MARKETBEAT

SÃO PAULO

Office Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	12-Mo Forecast
11.40% Vacancy Rate	▼	▼
-4,170 Net Absorption (sq.m)	▼	▲
BRL 148.25 Asking Rent (BRL sq.m)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Mo Forecast
1.1% GDP - Quarterly Variation (2026Q1)	▲	▬
5.6% Unemployment Rate - Quarterly Variation (2026Q1)	▼	▼
4.7% CPI Inflation - 12 Months	▼	▲

Source: LCA

ECONOMIC SCENARIO

In the first quarter of 2026, GDP grew by 1.1% compared to the previous quarter, on a seasonally adjusted basis. The result was driven primarily by Agriculture (+2.0%), followed by Industry (+1.0%) and Services (+0.5%). The labor market remains resilient, with the unemployment rate at 5.6% in the quarter ending in May. Over the 12 months through May, inflation as measured by the IPCA reached 4.72%. At its most recent meeting, held in June, the Monetary Policy Committee (Copom) reduced the benchmark interest rate (Selic) to 14.25% p.a. In the United States, GDP grew by 2.1% in the first quarter of 2026, while the Federal Reserve maintained interest rates within the 3.50%–3.75% target range.

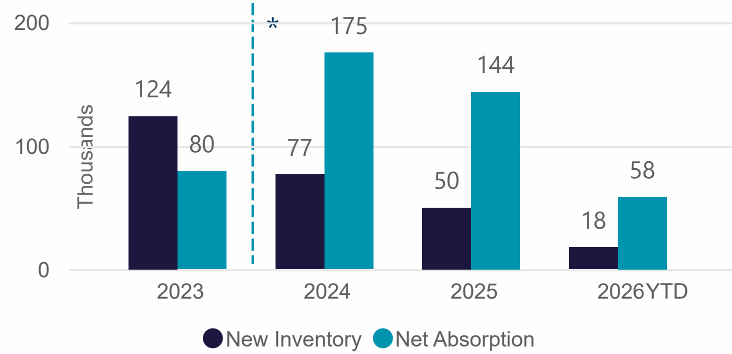
DEMAND

São Paulo's CBD class A office market recorded negative net absorption of 4,170 sq.m in the second quarter of 2026, interrupting the streak of positive results seen throughout 2025 and early this year. This performance was primarily driven by a large financial sector company vacating space, which impacted the quarter's consolidated figures, although demand for high-quality assets remained evident across various market regions. Chucri Zaidan led net absorption for the period with 7,628 sq.m, followed by Berrini (5,704 sq.m), Faria Lima (4,042 sq.m), and Chácara Santo Antonio (3,729 sq.m), highlighting continued demand for well-located, high-standard buildings. Conversely, Vila Olímpia (-14,269 sq.m), Marginal Pinheiros (-6,024 sq.m), and Pinheiros (-4,302 sq.m) accounted for the bulk of the space returned during the quarter. After leading absorption in the previous quarter, the JK region showed results close to stability, with a negative balance of 678 sq.m. Overall, the period points to a more selective market, where consolidation and space optimization moves have begun to exert greater influence on demand dynamics.

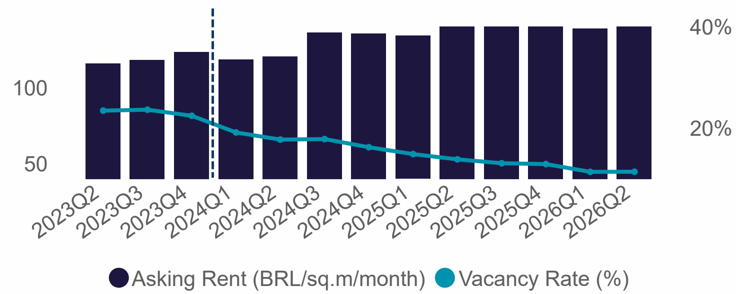
PRICING

The average asking rent closed the second quarter of 2026 at BRL 148.25/ sq.m/month, reversing the decline observed in the previous quarter and resuming the market's upward pricing trend. This movement demonstrates that, despite a cooling of demand, high-quality assets continue to sustain elevated price levels. Faria Lima remained the highest-priced region, with an average asking rent of BRL 293.08/sq.m/month, remaining virtually stable compared to the previous quarter. Vila Olímpia recorded the highest appreciation during the period, reaching BRL 194.80/ sq.m/month, while Pinheiros also showed significant growth, hitting BRL 267.61/ sq.m/month. JK remained stable at BRL 281.54/ sq.m/month. Meanwhile, Marginal Pinheiros saw another increase, reaching BRL 95.77/ sq.m/month, whereas Berrini (BRL 105.37/sq.m/month), Chucri Zaidan (BRL 105.97/sq.m/ month), and Chácara Santo Antonio (BRL 75.75/sq.m/month) showed only slight variations. Overall, price appreciation remains concentrated in the most established regions, while other markets follow a trend of greater stability.

