



NEWMARK

*Panamá City:*  
Industrial Market

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1Q26

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# Market Analysis



## Perspective: Panama as a Strategic Hub

- Panama continues to consolidate its position as one of the region's leading logistics hubs, thanks to its multimodal connectivity and the presence of the Panama Canal, a fundamental factor in global trade.
- This environment is strengthened by ongoing investments in infrastructure, port projects, and a growing interest from international companies in establishing their regional distribution centers in the country. The structural foundations, based on integration with international supply chains, support positive prospects for the sector in the medium term.



## Market Fundamentals

|  | Current Quarter | Previous Quarter | Last Year | Projection 12 Months |
|--|-----------------|------------------|-----------|----------------------|
| Inventory (m <sup>2</sup> )              | 1,866,977       | 1,847,927        | 1,763,885 | ↑                    |
| Availability Rate                        | 8.30%           | 8.07%            | 8.79%     | →                    |
| Net Absorption (m <sup>2</sup> )         | 57,395          | 57,395           | 31,814    | →                    |
| Gross Absorption (m <sup>2</sup> )       | 34,040          | 58,790           | 34,628    | ↓                    |
| Asking Price (USD/m <sup>2</sup> /month) | \$7.34          | \$7.34           | \$7.22    | →                    |



## Greater Demand Dynamism

- The absorption dynamic has shown strong activity, with significant peaks recorded especially during 2025. Overall market performance continues to be driven by sectors linked to logistics, distribution, and regional trade.
- Although the absorption rate exhibits natural volatility due to the delivery of new projects, the rapid occupancy of modern spaces demonstrates an active response from users to the quality offerings.

