OCUPANTES
Corporate Real Estate

MARKET BULLETIN

2ND QTR 2015 • SÃO PAULO | RIO DE JANEIRO | OTHER CITIES

OFFICES

SÃO PAULO		RIO DE JANEIRO	
VACANCY RATES	AVERAGE ASKING PRICES	VACANCY RATES	AVERAGE ASKING PRICES

INDUSTRIAL

STATE OF SÃO PAULO		STATE OF RIO DE JANEIRO	
VACANCY RATES	AVERAGE ASKING PRICES	VACANCY RATES	AVERAGE ASKING PRICES

MARKET BULLETIN IS A QUARTERLY PUBLICATION PROVIDING THE KEY MARKET INDICATORS FOR THE CORPORATE AND INDUSTRIAL REAL ESTATE MARKETS OF SÃO PAULO AND RIO DE JANEIRO.

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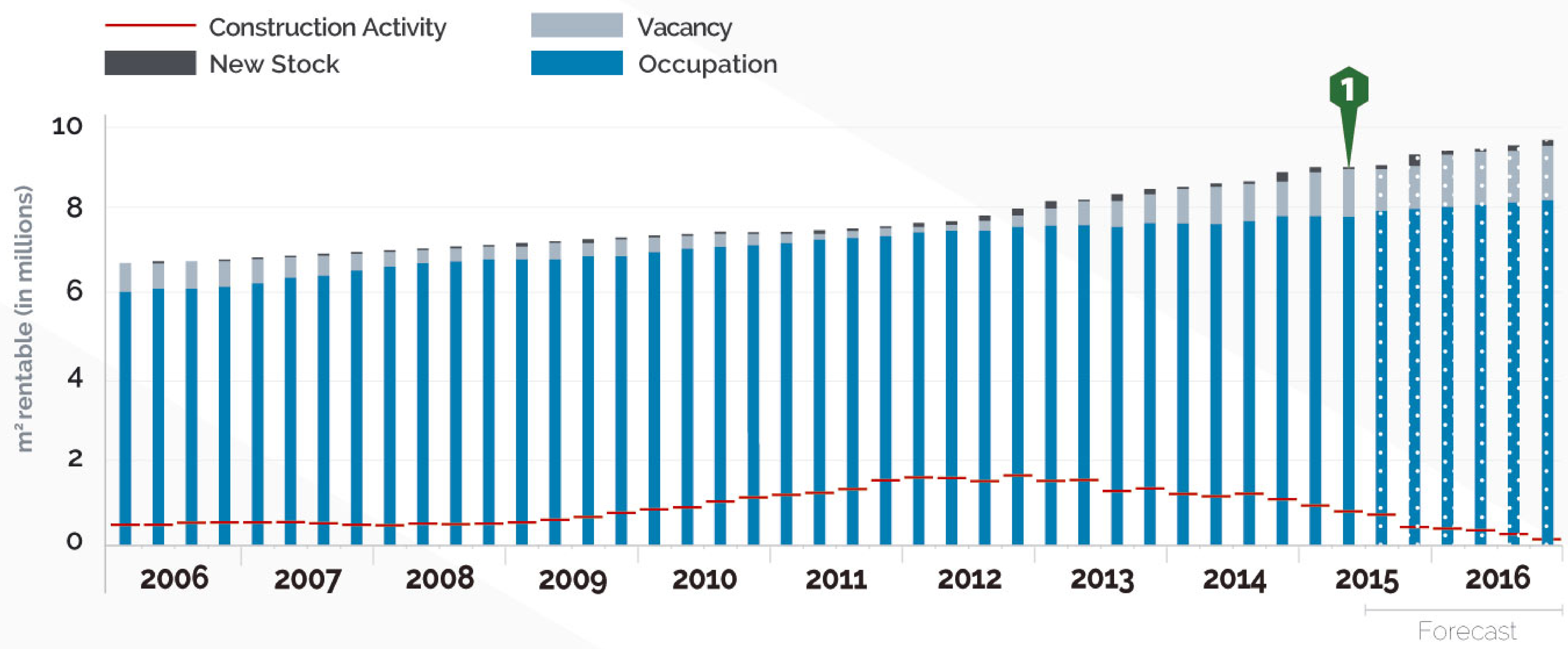
CONSTRUCTION ACTIVITY 904.491 m²
NEW STOCK 15.825 m²
NET ABSORPTION 32.075 m²
GROSS ABSORPTION 147.082 m²
GROSS ABSORPTION 12,78%
AVERAGE ASKING PRICES

Corporate Universe (Class A and Others)

SÃO PAULO

NEW STOCK/VACANCY/OCCUPATION



Differently to the previous quarter, the net absorption was positive in 2^{nd} QTR 2015, reaching 30 thousand m² as well as a large movement in the Corporate market in general, with a gross absorption of more than 147 thousand m².

