

MARKET BULLETIN

1st QTR 2020 · SÃO PAULO | RIO DE JANEIRO

OFFICES

SÃO PAULO

RIO DE JANEIRO



VACANCY
RATE



AVERAGE
ASKING PRICE



VACANCY
RATE



AVERAGE
ASKING PRICE

INDUSTRIAL

STATE OF SÃO PAULO

STATE OF RIO DE JANEIRO



VACANCY
RATE



AVERAGE
ASKING PRICE



VACANCY
RATE



AVERAGE
ASKING PRICE

MARKET BULLETIN IS A QUARTERLY PUBLICATION PROVIDING THE KEY MARKET INDICATORS
FOR THE CORPORATE REAL ESTATE (OFFICE AND INDUSTRIAL) MARKETS OF SÃO PAULO AND RIO DE JANEIRO, BRAZIL

TAKE A LOOK AT THE COMIC STRIP OVERLEAF

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OFFICES



CONSTRUCTION ACTIVITY
650,712 m²



NEW STOCK
17,439 m²



NET ABSORPTION
82,731 m²



GROSS ABSORPTION
188,961 m²



VACANCY RATE
13.24 %

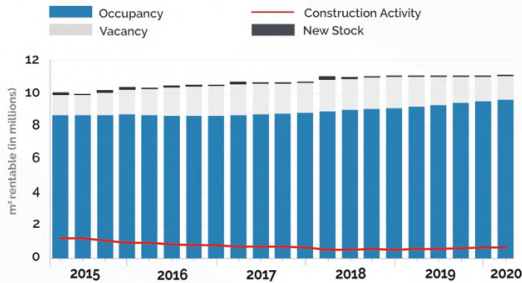


AVERAGE ASKING PRICE
R\$ 58.39 / MONTH

Considering corporate office buildings only (Class A and Others)

SÃO PAULO

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

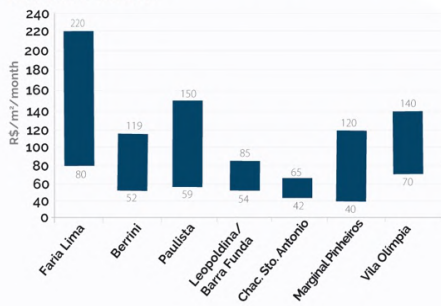


The total stock of office space in the city of São Paulo was 11 million m² of which 17 thousand m² was new stock. The vacancy rate in the period fell slightly to 13.24% which represents 1.5 million m² of vacant space. In turn, construction activity decreased to 651 thousand m².

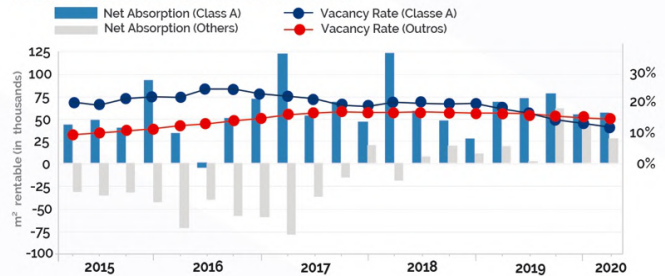
The asking rental prices in the Faria Lima district ranged between R\$80/m²/month and R\$220/m²/month. In the Berrini district they ranged from R\$52/m²/month to R\$119/m²/month, and in the Vila Olímpia district asking prices ranged from R\$70/m²/month to R\$140/m²/month.

The stock of corporate Class A office buildings in the city of São Paulo recorded a positive net absorption of 55 thousand m² and a vacancy rate of 11.69%. The stock of corporate buildings Class "Others" recorded a positive net absorption of 27 thousand m² and a vacancy rate of 14.11%.

