



# Bogotá Industrial Market

## High Warehouses Demand

In the warehouse real estate market in Bogotá, there is a promising outlook for industrial park funds and developers. During the first half of 2023, there is a decrease in the availability rate, which indicates high demand and a shortage of available spaces.

The construction of new warehouses on speculation has been considerably reduced mainly due to the high costs of raw materials. This has led to an increase in rental prices for new developments but has also strengthened the trend for long-term contracts. A dynamic market and greater competition for available spaces is expected, which requires strategic planning by developers and companies interested in warehouses.

On the other hand, investors are waiting for the government's ability to carry out the most radical proposals and reforms, which would define the confidence in attracting investments to the country.

### Actual conditions

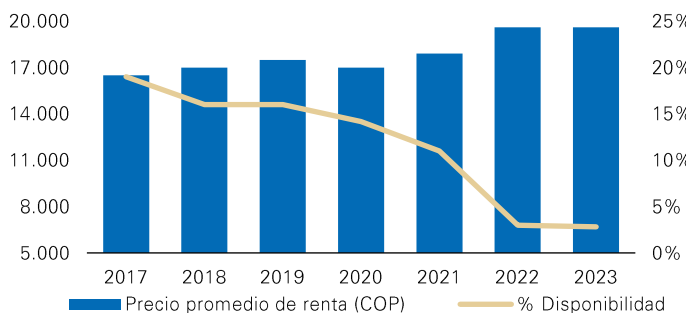
- The accumulated absorption for the year is 246,528m<sup>2</sup>, increasing by 82,500m<sup>2</sup> compared to the same period in 2022.
- The availability rate of class A warehouses closed at 2.8%, in the Free Zones at 8.4%.

### Market summary

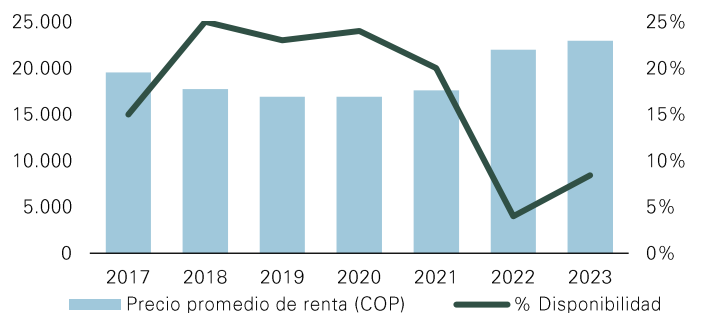
	Current semester (1S 23)	Previous Semester (2S 22)	Last Year (1S 22)	Projection to 12 months
Total inventory (sqm)	2,75M	2,54M	2,54M	↑
Availability Rate	4,2%	3,8%	9,8%	↓
Semester Net Absorption (sqm)	246.528	146.800	164.000	↑
Net Accumulated Absorption (sqm)	246.528	310.800	164.000	↑
Rental Price (COP/sqm/month)	\$21.300	\$20.550	\$19.150	↑

### Market analysis price of rent average and rate of availability

#### Class A



#### Free Trade Zones



### Inventory

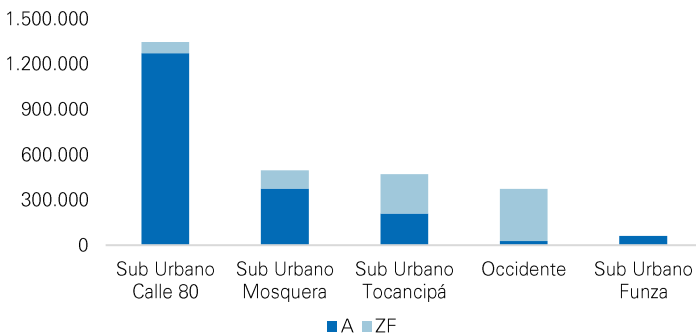
At the end of the first half of the year, the Bogotá industrial market has a profitable inventory of 2,750,400 m<sup>2</sup>, increasing by 8% compared to December 2022. This growth is the result of the expansion in industrial parks: Innova, LATAM and Clic 80. Likewise, to the new developments that totaled nearly 150,000m<sup>2</sup>.

