MARKETBEAT
RIO DE JANEIRO
Office Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Mo Forecast
28.42% Vacancy Rate	▼	▼
-41 Net Absorption (sq.m)	▼	▲
BRL 78.84 Asking Rent (BRL sq.m)	▲	▲

(Class A and A+)

ECONOMIC INDICATORS

	YOY Chg	12-Mo Forecast
1.4% 2025Q1 GDP - Quarterly Variation	▲	▼
7.0% Unemployment Rate (2025Q1)	▼	▬
5.3% CPI Inflation May/25 (12 months)	▲	▼

Source: LCA

ECONOMIC SCENARIO

In the first quarter of 2025, GDP grew by 1.4%, totaling BRL 3.0 trillion. The IPCA (Broad National Consumer Price Index) accumulated a 12-month increase of 5.32% through May, remaining above the upper limit of the target. The labor market remains strong, with the unemployment rate at 6.2% in the quarter ending in May, according to IBGE. The benchmark interest rate (Selic) is at 15.00%, after a 0.25 p.p. increase at the last Copom meeting in June. In the U.S., monetary policy remains tight, with the benchmark rate held between 4.25% and 4.50% at the last FOMC meeting in June.

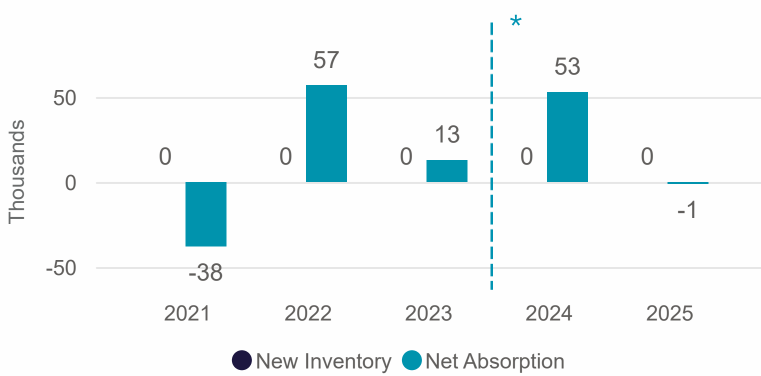
DEMAND

The second quarter of 2025 closed with a vacancy rate of 28.42% in Class A and A+ office buildings in Rio de Janeiro's CBD. Compared to the same period in 2024, market performance was weaker, with a net absorption of just 41 sq.m in the quarter. Barra da Tijuca (749 sq.m) and Centro (11 sq.m) recorded positive net absorption, leading to marginal decreases in vacancy rates of 0.4 p.p. and 0.01 p.p., respectively. Cidade Nova (-801 sq.m) continued to show the highest vacancy in the city, posting negative net absorption for the second consecutive quarter, which led to a 0.5 p.p. increase in its vacancy rate in relation to the end of the last year. Other regions did not register significant movements.

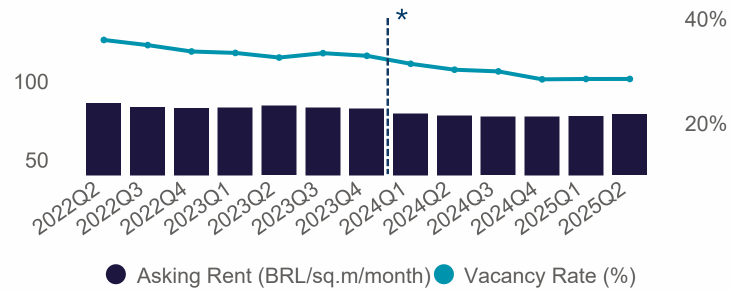
PRICING

In the second quarter of 2025, the average asking price for Class A and A+ office space in Rio de Janeiro was BRL 78.84/sq.m — a sharp 1.3% drop compared to the previous quarter, reflecting the low transaction volume. With modest appreciation, Centro (2.93%), Orla (1.74%), and Barra da Tijuca (0.24%) were the best-performing regions. Cidade Nova (-0.20%) was the only area to show a decline in asking prices. Zona Sul remains the most expensive region, with an average asking price of BRL 160.00/sq.m, followed by Orla (BRL 90.44/sq.m) and Porto (BRL 88.13/sq.m), both above the city average.