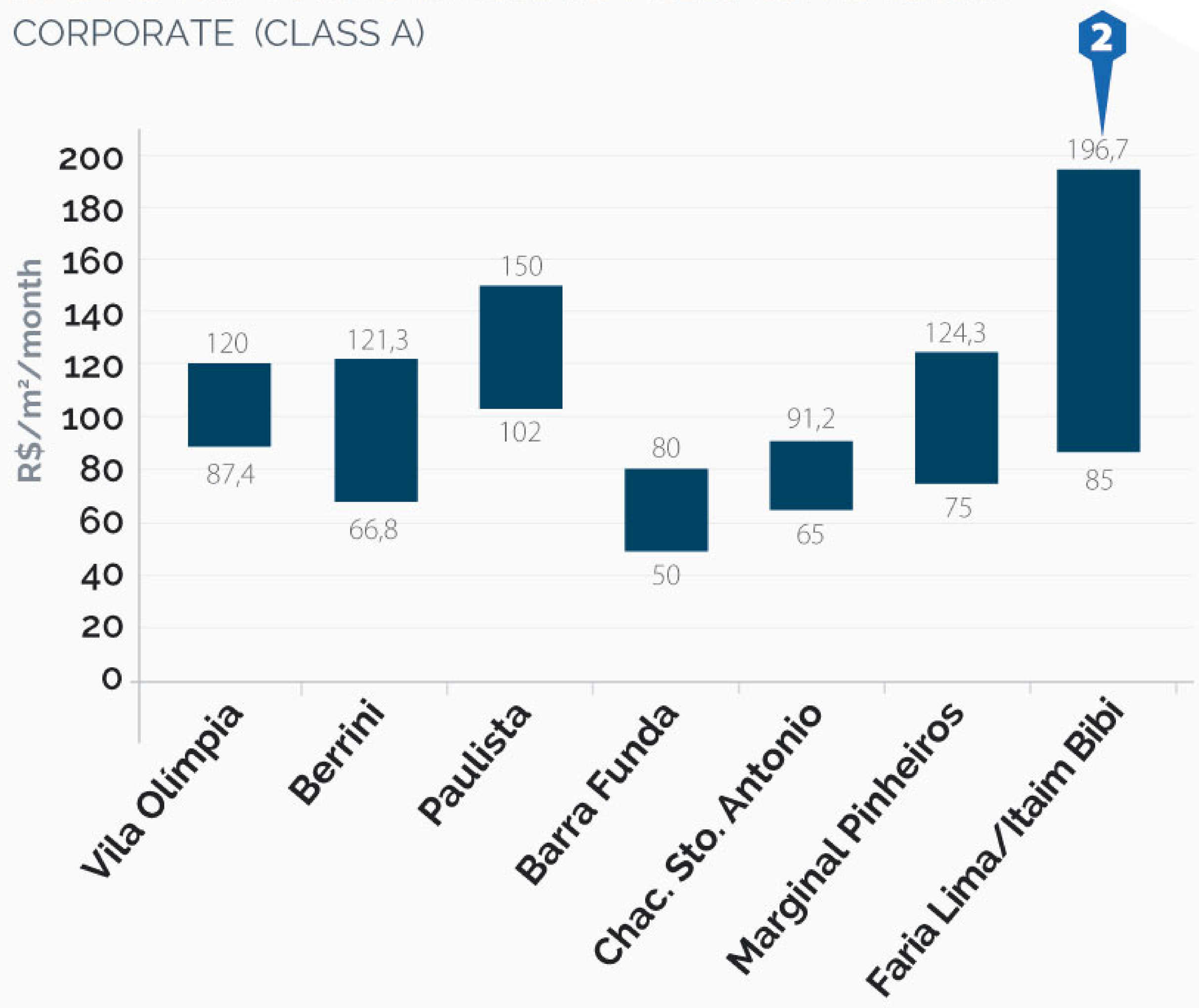
1 Only 15.8 thousand m² was added to new stock, confirming a downward trend in the construction activity and a rise in the delay of new deliveries of new developments under construction.

2 The average rent asking prices in the city of São Paulo continued to decline. The Faria Lima/Itaim Bibi region continues as a highlight with the highest asking prices in the city.

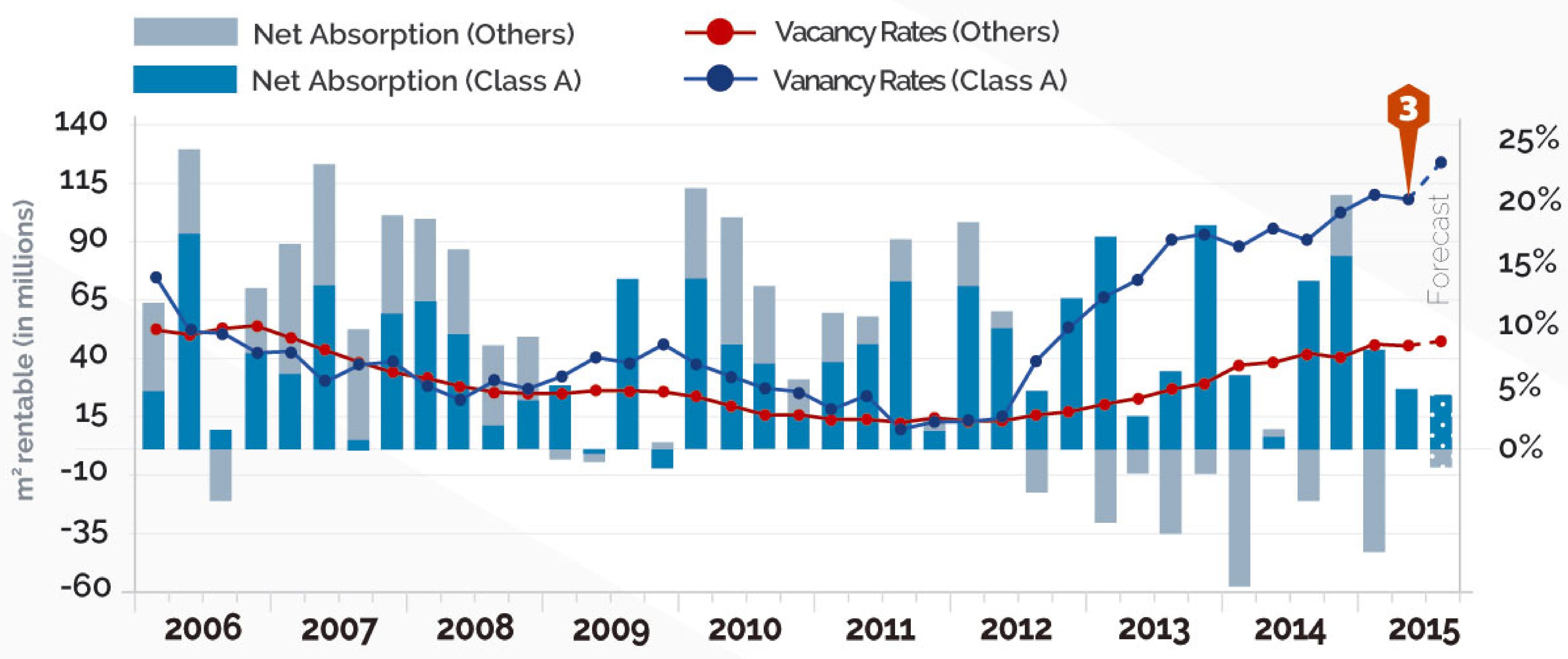
3 There was a slight drop in the vacancy rate in Corporate Class A buildings, from 20.47% to 20.02% during the 2^{nd} QTR 2015.