The corridors near Bogotá have established themselves as an important economic and business center of the country. Due to their strategic location, infrastructure and connections with the rest of the territory, they have become ideal destinations for the installation of industrial parks. This has generated growing interest in the expansion and establishment of logistics operations and data centers in the area.

It is estimated that the rest of the year, the inventory will continue to grow, however, the greatest growth is expected in 2024, the year in which around 160,000m<sup>2</sup> will be built.

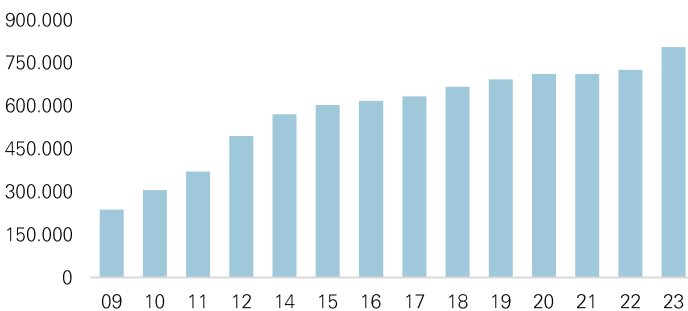
### Inventory by corridor and class

COST-EFFECTIVE SQUARE METERS



### Historical of inventory of free trade zones

PROFITABLE SQUARE METERS



### Offer

At the end of the first half of the year, 122,636 m<sup>2</sup> were registered available in Bogotá and its suburban corridors, which represents a decrease of 50% compared to the same period in 2022 and 52% compared to the previous semester. This trend is due to the rapid recovery observed in the last year and the shortage of supply in speculative projects.

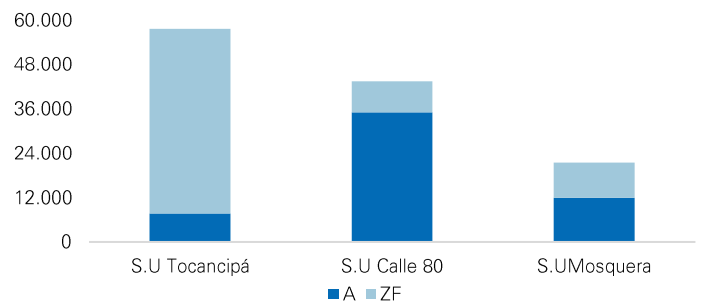
It is relevant to highlight that 47% of the availability is found in the Tocancipá corridor, mainly due to the supply in the Exennta Free Trade Zone, located in the furthest part of the urban perimeter. In second place is Sub Urbano Calle 80, with 35% of the total supply, where parks such as Celta Trade Park, La Pampa and the Calle 80 Logistics Park stand out.

The availability rate closes at 4.2%, which represents a decrease of 6 percentage points compared to 2022. If we analyze the availability rate by type, industrial parks report a rate of 2.8% and Free Zones of 8.4%

During 2023, the industrial market will maintain a low availability rate due to the low construction of speculative warehouses and a high demand for spaces, especially from logistics clients. Industrial developers are primarily focusing on BTS (Built to Suit) projects, which has led to a steady decline in supply and difficulties in finding ready-to-occupy spaces in the city and its suburban corridors.

### Offer by corridor and class

PROFITABLE SQUARE METERS



### Industrial Projects

Nearly two million square meters of industrial developments are planned in Bogotá and its suburban corridors. However, currently only 10% of the projected area is under construction and will be occupied once completed.

Industrial Park developers have chosen to focus on build-to-suit (BTS), where warehouses are designed and built according to the specific needs and requirements of each company. This trend reinforces the idea of customization and adaptability in the market, guaranteeing that facilities meet the highest standards of quality and efficiency.