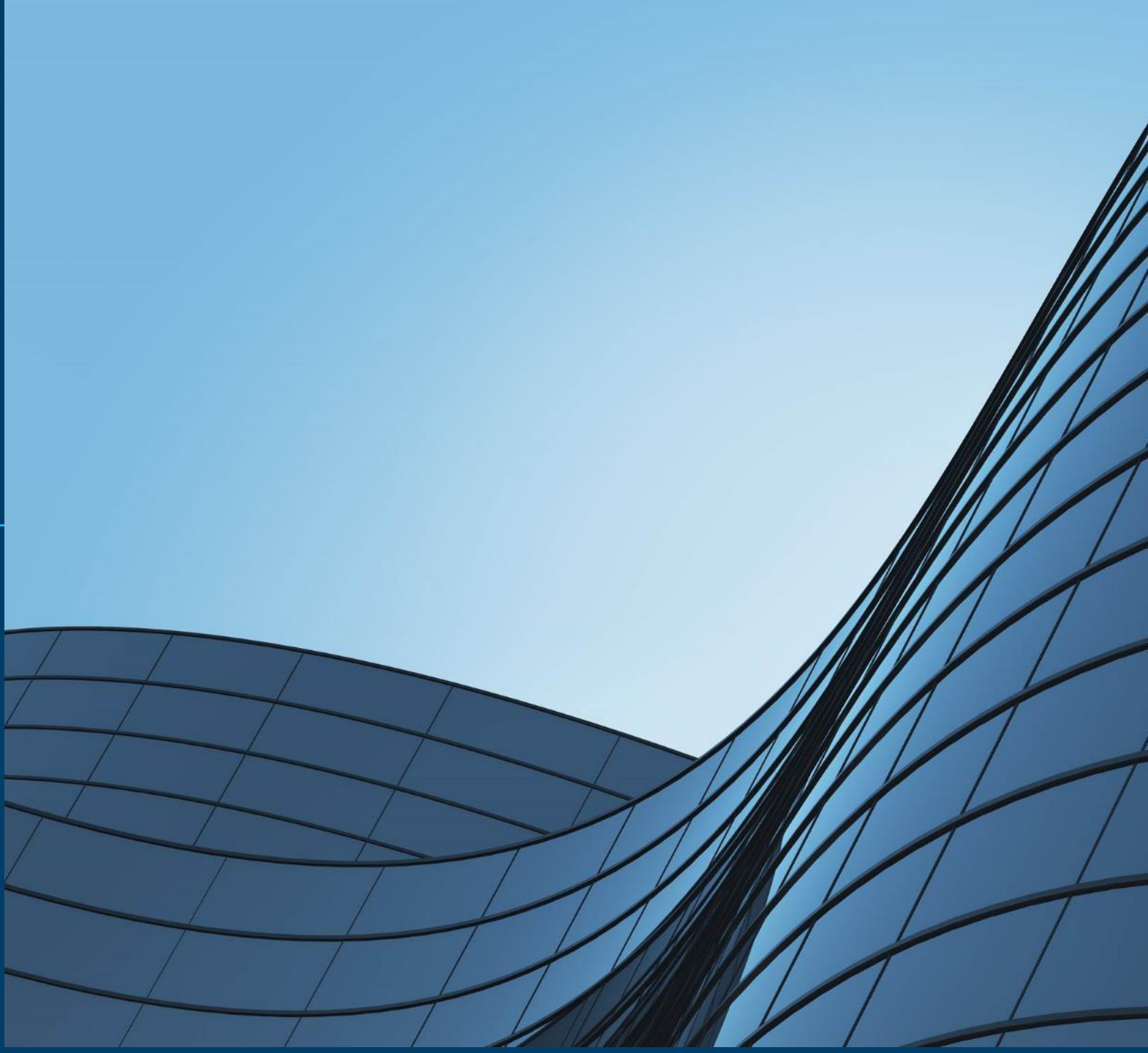


## Continuously Expanding Market

- The total inventory has experienced sustained growth driven by the development of new logistics parks and state-of-the-art industrial projects. Between 2022 and the first quarter of 2026,
- Available industrial space has steadily increased, demonstrating developers' confidence in Panama as a regional logistics hub. This expansion is concentrated in areas with direct access to key transportation corridors, ports, airports, and special regimes, ensuring the sector's growth for the coming years.

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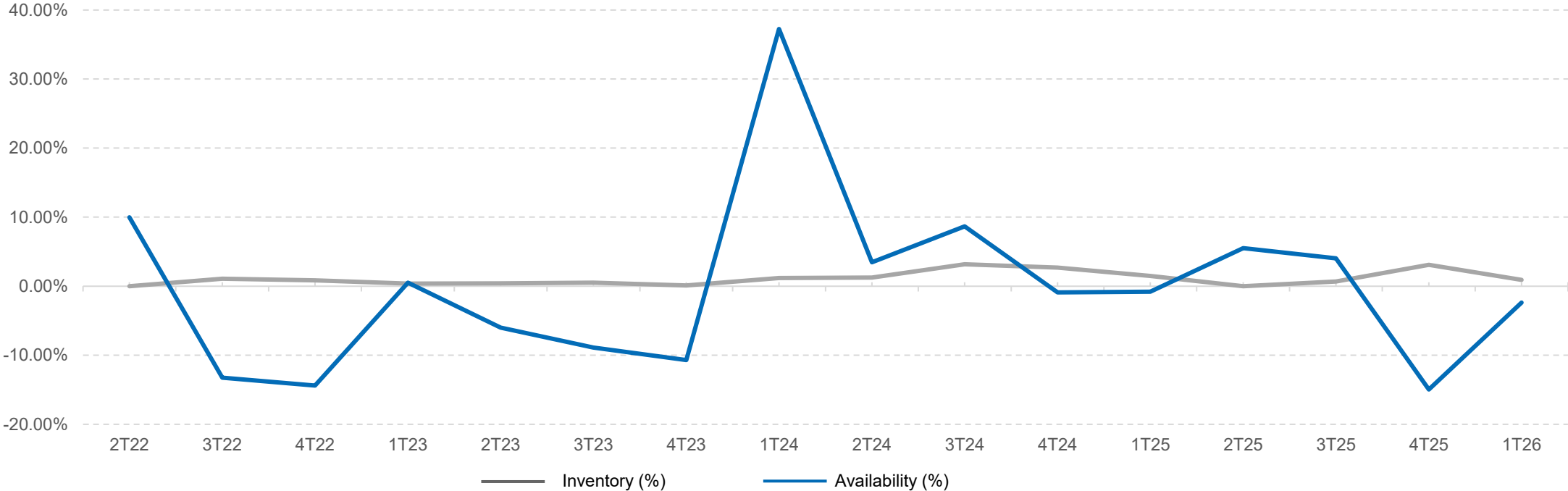
## Market Fundamentals



