LATIN TRADE

WORLD TRADE CENTERS ASSOCIATION

WTCA

PRIME OFFICE INDEX LATAM JUNE 2025

PHOTO WTC GOIANIA, BRAZIL.

WTCA INDEX-LATAM 10TH EDITION

With this 10th edition of the **WTCA PRIME OFFICE INDEX LATAM**, we mark an important moment in a dynamic and growing collaboration. What began as a shared initiative to measure and showcase prime commercial real estate across Latin America has grown into a trusted reference point—one that reflects the depth, momentum, and ambition of our presence in the region.

Today, we celebrate another milestone: the establishment of 55 licensed World Trade Centers across Latin America. This growing footprint tells a powerful story—not just of buildings and developments, but of identity, purpose, and enduring value and branding.

In real estate, branding is often underestimated. But in a competitive, globalized world, branding is what differentiates one project from the next. It shapes perception, builds trust, and signals long-term vision. A strong brand connects the physical space with a community, with services, with a mission. It adds meaning—and in doing so, it adds value.

The World Trade Center brand is a world-renowned brand. It is a global network, a symbol of neutrality, and a promise to support international trade and business. Across Latin America, our WTC-branded developments are not just commercial addresses—they are recognized platforms for connection. They bring together investors, entrepreneurs, institutions, and governments around a shared agenda of growth and global engagement.

This value proposition is even more critical today. As the region adapts to shifting trade flows, reindustrialization, and new patterns of investment, branded real estate offers something unique: a sense of belonging to a trusted international ecosystem. It reassures stakeholders. It opens doors. It signals a commitment to standards, to partnership, and to purpose.

Throughout Latin America, World Trade Center facilities serve as anchors in their local economies while remaining globally connected. Some are part of major infrastructure corridors or smart cities; others are embedded in revitalized downtowns or innovation districts. What unites them is the power of the brand—delivering both physical excellence and global credibility.

This 10th edition of the Index is a celebration of that vision. It reflects not only the quality of real estate in the region but also the quality of purpose behind it. Our collaboration with Latin Trade continues to bring visibility to projects and partners that embody the best of what Latin America has to offer.

As we look ahead, the opportunity is clear: to continue building branded, mission-driven real estate that transcends bricks and mortar. To create ecosystems where trade thrives. And to ensure that every new World Trade Center launched is a gateway—not just to business, but to the world.

Robin van Puyenbroeck
Executive Director, Business Development, WTCA

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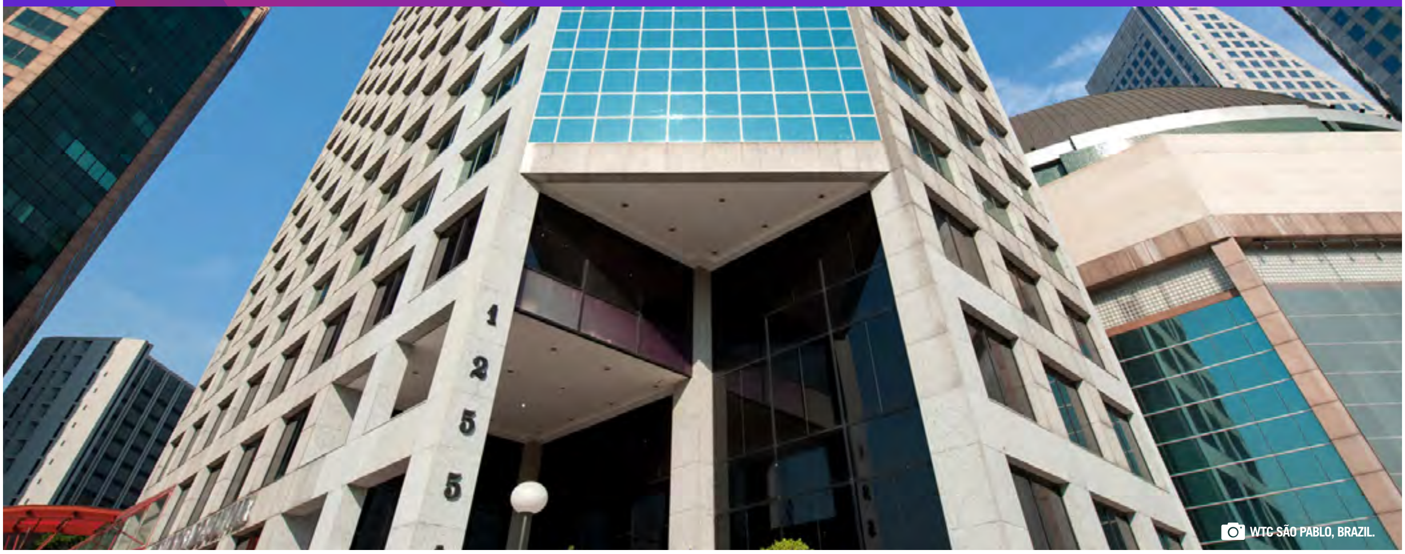
WTCA PRIME OFFICE INDEX-LATAM JUNE 2025