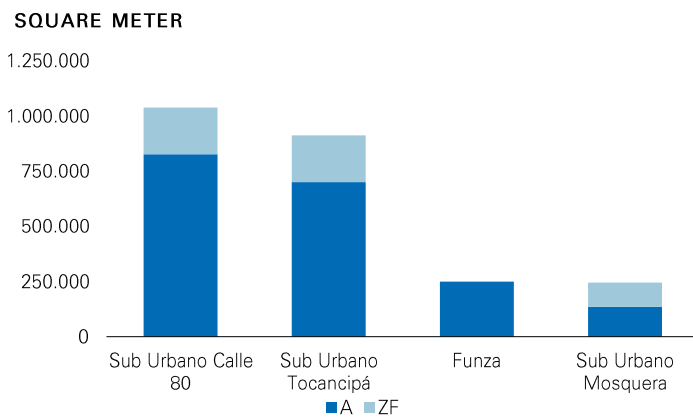
88% of the projects are Class A and the remainder are Free Zones. The expectation generated by the tax reform has been one of the factors that has influenced this behavior, and it is expected that before June of this year it will be regulated with the new requirements

### Accumulated Net Absorption

At the end of the first half of the year, the Colombian capital registered a net absorption of 246,528 27 m<sup>2</sup>, 33% more than that registered in the same period of 2022. This positive behavior is the result of the rapid recovery of the industrial market.

62% of the absorption corresponds to Class A warehouses and the remainder to Free Zones. Additionally, if analyzed by corridor, it is found that 51% of the total absorption corresponds to the Tocancipá corridor. For the second half of 2023, absorption levels similar to those of the first six months of the year are expected.

### Projects by corridors



### Prices

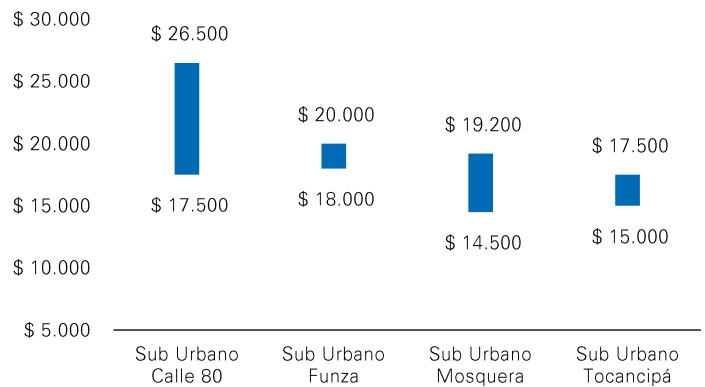
As a result of the constant low supply, rental and sales prices have trended upward. During the first half of the year, rental prices registered an annual increase of 6% for class A and 17% in the Free Zones.

The increasing behavior of prices will continue during the rest of the year, because of the constant custom construction and the absence of speculative constructions that increase supply considerably.

Prices in the Free Zones may have price changes, the above, as a result of the regulatory change expected in 2023, thus the behavior of this Class of wineries is still uncertain.

