OCUPANTES
Corporate Real Estate

MARKET BULLETIN

3RD 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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OFFICES

CONSTRUCTION ACTIVITY 866.821 m²

NEW STOCK 139.119 m²

NET ABSORPTION 24.400 m²

GROSS ABSORPTION 152.088 m²

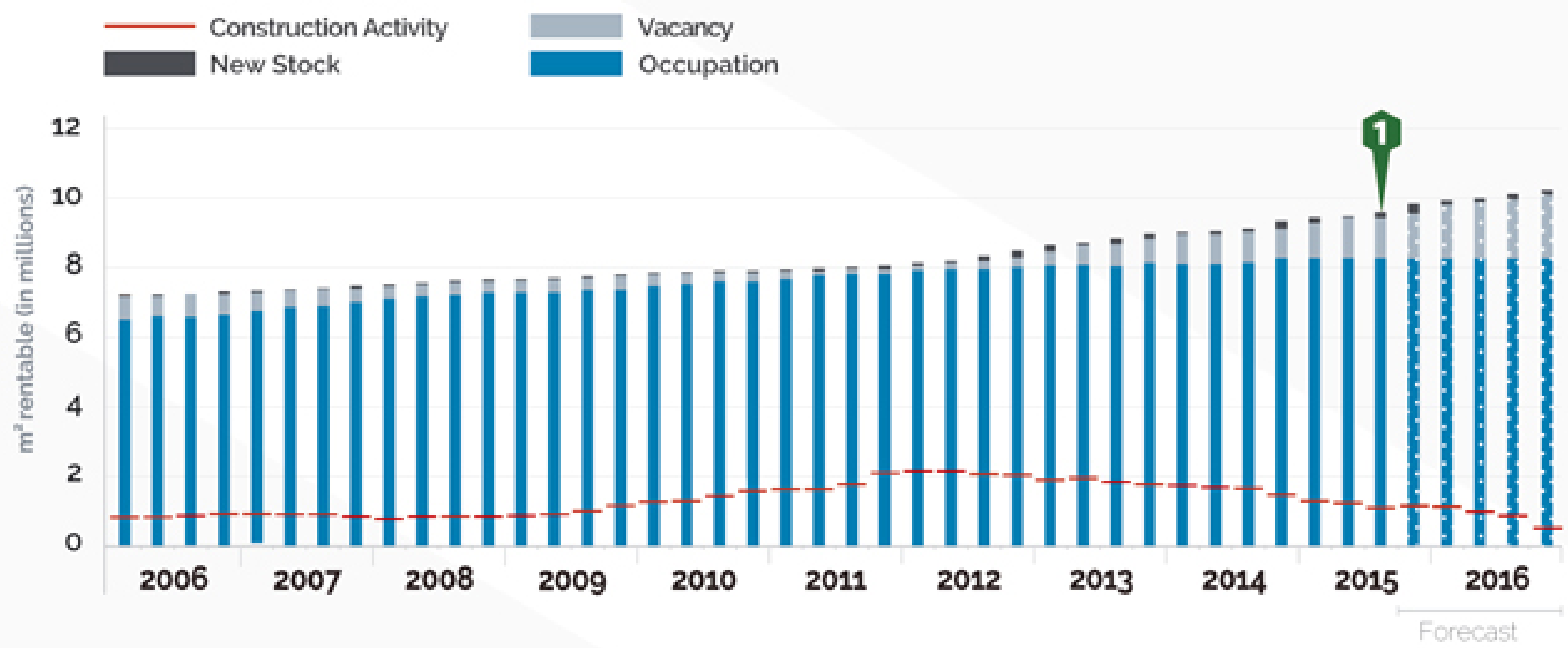
VACANCY RATES 13,50%

AVERAGE ASKING PRICES

Corporate Universe (Class A and Others)

SÃO PAULO

NEW STOCK/VACANCY/OCCUPATION



Vacancy levels rose in the 3rd QTR 2015 with the delivery of the new developments in São Paulo. On the other hand, the corporate office market remained agitated and recorded yet again, a high gross absorption rate, approximately 150 thousand m².

