

Class A Office Market Buenos Aires

2Q 2025

NEWMARK



Market Summary

2Q 2025

Economy

- The Argentine economy is **undergoing a disinflationary process**, with year-over-year inflation at **43.5%** (INDEC, May 2025) and **greater exchange rate stability** after the implementation of the new floating regime.
- Foreign trade shows an improvement compared to the previous year, with growth in both exports and imports, and a **cumulative trade surplus of USD 1.86 billion** in the first half of the year (Trade Balance, INDEC, June 2025).
- The current macroeconomic environment presents **better conditions for financial planning and investment decisions**, in a context of **lower volatility**.

Transactions

- The **Zona Norte CABA** submarket led quarterly gross absorption with **310,562 SF**, driven by the completion and full occupancy of the **Centro Empresarial Norte project (237,915 SF)**, fully leased by **JP Morgan**, marking the **largest individual transaction recorded**.
- **Catalinas – Retiro** ranked second with **54,234 SF** of quarterly gross absorption, followed by **Puerto Madero with 54,201 SF**. Both submarkets showed a **high concentration of leasing activity**.

Market Fundamentals

	2Q 2025	1Q 2025	2Q 2024	Trend
Total Rentable Inventory	20,394,129 SF	20,138,237 SF	19,350,148 SF	↗
Availability Rate	15.7 %	17.9 %	16.6 %	↘
Quarterly Net Absorption	362,594 SF	145,900 SF	112,969 SF	↗
Average Asking Rent	USD 25.73 BNA/year/SF	USD 27.00 BNA/year/SF	USD 25.44 BNA/year/SF	↘
Surface Under Construction	896,946 SF	1,145,002 SF	2,534,394 SF	↘

Outlook

- **Under construction space accounts for only 4.4% of total inventory (896,946 SF out of 20,394,129 SF)**, marking a **historic low**. Of this total, **one project alone represents 46.9% (1,061,884 SF)** with delivery expected in 1Q.
- **Gross quarterly absorption (509,703 SF)** equaled **56.9% of total space under construction**, while **net absorption (362,594 SF)** represented **40.4%**.
- The **Zona Norte CABA** submarket, which accounted for **60.5% of gross absorption**, currently has **no projects under construction**. If demand remains steady, new supply could be quickly absorbed.

Market Summary

Highest Absorption Since 2021 and Limited New Supply: The Office Market Enters a New Stage

The Class A office market shows a clear shift in trend. **Net absorption recorded in Q2 reached 362,594 SF, representing a 221% year-over-year increase. Availability Rate dropped to 15.7%, a decrease of 2.2 percentage points in just three months.** This decline coincides with a key data point for the sector: **space under construction continues to shrink, now representing only 4.4% of total inventory, the lowest level in more than a decade.**

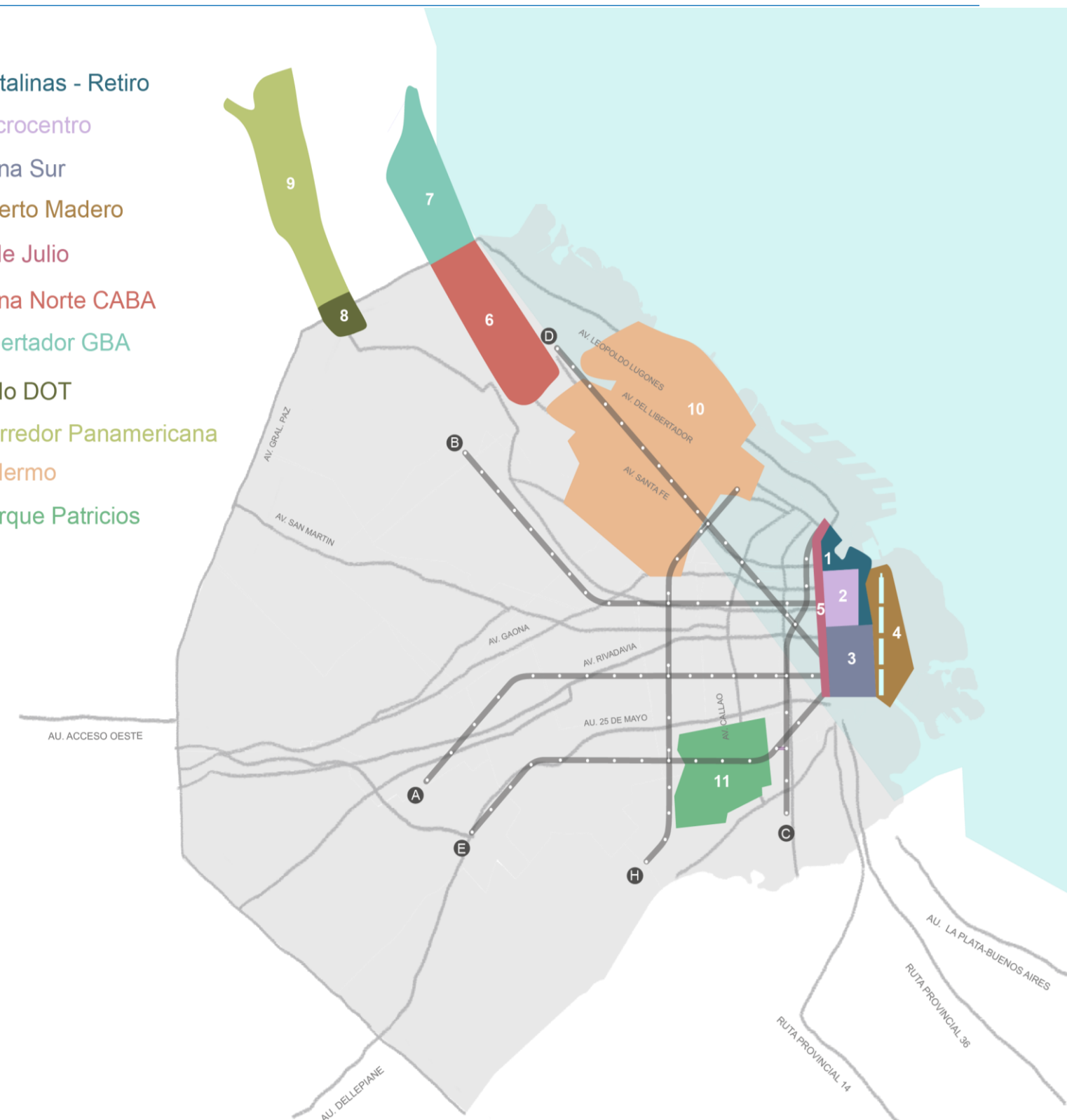
A key factor is the relationship between **current demand and future supply. Quarterly net absorption accounts for 40.4% of all remaining space under construction.** When extending the analysis to the last five quarters, the market absorbed a total of **912,965 SF, equivalent to 14% of all under construction stock.**

If the current pace continues, **projected available supply could be absorbed in less than one year after delivery**, especially in certain submarkets. However, it is important to note that **once construction begins, office projects typically take between 3 to 5 years to deliver new space.** This means that even if new projects started today, they would not be incorporated into the market until the medium term.