RANGE OF LEASE ASKING PRICES/REGION

CORPORATE (CLASS A)



NET ABSORPTION AND VACANCY RATE

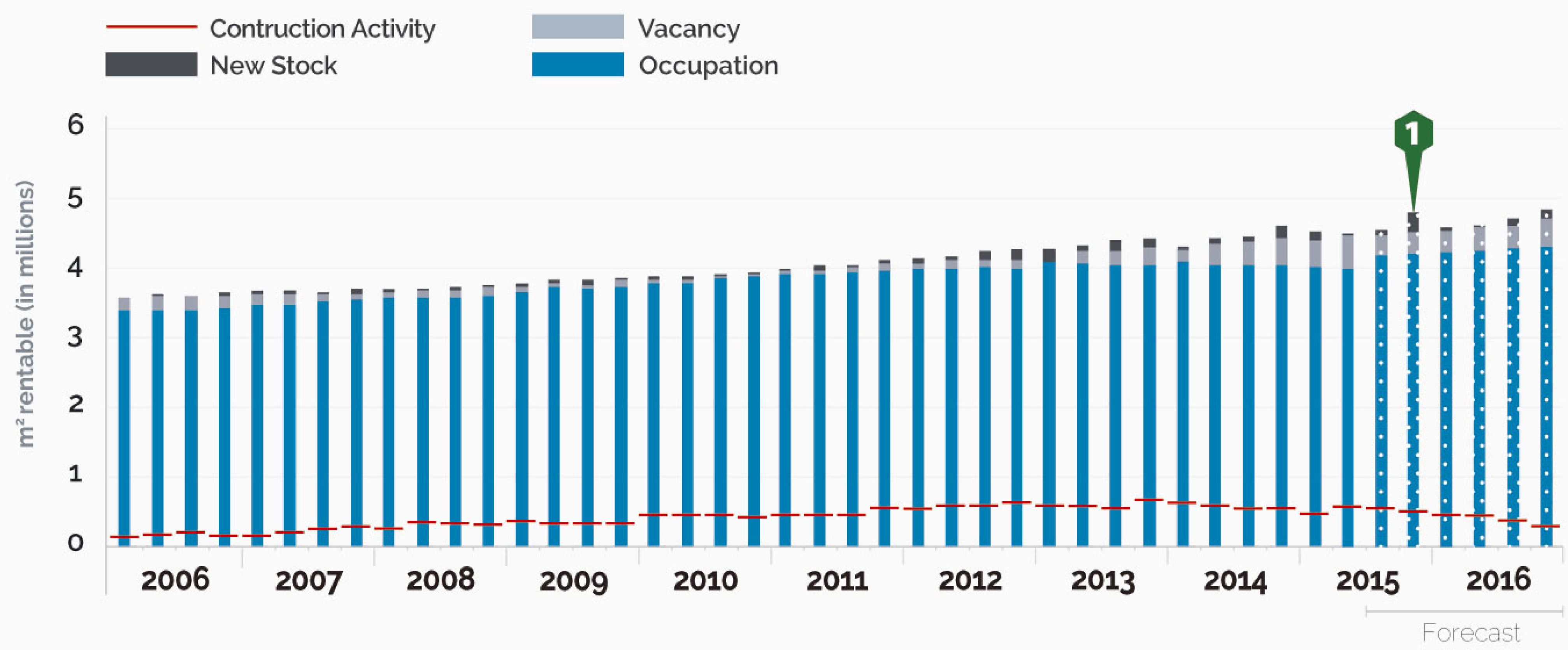


CONSTRUCTION ACTIVITY 619.145 m²
NEW STOCK
NET ABSORPTION 1.923 m²
GROSS ABSORPTION 33.823 m²
GROSS ABSORPTION 10,79%
AVERAGE ASKING PRICES

Corporate Universe (Class A and Others)

RIO DE JANEIRO

NEW STOCK/VACANCY/OCCUPATION



The construction activity in Rio de Janeiro increased significantly over the 2^{nd} QTR 2015, exceeding 600 thousand m² of Corporate buildings under construction in the city.

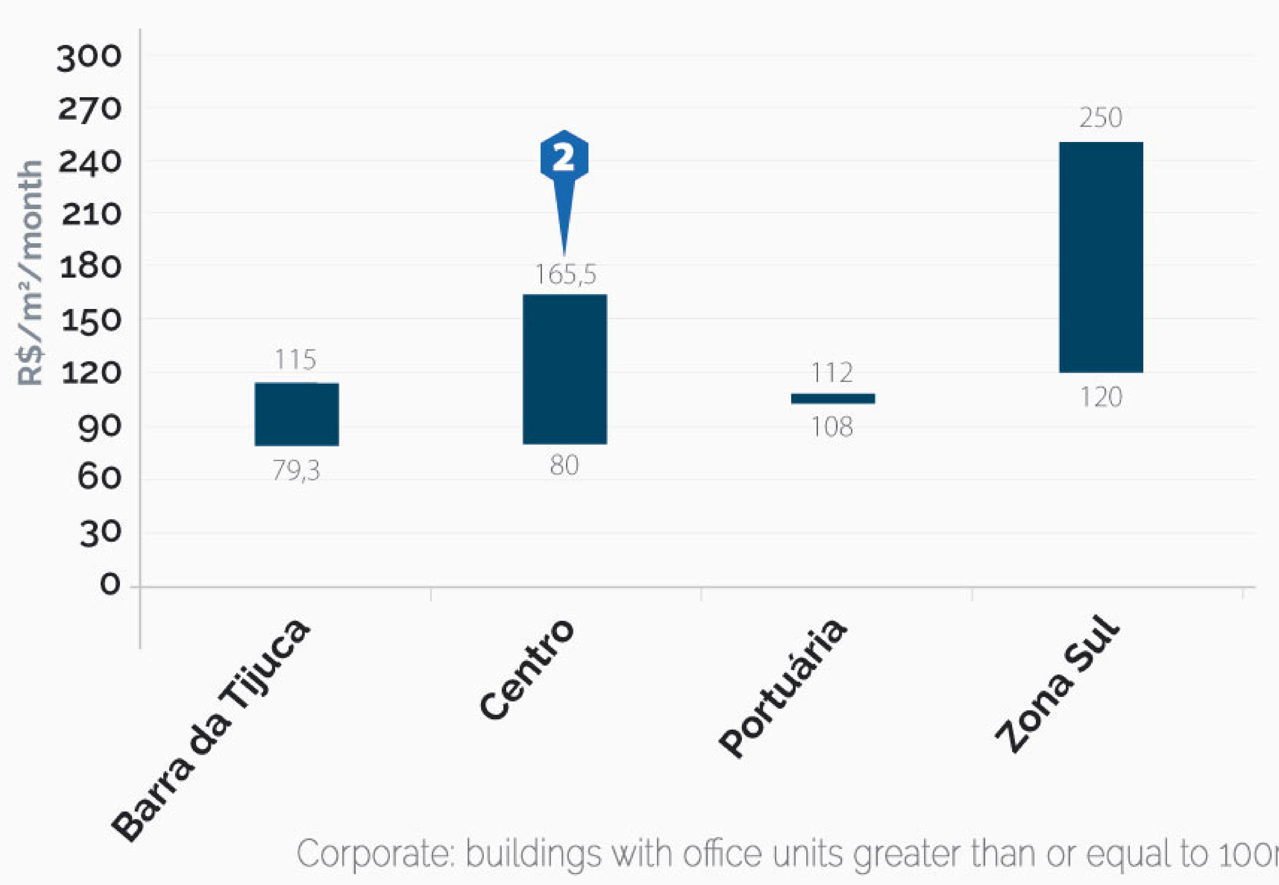
1 The forecast for new deliveries by the end of 2015 in Corporate buildings is expected to exceed 190 thousand m², and in the downtown regions, the deliveries are forecasted to reach 100 thousand m².