RANGE OF RELEASE ASKING PRICES /BY DISTRICT CORPORATE (CLASS A)



NET ABSORPTION AND VACANCY RATE



CONSTRUCTION ACTIVITY
93,897 m²



NEW STOCK
0 m²



NET ABSORPTION
-38,613 m²



GROSS ABSORPTION
80,266 m²



VACANCY RATE
22.70 %

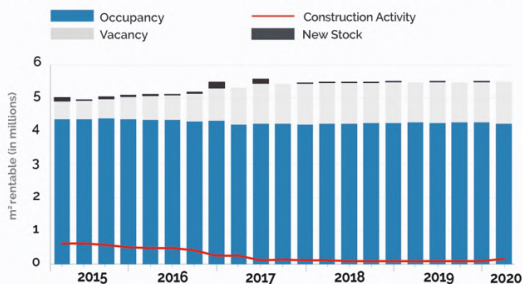


AVERAGE ASKING PRICE
R\$ 67.17 / MONTH

Considering corporate office buildings only (Class A and Others)

RIO DE JANEIRO

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

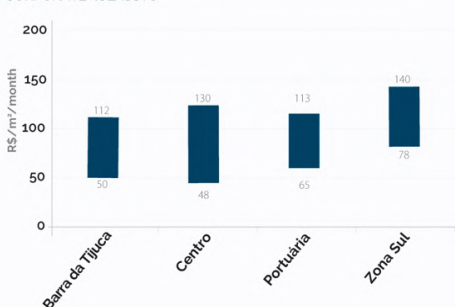


The total office stock in the city of Rio de Janeiro remained at 5.5 million m² there was no delivery of new stock. The vacancy rate in the quarter rose slightly to 22.70% which represents 1.2 million m² vacancy. In turn, construction activity increased to 94 thousand m².

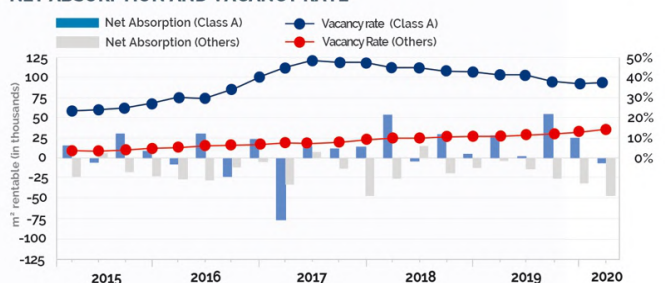
The asking rental prices for Barra da Tijuca district ranged between R\$50/m²/month and R\$112/m²/month. In the Centro district they ranged between R\$48/m²/month and R\$130/m²/month, and in the Portuária district asking prices ranged from R\$65/m²/month and R\$113/m²/month whilst in the Zona Sul district they ranged between R\$78/m²/month and R\$140/m²/month.

The stock of corporate Class A buildings in the city of Rio de Janeiro recorded a negative net absorption of 6 thousand m² and a vacancy rate of 38.63%. The stock of corporate buildings Class "Others" recorded a negative net absorption of 33 thousand m² and a vacancy rate of 14.95%.

RANGE OF LEASE ASKING PRICES BY DISTRICT CORPORATE (CLASS A)



NET ABSORPTION AND VACANCY RATE



*The methodology for classification adopted by Ocupantes for office buildings is as follows: "Office" type buildings have office suits under 100 m². "Corporate" type buildings have office suits greater than or equal to 100 m². Class A: buildings with high technical standards.

