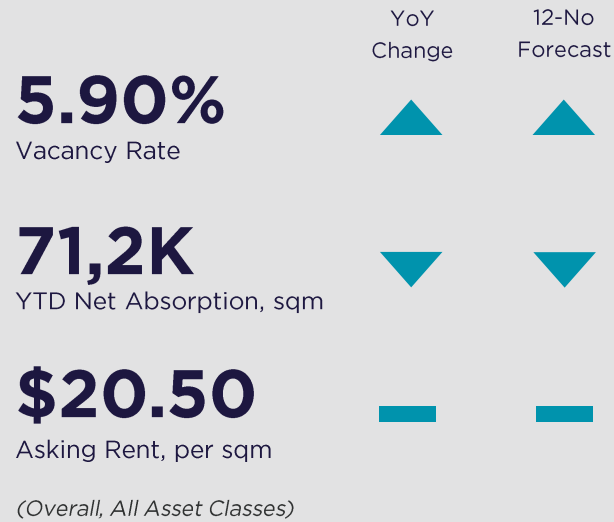
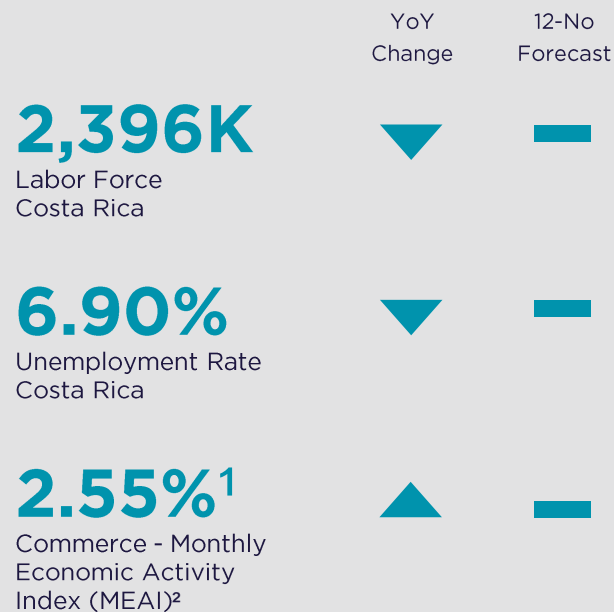


MARKET FUNDAMENTALS



ECONOMIC INDICATORS Q4 2024



¹ Average of data reported during the 4Q 2024 months

² MEAI reflects YOY variation

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

ECONOMY: COMMERCIAL SECTOR BOOSTS ECONOMIC GROWTH

According to the Central Bank of Costa Rica, economic activity, as measured by the Monthly Index of Economic Activity (IMAE), grew 4.0% year-on-year in Q4 2024, fueled by a strong recovery in trade. Wholesale and retail sales rose 5.8%, reflecting higher consumer spending and the expansion of e-commerce. Tourism further boosted demand in retail and dining, while imports of consumer goods increased by 6%. For 2025, the BCCR projects continued 4.0% growth, supported by steady domestic consumption and inflation remaining within the 3% target range.

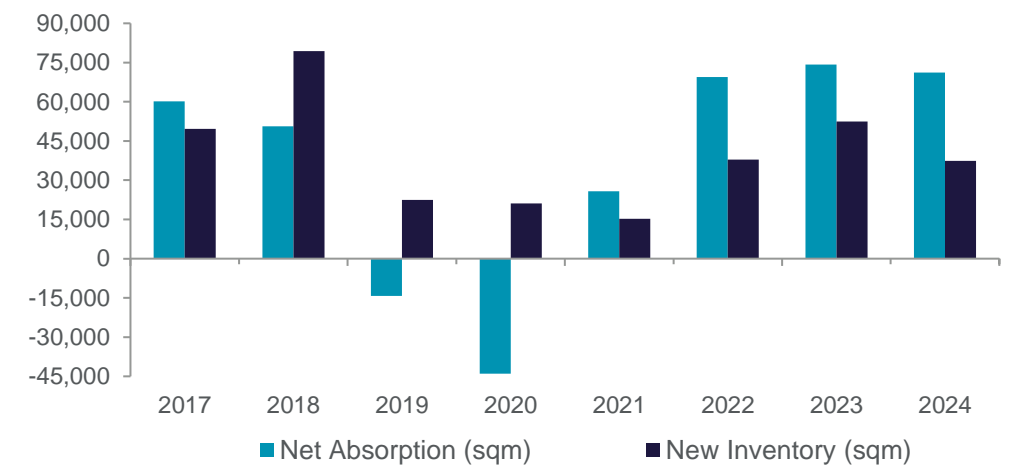
MARKET OVERVIEW: COMMERCIAL REAL ESTATE SEES STRONG DEMAND

Costa Rica's commercial real estate market ended 2024 with a 5.9% vacancy rate, continuing a downward trend driven by sustained demand for retail space. Growth has been particularly strong in shopping centers and standalone retail locations in high-traffic areas. Rental prices remained stable, reinforcing investor confidence and supporting higher occupancy rates. This resilience highlights the sector's adaptability amid expanding economic activity.

