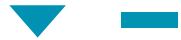


## Industrial Q1 2024

YoY Change    12-Mo. Forecast

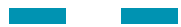
**4.30%**  
Vacancy Rate



**58K**  
Net Absorption, sqm



**\$7.50**  
Asking Rent, per sqm



(Overall, All Property Classes)

### ECONOMIC INDICATORS Q1 2024

YoY Change    12-Mo. Forecast

**2,340K**  
Costa Rica  
Employment



**7.8%**  
Costa Rica  
Unemployment



**3,921M<sup>1</sup>**  
Foreign Direct  
Investment (FDI)<sup>2</sup>



<sup>1</sup> FDI reflects YOY data in US\$

<sup>2</sup> Data reported for Q4 2023, Q1 2024 data currently not available

Source: Central Bank of Costa Rica (BCCR) and National Institute of Statistics and Census (INEC)

### ECONOMY: Stable economic growth with moderate external demand expected for upcoming years

According to the Central Bank of Costa Rica (BCCR), the economy is projected to grow steadily at a rate of 3.8% for both 2024 and 2025. Aligned with this, the quarterly economic activity for the first quarter of the year remained consistent with the previous period, averaging 4.9%. This outcome is attributed to the stabilization of investments from both the public and private sectors, alongside moderate external demand and cautiousness due to constant fluctuations in the exchange rate. On the inflation front, the country continued to experience negative values, with expectations to return to target values by the first quarter of 2025. Labor indicators showed positive signs, with increased employment rates and improvements in formality and wages in the private sector compared to 2023.

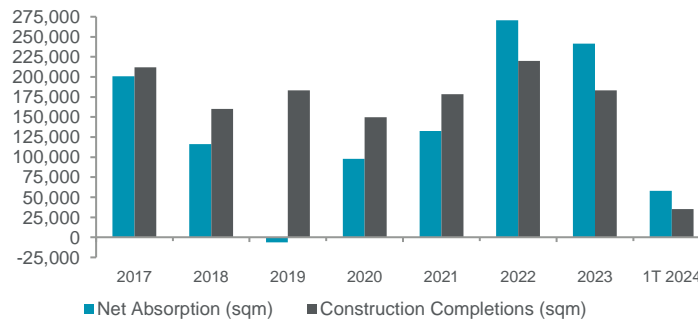
### MARKET OVERVIEW: Downward pressure on vacancy rates continues due to high demand levels

During the first quarter of the year, the industrial and logistics market continued to demonstrate notable performance, with solid demand for spaces and the delivery of new inventory with high pre-lease levels. Following the trend of recent periods, this high demand comes from both new operations and expansions of foreign companies as well as local and regional companies looking to optimize and expand their logistics operations. This has continued to exert downward pressure on the national vacancy rate, reaching lows not seen in over six years. Throughout the rest of the year, over 150,000 sqm of new inventory with high pre-lease levels is projected to be delivered, highlighting the country's appeal for the establishment and expansion of industrial and logistics operations.

### OUTLOOK: Market remains optimistic with new companies and growing operations in the country

For the remainder of 2024, the projections for the industrial and logistics market remain optimistic, given the continuous arrival of new companies, the expansion of existing operations and the sophistication of production processes developed from Costa Rica. This dynamic is expected to help maintain high demand figures for industrial and logistics spaces, create high-quality jobs, and consolidate the country as a key destination for Foreign Direct Investment. Efforts focused on attracting new investments, both within and outside the Greater Metropolitan Area (GMA), are anticipated to diversify the supply and strengthen the country's competitiveness in the global market.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & ASKING RENT



# MARKETBEAT COSTA RICA

## Industrial Q1 2024



### MARKET STATISTICS (BY SUBMARKET)

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	YTD NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CNSTR (SQM)	OVERALL AVG ASKING RENT (HT)	OVERALL AVG ASKING RENT (OS)	OVERALL AVG ASKING RENT (W/D)
Alajuela	272	1,830,300	62,300	3.4%	11,300	12,500	57,200	\$7.00	\$7.30	\$7.30
Cartago	175	814,700	16,000	2.0%	6,000	8,500	55,000	\$6.50	\$6.90	\$5.30
Heredia	296	1,330,300	42,200	3.2%	18,900	21,200	17,600	\$7.00	\$8.40	\$7.30
Downtown San José	303	1,221,300	67,500	5.6%	7,800	10,100	2,500	\$6.60	\$7.00	\$7.00
East San José	219	707,900	42,700	6.0%	8,300	8,800	5,600	\$6.80	N/A	\$6.70
West San José	136	654,700	50,400	7.7%	5,700	6,400	19,700	\$6.90	\$9.20	\$6.90
<b>Totals</b>	<b>1,401</b>	<b>6,559,200</b>	<b>281,100</b>	<b>4.3%</b>	<b>58,000</b>	<b>67,500</b>	<b>157,600</b>	<b>\$7.50</b>	<b>\$8.70</b>	<b>\$7.10</b>

### MARKET STATISTICS (BY CLASS)

HT = High Tech/Flex OS = Office Service/Flex W/D = Warehouse/Distribution

CLASS	TOTAL BUILDINGS	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CNSTR (SQM)	OVERALL AVG ASKING RENT (HT)	OVERALL AVG ASKING RENT (OS)	OVERALL AVG ASKING RENT (W/D)
Class A	298	2,698,300	60,500	2.2%	25,400	27,500	146,000	\$8.80	\$8.60	\$7.80
Class B	832	3,354,700	152,200	4.5%	21,600	28,700	11,600	\$6.60	\$8.30	\$6.90
Class C	271	506,200	68,400	13.5%	11,000	11,300	-	\$5.20	N/A	\$5.60

\*Rental rates reflect gross asking US\$/sqm/month

### KEY TRANSACTIONS 2024

PROPERTY	SUBMARKET	TENANT	SQM	TYPE
Bodegas San Sebastián	East San José	La Repa de Sueños / Colchones Dorma	5,800	Own Development
506 Industrial Park	West San José	Terramix	4,400	Lease
CEDI Éxito Betancur	Heredia	Éxito Betancur	4,000	Own Development
KANI Warehouse	Cartago	Frijoles Don Pedro	3,300	Own Development
BES Free Zone	Alajuela	Yobel Logistics	3,200	Lease
Bodegas Grupo Ultra Pavas	Downtown San José	Ópticas Jiménez	2,000	Lease
ACELERA Industrial Park	Heredia	Best Price	1,800	Lease
ACELERA Industrial Park	Heredia	Aislalmart	1,800	Lease
LatAm Parque Logístico SJ Verbena	Downtown San José	PoliArt	1,500	Lease
LatAm Parque Logístico SJ Verbena	Downtown San José	Garabito Comercial	1,500	Lease

### KEY CONSTRUCTION COMPLETIONS 2024

PROPERTY	SUBMARKET	MAIN TENANTS	SQM	DEVELOPER
LatAm Parque Logístico SJ Verbena B400	Downtown San José	-	14,600	LatAm Logistic Prop.
Coyol Free Zone	Alajuela	Shockwave Medical	7,500	CODE
506 Industrial Park – Phase 6	West San José	Terramix	6,600	Holcim CR
BES Free Zone – Lot 13	Alajuela	Yobel Logistics	3,200	Grupo Montecristo

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