WTC SÃO PABLO, BRAZIL.

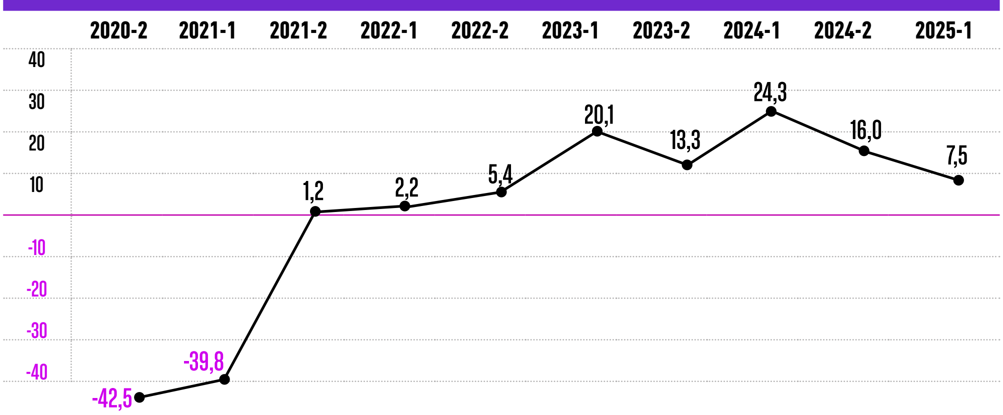
The WTCA PRIME OFFICE INDEX – LATAM, a leading indicator of the Class A office market in Latin America, reached 7.5 points in June 2025. While this marks the eighth consecutive semester in positive territory, the index has been slowing down since peaking at a historic high of 24.3 points in June 2024. The deceleration suggests either a reversal of the post-pandemic boom or an entry into a phase of stabilization.

The index keeps a high correlation with the performance of the region's GDP growth. In this context, the **WTCA PRIME OFFICE INDEX -LATAM** boomed since mid-2021, in tandem with Latin America's post-pandemic economic rebound. By the same token, the index has been growing at lower rates, as the region's economy performs more moderately.

That said, there are other factors with significant impact over the index's performance, including the political environment, regulatory changes, office space absorption rates, and return-to-office policies.

Some preliminary conclusions can be drawn from the above, as well as from the revision of secondary sources and the empirical evidence collected during the index's construction. For one, there appears to be a potential oversupply of Class A office space in some of the more than 20 cities including in this report. In some others, net absorption remains positive, driven by renewed demand, probably related to adjustments to return-to-office policies. Last, but not least, although the region's GDP growth has lost momentum, a mild recovery this year has been supporting real estate activity in many urban centers.

WTCA PRIME OFFICE INDEX- LATAM HISTORIC TREND



SOURCE: WTCA. CALCULATIONS AND GRAPH: LATIN TRADE.