This new scenario marks a **turning point**: the combination of **high absorption** and **lack of new projects** signals a potential return of the **scarcity cycle for premium spaces**, which could dominate the market in the short and medium term.

Source: Newmark Argentina proprietary research

- 1 Catalinas - Retiro
- 2 Microcentro
- 3 Zona Sur
- 4 Puerto Madero
- 5 9 de Julio
- 6 Zona Norte CABA
- 7 Libertador GBA
- 8 Polo DOT
- 9 Corredor Panamericana
- 10 Palermo
- 11 Parque Patricios



Economy

2Q 2025

- **Year-over-year inflation:** 43.5%, the lowest level since March 2021, with a significant slowdown (from **+47.3% in April** to **+43.5% in May**).
- **Cumulative trade surplus Jan–May 2025:** **USD 1.86 billion** (Trade Balance, INDEC, June 2025).
- **May 2025 surplus:** **USD 608 million**, down from **USD 1.894 billion** in May 2024.
- **Exports Jan–May 2025:** **USD 32.467 billion** (+2.6% YoY), with **imports totaling USD 30.584 billion** (+34.3% YoY).

Key Implications

- **Disinflation**, combined with a **sustained positive trade balance**, strengthens a more balanced macroeconomic environment.
- **Greater exchange rate stability**, following the implementation of the floating regime, has **reduced price volatility in USD-denominated real estate transactions**. This facilitates **investment planning in pesos** and the **valuation of strategic assets**.
- The year-over-year data shows an economy with **lower volatility and stronger external performance**, creating a **more predictable environment for medium- and long-term corporate investment decisions**.

Source: INDEC, World Bank, Newmark Argentina proprietary research

Economic Indicators

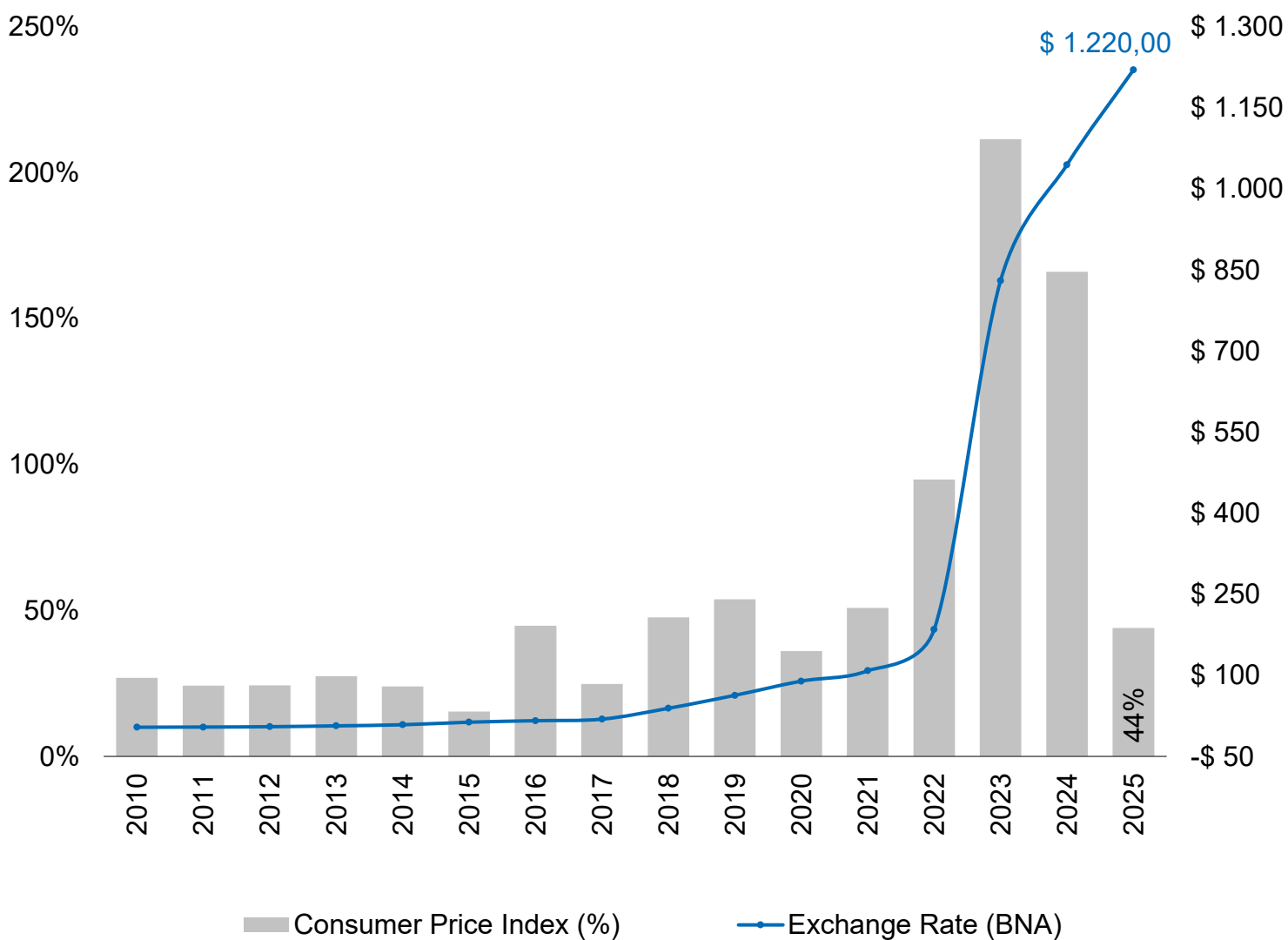
Capital City	Buenos Aires
Population (estimated 2024)	47,067,641
Year-over-Year Inflation (CPI)	43.5 %
Nominal GDP 2024	USD 633.27B
GDP per capita 2024	USD 13,712
GDP Year-over-year Growth	5 %
Currency	ARS
Unemployment Rate	7.9 %



