

## ECONOMIC INDICATORS

|           | PIB<br>Var (%)<br>YoY | Unemployment<br>rate (%) | Inflation<br>rate (%)<br>YoY | MPR*<br>(%) |
|-----------|-----------------------|--------------------------|------------------------------|-------------|
| Argentina | 3.9                   | 6.9                      | 117.8                        | 32.6        |
| Brasil    | 3.4                   | 6.4                      | 4.9                          | 12.3        |
| Chile     | 2.3                   | 8.2                      | 4.5                          | 5.0         |
| Colombia  | 2.9                   | 8.8                      | 5.2                          | 9.5         |
| Perú      | 3.8                   | 5.7                      | 2.0                          | 5.0         |

Latest available data  
LCA and National Institutes of Statistics by country  
Monetary Policy Rate (Interest rate).

## REGIONAL RECOVERY GRADUALLY FUELS OFFICE DEMAND

In the second half of 2024, net office absorption in South America showed a varied but overall positive recovery across most cities.

South America's GDP continues to grow at a moderate pace and is expected to surpass 2023 figures, driven by strong commodity exports (mining and agriculture), as well as expansion in finance, technology, and professional services—reflecting increasing economic stability.

In Buenos Aires, office absorption in the third quarter exceeded 14,000 sq m. However, the fourth quarter saw only marginal net absorption, signaling a cautious market and internal reshuffling in response to the national economic downturn.

São Paulo recorded an annual net absorption of over 150,000 sq m, marking a seven-year high and reinforcing the strong correlation between its robust GDP and the rising demand for Class A office spaces.

In Bogotá, the office market returned to pre-pandemic levels, with a 10.5% vacancy rate and strong demand in prime corridors, largely driven by the arrival of multinational corporations.

Santiago experienced contrasting trends, with negative absorption in the third quarter followed by a rebound of nearly 19,000 sq m in the fourth, fueled by the reactivation of projects in Nueva Providencia and El Golf.

Lima, benefiting from sustained GDP growth (3.8% year-over-year as of November), recorded positive net absorption of over 40,000 sq m in the second half of 2024, particularly in the San Isidro Financiero and Miraflores submarkets.

Overall, regional economic activity trends support the ongoing recovery of the office market. However, gaps remain, reflecting the varying influence of macroeconomic conditions across different markets.

## KEY SEMETER DATA

## BUENOS AIRES

**15.2%**ANNUAL  
AVERAGE VACANCYLast 4 years in  
Buenos Aires

## SANTIAGO

**5 %**ANNUAL  
VACANCYFor Submarket  
Nueva Las Condes

## BOGOTA

**10.5 %**ANNUAL  
VACANCYBack to pre-pandemic  
values

## LIMA

**15.4 %**ANNUAL  
VACANCYLowest Vacancy in the  
last 7 years

## SAO PAULO

**1,614,585 sq m**NET ANNUAL  
ABSORPTIONRecord absorption in the last  
7 years

## RIO DE JANEIRO

**1.17 USD/sq m/month**

ASKING PRICE

Dropped by 37% due to the  
depreciation of the Brazilian Real

## GRADUAL DECLINE IN VACANCY RATES ACROSS THE REGION

During the analyzed period, vacancy rates for Class A office spaces in South America showed mixed trends, closely linked to regional unemployment dynamics. After peaking in 2020–2021 due to the health crisis, the economic recovery of 2023–2024 spurred job creation, particularly in services, technology, and finance. However, not all markets responded equally in terms of office occupancy.

In Buenos Aires, vacancy remained stable despite a 33% increase in national unemployment compared to 2023, driven by declining economic activity.

In contrast, São Paulo saw unemployment drop to a historic low of 6.1%, closing 2024 with a 17.35% vacancy rate. The technology and financial sectors led hiring efforts, driving increased demand for office space.

Rio de Janeiro, however, continued to struggle with high vacancy rates, remaining above 20% and approaching 29%, largely due to weak demand.

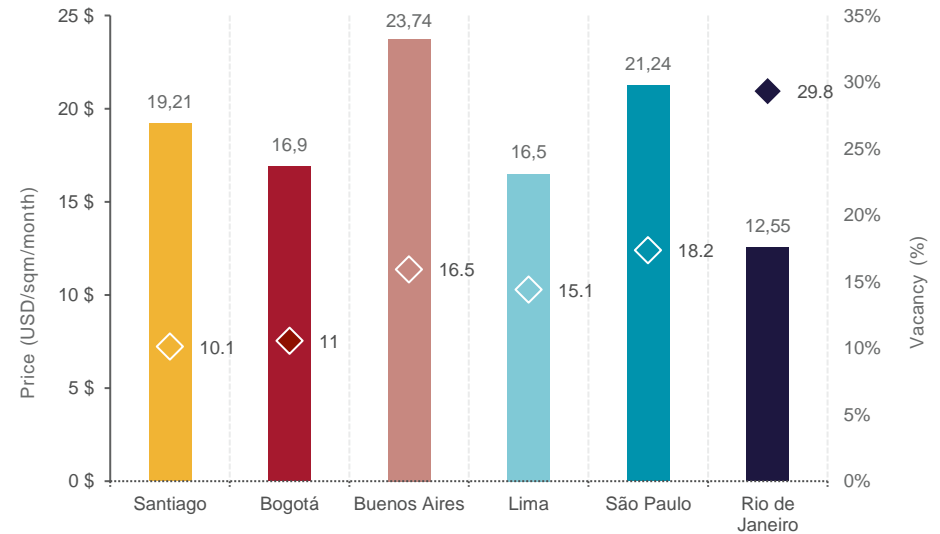
In Colombia, where unemployment has steadily declined for four consecutive years, Bogotá maintains a 10% vacancy rate—a result of vacant space exceeding occupied space and new inventory entering the market.

