

YoY
Chg12-Mo
Forecast

15.9 %

Vacancy Rate



14.812

Net Absorption (sqm) Q3-24



\$24.18 (USD/sqm/month)

Asking rent



* Corresponds to the market average asking price

ECONOMIC INDICATORS Q3 2024

YoY
Chg

209 %

Inflation index
(YoY change)*

-1.7 %

Gdp variation



7.6 %

Unemployment rate



Source: National Institute of Statistics and Censuses

* Corresponds to the month of October 2024

PALERMO'S ROLE IN MARKET RECOVERY

The absorption of premium office space in Buenos Aires continues to show a positive trend. During this quarter, 14,812 m² of high-quality spaces were occupied, reflecting strong demand for this type of property. This growth is driven by a significant 0.7 p.p. reduction in the vacancy rate, which is a clear signal of market recovery.

A key factor in this performance was "OLA Palermo," marketed by C&W, which contributed 10,816 m² to the period's absorption, representing 30.8% of the total. This building, located in one of the most sought-after areas of the city, attracted great interest, consolidating Palermo as the undisputed leader in market prices.

Currently, Palermo tops the list with the highest price, reaching 30.18 USD BNA/m² per month, closely followed by the Libertador CABA corridor, with a price of 28.88 USD BNA/m². This scenario reflects the growing demand and the limited supply of high-end projects in the city's most strategic areas.

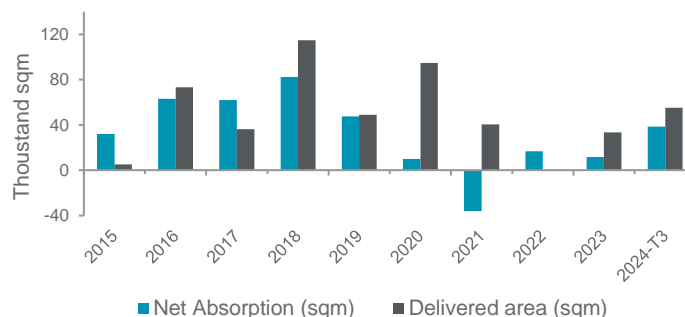
The limited availability of premium quality and high occupancy in landmark buildings along the Libertador corridor combine to keep these prices high. The privileged location, with access to excellent services, security, and quality public spaces, continues to attract companies looking to establish themselves in an environment offering both prestige and functionality.

ECONOMIC OUTLOOK

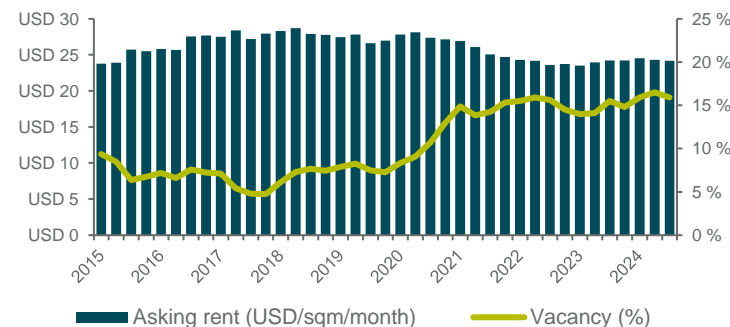
During the quarter, construction activity, as measured by the ISAC, experienced some recovery concentrated in July, with an 8% month-over-month increase (seasonally adjusted). However, the sector's activity level is still 18% below last year's average.

In terms of prices, inflation continued its deceleration process, accumulating around 13% over the quarter, marking the lowest price increase since the last quarter of 2021. On the fiscal front, the quarter showed a primary and financial surplus throughout, except for a slight financial deficit in July.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT





REDUCTION OF THE PRICE GAP BETWEEN CBD AND NON-CBD

Despite the growing demand in the premium office market, the average rental price showed a slight decline for the second consecutive quarter, standing at 24.18 USD/m²/month. This change can be attributed to the continuous absorption of high-quality spaces, which has reduced the availability of high-value square meters on the market. Thus, even as demand rises, the lack of premium supply puts pressure on overall prices.

Another interesting aspect is the unprecedented reduction in the price gap between buildings located in the Central Business District (CBD) and those in non-central submarkets (Non-CBD). This difference has fallen to a historic low, with CBD buildings only surpassing Non-CBD by 5.2%.

This phenomenon reflects the growing competitiveness of peripheral areas, where new high-quality developments offer an appeal very similar to that of traditional submarkets, such as Catalinas, Puerto Madero, and Plaza Roma.