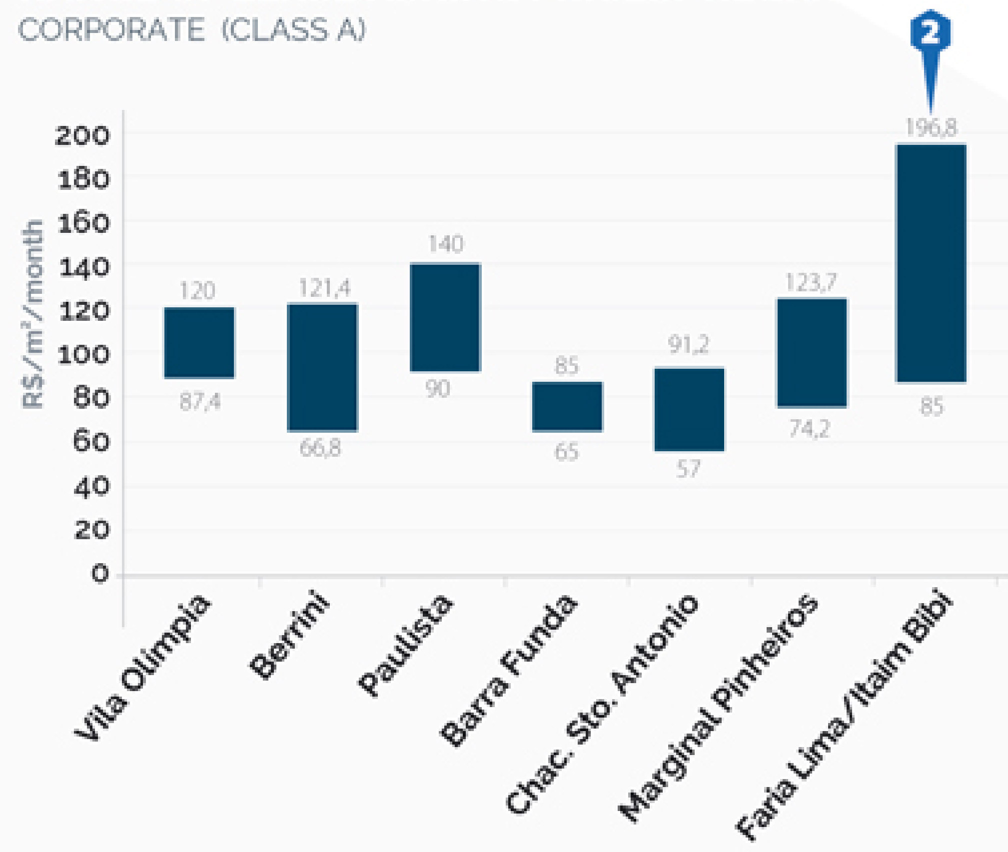
1 A total of 139.1 thousand m² of corporate buildings were delivered in the city of São Paulo in the 3rd QTR 2015 (Class A and Others);

2 Coinciding with the downward trend in lease asking prices of corporate office buildings in São Paulo, there was a slight drop in the Faria Lima office market relative to the previous quarter. Nonetheless, the region still boasts the most expensive square meter of São Paulo.

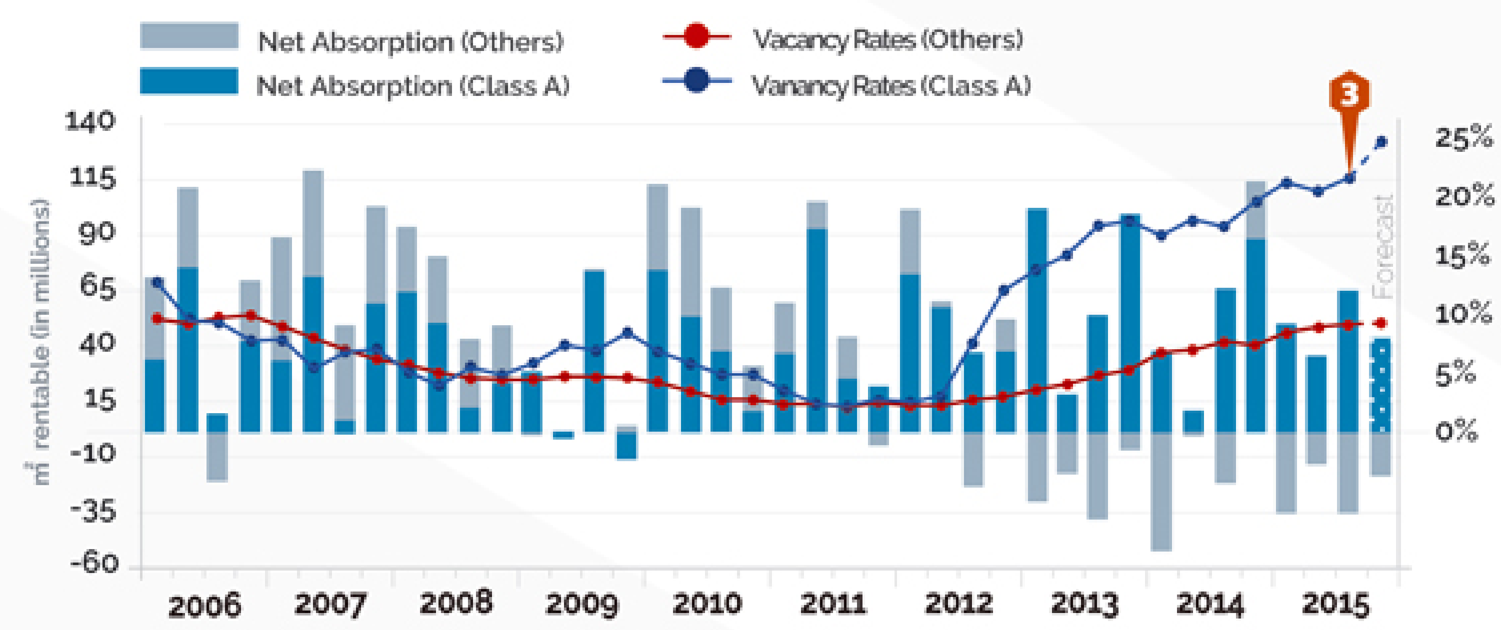
3 Despite the increase in net absorption of Class A buildings in the 3rd quarter 2015, the vacancy levels rose considerably relative to the previous quarter reaching 21.09%; a reflexion of the deliveries of new stock in corporate office buildings.

