Class A Office Market
Buenos Aires

3Q 2025

Market Summary

Economy

- The Argentine economy remains in a process of *disinflation*, with annual inflation at **33.6% (INDEC, August 2025)** and **improved exchange-rate stability** following the implementation of the new floating regime.
- Foreign trade continues to show **solid performance**, with growth in both exports and imports, and a **cumulative trade surplus of USD 3.75 billion** as of the first half of the year (INDEC, June 2025).
- In the context of **legislative elections**, the market has adopted a **wait-and-see stance**, pending policy definitions that confirm the continuity of the current economic direction.This environment sustains a low risk exposure and delays long-term investment decisions.

Transactions

- **Quarterly activity showed moderate momentum, with gross absorption totaling 355,400 SF.**
- The CBD (Catalinas–Retiro and Puerto Madero) recorded the highest activity, totaling 171,600 SF, mainly driven by relocation and lease renewal operations in prime buildings.
- The Corredor Panamericana and Libertador GBA submarkets posted **118,900 SF** of gross absorption, consolidating their leadership in **corporate occupancy outside the central area**.
- In a context of **political and economic transition**, corporate decisions continue to focus on **flexible contracts and dollar-denominated assets**, maintaining low exposure to risk.

Market Fundamentals

	3Q 2025	2Q 2025	3Q 2024	TENDENCIA
Total Rentable Inventory	20,383,800 SF	20,394,129 SF	19,653,900 SF	=
Vacancy	14,9 %	15.7 %	16,9 %	↘
Quarterly Net Absorption	156,300 SF	362,594 SF	232,000 SF	↘
Average Asking Rent	USD 25.90 BNA/SF/year	USD 25.73 BNA/year/SF	USD 26.09 BNA/SF /year	↗
Surface Under Construction	896,946 SF	896,946 SF	1,596,700 SF	=

Outlook

- The **net absorption of 156,300 SF** reflects **market stability**, although **caution prevails**, with tenants awaiting greater macroeconomic clarity.
- The market's reaction to the **new political cycle** will be a key factor in the coming quarters.
- If a stable governance scenario and exchange-rate regime consolidate, a **gradual recovery in demand** is expected toward **2026**, driven by companies prioritizing **more efficient and sustainable spaces**.
- **No large-scale transactions** were recorded during the quarter; instead, the market saw a **higher number of smaller-scale deals**, indicating **more fragmented but active demand**..

Market Summary

Between Caution and Speculation: The Office Market Facing a New Political Cycle

The corporate office market is at a **turning point**.
Activity remains moderate, while investment and occupancy decisions are clearly shaped by **political uncertainty** ahead of the **October national elections**.
In this context, the lack of new developments and **stable rental values** are shaping a scenario driven more by **expectations than by actual activity**.

The market continues with only **897,200 SF of Class A space under construction across two projects (4.4% of total inventory)** and **net absorption totaling 156,300 SF**.
Overall, the market remains stable, although a widening **gap between consolidated submarkets and low-demand assets** is becoming evident.
Demand remains defensive, with decisions **on hold until clearer signals emerge** regarding the economic and regulatory direction of the next administration.

In parallel, a **speculative component is emerging**: both landlords and tenants are negotiating **more flexible lease terms** amid a **transition context**.
This dynamic is **redefining the rules of the game** — the new cycle will be measured not only in **occupied space**, but also in **strategy, timing, and risk perception**.

Source: Newmark Argentina proprietary research

Economy

Economic Context

- **Year-over-year inflation:**
  33.6% in August 2025, showing a marked deceleration compared to 36.6% in July and 39.4% in June.
- **Cumulative trade surplus (Jan–Jul 2025):**
  USD 3.75 billion (INDEC Trade Balance, July 2025).
- **July 2025 surplus:**
  USD 988 million, versus USD 1.575 billion in July 2024.
- **Exports (Jan–Jul 2025):**
  USD 47.47 billion (+4.6% YoY), with imports totaling USD 43.72 billion (+31.7% YoY).

Key Implications

- Although year-over-year inflation slowed to **33.6% in July 2025** and the trade balance remained in positive territory, the macroeconomic environment continues to be **fragile and shaped by political uncertainty.**
- The relative exchange-rate stability under the floating regime helped **moderate price volatility in USD** yet remains **insufficient to ensure predictability for investment decisions.**
- The absence of clear political and economic definitions keeps companies in a **cautious stance**, prioritizing **operational efficiency over expansion plans.**

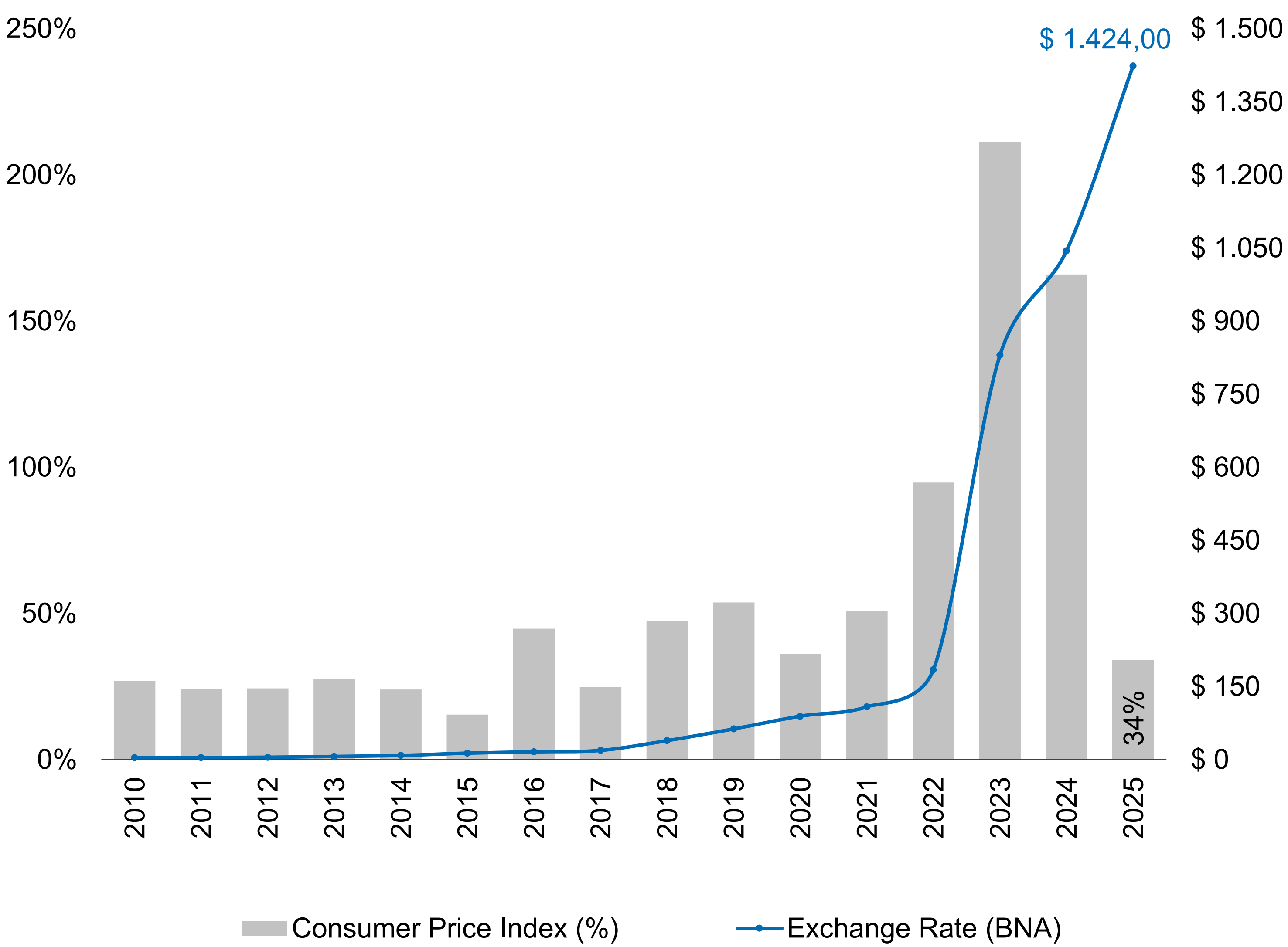
Source: INDEC, World Bank, Newmark Argentina proprietary research