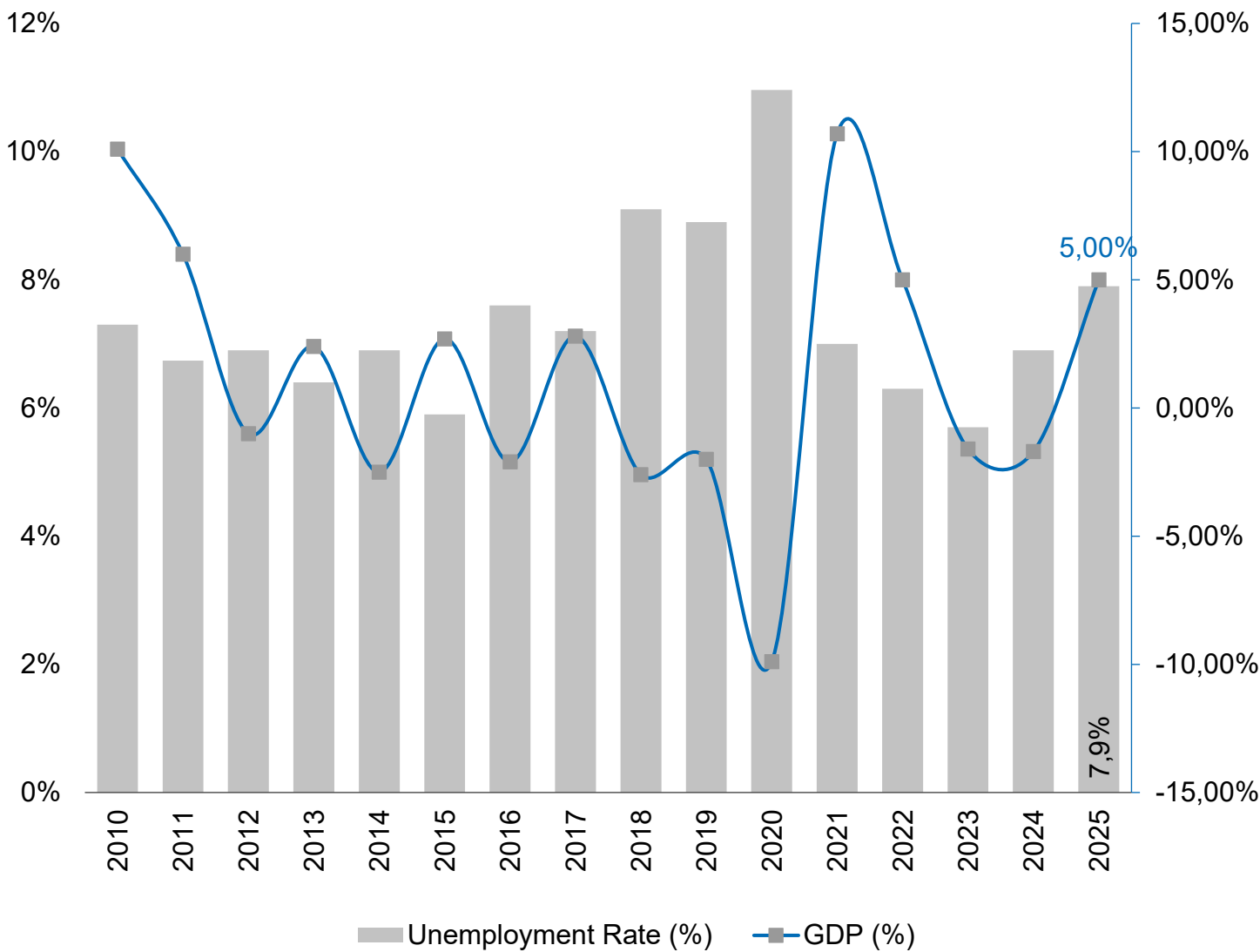
Economic Outlook

2Q 2025

Exchange Rate (BNA) – Consumer price index (%)



GDP : Percentage Variation & Unemployment rate (%)



Source:
Banco de la Nación Argentina, INDEC
1999-2007/2015-2021 INDEC. 2008-2014 Calculated using the weighted geometric average of the consumer price indexes provided by the provisional statistics institutes.

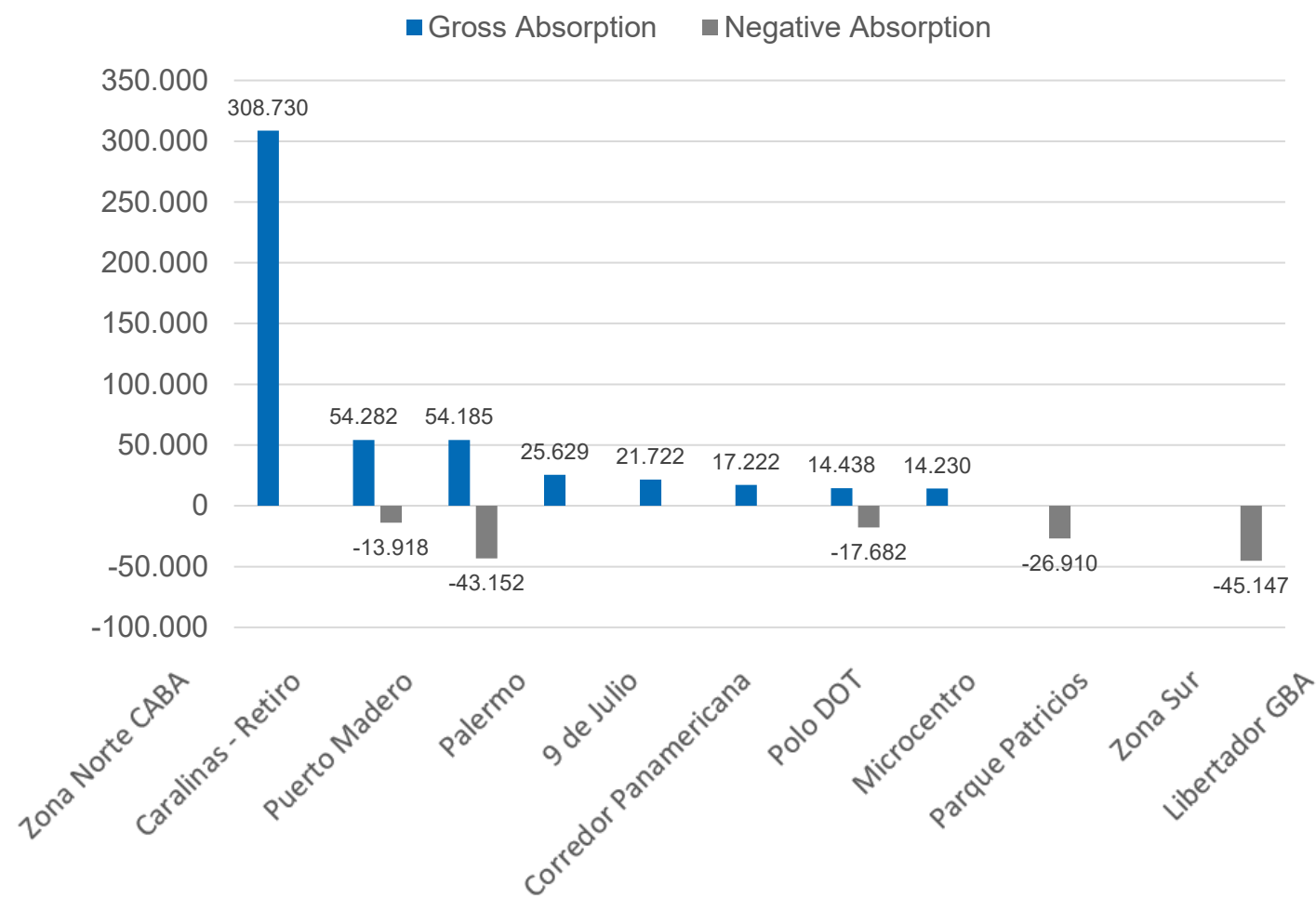
INDEC
2015 = World Bank estimated value. 2021= World Bank estimated value (June 2021 projection)

High Concentration and Selective Demand: In 2Q 2025, **509,703 SF** of office space was occupied (**2.5% of total stock**), with **80% of the volume concentrated in just three submarkets**. **Zona Norte CABA** led with **308,679 SF (60.5% of the total)**, followed by **Catalinas–Retiro** and **Puerto Madero**.

