

MARKET BULLETIN

2ST QTR 2018 · SÃO PAULO | RIO DE JANEIRO

OFFICES

SÃO PAULO

RIO DE JANEIRO



VACANCY
RATES



AVERAGE
ASKING PRICE



VACANCY
RATES



AVERAGE
ASKING PRICE

INDUSTRIAL

STATE OF SÃO PAULO

STATE OF RIO DE JANEIRO



VACANCY
RATES



AVERAGE
ASKING PRICE



VACANCY
RATES



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

www.ocupantes.com

OFFICES



CONSTRUCTION ACTIVITY
466,766 m²



NEW STOCK
94,317 m²



NET ABSORPTION
49,907 m²



GROSS ABSORPTION
266,757 m²



VACANCY RATE
18,50 %

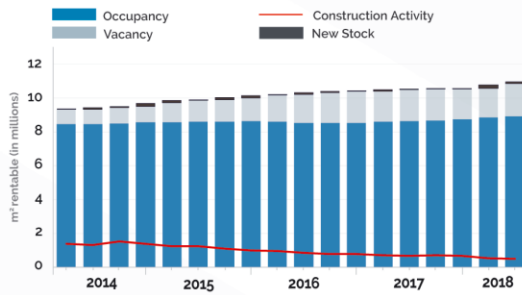


AVERAGE ASKING PRICE
R\$ 66,46

Considering corporate office buildings only (Class A and Others)

SÃO PAULO

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

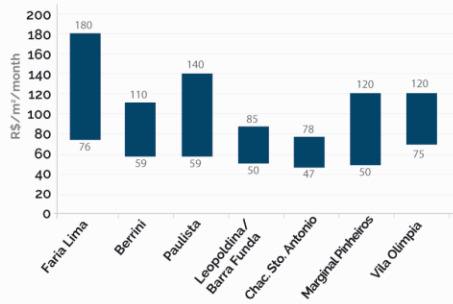


The total stock of office space in the city of São Paulo was 10.85 million m² of which 94 thousand m² was new stock. The vacancy rate in the quarter rose to 18,50% which represents 1.93 million m² of vacant space. In turn, construction activity declined to 466.8 thousand m².

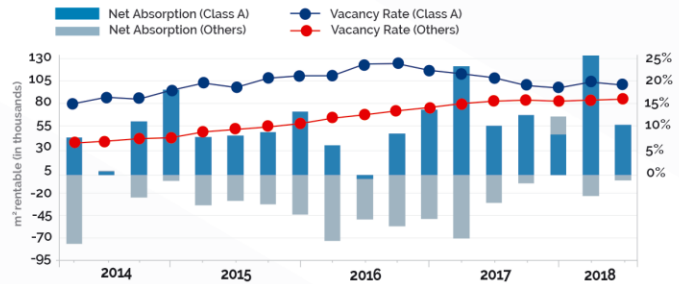
The asking rental prices in the Faria Lima district ranged between R\$76/m²/month and R\$180/m²/month. In the Berrini district they ranged from R\$59/m²/month to R\$110/m²/month, and in the Vila Olímpia district asking prices ranged from R\$75/m²/month to R\$120/m²/month.

The stock of corporate Class A office buildings of the city of São Paulo recorded a positive net absorption of 55,7 thousand m² and a vacancy rate of 19,84%. And the stock of corporate buildings Class "Others" recorded a negative net absorption of 5,8 m² and a vacancy rate of 16,61%.

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



NET ABSORPTION AND VACANCY RATE



CONSTRUCTION ACTIVITY
115,000 m²



NEW STOCK
1,974 m²



NET ABSORPTION
4,260 m²



GROSS ABSORPTION
85,551 m²



VACANCY RATE
28,41 %

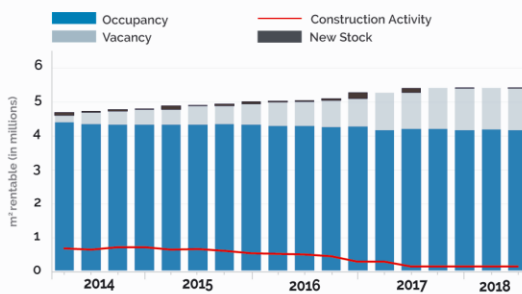


AVERAGE ASKING PRICE
R\$ 72,29

Considering corporate office buildings only (Class A and Others)

RIO DE JANEIRO

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

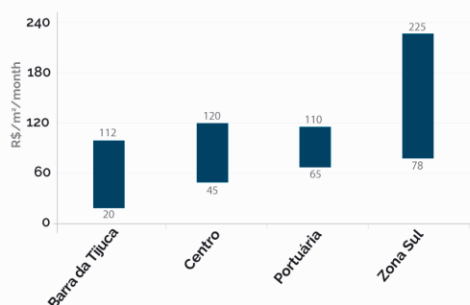


The total office stock in the city of Rio de Janeiro reached 5,3 million m² of which two thousand m² was new stock. The vacancy rate in the period increased to 28,41% which represents 1.2 million m² vacancy. In turn, construction activity increased to 115 thousand m².