INDUSTRIAL

CONSTRUCTION ACTIVITY
1,199,756 m²

NEW STOCK
222,177 m²

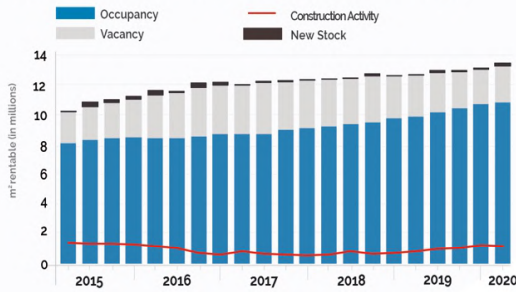
NET ABSORPTION
132,994 m²

GROSS ABSORPTION
272,107 m²

VACANCY RATE
18.20%

AVERAGE ASKING PRICE
R\$ 18.13 / MONTH

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

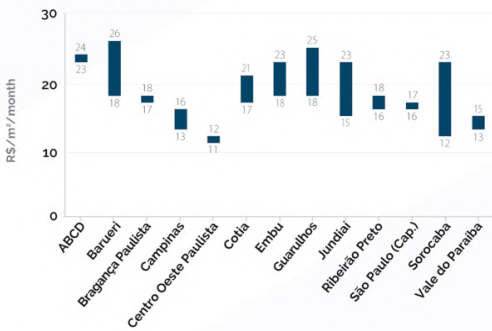


The total stock of gated industrial and logistical condominiums in the state of São Paulo was 13.1 million m² of which 222 thousand m² was new stock. The vacancy rate in the quarter rise slightly to 18.20% which represents 2.4 million m² of vacant space. In turn, construction activity remained at 1.2 million m².

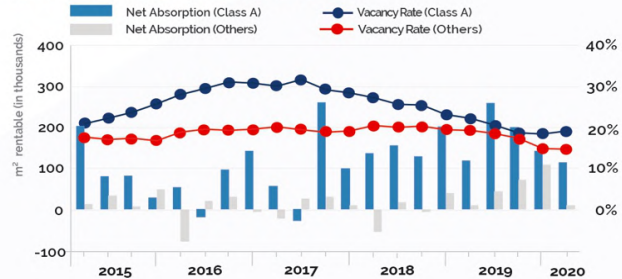
The asking rental prices in the Barueri district ranged between R\$18/m²/month and R\$26/m²/month. In the Campinas district asking prices ranged between R\$13/m²/month and R\$16/m²/month and in the district of Guarulhos between R\$18/m²/month and R\$25/m²/month.

The stock of Class A gated industrial and logistical warehouse condominiums in the state of São Paulo recorded a positive net absorption of 119 thousand m² and a vacancy rate of 19.63%. The stock of Class "Others" recorded a positive net absorption of 14 thousand m² and a vacancy rate of 15.19%.

RANGE OF LEASE ASKING PRICES BY DISTRICT INDUSTRIAL (CLASS A)



NET ABSORPTION AND VACANCY RATE



STATE OF SÃO PAULO

CONSTRUCTION ACTIVITY
255,297 m²

NEW STOCK
0 m²

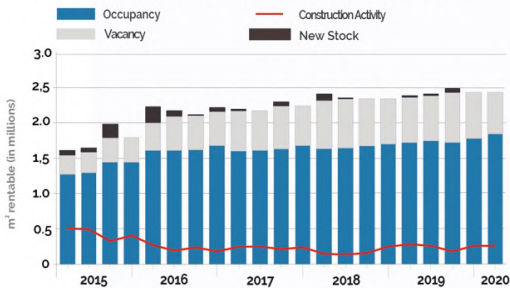
NET ABSORPTION
61,188 m²

GROSS ABSORPTION
64,854 m²

VACANCY RATE
24.18%

AVERAGE ASKING PRICE
R\$ 20.26 / MONTH

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

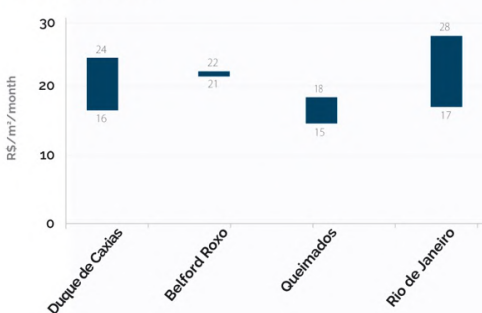


The total stock of gated industrial and logistical condominiums in the state of Rio de Janeiro reached 2.5 million m², there was no delivery of new stock. The vacancy rate in the quarter dropped to 24.18% which represents 593 thousand m² vacancy. In turn, construction activity remained at 255 thousand m².