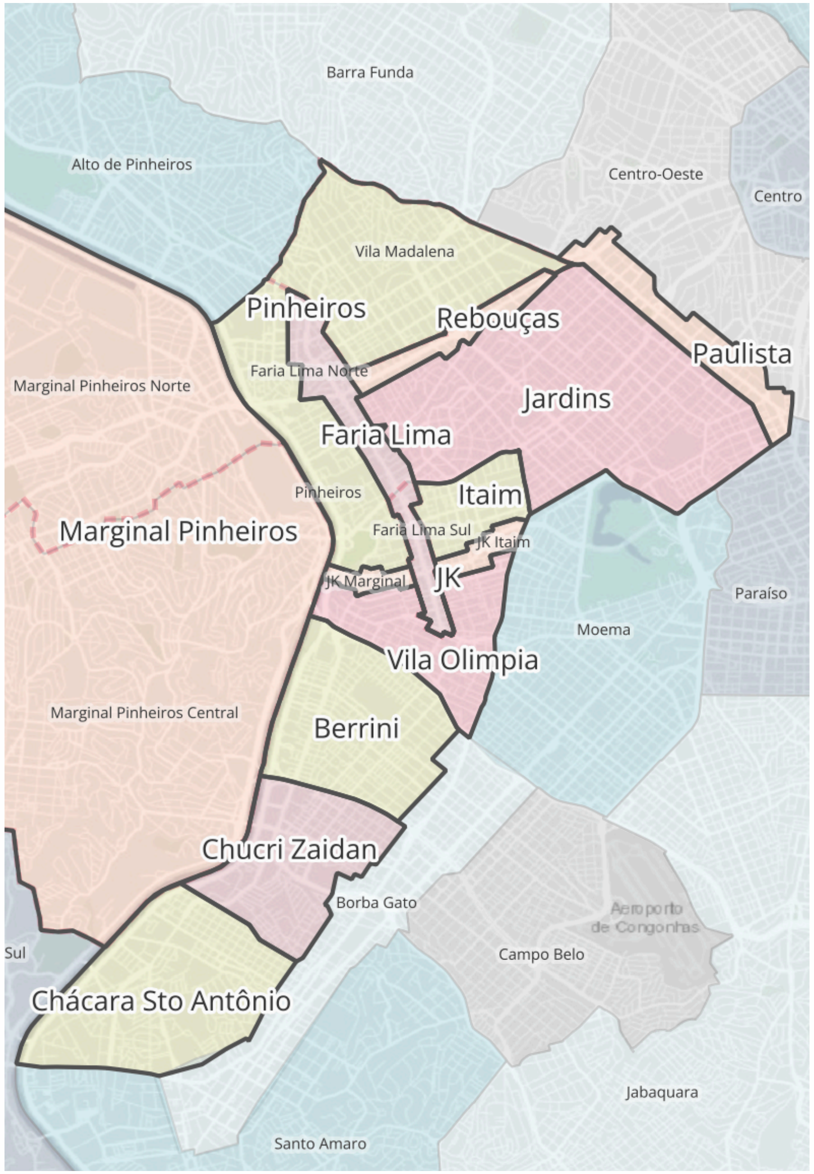
SPACE DEMAND / DELIVERIES - CBD A



ASKING RENT / VACANCY - CBD A



**New methodology*



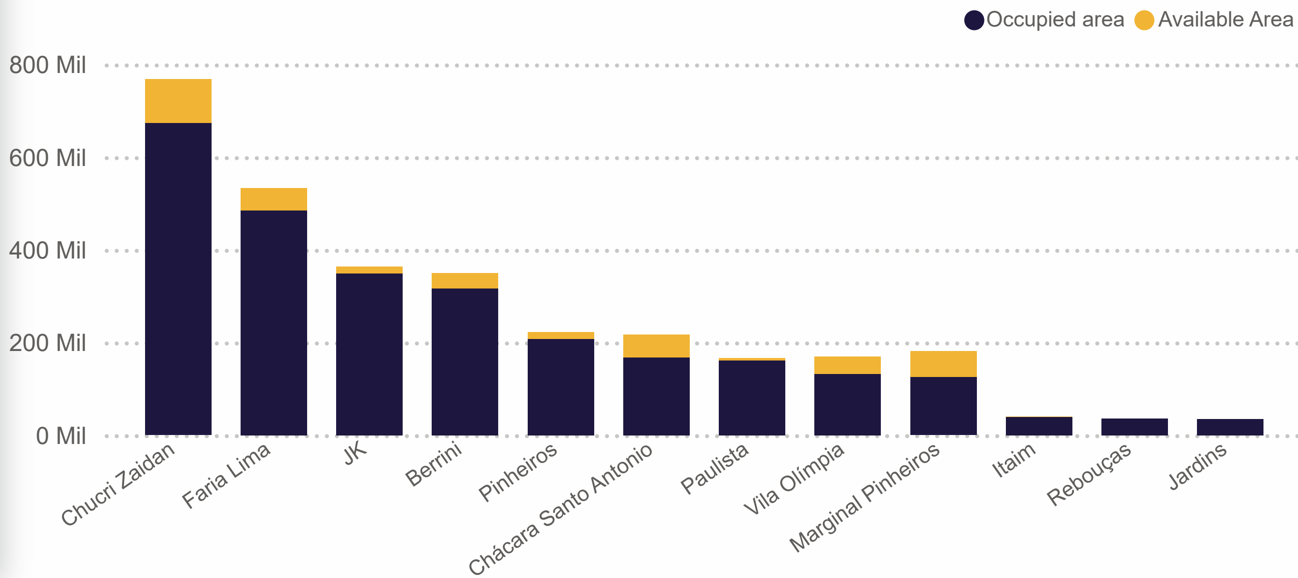
MARKET OVERVIEW

The vacancy rate ended the second quarter of 2026 at 11.40%, marking a slight increase compared to the previous quarter. This result primarily reflects the impact of space returns observed during the period, although the figure remains below the levels recorded throughout 2025. Among the key regions, Chucri Zaidan continued its trend of declining vacancy, ending the quarter at 12.25%. Faria Lima also showed improvement, standing at 8.97%, while Berrini reduced its rate to 9.39%. Chácara Santo Antonio recorded another drop, reaching 22.68%. Conversely, Vila Olímpia saw its vacancy rise to 22.10%, reflecting the volume of space returned during the period. Marginal Pinheiros also experienced an increase, ending the quarter at 30.54%, as did Pinheiros, which rose to 6.61%. JK showed a slight uptick, reaching 4.06%. Overall, the market continues to demonstrate solid fundamentals, even though the quarter signaled a temporary leveling-off in occupancy dynamics.

