

Overview

Colombia

Colombia's income per capita grew 2.9% during 2014 from US\$ 4251.99 to US\$ 4,376.4, and according to analysts its income per capita will grow during 2015 around 3% to US\$ 4,507.00. Meanwhile land prices grew an average of 6.1% during 2014.

In our opinion, the market has overshot land prices approximately 3%. If analysts estimates are correct, and Colombia's income per capita grows 3%, it would make a very good argument that land prices will correct during 2015 getting in track with the income per capita trend.

The dollar (USD) advanced against the peso (COP) 23.62% during 2014 from COP\$1,923 per dollar to COP\$2,394. In our opinion, the advance of the dollar will defend land prices because people's perception is that land defends itself against devaluation and inflation. Historically investments in land have in the long run outperformed devaluation and inflation.

In conclusion, although we see a correction in land prices it will not be a exceed 3%. There is a high probability that land prices will not change during the year because devaluation and the difference between income growth and land prices will cancel themselves out.

Bogotá

Since Colombia is a highly centralized country, any person or company that wants to do business in Colombia has to have an address or office in Bogotá. This means that demand for real estate in Bogota is usually higher and less prone to abrupt changes.

We don't foresee any changes in land prices in the nations capital. If appetite for Colombia is still strong during 2015 we will continue to see new construction being absorbed by the market at a steady pace.

We have been seeing an increase in industrial parks, Shopping centers and class A office buildings. During 2015, 3,410,000 sqf of office space will become available in Bogotá. According to the local chamber of construction (CAMACOL), the new office space will barely meet demand because of all the companies looking to establish operations in Colombia. Bogotá has become home to shopping centers and town centers as well. The size of these centers ranges from 120,000 sqf to 500,000 sqf approximately. In 2015 CAMACOL estimates there will be 600,000 sqf of new retail space, between town centers, shopping centers and stand alone buildings.

With higher demand for land, due to the increase in real estate development, the city of Bogotá has increased its assessed value per square meter.

Medellin

Medellín is the second city in Colombia. Its main focus is industrial. Medellín has had very good growth over the last five years. Most of the business in the city will benefit from devaluation and free trading agreements because most of its products are sold abroad.

The city plans to receive US\$7 billion in public infrastructure and private projects for 2015. These projects include, new roads, office buildings residential projects, industrial and retail spaces.

The two major projects in Medellín are Centro Comercial El Bosque, 150,000 sqf of retail space and the third stage of Centro Comercial Mallorca 193,000 sqf.

Cali

Cali is the third city in Colombia and home to the sugar industry and technology services. It's very close to Buenaventura, the fastest growing Colombian port on the Pacific Ocean. It will also benefit from devaluation and free trading agreements.

The city has gone through a rough patch the last 15 years because of the violence related to the drug trade, popular in the region. Now the major is backed by all the industrialist in the region and is determined to take Cali back to its former glory as a leading city in Colombia.

Thanks to these efforts investor confidence has come back to the city and there are new development projects coming in 2015. The biggest is Parque Tecnológico Zoamerica, which will have an investment of US\$350,000,000. The project is comprised of 1,730,000 sqf divided in 18 buildings. This industrial park is focused mainly on providing technology services that range from education to computer manufacturing.

