

*Market Overview:*  
São Paulo

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4Q25

# Key Takeaways

The industrial and logistics condominium market in the state of São Paulo closed 2025 at a high level of activity, with strong demand and a new record in net absorption.



Leasing activity remains strong, with gross and net absorption totaling 572,000 sq m and 489,000 sq m, respectively.



New supply remains at significant levels, reflecting the market dynamics observed in recent years.



Asking rental rates continued to trend upward, posting a 7% quarterly increase.



The delivery of 1.5 million sq m in new developments in 2026—close to recent absorption levels—is expected to keep the market at low risk of oversupply.

# Sao Paulo Market Observations

## Economy

Moderate growth in 2025, with localized slowdowns. For 2026, the UN projects 2.7% expansion, amid trade and geopolitical uncertainties.

- Eurozone growth remains subdued, China is slowing in specific sectors, and emerging markets show heterogeneous performance, despite global economic resilience.
- Brazil's economy lost momentum in the second half, but GDP is expected to grow between 2.2% and 2.4% in 2025. The 2026 forecast was revised up from 1.5% to 1.6%. Inflation has eased but remains above target, with slow convergence.
- The exchange rate is expected to remain stable, with the dollar between BRL 5.65 and 5.70. The labor market remains solid, though moderating, and Copom kept the Selic rate at 15.00%, reinforcing a cautious stance amid elevated uncertainty and its commitment to inflation convergence.
- Industrial production lost momentum at the end of 2025, pressured by high interest rates and weak demand, reflecting a slowdown primarily in the manufacturing sector.

## Transactions

- The services sector accounted for most transactions, driven by logistics, warehousing, and transportation companies, while the commercial sector also posted a relevant share, particularly from e-commerce.
- Geographically, Guarulhos, Sorocaba, and Ribeirão Preto led the increase in occupied area, reinforcing the attractiveness of these corridors, which have seen the largest recent supply deliveries.
- In the São Paulo Metropolitan Region (within 40 km from the capital), asking rents remain above the state average, reaching BRL 34.95/sq m/month, compared with BRL 21.96/sq m/month in more distant regions. São Paulo, Guarulhos, and the ABCDM submarkets record the highest asking rents.

## Market Indicators

- Gross and net absorption totaled 572,000 sq m and 489,000 sq m, respectively. On a full-year basis, total absorbed area reached 1.4 million sq m.
- New inventory delivered increased, totaling 545,000 sq m.
- The vacancy rate in the state of São Paulo closed at 8.1%..
- The average asking rent closed the period at BRL 32.15/sq m/month.

## 4<sup>th</sup> Quarter Highlights

- Year-to-date net absorption in 2025 was approximately 10% higher than in 2024, setting a new record in the historical series.
- New inventory delivered were significant, more than doubling the volume recorded in the previous quarter, concentrated mainly in the ABCDM, Guarulhos, and Ribeirão Preto submarkets.
- Despite the substantial volume of new supply, the vacancy rate in the state of São Paulo increased slightly from 7.5% to 8.1%.
- Asking rental rates continued to rise, posting a 7% quarterly increase and closing the period at BRL 32.15/sq m/month, with a 14% year-over-year gain.