# Industrial: Overview

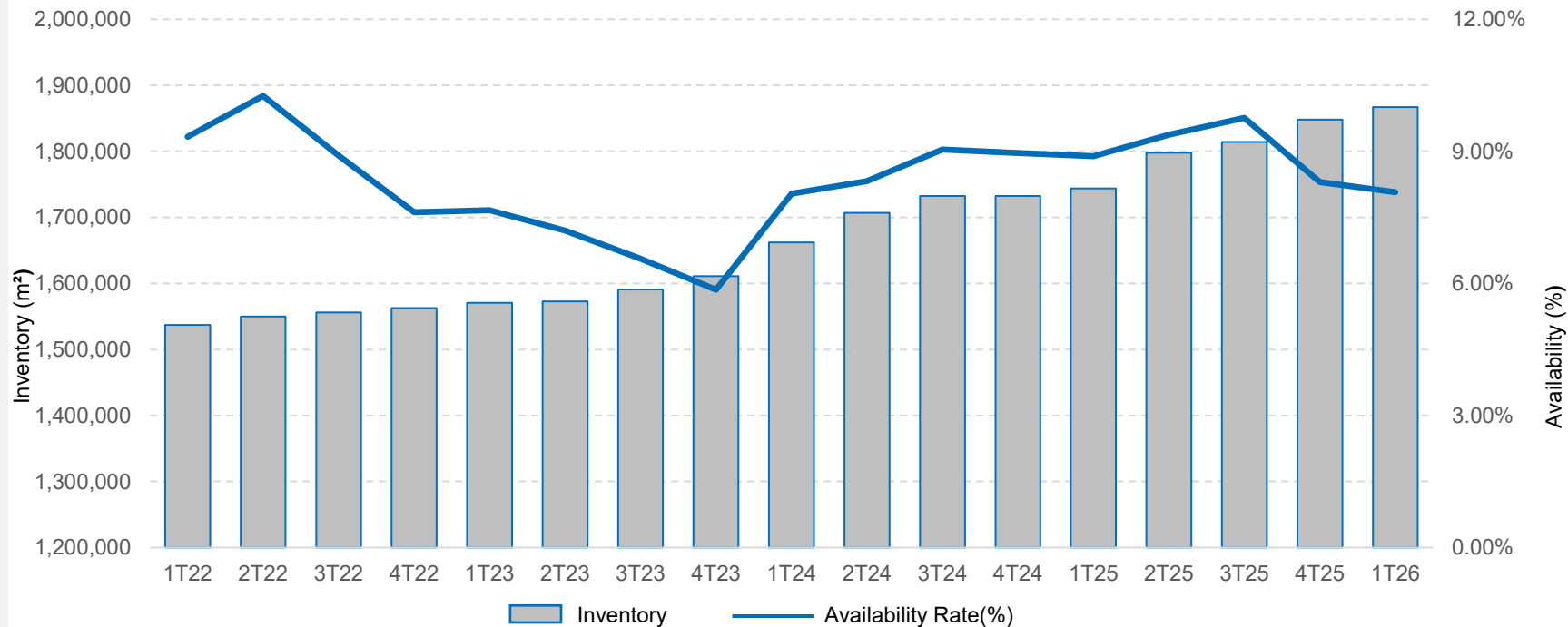
During the first quarter of 2026, Panama City's industrial market continued to develop within a dynamic regional logistics environment, driven by the evolution of supply chains and the growing importance of strategic **hubs** in Latin America. In this context, the country's geographic location, along with its multimodal connectivity and the operation of the Panama Canal, continues to strengthen its role as a logistics platform for regional distribution and international trade.