The addition of recent developments in these areas, with modern buildings, prime locations, and top-tier infrastructure, has enabled them to compete directly with the iconic buildings in the CBD.

This shift in the real estate landscape creates new opportunities for investors and companies seeking high-end office space in emerging yet strategic locations.

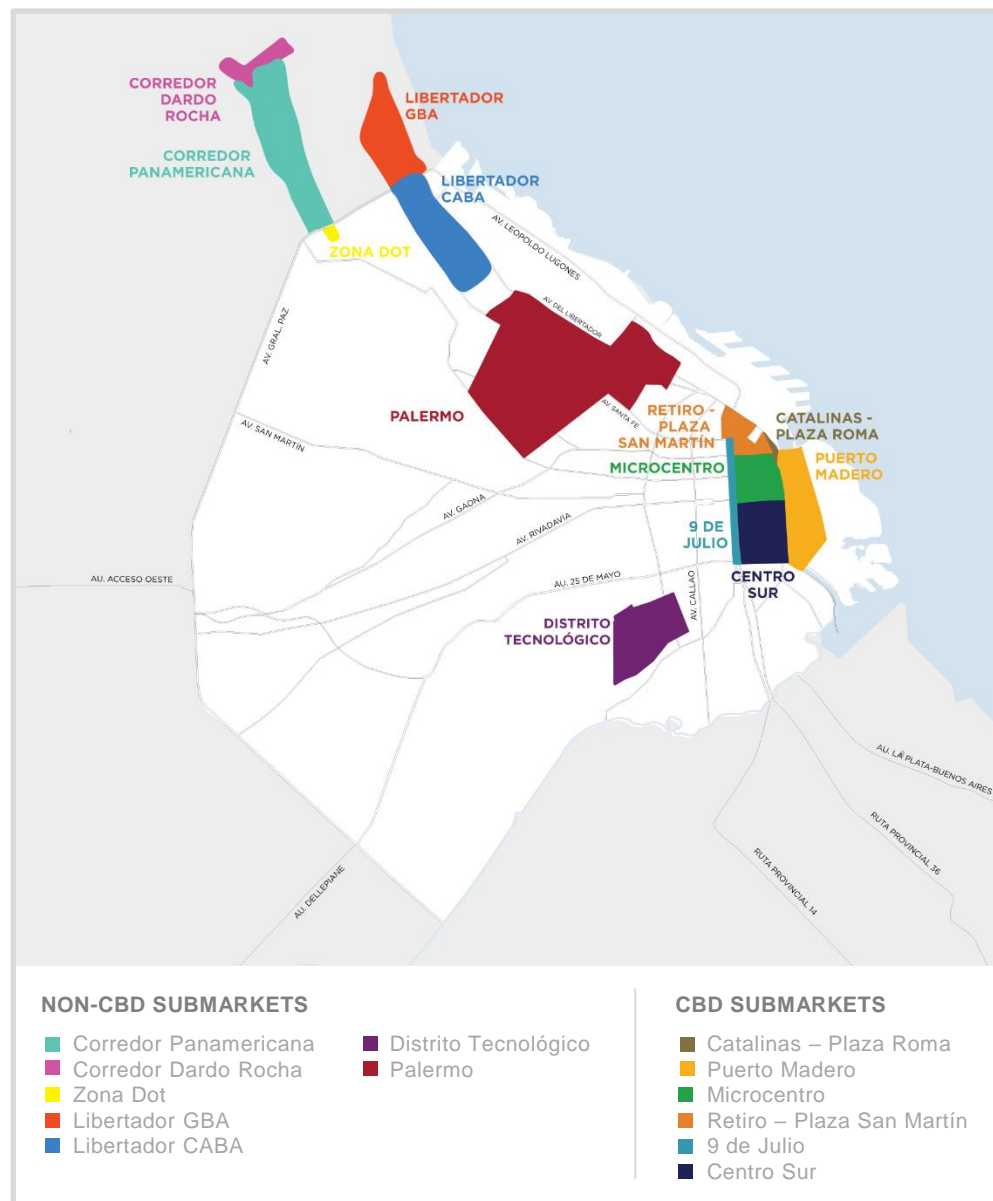
GREATER SURFACE AREA FOR HIGH-DEMAND MARKETS

The Palermo submarket leads construction activity, with over 100,000 m² under development, which will significantly increase its inventory in the coming periods.

It is followed by the Catalinas-Plaza Roma area, where the completion of a new building at the intersection of Av. Córdoba and Av. L. N. Alem in the coming years will expand the stock by 10%.

