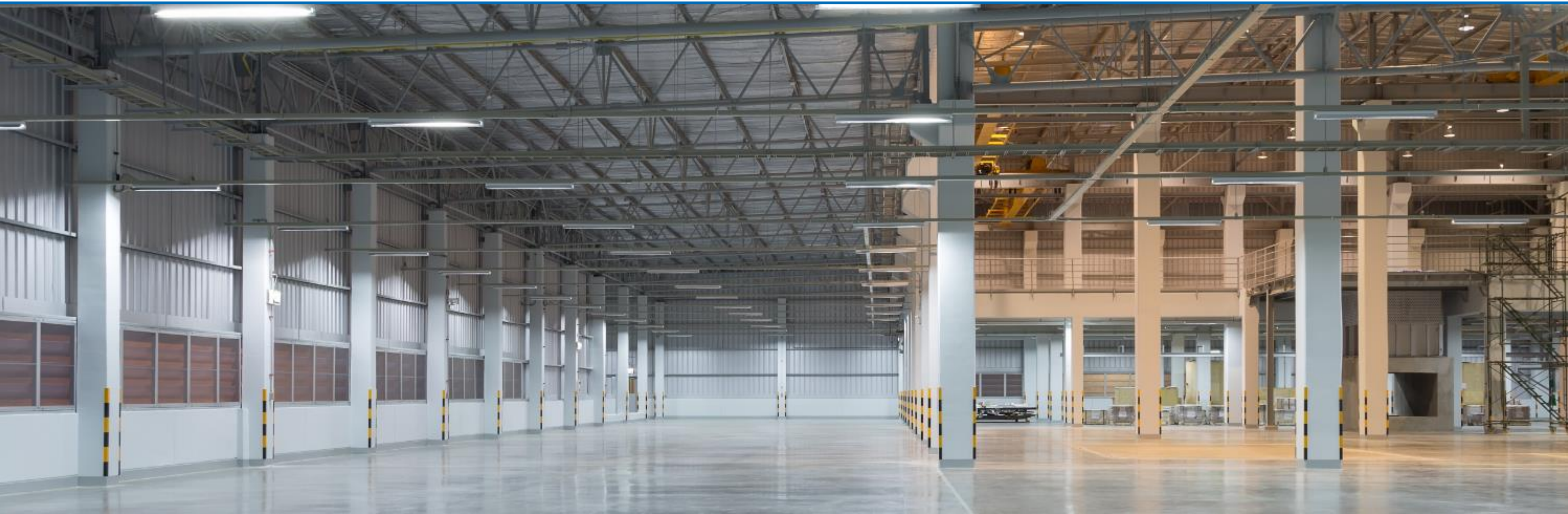


1S 2024

# Bogotá Industrial Market



---

# Market analysis

## Economy

- The World Bank (WB), in its most recent report on growth projections, downgraded the Colombian economy's result by 0.5% for this year, compared to the January 2024 estimate, bringing it to 1.3%.
- The national economy grew only 0.7% in the first quarter of 2024. One sector that performed well was agriculture, which increased by 5.5%, associated with abundant rains that are now seen as excessive and may lead to crop failures.
- Public spending is expected to lead growth in 2024, and construction will show some recovery but still remain slightly negative.

## Transactions

- DHL has completed the consolidation of its operations at Constellation Industrial Park, located in Siberia. With 10,000 sqm, it achieves the integration of all its operations under one roof. This development underscores a focus on operational efficiency and logistical optimization within the industrial sector.
- A prominent sportswear company has formalized the lease of 10,000 sqm within the newly inaugurated Distribution Center of Falabella located in Siberia.
- In P.I. Lógica Calle 13, in the suburban corridor of Mosquera, a company in the paper sector has acquired approximately 9,000 sqm.

## Market Fundamentals

- The net absorption in the first quarter is -25,918 sqm, far from the 246,000 sqm recorded in the same period of 2023.
- The availability rate closed at 4.3%, decreasing by 0.1 percentage points compared to 2023.
- Prices continue to rise. Rental prices closed at COP \$25,100 for Class A and COP \$20,050 for Free Trade Zones.
- Speculative construction projects remain scarce.

## Perspectives

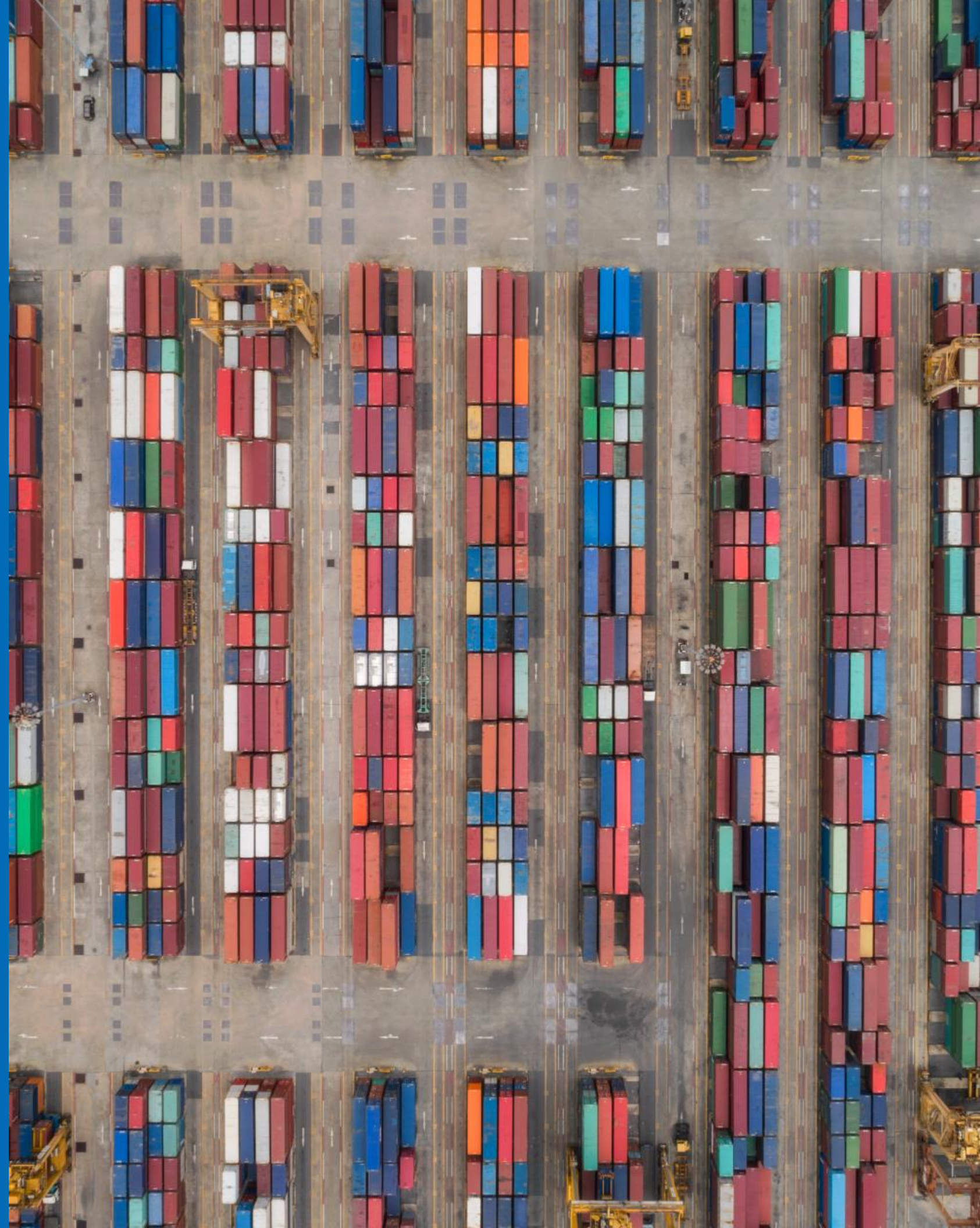
- During the first half of this year, there has been an emergence of warehouses with high specifications due to some logistics operators vacating facilities to consolidate their operations in previously occupied warehouses.
- Developers remain focused on customized constructions and executing contracts for standard warehouses in their industrial parks.
- There has been observed slow absorption, particularly of large warehouses ranging from 5,000 to 10,000 sqm, which last year had high demand from companies. There is a preference noted for smaller areas both for sale and for rent.

