

GLOBAL SPOTLIGHT

Buenos Aires, Argentina



Buenos Aires is the financial, industrial, commercial and cultural hub of Argentina.

- Real estate markets are experiencing an upward trend as the Argentine economy heads toward a strong growth path. Argentina recorded 40% GDP growth over the past four years.
- Vacancy rates for Class A Office space have dropped to single digits and prices continue to rise. Demand is firm and supply has not expanded enough to keep pace with demand. This trend will prompt more development activity, especially in refurbishment of older buildings, as there is a lack of land in the downtown market.
- The industrial markets have seen a similar trend with generally low vacancy, firm prices with upward trends, and lack of quality space coming onto the market. Although some new major distribution centers are planned, projections call for a continued tight market for industrial space.
- Growth in consumer demand is putting pressure on retail space, particularly in the downtown high street submarkets and in the major shopping centers of the city. Vacancy rates in retail sectors have been nearly zero and prices have continued to move upwards as landlords try to optimize their tenants mix and returns. There are currently over 20 shopping centers being planned or under development.
- The residential market has also seen a substantial amount of new projects due to the relative low cost of premium residential real estate. Prices here are less than one-third of leading world cities.
- Foreign investment is increasing in Buenos Aires. Due to the double digit returns for investment products, 30% of the local market space is occupied by foreign investors looking for opportunities in this market.

Buenos Aires At A Glance

Population	2,776,138 (City Proper) 14,000,000 (Greater Buenos Aires)
Location	Capital of Argentina
GDP	\$210 billion (2006 est.)
Inflation	10% (November 2006 est.)
Interest	12% Central Bank of Argentina Benchmark Bond - 5 year
Unemployment	13%

Property	Rent/M2/Month		Rent/SF/Year	
	Low	High	Low	High
Downtown Office Class A (Prime)	\$24	\$32	N/A	N/A
Suburban Office Class A (Prime)	\$15	\$24	N/A	N/A
Industrial Bulk Warehouse	\$3	\$6	N/A	N/A
Retail Downtown	\$30	\$90	N/A	N/A

NAI Castro Cranwell & Weiss S.A. offers local market expertise in Buenos Aires, Argentina.

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At A Glance

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45	Countries
5,000	Professionals
\$40 billion	Annual Transaction Volume
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