RANGE OF LEASE ASKING PRICES/REGION

CORPORATE (CLASS A)



NET ABSORPTION AND VACANCY RATE



CONSTRUCTION ACTIVITY 610.407 m²

NEW STOCK 57.826 m²

NET ABSORPTION 20.185 m²

GROSS ABSORPTION 51.785 m²

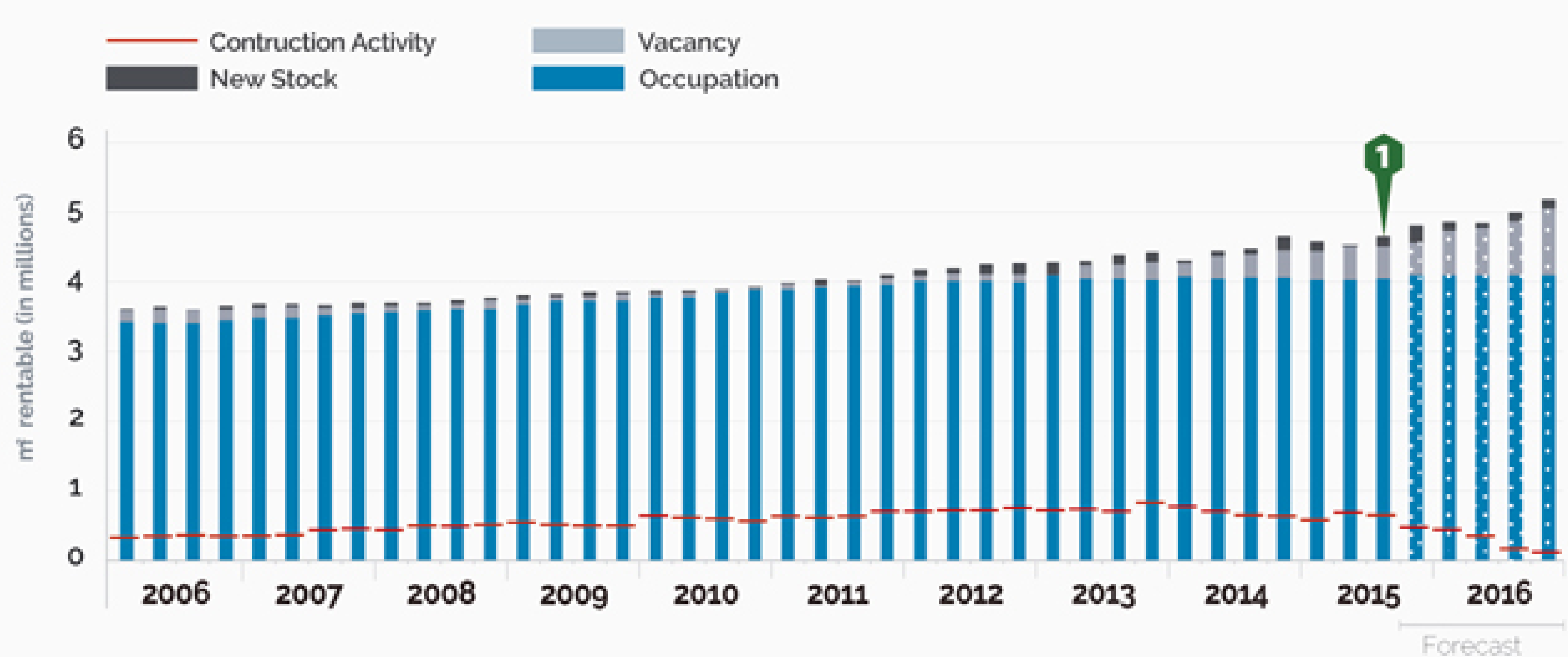
VACANCY RATES 11,67%

AVERAGE ASKING PRICES

Corporate Universe (Class A and Others)

RIO DE JANEIRO

NEW STOCK/VACANCY/OCCUPATION



The net absorption of corporate buildings in the city of Rio de Janeiro increased significantly over the 3rd QTR 2015, registering the highest absorption since the end of 2014.

