

WAREHOUSE MARKET TASHKENT

JANUARY 2023

FORECAST



The economy of Uzbekistan, including the real estate market, is developing at an accelerated pace: since 2017, the country's market has moved from completely closed to actively developing, GDP growth has a positive trend, there is an active growth in the construction sector, an increase in real incomes of the population.

The territory of Uzbekistan is a promising option in terms of locating production facilities in various sectors of the economy, while maintaining lower costs, in comparison with developed markets, and a high level of human capital.

In recent years, more international companies are starting to consider Uzbekistan as an alternative platform for locating and expanding their business. For example, in 2020-2022 the following companies entered the market of Uzbekistan: Fix price, Merries, Haval, Renault, Magnum, 3m , Arla foods, Bił, Wildberries.

The leadership of Uzbekistan actively supports the development of small and medium-sized businesses in the country, encourages the creation of jobs, which is a positive factor for the development of warehouse and production functions.



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New construction

The warehouse density (class A) will reach 100 sqm/1,000 inh in Tashkent by 2025.



New level

The most impressive stock increase will be registered in the coming 5-7 years due to the low base affect and active development of the market.



International companies

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WAREHOUSE MARKET

Existing warehouse stock in Tashkent mostly consists of non-quality soviet-type buildings (former industrial areas) and private constructions. Some producers and resellers offer small WH blocks on their own facilities (e.g., on the territory of bazaars, factories or steel and metal stores). The warehouse market in Uzbekistan is not structured and classified as well as non-institutional. Often premises in newly-built complexes are offered for sale as demand for sale is higher than for rent.

Due to the historical location of the industry and advantageous accessibility - proximity to airport, railway hubs and the Tashkent Ring Road, existing offers are concentrated on the East and South, mostly in Sergeli and Bektemir Districts. Some modern warehouse & industrial premises were delivered to the market recently inside specialized (retail and industrial) professional complexes.

The range of rental rates and prices is relatively wide due to a large gap of quality between the cheapest and the most expensive premises. Type of buildings vary from basic tent-type constructions to small industrial complexes with different type of premises (office, W&I, refrigerators, etc.).