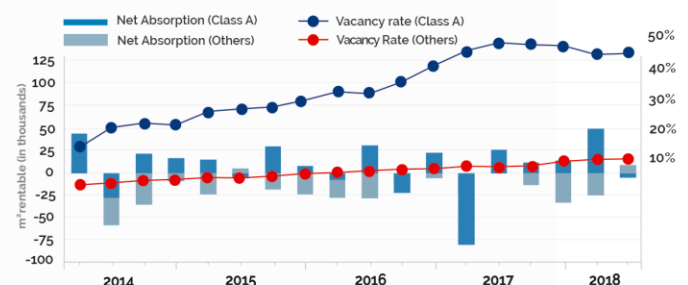
The asking rental prices for Barra da Tijuca district ranged between R\$20/m²/month and R\$112/m²/month. In the Centro district they ranged between R\$45/m²/month and R\$120/m²/month, and in the Portuária district asking prices ranged from R\$65/m²/month and R\$110/m²/month whilst in the Zona Sul district they ranged between R\$78/m²/month and R\$225/m²/month.

The stock of corporate Class A buildings in the city of Rio de Janeiro recorded a negative net absorption of 4.8 thousand m² and a vacancy rate of 45,06%. The stock of corporate buildings Class "Others" recorded a positive net absorption of 9 thousand m² and a vacancy rate of 11,76%.

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 units under 100 m². "Corporate" type buildings have office units greater than or equal to 100 m². Class A: buildings with high technical standards.

INDUSTRIAL

CONSTRUCTION ACTIVITY
614,788 m²

NEW STOCK
31,515 m²

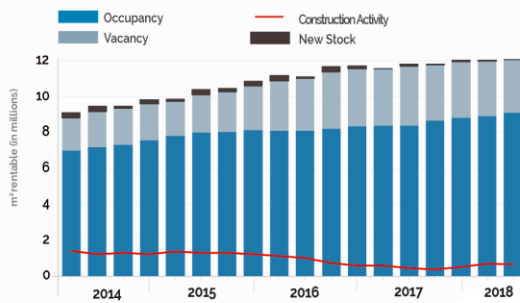
NET ABSORPTION
177,135 m²

GROSS ABSORPTION
334,355 m²

VACANCY RATE
24.36%

AVERAGE ASKING PRICE
R\$ 17.90

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

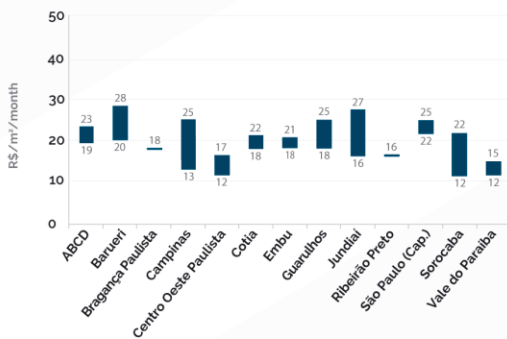


The total stock of gated industrial and logistical condominiums in the state of São Paulo was 12 million m² of which 31,5 thousand m² was new stock. The vacancy rate dropped to 24.36% which represents 2.9 million m² of vacant space. In turn, construction activity increased slightly to 614,8 thousand m².

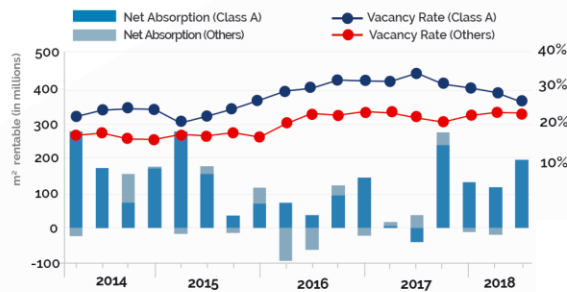
The asking rental prices in the Barueri district ranged between R\$20/m²/month and R\$28/m²/month. In the Campinas district asking prices ranged between R\$13/m²/month and R\$25/m²/month and in the district of Guarulhos between R\$18/m²/month and R\$25/m²/month.

The stock of Class A gated industrial and logistical warehouse condominiums in the state of São Paulo recorded a positive net absorption of 189 thousand m² and a vacancy rate of 25.09%. And the stock of Class "Others" recorded a positive net absorption of 1,9 thousand m² and a vacancy rate of 22,61%.