Santiago saw a temporary increase in vacancy during the third quarter but ended the year at approximately 10.1%, aligning with Chile's stable unemployment rate (~8%) and economic growth of 6.6% compared to the previous year.

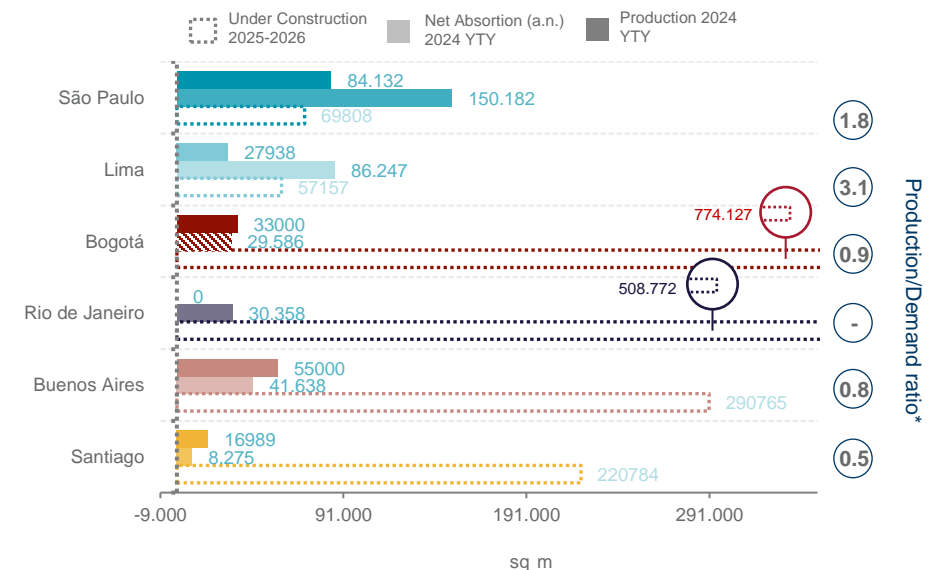
Peru, boasting the region's lowest unemployment rate (5.3%) and clear economic growth, closed 2024 with a 2.6 percentage-point reduction in vacancy from the first half of the year—the second-largest decrease after Brazil.

Overall, the slow post-pandemic recovery has limited demand's ability to absorb available office spaces at pre-crisis levels, keeping vacancy rates above pre-pandemic benchmarks in several countries. However, South America closed 2024 with a 19.43% vacancy rate, edging closer to 2019 levels.

## PRICE AND VACANCY



## NET ABSORPTION, PRODUCTION SQUARE METERS, AND UNDER CONSTRUCTION



## FALLING RENTAL PRICES DUE TO WEAK DEMAND

In the second half of 2024, Class A office rental prices in South America exhibited mixed trends, shaped by each country's economic and structural conditions. The interplay between pricing, vacancy rates, and inventory was influenced by factors such as the slow post-pandemic recovery, shifting space demands, and local exchange rate fluctuations.

In Buenos Aires, average rental prices remained stable, ranging between USD 24–25/sq m/month.

São Paulo set a local pricing record (BRL 131.50/sq m/month), supported by a vacancy reduction to 17.35%. However, the upcoming addition of 250,000 sq m in 2025 may put pressure on this equilibrium.

In Rio de Janeiro, with vacancy levels nearing 29% and no major projects planned for 2025, rental prices remained within BRL 77–78/sq m/month.

Santiago, which closed the year with a 10.1% vacancy rate and an anticipated 200,000+ sq m of new inventory between 2025 and 2027, saw rental prices decline, settling at 0.49 UF/sq m (USD 19–20).