200-5,000 sqm

Blocks offered for sale/lease

700,000 sqm

total area of warehouse & industrial properties

8

Industrial zones

5

USD / sq. m / month

average rental rate of cold-storage warehouses

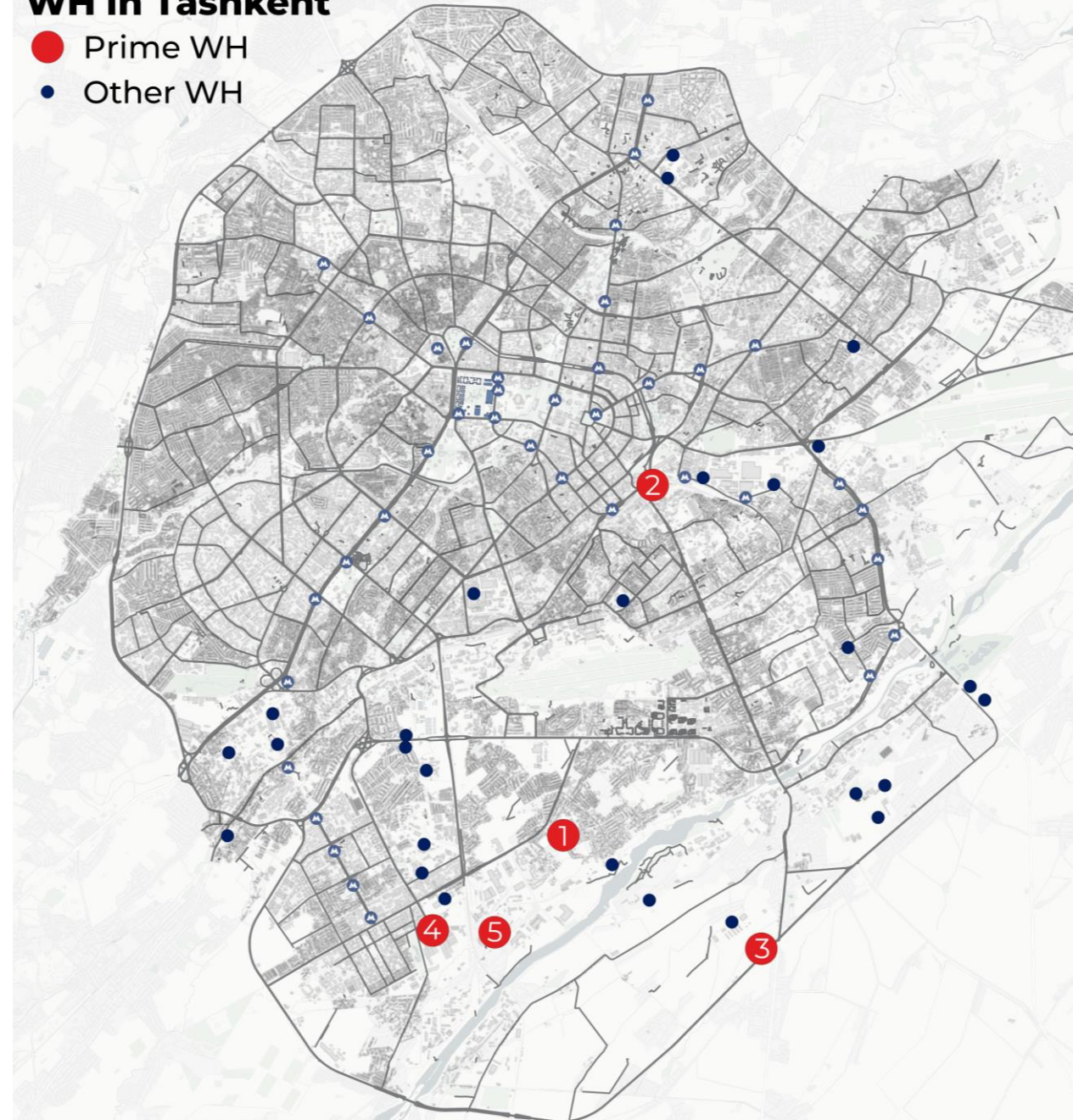
3.3

USD / sqm / month

average rental rate of dry warehouses

WH in Tashkent

- Prime WH
- Other WH



PASSPORTS OF KEY PROJECTS



1



2



3



4



5

| Number on the map | 1 | 2 | 3 | 4 | 5 |
|---|---|---|--|--|--|
| Name | International Logistics Center "United Cargo Center" (UCC) | Orient Logistics Center | Agrocomplex FOOD CITY | Trading and production complex TASHKENT INDEX | LLC Rezalit Group warehouses |
| Address | Tashkent, Stroiteley array, Honobod str., 3 | Tashkent, Fergana Yuli, 13 | Tashkent, Bektemir district, KMekhnatabad street, 82 | Tashkent, Sergeli array, Yangi Sergeli Yuli St., 21 A | Tashkent, Sergeli district, Nilufar str., 2 |
| Status | Exists | Exists | Exists | Exists (phase 1) | Exists |
| Commissioning date | 2017 | 2019 | June 2022 | March 2022 – phase 1 2023 – phase 2 | 2022 |
| Purpose | Cargo acceptance, storage, customs clearance, shipment | Customs clearance, storage in warehouses and containers, etc. | Wholesale market and distribution center | Available premises of various sizes for production, stores, catering outlets, offices and services | Storage of any kind of goods (dry unheated warehouse), as well as production |
| Area, ha | NA | 10.9 | 60 | 71 | NA |
| Warehouse area, sqm | Covered warehouses – 18,000 Tent-type – 20,000 Refrigerators and freezers – 800 Container sites – 22,000 | 7,500 | Refrigerators – 4,700 Freezers – 10,200 Dry – 6,000 | NA | NA |
| Rental rate (no VAT and utility), USD/sqm/month | No vacancy | No vacancy | 4.6 | 3 – warehouses 6 – 17 – retail space | 3.7 |
| Sales price, USD/sqm | NA | NA | No sales | No sales | No sales |
| Vacancy, sqm | No | No | 6,000 (small sections) | Up to 1,000 (small sections) | 4,000; 450; 1,700 The entire plant can be turned over 12,000 sqm |
| Parking | Yes | Yes | 2,500 | 15 | Yes |
| Notes | - | - | International residents, for example from Russia, Kazakhstan, Iran | - | International residents, for example from Belarus |

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