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



NET ABSORPTION AND VACANCY RATE



STATE OF SÃO PAULO

CONSTRUCTION ACTIVITY
120,733 m²

NEW STOCK
17,655 m²

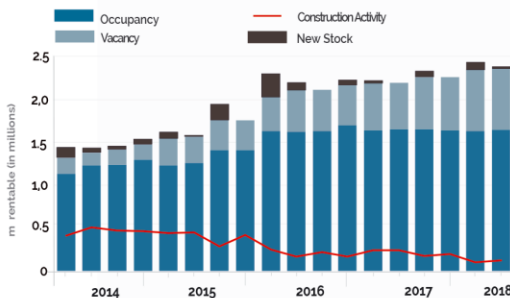
NET ABSORPTION
12,274 m²

GROSS ABSORPTION
19,484 m²

VACANCY RATE
30.40%

AVERAGE ASKING PRICE
R\$ 21.19

OCCUPANCY/VACANCY/CONSTRUCTION ACTIVITY/NEW STOCK

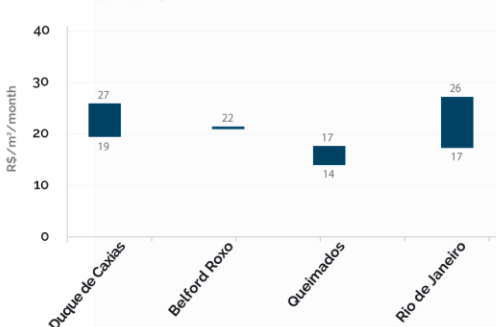


The total stock of gated industrial and logistical condominiums in the state of Rio de Janeiro reached 2.3 million m² of which 17,7 thousand m² was new stock. The vacancy rate in the quarter remained at 30.40% which represents 717 thousand m² vacancy. In turn, construction activity increased to 121 thousand m².

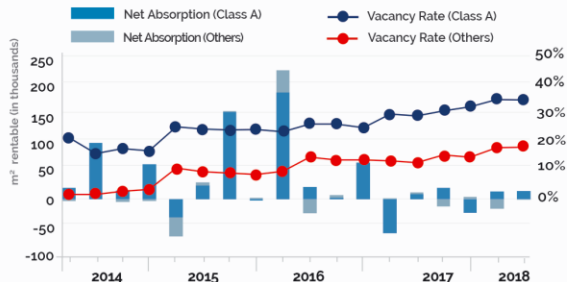
The asking rental prices for Duque de Caxias district ranged between R\$19/m²/month and R\$27/m²/month and for Belford Roxo district it was R\$22/m²/month. In the district of Queimados asking prices ranged from R\$14/m²/month to R\$17/m²/month, while in the city of Rio de Janeiro they ranged from R\$17/m²/month to R\$26/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 13,5 m² and a vacancy rate of 33.86%. And gated industrial and logistical condominiums considered Class "Others" recorded a negative net absorption of 1,2 thousand m² and a vacancy rate of 17.76%.

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



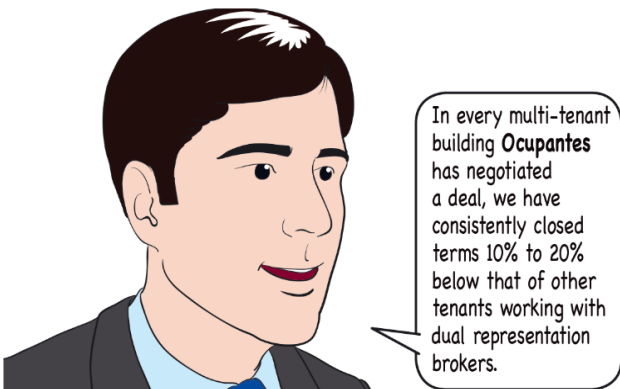
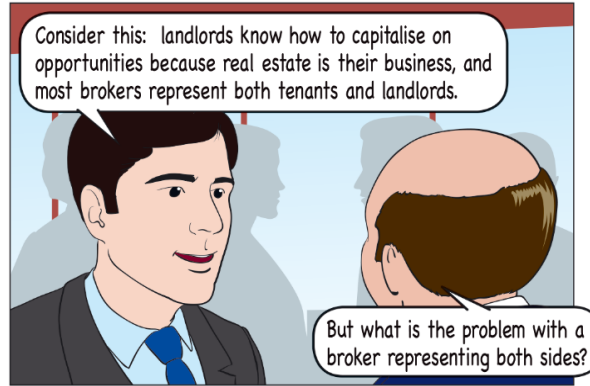
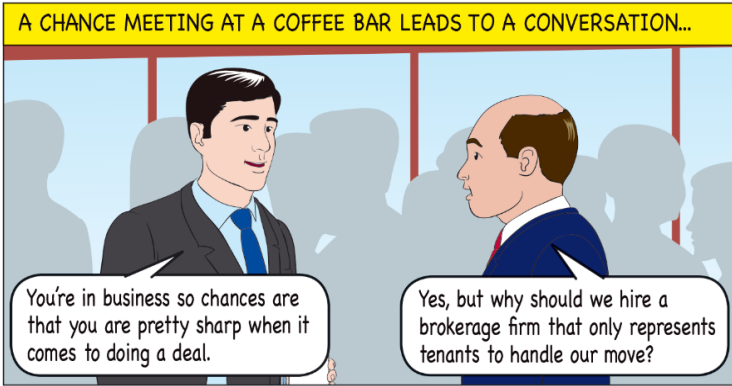
NET ABSORPTION AND VACANCY RATE



STATE OF RIO DE JANEIRO

WHY HIRE A BROKERAGE FIRM THAT ONLY REPRESENTS TENANTS?

A CHANCE MEETING AT A COFFEE BAR LEADS TO A CONVERSATION...



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.