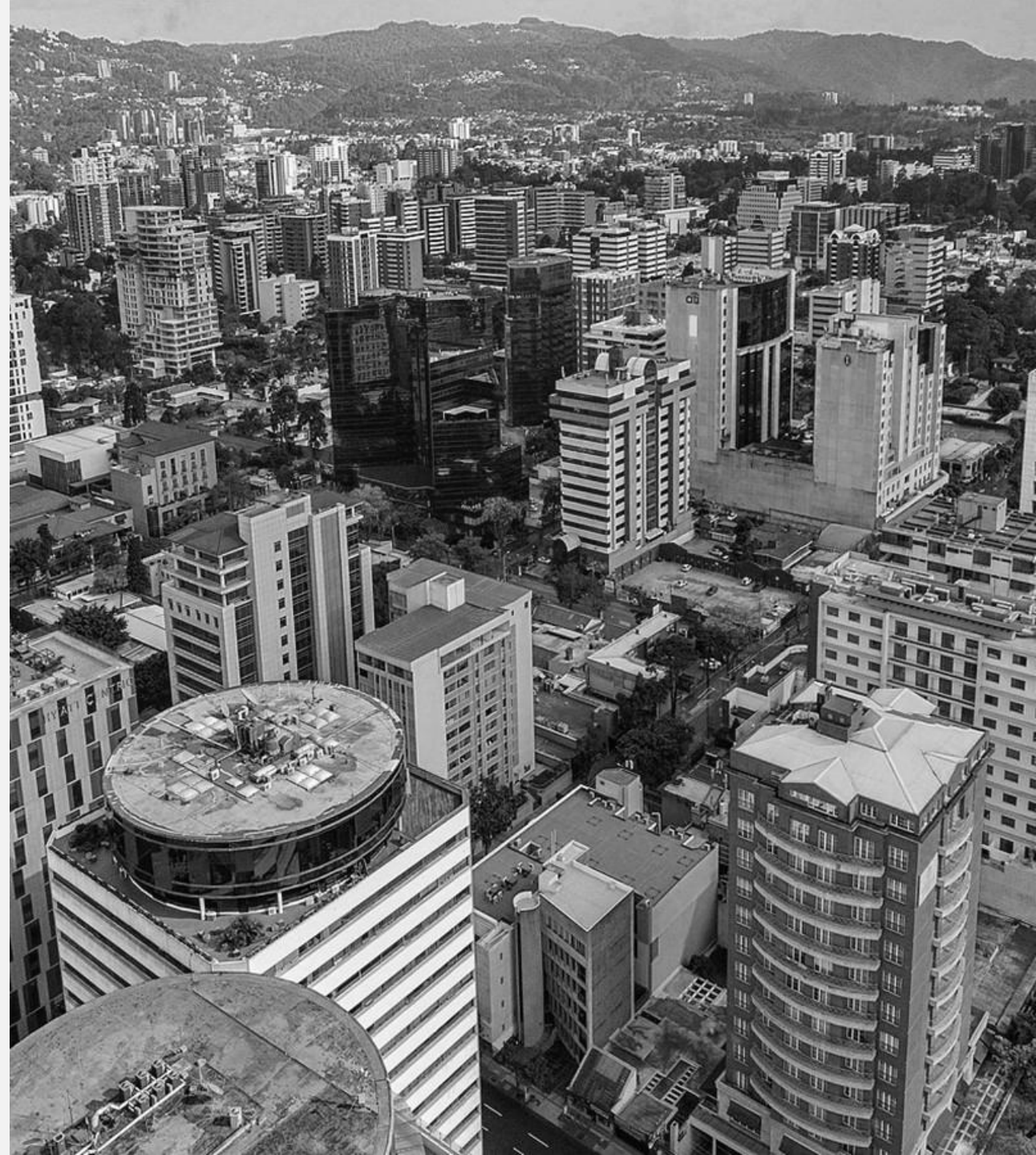

Investment Report

Guatemala 2025

LOGAN
www.loganvaluation.com



ASOCIACIÓN DE
DESARROLLADORES
INMOBILIARIOS
GUATEMALA



Introduction

This report analyses the region's institutional real estate market based on the results of LOGAN's annual survey of General Partners (GPs), which guarantees an updated analysis backed by reliable information.