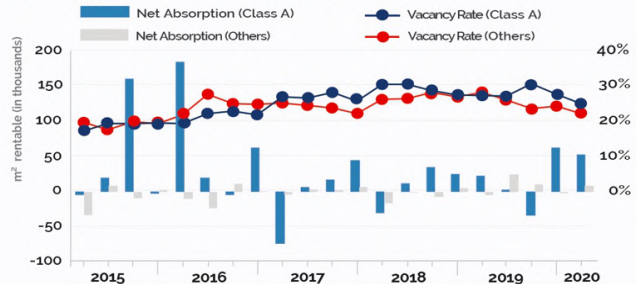
The asking rental prices for Duque de Caxias district ranged between R\$16/m²/month and R\$24/m²/month and for Belford Roxo district asking prices ranged from R\$21/m²/month and R\$22/m²/month. In the district of Queimados asking prices ranged from R\$15/m²/month to R\$18/m²/month, while in the city of Rio de Janeiro they ranged from R\$17/m²/month to R\$28/m²/month.

The stock of gated Class A industrial and logistical condominiums in the state of Rio de Janeiro recorded a positive net absorption of 52 thousand m² and a vacancy rate of 24.67%. Gated industrial and logistical condominiums considered Class "Others" recorded a positive net absorption of 9 thousand m² and a vacancy rate of 21.83%.

RANGE OF LEASE ASKING PRICES BY DISTRICT INDUSTRIAL (CLASS A)

