



RealtyCorp Analytics

Office & Industrial
3th Quarter 2021

(Data reference: 2Q2021)



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.

Castelo Branco Office Park

Alphaville
Barueri/SP

Lease acquisition concluded in **May/2021**. Process coordinated by RealtyCorp.

Armac, is a heavy equipment rental company, being the national leader, it serves several segments, such as civil construction, infrastructure and agriculture. Its operation has a fleet of more than 1,000 machines, serving all regions of Brazil and with presence in more than 50 cities.

Its previous office was in a small commercial center at Granja Viana, with this, the company was divided into several small blocks, which hindered its growth and interaction between employees.

The solution was to find a building with a slab large enough to accommodate the entire operation. Another positive point is that the selected floor was in the process of being vacated, with this, Armac was able to inherit a furnished office, requiring few adaptations and optimizing the cost of implementation.



Riverview

Chicri Zaidan
São Paulo/SP

Lease acquisition concluded in **May/2021**. Process coordinated by RealtyCorp.

The Mosaic Company, known as Mosaic, is a Fortune 500 company based in Tampa, Florida, responsible for mining phosphate and potash. It is the largest US producer of potassium and phosphate fertilizer.

The company was divided into two floors, in an inefficient building, with many pilasters on the floor and without an outside area.

The solution was to find a floor that could fit the entire operation and still have an external area that would allow meetings and adaptations to the new standard, paying less than in the previous building.



Millennium Office Park

Vila Olímpia
São Paulo/SP

Lease acquisition concluded in **March/2021**. Process coordinated by RealtyCorp.

Founded in 2008 by Leonardo Cordeiro and Ivan Lima, Cordeiro, Lima e Advogados works in various areas of business law, advising Brazilian and foreign companies from all economic segments. With a team of professionals with high technical performance and substantial business understanding capacity, Cordeiro, Lima e Advogados has been standing out in the national legal scene due to its commitment to delivering the best results to its clients.

Located for many years on the Avenida Paulista, on two floors of an old building, they needed to relocate their operation to a more modern development, but with the operational costs remaining within the stipulated budget.

A report was presented with several market options and 3 were selected for tours, choosing Millennium Office Park, Bloco A.



CD Bonsucesso Guarulhos

Guarulhos/SP

Lease acquisition concluded in **September/2020**. Process coordinated by RealtyCorp.

Tecfil, the market leader in manufacturing automotive filters, was urgently looking for a new logistics warehouse, in the region of Guarulhos to operate as a DC (Distribution Center) attached, as the current one was at its full capacity.

It only took 16 days between searching, negotiating and closing the bases for the deal to be concluded and the solution becoming effective. Therefore, the client started using the new CD space, as desired, and in the place of full suitability for the operation of the company.

Speed and reaction to the client's demand, combined with complete synergy/tuning in negotiating with the landlord, with clear and objective communication between everyone, boosted the process for closing the deal.