The document is aimed at managers, developers, brokers, consultants and institutional investors such as pension funds, insurance companies, financial institutions, family offices and non-profit institutions. Its purpose is to provide a strategic vision of market developments, facilitate comparison between countries, identify opportunities and support decision-making with a long-term approach.



Methodology

GPs (General Partners): Annual survey addressed to professional managers, developers, real estate brokers and real estate consultants.

Table of Contents

- Net Capitalization Rate 4
- Net Capitalization Rate by Subsector 5
- Internal Rate of Return 6
- Internal Rate of Return by Subsector 7
- Real Market Rent Growth 8
- Real Market Rent Growth by Subsector 9
- Development Internal Rate of Return 10
- Glossary 11

Net Capitalization Rate

The industrial market in Guatemala is projected as an expanding sector, driven by the growing demand for modern warehouses and parks for commerce, light manufacturing and logistics. Although the current institutional supply is limited, this gap represents an opportunity for the development of larger scale projects that meet current market needs.

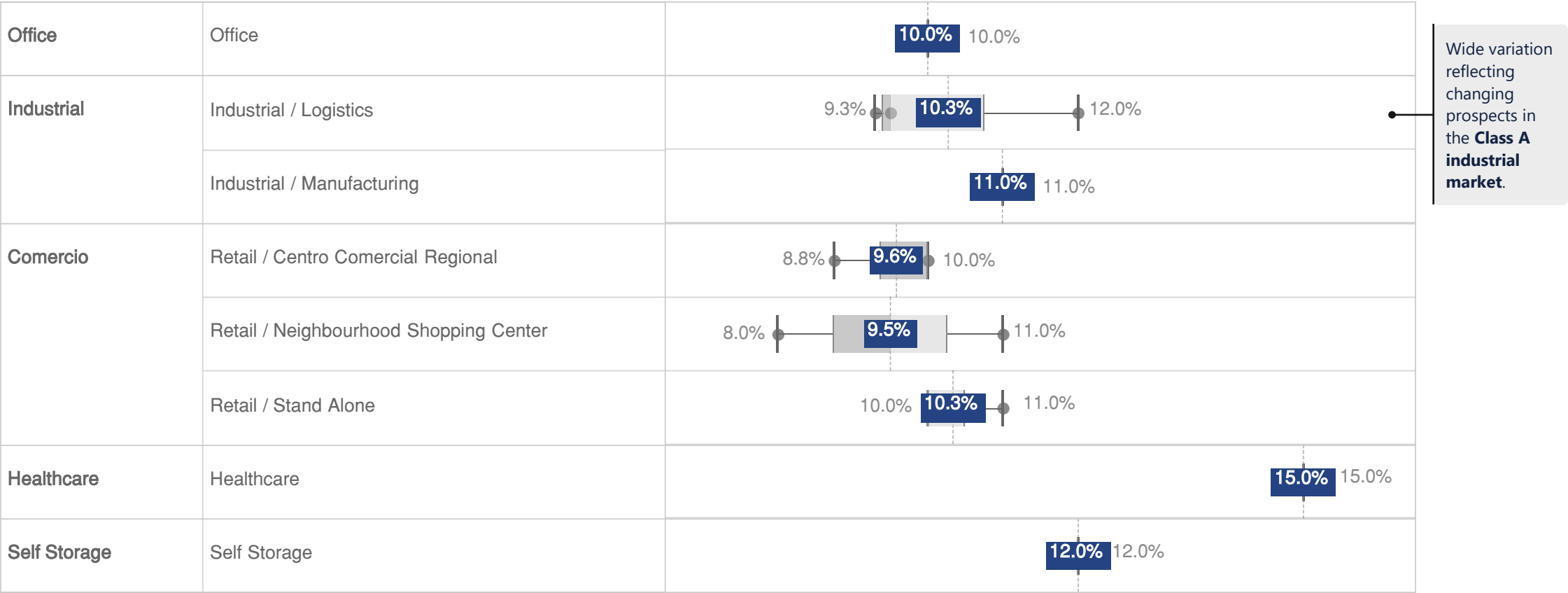
		2022	2023	2024	2025	Forecast
Office		9.3%	9.5%	9.3%	10.0%	
Industrial		9.5%	8.6%	8.7%	10.5%	
Retail		10.0%	10.0%	9.0%	9.8%	
Lodging & Hospitality		13.3%	13.3%	13.3%	14.0%	
Healthcare		8.5%	15.0%	15.0%	15.0%	