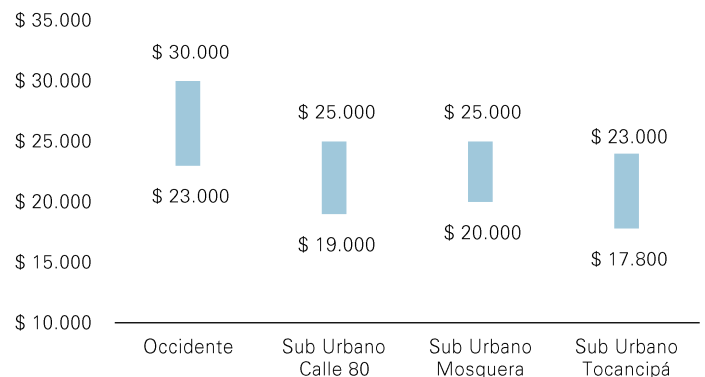
### Rank of prices of rent by corridors

#### Class A (COP)



### Rank of prices of rent by corridors

#### Free Trade Zones



### Statistics by class A submarket – Colombian pesos

	Inventory Total (sqm)	Availability Total (sqm)	Rate of Availability	Absorption Net Cumulative YTD (sqm)	Rental Price Average (COP/sqm/month)	Sale price Average (COP/sqm/month)
Occidente	27.299	0	0,0%	613	\$ 25.000*	\$ 3.100.000*
Sub Urbano Calle 80	1.272.015	35.067	2,8%	114.984	\$ 21.000	\$ 2.706.000
Sub Urbano Funza	61.841	0	0,0%	6.505	N.D	N.D
Sub Urbano Mosquera	374.400	11.983	3,2%	1.506	\$ 15.100	\$ 2.564.800
Sub Urbano Tocancipá	209.067	7.721	3,7%	29.244	\$ 17.300	N.D
<b>Total Market</b>	<b>1.944.622</b>	<b>54.770</b>	<b>2,8%</b>	<b>152.852</b>	<b>\$ 19.600</b>	<b>\$ 2.790.267</b>

### Statistics by free zone submarket - Colombian pesos

	Inventory Total (sqm)	Availability Total (sqm)	Rate of Availability	Absorption Net Cumulative YTD (sqm)	Rental Price Average (COP/sqm/month)	Sale price Average (COP/sqm/month)
Occidente	345.635	0	0,0%	1.869	N.D	N.D
Sub Urbano Calle 80	74.817	8.410	11,2%	2.002	\$ 22.000	\$ 2.550.000
Sub Urbano Mosquera	122.500	9.524	7,8%	-6.844	\$ 22.900	\$ 2.700.025
Sub Urbano Tocancipá	262.790	49.931	19,0%	96.650	\$ 24.000	\$ 2.500.000
<b>Total Market</b>	<b>805.742</b>	<b>67.866</b>	<b>8,4%</b>	<b>93.676</b>	<b>\$ 22.967</b>	<b>\$ 2.583.342</b>

TRM: 4,200COP

\* Reference Values  
 N.A There is no offer for sale to achieve a value

## Statistics by class A submarket - USD

	Inventory Total (sqm)	Availability Total (sqm)	Rate of Availability	Absorption Net Cumulative YTD (sqm)	Rental Price Average (USD/sqm/month)	Sale price Average (USD/sqm/month)
Occidente	27.299	0	0,0%	613	\$ 6,0*	\$ 738,1*
Sub Urbano Calle 80	1.272.015	35.067	2,8%	114.984	\$ 5,0	\$ 644,3
Sub Urbano Funza	61.841	0	0,0%	6.505	N.D	N.D
Sub Urbano Mosquera	374.400	11.983	3,2%	1.506	\$ 3,6	\$ 610,7
Sub Urbano Tocancipá	209.067	7.721	3,7%	29.244	\$ 4,1	N.D
<b>Total Market</b>	<b>1.944.622</b>	<b>54.770</b>	<b>2,8%</b>	<b>152.852</b>	<b>\$ 4,7</b>	<b>\$ 664,3</b>

## Statistics by submarket free zones - USD

	Inventory Total (sqm)	Availability Total (sqm)	Rate of Availability	Absorption Net Cumulative YTD (sqm)	Rental Price Average (USD/sqm/month)	Sale price Average (USD/sqm/month)
Occidente	345.635	0	0,0%	1.869	N.D	N.D
Sub Urbano Calle 80	74.817	8.410	11,2%	2.002	\$ 5,2	\$ 607,1
Sub Urbano Mosquera	122.500	9.524	7,8%	-6.844	\$ 5,5	\$ 642,9
Sub Urbano Tocancipá	262.790	49.931	19,0%	96.650	\$ 5,7	\$ 595,2
<b>Total Market</b>	<b>805.742</b>	<b>67.866</b>	<b>8,4%</b>	<b>93.676</b>	<b>\$ 5,5</b>	<b>\$ 615,1</b>

