

BUENOS AIRES

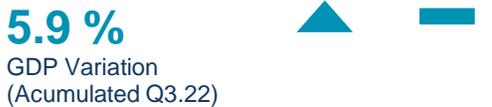
Office Q4 2022

YoY Chg 12-Mo Forecast



ECONOMIC INDICATORS Q4 2022

YoY Chg 12-Mo. Forecast



Source: National Institute of Statistics and Censuses (INDEC)

* Corresponds to the month of September 2022

MARKET OUTLOOK:

The office market shows again a very good recovery: the net absorption indicator closed the last quarter of the year with an increase of 93 % compared to the previous period. Less dynamism is perceived as there were fewer vacancies. Most companies are still figuring out the way in which they will return to the office, but the hybrid modality prevails. The overall outlook shows improvements, which is reflected in the amount of space rented before the end of year. The average vacancy rate decreased by one percentage point and the average rental asking price closed the quarter at \$23.7/sqm/month, a lot like the previous period.

SUPPLY AND DEMAND:

The last quarter of 2022 closed with a net absorption of 18,483 sqm, with 24,957 sqm taken over by companies and 6,474 sqm vacated. The greatest number of transactions took place on the Corredor Panamericana submarket with 9,370 sqm absorbed and no vacancies. Submarkets such as Puerto Madero, Retiro - Plaza San Martín and Catalinas - Plaza Roma, which belong to the downtown area of the city, also perceived occupations. On the contrary, the submarket with more square meters vacated was in 9 de Julio with 2,036m2.

PRICING:

The average price for class A offices presented very little variation throughout the year and this quarter became more visible with a drop of only 0.1 USD/sqm/month compared to the previous quarter. This is interesting and encourages the Fly-to-Quality trend because these values, being in US dollars at the BNA exchange rate, are dissociated from inflation in pesos.

The Libertador CABA submarket continues to be the most appreciated in the market, with an average value of 30 USD/sqm/month.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