Economy	6
Market Fundamentals	9
Summary Table	14



1S 2024

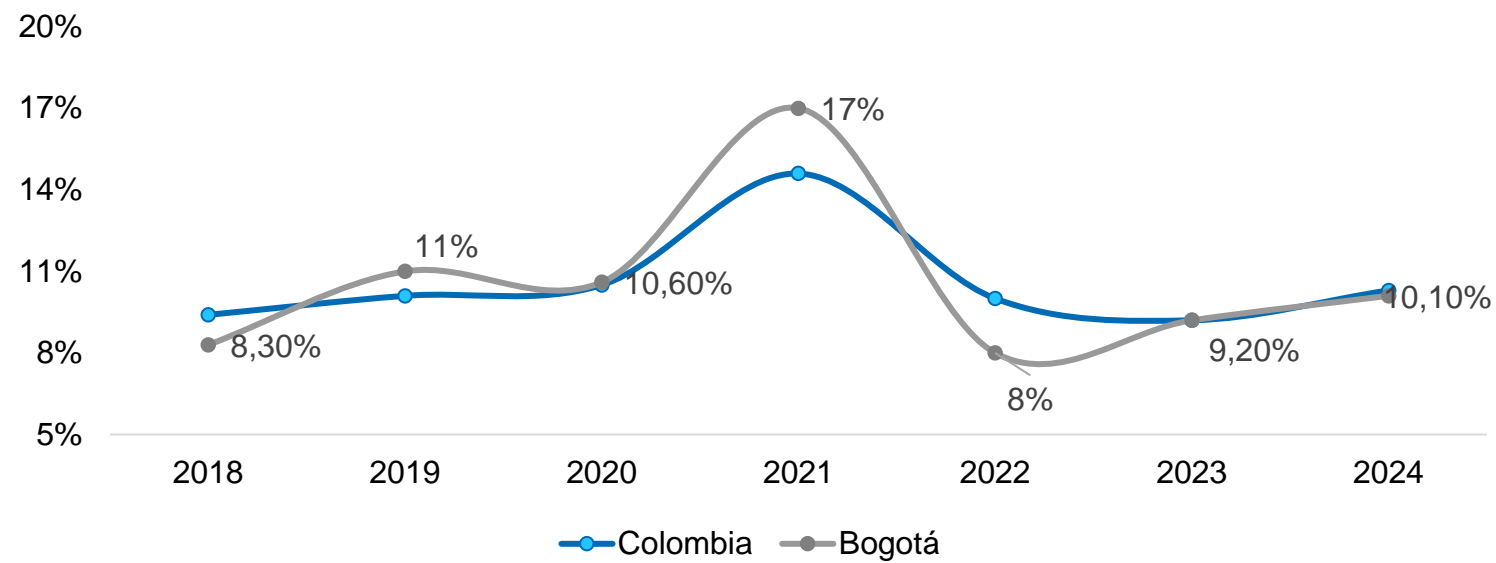
# Economy



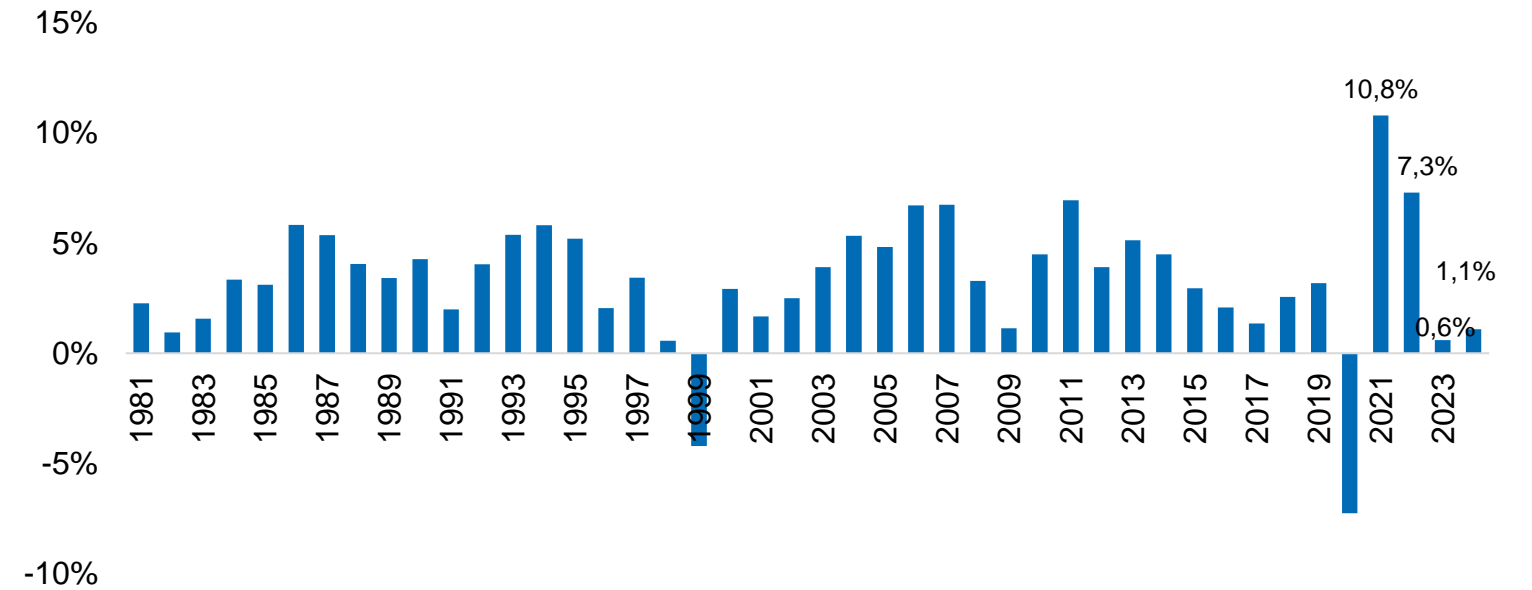
# Economic

Experts expect the Colombian economy to begin a more sustained recovery in the second half of the year. To consolidate the revival, it will be crucial to stimulate investment in machinery and equipment, exports, and construction, both nationally and regionally. By the end of the year, non-residential buildings are expected to reactivate due to reduced commercial vacancy rates. Subsequently, stronger housing sales this year will drive construction in 2025.

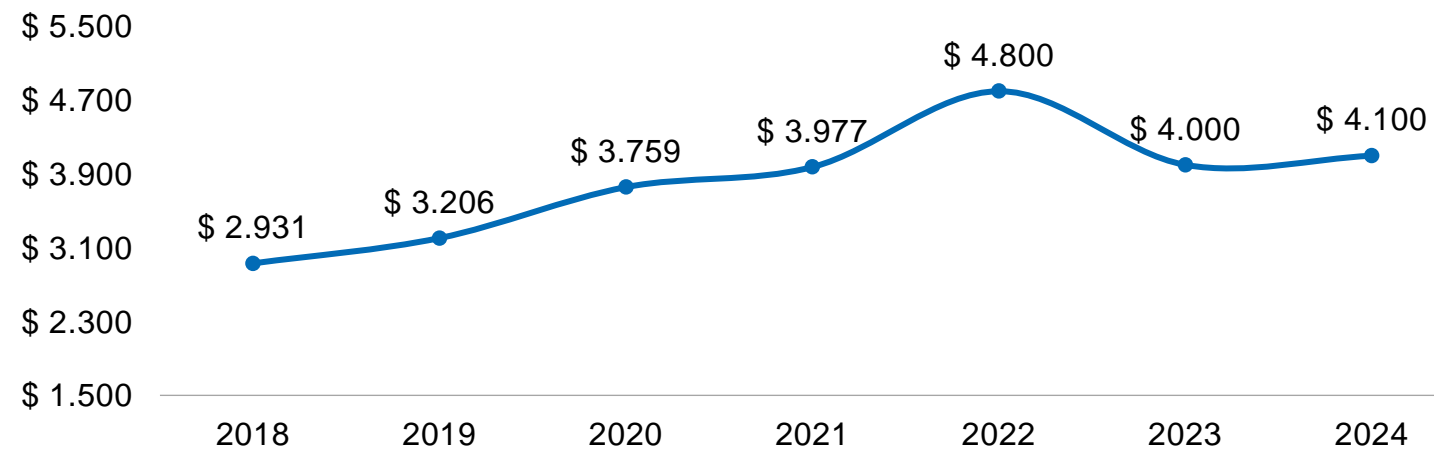
## Unemployment Rate



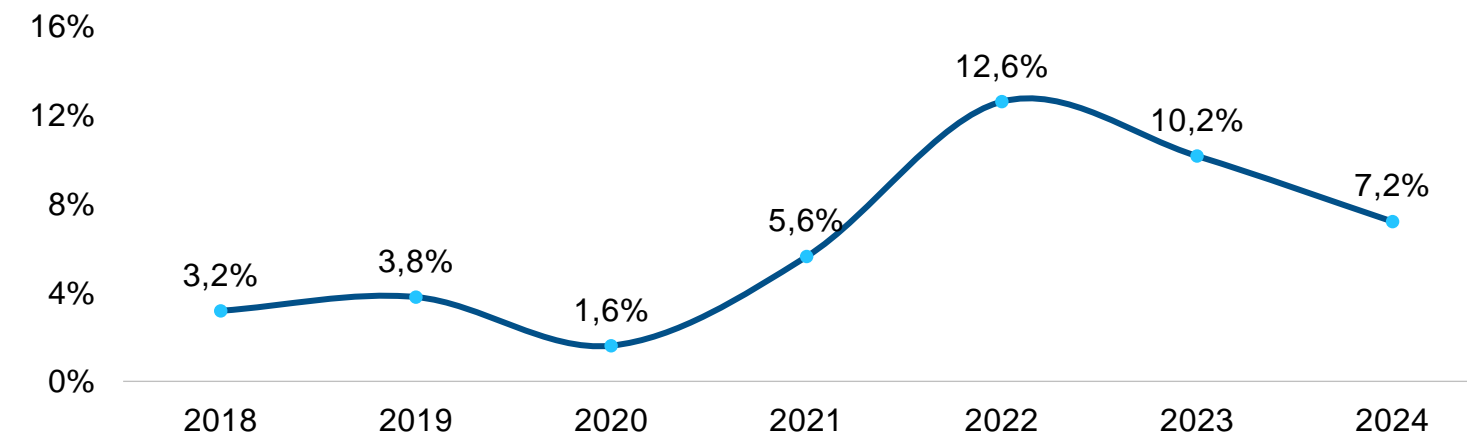
## GDP Growth Rate (annual %)



## Exchange Rate (Colombian Peso per US Dollar USD)



## Consumer Price Index (CPI)



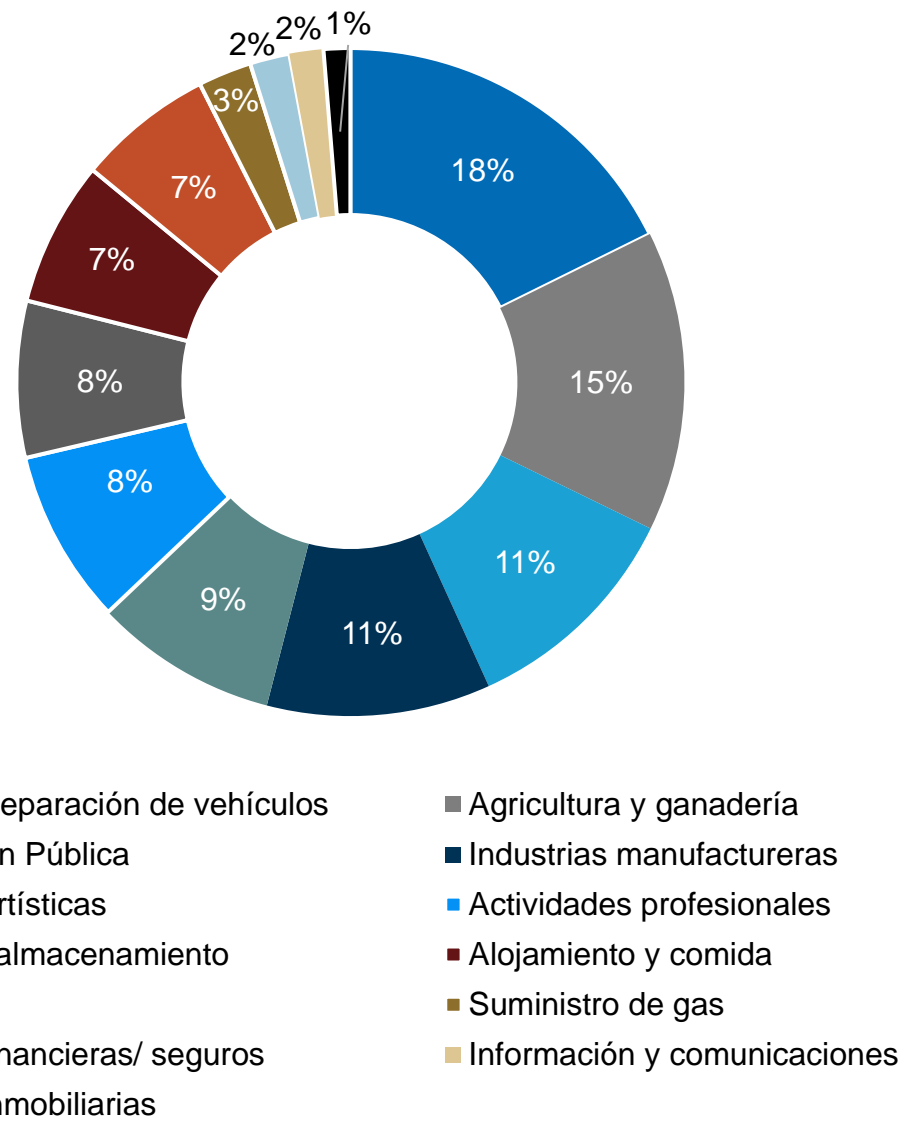
Source: Dane (National Administrative Department of Statistics), Banco de la República