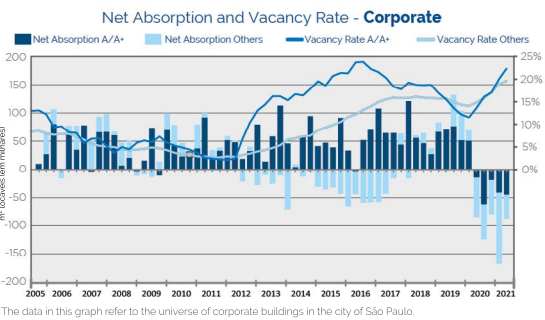


OFFICE

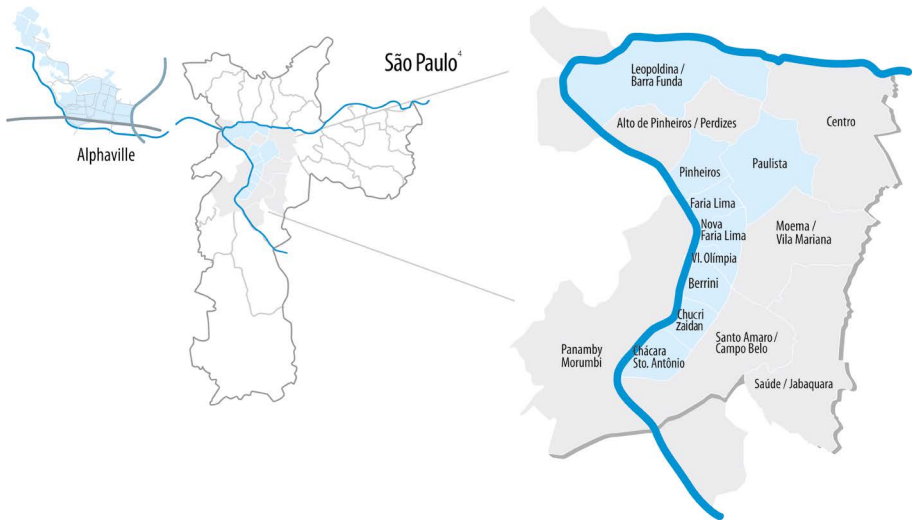
São Paulo³

The city of São Paulo has 11.490 million square meters of office space in corporate buildings (Corporate¹) and 5.049 million square meters of office¹ space in Office buildings (small commercial suites). Of the total inventory, 15.59% are in Corporate¹ A + buildings, 9.67% in Corporate¹ A buildings and 44.21% in Corporate¹ Classes B and C buildings (known as Others), totaling 69.46% of Corporate¹ offices in the city of Sao Paulo. The remaining 30.54% are in Office¹ buildings.

With the closing of the data of the 2nd quarter of 2021, we had the 5th consecutive quarter of negative net absorption in the office market in the city of São Paulo. In the corporate universe alone, in 2nd quarter of 2021, we recorded -45,322 m² in classes A/A+ and -43,314 m² in classes B and C (Others). If we add up the last 5 quarters, we reach a total of -549,350 m² of negative net absorption in the Corporate universe¹. This means that we are back to the occupancy level of 2018. This movement of returning offices caused a significant increase in the vacancy rate: The Corporate¹ A/A+ vacancy rate jumped from 11.60% in the 1st quarter of 2020 to 22.51% in the 2nd quarter of 2021, while the vacancy rate of the Corporate¹ Others buildings (B and C) jumped from 14.14% to 19.79% in the same period. The total vacancy rate of the entire Corporate universe¹ went from 13.31% in the 1st quarter of 2020 to 20.73% in the 2nd quarter of 2021.



The data in this graph refer to the universe of corporate buildings in the city of São Paulo.



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

Vacancy Rate (%)		Vacancy	Occupation Class A+	Occupation Class A	Construction Activity
Nova Faria Lima	9,06%	61.482	617.164	0	
	6,62%		18.180	256.292	10.083
Pinheiros/ Faria Lima	23,84%		46.662	149.043	0
	19,41%		24.913	103.469	12.624
Chucui Zaidan	34,48%	251.522	477.999		85.817
	14,85%		17.043	97.754	17.384
Berrini	10,45%		20.349	174.303	0
	27,68%		56.579	147.813	9.792
Vila Olímpia	10,05%		15.432	138.166	0
	14,04%		13.981	85.602	17.400
Paulista	9,15%		13.407	133.090	0
	30,77%		83.373	187.621	36.788
Chácara Sto. Antônio	37,38%		46.827	78.436	33.558
	48,02%		24.182	26.173	0
Other Regions	45,05%		101.366	123.638	102.380
	19,49%		54.588	225.504	59.725
Alphaville (Barueri)	20,19%		44.937	177.595	63.100
	40,62%		146.845	214.676	12.279