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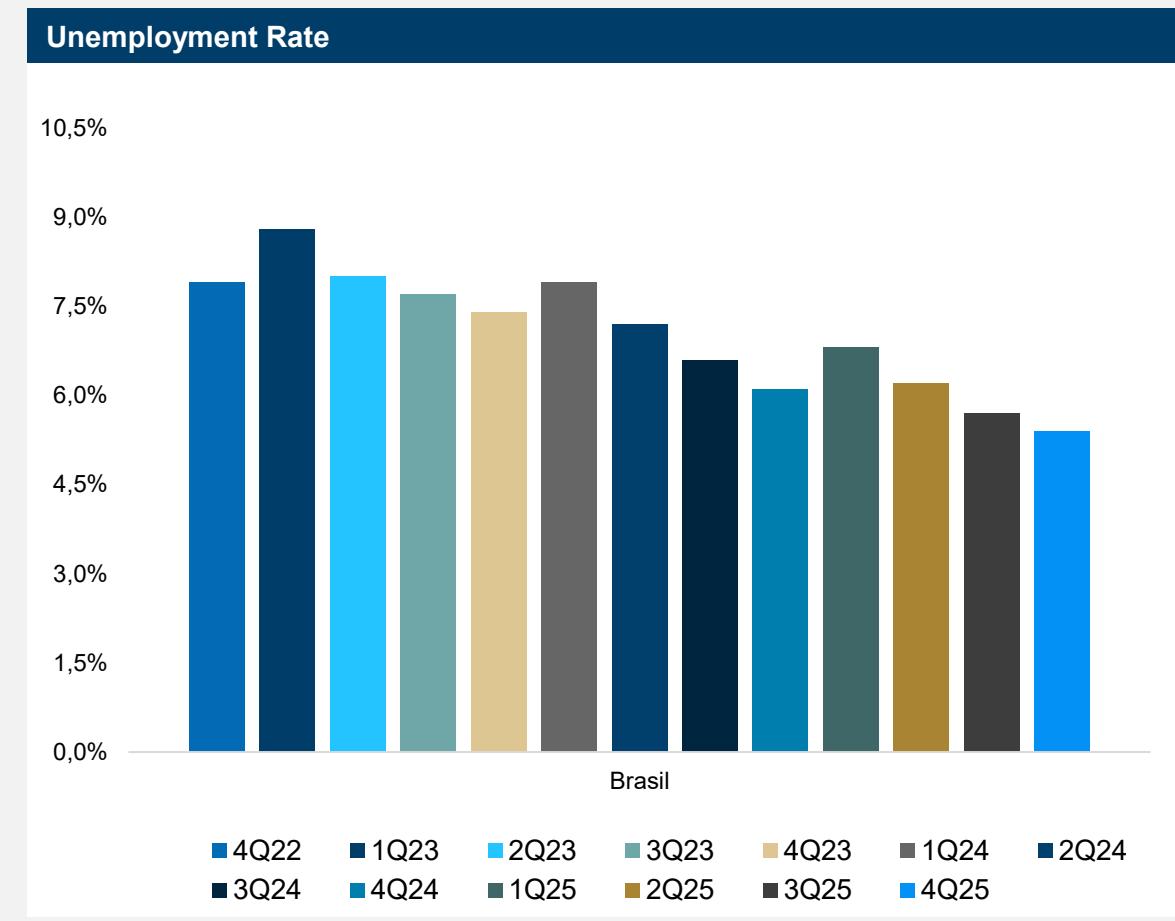
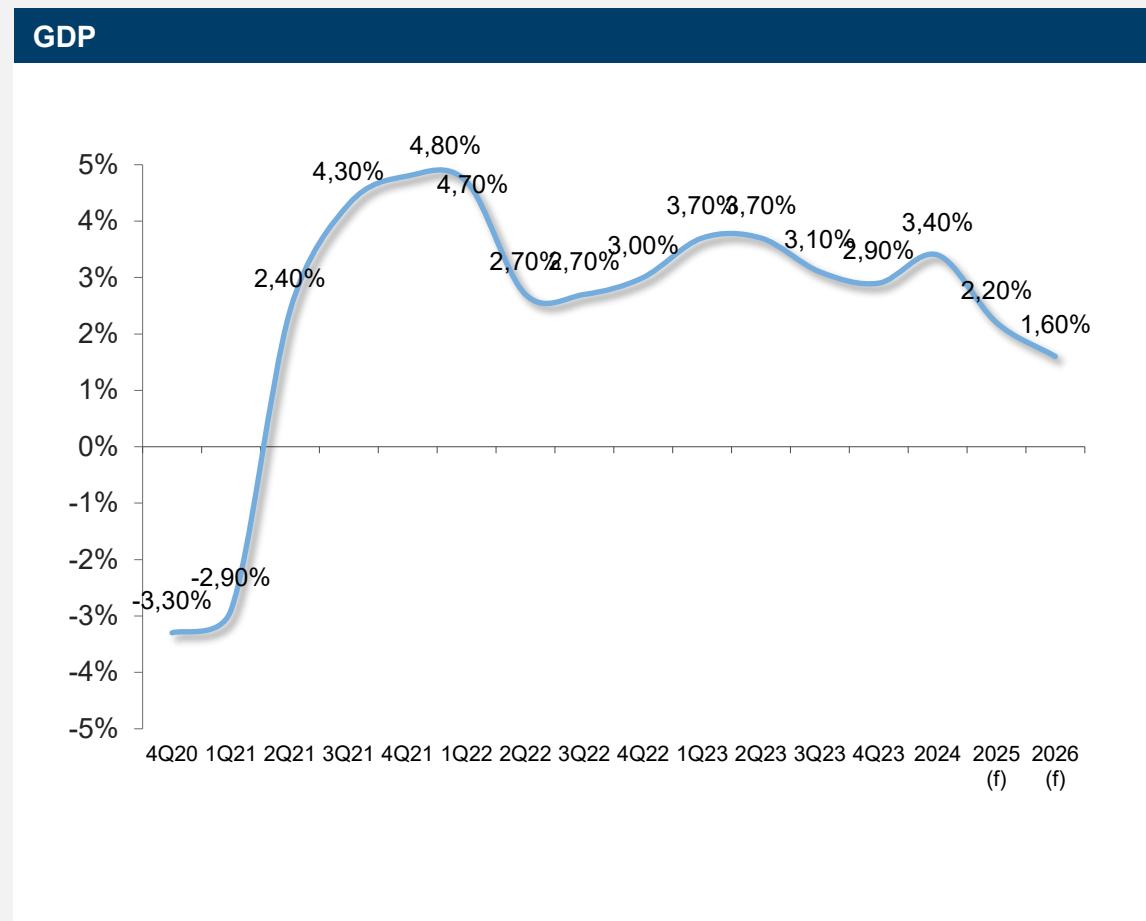
# 01