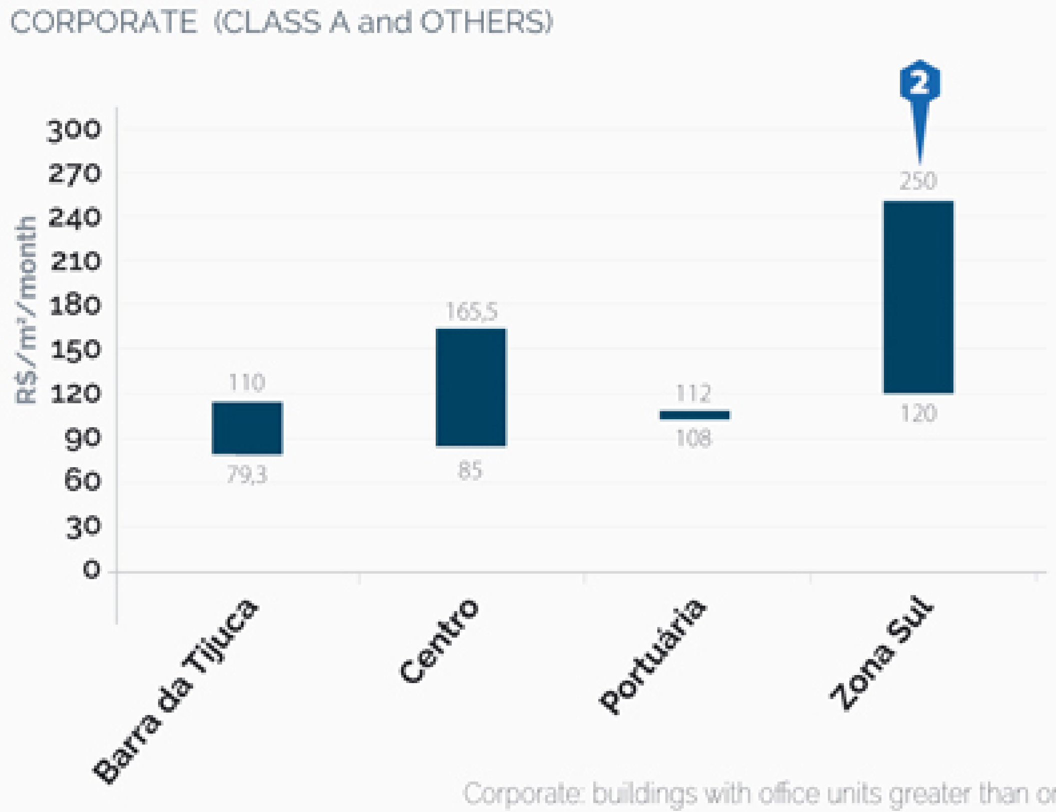
1 Approximately 60 thousand m² of corporate office buildings were delivered in the 3rd QTR 2015 in the city of Rio de Janeiro. The delivery forecast for the 2015 year-end exceeds 115 thousand m², and are most accentuated in the Central and Port regions, that accumulate approximately 80% of this new stock.

2 The average asking rent prices in corporate office buildings in the city of Rio de Janeiro continues to decline, however the Zona Sul region continues to have the highest asking rent prices, exceeding R$ 200/m²/month in some buildings.

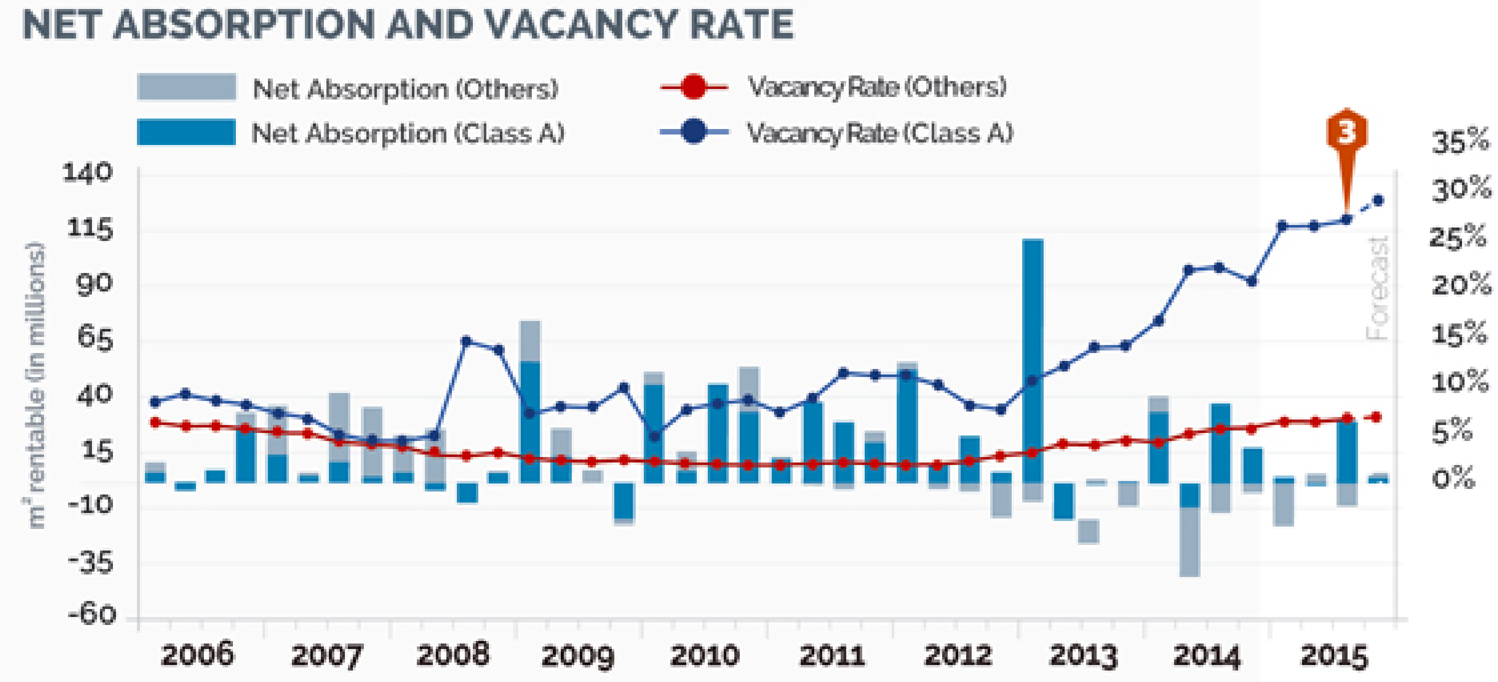
3 In spite of the increased net absorption in the Corporate Class A buildings the vacancy rate rose slightly, once again, in the 3rd QTR 2015 reaching 26.30%.