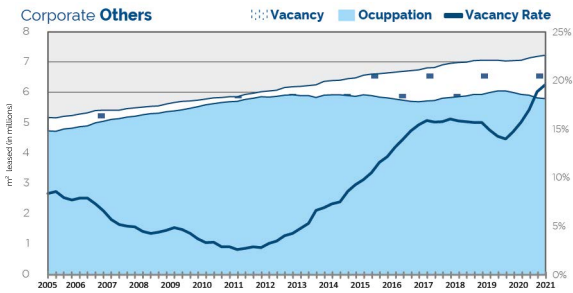
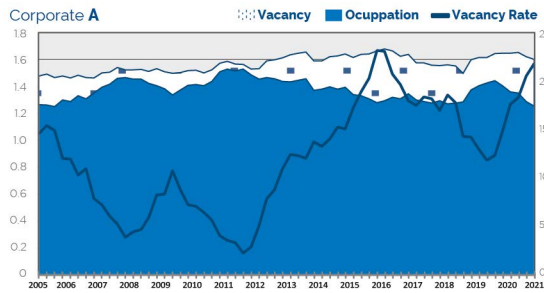
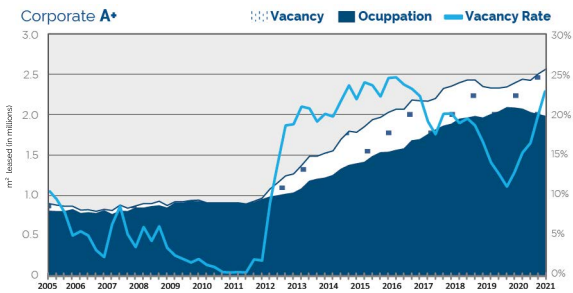
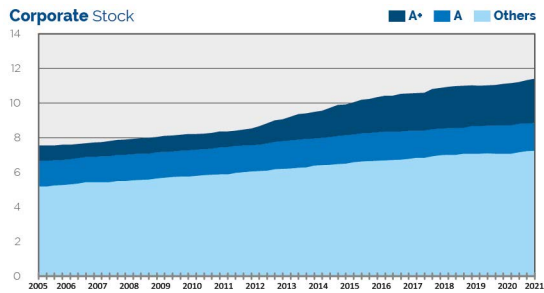
The data in this table refers to the universe of corporate buildings.¹

(m² leased)

Trend Panel²

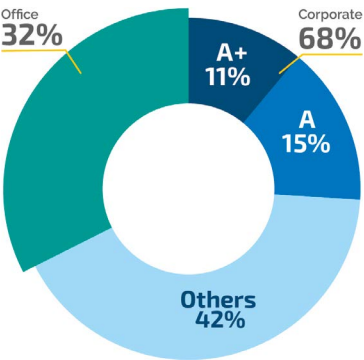
Corporate Market	A+			A			OTHERS		
	Q1/2021	Q2/2021		Q1/2021	Q2/2021		Q1/2021	Q2/2021	
Vacancy Rate	20,12%	22,96%	↗	20,51%	21,79%	↗	19,06%	19,70%	↗
Occupation (m²)	2.010.352	1.986.021	↘	1.286.629	1.250.728	↘	5.893.515	5.873.090	↘
New Stock (m²)	83.198	61.170	↘	21.137	8.605	↘	3.836	7.016	↗
Construction Activity (m²)	315.049	253.879	↘	221.000	212.395	↘	24.086	20.767	↘

(m² leased)



Leopoldina/Barra Funda^{3,4}

- The total inventory of offices in the Leopoldina/Barra Funda region is 1.172 million m². Of this total inventory, 32.45% is in Office¹ buildings (small commercial suites), 11.01% in Corporate¹ Class A+ buildings, 15.01% in Corporate¹ A buildings and 41.53% in Corporate¹ B and C buildings (Others), resulting in 67.55% of the total inventory in Corporate buildings¹.
- The stock of Corporate¹ buildings in the Leopoldina/Barra Funda region increased 59.41% in the last 11 years. Currently, there are still 80 thousand m² under construction in the region.
- This considered increase of almost 60% in the Corporate¹ stock in the Leopoldina/Barra Funda region in recent years, added to the covid-19 pandemic crisis, caused the vacancy rate of the entire Corporate¹ universe to reach 26.49% in the 2nd quarter of 2021.