Economic Indicators

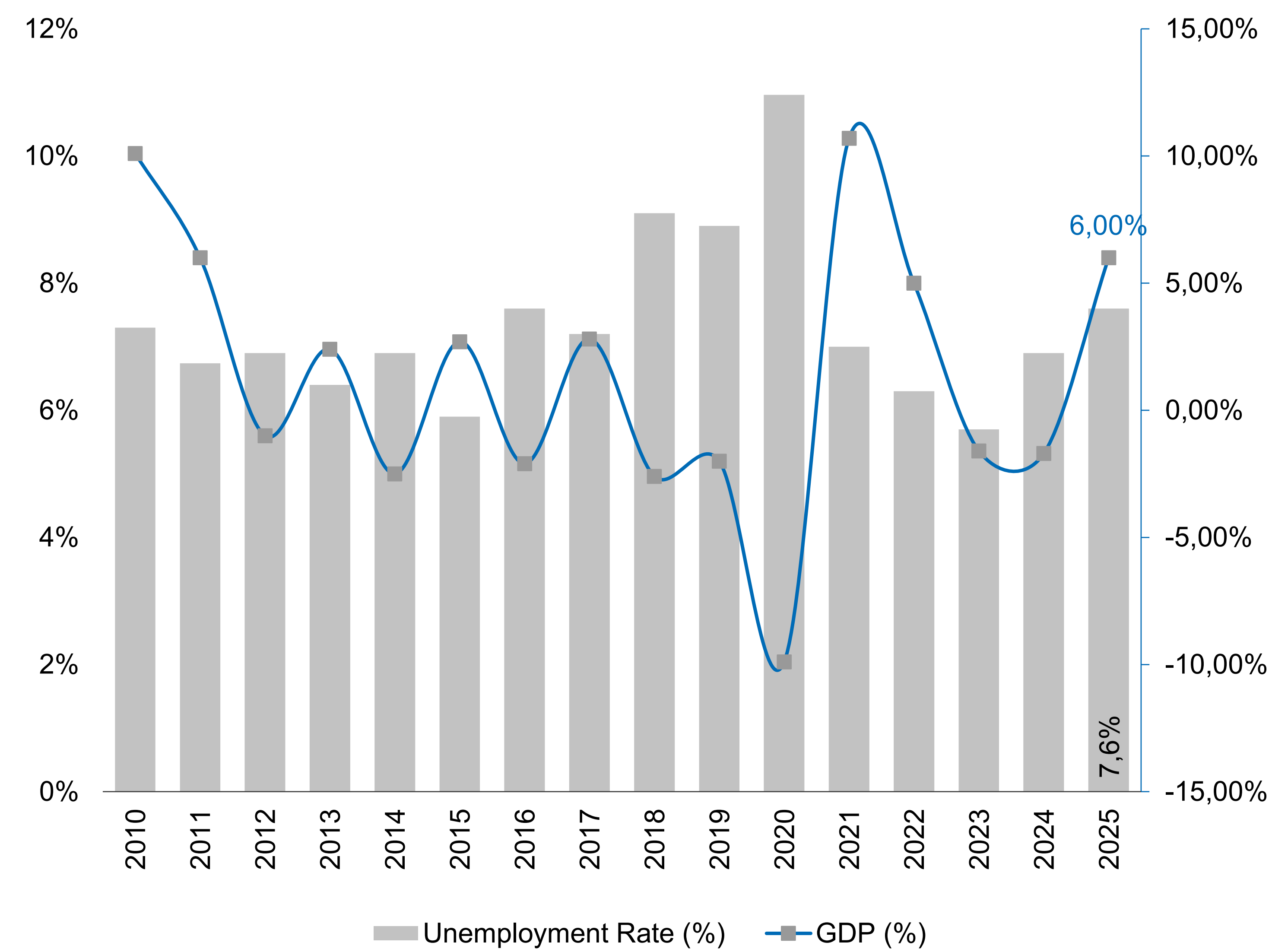
Capital City	Buenos Aires
Population (estimated 2024)	47,067,641
Year-over-Year Inflation (CPI)	33,6 %
Nominal GDP 2024	USD 633.27 B
GDP per capita 2024	USD 15.161
GDP Year-over-year Growth	6,3%
Currency	ARS
Unemployment Rate	7,6 %