Despite some isolated vacancies, **net absorption reached 362,594 SF (1.8% of total stock)**, the best performance since 2022, focused on **premium spaces in prime locations**.

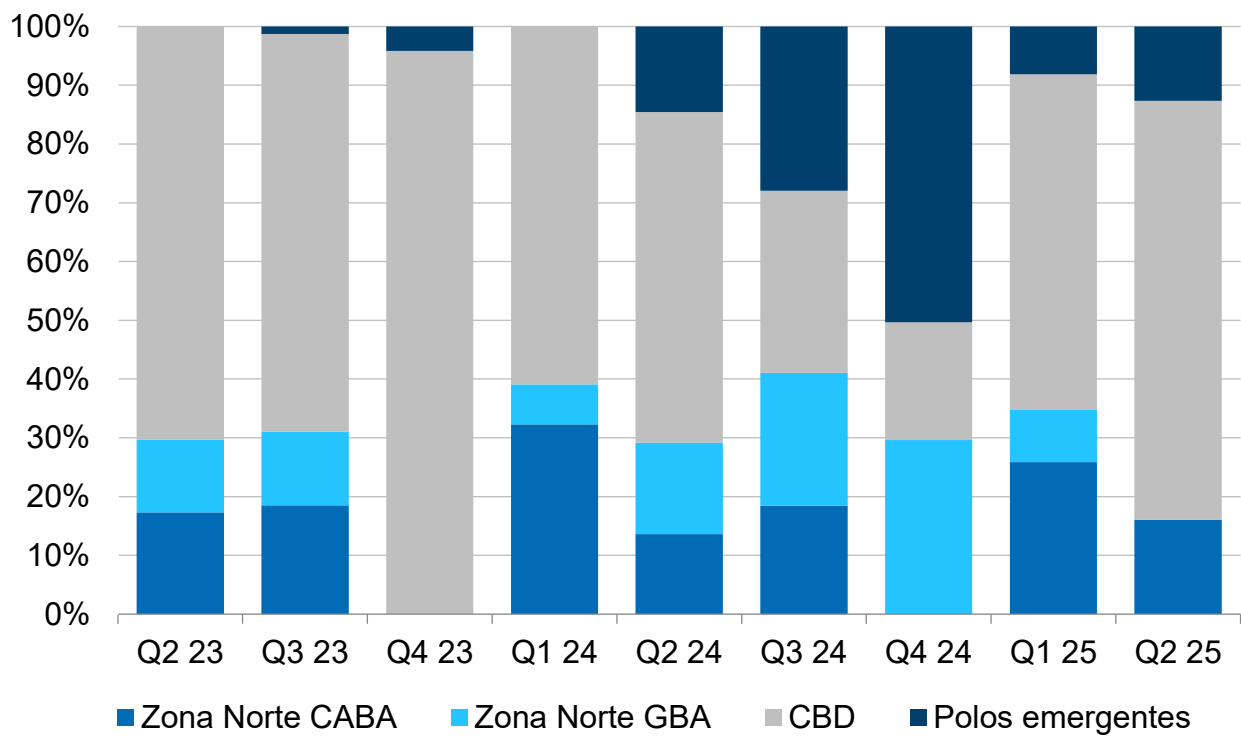
Gross Absorption vs. Negative Absorption by Submarket (SF)

2Q 2025



Quarterly Gross Absorption by Area

Q2 2023 – 2Q 2025



Zona Norte CABA: Polo DOT. Zona Norte CABA.
Zona Norte GBA: Corredor Panamericana. Libertador GBA.
CBD: Catalinas - Retiro. Puerto Madero. Microcentro. 9 de Julio. Zona Sur.
Polos emergentes: Palermo. Parque Patricios.

Source: Information Compiled and Analyzed by Newmark Argentina

Supply & Future Stock

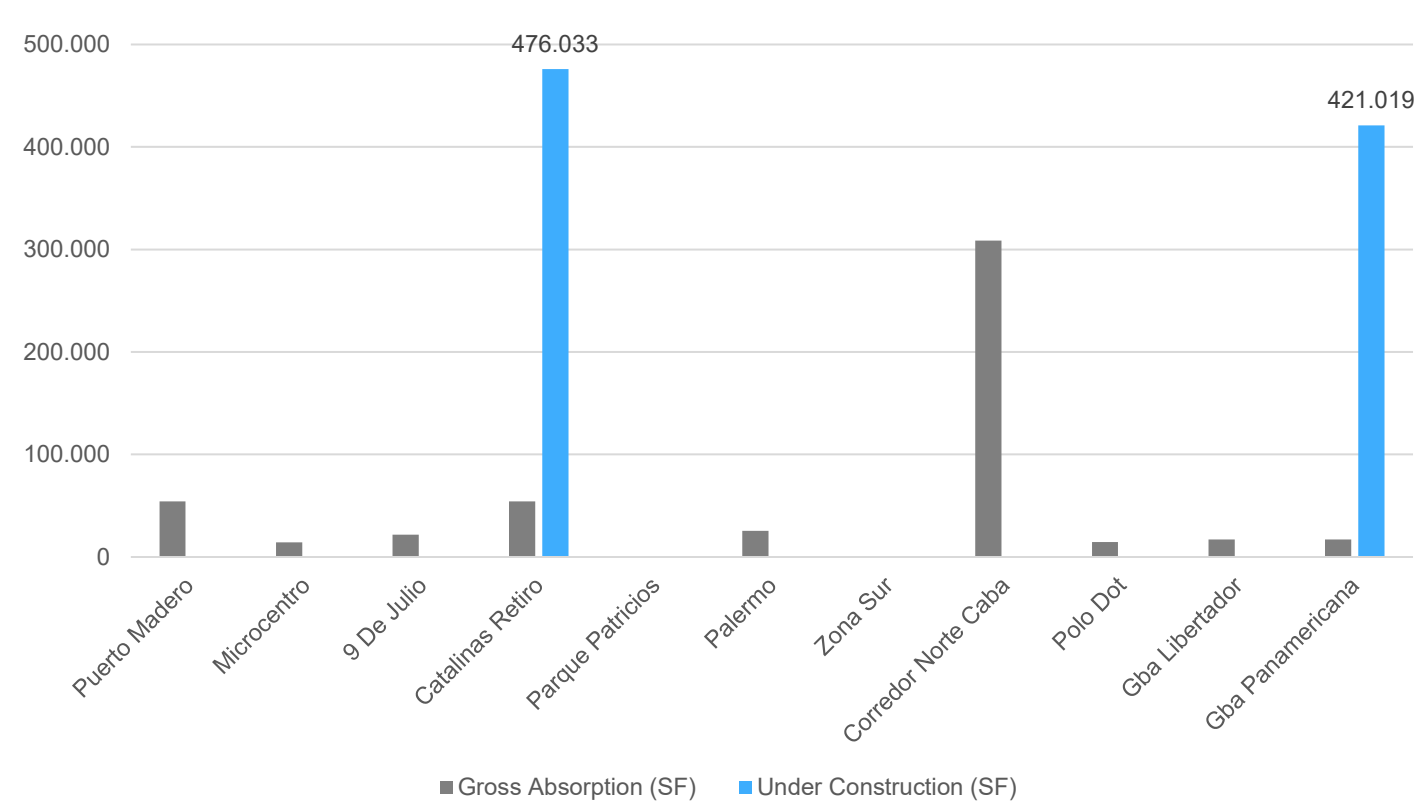
2Q 2025

The **limited space under construction (896,946 SF, equivalent to 4.4% of total inventory)** is quickly being surpassed by current demand: in just one quarter, the market absorbed **56.9% of this total. 100% of the space under construction** is concentrated in **Catalinas–Retiro** and **Corredor Panamericana**, which also record the **highest availability rates** in the market.

However, this availability is concentrated in **older buildings, with low competitiveness** and **no recent investment**, while projects under construction respond to the demand for **premium, efficient, and modern spaces**. Therefore, although these submarkets show high availability, **new developments are expected to be absorbed quickly**, while **outdated buildings will remain vacant** without upgrades.

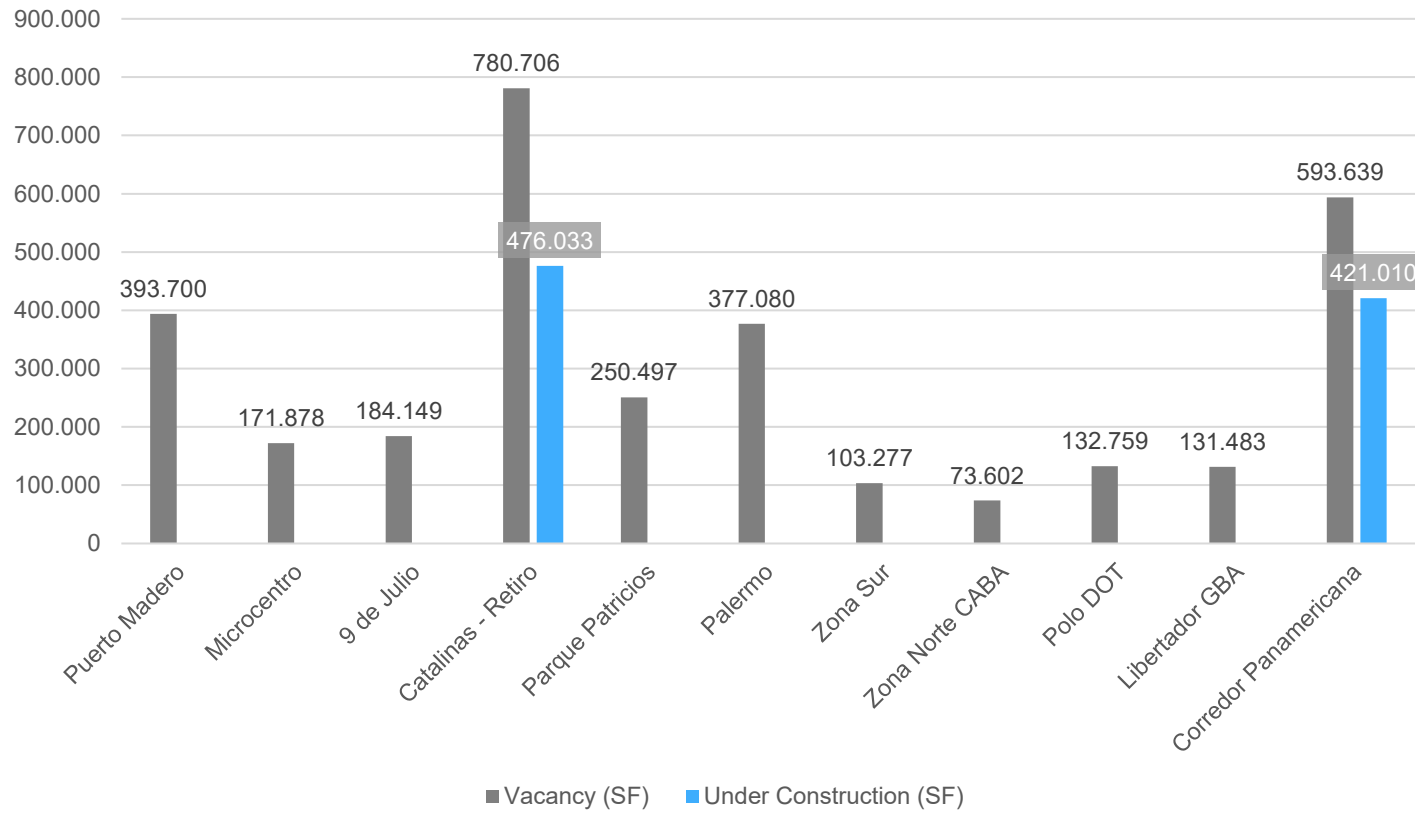
Future Stock vs. Occupied Space in the Quarter by Submarket

2Q 2025



Future Stock vs. Vacancy (SF) by Submarket

2Q 2025



Only two (2) projects **under construction** totaling **800,479 SF**

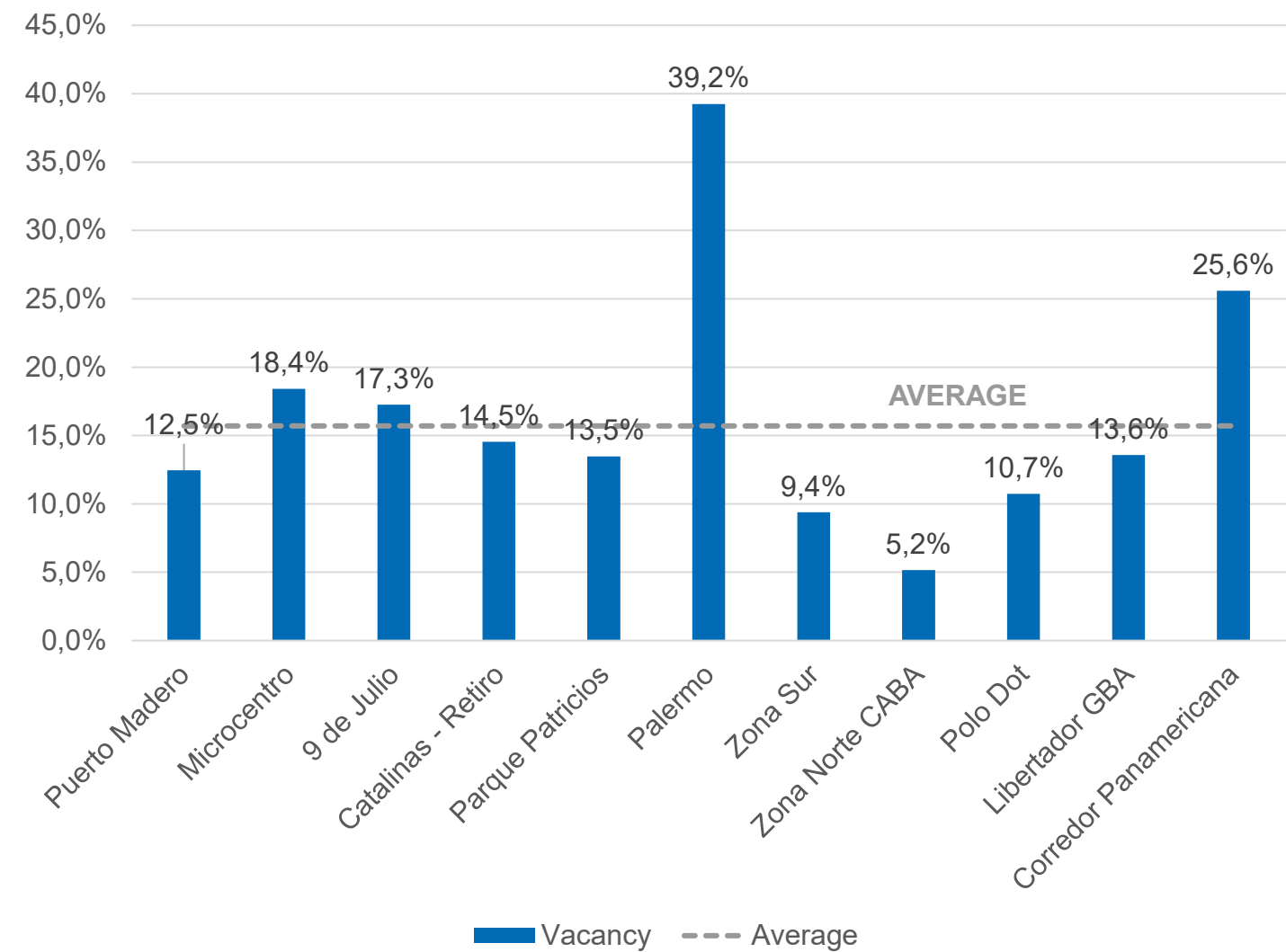
Source: Information Compiled and Analyzed by Newmark Argentina