## Economy



# Economy

In Brazil, the fourth quarter and full-year 2025 were marked by weak economic momentum. According to IBGE, GDP grew 0.1% in the third quarter, with a sharper slowdown on the demand side, particularly in household consumption. Still, projections point to GDP growth between 2.2% and 2.4% in 2025, while the 2026 forecast was revised up from 1.5% to 1.6%. The labor market remains solid, with unemployment at historically low levels in 2025, although signs of moderation are emerging in job creation and wage growth.

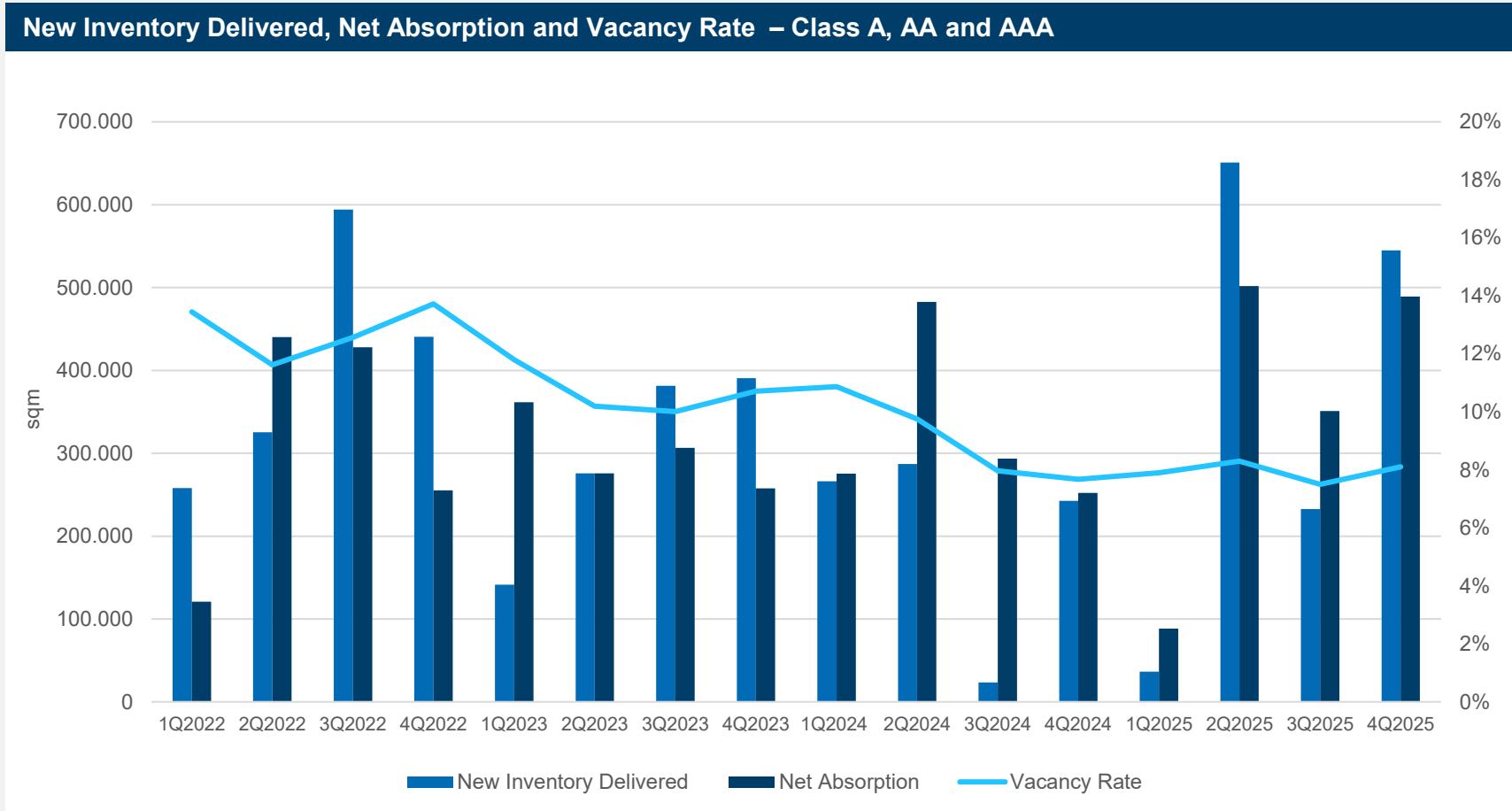


# 02

## Leasing Market Fundamentals



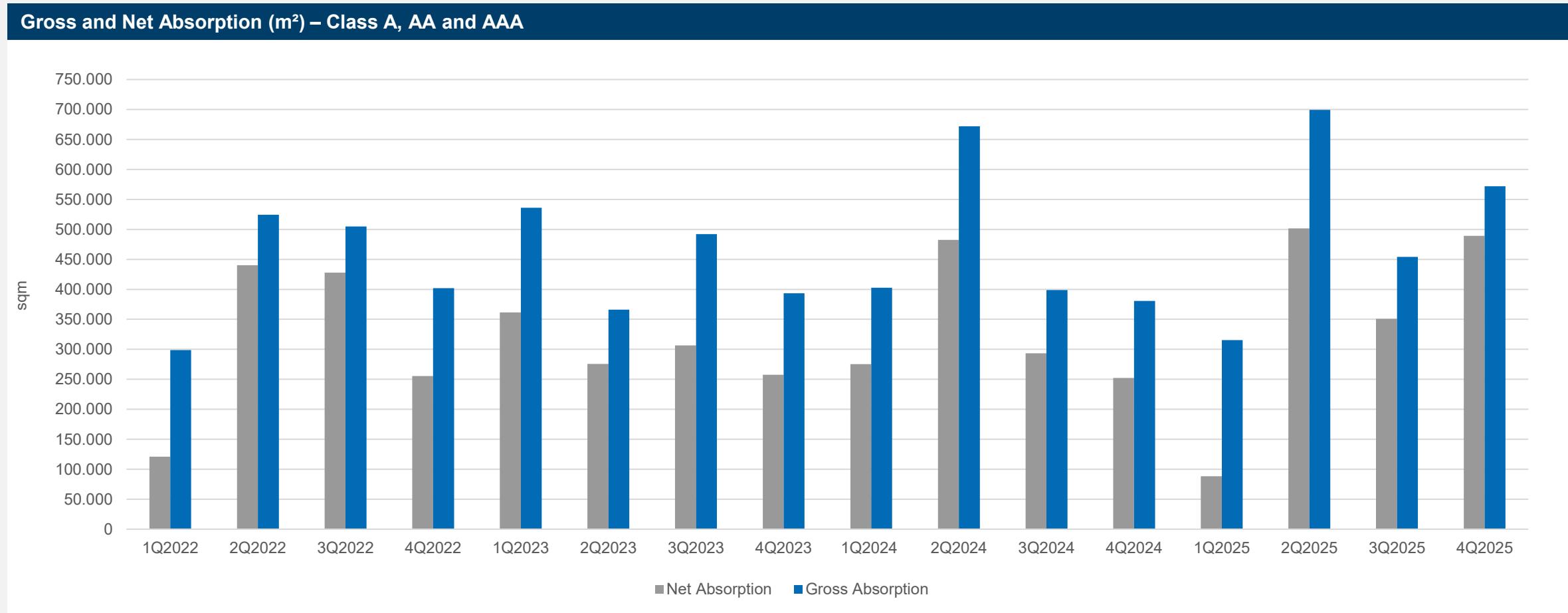
# Strong Activity in the Industrial and Logistics Segment