2 Although the rent asking prices for some Buildings in Zona Sul district of Rio de Janeiro continue above R$ 200/m², the average rent asking prices in the 2^{nd} QTR 2015 has declined.

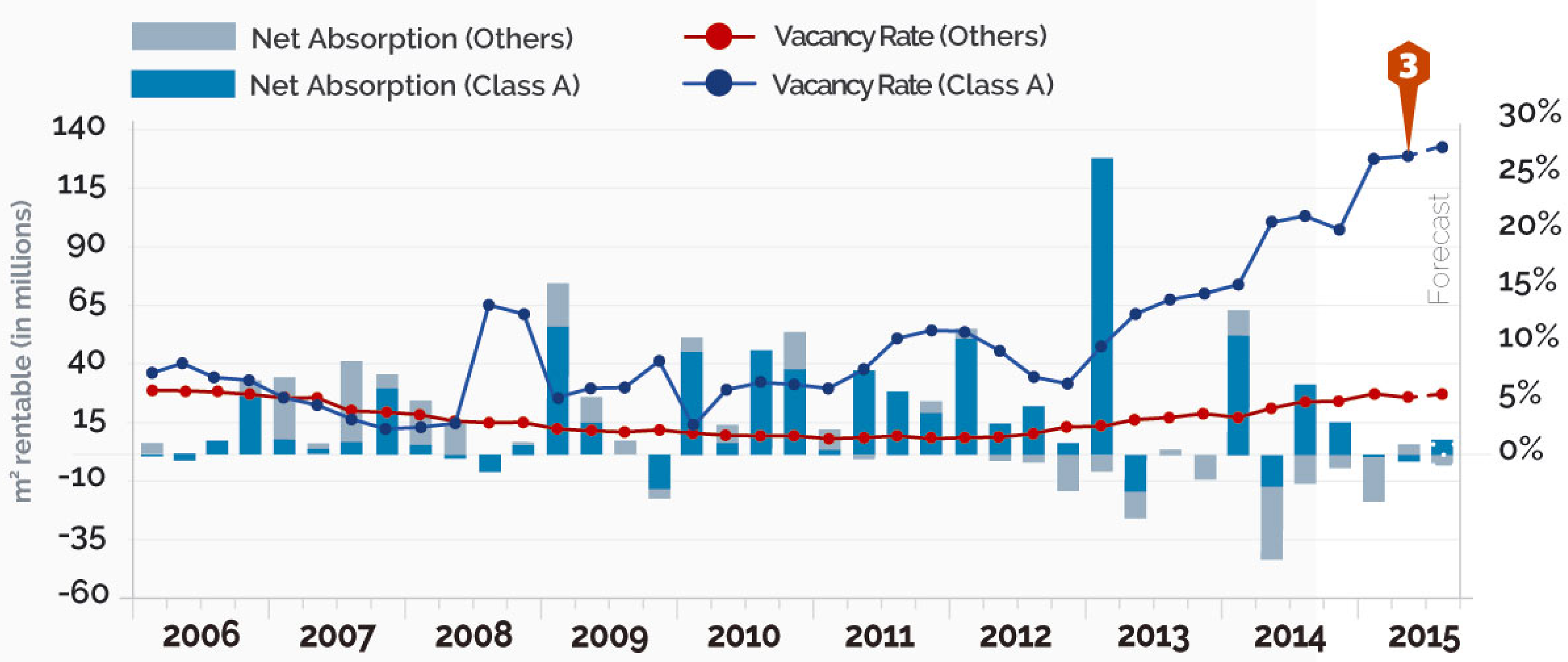
3 The vacancy rate for Corporate Class A buildings remained stable during the 2^{nd} QTR 2015, around 25%, mainly because of a very low positive net absorption during this quarter.

RANGE OF LEASE ASKING PRICES/REGION

CORPORATE (CLASS A and OTHERS)



NET ABSORPTION AND VACANCY RATE



* The methodology for classification adopted by Ocupantes for office buildings is as follows: Buildings with office units under 100 m²; Corporate: buildings with office units greater than or equal to 100m²; Class A: Buildings with high technical standards. For the purpose of this bulletin, only buildings classified as Corporate were considered.