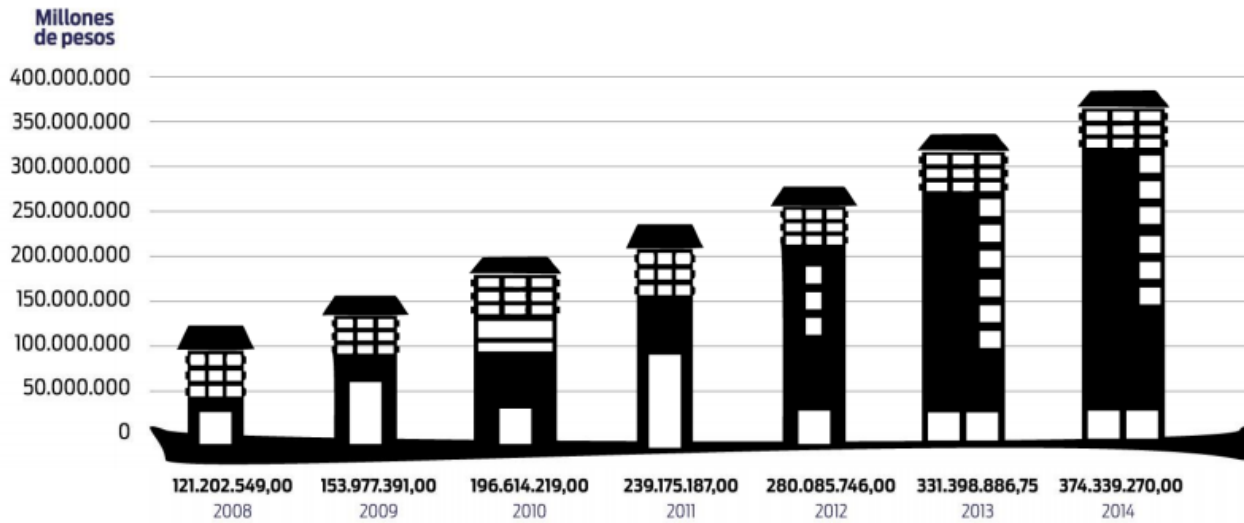
The city will also invest in roads and bridges during 2015 to improve access to different parts of the city.

We believe that this is a city to watch closely during 2015 because land is cheap and there may be excellent opportunities.

Charts and Prices



Assessed Value Chart



http://www.catastrobogota.gov.co/sites/default/files/files/Presentacion_Censo%202014.pdf

At an exchange rate of COP\$2,500 per US\$, the average assessed value per square meter in urban areas is US\$945. According to the chart, this price has gone up 12,9% from 2013 to 2014.

RESIDENTIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
High end	\$2.527
High end	\$2.522
High end	\$2.584
AVERAGE PRICE PER M2	\$ 2.544

RESIDENTIAL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
High end	\$16
High end	\$16
High end	\$15
AVERAGE PRICE PER M2	\$ 16

RESIDENTIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Upper	\$1.378
Upper	\$1.960
Upper	\$1.517
AVERAGE PRICE PER M2	\$ 1.618

RESIDENTIAL LEASE	
Bogotá	
CATEGORY TYPE	VALOR POR M2
Upper	\$13
Upper	\$11
Upper	\$14
AVERAGE PRICE PER M2	\$ 12

RESIDENTIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Middle	\$1.374
Middle	\$1.147
Middle	\$1.308
AVERAGE PRICE PER M2	\$ 1.276

RESIDENTIAL LEASE	
Bogotá	
CATEGORY TYPE	VALOR POR M2
Middle	\$8
Middle	\$9
Middle	\$9
AVERAGE PRICE PER M2	\$ 9

OFFICE SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$3.315
Category A	\$3.072
Category A	\$4.275
AVERAGE PRICE PER M2	\$ 3.554

OFFICE LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$22
Category A	\$25
Category A	\$27
AVERAGE PRICE PER M2	\$ 25

OFFICE SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.667
Category B	\$1.574
Category B	\$2.737
AVERAGE PRICE PER M2	\$ 1.993

OFFICE LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$20
Category B	\$13
Category B	\$16
AVERAGE PRICE PER M2	\$ 16

OFFICE SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$840
Category C	\$1.348
Category C	\$1.297
AVERAGE PRICE PER M2	\$ 1.162

OFFICE LEASE	
CATEGORY C	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$7
Category C	\$8
Category C	\$10
AVERAGE PRICE PER M2	\$ 8

RETAIL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$9.846
Category A	\$13.946
Category A	\$15.542
AVERAGE PRICE PER M2	\$ 13.112

RETAIL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$55
Category A	\$57
Category A	\$84
AVERAGE PRICE PER M2	\$ 65

RETAIL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$9.231
Category B	\$4.400
Category B	\$4.476
AVERAGE PRICE PER M2	\$ 6.036

RETAIL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$13
Category B	\$24
Category B	\$45
AVERAGE PRICE PER M2	\$ 28

RETAIL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$1.231
Category C	\$3.077
Category C	\$1.758
AVERAGE PRICE PER M2	\$ 2.022

RETAIL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$7
Category C	\$6
Category C	\$7
AVERAGE PRICE PER M2	\$ 7

INDUSTRIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$1.076
Category A	\$1.429
Category A	\$1.000
AVERAGE PRICE PER M2	\$ 1.168

INDUSTRIAL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category A	\$6
Category A	\$6
Category A	\$6
AVERAGE PRICE PER M2	\$ 6

INDUSTRIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.118
Category B	\$1.879
Category B	\$1.731
AVERAGE PRICE PER M2	\$ 1.576

INDUSTRIAL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category B	\$6
Category B	\$6
Category B	\$5
AVERAGE PRICE PER M2	\$ 5

INDUSTRIAL SALE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$759
Category C	\$789
Category C	\$833
AVERAGE PRICE PER M2	\$ 794

INDUSTRIAL LEASE	
Bogotá	
CATEGORY TYPE	PRICE PER M2
Category C	\$4
Category C	\$4
Category C	\$4
AVERAGE PRICE PER M2	\$ 4

RESIDENTIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
High end	\$1.634
High end	\$2.028
High end	\$1.612
AVERAGE PRICE PER M2	\$ 1.758

RESIDENTIAL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
High end	\$9
High end	\$9
High end	\$9
AVERAGE PRICE PER M2	\$ 9

RESIDENTIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Upper	\$1.067
Upper	\$1.346
Upper	\$863
AVERAGE PRICE PER M2	\$ 1.092

RESIDENTIAL LEASE	
Medellin	
CATEGORY TYPE	VALOR POR M2
Upper	\$8
Upper	\$8
Upper	\$8
AVERAGE PRICE PER M2	\$ 8

RESIDENTIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Middle	\$1.034
Middle	\$921
Middle	\$977
AVERAGE PRICE PER M2	\$ 977

RESIDENTIAL LEASE	
Medellin	
CATEGORY TYPE	VALOR POR M2
Middle	\$6
Middle	\$7
Middle	\$6
AVERAGE PRICE PER M2	\$ 6

OFFICE SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$1.813
Category A	\$3.091
Category A	\$2.159
AVERAGE PRICE PER M2	\$ 2.354

OFFICE LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$18
Category A	\$20
Category A	\$18
AVERAGE PRICE PER M2	\$ 19

OFFICE SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.886
Category B	\$1.375
Category B	\$1.335
AVERAGE PRICE PER M2	\$ 1.532

OFFICE LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$16
Category B	\$17
Category B	\$15
AVERAGE PRICE PER M2	\$ 16

OFFICE SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$1.127
Category C	\$400
Category C	\$1.127
AVERAGE PRICE PER M2	\$ 885

OFFICE LEASE	
CATEGORY C	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$12
Category C	\$12
Category C	\$12
AVERAGE PRICE PER M2	\$ 12

RETAIL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$3.633
Category A	\$2.222
Category A	\$5.508
AVERAGE PRICE PER M2	\$ 3.788

RETAIL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$20
Category A	\$27
Category A	\$26
AVERAGE PRICE PER M2	\$ 24

RETAIL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.849
Category B	\$2.333
Category B	\$2.095
AVERAGE PRICE PER M2	\$ 2.092

RETAIL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$14
Category B	\$16
Category B	\$14
AVERAGE PRICE PER M2	\$ 15

RETAIL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$974
Category C	\$786
Category C	\$1.460
AVERAGE PRICE PER M2	\$ 1.073

RETAIL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$6
Category C	\$8
Category C	\$6
AVERAGE PRICE PER M2	\$ 7

INDUSTRIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$2.000
Category A	\$1.612
Category A	\$1.600
AVERAGE PRICE PER M2	\$ 1.737

INDUSTRIAL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category A	\$9
Category A	\$14
Category A	\$8
AVERAGE PRICE PER M2	\$ 10

INDUSTRIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.449
Category B	\$1.577
Category B	\$1.088
AVERAGE PRICE PER M2	\$ 1.371

INDUSTRIAL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category B	\$6
Category B	\$6
Category B	\$6
AVERAGE PRICE PER M2	\$ 6

INDUSTRIAL SALE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$393
Category C	\$514
Category C	\$667
AVERAGE PRICE PER M2	\$ 525

INDUSTRIAL LEASE	
Medellin	
CATEGORY TYPE	PRICE PER M2
Category C	\$5
Category C	\$5
Category C	\$4
AVERAGE PRICE PER M2	\$ 5

RESIDENTIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
High end	\$1.131
High end	\$1.203
High end	\$1.526
AVERAGE PRICE PER M2	\$ 1.287

RESIDENTIAL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
High end	\$17
High end	\$6
High end	\$7
AVERAGE PRICE PER M2	\$ 10

RESIDENTIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Upper	\$600
Upper	\$566
Upper	\$909
AVERAGE PRICE PER M2	\$ 692

RESIDENTIAL LEASE	
Cali	
CATEGORY TYPE	VALOR POR M2
Upper	\$4
Upper	\$6
Upper	\$7
AVERAGE PRICE PER M2	\$ 5

RESIDENTIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Middle	\$569
Middle	\$588
Middle	\$448
AVERAGE PRICE PER M2	\$ 535

RESIDENTIAL LEASE	
Cali	
CATEGORY TYPE	VALOR POR M2
Middle	\$4
Middle	\$4
Middle	\$3
AVERAGE PRICE PER M2	\$ 4

OFFICE SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$3.795
Category A	\$2.533
Category A	\$2.526
AVERAGE PRICE PER M2	\$ 2.951

OFFICE LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$37
Category A	\$26
Category A	\$18
AVERAGE PRICE PER M2	\$ 27

OFFICE SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$2.175
Category B	\$1.825
Category B	\$2.298
AVERAGE PRICE PER M2	\$ 2.099

OFFICE LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$17
Category B	\$17
Category B	\$12
AVERAGE PRICE PER M2	\$ 15

OFFICE SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$452
Category C	\$560
Category C	\$849
AVERAGE PRICE PER M2	\$ 620

OFFICE LEASE	
CATEGORY C	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$11
Category C	\$9
Category C	\$10
AVERAGE PRICE PER M2	\$ 10

RETAIL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$4.000
Category A	\$3.172
Category A	\$2.801
AVERAGE PRICE PER M2	\$ 3.325

RETAIL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$39
Category A	\$20
Category A	\$40
AVERAGE PRICE PER M2	\$ 33

RETAIL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$1.048
Category B	\$1.091
Category B	\$1.585
AVERAGE PRICE PER M2	\$ 1.241

RETAIL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$11
Category B	\$8
Category B	\$9
AVERAGE PRICE PER M2	\$ 10

RETAIL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$909
Category C	\$1.040
Category C	\$533
AVERAGE PRICE PER M2	\$ 827

RETAIL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$6
Category C	\$6
Category C	\$4
AVERAGE PRICE PER M2	\$ 5

INDUSTRIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$526
Category A	\$582
Category A	\$448
AVERAGE PRICE PER M2	\$ 519

INDUSTRIAL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category A	\$3
Category A	\$3
Category A	\$3
AVERAGE PRICE PER M2	\$ 3

INDUSTRIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$438
Category B	\$250
Category B	\$382
AVERAGE PRICE PER M2	\$ 356

INDUSTRIAL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category B	\$2
Category B	\$2
Category B	\$3
AVERAGE PRICE PER M2	\$ 2

INDUSTRIAL SALE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$280
Category C	\$250
Category C	\$266
AVERAGE PRICE PER M2	\$ 265

INDUSTRIAL LEASE	
Cali	
CATEGORY TYPE	PRICE PER M2
Category C	\$2
Category C	\$2
Category C	\$2
AVERAGE PRICE PER M2	\$ 2