Economic Outlook

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)
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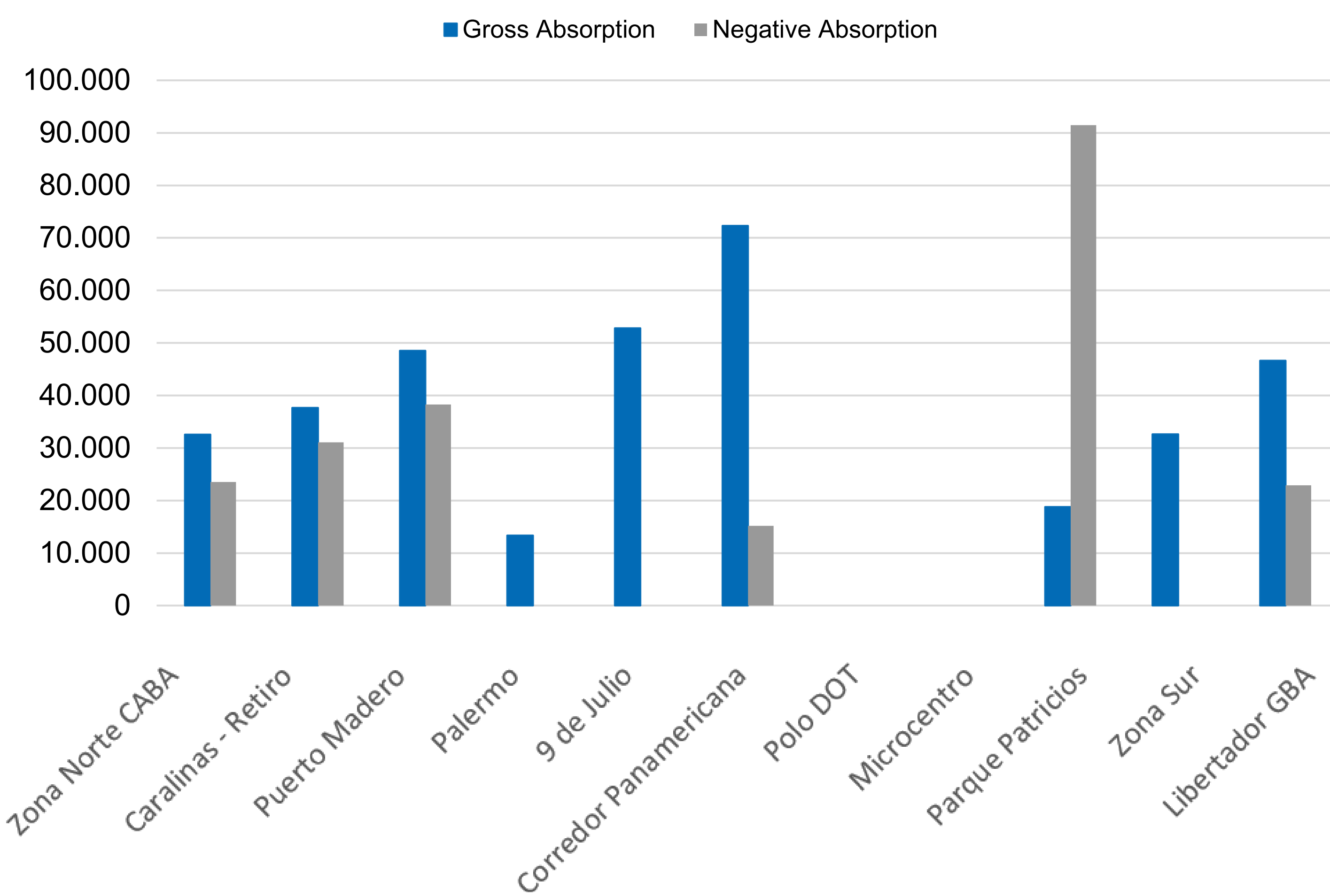
Demand

During **3Q 2025**, **gross absorption totaled 355,400 SF**, with the **CBD 171,600 SF** and **Zona Norte GBA 118,900 SF** acting as the main drivers of quarterly activity. The **Polos Emergentes** and **Zona Norte CABA** areas showed more moderate performance, with **32,100 SF** and **32,600 SF**, respectively.

The **net absorption of 156,300 SF** confirms a trend of **selective demand** and **qualitative adjustment**: companies are prioritizing **consolidated locations and efficient buildings**, while traditional properties continue to face **higher turnover levels**.

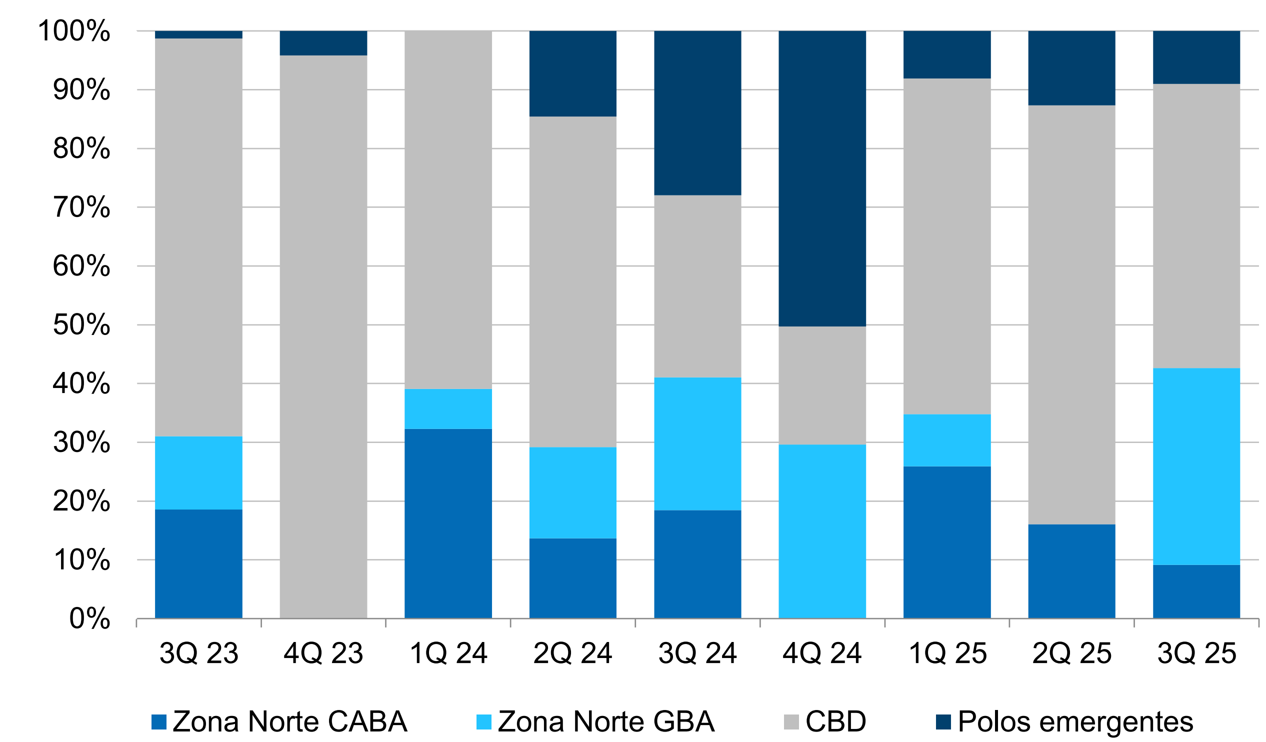
Gross Absorption vs. Negative Absorption by Submarket (SF)