INDUSTRIAL

CONSTRUCTION ACTIVITY
1.250.737 m^2

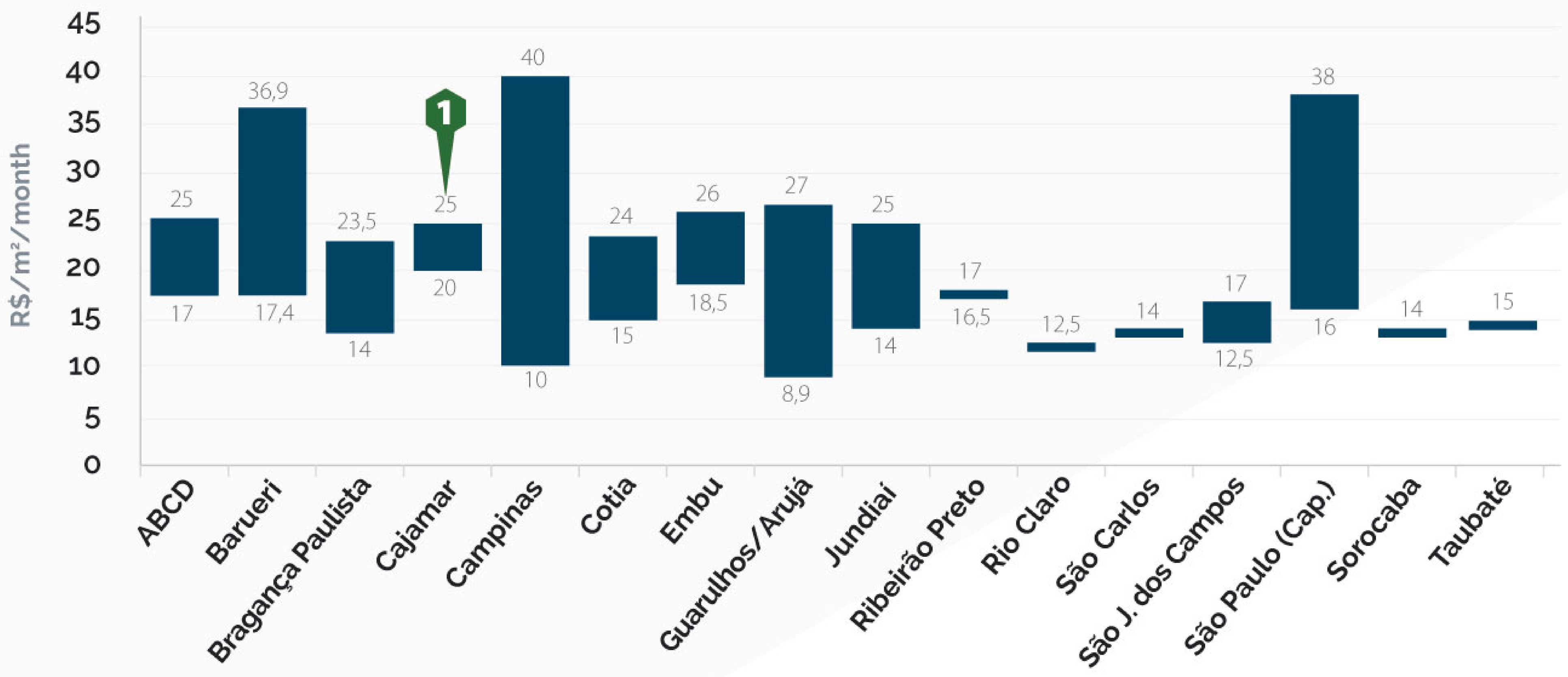
NEW STOCK
112.317 m^2

VACANCY RATES
21,08%

AVERAGE
ASKING PRICES

STATE OF SÃO PAULO

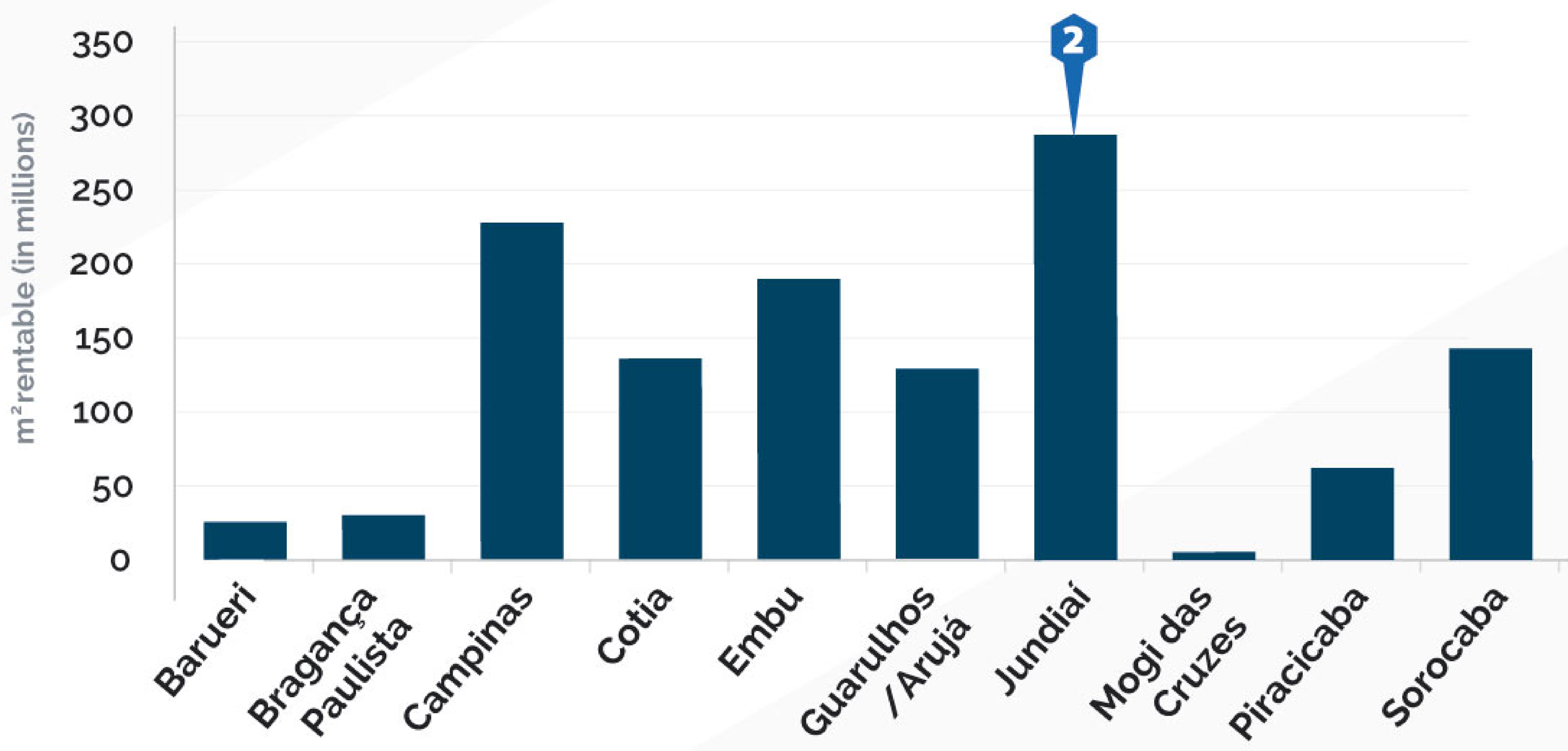
RANGE OF LEASE ASKING PRICES/REGION



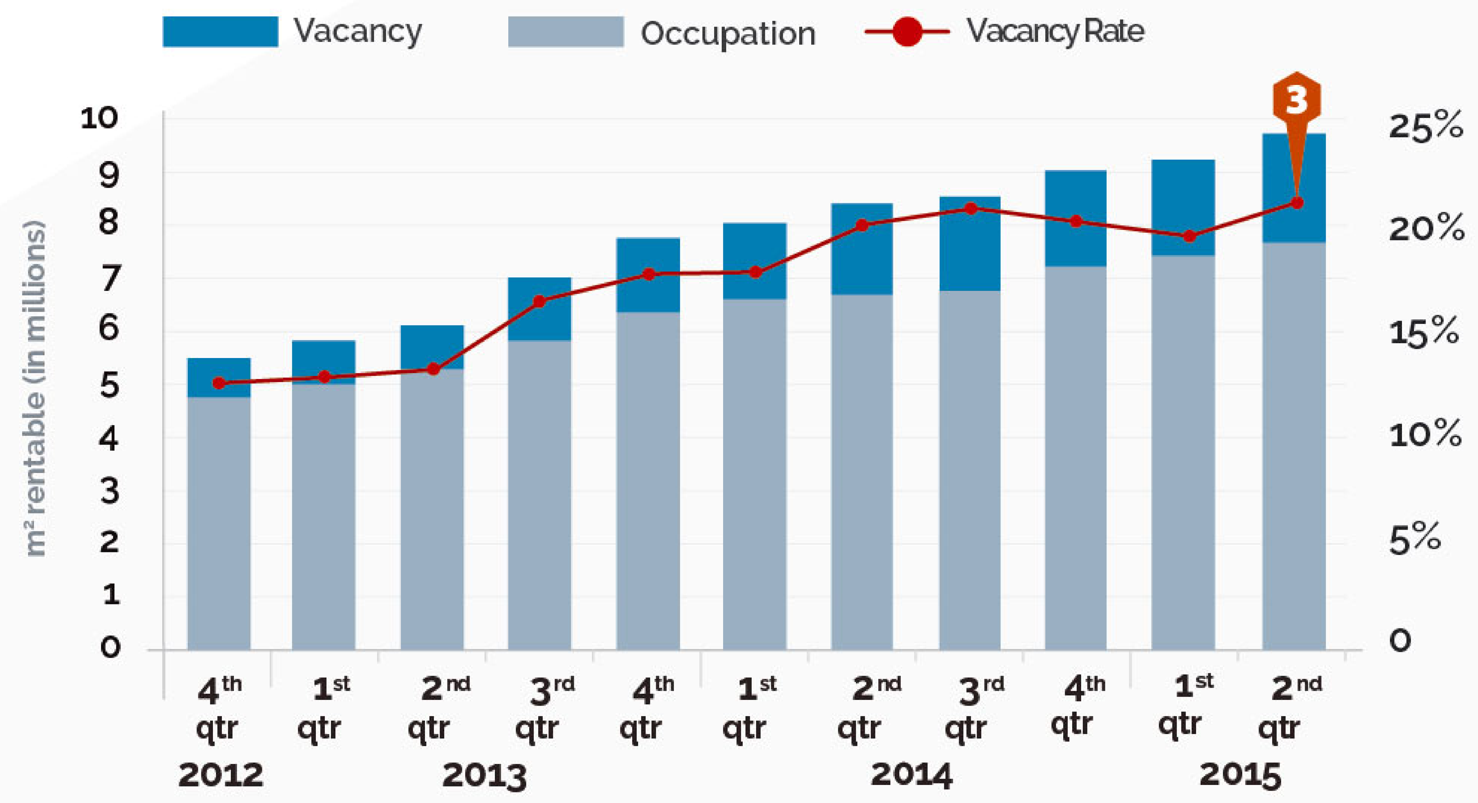
The vacancy rate continues on the rise in the State of São Paulo, placing a downward pressure on asking rent prices, in some regions somewhat discretely, but in other regions quite markedly.

1. In general, prices remained stable in the State of São Paulo, however in the city of Cajamar, a slight drop was noticed in asking prices from R$22 to R$26/m² down to R$20 to R$ 25/m² range in the 2nd QTR 2015.
2. Jundiaí became the region with the highest construction activity in Brazil in the 2nd QTR 2015, exceeding 287 thousand m².
3. The delivery of 112 thousand m² of new stock in the State of São Paulo, along with an insignificant net absorption, pressured the vacancy rate upwards, rising from 19.69% to 21.08% in this 2nd QTR 2015.