- In 2025, demand for warehouse condominiums remained robust, closing the year with a new record in net absorption.
- New inventory delivered totaled 545,000 sq m in the quarter, more than double the volume of the previous period, despite not being the highest level of the year.
- Despite the significant expansion in supply, the vacancy rate increased slightly from 7.5% to 8.1%, reinforcing a scenario of consistent demand and still relatively tight supply.

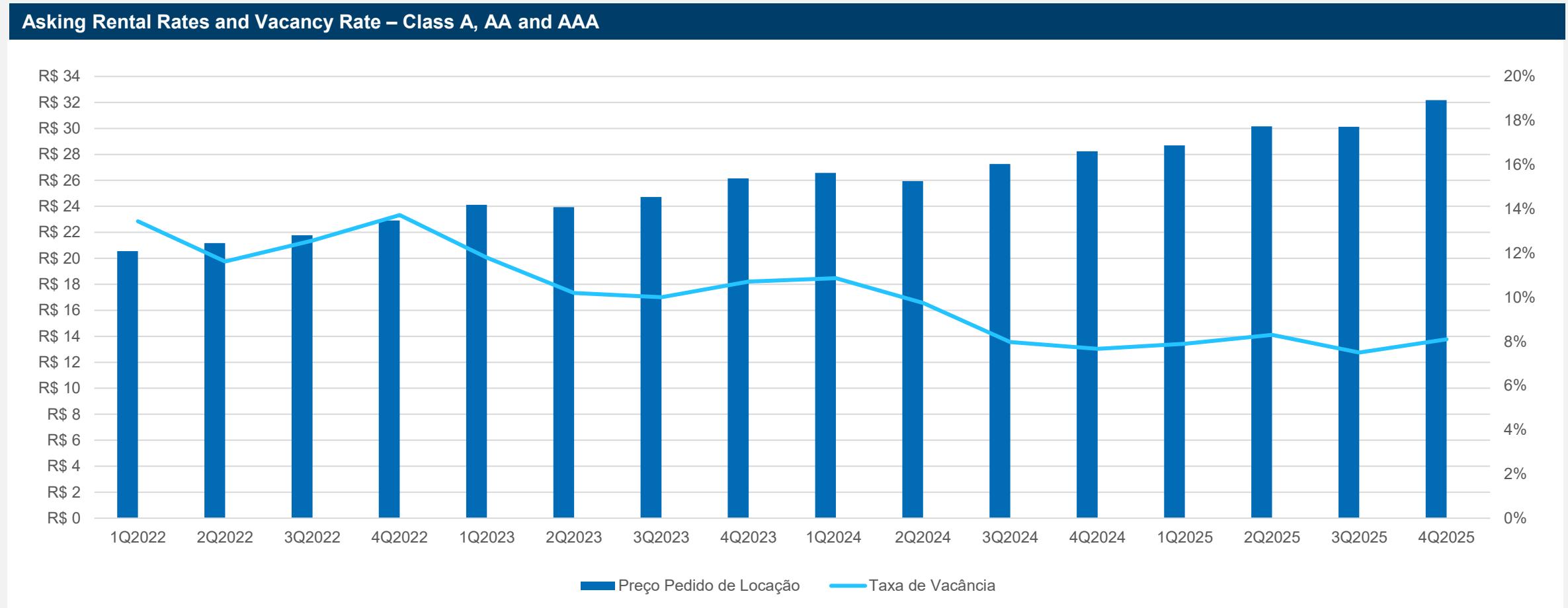
# Sustained Demand Drives New Absorption Record