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: Office: 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

STATE OF SÃO PAULO

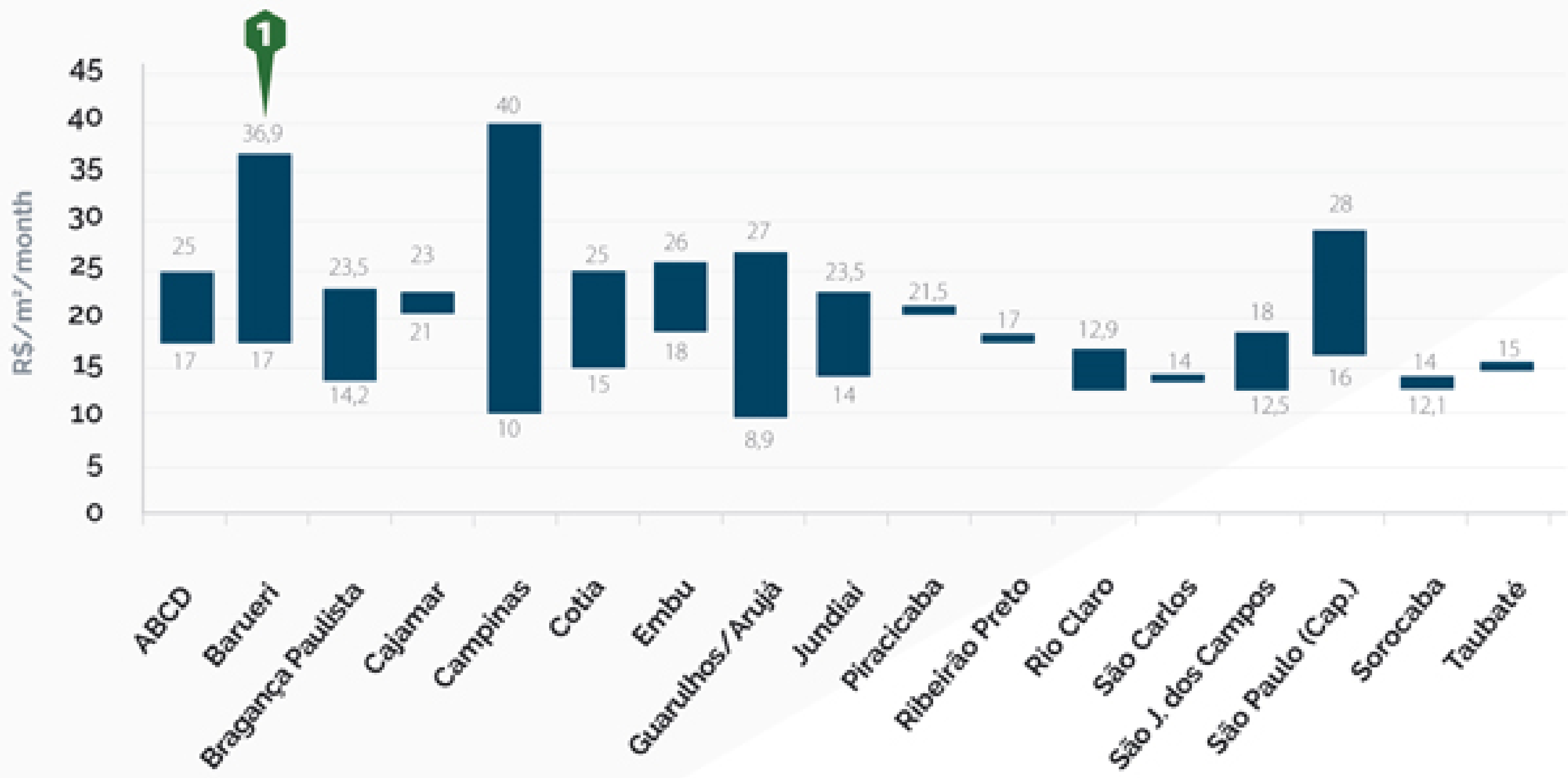
CONSTRUCTION ACTIVITY 1.195.059 m²

NEW STOCK 168.101 m²

VACANCY RATES 21,26%

AVERAGE ASKING PRICES

RANGE OF LEASE ASKING PRICES/REGION



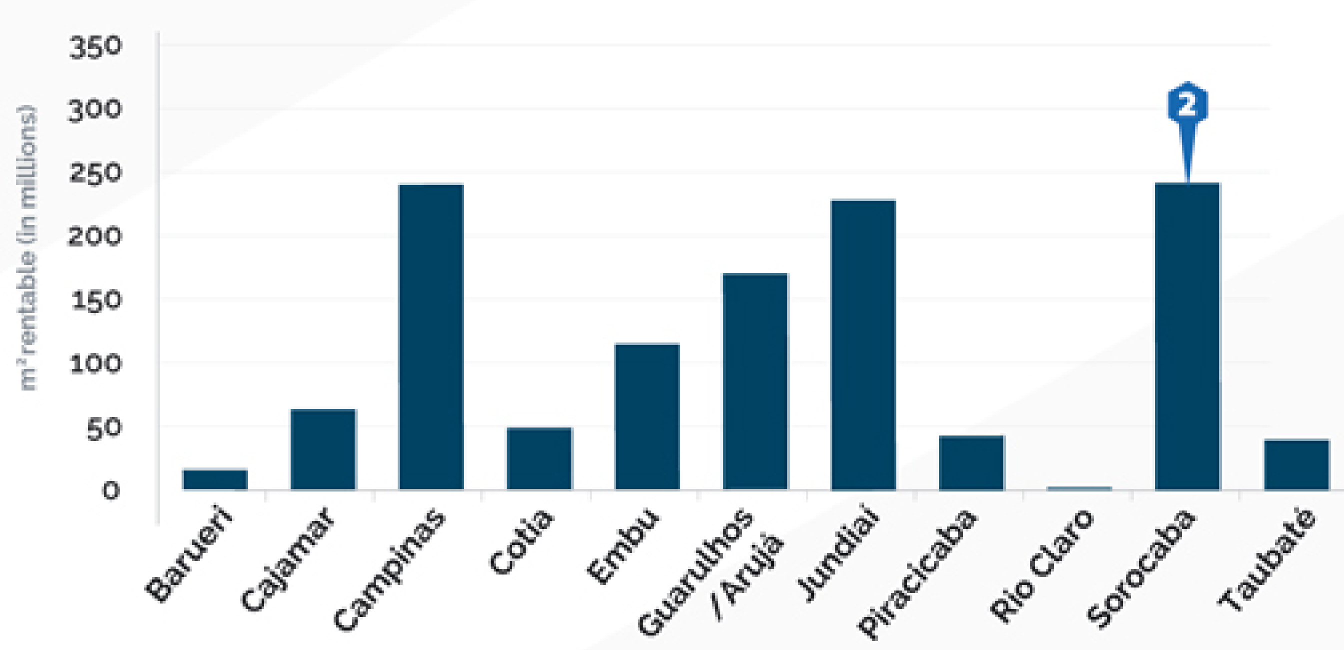
The total stock of gated logistical warehouses in the state of São Paulo showed a significant increase over the 3rd QTR 2015, leading to a slight increase in the vacancy rate. In spite of this, prices remain stable.