HIGHLIGTHS

- THE WTCA PRIME OFFICE INDEX-LATAM CONTINUED LOSING PACE IN JUNE 2025, BUT REMAINED POSITIVE
- THE PERFORMANCE OWES TO A DETERIORATION IN EXPECTATIONS FOR THE REMAINDER OF 2025
- SALES ARE EXPECTED TO OVERPERFORM LEASES

THE WTCA PRIME OFFICE INDEX - LATAM fluctuates between –100 and 100, reflecting negative or positive perceptions regarding past performance and expectations for the Class A office market in Latin America. · The June 2025 edition of the index surveyed experts in 21 cities across the region, including: Buenos Aires (Argentina); Cochabamba, La Paz, and Santa Cruz de la Sierra (Bolivia); Curitiba, Ribeirão Preto, and São Paulo (Brazil); Santiago de Chile (Chile); Bogotá and Medellín (Colombia); San Salvador (El Salvador); Quito (Ecuador); Mexico City, Mazatlán, Monterrey, and Nuevo Laredo (Mexico); Lima (Peru); Panama City (Panama); Asunción (Paraguay); Santo Domingo (Dominican Republic); and Montevideo (Uruguay).

THE WTCA PRIME OFFICE INDEX – LATAM has two primary components—market performance and market expectations. For the January–June 2025 period, the market performed with relative stability, but expectations drop sharply amongst the experts participating in this report.

In fact, the "Market Performance Subindex" reached 9.7 points in June 2025, showing little change from the previous semester. Meanwhile, the "Expectations Subindex" fell to 5.4 points, its lowest in three years, suggesting that the market boom is over.

Interestingly, the performance of the indicators that compose each subindex is substantially divergent. For example, when it comes to performance, office sales rebounded in the first half of 2025, following a decline in the previous semester, whereas leases lost momentum.

As regards to expectations, the index suggests that leases will continue to lose pace, but at a potentially faster rate in the remainder of 2025, whereas sales will decelerate at a slower pace. However, both expectations for sales and leases remain overall positive.

SOURCE: WTCA. CALCULATIONS AND GRAPH: LATIN TRADE.

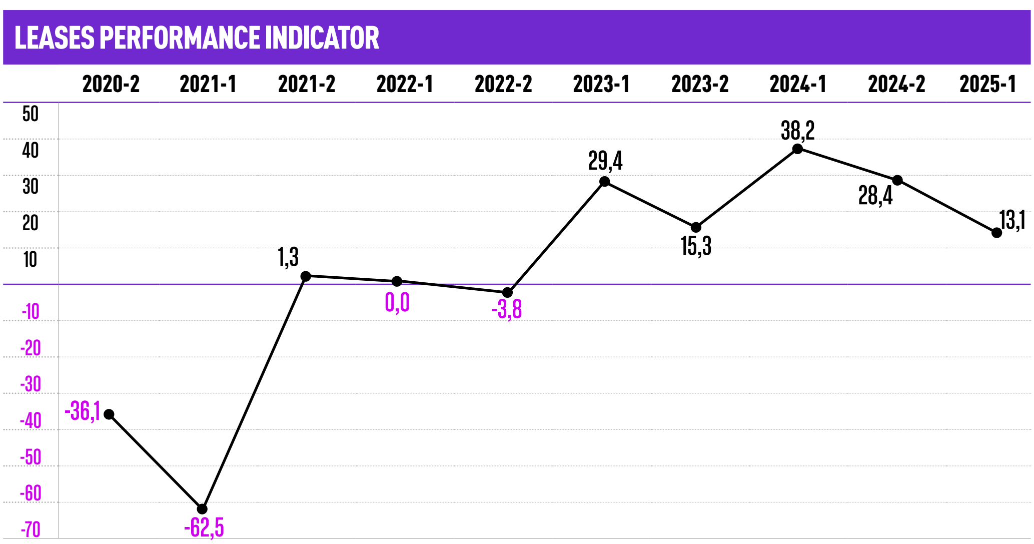
PERIOD	2020-2	2021-1	2021-2	2022-1	2022-2	2023-1	2023-2	2024-1	2024-2	2025-1
SUBINDEX PERFORMANCE (last semester)	-53,2	-60,4	-11,2	0,8	-0,2	17,6	7,6	22,6	10,6	9,7
SUBINDEX EXPECTATIONS (for the next semester)	-31,7	-19,1	13,6	3,5	11	22,5	18,9	26,1	21,4	5,4
WTCA PRIME OFFICE INDEX - LATAM	**-42.5**	**-39.8**	**1,2**	**2,2**	**5,4**	**20,1**	**13,3**	**24,3**	**16.0**	**7.5**

LEASES: A MARKED SLOWDOWN

The indicator that measures the market's perceptions about leases' performance continued cooling off in the first half of 2025. The indicator went to 13.1 points, down from 28.4 in July-December 2024. This is explained by the deterioration of the four variables that compose the indicator: local economic conditions, vacancy rate, time to close a lease, and, to lesser extent, rental prices.