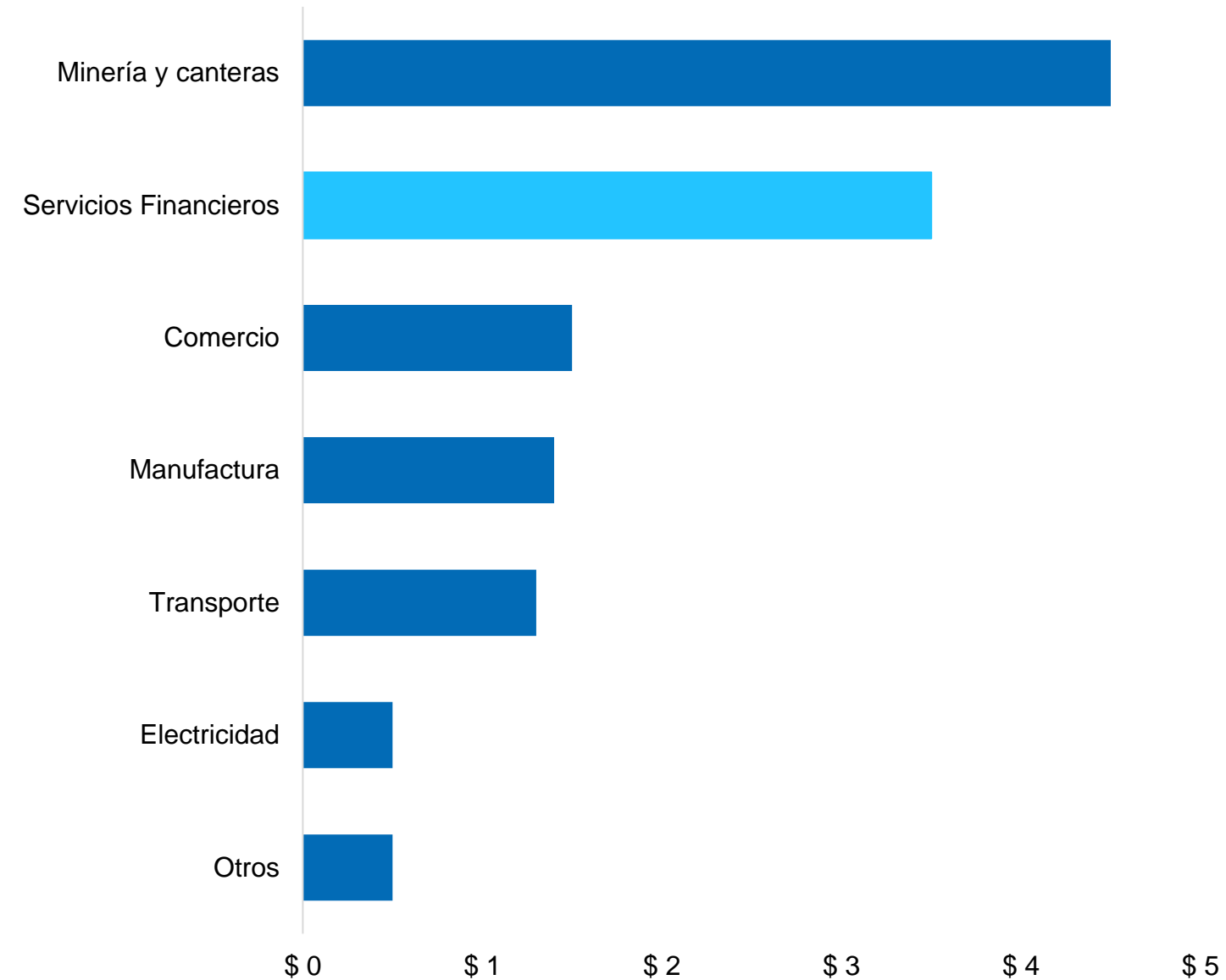
# Other economic variables

Foreign direct investment (FDI) into Colombia decreased by 0.9% during the first 4 months of 2024. After reaching an eight-year record in FDI during the first quarter, the figures in April, as well as the year-to-date total, showed declines. According to Colombia Risk, "the deterioration of the national government's fiscal outlook will reduce investor confidence, impacting foreign direct investment and business opportunities."

Employment by Sector of Activity



Foreign Direct Investment in Millions USD (March 2024)



Source: Dane (National Administrative Department of Statistics)