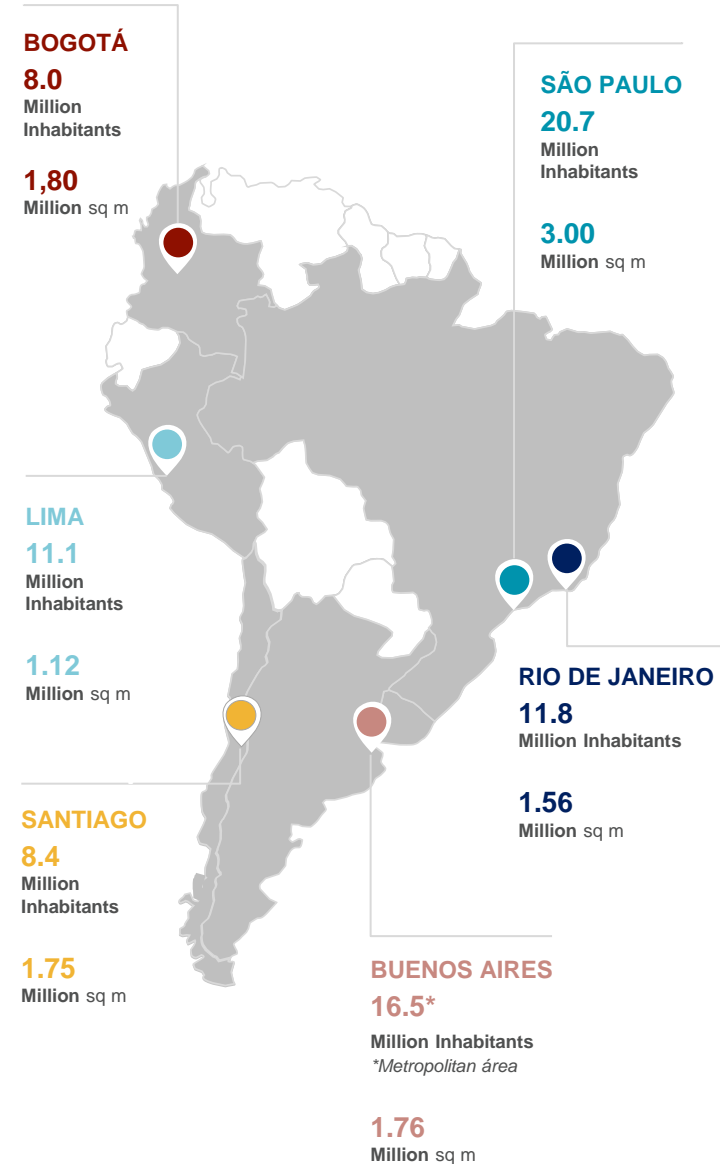
In Bogotá, rental rates hovered around 74,000 COP/sq m/month (USD 18–19), while future market expansion is expected to exceed 700,000 sq m.

Lima, home to the region's lowest vacancy rate (14.4%), saw a steady rise in rental prices, closing the year at USD 16.5/sq m. With consistent positive absorption and a limited supply of new inventory, this upward trend is expected to continue in the short term.

As noted earlier, Buenos Aires, Santiago, and Bogotá experienced occupancy dynamics that failed to drive vacancy reductions, leading to downward rental price adjustments in USD terms.

Conversely, São Paulo, Rio de Janeiro, and Lima, which made strides in absorbing vacant spaces amid economic recovery, saw rental prices increase in their respective local currencies. However, in Brazil, the 27.35% depreciation of the real significantly impacted values when converted to USD.

## OFFICE SURFACE AND POPULATION BY CITY



## SUMMARY OF MARKET INDICATORS

| SUBMARKETS                 | Class A Inventory | Number of buildings | Available Surface (sq m) | VacancyRate (%) | Net absorption YTD (sq m) | UNDER CONSTRUCTION (sq m)* | PROJECTED (sq m)*     | CLASS A ASKING RENT (USD/sq m/month) |
|----------------------------|-------------------|---------------------|--------------------------|-----------------|---------------------------|----------------------------|-----------------------|--------------------------------------|
| ARGENTINA: BUENOS AIRES*** | 1,747,446 sq m    | 116                 | 278,015 sq m             | 15.91 %         | 41,638 sq m               | 306,397 sq m               | 290,765 sq m          | \$ 23.74                             |
| BRASIL: RIO DE JANEIRO**   | 1,561,802 sq m    | 78                  | 457.732 sq m             | 29.31 %         | 30,358 sq m               | 0 sq m                     | 508,772 sq m          | \$ 12.55                             |
| BRASIL: SÃO PAULO**        | 3,001,588 sq m    | 131                 | 520.644 sq m             | 17.35 %         | 150,182 sq m              | 261,706 sq m               | 69,808 sq m           | \$ 21.24                             |
| CHILE: SANTIAGO            | 1,748,493 sq m    | 108                 | 176.334 sq m             | 10.10 %         | 8,275 sq m                | 146,441 sq m               | 220,784 sq m          | \$ 19.21                             |
| COLOMBIA: BOGOTÁ           | 1,801,053 sq m    | 152                 | 189.735 sq m             | 10.53 %         | 29,586 sq m               | 130,892 sq m               | 774,127 sq m          | \$ 16.90                             |
| PERÚ: LIMA                 | 1,118,740 sq m    | 77                  | 160.768 sq m             | 14.40 %         | 86,247 sq m               | 0 sq m                     | 57,157 sq m           | \$ 16.50                             |
| <b>TOTAL SUDAMÉRICA</b>    | <b>10,979,122</b> | <b>662</b>          | <b>1,783,228 sq m</b>    |                 | <b>346,286 sq m</b>       | <b>845,436 sq m</b>        | <b>1,921,413 sq m</b> | <b>\$ 18.40</b>                      |

\* This information only includes CBD Market.

\*\* Argentina has a Bi-monetarysystem, theExchange rate used is USD BNA.

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