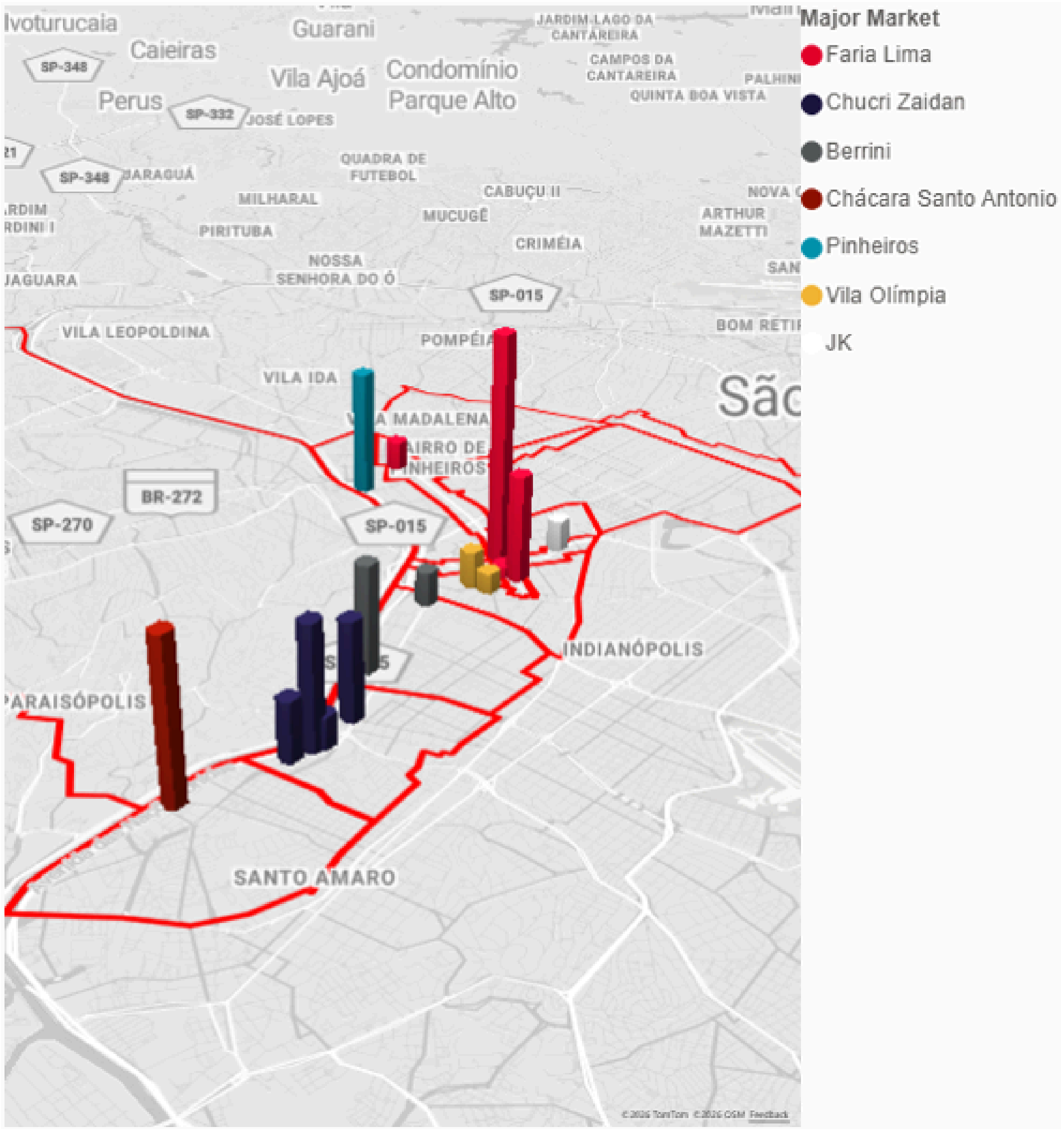
PIPELINE

No new developments were delivered in the second quarter of 2026, keeping total inventory stable. Consequently, the observed changes in vacancy rates stemmed exclusively from occupancy and space-return activity recorded during the period. For the second half of the year, the development pipeline is concentrated in the third quarter, with significant deliveries, including large-scale projects, scheduled for the Chucri Zaidan, Chácara Santo Antonio, Itaim, and Rebouças regions. In the fourth quarter, new projects are expected to boost supply in Pinheiros and Faria Lima. This scenario is likely to intensify competition among assets and drive further migration toward more modern buildings, thereby influencing market occupancy dynamics in the coming months. Another important factor to consider is that a portion of this new delivery is already committed to pre-leases.

