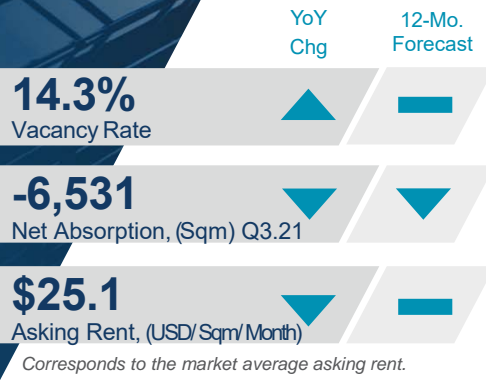


# BUENOS AIRES



Office Q3 2021



## MARKET OUTLOOK:

By the end of 2021 third quarter, the office market showed vacancy of 14.3%, this means it remained stable regarding the first three quarters with minimum variations. This scenario shows there's a slowdown in the vacancy compared to the interannual increase of 33.2% that can be observed when comparing the interannual variation in the vacancy rate.

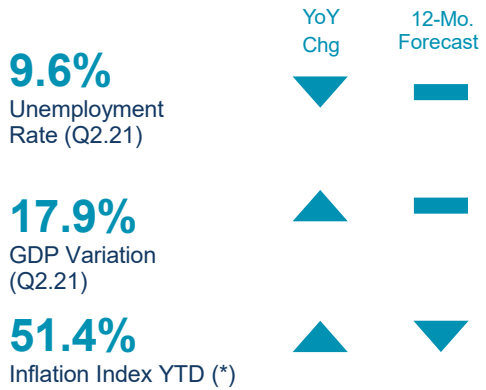
On the other hand, the vaccination plan progress in and the end of the winter period suggest better conditions for a recovery in the office market. However, there are companies that are still optimizing their spaces, this means there is a chance that the vacancy may be greater than the current one by the end of the year.

## SUPPLY AND DEMAND:

Quarterly absorption remains negative since the start of the pandemic, with -6,531 sqm unoccupied, doubling in points compared to the previous quarter, an area that results in 9,847 sqm occupied and -16,378 sqm unoccupied. The trend of rented area in the "Non-CBD" region continues, with 73% of the total. The most affected submarkets are the Corredor Panamericana, with a vacant area of 9,093 sqm and Catalinas with 4,899 sqm. On the other hand, Libertador CABA closes another quarter with a positive balance, a net absorption of 4,311 sqm, most of these meters were rented at Centro Empresarial Libertador.

The Distrito Tecnológico submarket is now considered in the market analysis, being is the fourth market in inventory weight, with a vacancy rate of only 3.0%, the lowest in the market.

## ECONOMIC INDICATORS Q3 2021

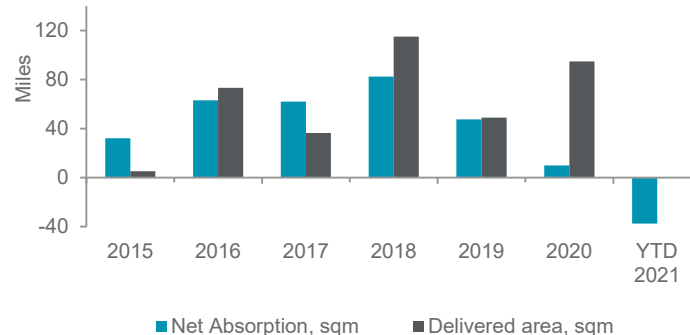


Source: National Statistical and Census Institute (INDEC)  
(\*) Corresponds to August 2021

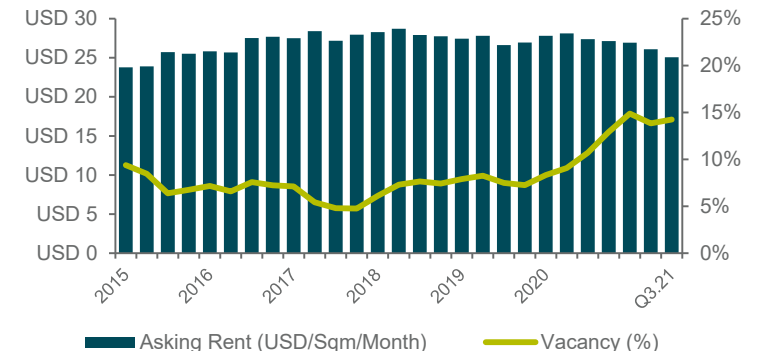
## PRICING:

The average rent price for class A offices during the third trimester of 2021 was 25.1 USD / sqm, showing a slow downward trend with a year-on-year variation of -8.4%. The "Non-CBD" area is showing the impact of the pandemic, with a drop in the inter-annual average price of -12.5%. Libertador CABA and Catalinas-Plaza Roma are the submarkets that, despite suffering decreases in the asking price, remain at an average value of USD 29.6 / sqm, being the most valued in the market.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY & ASKING RENT



## ECONOMIC OUTLOOK

Argentina's economic situation continues to show signs of recovery in activity as the pandemic continues.