Indicators by Submarket

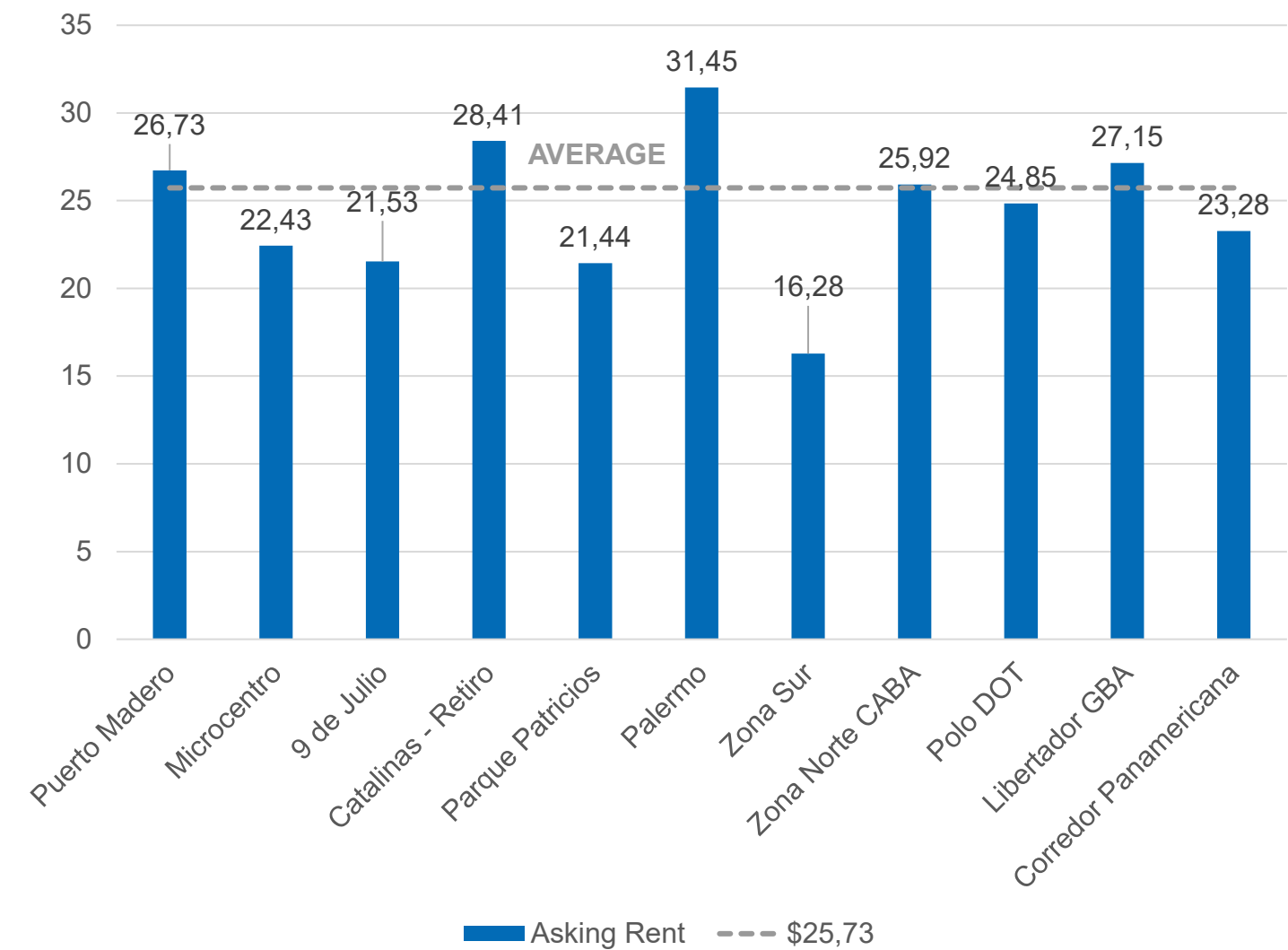
2Q 2025

Palermo records **the highest availability rate in the market (39.2%)** due to the recent delivery of a single building that represents nearly **75% of the total inventory** in the area, still in the process of gradual occupancy. This phenomenon **distorts the average** and explains the peak observed in the chart .In addition, there is a **clear divergence between availability and rental prices** in some submarkets: areas such as **Catalinas–Retiro** or **Puerto Madero** maintain **high rental prices** despite moderate availability, while other areas with similar availability levels present much lower rental values. This reflects **the persistent gap between premium and traditional buildings**.

