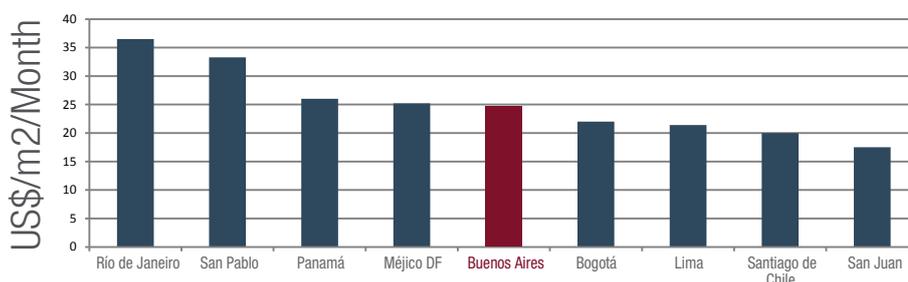




## MARKET REPORT - OFFICES IN BUENOS AIRES

- ▶ The year 2015 ends with a market that has a slower pace than the historical practice, with a mild rise tendency of an interannual exchange rate of about 2.25%, and with a gradual absorption of the buildings that have been incorporated.
- ▶ Most operators trust that the new administration will implement more coherent policies, but on the other hand, they also warn that these measures will not be reflected in the market until the second quarter of 2016 and that recovery would only be seen in 2017. This prediction will occur provided that the exchange rate is unified, the inflation is lowered, and restrictions to buy US dollars and to draw dividends abroad are eliminated. All of these are premises of the new administration of the Argentine government that should attract new investors both local and from abroad.
- ▶ The BBVA bank has acquired and will occupy two thirds of the Consultatio tower still under construction, the Catalinas Norte building, with a handing over date by mid 2016. This building represents an incorporation of 48,000 m<sup>2</sup> of rentable area to the stock, leaving 13,350 m<sup>2</sup> in the market available to lease.
- ▶ Average lease value of the complete prime market reached 25.60 USD/m<sup>2</sup>/month, Catalinas being the area with the highest value of 27.50 USD and a maximum of 31 USD, the same as the northern 9 de Julio corridor.
- ▶ The office market in Buenos Aires is, by far, the largest in Argentina with a total Class A and A+ stock of 1,743,000 m<sup>2</sup> built, 1,307,000 m<sup>2</sup> of which, constitute rentable area.
- ▶ The continuous demand in some sub-markets still drives lease prices to rise. The northern area shows the fastest rate of growth acceleration.
- ▶ Most companies choose more open locations with better access and more modern and efficient buildings for their expansion or relocation projects.
- ▶ The Buenos Aires office market represents 6.20% of the total inventory of the region, well below Mexico DF (27.71%), São Paulo (21.72%), Bogotá (17.13%), Santiago de Chile (12.18%), and Río de Janeiro (10.60%).
- ▶ In a ranking of nine of the main cities in Latin America, Buenos Aires is in the fifth position in relation to the lease value. The cities with the highest lease values are Río de Janeiro and San Pablo with 36.50 USD and 33.35 USD/m<sup>2</sup>/month, respectively. Therefore, our city should offer investment opportunities more attractive than most of the other cities in the region, not only due to lease prices but also due to the possibility to hire human resources that have traditionally been more competitive and cost-saving than the ones from other locations.

### Lease Values in Latin America



### Torre Bellini Esmeralda



Useful Area: 12,000 m<sup>2</sup>

500 m<sup>2</sup> Stories - Available Stories - AC - Parking Slots

### Chile & Paseo Colón | San Telmo



Useful Area:

4,477 / 5,784 / 10,261 m<sup>2</sup>

AC - Free Stories - Parking Slots

### Carlos Pellegrini 1427 | 9 de Julio



Useful Area: 545 m<sup>2</sup>

AC - Access Floor - Ceilings - Parking Slots

(11) **4320-4320**  
www.cyw.com.ar

SAN MARTÍN 640 P 10°  
BS. AS. - ARGENTINA.

**NAI**Argentina

member of

**NAI**Global  
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE