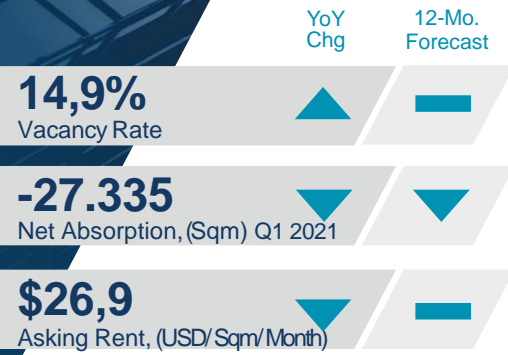


# BUENOS AIRES

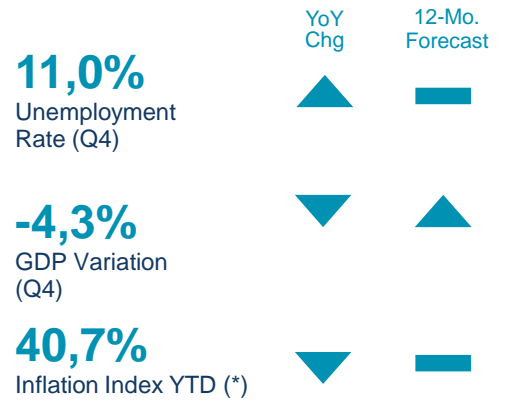


Office Q1 2021



Corresponds to the market average asking rent.

## ECONOMIC INDICATORS Q1 2021



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

## MARKET OUTLOOK:

The beginning of 2021 kept the trends of the previous year in a market where companies saw their activity levels and the use of workspaces modified by the pandemic. As a result, vacancy remain up 14.9% with an increase of 15.0% compared to the previous quarter. As well, the largest available surface area is found in the Corredor Panamericana (45,094 sqm), Catalinas-Plaza Roma (43,299 sqm) and Puerto Madero (33,974 sqm) submarkets.

Expectations are set on the return to the offices and some companies have been gradually doing it. Even though we are still going through a period of uncertainty, the focus remains on evaluating whether they are paying market values and analyzing the reduction of surface in current contracts or in new spaces that do not imply large investments to be occupied.

## SUPPLY AND DEMAND:

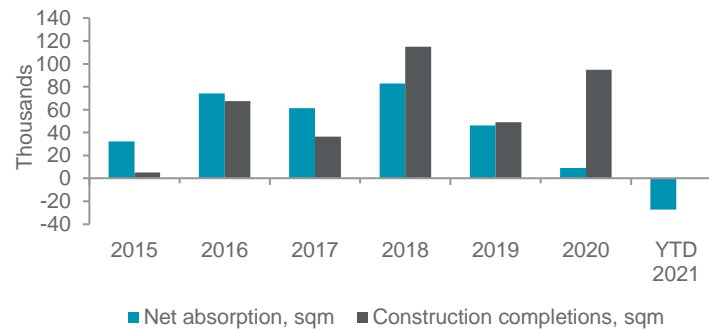
Absorption for the quarter was -27,335 sqm. 60% of this surface is concentrated in the CBD and it could be expected for this year the values will remain the same, indicating a greater surface released than occupied.

In addition, the largest release of space was in Corredor Panamericana and Catalinas-Plaza Roma with new spaces that offer companies the opportunity to locate in the center or in the north of the city. Demand is still waiting for a more stable situation that allows decisions to be made.

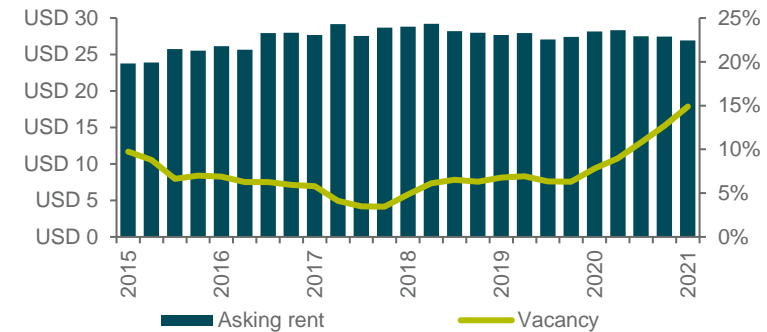
## PRICING:

During this period, the average asking rent price for class A offices was 26.9 USD/sqm, increasing its downward trend with a variation of 3.2% lower compared to the same period of the previous year. The asking price has not yet reflected the same variations with respect to closing prices, where the value in new transactions has another effect. The CBD maintained an average higher than the NON-CBD and the Libertador CABA (32.1 USD/sqm) and Catalinas-Plaza Roma (29.8 USD/ sqm) submarkets maintain the highest values since 2020.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY & ASKING RENT



## ECONOMIC OUTLOOK

The year 2020 closed with a national GDP of -4.3% compared to the same period of the previous year, and the unemployment rate was 11.0% compared to the same period. Although the level of unemployment was the best of the year, the labor market was one of the most affected by the pandemic. The effect on GDP could lose strength if there is no genuine investment economic growth and job formation.