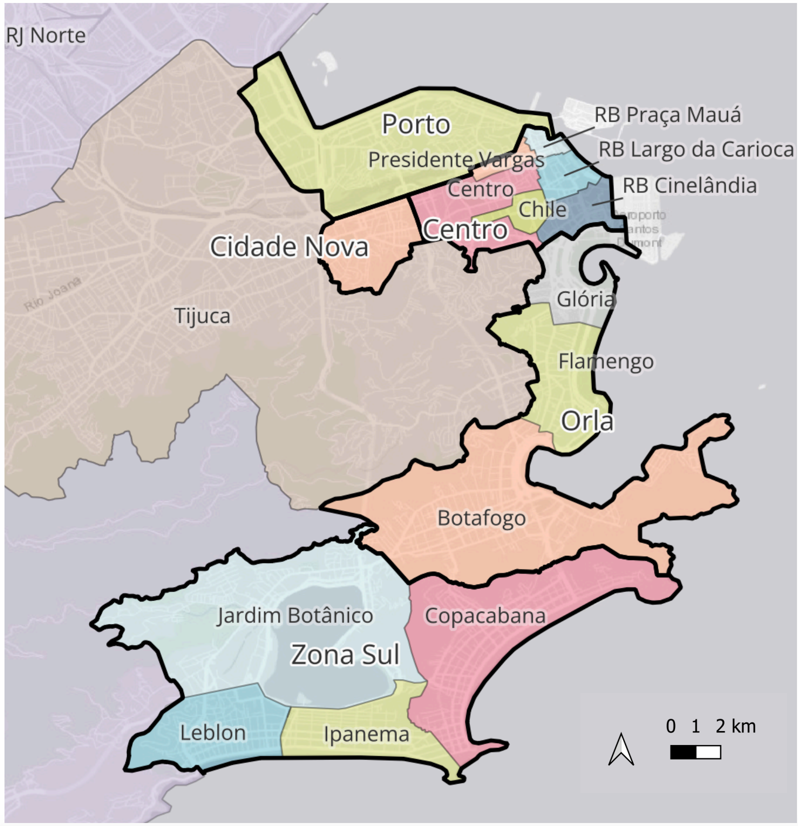
SPACE DEMAND / DELIVERIES - CBD A

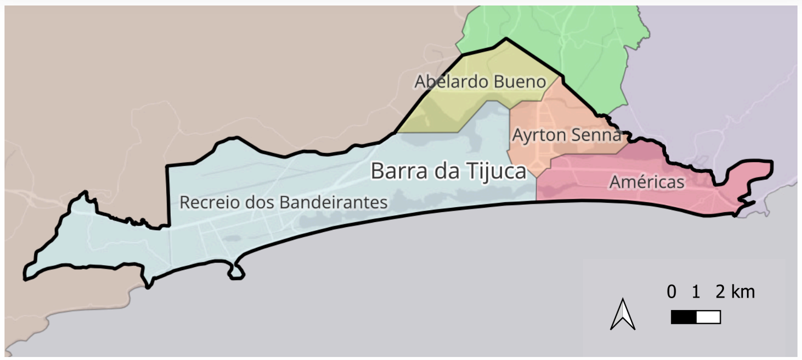


ASKING RENT / VACANCY - CBD A



*New methodology

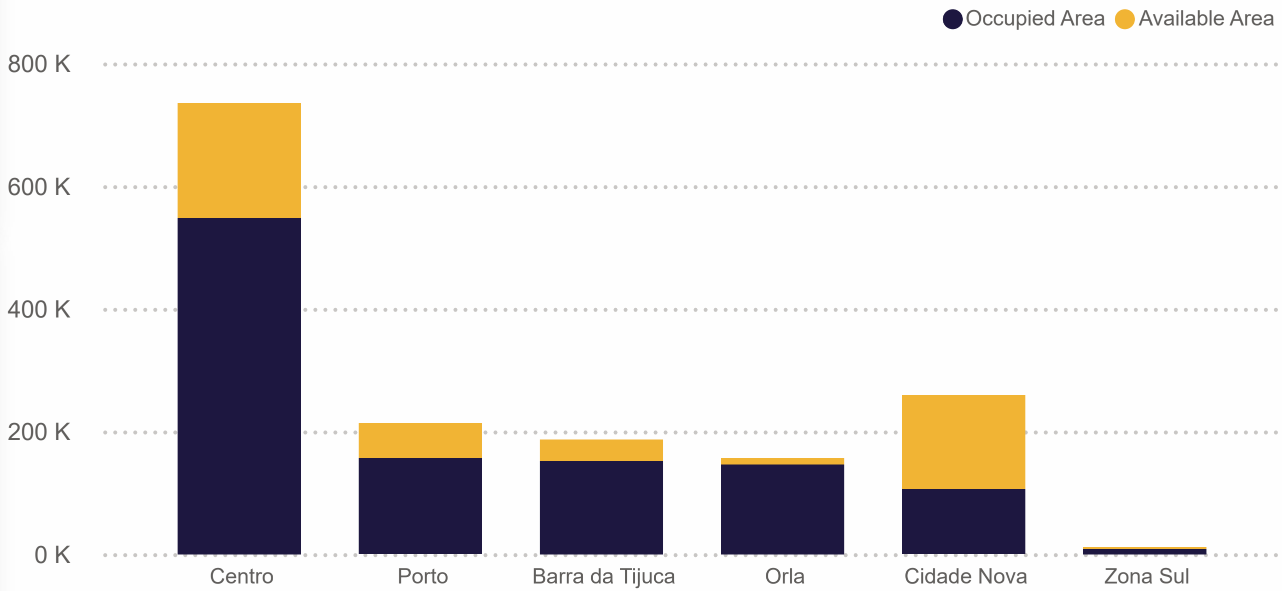




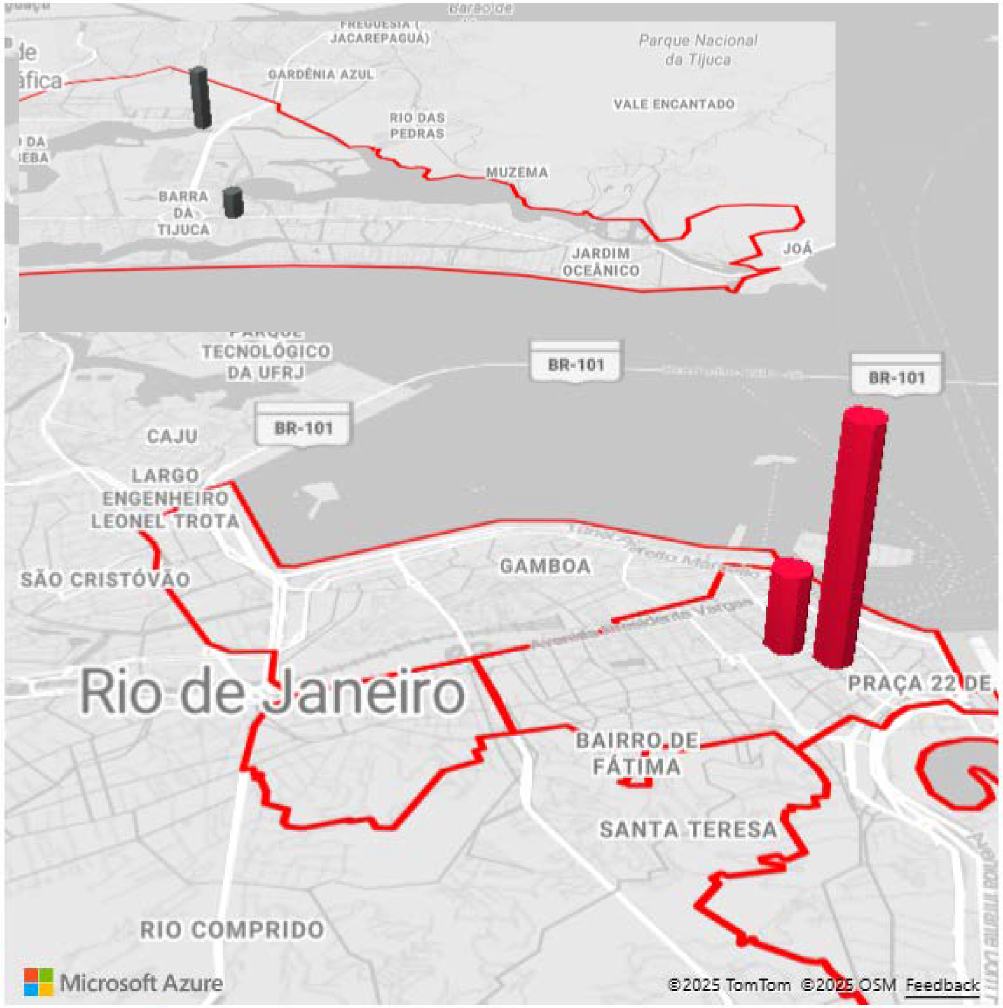
MARKET OVERVIEW

Since 2018, Rio de Janeiro's Class A and A+ office market has seen a shortage of new developments, resulting in limited fluctuations in vacancy rates, typically driven by new leases or tenant departures. In Q2 2025, the available inventory of 444,166 sq.m underwent little variation compared to the end of 2024, as there was an abrupt reduction in net absorption levels when compared to the quarters of the previous year, all of which were positive.