Although not expected, GDP continues to recover and compared to the same period in 2020, shows an increase of 17.9% in the second quarter of 2021. Consequently, in the first half of the year, GDP accumulated a growth of 10.3% year-on-year. Likewise, inflation registered a monthly rise of 2.5% in August 2021 and a year-on-year increase of 51.4%. Expectations continue to show a downward trend.

The restrictions regarding Covid-19 decreased and impacts trade and production, encouraging the economy, which still shows clear signs of deterioration.

Finally, in October the country faced its first electoral challenge during the pandemic, the PASO (Primary, Open, Simultaneous and Mandatory). The result was strong on the government opposition, with which the government stimulated economic measures and based on the decrease in COVID19 cases, generated a greater opening of activities aiming at reactivating the economic sphere.

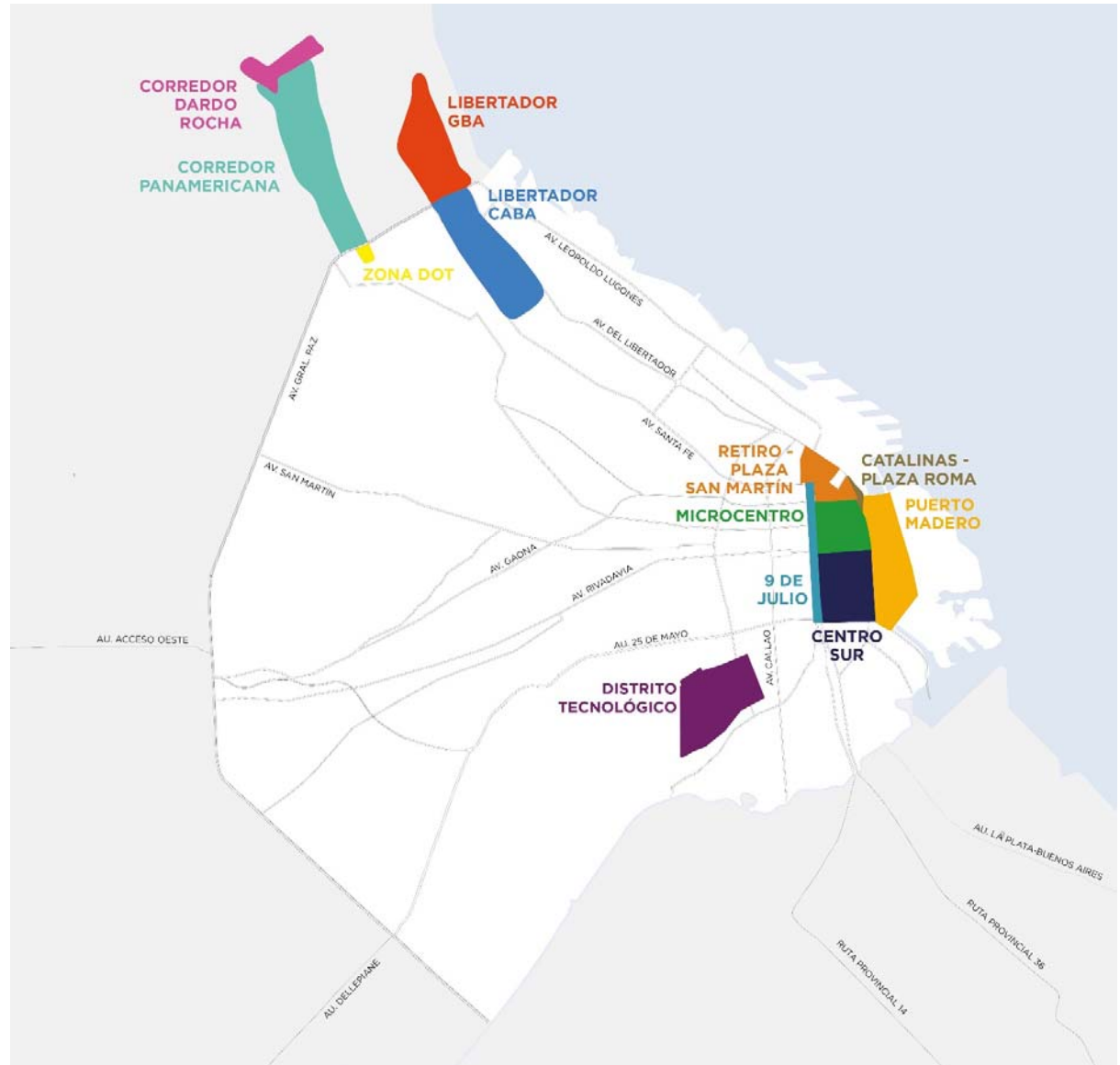
## FUTURE OUTLOOK

There are currently 284,145 sqm under construction, compared to the previous quarter 32,400 sqm were added in the Retiro-Plaza San Martin submarket and 45,063 sqm in the Distrito Tecnológico. This project is added to the rest of the surface under construction, which continues to bet on an adaptation to the "new normality" and homogenizes the offer to reconfigure the spaces of the companies

Only 29% of these meters will be delivered in 2021, the rest will be delivered during 2022 and 2023.