## Quarterly Variation in Supply



# Offer

## Inventory and Availability

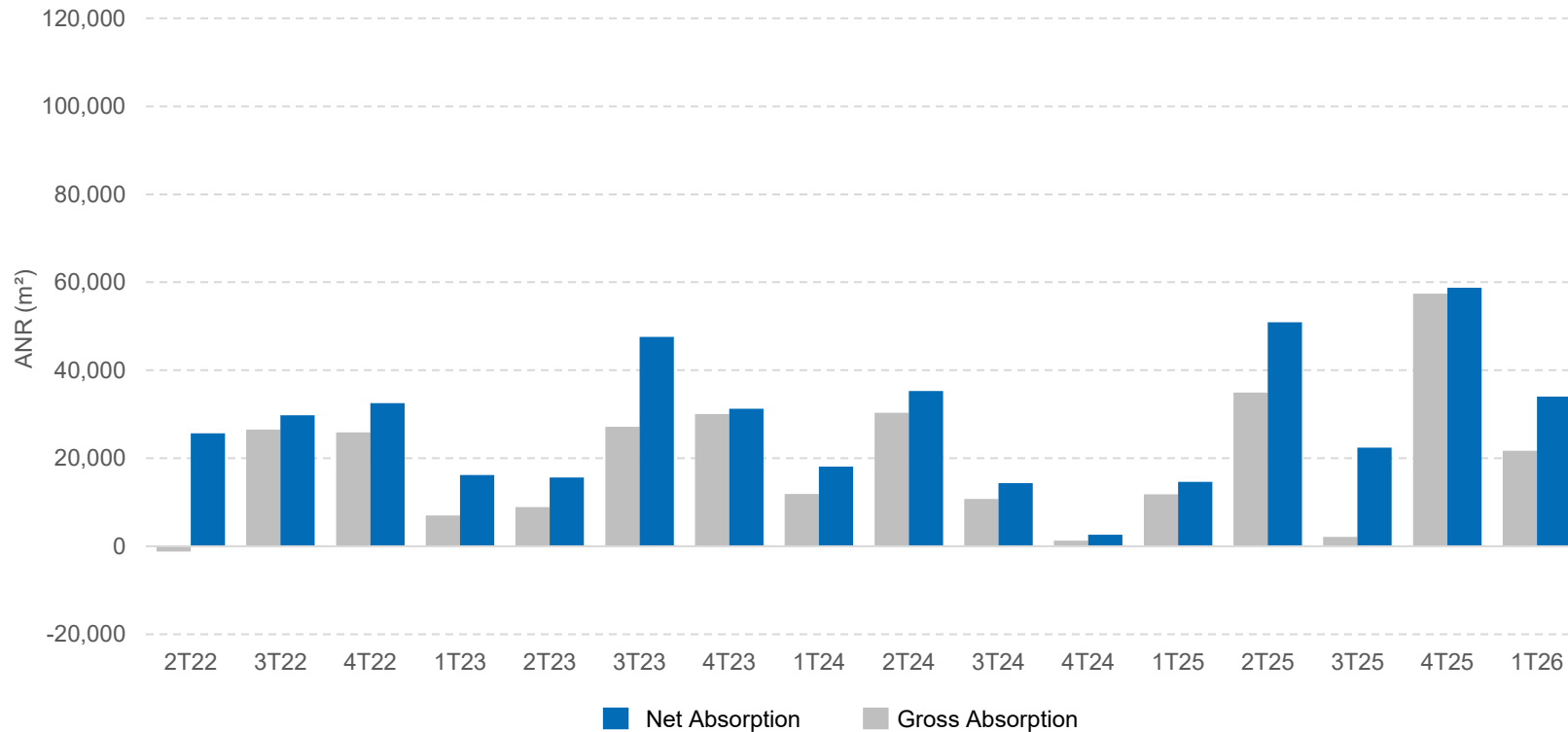


The industrial market in Panama City maintained sustained growth during the first quarter of 2026, reaching an inventory of nearly 1.87 million m<sup>2</sup> at the end of March. This expansion is a response to the ongoing development of logistics projects and the country's consolidation as a regional hub for warehousing and distribution. The trend of recent years continues, with developers investing in modern spaces aimed at logistics and light manufacturing companies.

Despite the increase in supply, the availability rate stood at 8.07%, reflecting a gradual absorption that maintains a balance between supply and demand. Growth is concentrated primarily in the Eastern Periphery and Reverted Areas, although the Northern Periphery is beginning to gain prominence as an emerging submarket, driven by more competitive land prices and good connectivity, with recent and planned new developments that will strengthen its position in the future.