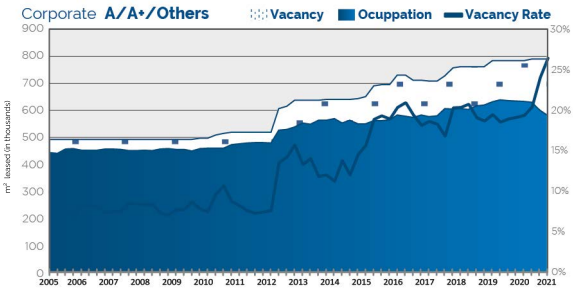
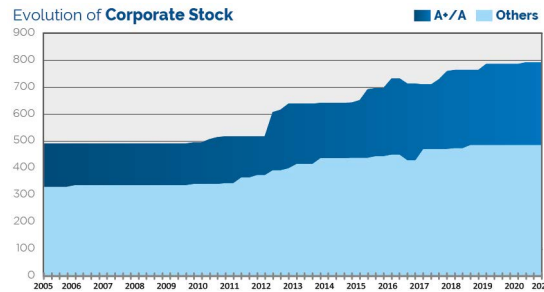


Occupancy, Vacancy and Construction Activity^{3,4}

Vacancy Rate (%)	Vacancy	Occupation Class A+	Occupation Class A	Occupation Class Others	Construction Activity
Leopoldina/ Barra Funda	27,06%	34.939	94.182	32.124	
	31,55%	55.529	120.499	48.600	
	23,40%	113.980	373.135	0	

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

(m² leased)

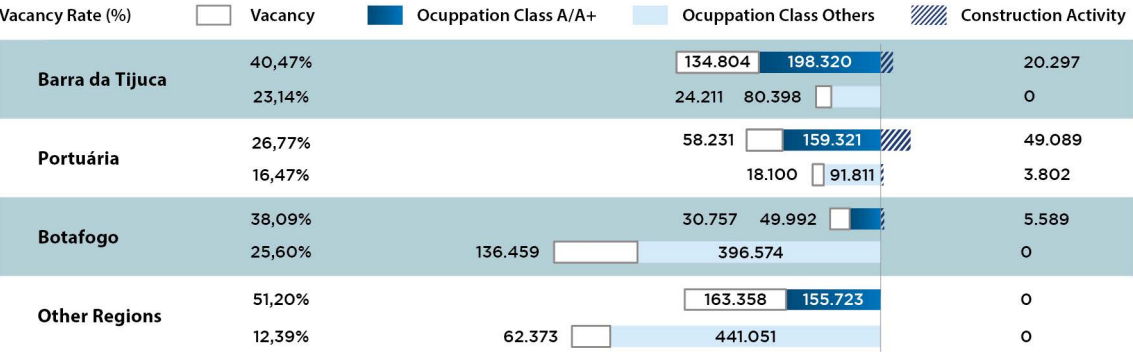


Corporate Market	A+ / A			OTHERS		
	Q1/2021	Q2/2021		Q1/2021	Q2/2021	
Vacancy Rate	40,46%	41,36%	↗	18,62%	19,09%	↗
Occupation (m²)	1.053.993	1.038.036	↘	3.017.744	3.000.204	↘
New Stock (m²)	-	-	↔	2.639	-	↘
Construction Activity (m²)	109.776	109.776	↔	7.402	7.402	↔

(m² leased)

