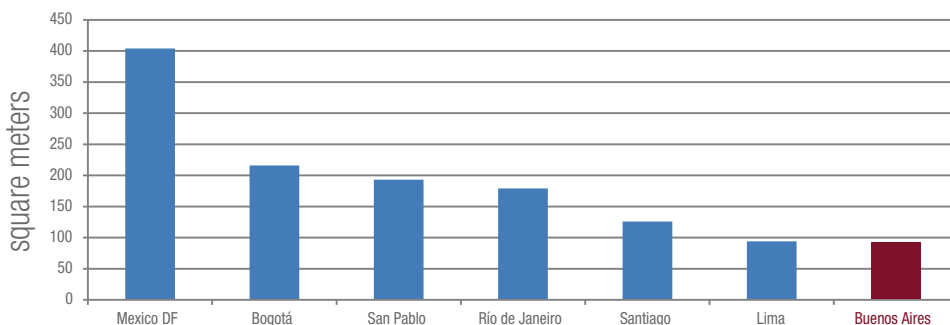


**MARKET REPORT - OFFICES IN BUENOS AIRES**

- ▶ Although there are some projects in progress, it is estimated that in the mid term there may be a lack of Class A+ square meters. Taking into consideration that these buildings require between 24 and 30 months of work until they are available there may be a bigger decrease in vacancy and an occasional rise in prices.
- ▶ Vicente López and San Isidro are the districts in the northern area where more corporate buildings have been built due to the convenience of the surroundings and their relative location due to their closeness to the city of Buenos Aires.
- ▶ One of the first measures taken by the new administration was to remove the dollar clamp which resulted in the unification of the exchange rate. This will have a positive effect in the corporate real estate market which uses U.S. dollars as transaction currency, giving certainty to this currency. This measure is expected to benefit the achievement of new operations.
- ▶ As regards the available surface, there are 108,000 m<sup>2</sup> of rentable area offered for lease. The southern Macrocentro, southern Puerto Madero, and Panamericana corridor sub-markets concentrate 40% of said surface.
- ▶ Since 2008, lease values are suffering a significant decrease tendency due to a demand slowdown. However, since 2012, there has been a recovery in the general behavior of prices due to the incorporation of new products. Currently, asking values are over USD 25 and USD 30/m<sup>2</sup>/month.
- ▶ Based on the positive evolution of lease values, we could say that the Buenos Aires office market is undergoing a period of stable prices. This is inferred by the 20,000 m<sup>2</sup> absorption occurred during the last quarter and by the 8.40% vacancy rate.
- ▶ Catalinas, the Northern Area and northern Puerto Madero are the highest demand areas, due to their location and to the fact that they have the most modern and efficient building stock offering excellent services and stories with bigger dimensions.
- ▶ The 10,000 m<sup>2</sup> of rentable area in the new Alem 882 building have been rented in full by a renowned lawyer's firm, therefore, this transaction will not affect market availability.
- ▶ The square meter to inhabitant ratio in the city of Buenos Aires is one of the lowest in the region, with 15 million inhabitants and 1.3 million of rentable m<sup>2</sup> of Class A and A+ offices. In comparison, Mexico DF has more than 22 million people and almost 4 million office square meters, and São Paulo has 20 million inhabitants and 3.8 million square meters of corporate spaces. In conclusion, in our city there is a deficit of office spaces to be absorbed, or in other words, a latent demand that needs to be satisfied.

**Surface every 1000 inhabitants**



**Torre Bellini Esmeralda**



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

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

**Chile y Paseo Colón | San Telmo**



Useful area:

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

AC - Free Stories - Parking Slots

**Av. Libertador 6350 | Nuñez**



Useful Area: 1,000 UP TO 5,000 m<sup>2</sup>

AAA Building - AC VRV - Fitted Stories

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