The **industrial market** faces institutional space limitations.

Note: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Net Capitalization Rate by Subsector

In the industrial sector, there are significant differences between the logistics and manufacturing segments, which are driven by the level of complexity and customization required for the facilities. In the retail sector, neighbourhood formats show the greatest variation, with many projects located in suburban areas or secondary and tertiary cities.



Note: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Internal Rate of Return

Although there is still some uncertainty regarding its stability, the office market has the highest IRRs, reflecting growing demand. Meanwhile, the retail and industrial sectors show lower IRRs. This range of returns makes the Guatemalan market more attractive than those of other countries in the region, although investors still consider country risk to be a key factor when demanding higher returns.

		2022	2023	2024	2025	Forecast
Office		12.0%	13.3%	13.8%	15.0%	
Industrial		11.0%	12.5%	13.1%	12.8%	
Retail		11.5%	13.3%	14.5%	12.8%	
Lodging & Hospitality		14.0%	14.0%	14.0%	13.8%	
Multifamily for Rent		13.0%	13.0%	13.0%	12.5%	

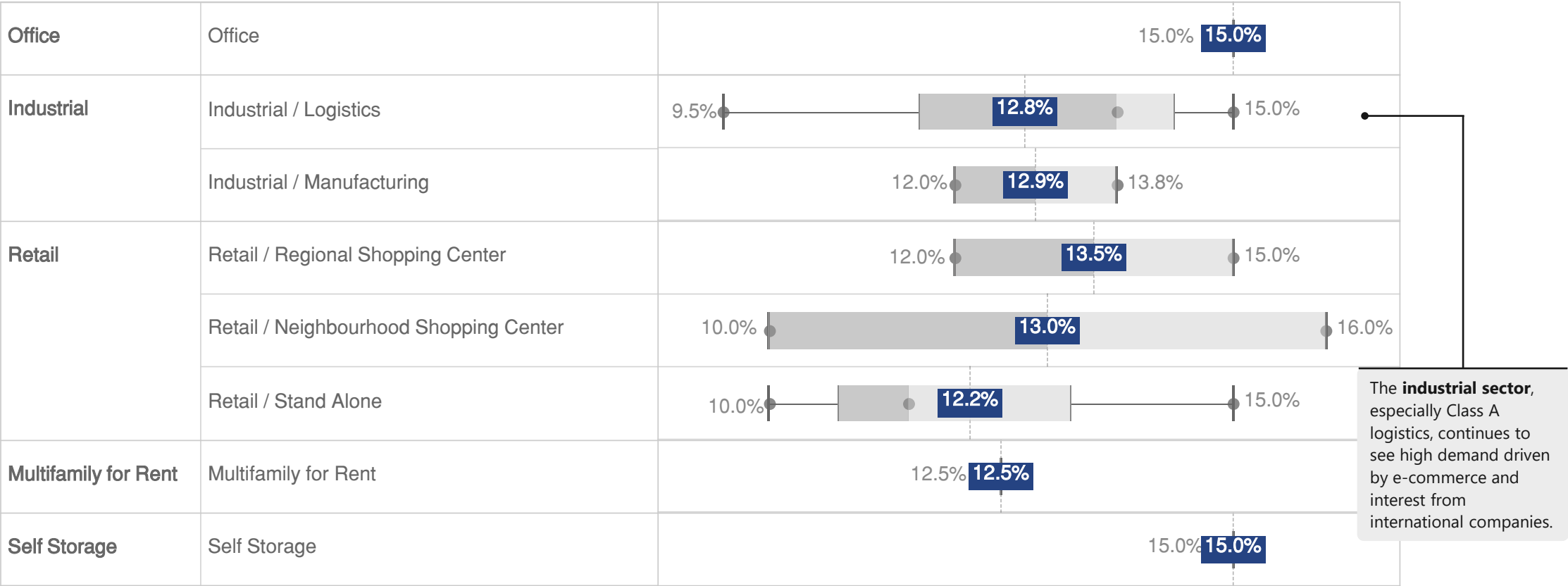
Hotel investment

relies primarily on private capital; a notable new project is the Cayala Marriott.

Note: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Internal Rate of Return by Subsector

Manufacturing involves a long-term, AAA-rated tenant, which may explain the lower perceived return-adjusted risk compared to the logistics segment.



Nota: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Real Market Rent Growth

Rents in the A+ office sector continue to grow above inflation, driven by solid demand and low vacancy. Similarly, the prime retail and industrial segments are registering moderate to high increases, the result of demand pressure in the face of limited supply of quality space.

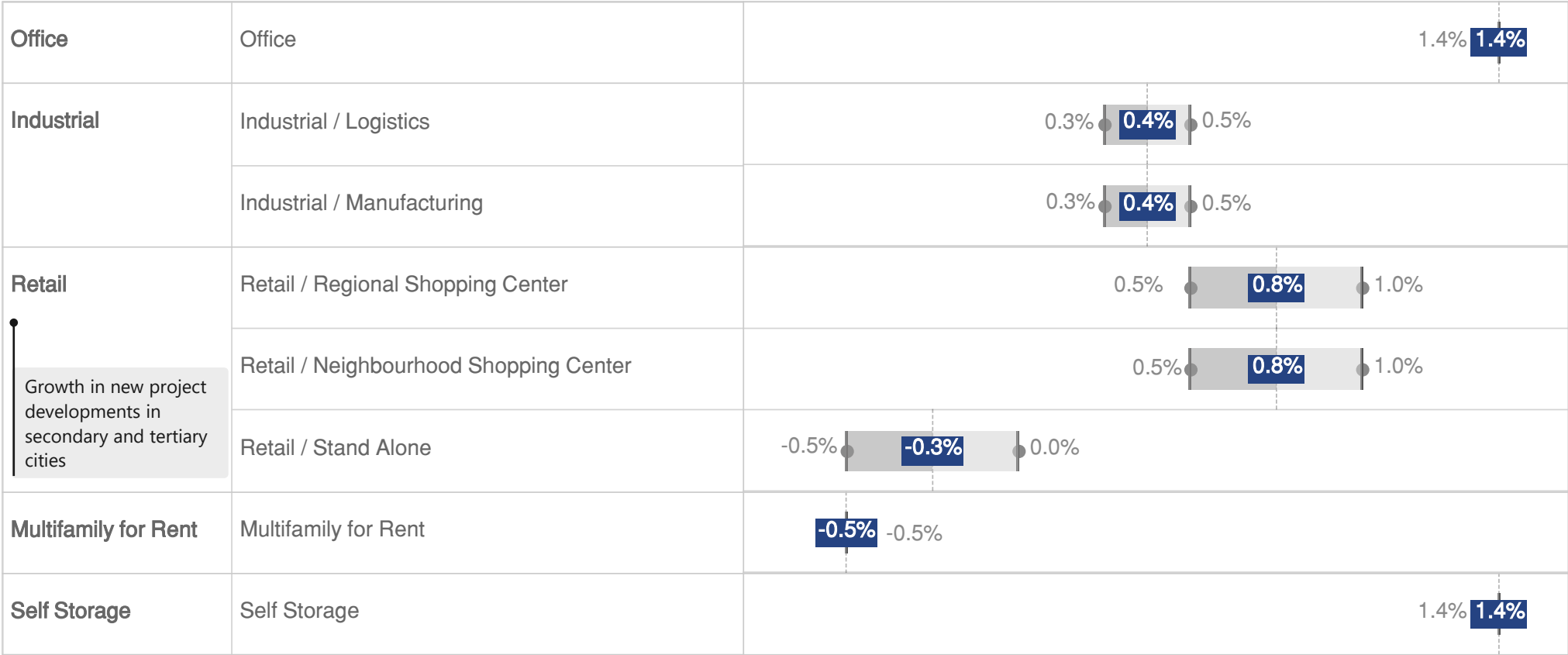
		2022	2023	2024	2025	Forecast
Office		1.0%	0.9%	0.3%	1.4%	
Industrial		1.0%	1.1%	0.9%	0.4%	
Retail		0.1%	2.1%	1.1%	0.4%	
Multifamily for Rent		3.0%	3.0%	1.0%	-0.5%	