1S 2024

# Market Fundamentals

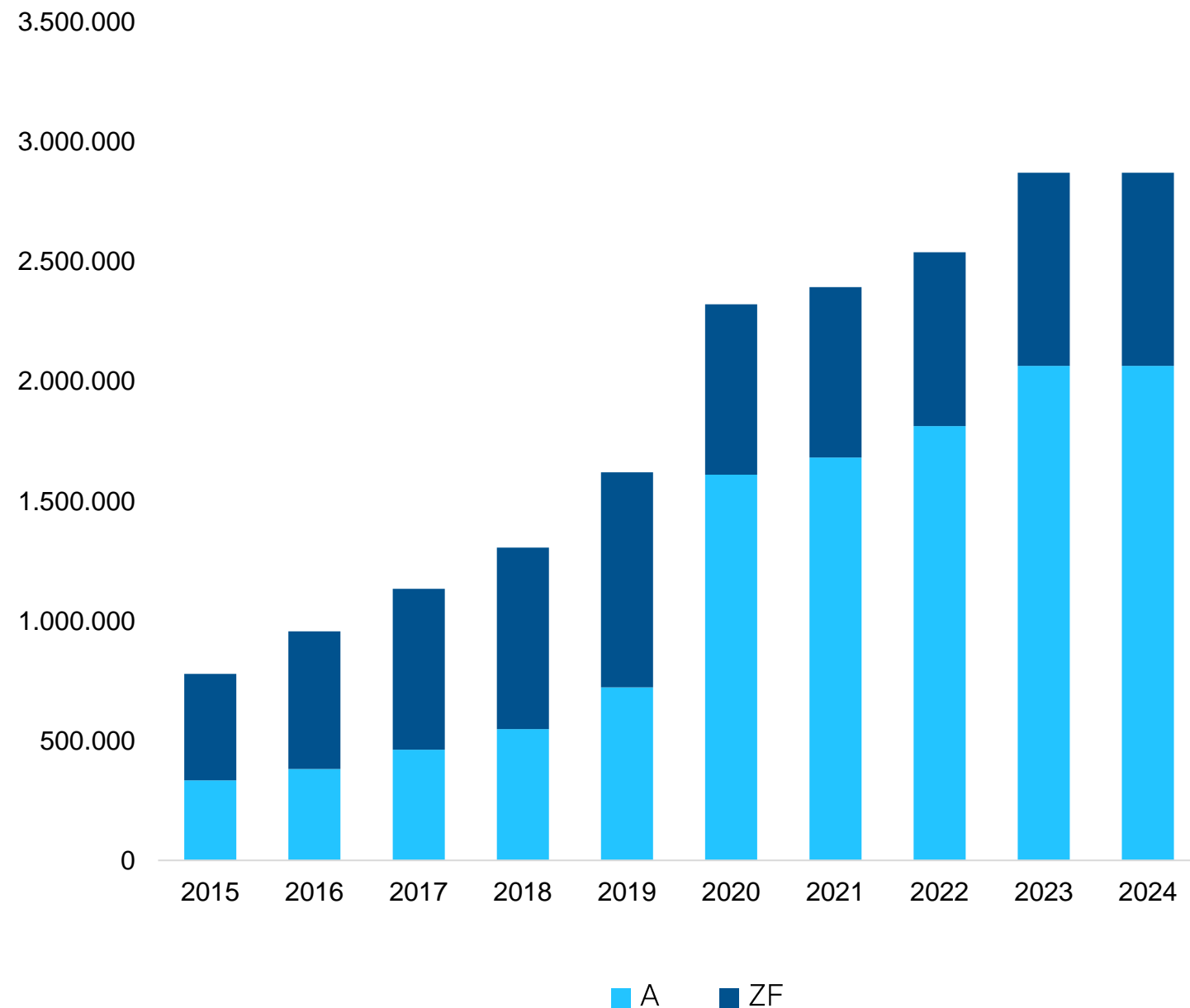




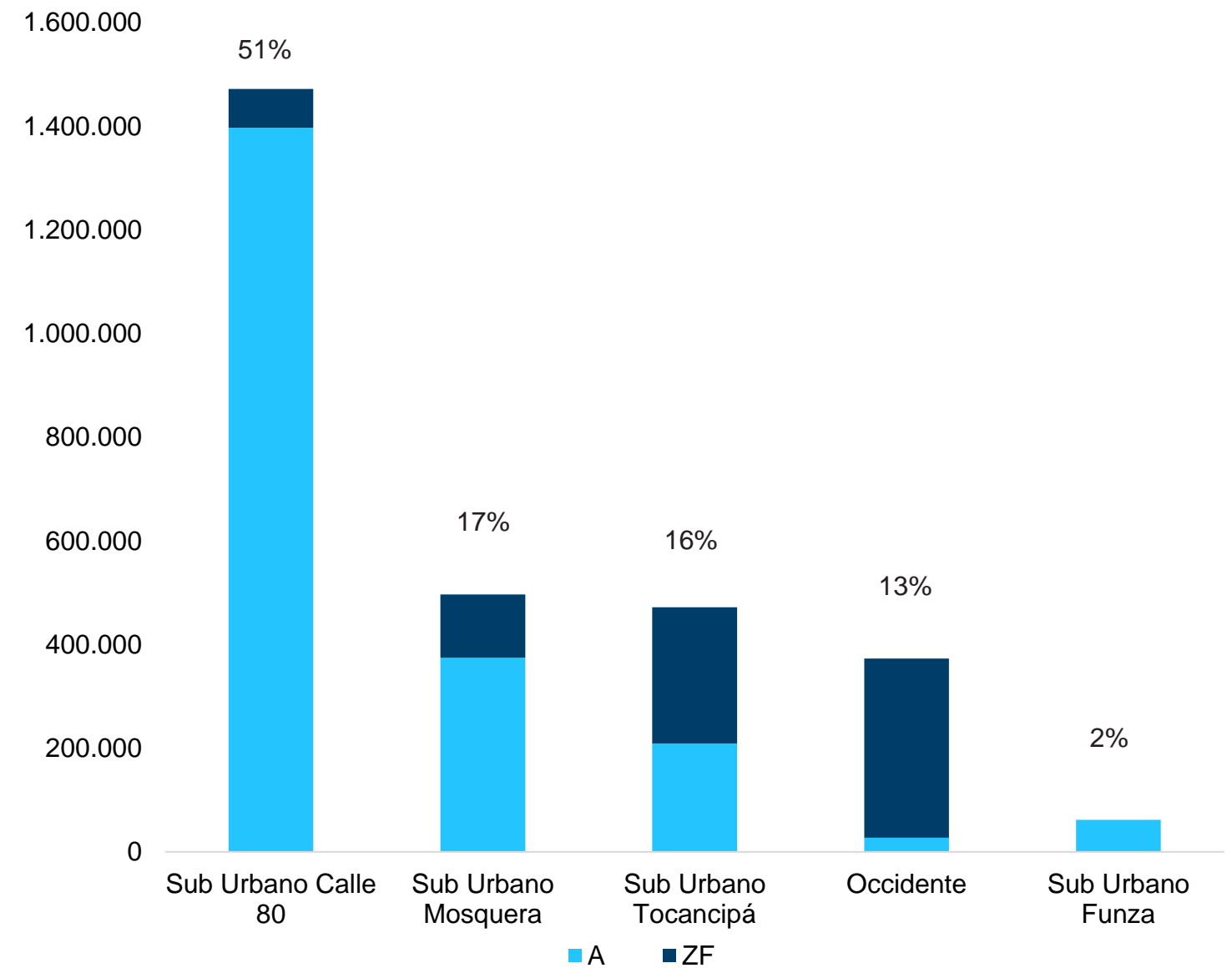
# Inventory

There is a noticeable slowdown in the industrial market dynamism, influenced by the behavior and outlook of foreign investment, consumption, and high construction costs. Once macroeconomic variables begin to improve, companies are expected to resume their expansion plans and occupy new spaces that have been put on hold in the last 6 months.

Historical Inventory Growth by Class (sqm)



Inventory Distribution by Corridor and Class (sqm)



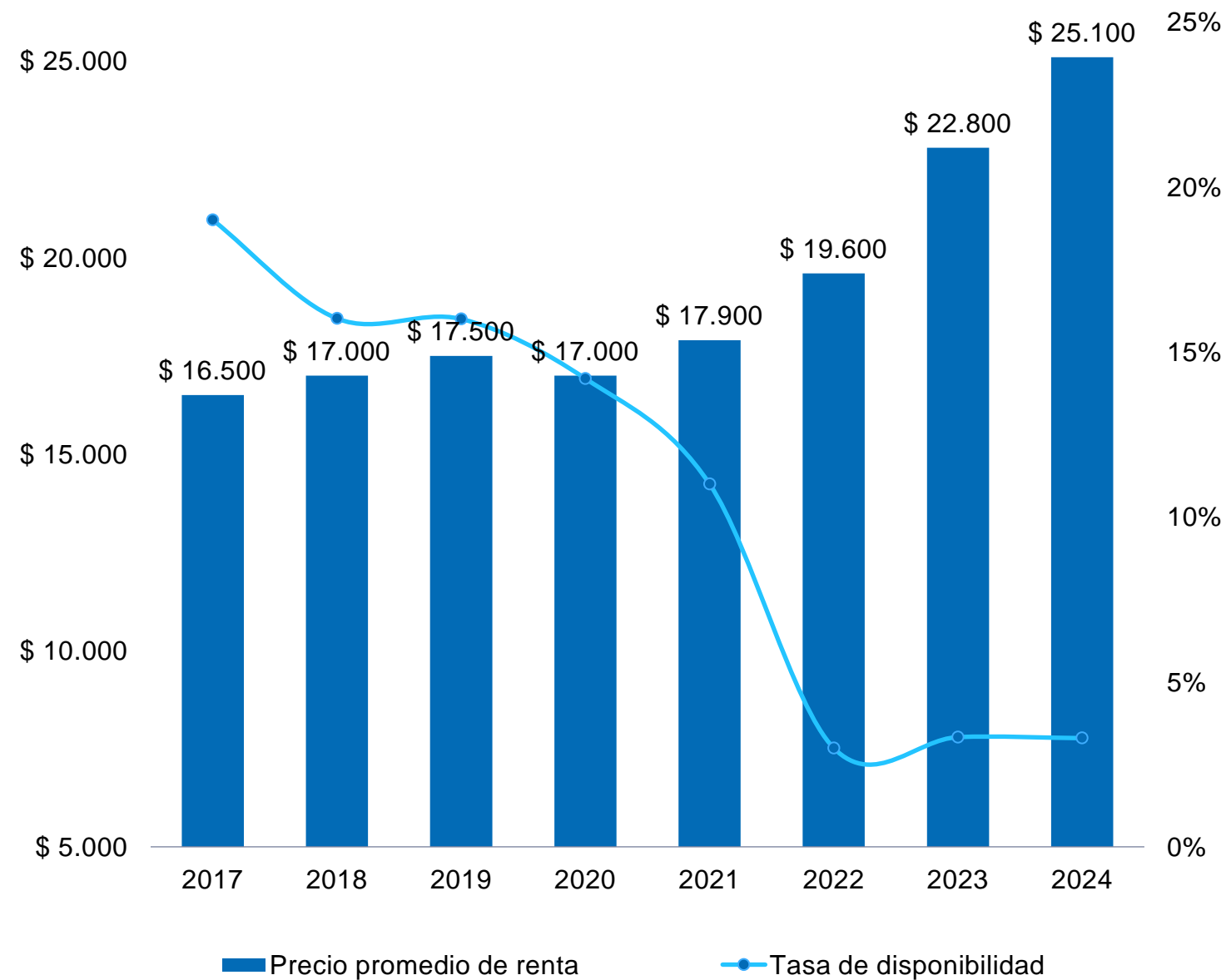
Source: Newmark Research



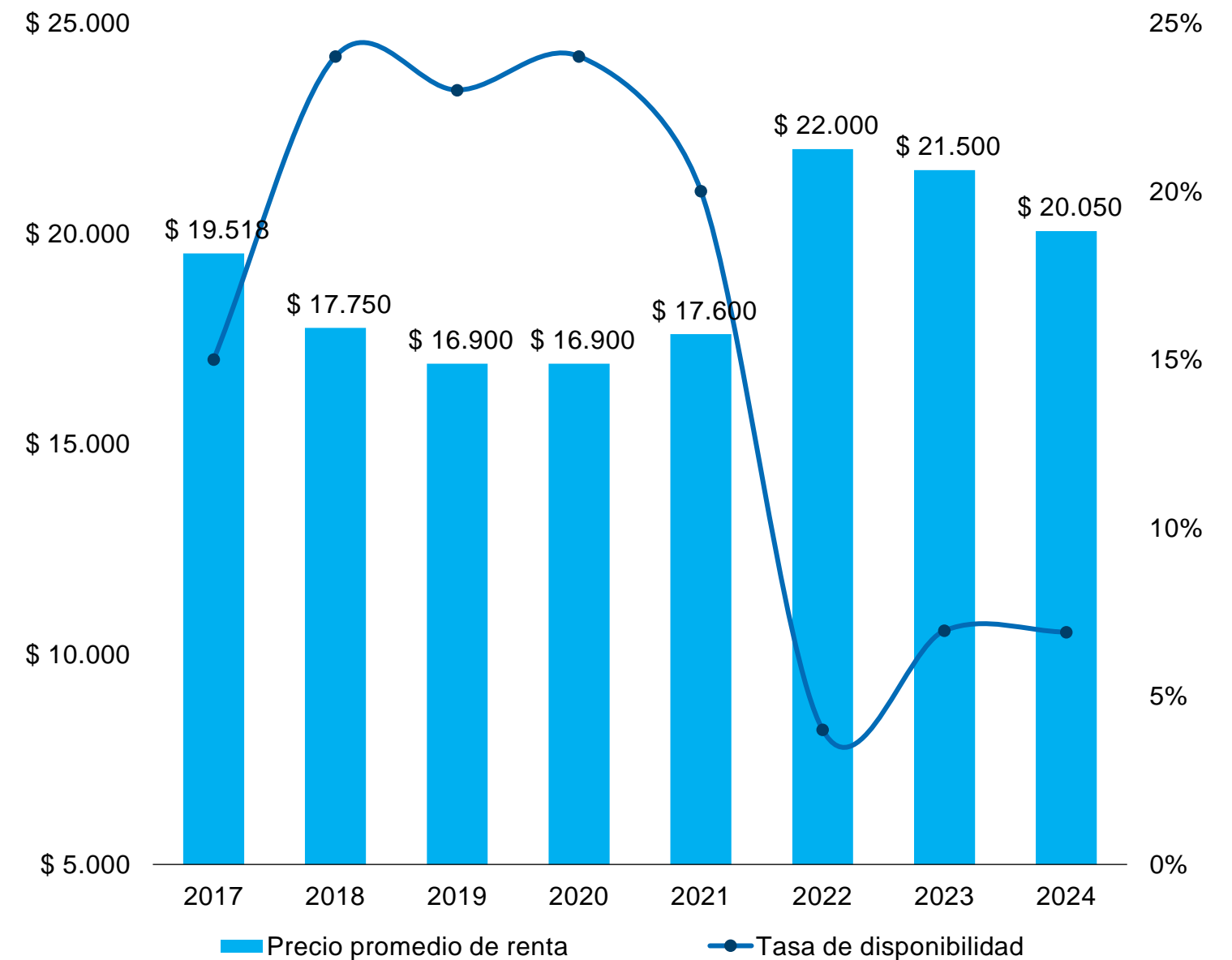
# Market analysis

Over the past five years, there has been a decrease in warehouse availability, leading to a widespread increase in rental prices. As a direct consequence of this rise, many companies are choosing to optimize the use of their current warehouse spaces instead of expanding into new locations.