Inflation in February was 40.7% (accumulated 12 months), a value contained by the recession and the freezing of prices in goods and services. It is expected that it could increase due to the monetary imbalance and the accumulated corrections in these controlled rates during the COVID-19 year.

Argentina is in a phase of social and mandatory distancing since the end of 2020 to stop the circulation of the virus. The appearance of new strains and the slow vaccination campaign in the country would affect the flexible measures. [Access here](#) for more specific information on COVID.

In an international context, negotiations with the IMF to restructure the debt are still in process. However, the organization has granted an amount of money allowing the country to strengthen reserves and face the dues in debt interest this year.

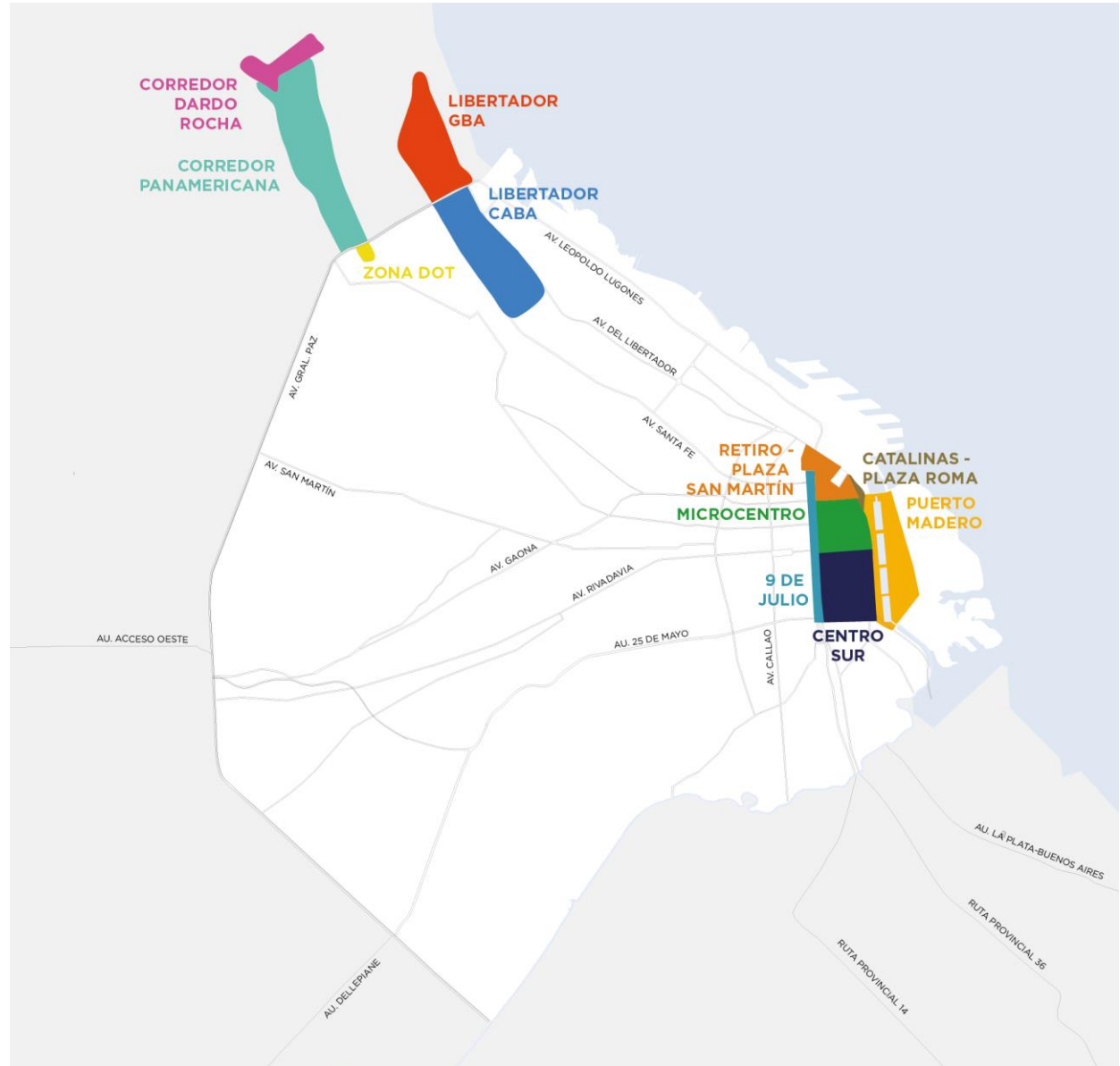
Although the government seeks to reach an agreement, we could expect only partial progress during 2021 due to the legislative elections that will take place this year.