Strong demand in 2025 led to another net absorption record. On a full-year basis, total absorbed area reached 1.4 million sq m, approximately 10% higher than in 2024.



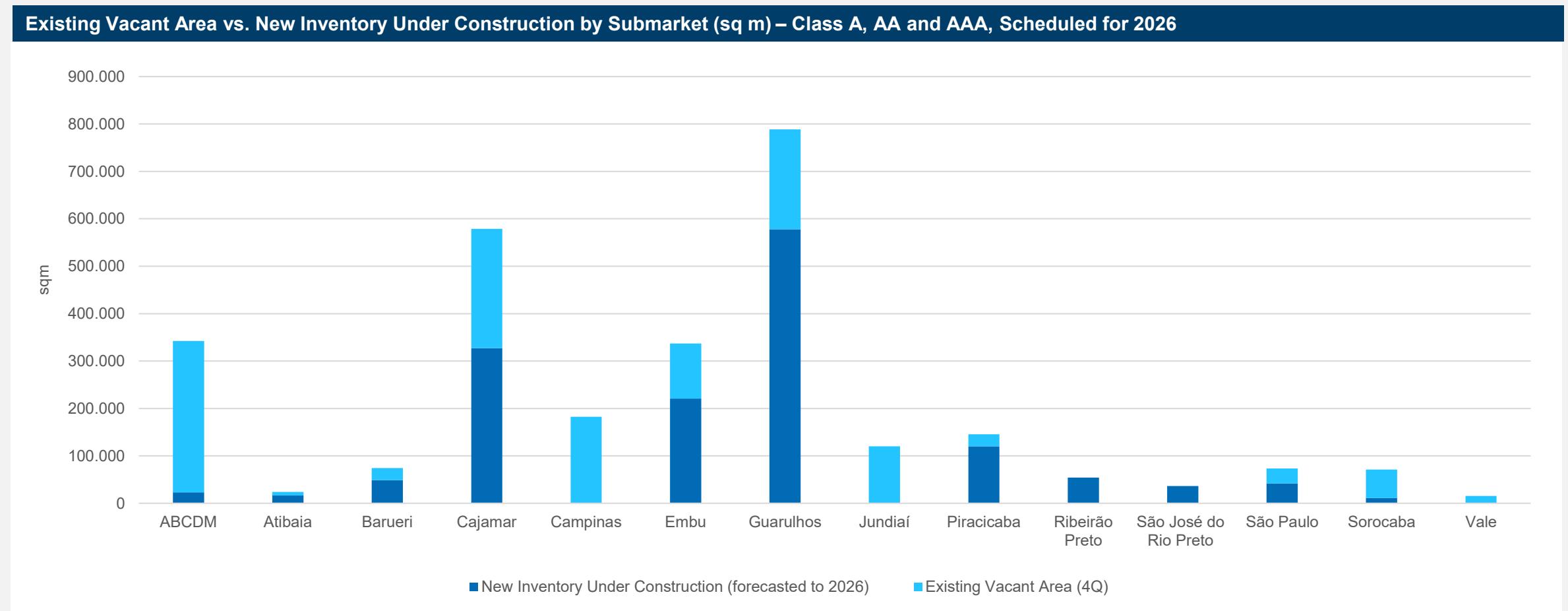
# Stable Vacancy and Upward Pricing Trend

Rental prices continued an upward trend, posting a 7% quarterly increase and a 14% year-over-year gain.