# Demand

## Net Absorption and Gross Absorption



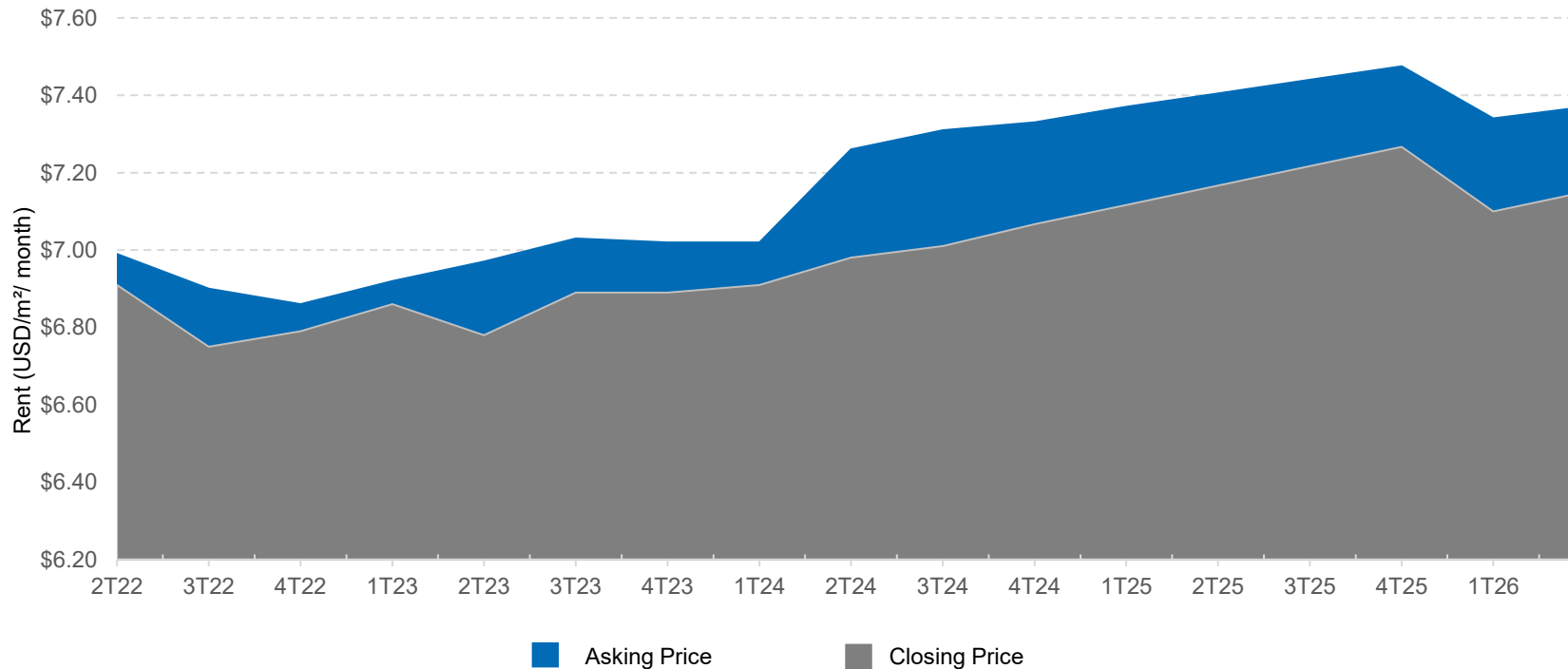
During the first quarter of 2026, the Panama City industrial market experienced a period of moderation following the record levels of activity reached in 2025. **Gross absorption was approximately 34,040 m<sup>2</sup>, while net absorption reached 21,715 m<sup>2</sup>.** This slowdown is due to a natural market adjustment and the addition of new supply, factors that have resulted in a more gradual occupancy of available space compared to the previous quarter.

Despite this slower pace, the sector's fundamentals remain solid, supported primarily by the activity of logistics, light manufacturing, and distribution companies. The country's strategic location and robust logistics infrastructure continue to be key competitive advantages. As a result, the medium-term outlook remains favorable, allowing the Panamanian market to demonstrate resilience in the face of global supply chain volatility and the challenges of the current geopolitical environment.

# Prices

For the first quarter of 2026, rental prices in Panama City's industrial real estate sector are maintaining a trend of relative stability, with slight adjustments in landlords' expectations. The average list price is \$7.37 per square meter per month, reflecting a slight increase compared to the previous quarter (\$7.34). This trend continues to demonstrate landlords' confidence in the value of their assets, driven in part by the addition of new properties to the inventory with modern specifications, improved infrastructure, and strategic locations within key logistics corridors.