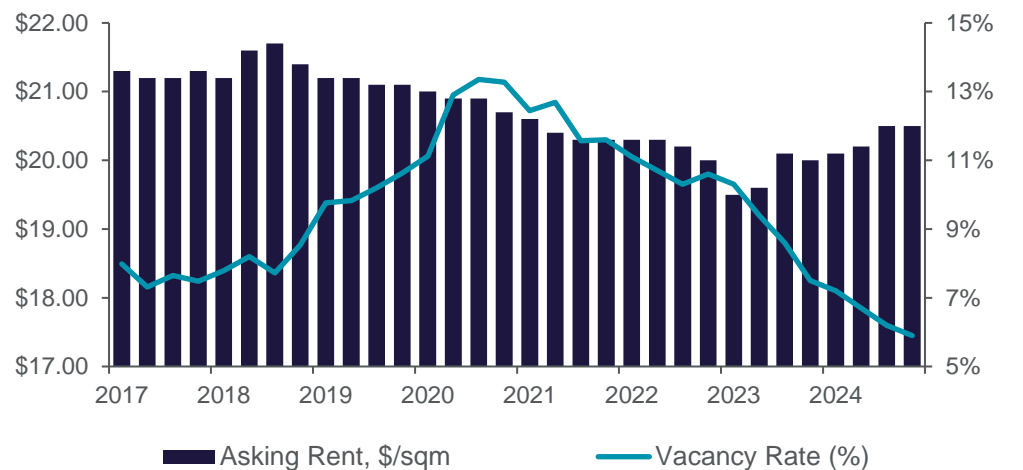
OUTLOOK: HIGH DEMAND DRIVES COMMERCIAL EXPANSION IN 2025

The commercial sector is set to maintain strong momentum in 2025, with sustained demand further reducing availability in the Greater Metropolitan Area (GAM). Over 37,000 m² of new inventory is expected to enter the market, primarily in West and East San José, with deliveries scheduled between late 2024 and Q2 2025. Pre-leasing levels exceed 80%, underscoring the market's preference for modern developments in strategic locations, featuring innovative concepts that align with evolving consumer expectations.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS (BY SUBMARKET)

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	QTD NET ABSORPTION (SQM)	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CONSTRUCTION (SQM)	AVG ASKING RENT (ALL CLASSES)	OVERALL AVG ASKING RENT (CLASS A)
Alajuela	72	154,900	5,700	3.7%	4,100	7,100	9,300	2,400	\$21.90	\$25.50
Cartago	88	140,500	6,100	4.3%	(800)	4,100	7,600	500	\$19.20	\$23.40
Heredia	181	322,100	24,900	7.7%	1,500	12,200	17,200	1,000	\$19.40	\$23.00
Downtown San José	219	238,600	19,800	8.3%	8,900	21,500	27,300	5,300	\$15.60	\$18.00
East San José	307	600,600	29,500	4.9%	8,200	12,200	28,400	-	\$20.70	\$23.40
West San José	234	442,100	26,900	6.1%	2,600	14,100	27,500	-	\$23.50	\$26.20
TOTAL	1,101	1,898,800	112,900	5.9%	24,500	71,200	117,300	9,200	\$20.50	\$24.10

MARKET STATISTICS (BY CLASS)

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	QTD NET ABSORPTION (SQM)	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CONSTRUCTION (SQM)	DIRECT RENTAL PRICE	OVERALL AVG ASKING RENT
Class A	365	1,053,600	59,000	5.6%	14,100	39,600	60,200	9,200	N/A	\$24.10
Class B	736	845,200	53,900	6.4%	10,400	31,600	57,100	-	N/A	\$16.00

MARKET STATISTICS (BY SUBTYPE)

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	QTD NET ABSORPTION (SQM)	YTD OVERALL NET ABSORPTION (SQM)	YTD LEASING ACTIVITY (SQM)	UNDER CONSTRUCTION (SQM)	OVERALL AVG ASKING RENT (ALL CLASSES)	OVERALL AVG ASKING RENT (CLASS A)
Neighborhood Center	116	207,000	12,000	5.8%	4,500	11,800	16,000	2,400	\$20.60	\$21.30
Community Center	79	375,500	25,800	6.9%	10,900	17,000	26,700	5,300	\$18.60	\$20.50
Regional Center	18	525,000	21,100	4.0%	(600)	6,900	16,600	-	\$30.90	\$31.60
Free Standing	350	345,700	17,100	4.9%	4,800	12,900	24,400	500	\$12.40	\$13.80
Strip Center	437	374,500	30,400	8.1%	3,600	16,100	26,300	1,000	\$15.70	\$18.80
Urban	101	71,100	6,500	9.1%	1,300	6,500	7,300	-	\$18.00	\$24.10

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

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