Vacancy by Submarket (%)



Average Asking Rent by Submarket (USD BNA/SF/year)

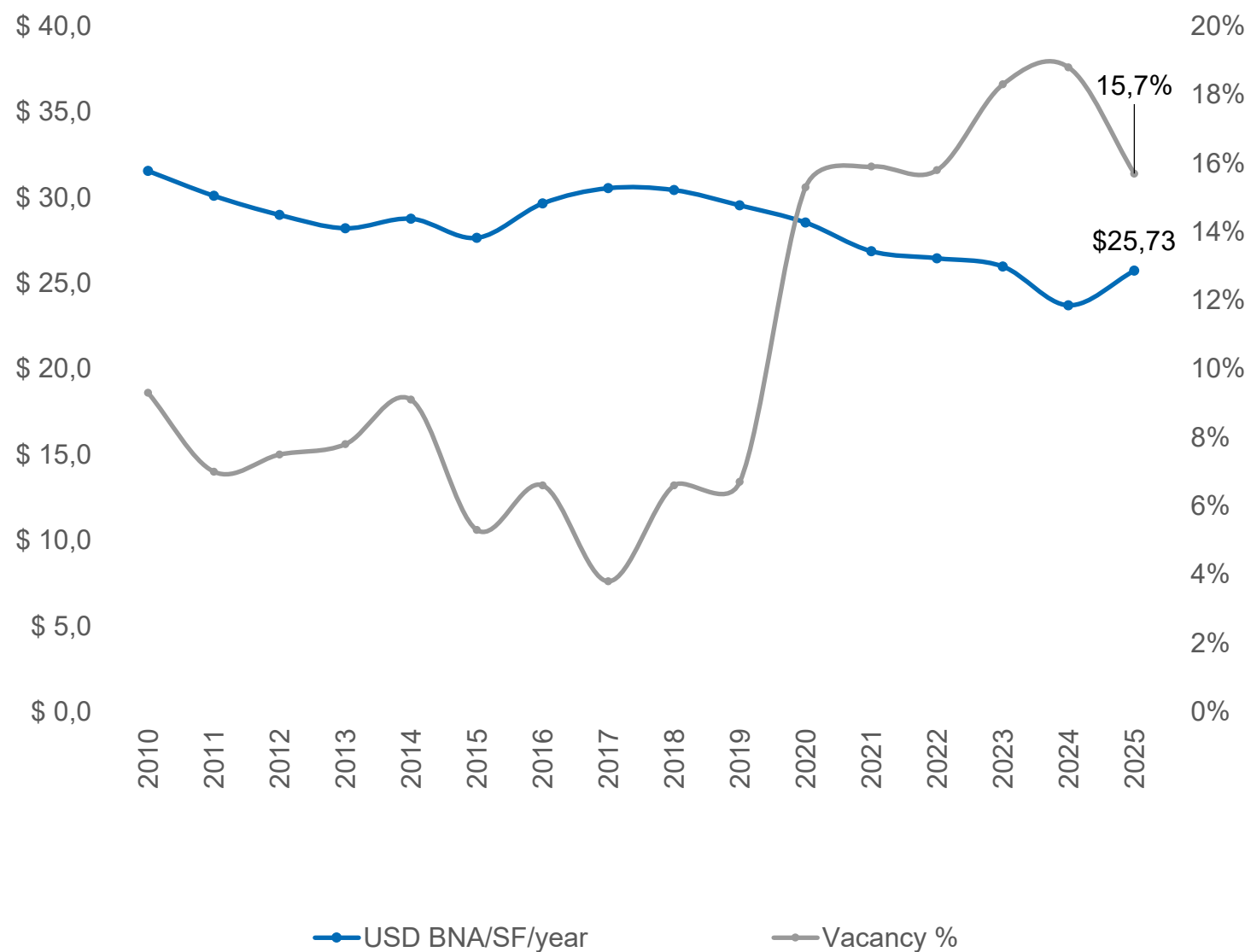


Source: Information Compiled and Analyzed by Newmark Argentina

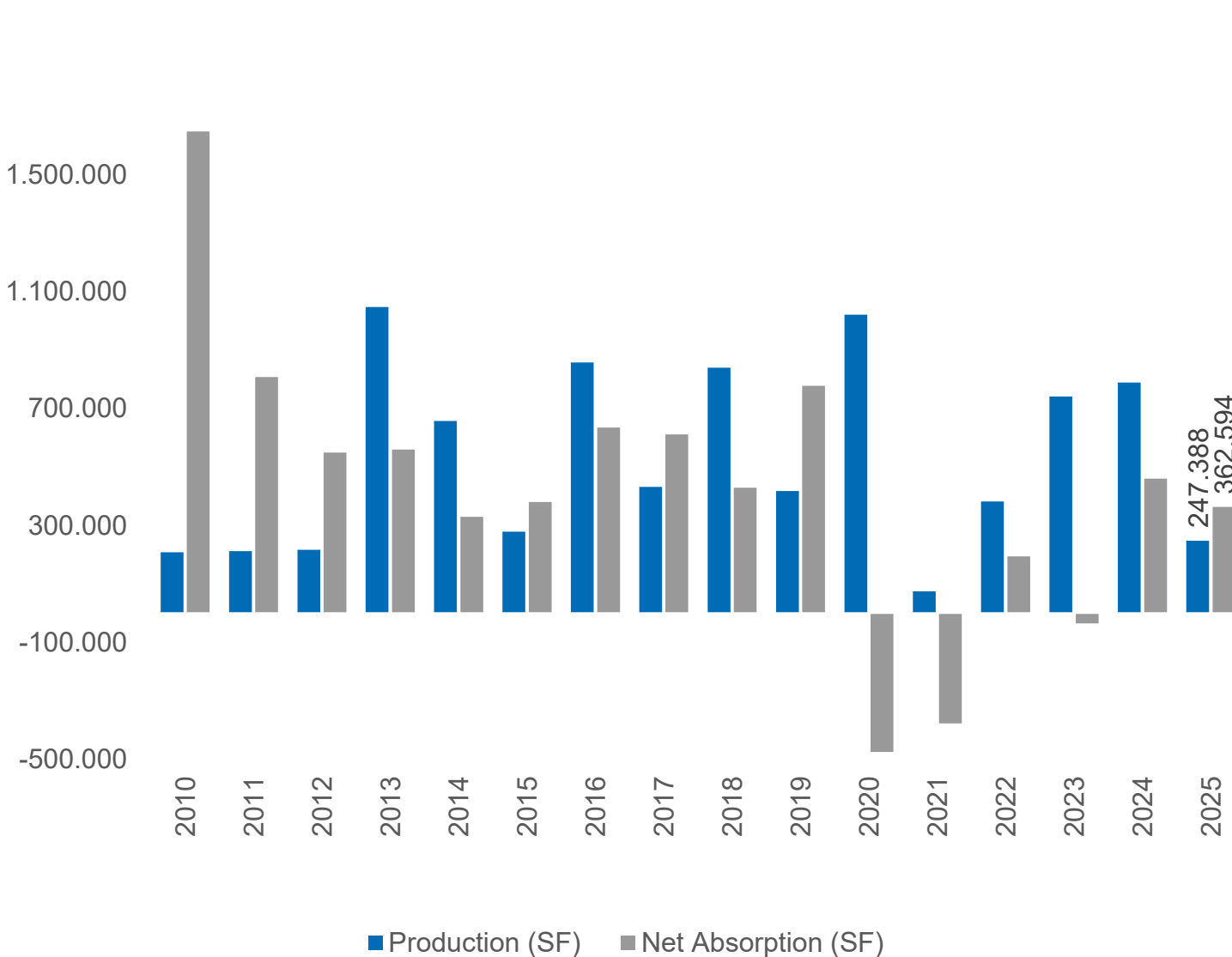
Historical Series

2Q 2025

Asking Rent (USD BNA/year/SF) & Vacancy (%) 2010 - 2025



Annual Accumulated Net Absorption and Production (2010 – 2Q 2025)<



Source: Information Compiled and Analyzed by Newmark Argentina

Key Projections: Where Assets Could Make the Difference in the Future

2Q 2025







To acquire this information,
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Under Construction

2Q 2025

The **under-construction** space in the Class A office market decreased this quarter with the delivery of **Centro Empresarial Núñez**, which added **247,388 SF** to the inventory in **Northern Corridor – CABA**. The building was delivered fully occupied. By the end of **2Q 2025**, a total of **800,479 SF** remains **under construction**, corresponding to the **Worko** project (**Panamericana Corridor**) and **Alem & Córdoba (Catalinas–Retiro)**. At present, no new construction starts have been recorded.