3Q 2025



Absorción Bruta Trimestral por Zonas

3Q 2023 – 3Q 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

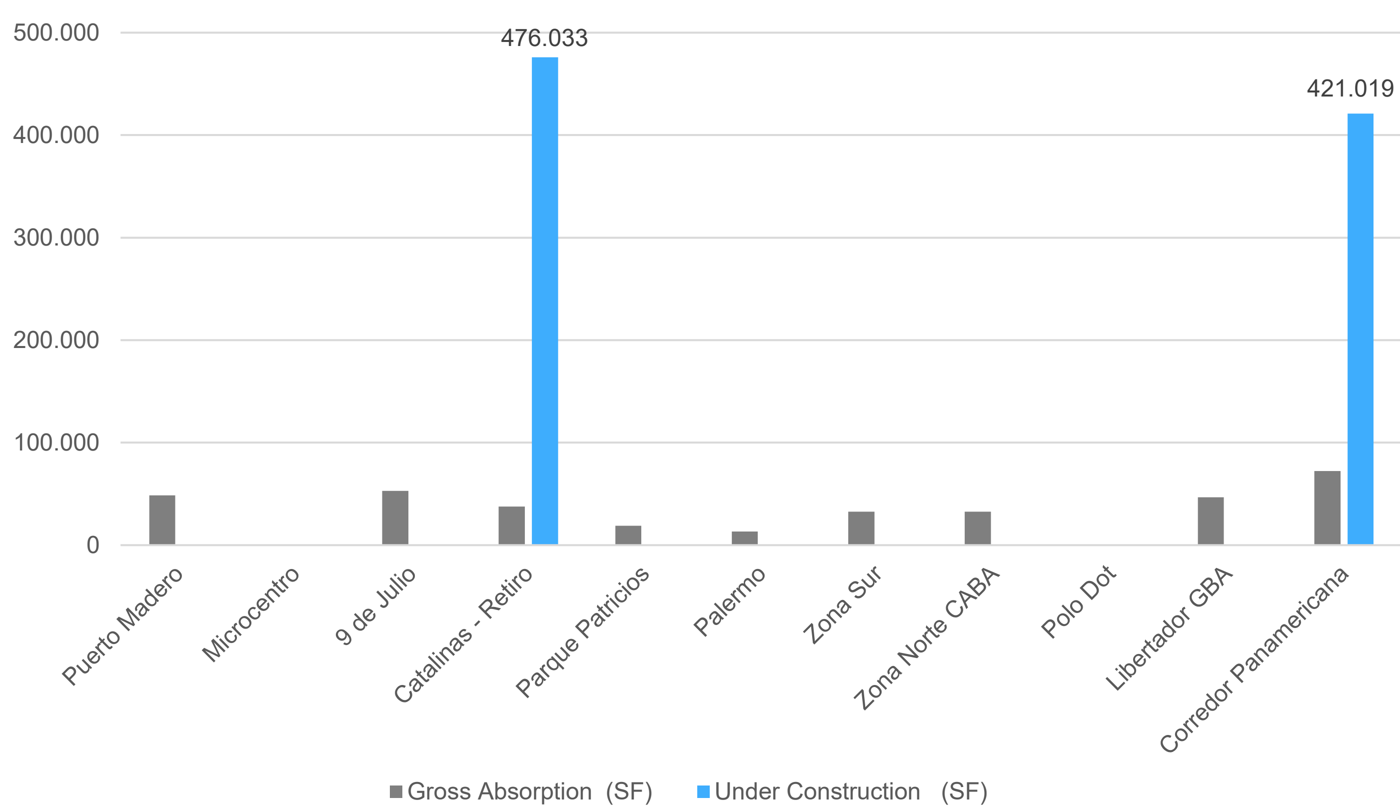
Supply & Future Stock

The **office market maintains its structural stability**, though with **signs of maturity**. Vacancy **slightly decreased to 15.0%**, while **net absorption fell to 156,300 SF**, reflecting a more selective pace in space take-up. Even so, **asking rents showed a slight uptick**, reaching **USD BNA 25,9 /SF/year.**

With **construction activity remaining stable at 897,200 SF a**nd no significant new projects underway, the market is entering a stage of **qualitative rather than expansive adjustment**, where **location and asset performance** are key competitiveness factors.