Porto, Orla, and Zona Sul did not register significant movements. Barra da Tijuca once again stood out as the top-performing region, with a 0.4 p.p. drop in vacancy, and the highest net absorption of the period, albeit low. Centro showed almost zero net absorption, as it registered departures that offset the positive leased areas in the final calculation. On the other hand, Cidade Nova recorded a lower negative net absorption than the previous quarter, with a 0.31 p.p. increase in its vacancy.



TRANSACTIONS - 2025Q2

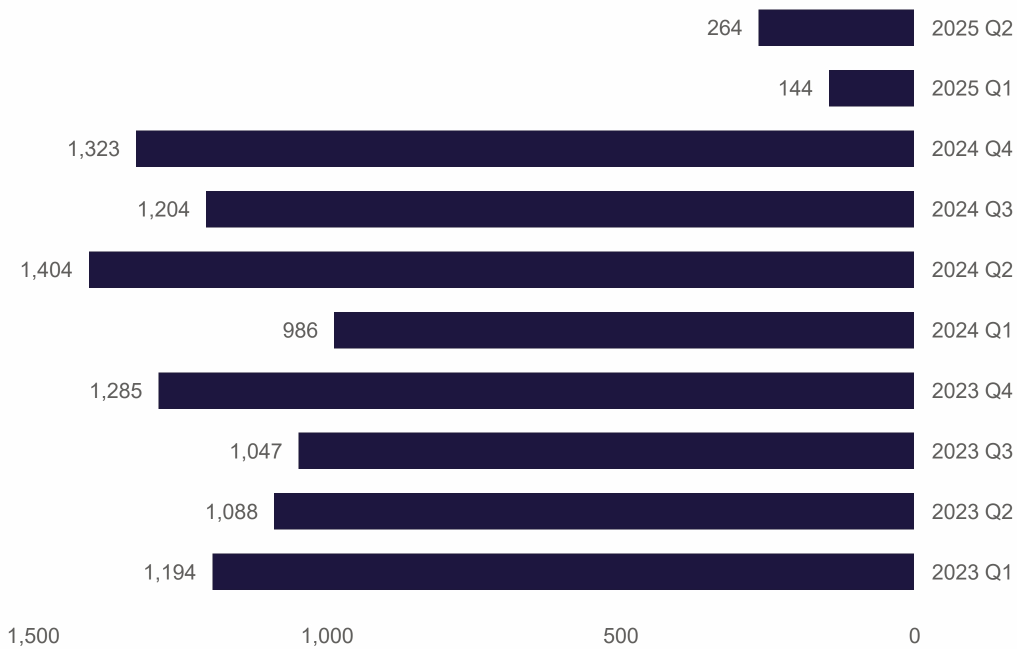


Major Market ● Centro ● Barra da Tijuca

MAIN LEASED SEGMENTS - 2025Q2

In this quarter, Rio de Janeiro's CBD recorded 5,013 sq.m in total lease activity. Centro led the quarter with 3,739 sq.m leased, followed by Barra da Tijuca with 1,274 sq.m. The period also saw leases and departures in the legal services and financial sector, with activity primarily concentrated in the Centro region.

AVERAGE OF LEASED AREA (SQ.M)



MARKET STATISTICS Q2 2025

SUBMARKET	NUMBER OF BUILDINGS	INVENTORY (SQ.M)	AVAILABLE AREA (SQ.M)	VACANCY RATE (%)	CURRENT QTR NET ABSORPTION (SQ.M)	CURRENT QTR GROSS ABSORPTION (SQ.M)	UNDER CONSTRUCTION (SQ.M)	AVG ASKING RENT (BRL/MONTH)
Centro	31	735,272	187,347	25.48%	11	3,739	0	83.60
Cidade Nova	7	259,620	152,909	58.90%	-801	0	0	71.06
Orla	10	156,756	10,514	6.71%	0	0	0	90.04
Zona Sul	1	10,938	2,529	23.12%	0	0	0	160.00
Porto	8	213,799	56,595	26.47%	0	0	0	88.13
Barra da Tijuca	21	186,363	34,272	18.39%	749	1,274	0	62.11
Total CBD A	78	1,562,748	444,166	28.42%	-41	5,013	0	78.84

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	AREA (SQ.M)
Torre Almirante	Centro	EDF Renewables	2,493
Rio Office Park - Bloco 4	Barra da Tijuca	Undisclosed	917
City Tower - Citibank	Centro	VMB Invest	548
Mário Henrique Simonsen - Bloco 7	Barra da Tijuca	Undisclosed	357
City Tower - Citibank	Centro	FKI Advogados	295

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