Main Class A Buildings Under Construction

	Project	Submarket	Total Area (SF)	Rentable Area (SF)	Delivery	LEED Certification
	Worko	Corredor Panamericana	526,288	421,019	3Q 2025	
	Alem y Córdoba	Catalinas Retiro	645,835	476,033	1Q 2028	

The **under-construction** space decreased this quarter with the delivery of **Centro Empresarial Núñez**, which added **247,388 SF** fully occupied in **Northern Corridor – CABA**. Currently, only **896,946 SF** remains under construction, representing. **4.4% of total inventory**. The next delivery will be **Worko (421,188 SF)** in **Panamericana Corridor**, a submarket with an **Availability Rate of 25.6%**. This project accounts for **18% of the corridor’s current stock**, and its performance will be key to the **evolution of availability**, currently at **15.7%**. Beyond this project, the market will have **no new developments planned in the short or medium term** in the most demanded submarkets, which could create **future supply tensions** in premium office space.

Source: Information Compiled and Analyzed by Newmark Argentina

Data & Trends

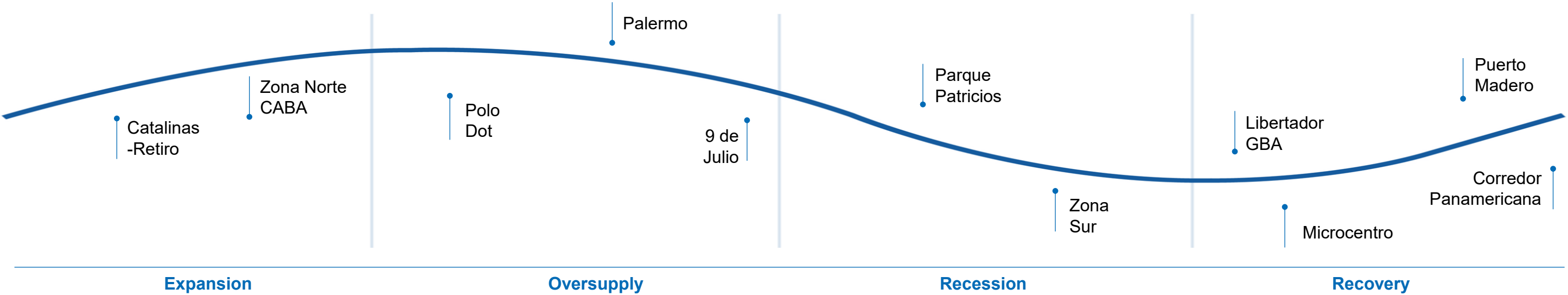
2Q 2025

Market Statistics

Submarkets	Inventory (SF)	Under Construction (SF)	Planned (SF)	Availability Rate (%)	Gross Absorption Quarterly (SF)	Net Absorption Quarterly (SF)	Annual Net Absorption (SF)	Average Asking Rent (USD BNA/year/SF)
CABA								
Puerto Madero	3,150,506	-	326,146	12.5 %	54,185	10,064	39,557	26.76
Zona Sur	1,098,991	-	198,056	9.4 %	0	0	117,434	16.37
Microcentro	933,984	-	-	18.4 %	14,230	14,230	69,287	22.44
Catalinas – Retiro	5,384,200	476,033	1,098,800	14.5 %	54,282	40,365	55,962	28.48
9 de Julio	1,063,836	-	209,896	17.3 %	21,722	21,722	57,824	21.46
Zona Norte CABA	1,415,551	-	1,614,585	5.2 %	308,730	308,730	366,984	25.92
Polo Dot	1,240,634	-	1,758,412	10.7 %	14,434	-3,251	91,278	24.85
GBA								
Corredor Panamericana	2,318,395	421,019	276,632	25.6 %	17,222	17,222	-85,487	23.28
Libertador GBA	966900	-	1,150,467	13.6 %	0	-45,144	-78,598	27.15
Subtotal	17,572,180	897,053	6,630,627	13.1 %	484,806	363,938	633,768	25.20
Polos Emergentes								
Parque Patricios	1,855,525	-	920,217	13.5 %	0	-26,910	-136,282	21.49
Palermo	961,884	-	-	39.2 %	25,629	25,629	10,516	31.47
Subtotal	2,817,410	-	920,217	26.9 %	25,629	-1,281	-125,765	27.49
TOTAL	20,389,591	897,053	7,550,844	15.7 %	510,435	362,657	508,476	25.73

Totals and subtotals are calculated based on the square footage of the sample analyzed in each set.

Ciclo del mercado de oficinas clase A por submercados



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Newmark has implemented its own database and the tracking methodology has been reviewed. With this expansion and refinement of our data, there may be adjustments to historical statistics, including availability, rental prices, absorption, and effective rents. Our market reports are available at <https://nmrk.lat/reportes-de-mercado/>. All information contained in this publication is based on sources considered reliable; however, Newmark Mexico has not verified it and does not guarantee it. The use of this information is the responsibility of the recipient, who should consult professionals of their choice, including legal, financial, tax, and implications. The recipient of this publication may not, without prior written consent from Newmark Mexico, distribute, disseminate, publish, transmit, copy, upload, download, or otherwise reproduce this publication or any of the information it contains.

Key Terms

Absorption

A measure of the change in occupied space.

Availability

Space marketed for lease regardless of when the space will be available or whether the space is vacant or occupied.

Deliveries <

The total RBA of properties added to the inventory once construction has been completed.

Direct Space

Available space offered for lease by the building owner, landlord, or owner representative.

Leasing Activity

The volume of leases signed including new leases, direct and sublet leases, extensions and renewals, and leases signed in proposed or under construction buildings.

Occupancy

Any space physically occupied by a tenant, regardless of lease status of the space.

Rentable Building Area (RBA)

A measurement of the total SF in a building including the tenant and common areas such as the lobby and hallways.

Sublet Space

Available space offered for lease by a building tenant seeking a subtenant to fulfill the remaining lease obligation.

Under Construction

Buildings under construction are defined by the time the foundation is poured through the time the building is certified for occupancy.

Vacancy

Space not physically occupied by a tenant, regardless of the lease status or availability of space.

Weighted Average Rent

The asking dollar amount for the use of available space, weighted by size (the average does not include negotiable or unpublished rates and is reported as full service including operating costs).