Other submarkets, such as Libertador CABA and the Panamericana Corridor, will also benefit from the completion of major projects.

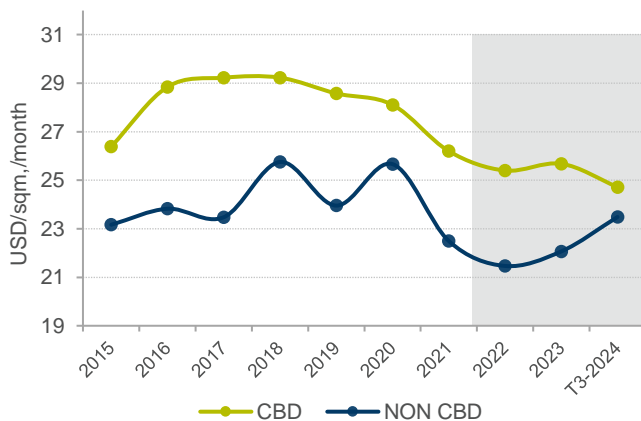
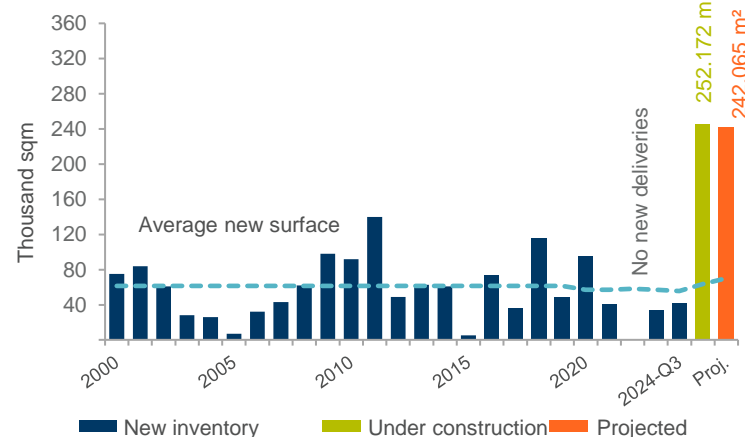
BUENOS AIRES SUBMARKETS



MARKET STATISTICS*

SUBMARKETS	CLASS A INVENTORY	BUILDING NUMBERS	AVAILABLE AREA(sqm)	VACANCY RATE(%)	YTD NET ABSORPTION TO DATE(sqm)	UNDER CONSTRUCTION (sqm) (*)	PROJECTED (sqm) *	RENTAL PRICE ASKED CLASS A (USD/sqm/month)	RENTAL PRICE ASKED CLASS B (USD/sqm/month)
Catalinas - Plaza Roma	351,005	13	50,310	14.3 %	6,318	44,225	-	26.44	17.2
Puerto Madero	248,421	15	36,196	14.6 %	-7,542	-	30,300	26.45	16.7
Microcentro	111,665	6	22,343	20 %	0	17,000	-	21.27	13.1
Retiro - Plaza San Martín	88,580	5	25,827	29.2 %	3,903	-	-	25.96	16.7
9 de Julio	73,986	6	14,909	20.2 %	-3,492	-	-	21.93	16.3
Centro Sur	64,943	3	5,783	8.9 %	0	-	18,400	14.00	8.3
CBD	938,600	48	155,368	16.6 %	-813	61,225	48,700	24.72	14.8
Corredor Panamericana	256,621	24	49,972	17.9 %	18,336	37,287	95,665	20.00	15.1
Corredor Dardo Rocha	-	-	-	-	-	-	-	-	13.5
Zona Dot	77,298	5	6,329	8.2 %	6,936	-	-	24.27	19.0
Libertador GBA	100,492	11	14,854	14.8 %	-1,928	31,854	-	24.36	18.8
Libertador CABA	100,274	4	31,759	29.0 %	7,386	22,995	39,400	28.88	20.8
Distrito Tecnológico	214,588	15	20,590	9.6 %	-5,404	-	107,000	20.78	12.7
Palermo	61,159	9	3,999	6.5 %	13,065	110,320	-	30.18	23.8
NON CBD	819,12	68	123,503	15.1 %	38,391	245,172	242,065	23.49	18.3
BUENOS AIRES TOTAL	1,758,212	115	278,871	15.9 %	37,578	306,397	290,765	24.18	15.6

* Corresponds to rentable surface from information available.

ASKING RENT (USD/ sqm /month)
CBD / NON-CBD

NEW INVENTORY (sqm)
PROJECTED SURFACE (sqm)


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