1 The Barueri region has the second highest asking prices in the state of São Paulo reaching an upper limit of R$ 36.90/m². The region only stands behind Campinas, where the highest asking price was R$ 40/m² in the 3rd QTR 2015.

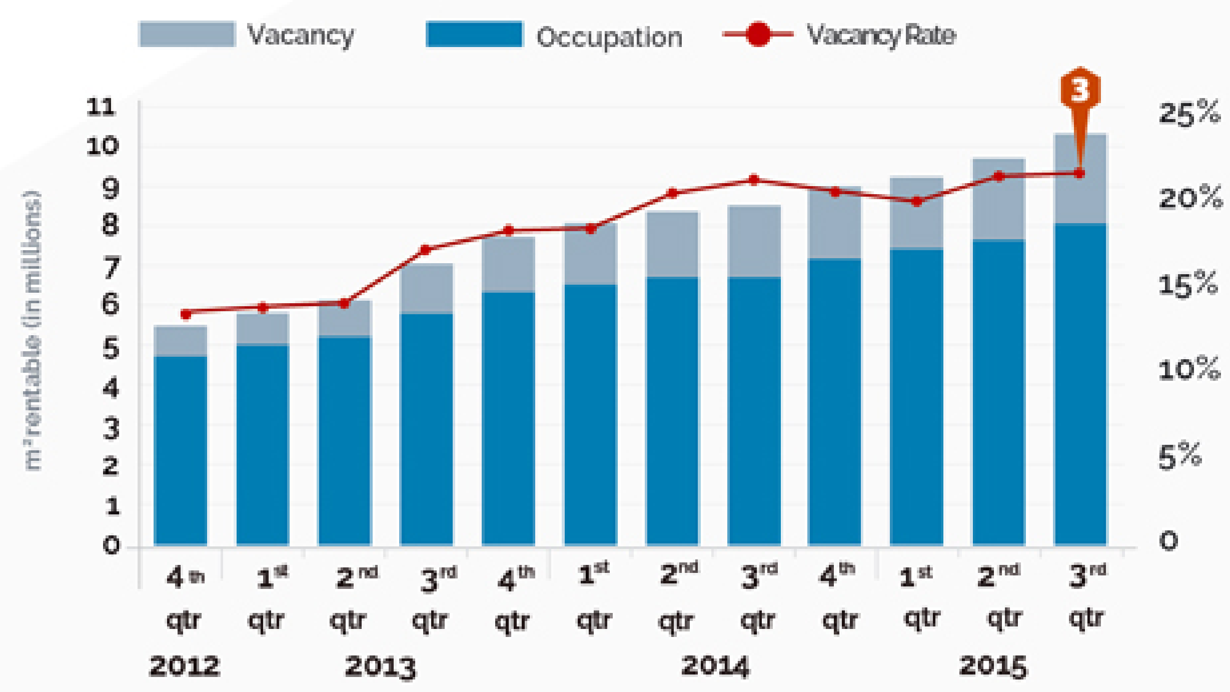
2 The Sorocaba region was the highlight in the construction activity of the 3rd QTR 2015, with an increase of 61.6% relative to the previous quarter. This is the region where currently the construction activity is most pronounced.

3 For the second consecutive quarter, São Paulo vacancy levels rose slightly, from 21.08% to 21.26%. The delivery of 168,101 m² in new gated condominiums explains this increase.