## FUTURE OUTLOOK

The current under construction surface of 206,682 sqm has presented delays due to the interruption of activity during 2020 and the COVID-19 protocols that the construction industry has had to implement. It is expected that large part of this area be delivered during 2022 and 2023.

This same delay has also put the projected area on hold, which remains at 622,095 sqm<sup>2</sup>. Evenly distributed between the CBD and the NON-CBD, the highest growth would occur in the Catalinas-Plaza Roma (+67.2%) and Corredor Panamericana (+47.7%) submarkets.

## OFFICE MAP WITH SUBMARKET DIVISIONS BUENOS AIRES / ARGENTINA



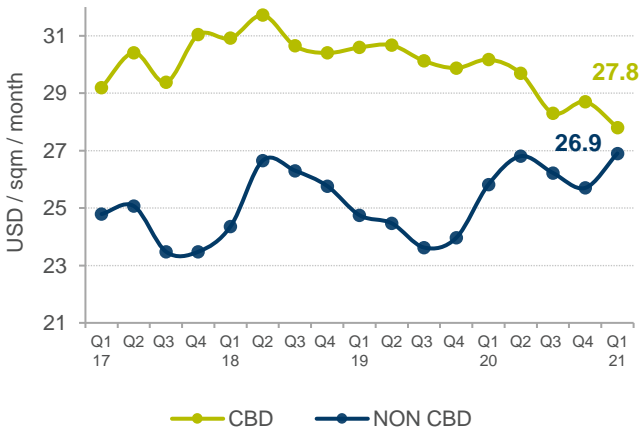
MARKET STATISTICS (\*)

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	43,299	12.3%	-7,078	44,225	236,001	29.8	17.9
Puerto Madero	248,421	15	33,974	13.7%	-1,120	-	30,300	29.7	20.5
Microcentro	111,665	6	28,390	25.4%	-3,635	17,000	-	24.1	16.3
Retiro-Plaza San Martín	55,280	4	3,820	6.9%	-1,055	-	-	29.0	22.2
9 de Julio	73,986	6	11,113	15.0%	-3,519	-	-	25.1	20.6
Centro Sur	64,943	3	5,783	8.9%	-	-	37,900	24.0	16.2
<b>CBD</b>	<b>905,300</b>	<b>47</b>	<b>126,379</b>	<b>14.0%</b>	<b>-16,407</b>	<b>61,225</b>	<b>304,601</b>	<b>27.8</b>	<b>18.6</b>
Corredor Panamericana	256,621	24	45,094	17.6%	-5,841	37,287	122,435	22.0	19.3
Corredor Dardo Rocha	-	-	-	-	-	57,316	-	-	15.2
Zona Dot	77,298	5	8,331	10.8%	456	-	80,831	25.7	-
Libertador GBA	95,706	10	5,416	5.7%	830	31,854	74,828	27.4	22.5
Libertador CABA	72,426	2	24,264	33.5%	-6,373	19,000	39,400	32.1	19.6
<b>NON CBD</b>	<b>502,052</b>	<b>41</b>	<b>83,105</b>	<b>16.6%</b>	<b>-10,928</b>	<b>145,457</b>	<b>317,494</b>	<b>25.6</b>	<b>20.6</b>
<b>BUENOS AIRES TOTALS</b>	<b>1,407,351</b>	<b>88</b>	<b>209,484</b>	<b>14.9%</b>	<b>-27,335</b>	<b>206,682</b>	<b>622,095</b>	<b>26.9</b>	<b>19.0</b>

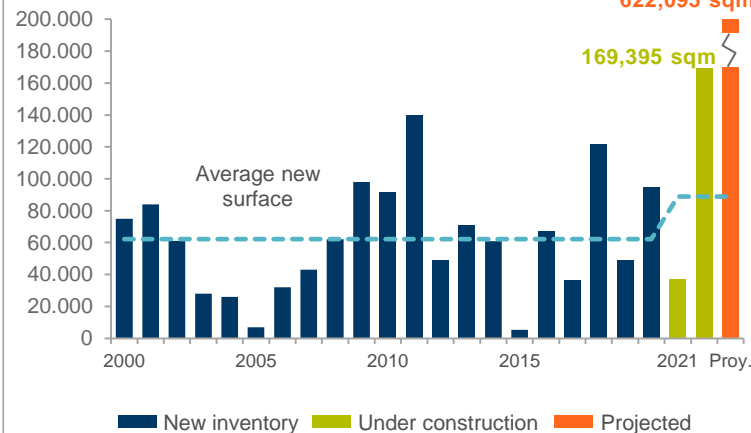
(\*) Changes were made in the category of certain buildings that had an impact on the statistics

(\*\*) Corresponds to rentable surface according to available information

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



NEW INVENTORY (Sqm)  
PROJECTED SURFACE (Sqm)



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