The availability of Class A warehouses is limited, and users serve the local market from obsolete facilities.

Nota: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Real Market Rent Growth by Subsector

The retail sector shows growth in projects in secondary and tertiary cities. Although external factors, such as possible tariffs or variations in the flow of remittances, may influence their performance, these developments offer an opportunity to diversify supply and meet the growing demand in regions with greater economic dynamism.



Note: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Development Internal Rate of Return

Development returns reflect the risks inherent in the construction stage and the lease-up process. In the case of offices, rates show an increase, driven by the perception of greater uncertainty regarding the absorption of new deliveries and the time required for their placement in the market.

		2022	2023	2024	2025	Forecast
Office		19.0%	17.4%	17.4%	25.0%	
Industrial		12.0%	15.0%	14.2%	14.2%	
Retail		22.0%	16.8%	18.3%	14.8%	
Lodging & Hospitality		21.0%	21.0%	21.0%	20.0%	

Note: The source of information comes from an annual survey, conducted by LOGAN, aimed at professional real estate managers and developers.

Glossary

Market Rent Growth:

Percentage that measures the average annual increase in rental prices of a property or sector, based on market values, over inflation for the next 5 years.

Net Capitalization Rate (Cap Rate):

Percentage that measures the annual profitability of a property, calculated by dividing its Net Operating Income (NOI) by its market value or acquisition price.

Internal Rate of Return (IRR):

Percentage that measures the average annual return on an investment, considering all future cash flows and its initial value, where the net present value equals zero.

Internal rate of development (Development IRR):

This percentage measures the average annual return on a real estate project from development to sale or stabilization, taking into account all cash flows and the initial investment.

Risk Prime:

Percentage difference representing the additional return expected from investing in a riskier asset or project versus a less risky one. In real estate, it can be measured, for example, as the difference between the IRR of Development and the IRR of a stabilized asset.

LOGAN Valuation is a valuation and consulting firm specializing in institutional real estate assets in Latin America. With a presence in six countries and a certified team (MAI, RICS), we offer rigorous technical analysis, market research and strategic advice for investment decisions. Our work spans multiple asset classes and combines regional reach with in-depth knowledge of each local market.

All information contained in this publication is derived from sources believed to be reliable. However, LOGAN Valuation has not independently verified this information, and it represents the statements and opinions of its sources, not LOGAN Valuation. Recipients of this publication should independently verify the information and any other factors that may influence their decisions. They should consult with their chosen professionals regarding legal, financial and tax considerations before acting on any information contained in this document. No part of this publication or its contents may be reproduced, distributed, disclosed, published, transmitted or copied without the prior written approval of LOGAN Valuation.

LOGAN

© 2025 LOGAN. All rights reserved.

loganvaluation.com

 @LOGANvaluation

 @LOGANvaluation

 @LOGANvaluation