Rental Prices: Asking Price vs. Closing Price

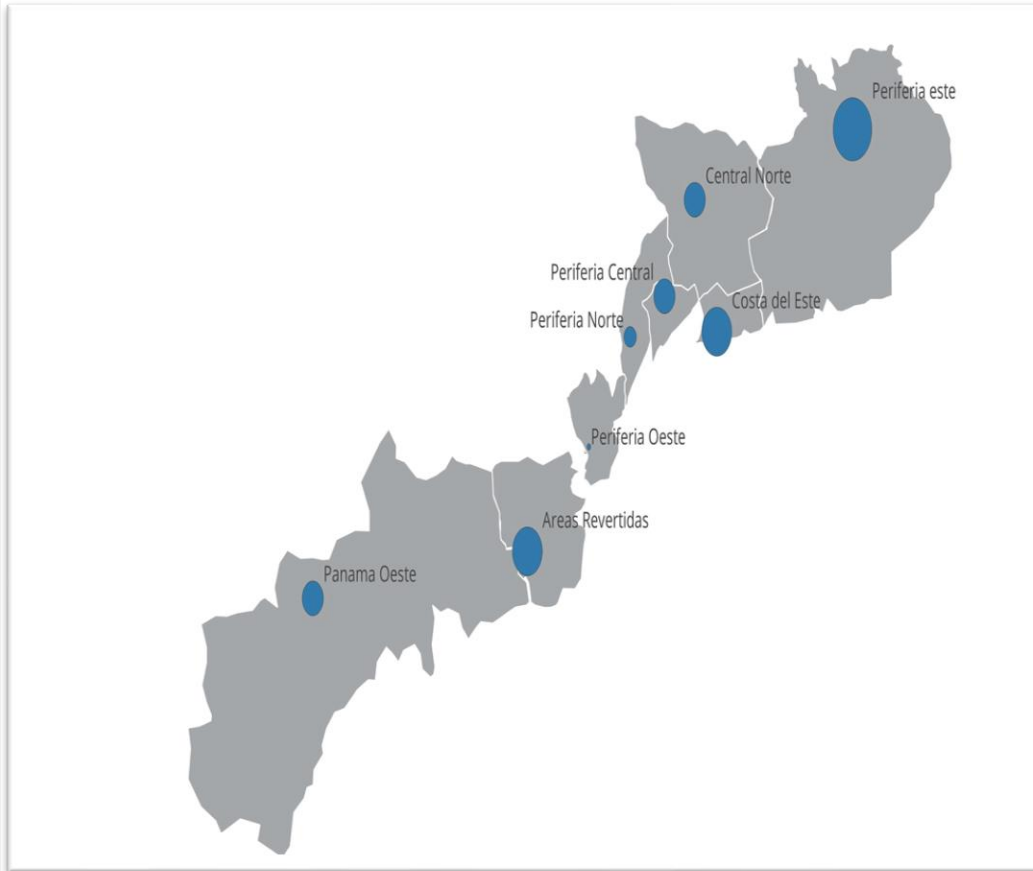


Following negotiations between landlords and tenants, the average closing price remains at \$7.15 per square meter per month, showing stability compared to the previous quarter. This suggests that, although landlords' expectations have increased slightly, the market continues to adjust through agreements that reflect current supply and demand conditions.

The gap between the list price and the closing price persists and has even widened slightly, demonstrating tenant pressure for better terms in a context of high availability and business caution. Even so, competition among landlords remains strong, especially in submarkets with larger inventories, while newer, higher-quality developments continue to maintain relatively stable price levels.

# Submarkets

## PANAMÁ CITY



| Submarkets        | Inventory (m <sup>2</sup> ) | Availability (m <sup>2</sup> ) | Availability (%) | Gross Absorption (m <sup>2</sup> ) | Net Absorption (m <sup>2</sup> ) | Rent (USD/m <sup>2</sup> /month) |
|-------------------|-----------------------------|--------------------------------|------------------|------------------------------------|----------------------------------|----------------------------------|
| Áreas Revertidas  | 293 123                     | 18 224                         | 6,22%            | 0                                  | 0                                | \$8,50                           |
| Central Norte     | 41 463                      | 4 983                          | 12,02%           | 2 565                              | 1 115                            | \$7,87                           |
| Costa del Este    | 205 988                     | 3 398                          | 1,65%            | 0                                  | -800                             | \$11,38                          |
| Panamá Oeste      | 52 619                      | 7 233                          | 13,75%           | 0                                  | 0                                | \$6,21                           |
| Periferia Central | 53 323                      | 5 665                          | 10,63%           | 0                                  | -896                             | \$7,30                           |
| Periferia Este    | 1 153 271                   | 109 206                        | 9,47%            | 29 947                             | 20 319                           | \$7,18                           |
| Periferia Norte   | 38 890                      | 500                            | 1,29%            | 1 978                              | 1 978                            | \$6,84                           |
| Periferia Oeste   | 28 300                      | 1 455                          | 5,14%            | 0                                  | 0                                | \$7,90                           |
| <b>Total</b>      | <b>1 866 977</b>            | <b>150 664</b>                 | <b>8,07%</b>     | <b>32 490</b>                      | <b>21 716</b>                    | <b>\$7,37</b>                    |