CONTRUCTION ACTIVITY



VACANCY, OCCUPATION AND VACANCY RATE



CONSTRUCTION ACTIVITY
784.651 m^2

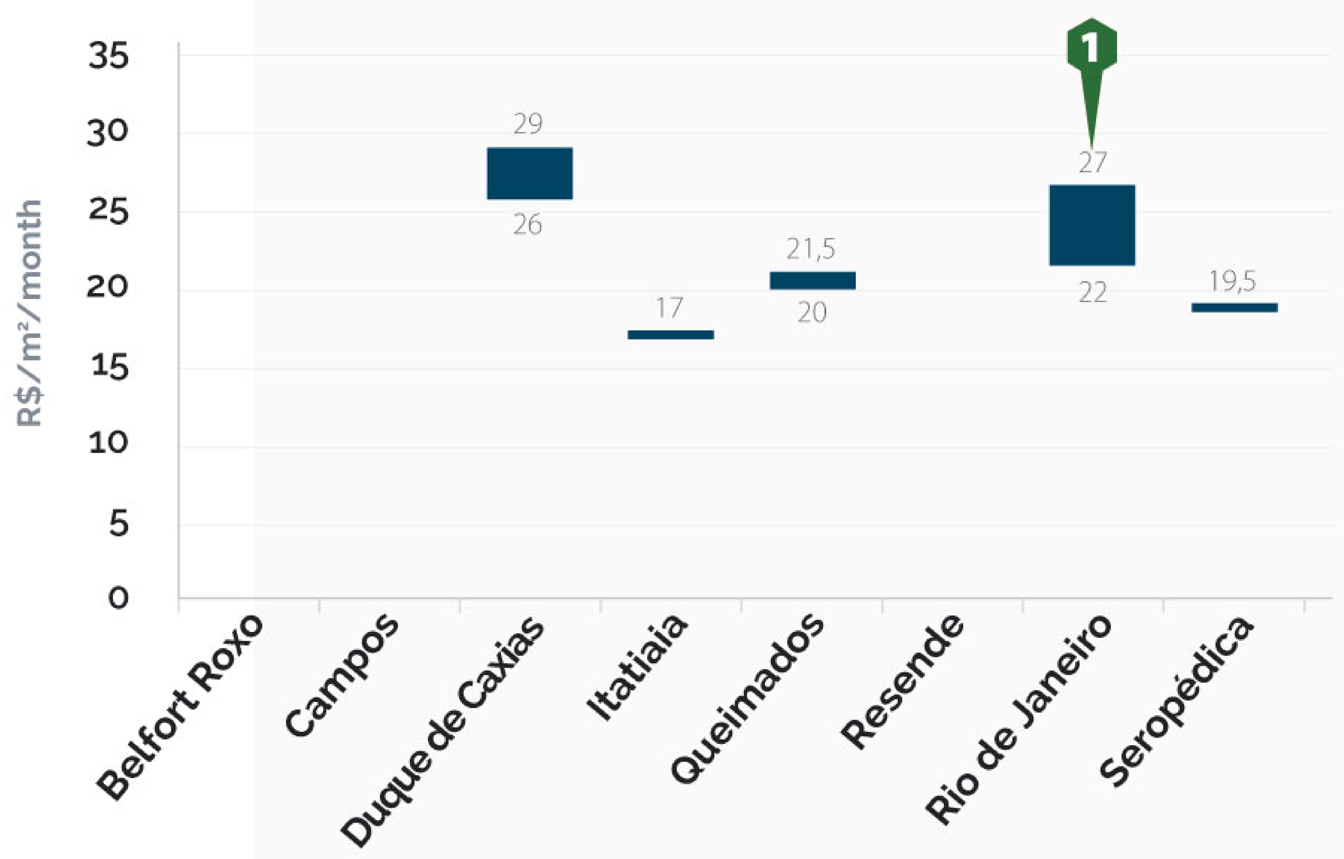
NEW STOCK
53.674 m^2

VACANCY RATES
20,19%

AVERAGE
ASKING PRICES

STATE OF RIO DE JANEIRO

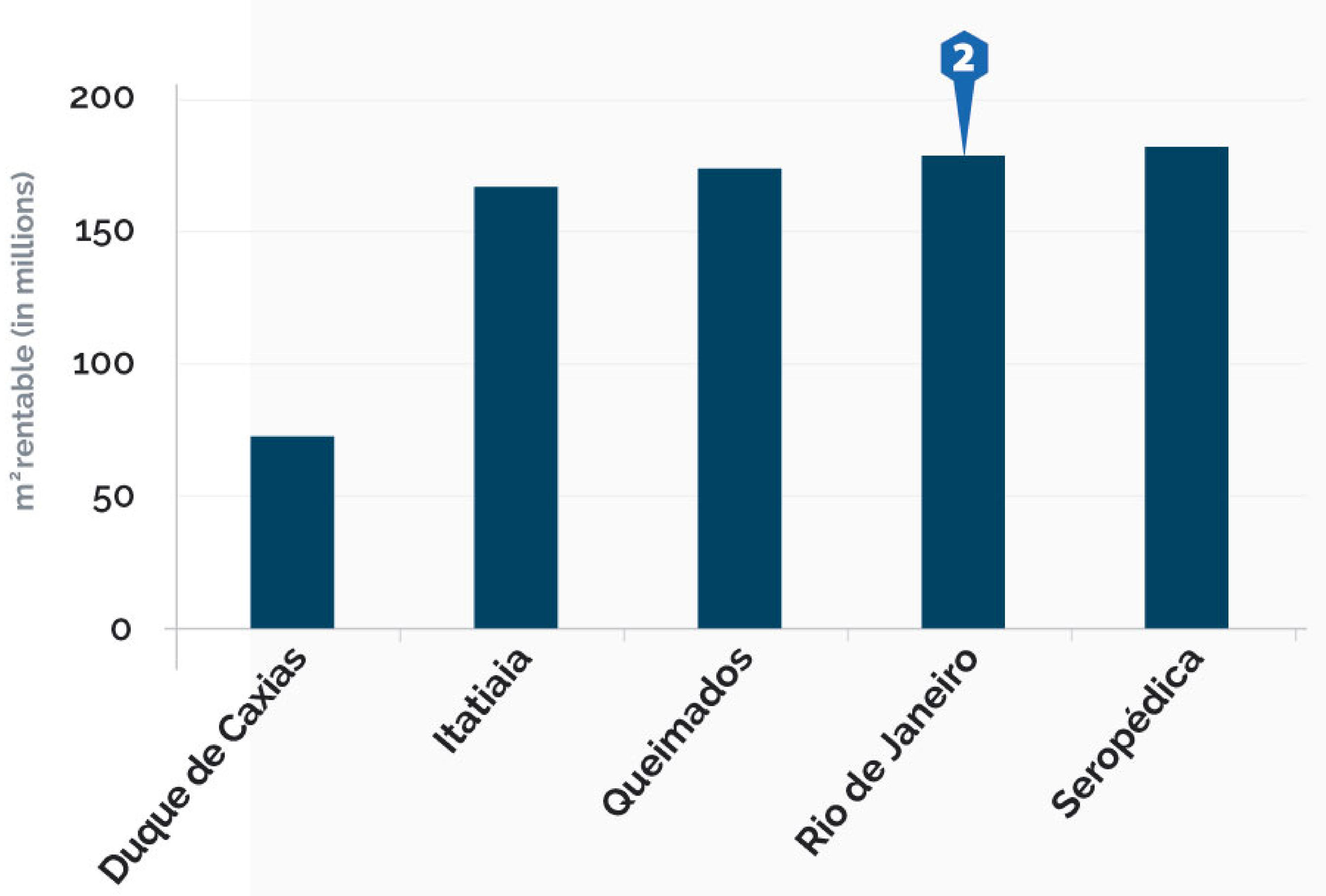
RANGE OF LEASE ASKING PRICES/REGION



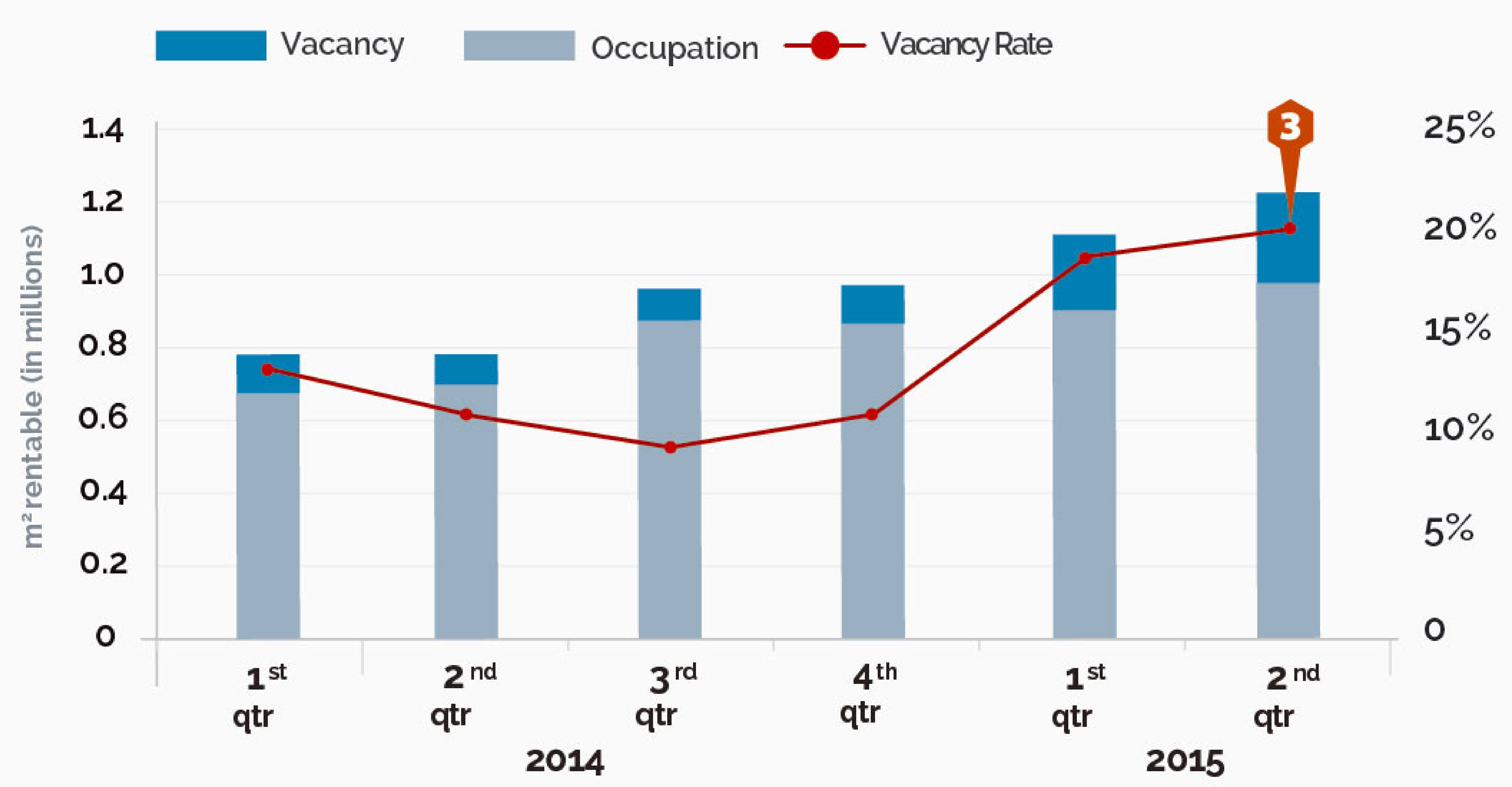
The State of Rio de Janeiro represents the second largest market for gated logistical parks with a total stock of 1.2 million m² ready for occupation, a further 750 thousand m² under development and approximately 4 million m² of future projects under analysis for future construction.

1. This region of the city of Rio de Janeiro represents 47% of the gated parks in the State. Despite high demand for this region, the rent asking prices declined, from a previous range of R$22,50 to R$30/m² down to R$22 to R$27/m² range.
2. With the unstable economy, some developers are focusing on pre-lease contracts, developing their properties and seeking approvals to start construction as soon as a pre-lease agreement is executed. As an example, the city of Rio de Janeiro has stabilized the construction activity of gated logistical parks.
3. The total stock in the State of Rio de Janeiro is on the rise, however occupation is not keeping up the pace, and the vacancy rate has risen for the third consecutive quarter, now reaching 20%.