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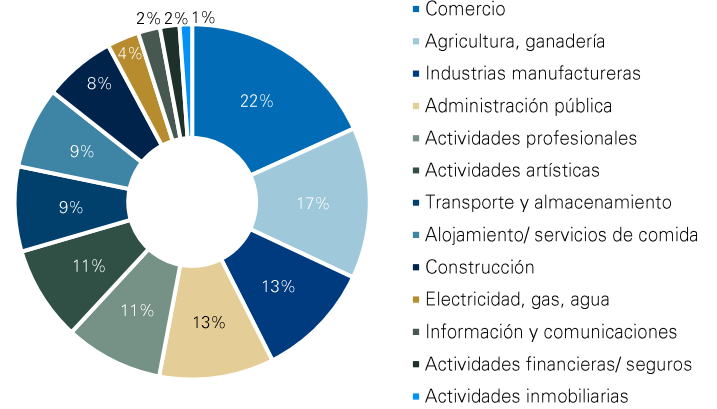
### Economic Expectations Decrease

In April, economic activity in Colombia experienced a contraction of 0.78%, according to the report from the National Administrative Department of Statistics. This is the first time, since February 2021, that the indicator shows a negative annual variation, reflecting the challenges facing the country's economy. Both primary and secondary activities registered a decrease. However, tertiary activities, which cover trade and services, were the only ones that achieved positive growth.

The Organization for Economic Cooperation and Development (indicated that the Colombian economy will grow 1.5% this year and 1.8% in 2024. Consumption and investment are expected to remain moderate due to strict macroeconomic policies and the fragility of the world economy.

### Employment by activity sector economic

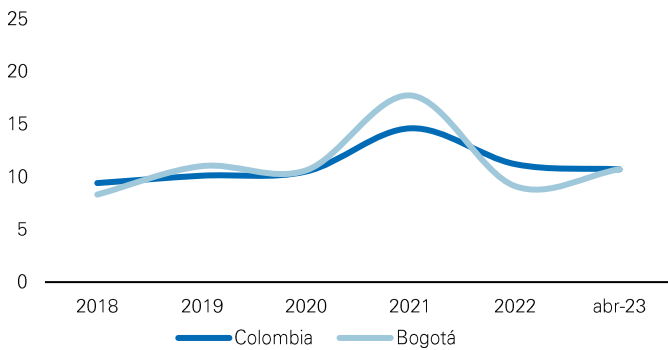
BOGOTÁ, APRIL 2023



Source: DANE

### Rate of unemployment

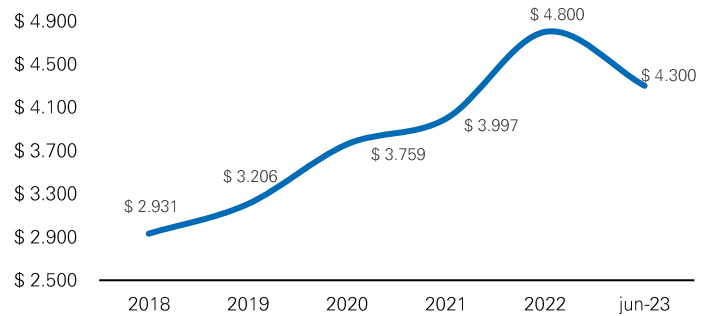
ANNUALIZED INDICATOR



Source: DANE

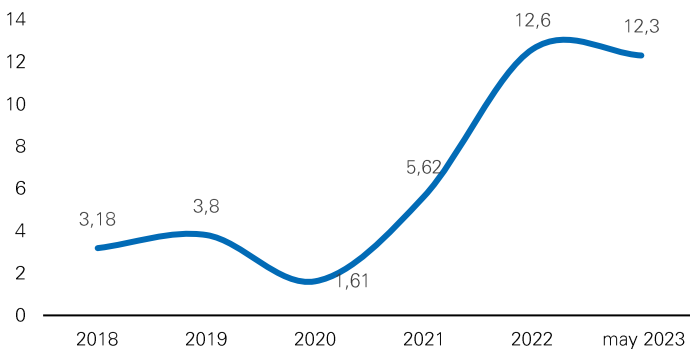
### Exchange rate

COLOMBIAN PESO PER US DOLLAR (USD)