ECONOMIC OUTLOOK

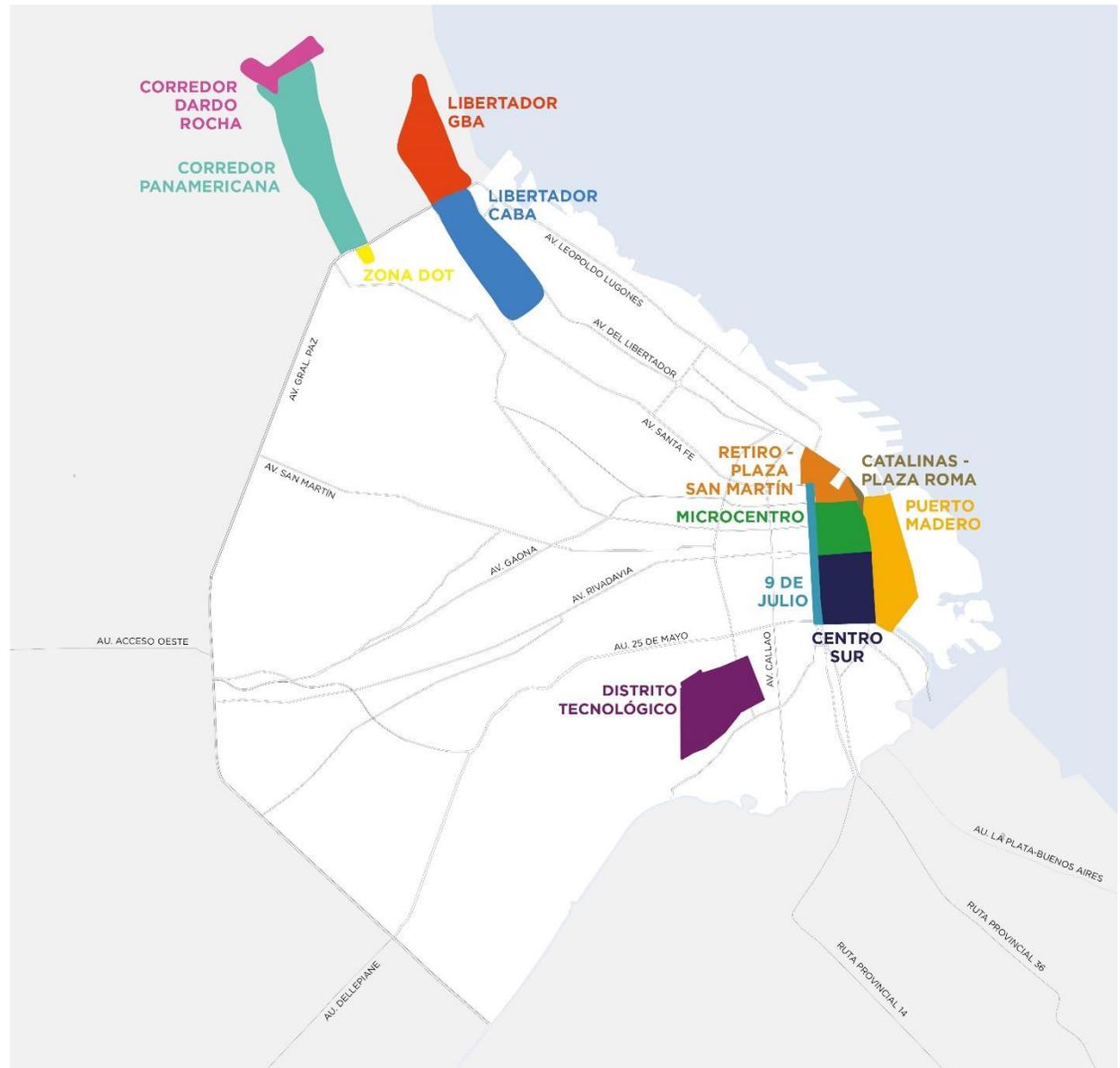
Even though the year-on-year inflation was expected to reach or exceed 100%, it closed the last quarter of the year at 92.4%, which shows a slowdown that, in the context of a not very encouraging outlook, can be considered something positive. The inflation rate for November was 4.9 %, the lowest since March. This was due to anti-inflationary measures that, while not targeting the structural problems, did result in agreements with various consumer sectors to keep increases at around 4% at least until March. Despite the measures mentioned above, the fiscal deficit, the scarce reserves in the central bank (BCRA) and the political tensions before the electoral calendar of the coming year, do not suggest a favorable situation for the evolution of the economy in the country.

FUTURE OUTLOOK

For the same reason that many projects under construction have not yet entered the market, new estimated developments have not entered the market either. Although the absorption and the vacancy indicator show a trend towards demand, there is still a remnant of supply as a result of the pandemic crisis.

For this reason, the same area established until 2026 continues, which is 729,095 m². During this quarter, none of these projects changed their destination, such as residential or commercial, but, as it happened before it could occur again, since it is related directly to the demand conditions, as well as to the economic events of the country.

OFFICE MAP WITH SUBMARKETS DIVISION / BUENOS AIRES / ARGENTINA

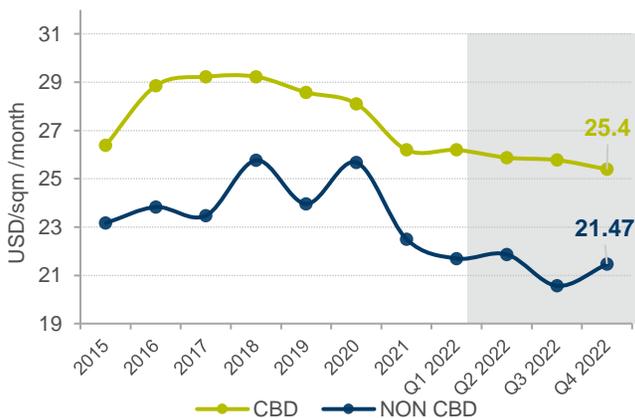


MARKET STATISTICS (*)