CONTRUCTION ACTIVITY



VACANCY, OCCUPATION AND VACANCY RATE



OTHER CITIES *OFFICES*

	VACANCY RATES	AVERAGE ASKING PRICES (R$/m²/month)	TOTAL STOCK (m²)	CONSTRUCTION ACTIVITY (m²)
BARUERI	↘ 27,48%	↗ 52,93	↗ 615.573	↘ 33.866
BRASÍLIA	↘ 1,69%	↗ 78,01	— 1.239.312	— 28.569
SANTOS	— 23,22%	— 65,93	↗ 161.405	— 71.615
CAMPINAS	↘ 10,78%	↘ 52,68	— 188.430	↗ 28.354
CURITIBA	↗ 9,72%	↗ 59,70	↗ 589.916	↗ 38.640
FLORIANÓPOLIS	— 15,87%	— 42,41	— 33.362	↘
PORTO ALEGRE	↘ 2,71%	↘ 65,47	↗ 158.958	↘ 15.000
RECIFE	— 15,50%	↗ 72,03	— 241.207	— 9.240
SALVADOR	↘ 17,63%	↘ 52,07	↗ 135.942	— 4.899

information fot the universe Corporate (Class A and Others) of each city

SERVICES

If you require accurate information on the region where your offices or warehouses are located, whether your aim is to review your current rent, or undertake a comparative analysis of the other available options in the market, please contact us. Ocupantes has the experience and the comprehensive market data available to assist your company in reaching the best decision.

LOCATION ANALYSIS	RELOCATION, LEASE CONTRACT RENEWALS, RENT REVIEWS AND TERMINATIONS	INDUSTRIAL SERVICES	ACQUISITIONS AND EXPANSIONS	SALE & LEASEBACK	MANAGEMENT OF OPPORTUNITIES AND CRITICAL DATES	VALUATIONS AND DISPOSITIONS	PROJECT MANAGEMENT (TROUGH OCUPANTES PROJECT MANAGEMENT)