The latter remained relatively stable. The median for rent prices stood in the range of US$12 to US$18 per square meter (about US$1.1 to US$1.7 in square feet terms) in January-June. This was the most dominant range during the previous semester.

SHERATON SÃO PABLO WTC HOTEL, BRAZIL.



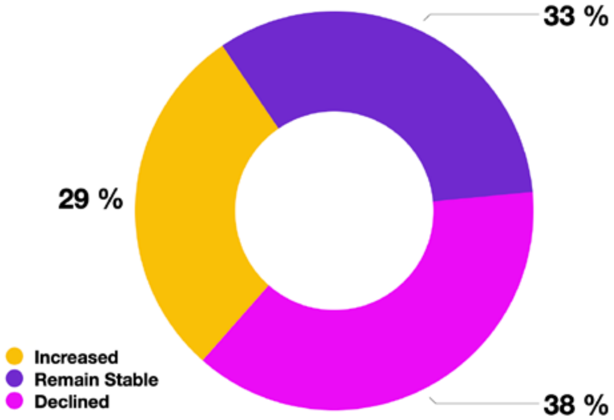
SOURCE: WTCA. CALCULATIONS AND GRAPH: LATIN TRADE.

HIGHLIGHTS

- THERE WAS A RELATIVE ADJUSTMENT IN THE OFFICE RENTAL MARKET IN 1H2025
- LOCAL ECONOMIC CONDITIONS ARE LESS FAVORABLE, WHEREAS THE VACANCY RATE AND THE TIME TO CLOSE A LEASE HAVE INCREASED
- RENTS REMAINED RELATIVELY STABLE

As discussed before, the vacancy rate had a negative impact on leases during the first half of the year. The number of cities reporting vacancy rate increases double-folded compared to activity in the last semester of 2024. At the same time, the number of cities reporting lower vacancy rates declined over the period. Key to add that although the balance of favorable vs unfavorable replies on vacancy was positive in January-June, the balance was even higher in the previous semester. This relative fall explains the deterioration in the Performance Subindex.

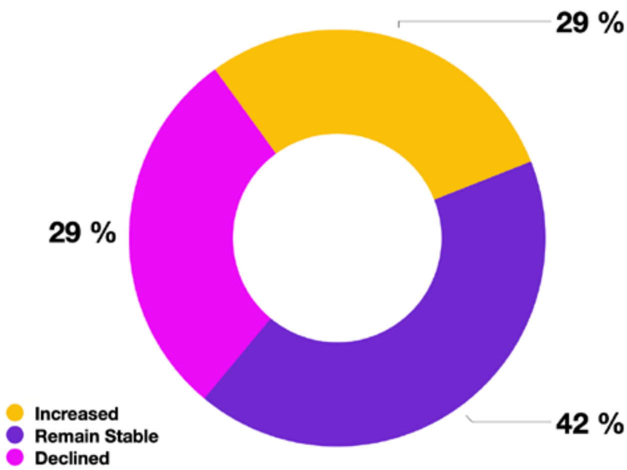
ON AVERAGE, **THE VANCANCY RATE**



The median vacancy rate (the most common value) held steady between 10–15% in January-June, without major changes from the previous six months. However, the proportion of cities reporting vacancy rates above 15% increased significantly over the period.

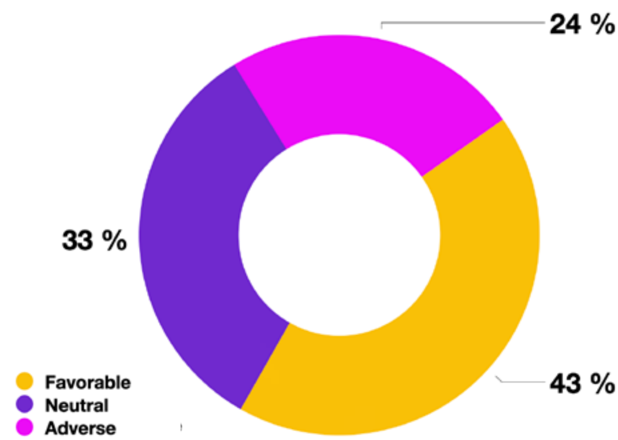
The time to close a lease was yet another factor negatively impacting office rents in the first half of the year. While the share of respondents noting stability in leasing times was 55% in July-December 2024, this share went to 42% in January-June. Moreover, the share of cities reporting higher waiting times to complete a lease rose by 11 percentage points, to 29%.