Historical Rental Prices (COP) and Class A Availability Rate (%)



Historical Rental Prices (COP) and Free Trade Zones Availability Rate (%)

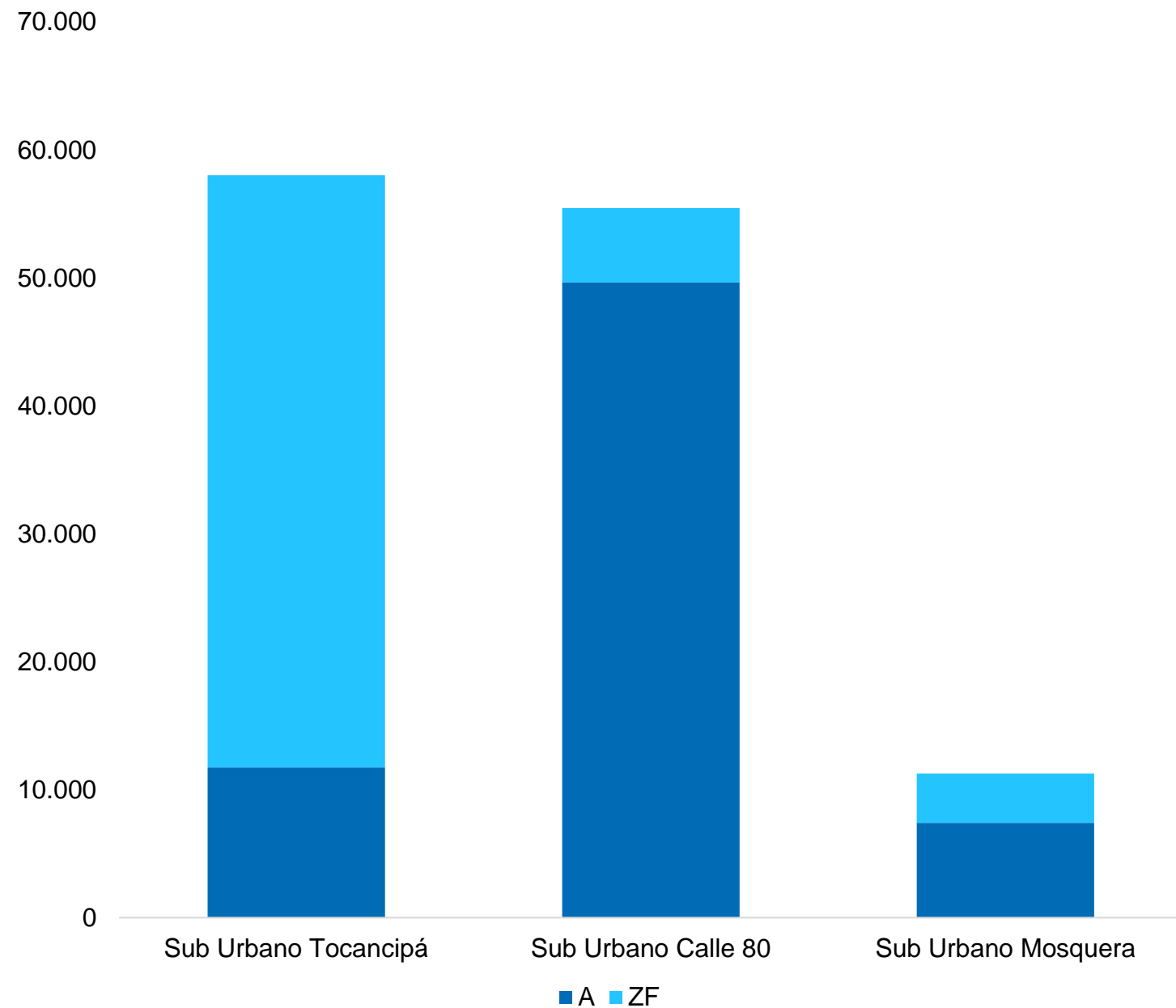


Source: Newmark Research

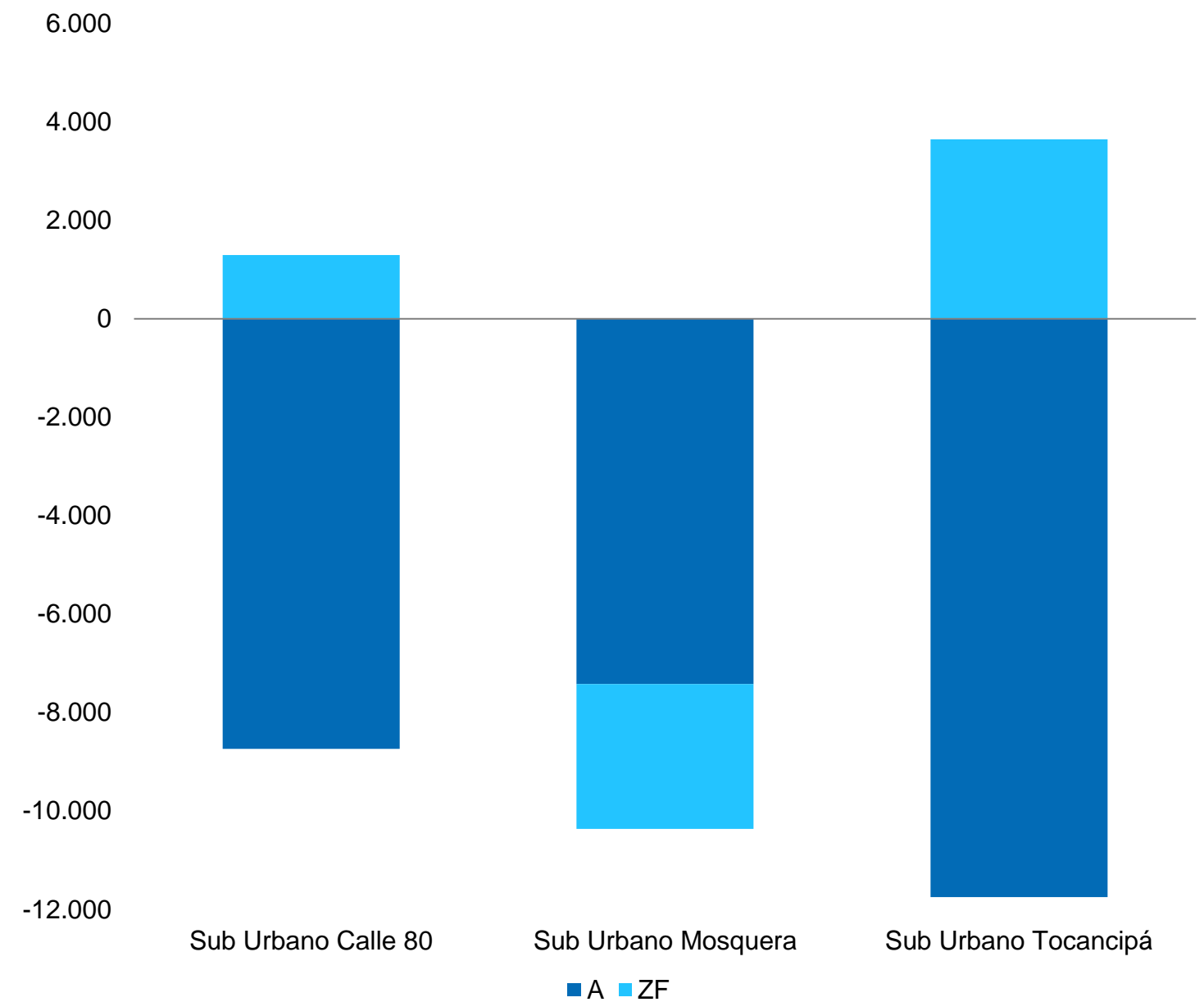
# Supply and absorption

In the first half of 2024, there was a negative net absorption of 25,918 sqm. This figure contrasts significantly with the absorption of 246,000 sqm recorded in the same period last year, 2023. The main reason behind this shift in trend is the strategy adopted by several companies to release space into the market as part of their efforts to optimize their current warehouse configurations and operations. Consequently, there has been a slight increase in the availability of these spaces.