Future Stock vs. Occupied Space in the Quarter by Submarket

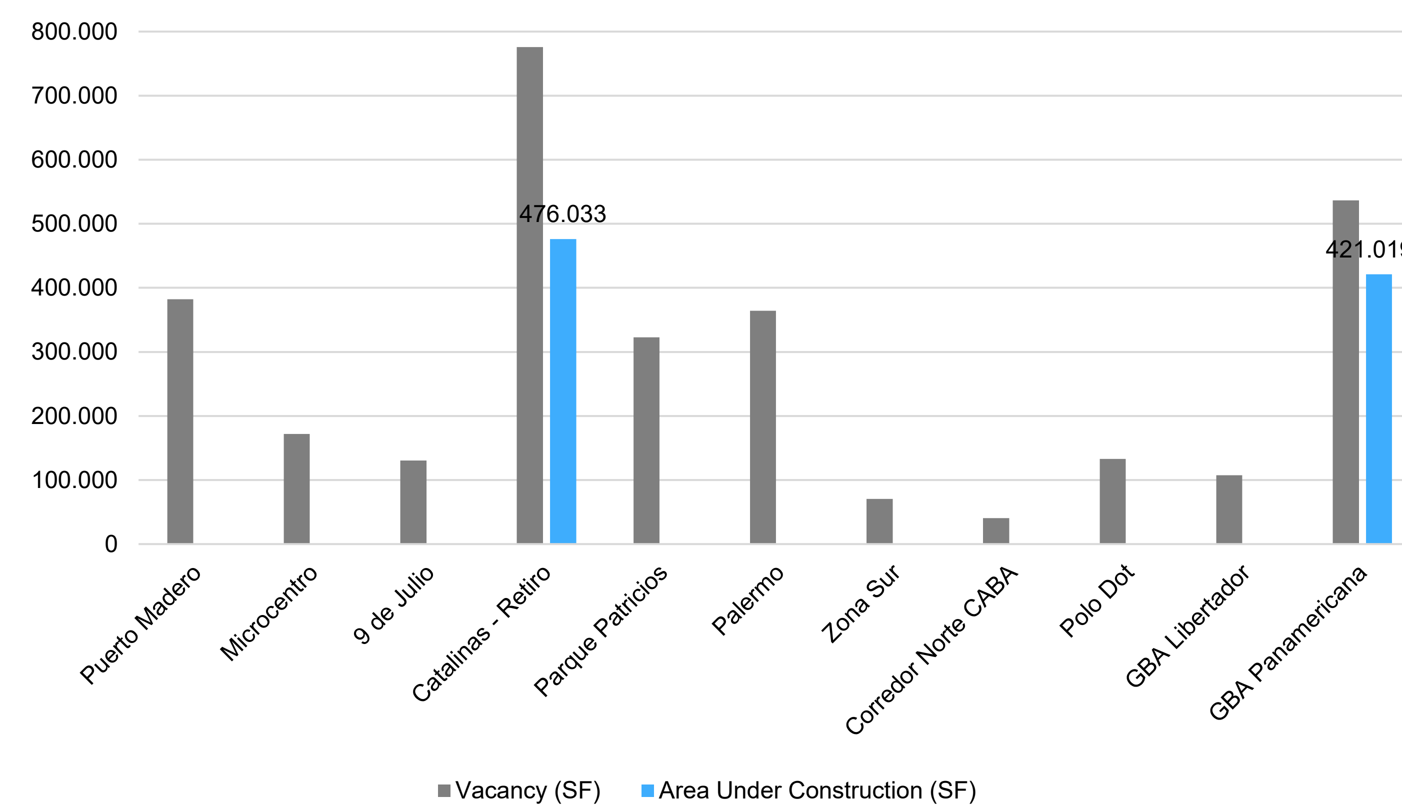
3Q 2025



Only two (2) projects under construction totaling 897,200 SF

Future Stock vs. Vacancy (SF) by Submarket

3Q 2025

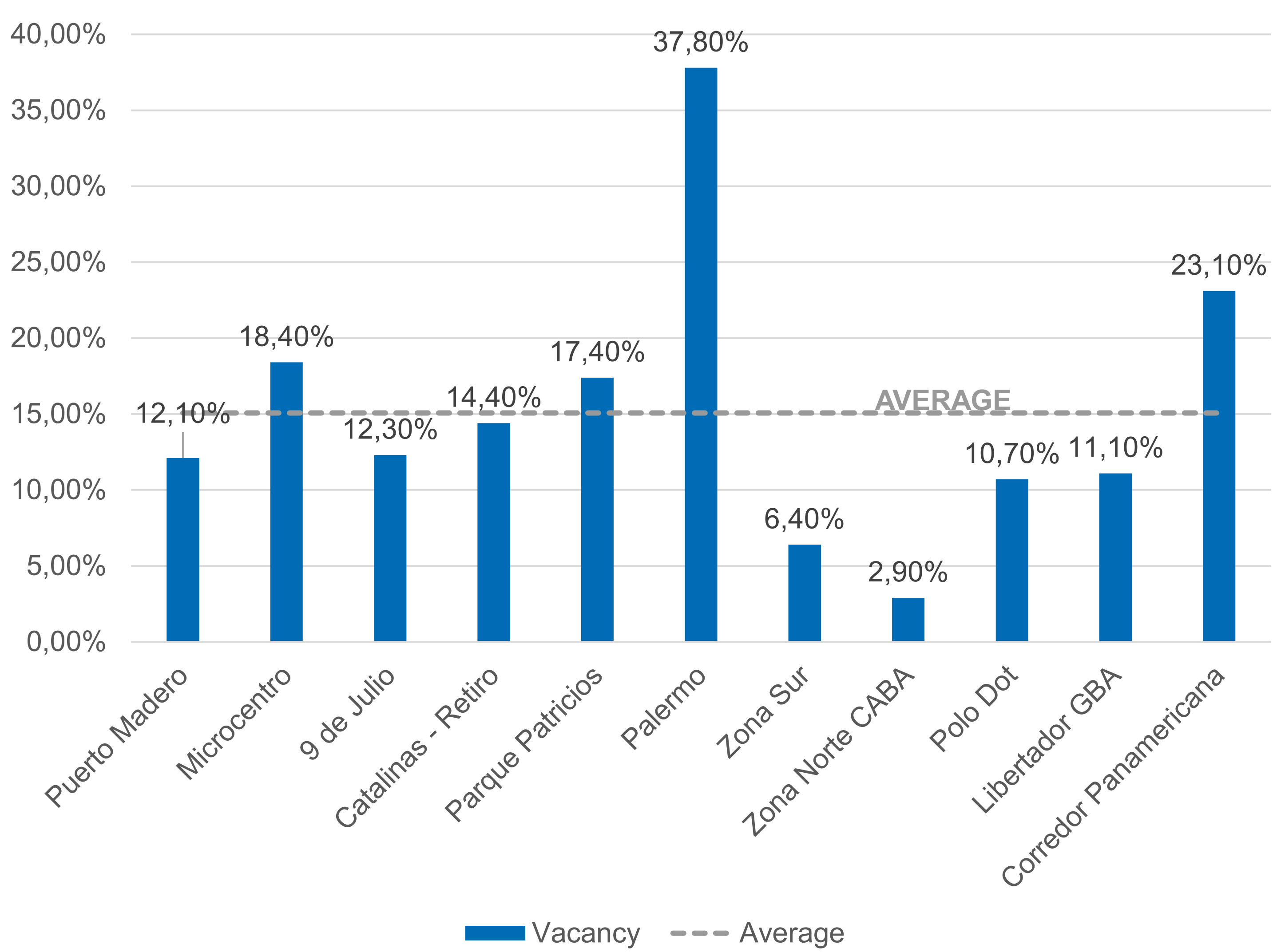


Source: Information Compiled and Analyzed by Newmark Argentina

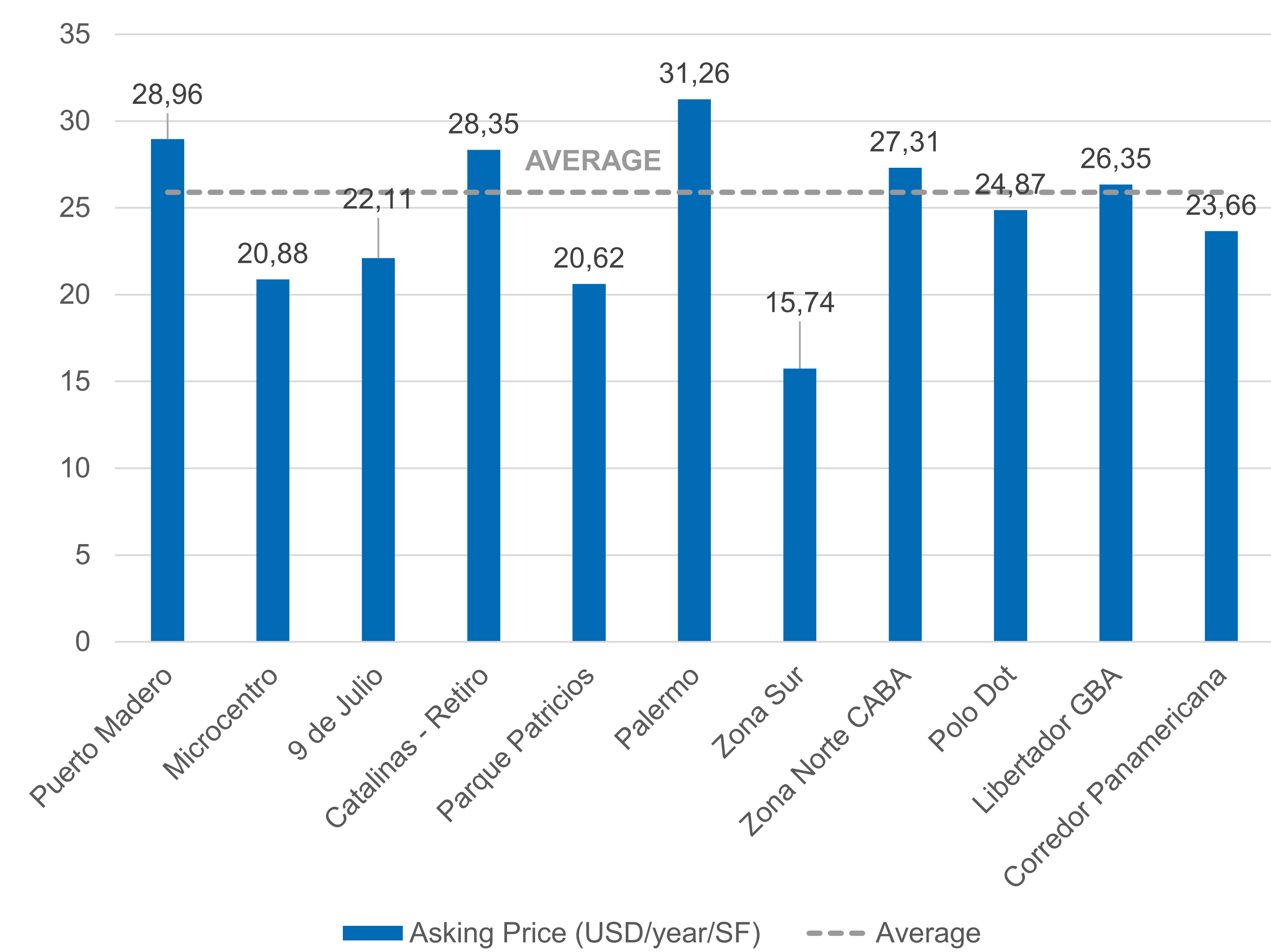
Submarket Indicators

The **office market continues to show signs of adjustment**, with marked differences across areas and building types. Palermo once again stands out for its **high vacancy rate (37.8%)**, the result of a large-scale property recently added to the inventory that is still in its lease-up phase. Meanwhile, **premium submarkets such as Catalinas–Retiro and Puerto Madero** maintain **firm rental levels** USD 28 /SF/year (BNA), despite more limited absorption. The widening gap between **rents and vacancy** reinforces an increasingly **segmented market**, where **building quality, location, and efficiency** remain key resilience factors.

Vacancy by Submarket (%)



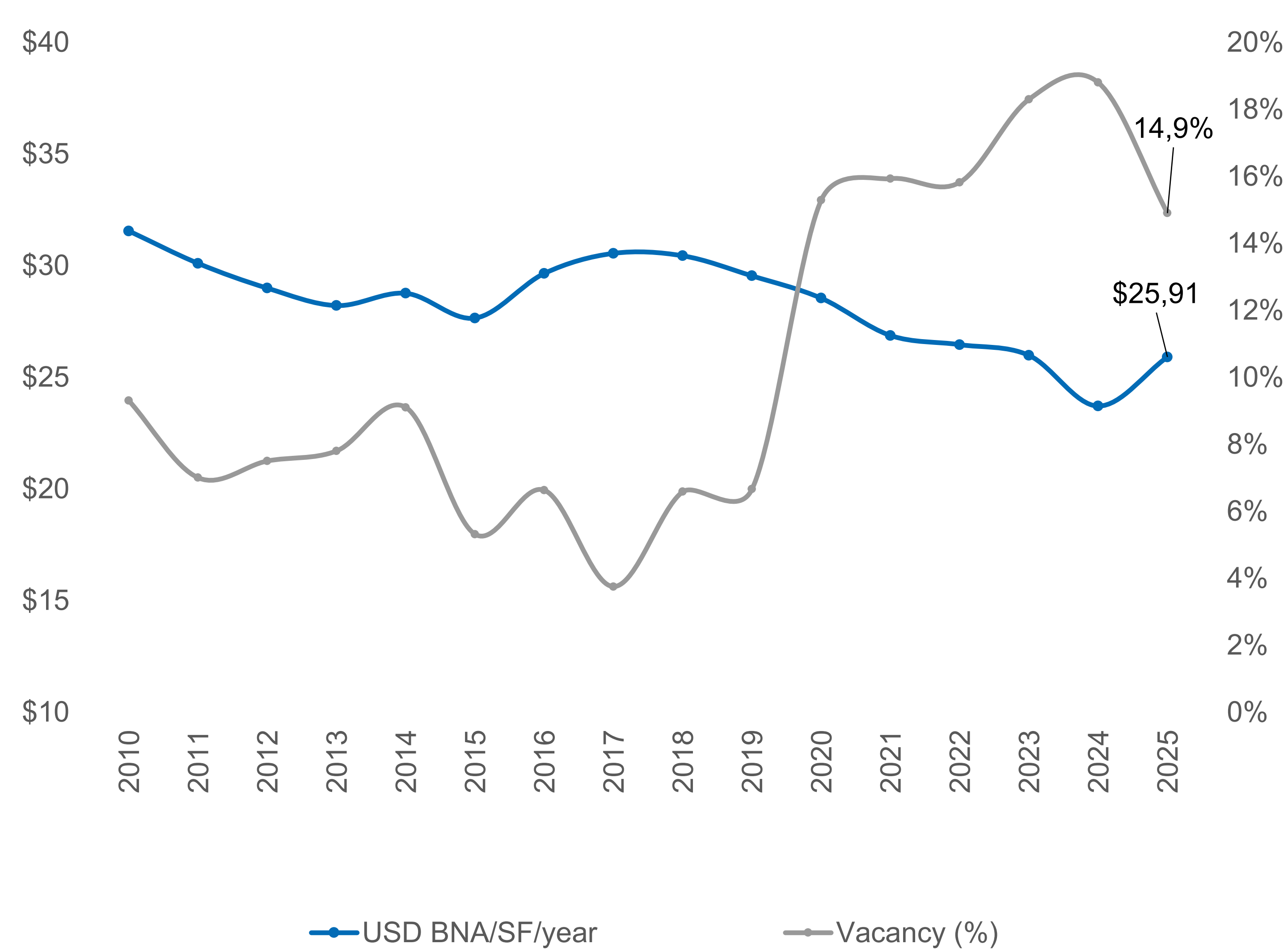
Average Asking Rent by Submarket (USD BNA/SF/year)