THE TIME REQUIRED TO **LEASE** AN OFFICE



Economic conditions were generally favorable for office leases performance throughout the Latin American region. However, the overall index calculation was affected by an increase of cities reporting deteriorating conditions. This was the case of Cochabamba, La Paz, Santa Cruz (Bolivia), Quito (Ecuador), and Mazatlán (Mexico).

THE ECONOMIC SITUATION FOR **LEASES OF CLASS A OFFICE SPACE** IN YOUR CITY WAS:

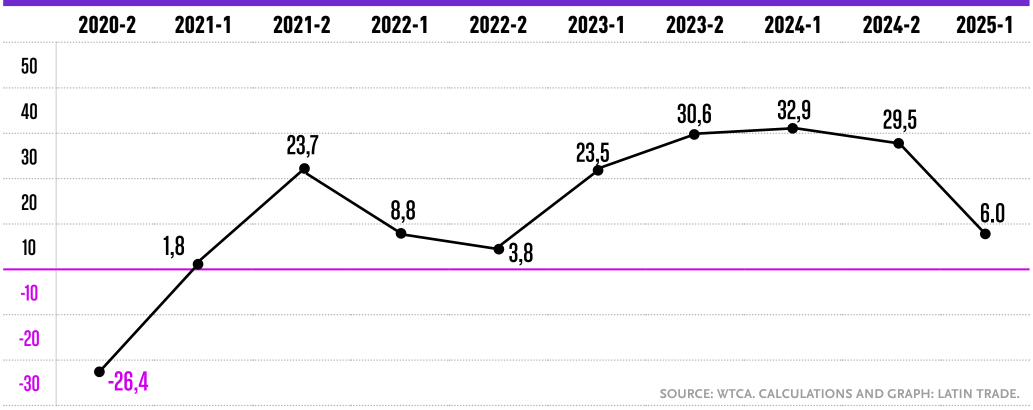


Experts surveyed in Mazatlan (Mexico) indicated that the Class A office market showed weaker signals during the first half of the year due to lower demand and higher supply, leading to falling absorption rates, although rental prices increased somewhat. Other cities were oversupply and lower absorption rates were perceived in the period include Santo Domingo (Dominican Republic) and Mexico City (Mexico). In contrast, confirming a trend seen over the past few semesters, Buenos Aires (Argentina) was one of the cities experiencing a fast-growing office rental market. Montevideo (Uruguay) and Sao Paulo (Brazil) showed positive performance too.

LEASING EXPECTATIONS WEAKENING FOR 2H2025

The leasing expectations indicator of the **WTCA PRIME OFFICE INDEX – LATAM** remained positive, but fell to 6.0 points, the lowest since mid-2022, signaling a potential market moderation or at least stability during the remainder of 2025.

LEASING EXPECTATIONS INDICATOR



HIGHLIGHTS

- SIGNIFICANT DROP IN RENTAL EXPECTATIONS FOR THE SECOND HALF OF 2025
- HOWEVER, THE INDICATOR REMAINS IN POSITIVE TERRITORY
- UNFAVORABLE CHANGES ARE ANTICIPATED IN CLOSING TIMES AND VACANCY RATES, AMID STABLE RENTS

In order of importance, leasing expectations for the rest of 2025 are affected by a relatively negative sentiment over the evolution of the vacancy rate and the time that will take to complete a rental.

Regarding the time to close a lease contract, the share of cities that expect increases almost doubled compared with the prior survey (December 2024). At the same time, the share of cities that expect a reduction in said times declined by more than two thirds. Because of how the WTCA PRIME OFFICE INDEX – LATAM is calculated, the balance between favorable (reductions) and unfavorable (increases) was negative.

Notwithstanding, it is key to mention that the majority of experts interviewed for the report expect stability in the times required to complete a rental deal. In fact, the share of responses expecting stability went to 58% in December 2024 to 62% in June 2025.