CONTRUCTION ACTIVITY



VACANCY, OCCUPATION AND VACANCY RATE



STATE OF RIO DE JANEIRO

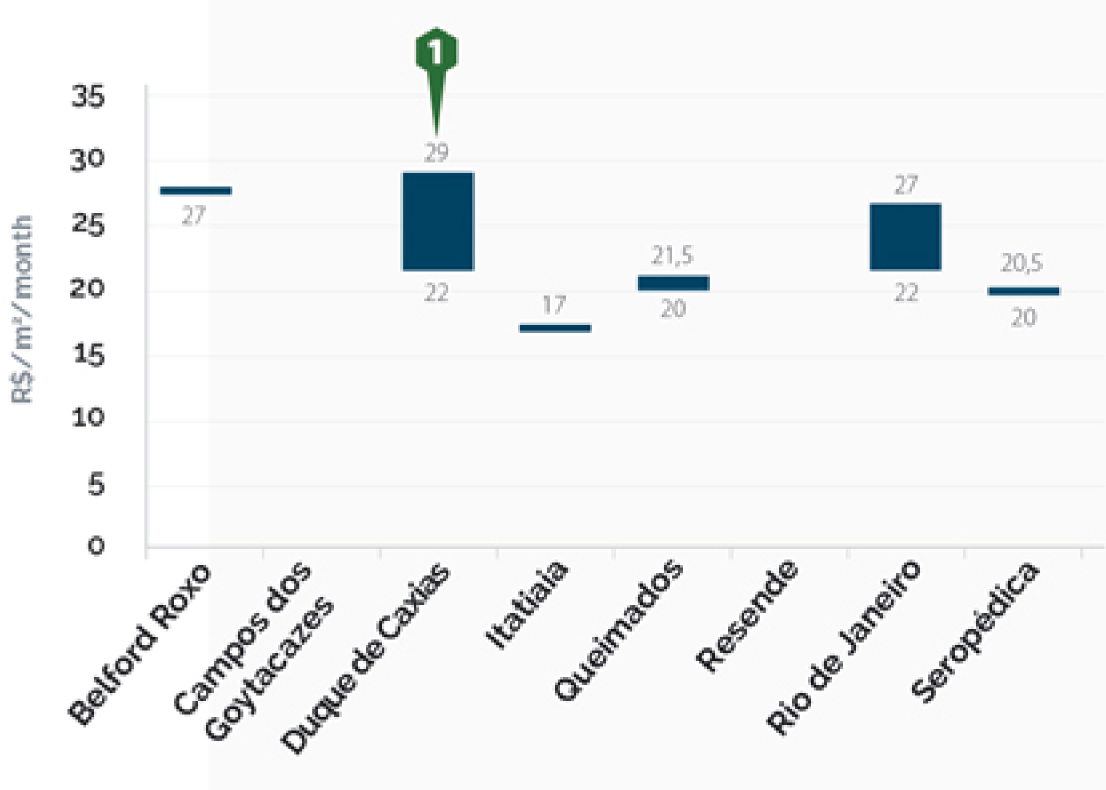
CONSTRUCTION ACTIVITY 835.721 m²

NEW STOCK 0 m²

VACANCY RATES 20,58%

AVERAGE ASKING PRICES

RANGE OF LEASE ASKING PRICES/REGION



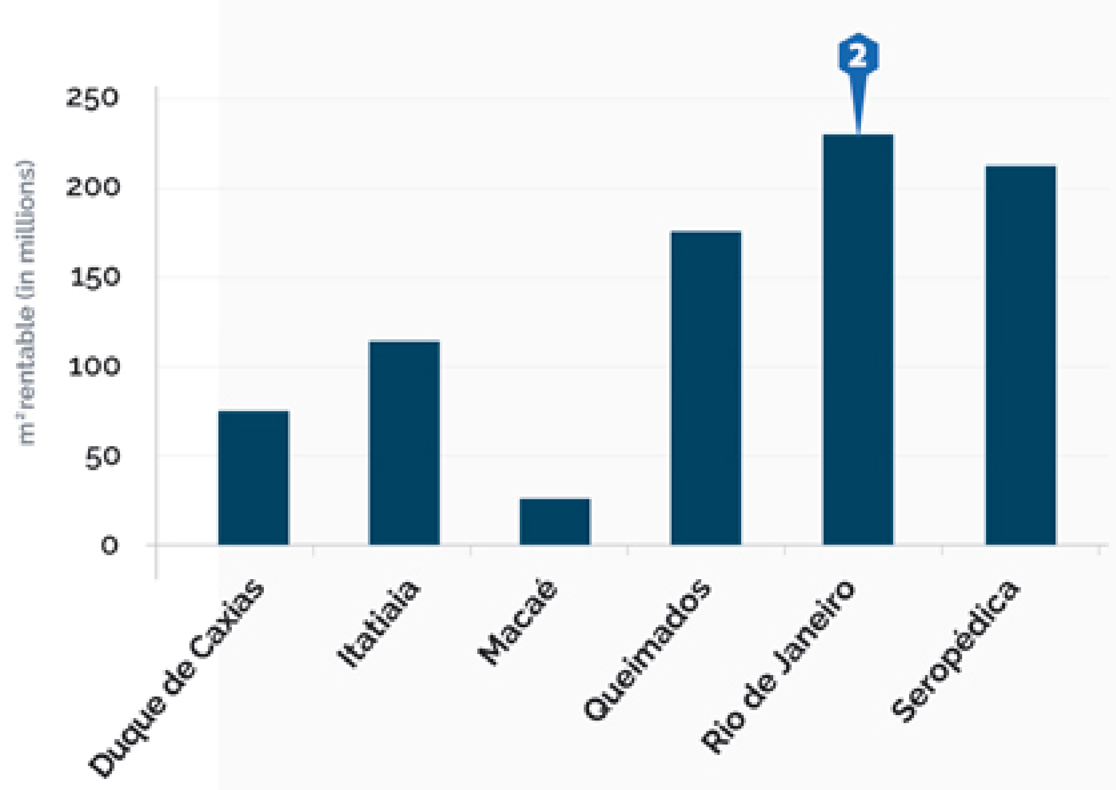
The deliveries expected over 3rd QTR 2015 were delayed. Consequently, deliveries for the 4th QTR 2015 are now in excess of 180,000 m² of new developments. There are more than 4.5 million m2 awaiting investment approval for development in the state of Rio de Janeiro.

