RICS - Royal Institution of Chartered Surveyors.

- General property valuation services and the valuation of real estate portfolios;
- Feasibility analysis of industrial, commercial and retail developments;
- Real estate development studies;
- Best use analysis – real estate vocation;
- Property valuation for accounting purposes

STRATEGIC MANAGEMENT OF REAL ESTATE ASSETS



Intelligent management of real estate portfolios, constantly seeking efficiency in the management and monitoring of the real estate market.

- Real Estate Management – Control of payables, inspection survey reports, documentation, representation in general meetings and public bodies.
- Management of Opportunities – Comparative analysis of market rents to identify opportunities and negotiation strategies;
- Critical Dates Management - Inflation adjustment, revisions, renewals, guarantees and insurance cover;
- Negotiation – Representing clients in rental revisions, lease agreement renewals, terminations, lease acquisitions, sale and purchase of properties.

DEVELOPMENT & INVESTMENT



Structuring and management of investments in the real estate market, consultancy and development in real estate by creating specific solutions which bring value to the client, through transparent and sustainable processes.

- Real Estate Investment Consulting and Management - Product formatting, investment quality analysis, investment vehicle structuring and management of the entire investment and divestment cycle. Structuring and managing new products by partnering with investors, investment funds and developers;
- Structuring of Investments – Structuring of real estate investment funds (FIIs) and acting as real estate consultancy for FIIs;
- Strategic and Operational Management for Real Estate Development – Project implementation in diverse market segments. Monitoring every step, including the definition of the commercial and marketing strategies, legal approvals, project and works management, monitoring of economic and financial performance through to the implementation of risk management and monitoring policies.

BUSINESS IN USA



- New Real Estate business in the USA – Consultancy and Business Development – Property finance, property search and new business opportunities in the US market. Partnerships with law firms, accountants and financial agents specialized in the American real estate market.

DIFERENTIALS

RealtyCorp's team of experienced real estate professionals focusses on assisting investors, developers, owners and companies that use corporate and industrial spaces.

RealtyCorp is well recognized by its clients because of its negotiation skills and in-depth market knowledge. **RealtyCorp** is also known for promoting business opportunities and for nurturing long-term relationships. With ethics and professionalism, **RealtyCorp** will always seek, primarily, to meet the interests and needs of its clients.



COMMITMENT

We are committed to the values and mission of our clients. Thus, we actively act as a support for the legal client, so that all the premises, principles and needs of our clients are met and observed in the contracts signed.



ETHICS

Our position in the processes and in the negotiations contemplates all the legal and ethical principles of good governance. We value transparency, equity and corporate responsibility. We reject corruption.



AGILITY

We offer greater agility in the unfolding of the whole process of negotiation and closing of the business.



INTELLIGENCE

We act broadly and strategically, providing our clients with a more transparent view of the real estate market, in addition to opinions and recommendations based on data and research.



EXPERIENCE

Wide and solid experience of our team of professionals in Corporate Real Estate.



RELATIONSHIP

We value a business partnership that is long-lasting, not merely immediate profits.



RealtyCorp



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