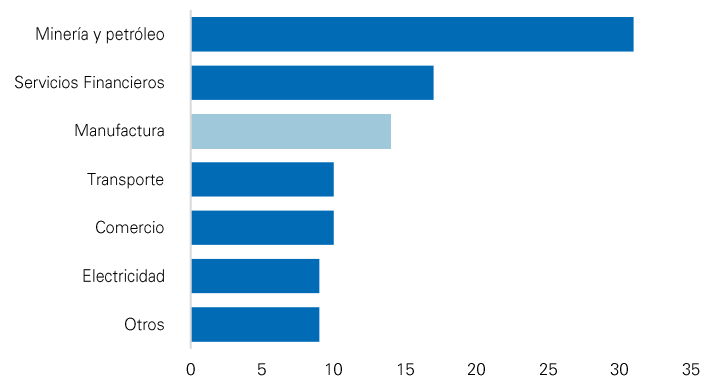
Source: Banco de la República

### Index of Prices to the Consumer(CPI)



Source: DANE

### Investment foreign direct (March 2023)



Source: DANE

For more information:

**Bogotá**

Cra. 9 N° 77 - 67, Ofc 405  
t +571.210.1929

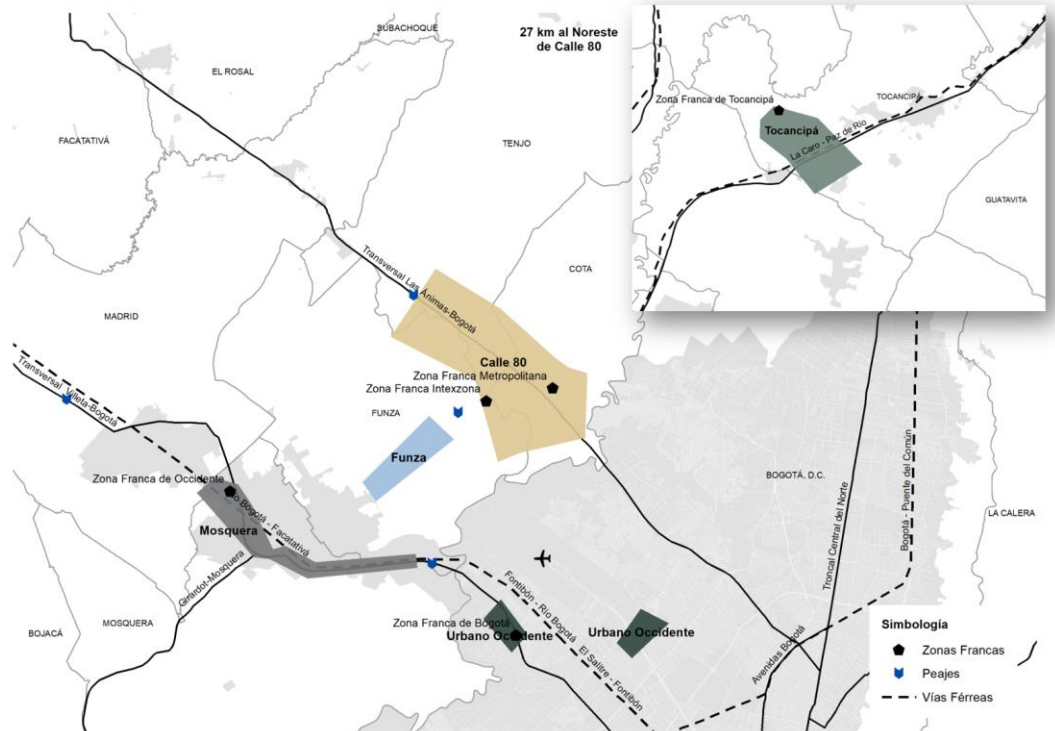
**Aurora Turriago**

Market Research Director Colombia  
Aurora.turriago@nrmk.com

**Juan Manuel Torres**

Senior Managing Director  
Juan.torres@nrmk.com

[newmark.com.co](http://newmark.com.co)



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