# Categories

## Analysis by Class

Analysis by property class in Panama City's industrial market continues to reveal marked differences in the performance of each segment. **Class A** properties remain the market's main driver, accounting for the majority of absorption during the quarter, with approximately **22,860 m<sup>2</sup> of net absorption**, and also registering the lowest availability levels (**5.66%**). This behavior reaffirms users' preference for modern, efficient, and strategically located spaces, which is also reflected in higher rental prices, averaging **\$8.49 per m<sup>2</sup> per month**.

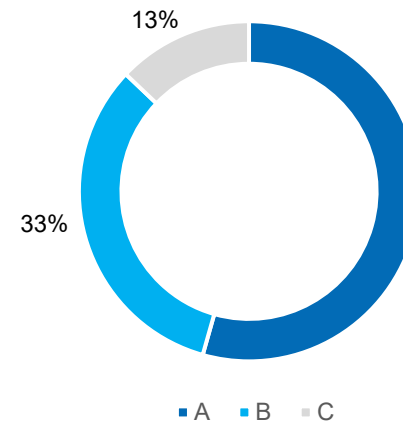
In contrast, **Class B** properties continue to show weaker performance, registering negative **net absorption (-7,587 m<sup>2</sup>)** and the highest availability levels in the market (**11.94%**). This dynamic suggests less competitiveness against higher-quality assets, as well as a possible exit or consolidation of operations in this segment. Despite offering mid-range rents (**\$7.26 per m<sup>2</sup>**), these spaces face pressure from both newer, more modern options and more affordable alternatives, limiting their occupancy rate.

Meanwhile, **Class C** spaces maintain a relatively stable performance, with positive **net absorption (6,442 m<sup>2</sup>)** and stabilized availability levels (**8.44%**). Despite having the lowest rents in the market (**\$6.71 per m<sup>2</sup>**), these properties continue to attract demand, primarily from users who are more cost-sensitive or have less demanding operational requirements. Overall, these differences between classes reflect a segmented market, where asset quality, operational efficiency, and cost remain key factors in tenants' decision-making.

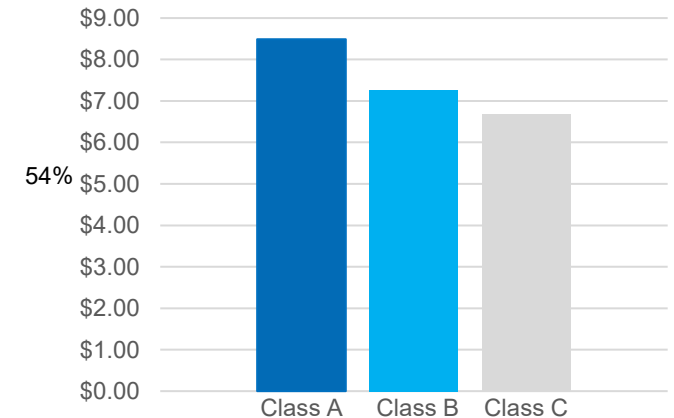
### CATEGORIES

| Class        | Inventory (m <sup>2</sup> ) | Availability (m <sup>2</sup> ) | Availability (%) | Gross Absorption (m <sup>2</sup> ) | Net Absorption (m <sup>2</sup> ) | Rent (USD/m <sup>2</sup> /month) |
|--------------|-----------------------------|--------------------------------|------------------|------------------------------------|----------------------------------|----------------------------------|
| A            | 1 015 442                   | 57 501                         | 5,66%            | 23 660                             | 22 860                           | \$8,49                           |
| B            | 610 655                     | 72 881                         | 11,94%           | 3 436                              | -7 587                           | \$7,26                           |
| C            | 240 899                     | 20 281                         | 8,42%            | 6 943                              | 6 442                            | \$6,71                           |
| <b>Total</b> | <b>1 866 975</b>            | <b>150 663</b>                 | <b>8,07%</b>     | <b>34 039</b>                      | <b>21 715</b>                    | <b>\$7,37</b>                    |

### COMPOSITION OF THE OFFER



### PRICE RANGES BY CLASS



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