CBD SUBMARKET COMPARISON



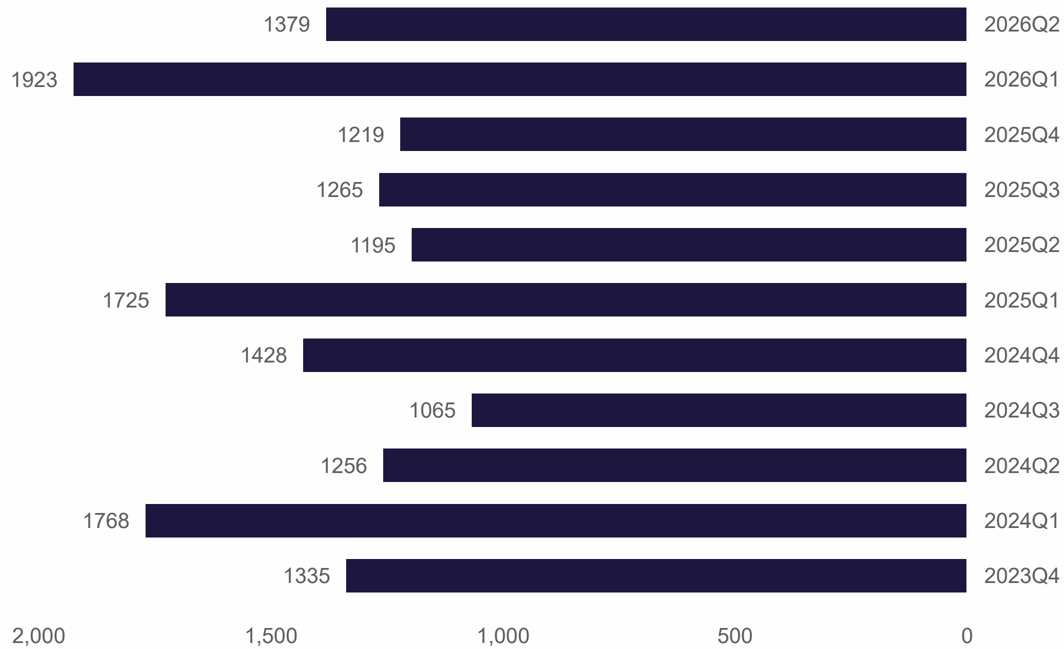
TRANSACTIONS - 2026Q2



MAIN LEASED SEGMENTS - 2026Q2

The total volume of space transacted in the second quarter of 2026 amounted to 38,606 sq.m. Faria Lima led the market with 11,759 sq.m, driven primarily by companies in the information technology sector. Chucri Zaidan recorded 9,530 sq.m, featuring a diverse tenant profile, notably in the financial, technology, and transportation sectors. Other regions also showed significant activity, such as Berrini (5,704 sq.m), Chácara Santo Antonio (4,865 sq.m), and Pinheiros (3,996 sq.m), while Vila Olímpia recorded 1,780 sq.m and JK 972 sq.m. Overall, the quarter was characterized by demand distributed across various business segments, particularly technology, finance, commerce, and business services, which remained key drivers of leasing activity.

AVERAGE OF LEASED AREA (SQ.M)



MARKET STATISTICS Q2 2026

SUBMARKET	NUMBER OF BUILDINGS	INVENTORY (SQ.M)	AVAILABLE AREA (SQ.M)	VACANCY RATE (%)	CURRENT QTR NET ABSORPTION (SQ.M)	CURRENT QTR GROSS ABSORPTION (SQ.M)	UNDER CONSTRUCTION (SQ.M)	AVG ASKING RENT (BRL/MONTH)
Berrini	14	349,264	32,809	9.39%	5,704	5,704	0	R$ 105.37
Chácara Santo Antonio	8	216,864	49,185	22.68%	3,729	4,865	85,178	R$ 75.75
Chucri Zaidan	23	768,236	94,072	12.25%	7,628	9,530	73,857	R$ 105.97
Faria Lima	27	533,610	47,859	8.97%	4,042	11,759	21,366	R$ 293.08
Itaim	2	40,429	451	1.12%	0	0	21,633	R$ 250.00
Jardins	3	34,632	0	0.00%	0	0	0	R$ 0.00
JK	11	363,402	14,770	4.06%	-678	972	56,808	R$ 281.54
Marginal Pinheiros	10	181,418	55,404	30.54%	-6,024	0	0	R$ 95.77
Paulista	11	166,594	4,713	2.83%	0	0	0	R$ 140.00
Pinheiros	12	221,904	14,669	6.61%	-4,302	3,996	60,453	R$ 267.61
Rebouças	5	35,781	0	0.00%	0	0	65,213	R$ 0.00
Vila Olímpia	11	169,426	37,435	22.10%	-14,269	1,780	0	R$ 194.80
São Paulo CBD A	**137**	**3,081,560**	**351,367**	**11.40%**	**-4,170**	**38,606**	**384,508**	**R$ 148.25**

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)
Birmann 32	Faria Lima	Shopee Brasil	7,104
Rochaverá Corporate Towers-Diamond Tower	Chucri Zaidan	GooRoo Crédito	3,752
Centro Empres. Nações Unidas Torre Norte	Berrini	TD SYNNEX	3,283
Eldorado Business Tower	Pinheiros	Ant Group	2,100
Torre Z	Chucri Zaidan	PGL Global Logística	2,062

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUB MARKET	SELLER / BUYER	AREA (SQ.M)	PRICE(BRL)/SQ.M
Edifício Oscar Freire Office	Pinheiros	Capitânia Office FII (CPOF11) / Prime Offices FII (TSER11)	5,265	25,071
Dynamic Faria Lima	Faria Lima	Lucio Engenharia / TRX Real Estate FII - TRXF11	8,258	15,742
Parque Cultural Paulista	Paulista	TELLUS PROPERTIES - FUNDO DE INVESTIMENTO IMOBILIÁRIO / FII RIO BRAVO RENDA CORPORATIVA	5,034	15,313
Parque Cultural Paulista	Paulista	TELLUS PROPERTIES - FUNDO DE INVESTIMENTO IMOBILIÁRIO / -	1,119	14,250

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