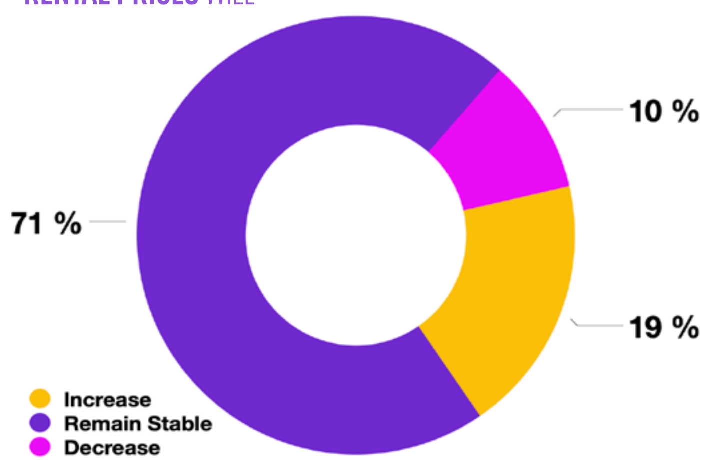
Meanwhile, the median (more frequent value) of the time to lease an office was 3 to 6 months in June 2025, basically unchanged from the previous semester. However, more cities now anticipate leasing delays beyond six months—the share increased by 10 percentage points over the period.

These trends are consistent with evidence pointed out by participants in the study regarding oversupply and weak demand in some cities. The expected performance of the vacancy rate (the share of unoccupied office space over total available space) reinforces this view. The median (more common value) of the expected vacancy rate for the second half of 2052 is 10-15%, but the share of cities forecasting rates above 15% doubled.

That said, it is important underscore that the share of respondents expecting stability in the vacancy rate increased from 45% to 57%. Again, because of the methodology to calculate the index, the overall expectations indicator is hit by the negative balance between favorable and unfavorable responses on the subject matter, but theW majority of those surveyed predict stability overall.

Two more key findings on expectations for the second half of 2025. For one, economic conditions will continue to be favorable on average. Secondly, market players forecast great rental prices stability. In fact, 71% of respondents expect rental prices to remain stable, a noticeable rise from 55% six months ago.

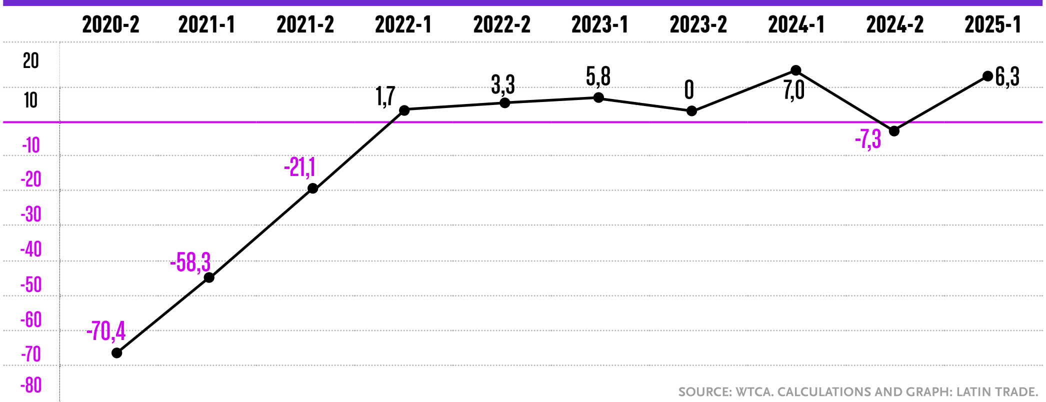
RENTAL PRICES WILL



SALES RECOVERED AFTER A DOWNTURN

After contracting in the second half of 2024, the WTCA indicator for perceptions on sales performance for Class A office spaces rebounded in the first half of 2025.The indicator reached 6.3 points—the second-highest since the **WTCA PRIME OFFICE INDEX – LATAM** inception.

SALES PERFORMANCE INDICATOR



SOURCE: WTCA. CALCULATIONS AND GRAPH: LATIN TRADE.