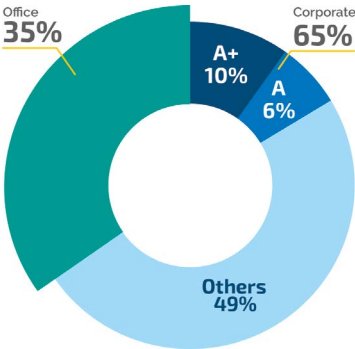


Occupancy, Vacancy and Construction Activity^{3,4}

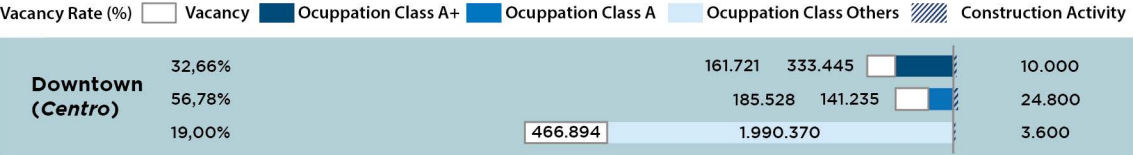


Downtown (Centro)^{3,4}

- The total inventory of offices in Downtown (Centro) of Rio de Janeiro is composed of 5.020 million m², with 65.31% of this total being composed of Corporate buildings and the other 34.69% of the inventory of office buildings (small commercial suites). Of the total stock, 9.82% are Corporate¹ Class A+ buildings, 6.51% are Corporate¹ Class A buildings and 48.97% are Corporate¹ Class B and C (Others) buildings, totaling 65.32% of the total stock in Corporate buildings¹.
- In the Centro region is where most of the corporate office market in the city of Rio de Janeiro is concentrated. The region is predominantly formed by Corporate¹ buildings: there are 372 Corporate¹ buildings out of a total of 662 throughout the city, that is, 55% of the corporate buildings in the city of Rio de Janeiro are located in the Centro.
- With the arrival of the covid-19 pandemic in Brazil in the 1st quarter of 2020, the Corporate¹ vacancy rate in the Centro of Rio de Janeiro was already at 20.78%. Now, after 5 quarters of the health crisis, the vacancy rate went to 24.78% in the 2nd quarter of 2021, that is, practically ¼ of the corporate spaces in the Centro region are vacant. This scenario caused the asking rent prices to decrease by an average of 5% during the pandemic.

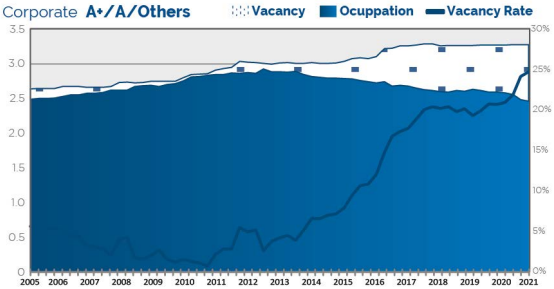
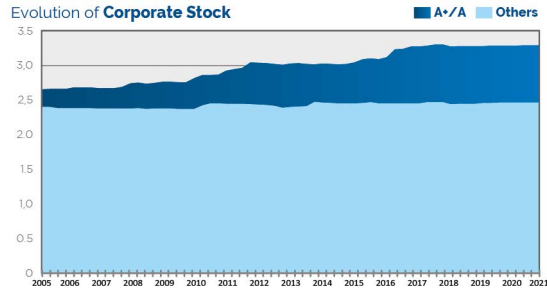


Occupancy, Vacancy and Construction Activity^{3,4}



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

(m² leased)