The outlook is positive regarding the behavior of vacancies, since the volume under construction is outside the districts that present the greatest surface offers.

## OFFICE MAP WITH SUBMARKET DIVISIONS BUENOS AIRES / ARGENTINA



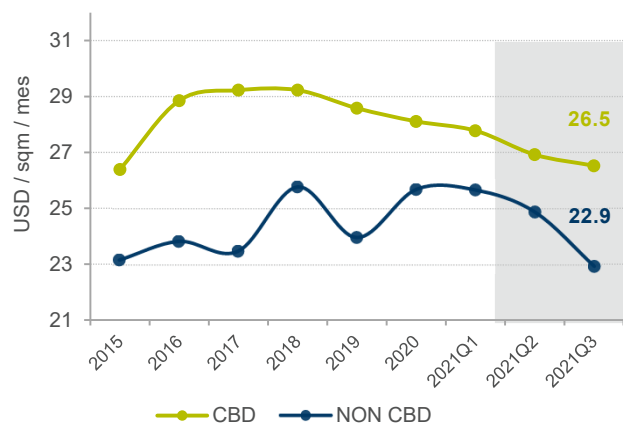
MARKET STATISTICS (\*)

SUBMARKETS	INVENTORY CLASS A	NUMBER OF BUILDINGS	SURFACE AVAILABLE (SQM)	VACANCY RATE (%)	YTD OVERALL NET ABSORPTION (SQM)	UNDER CONSTRUCTION (SQM) (*)	PROJECTED (SQM) (*)	OVERALL AVG ASKING RENT CLASS A (USD/SQM/MONTH)	OVERALL AVG ASKING RENT CLASS B (USD/SQM/MONTH)
Catalinas-Plaza Roma	351,005	13	51,329	14.6%	-15,108	44,225	236,401	28.9	18.1
Puerto Madero	248,421	15	35,202	14.2%	-2,348	-	30,300	28.6	20.5
Microcentro	111,665	6	28,390	25.4%	-3,635	17,000	-	21.7	14.1
Retiro-Plaza San Martín	55,280	4	3,610	6.5%	-845	32,400	-	28.6	20.6
9 de Julio	73,986	6	9,330	12.6%	-1,736	-	-	23.4	18.6
Centro Sur	64,943	3	5,783	8.9%	-	-	37,900	20.6	12.1
<b>CBD</b>	<b>905,300</b>	<b>47</b>	<b>133,644</b>	<b>14.8%</b>	<b>-23,672</b>	<b>93,625</b>	<b>304,601</b>	<b>26.5</b>	<b>16.8</b>
Corredor Panamericana	256,621	24	54,187	21.1%	-14,934	37,287	122,435	20.2	16.2
Corredor Dardo Rocha	-	-	-	-	-	57,316	-	-	18.2
Zona Dot	77,298	5	12,148	15.7%	-3,361	-	80,831	24.9	19.0
Libertador GBA	95,706	10	5,689	5.9%	557	31,854	74,828	28.0	21.9
Libertador CABA	72,426	2	13,962	19.3%	3,929	19,000	39,400	30.2	19.7
(**) Distrito Tecnológico	169,525	11	5,168	3.0%	-	45,063	107,000	21.9	10.4
<b>NON CBD</b>	<b>671,576</b>	<b>52</b>	<b>91,154</b>	<b>13.6%</b>	<b>-13,809</b>	<b>190,520</b>	<b>424,494</b>	<b>22.9</b>	<b>18.6</b>
<b>BUENOS AIRES TOTALS</b>	<b>1,576,876</b>	<b>99</b>	<b>224,798</b>	<b>14.3%</b>	<b>-37,481</b>	<b>284,145</b>	<b>729,095</b>	<b>25.1</b>	<b>17.3</b>

Corresponds to rentable surface according to available information

(\*\*) Distrito Tecnológico was added to market statistics

ASKING RENT (USD / Sqm / Month)  
CBD / NON CBD



NEW INVENTORY (Sqm)  
PROJECTED SURFACE (Sqm)



LUCAS DESALVO

Market Research Manager

+54 11 3066 1692 / [lucas.desalvo@cushwake.com](mailto:lucas.desalvo@cushwake.com)

JOSÉ VIÑAS

Director - Brokerage

+54 11 3900 0138 / [jose.vinas@sa.cushwake.com](mailto:jose.vinas@sa.cushwake.com)

[cushwakeargentina.com](http://cushwakeargentina.com)

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in 400 offices and 60 countries. In 2020, the firm had revenue of \$7.8 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or follow @CushWake on Twitter.

©2021 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.