HIGHLITHS

- MARKET PLAYERS PERCEIVED A RECOVERY IN 1H2025 AFTER A DECLINE IN THE PREVIOUS SEMESTER
- SALE PRICES INCREASED
- THE TIME TO CLOSE A SALE DECREASED

This reflects favorable behavior in all variables composing the indicator: sales prices, time to clos a sale, and local economic conditions. The most important characteristic of the sales market in the January-June period, compared to the previous semester, was the increase in the number of cities that reported higher sales prices, while, at the same time, there was a substantial decline in the number of cities perceiving price reductions.

According to the participants in the survey, sales prices for Class A office space increased in big markets such as Buenos Aires Buenos (Argentina) and Sao Paulo (Brazil), but also in intermediate ones like Panama City (Panamá). Only two markets—Bogotá (Colombia) and Mexico City (México) experienced lower prices, both explained by a somewhat unfavorable economic and political environment.

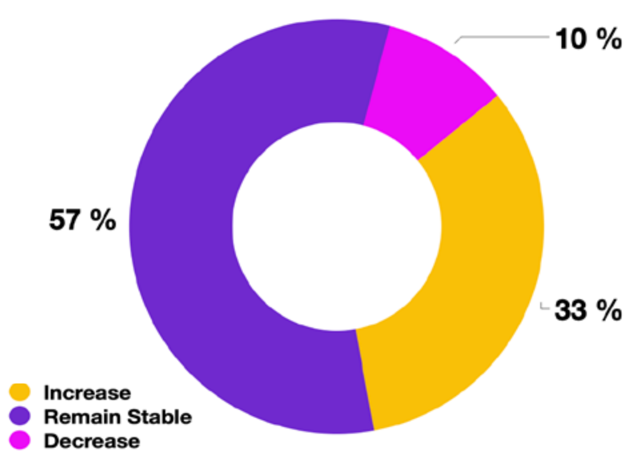
RENDER DEL PROYECTO WTC NUEVO LAREDO, MEXICO.

As usual, it is key to notice that the share of respondents perceiving stability in sale prices was high and rose to 57%, seven points more than the previous semester.

Another important factor weighing on sales performance during the first half of this year was the time it took to close a sale. Compared to the previous semester, more cities reported decreases and fewer experienced increases in sales times. On average, according to the WTCA Index, the mediant sales time ranged between three and six months.

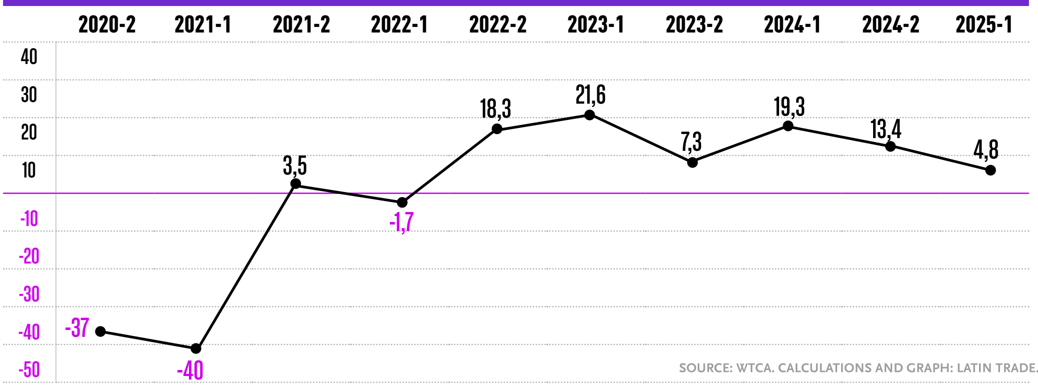
On the other hand, the economic situation was favorable for 38% of respondents, a figure higher than the 33% who reported adverse conditions and the 29% who considered economic factors to be neutral.

THE SALE PRICES WILL



SALES EXPECTATIONS DECLINE, BUT REMAN POSITIVE

SALES EXPECTATIONS INDICATOR



SOURCE: WTCA. CALCULATIONS AND GRAPH: LATIN TRADE.

