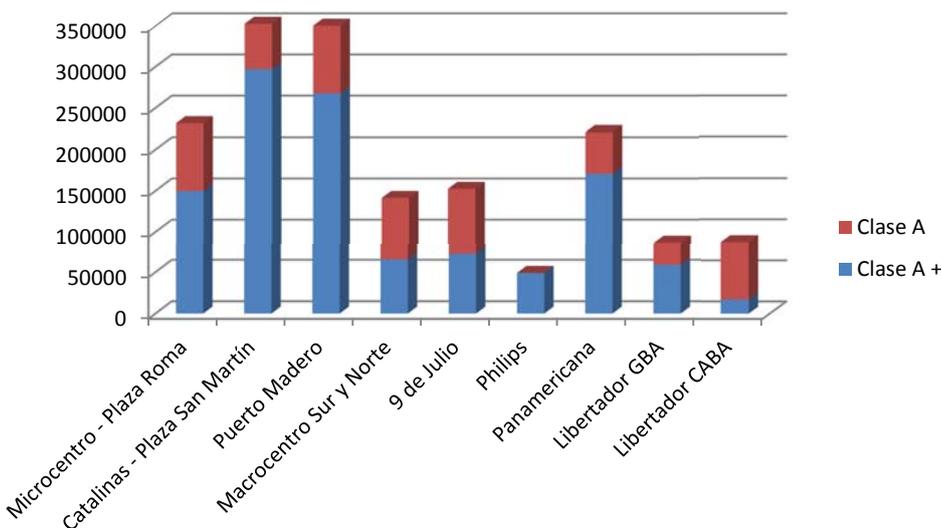


MARKET REPORT - OFFICES IN BUENOS AIRES

- ▶ Within a recession framework and with high inflation, a thorough assessment of the different variables in any real estate project becomes imperative before deciding to take part in it.
- ▶ Buyers are reluctant to spend their US dollars and, on the other hand, sellers expect to keep prices in said currency.
- ▶ As regards first class offices, the RAGHSA development in Belgrano 955 in southern downtown area has repositioned the area in relation to the new premium products stock. At the same time, in the always current Catalinas area, progress has been made in the construction of the four projects that complete the construction capability in the area: one belonging to Consultatio –the bank BBVA/Banco Francés acquired 23 floors out of 33 in the building– another of Banco Macro, acquired for its own use, the third one of IRSA, and another in Alem 882.
- ▶ First class offices in Buenos Aires have a really low price if compared to most of the capital and mayor cities in the region. Rio de Janeiro and São Paulo are at the top of the statistics with 68 and 65 USD/m2/month, respectively. Followed by Bogotá with USD 32, Santiago and Mexico DF with USD 29 and USD 27, and then Buenos Aires with USD 25.50, and only a few other cities remain at the bottom of the list. This could be a very good argument to pitch the settlement of regional corporate offices in Buenos Aires. Catalinas is still the most sought-after area in Buenos Aires, where the value requested as well as the exception value of the square meter can amount to USD 30.
- ▶ Despite of the discouraging economic context the market is still giving healthy indicators. Even though Cass A surface vacancy has slightly risen to 7.8%, as a result of the market incorporation of the Madero Harbour II building and the one located at Belgrano 955, leases maintain their stable level. However, demand for new spaces is still low due to the uncertainties of the economic and political courses of the country which make long-term planning difficult.

A+ and A offices stock, by area:



Alem 882 | and Tres Sargentos

Delivery
May
2015



LEASE

Useful Area: 10.840 m²

Floors of 800 m² - 68 parking slots. 500 m² Store.

Bouchard 547 | Plaza Roma



LEASE

4.400 m² in six Floors of 740 m²

10 parking slots

Av. Libertador 350 6th floor



LEASE

Useful Area: 635 / 835 m²

A°A° - Partitions - Access Floor - Suspended Ceilings

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