1 There was no significant change in the rent asking prices in the state of Rio de Janeiro over the 3rd QTR 2015, ranging between R$ 20.00/m² and R$29.00/m². The region of Duque de Caxias continues with the highest asking prices in the state of Rio de Janeiro.

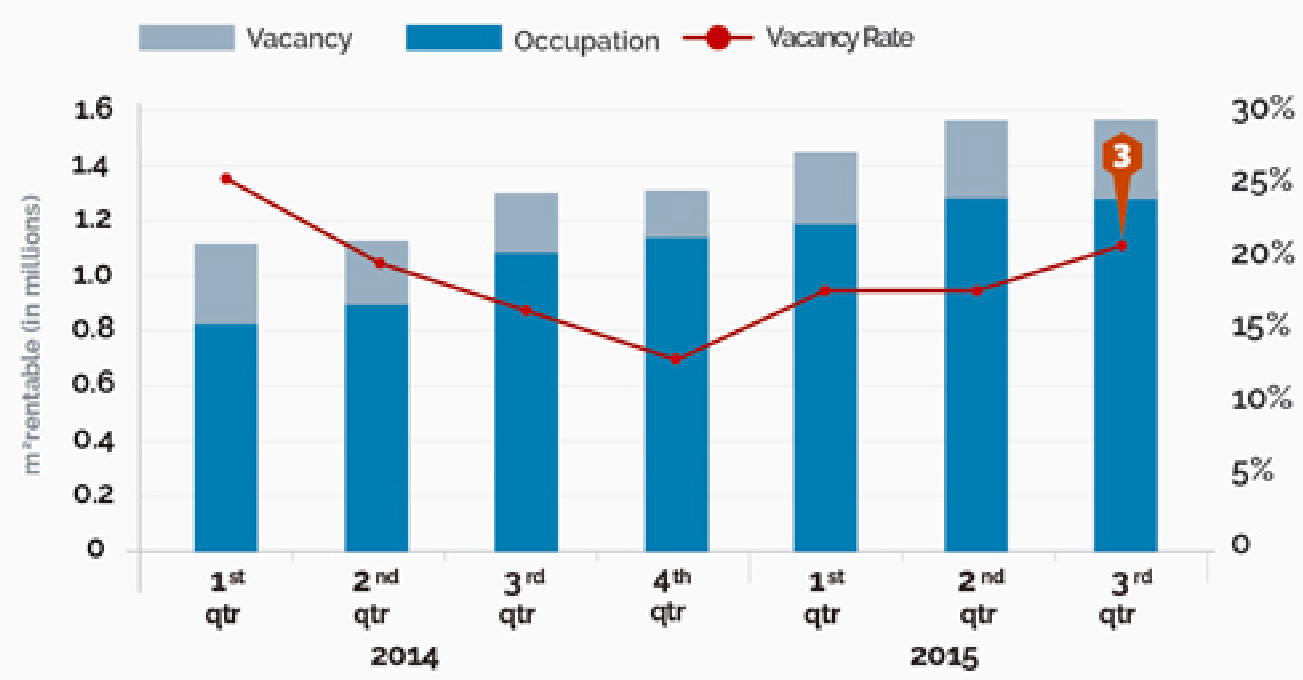
2 The city of Rio de Janeiro continues to be the primary region for new developments in the state. Currently 231 thousand square meters are under construction, representing 27% of the total Construction Activity in the state of Rio de Janeiro.

3 The vacancy level of gated logistical condominiums increased in the 3rd QTR 2015, exceeding 20%. The key reason for this increase in vacancy rate was the drop in net absorption over the quarter, which was negative.

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	↘ 24,09%	↘ 52,04	↗ 660.471	— 33.866
BRASÍLIA	↗ 4,05%	↗ 85,06	↗ 1.369.907	— 48.229
SANTOS	↘ 23,62%	↗ 69,41	↗ 156.697	↘ 68.375
CAMPINAS	↗ 11,85%	↗ 55,33	— 186.925	— 38.695
CURITIBA	↗ 9,50%	↘ 60,09	↗ 693.542	↘ 17.221
FLORIANÓPOLIS	↘ 7,47%	↗ 43,71	↗ 150.131	↘ 879
PORTO ALEGRE	↗ 3,54%	↘ 63,62	↗ 483.045	— 25.679
RECIFE	↗ 15,82%	↘ 66,77	↗ 273.121	↘
SALVADOR	↘ 16,33%	↘ 51,05	↗ 145.622	— 7.640

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)