Distribution of Supply by Class and Corridor (sqm)



Absorption by Class and Corridor (sqm)



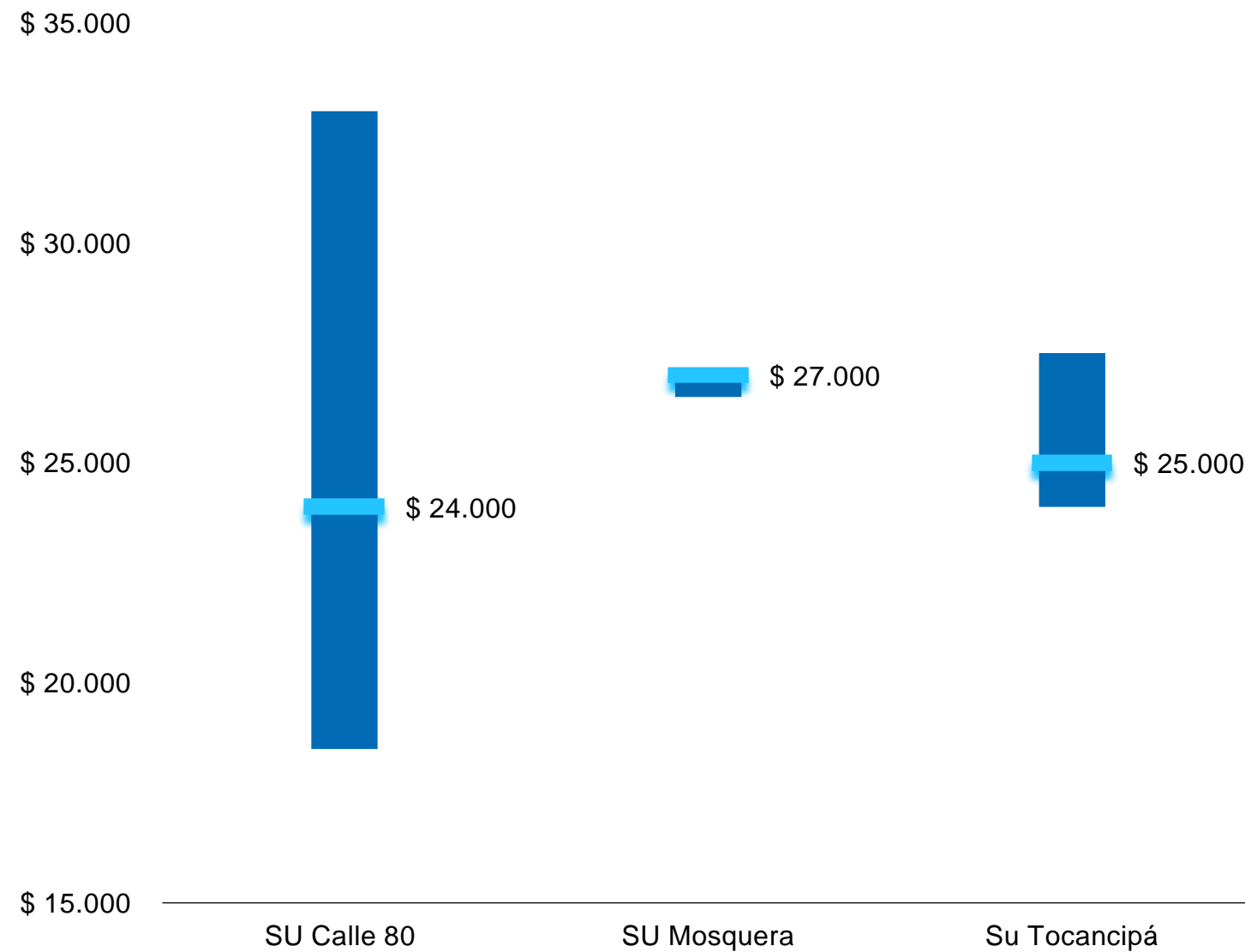
Source: Newmark Research



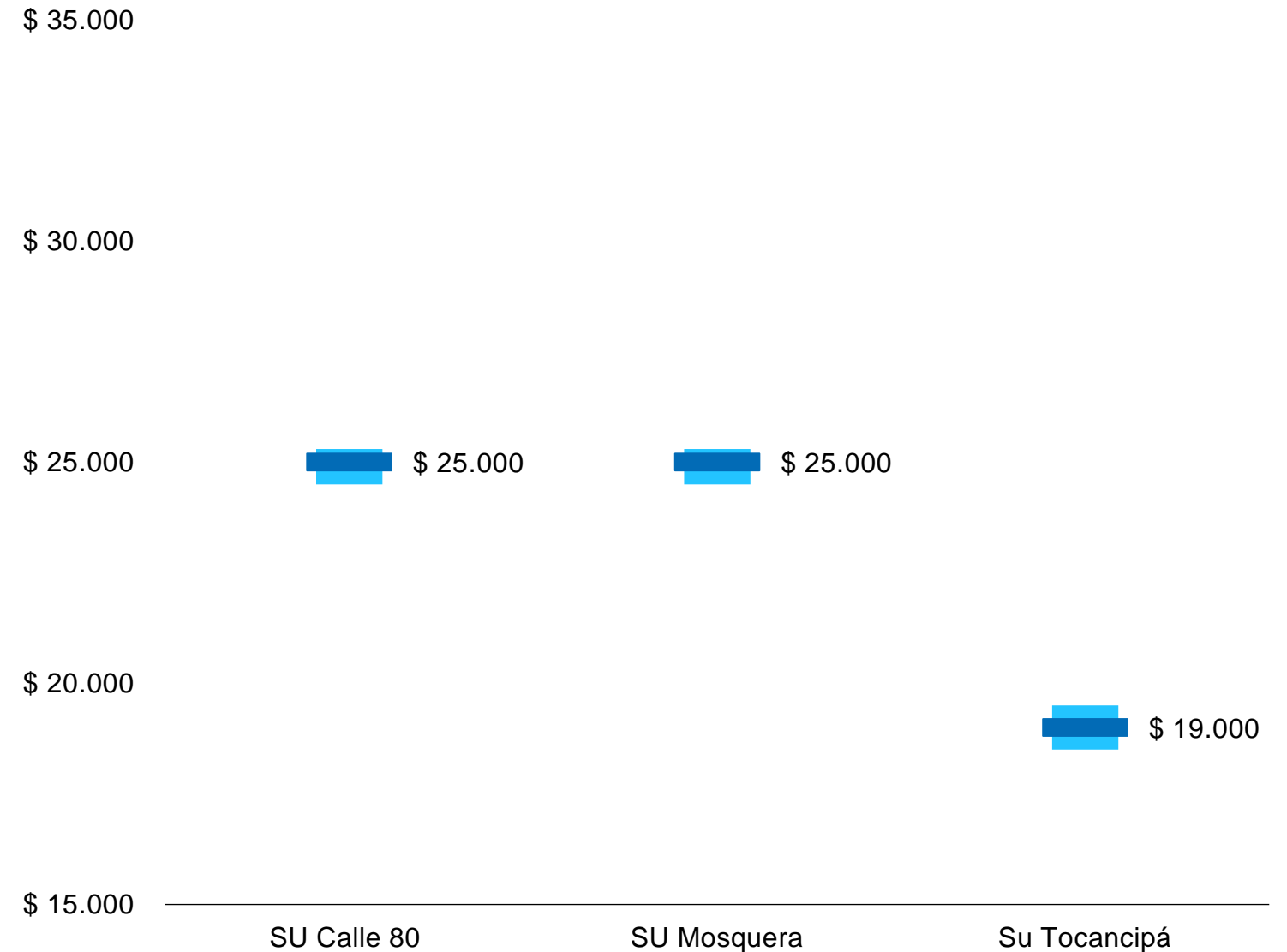
# List prices

Rental prices for Class A warehouses are experiencing a notable upward trend, with an annual increase of 8%. This rise has pushed prices to reach record levels in the city, setting new historical highs. In contrast, Free Trade Zones have shown stability in their rental prices, maintaining rates without significant changes.