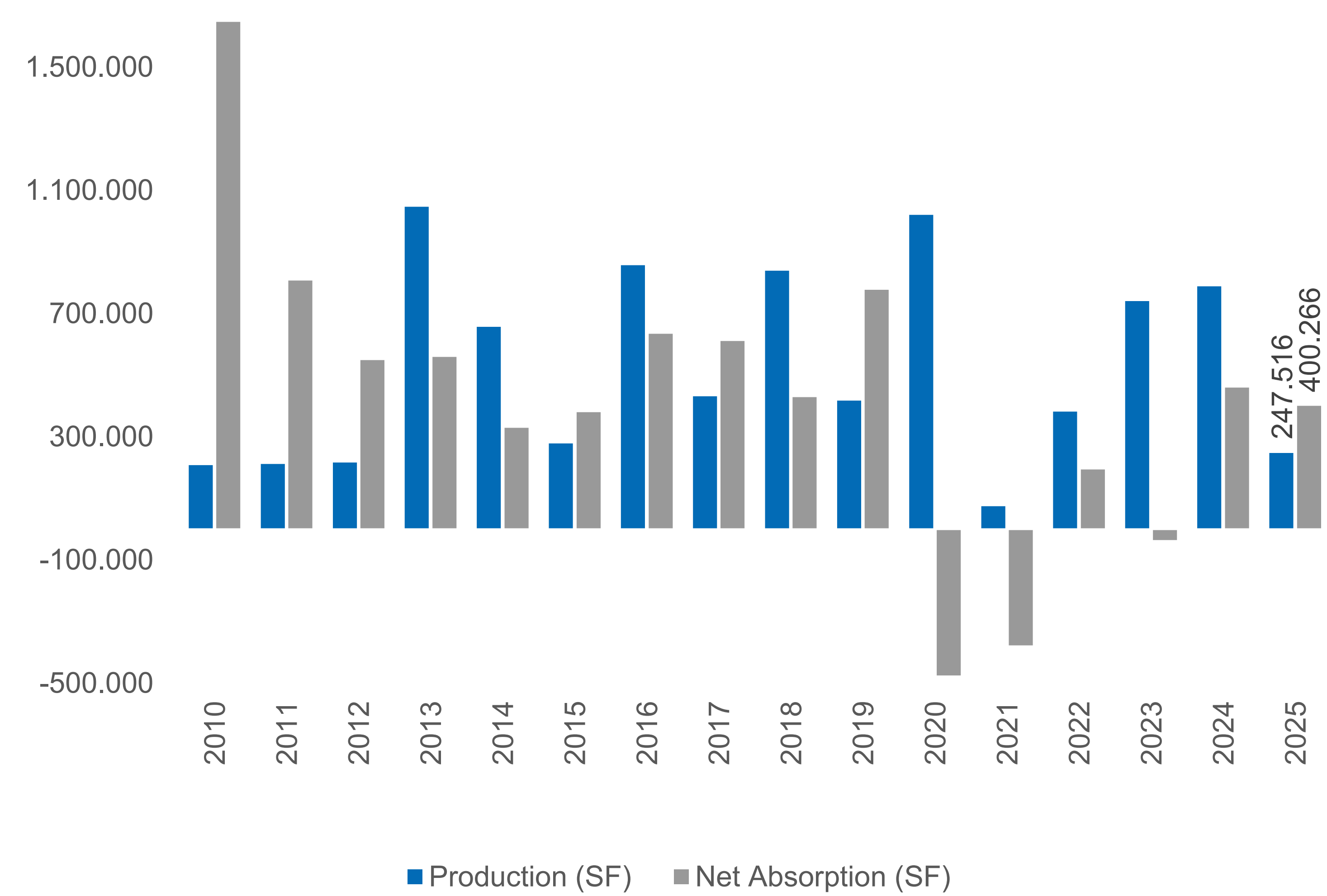
Source: Information Compiled and Analyzed by Newmark Argentina

Historical Series

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



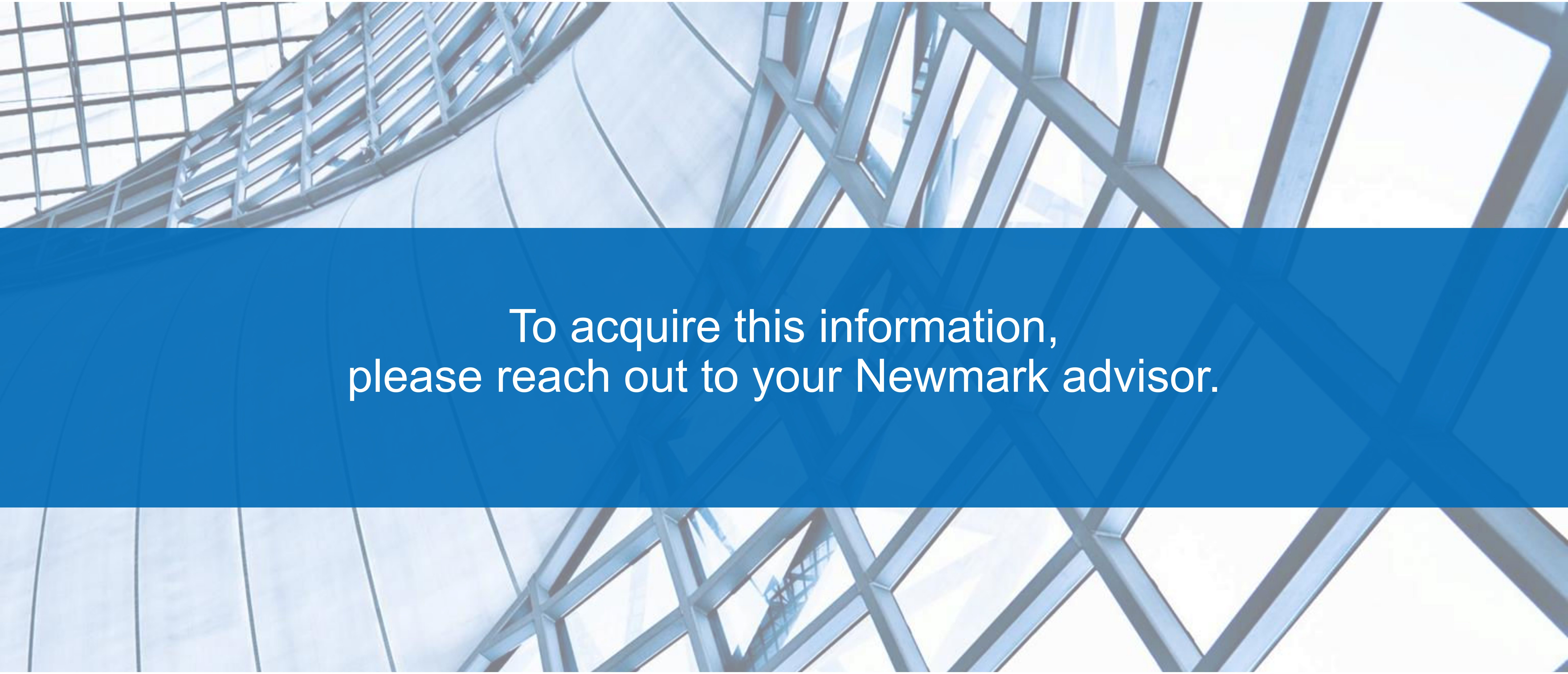
Annual Accumulated Net Absorption and Production (2010 – 2Q 2025)<