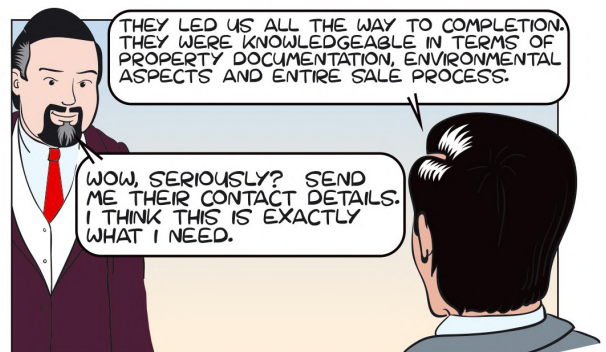
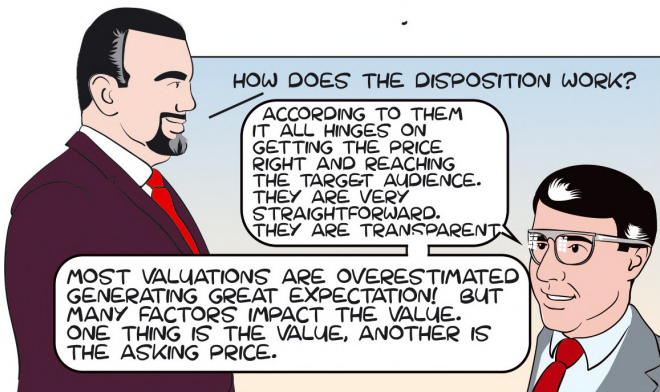
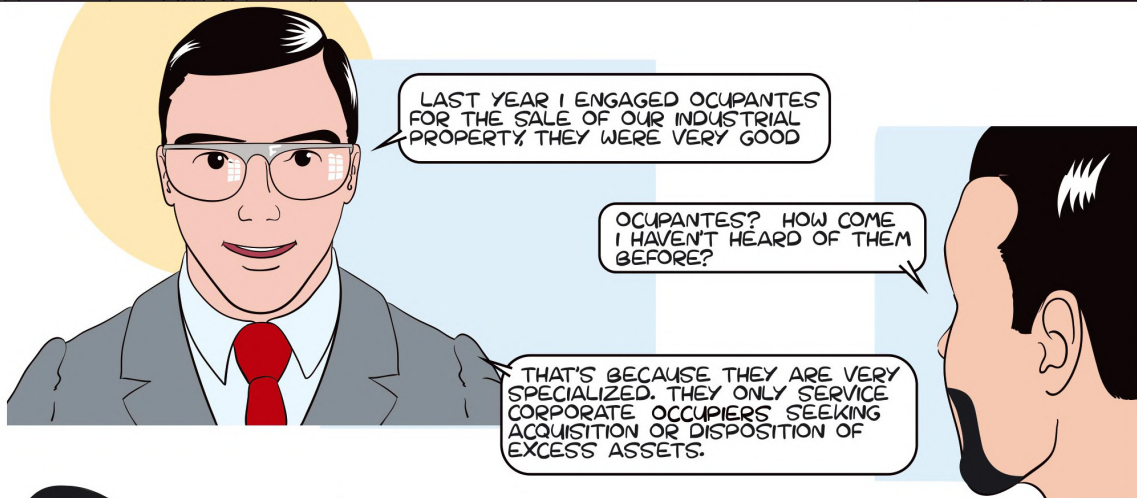
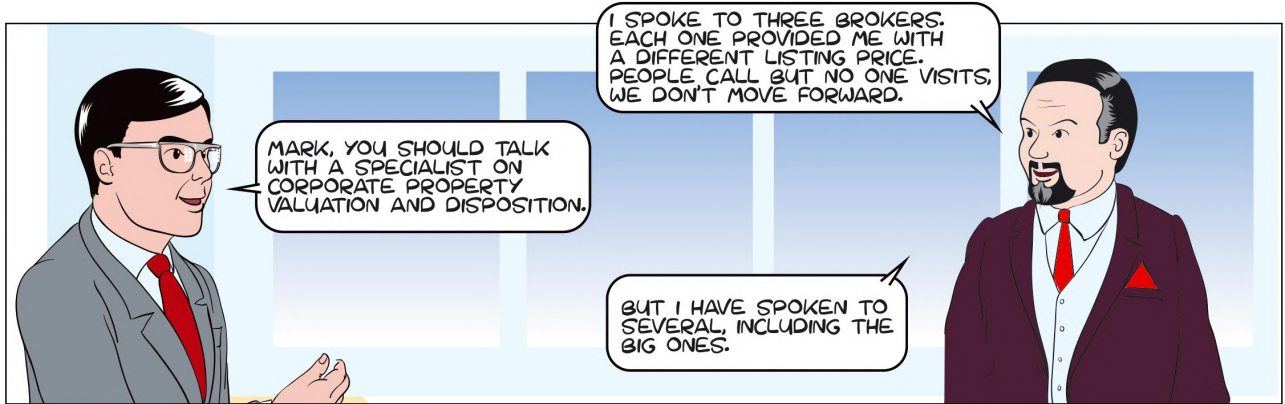
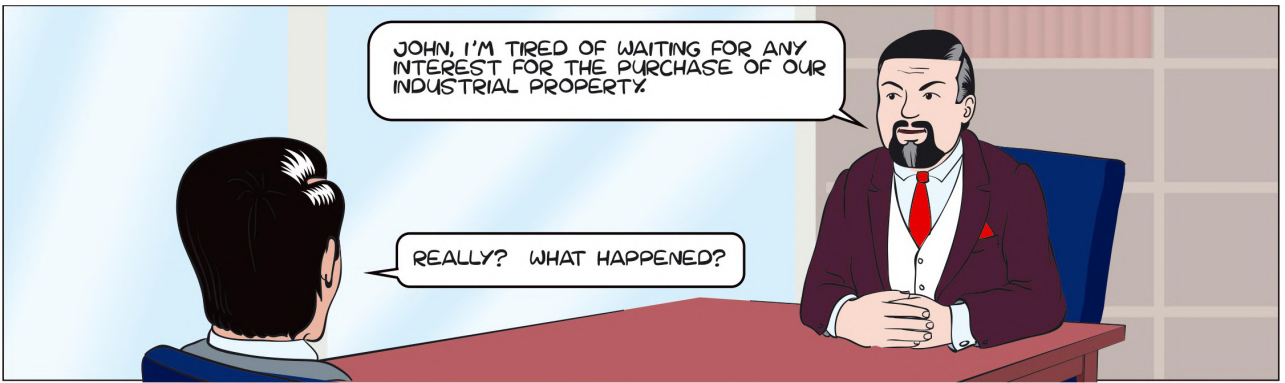


NET ABSORPTION AND VACANCY RATE



STATE OF RIO DE JANEIRO

HOW TO BE SUCCESSFUL WITH PROPERTY DISPOSITION?



Ocupantes' research includes a comprehensive database including actual transaction values in each district or region of São Paulo, Rio de Janeiro and other capitals throughout Brazil. It also includes detailed historical track records of vacancy rates, new stock, absorption and construction activity, all of which provide the necessary knowledge to its consultants and clients in order to forecast future trends and maximise the net benefits of every negotiation.