### Rental Price Ranges by Corridor (COP)



### Sales Price Ranges by Corridor (COP)



Source: Newmark Research

1S 2024

# Market Indicators





# Summary table

Statistics by Class A Submarket							
	Inventory Total (sqm)	Availability Total (sqm)	Availability Rate (%)	Net Absorption (sqm) Accumulated	Average Rent Price (COP/sqm/month)	Average Sale Price (COP/sqm/month)	
Occidente	27.299	0	0,0%	0	N.D	N.D	
Sub Urban Calle 80	1.393.014	49.642	3,6%	-8.738	\$ 24.000	\$ 2.958.050	
Sub Urban Funza	61.841	0	0,0%	0	N.D	N.D	
Sub Urban Mosquera	374.400	7.424	2,0%	-7.424	\$ 27.000	N.D	
Sub Urban Tocancipá	209.067	11.750	5,6%	-11.750	\$ 25.000	\$ 3.700.000	
<b>Total Class A</b>	<b>2.065.622</b>	<b>68.816</b>	<b>3,3%</b>	<b>-27.912</b>	<b>\$ 25.100</b>	<b>\$ 3.329.050</b>	

Statistics by Free Trade Zones (ZF) Submarket							
	Inventory Total (sqm)	Availability Total (sqm)	Availability Rate (%)	Net Absorption (sqm) Accumulated	Average Rent Price (COP/sqm/month)	Average Sale Price (COP/sqm/month)	
Occidente	345.635	0	0,0%	0	N.D	N.D	
Sub Urban Calle 80	74.817	5.819	7,8%	1.293	\$ 25.000	\$ 2.800.000	
Sub Urban Mosquera	122.500	3.842	3,1%	-2.942	\$ 25.000	N.D	
Sub Urban Tocancipá	262.790	46.288	17,6%	3.643	\$ 19.000	\$ 3.250.000	
<b>Total ZF</b>	<b>805.742</b>	<b>55.949</b>	<b>6,9%</b>	<b>1.994</b>	<b>\$ 20.050</b>	<b>\$ 3.025.000</b>	



**Daniel Sierra**  
Industrial Associate

“

During the last semester, Bogotá's industrial market has seen an increase in warehouse availability in major industrial parks and corridors. This trend is attributed to operational consolidation by various companies, opting to optimize the use of their existing leased storage facilities rather than leasing new spaces.

Developers of industrial warehouses continue to focus on building primarily custom or standard warehouses with long-term lease contracts, typically around five years. This has led to the availability of high-spec warehouses within industrial parks, although absorption has been slower, especially for warehouses sized between 5,000 and 10,000 sqm.

However, the industrial sector still presents new opportunities in high-spec warehouses, despite a decrease in demand for medium-sized spaces. In contrast, smaller warehouses maintain high occupancy levels.

Price remains a critical factor in market dynamics, encouraging companies to remain within industrial complexes where they already operate. The option of relocation is eliminated as they face high prices that could impact their operational and financial capacity.



## Bogotá

Cra. 9 N° 77 - 67, Oficina 405

t +57-1-210-1929 | +57-314-389-9091

## Aurora Turriago

Market Research Director Colombia

aurora.turriago@nrmk.com

## Daniel Sierra

Industrial Associate

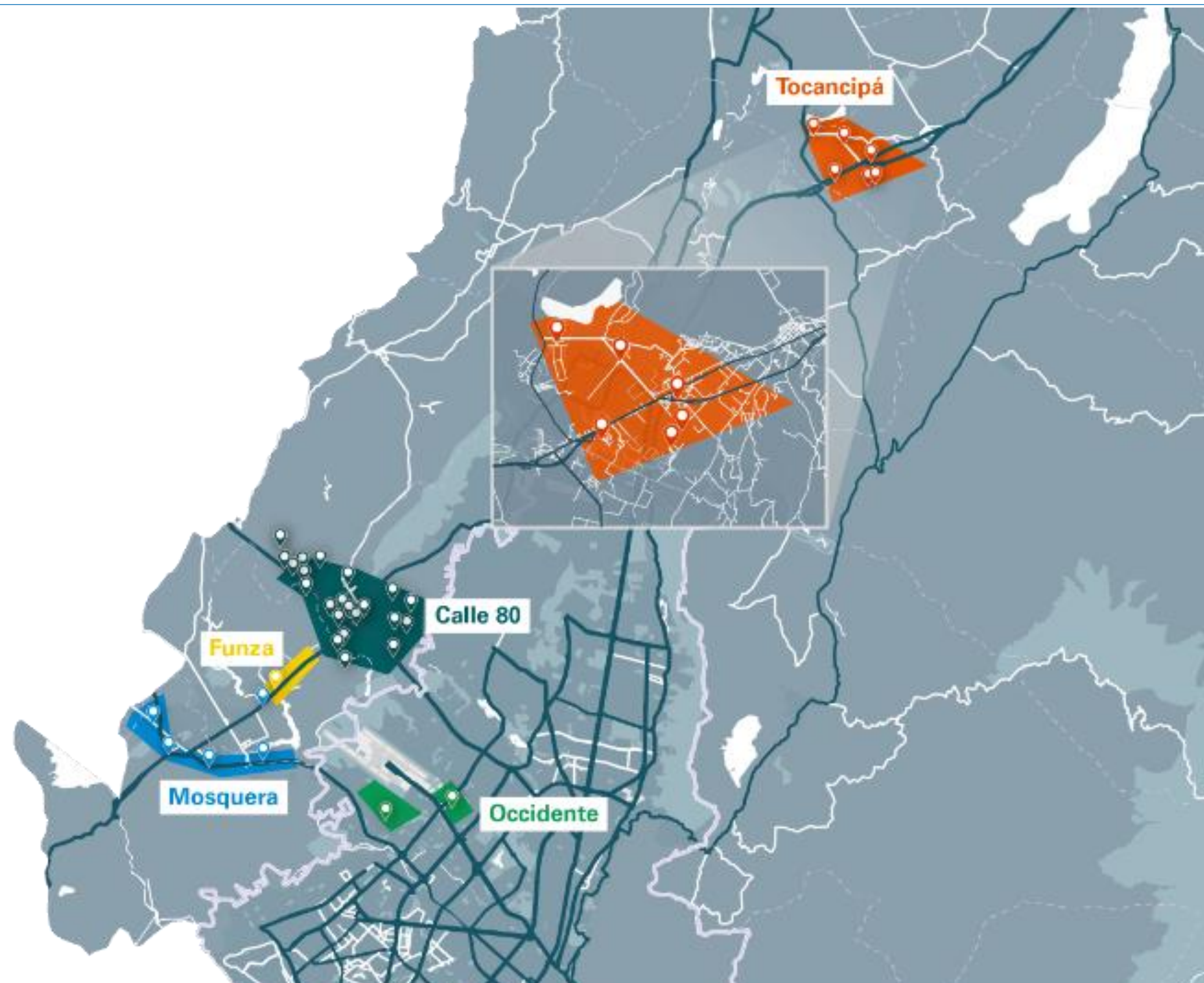
daniel.sierra@nrmk.com

## Juan Manuel Torres

Senior Managing Director

juan.torres@nrmk.com

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



### DISCLAIMER:

Newmark has implemented its own database and revised its tracking methodology. With this expansion and refinement of our data, there may be adjustments to historical statistics, including availability, rental prices, absorption, and effective rents. Our market reports are available at <https://nrmk.lat/market-reports/>.

All information contained in this publication is based on sources deemed reliable, but Newmark Colombia has not verified it and does not guarantee its accuracy. The use of this information is the responsibility of the recipient, who should consult professionals of their choice, including legal, financial, tax, and other implications. The recipient of this publication may not distribute, disseminate, publish, transmit, copy, upload, download, or otherwise reproduce this publication or any of the information it contains without prior written consent from Newmark Colombia.