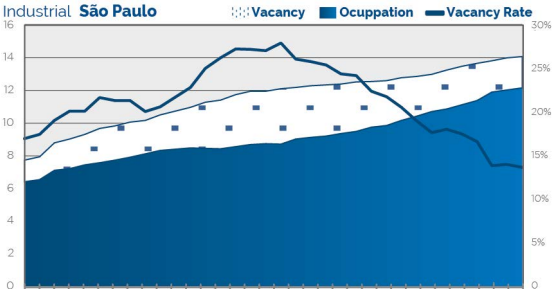
INDUSTRIAL

State of São Paulo³

- Brazil has 25.368 million m² of rentable warehouses in industrial and/or logistical condominiums, with the Southeast region alone having 19.177 million m² rentable of this inventory, that is, 75.36% of the total Brazilian stock. The state of São Paulo has 55.49% of the total Brazilian stock, Rio de Janeiro 10.24% and Minas Gerais 7.72%.
- The vacancy rate in the state of São Paulo dropped from 14.01% in the first quarter of 2021 to 13.64% in the second quarter of 2021. The current average rental asking prices for the entire state is R\$18.04/m², an increase of 3.14% in relation to the 1st quarter of 2021.
- The Average rental asking prices for warehouses in industrial and/or logistical condominiums increased in O5 regions of the state (Fernão Dias, Regis Bittencourt, São Paulo (capital) and Bandeirantes/Anhanguera) and decreased in O2 regions (Anchieta/Imigrantes, Dutra SP and Castelo Branco), as shown in the table below.
- The Bandeirantes/Anhanguera axis is the one with the largest inventory in industrial and/or logistics condominiums in the state of São Paulo, with 6.674 million m² of rentable space. This represents 47.42% of the total stock in the state of SP. The vacancy rate for the axis ended the second quarter of 2021 at 17.47%, which is equivalent to 0.10 percentage points lower than the rate for the 1st quarter of 2021.

Average Asking Price Lease m²/month

AXIS	Gated Parks		
	Q1/2020	Q2/2021	↑ ↓
Anchieta Imigrantes	R\$ 22,56	R\$ 16,47	↓
Fernão Dias	R\$ 19,97	R\$ 20,15	↑
Regis Bittencourt	R\$ 20,97	R\$ 21,18	↑
São Paulo (Capital)	R\$ 19,41	R\$ 26,99	↑
Dutra SP	R\$ 17,81	R\$ 17,58	↓
Castelo Branco	R\$ 19,36	R\$ 19,46	↑
Bandeirantes/Anhanguera	R\$ 15,99	R\$ 16,99	↑
State of São Paulo	R\$ 17,47	R\$ 18,04	↑



Trend Panel - Industrial SP

Logistics Condominiums	A+ / A		OTHERS	
	Q1/2021	Q2/2021	Q1/2021	Q2/2021
Vacancy Rate	14,49%	13,86%	12,79%	13,09%
Occupation (m ²)	8.581.000	8.683.000	3.459.387	3.464.307
New Stock (m ²)	198.144	53.838	1.689	19.341
Construction Activity (m ²)	2.249.386	2.661.146	99.841	80.500

(m² leased)

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

Vacancy Rate (%)	Vacancy	Occupation Class A+/A	Occupation Class Others	Construction Activity
Anchieta/Imigrantes	0,00% 6,20%	0 15.389	321.446 232.896	217.185 0
Fernão Dias	44,46% 18,83%	35.489 42.865	44.332 184.816	0 0
Regis Bittencourt	2,83% 17,75%	16.901 13.643	579.792 63.208	130.212 0
São Paulo (Capital)	0,37% 9,66%	1.755 30.257	473.500 282.906	94.600 0
Dutra SP	11,55% 14,77%	202.509 86.569	1.539.850 509.958	464.325 6.300
Castelo Branco	11,92% 11,30%	192.606 125.266	1.423.246 982.894	442.752 34.833
Bandeirantes/Anhanguera	17,81% 15,45%	951.197 205.901	4.390.574 1.127.091	1.312.072 39.367

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 for Alphaville are not included together with the statistical data for the city of São Paulo;
[3] The statistical data for this Analytics refer to the 1st quarter 2021 and were consolidated on June 30, 2021.
[4] RealtyCorp has adopted Buildings' new regional division, known as Buildings 2.0 Regions. We believe that this segmentation is more consistent with the 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.

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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