Source: Information Compiled and Analyzed by Newmark Argentina

Office Market 2025: Value Comes from Anticipating the Next Cycle

3Q 2025



Under Construction

The total area under construction remains at **897,200 SF, (4.4% of total inventory)**, reflecting a **defensive rather than expansive market**. **Worko** will be the next major delivery, in a context where **vacancy in the Corredor Panamericana (25.6%)** could be quickly absorbed if confidence returns.

However, the lack of new starts leaves the sector **exposed to speculative dynamics focused on higher-quality assets**, reinforcing the perception of a market driven more by **expectations than by actual absorption**.

Main Class A Buildings Under Construction

	Project	Submarket	Total Area (SF)	Rentable Area (SF)	Delivery	LEED Certification
	**Worko**	Corredor Panamericana	526,288	421,019	4Q 2025	
	**Alem y Córdoba**	Catalinas Retiro	645,835	476,033	1Q 2028	

The **office market has entered a phase of strategic waiting**, where **political and economic uncertainty** is weighing more heavily than supply fundamentals.

During **3Q 2025**, construction activity remained stable following the completion of **Centro Empresarial Núñez 247,500 SF**, fully leased in **Zona Norte CABA**.
As of today, the only active projects under construction are **Worko (Corredor Panamericana 421,000 SF)** and **Alem & Córdoba (Catalinas–Retiro 476,000 SF)**.

With no new launches in sight, **developers are opting for caution**, awaiting macroeconomic and regulatory definitions before committing to new investments. The **shortage of upcoming projects** suggests that, in a context of political stabilization, a **speculative rebound in rents** could emerge in premium submarkets, where supply is expected to remain tight at least until **2026**.

Source: Information Compiled and Analyzed by Newmark Argentina

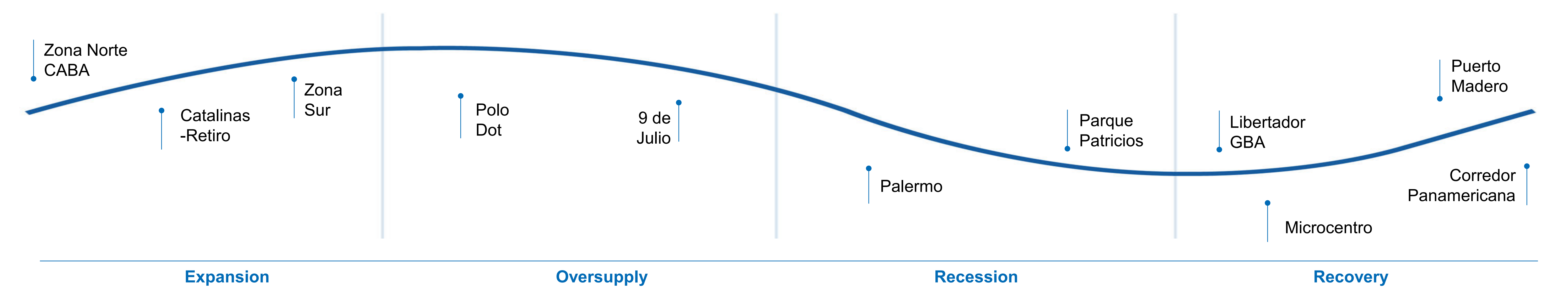
Data & Trends

3Q 2025

Market Statistics

Submarkets	Inventory (SF)	Buildings	Under Construction (SF)	Availability (SF)	Total Vacancy (%)	Quarterly Net Absorption (SF)	Annual Cumulative Net Absorption (SF)	Average Asking Rent (USD BNA/year/SF)
CABA								
Puerto Madero	3,149,472	21	-	382,306	12,14 %	10,236	-20,021	28,97
Zona Sur	1,098,986	5	-	70,416	6,41 %	32,634	-	15,74
Microcentro	934,150	5	-	171,973	18,40 %	-	194,355	20,88
Catalinas – Retiro	5,384,310	23	475,970	775,922	14,41 %	6,588	9,171	28,35
9 de Julio	1,062,198	7	-	130,474	12,28 %	44,083	29,274	22,13
Zona Norte CABA	1,415,184	5	-	40,395	2,85 %	32,535	60,341	27,33
Polo Dot	1,240,448	9	-	133,117	10,73 %	-	-	24,89
GBA								
Corredor Panamericana	2,321,030	18	421,006	536,333	23,11%	57,200	57,176	23,67
Libertador GBA	967,186	10	-	107,499	11,12%	107,300	23,720	26,37
Subtotal	**3,288,216**	**103**	**896,976**	**2,347,688**	**13,36%**	**276,560**	**215,773**	**25,82**
Polos Emergentes								
Parque Patricios	1,855,330	11	-	364,035	17,39%	-72,732	1,033	20,664
Palermo	961,690	7	-	686,683	37,85 %	13,347	125,468	31,30
Subtotal	2,817,020	**18**	**-**	536,333	**24,37%**	**-59,374**	126,510	**25,94**
TOTAL	**20,389,984**	**121**	**896,976**	**3,035,129**	**14,9 %**	**156,340**	**400,375**	**25,91**

Class A Office Market Cycle by Submarket



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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/.
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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).