| SUBMARKETS | CLASS A INVENTORY | BUILDING NUMBERS | AVAILABLE AREA(sqm) | VACANCY RATE(%) | YTD NET ABSORPTION TO DATE(sqm) | UNDER CONSTRUCTION (sqm) (*) | PROJECTED (sqm) * | RENTAL PRICE ASKED CLASS A (USD/sqm/month) | RENTAL PRICE ASKED CLASS B (USD/sqm/month) |
|----------------------------|-------------------|------------------|---------------------|-----------------|---------------------------------|------------------------------|-------------------|--|--|
| Catalinas-Plaza Roma | 351,005 | 13 | 54,516 | 15.5 | 739 | 44,225 | 236,401 | 28.67 | 17.72 |
| Puerto Madero | 248,421 | 15 | 34,320 | 13.8 | 8,529 | - | 30,300 | 25.07 | 16.94 |
| Microcentro | 111,665 | 6 | 23,869 | 21.4 | 0 | 17,000 | - | 22.25 | 12.75 |
| Retiro-Plaza San Martín | 55,280 | 4 | 4,257 | 7.7 | 4,115 | 32,400 | - | 24.62 | 17.27 |
| 9 de Julio | 73,986 | 6 | 11,166 | 15.1 | -2,036 | - | - | 23.15 | 15.20 |
| Centro Sur | 64,943 | 3 | 5,783 | 8.9 | 0 | - | 37,900 | 14.00 | 10.39 |
| CBD | 905,300 | 47 | 133,911 | 14.8 | 11,347 | 93,625 | 304,601 | 25.38 | 15.14 |
| Corredor Panamericana | 256,621 | 24 | 64,804 | 25.3 | 9,370 | 37,287 | 122,435 | 19.76 | 15.73 |
| Corredor Dardo Rocha | - | - | - | - | - | - | - | - | 20.04 |
| Zona Dot | 77,298 | 5 | 5,447 | 7.0 | -565 | - | 80,831 | 25.49 | 18.37 |
| Libertador GBA | 95,706 | 10 | 8,400 | 8.8 | -557 | 31,854 | 74,828 | 26.75 | 20.69 |
| Libertador CABA | 72,426 | 2 | 6,593 | 9.1 | -1,112 | 19,000 | 39,400 | 30.00 | 21.06 |
| Distrito Tecnológico | 209,952 | 14 | 14,916 | 7.1 | 0 | 4,636 | 107,000 | 20.67 | 10.37 |
| NON CBD | 712,003 | 55 | 100,160 | 14.1 | 7,136 | 150,093 | 424,494 | 21.47 | 18.99 |
| BUENOS AIRES TOTALS | 1,617,303 | 102 | 234,071 | 14.5 | 18,483 | 243,718 | 729,095 | 23.71 | 16.14 |

* Corresponds to profitable area according to available information.

ASKED RENT (USD/ sqm /month) CBD / NON-CBD



NEW INVENTORY (sqm) PROJECTED SURFACE (sqm)



CAROLINA WUNDES

Market Research Coordinator
+54 9 15 6192 3010 / carolina.wundes@sa.cushwake.com

JOSÉ VIÑAS

Director - Brokerage
+54 11 3900 0138 / jose.vinas@sa.cushwake.com
cushwakeargentina.com

CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global corporate real estate services firm that delivers exceptional value to both real estate owners and occupants. Cushman & Wakefield is one of the largest real estate services firms with approximately 50,000 employees in 400 offices and in 60 countries. In 2021, the company had revenue of \$9.4 billion through its main service lines; project management, property and facilities management, rentals, capital markets, valuation, advisory services among others. For more information visit www.cushmanwakefield.com or follow @CushWake on Twitter.

©2022 Cushman & Wakefield. All rights reserved. The information contained within this report is compiled from multiple sources believed to be reliable. This information may contain errors or omissions and is presented without warranty or representation as to its accuracy.