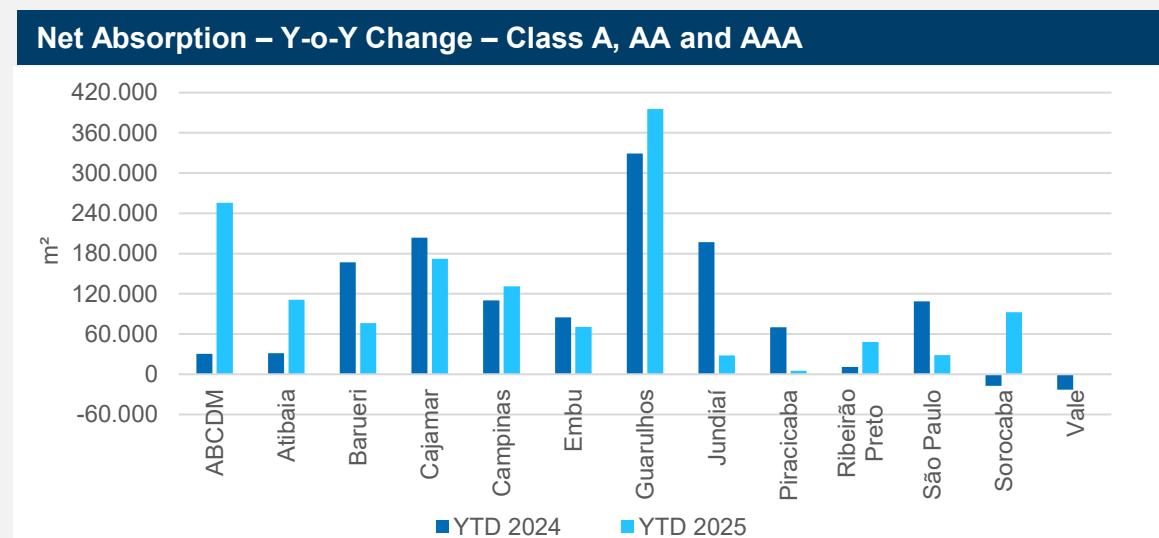
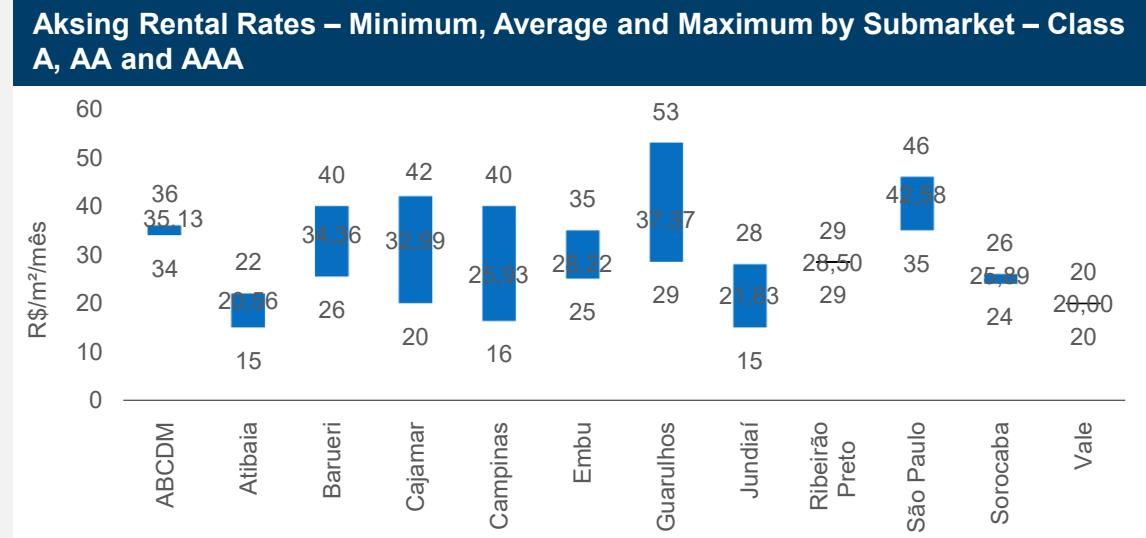
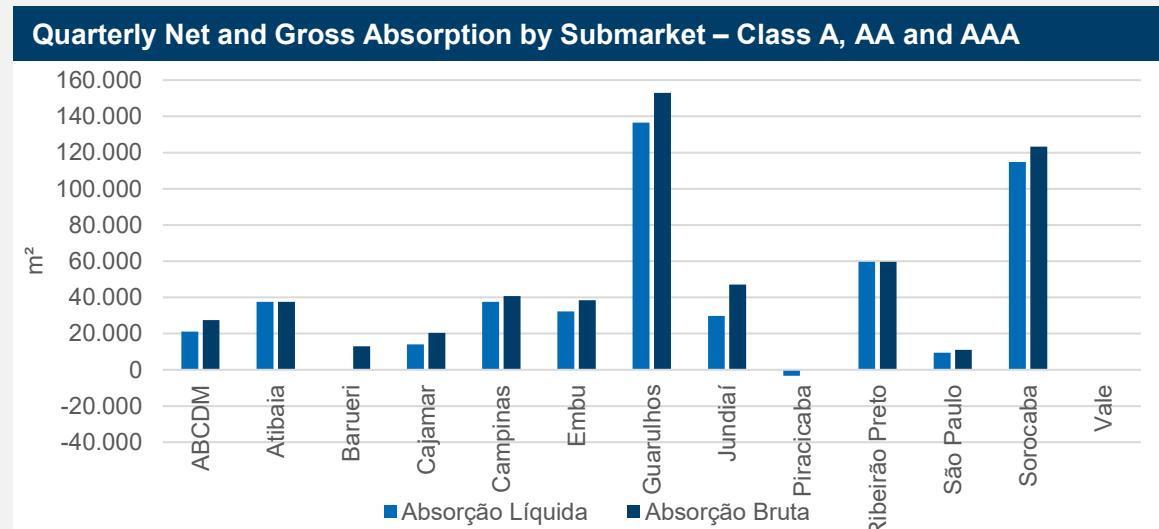
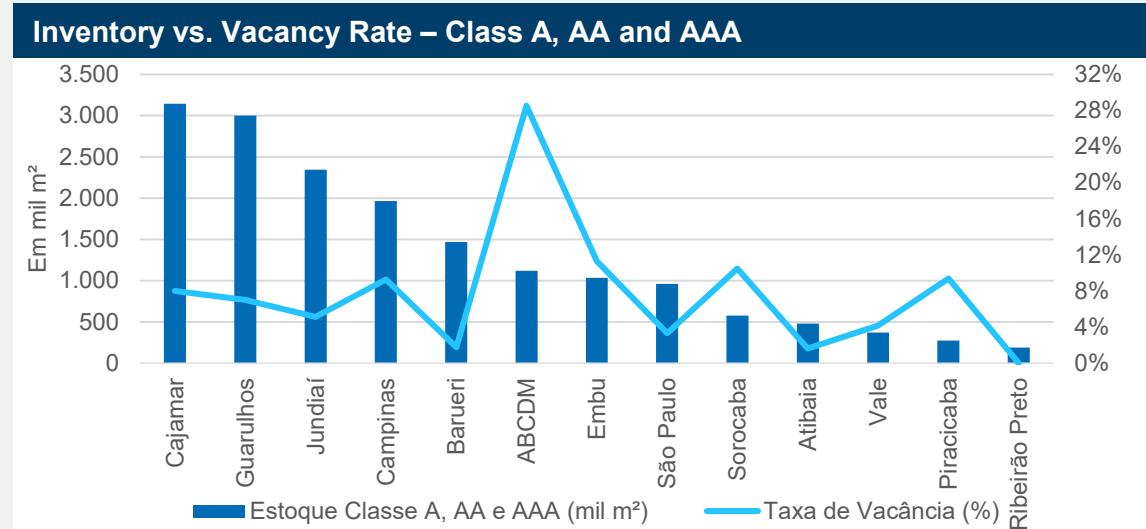


# New Inventory Forecasted

Strong leasing activity has resulted in high absorption volumes, nearly matching new supply deliveries, characterizing a tight market in which new supply is quickly absorbed, limiting the risk of oversupply.



# Market Indicators by Submarket





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