HIGHLIGTHS

- SALES EXPECTATIONS ARE DECLINING BUT REMAIN POSITIVE
- AN INCREASE IN THE TIME TO COMPLETE A SALE IS ANTICIPATED
- PRICES ARE EXPECTED TO CONTINUE RISING IN MOST MARKETS

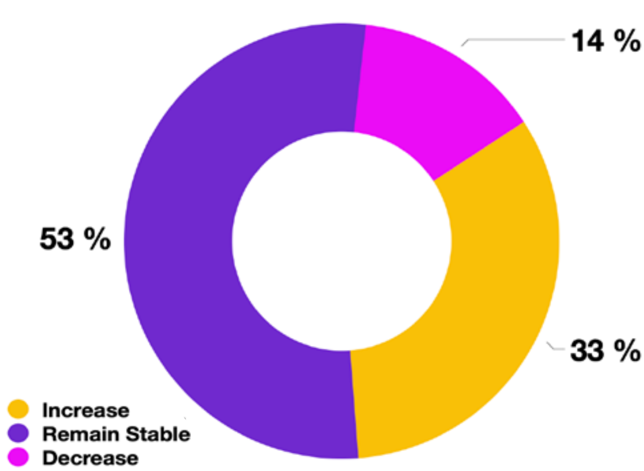
The sales expectations indicator for the Class A office segment during the second half of 2025 dropped to 4.8, its lowest level in three years, suggesting that sales will experience a less favorable cycle or, at the very least, remain stable for the remainder of 2025.

The relative deterioration in the indicator, which had reached a historical high of 21.6 in June 2023, chiefly responds to the perception that the time to complete a sale will increase.

It is worth remembering that the WTCA PRIME OFFICE INDEX – LATAM is built on the difference between favorable and unfavorable responses. In the specific case of expected sales times, 33% of respondents anticipate increases (unfavorable), compared to 14% who expect decreases (favorable), resulting in a net balance of –19 points. However, 53% of those surveyed expect stability.

It's also worth noting that the average time to complete a sale is expected to be, in most cases, between three and six months — unchanged from the previous measurement.

THE **AVERAGE TIME TO CLOSE** A SALE WILL



Sales expectations are also shaped by a less favorable economic environment than in the previous semester. This includes macroeconomic, political, and microeconomic factors.

For instance, reports from Ribeirão Preto (São Paulo, Brazil) indicate that interest rate levels will continue to affect sales activity. In Tamaulipas (Laredo, Mexico), there's concern that the tariff conflict with the United States could impact the office market. Meanwhile, in Bolivia and Chile, uncertainty surrounding the presidential elections (August and November, respectively) is predicted to weigh on the segment.

Lastly, the sales expectations indicator for the second half of the year will be supported by the anticipated increase in rental prices. While a majority of cities (67%) forecast price stability, the balance of responses shows that those expecting price increases triples those forecasting declines

In fact, no decreases are expected in any of the surveyed cities. Notably, increases are projected in cities with high price ranges, such as Santo Domingo (Dominican Republic), where prices are expected to exceed US$4,000 per square foot; São Paulo and Curitiba (Brazil, also exceeding US$4,000 in the latter); and La Paz, Cochabamba, and Santa Cruz de la Sierra (Bolivia). •

WTC VERACRUZ, MEXICO.

REAL ESTATE DYNAMISM:
NORTH AMERICA VS. LATIN AMERICA
IN OFFICE AND COMMERCIAL AREA CONSTRUCTION

Over the past decade, the dynamism in the construction of office and commercial space has shown a marked difference between North America and Latin America. In the United States and Canada, the market has transitioned toward functional reconversion: the pandemic accelerated the hybrid work model, reducing demand for traditional offices and driving investments toward flexible spaces, coworking, and mixed-use developments. Urban zones have prioritized sustainable development, with LEED certifications and smart technologies focused on energy efficiency and wellness.

In contrast, Latin America experiences heterogeneous dynamism. Cities like Mexico City, Bogotá, Lima, and São Paulo still show growth in the Prime segment, driven by company relocations and nearshoring. However, high vacancy rates, informality, and economic instability limit new developments. While North America is redefining space use with a technological and sustainable approach, Latin America seeks to consolidate its basic infrastructure and adapt its market to new global demands.

This contrast reflects two realities: one mature and undergoing transformation, the other emerging and searching for balance. It is therefore not surprising to see the growth and dynamism of the WTC in the Latin American region, particularly in Brazil and Mexico. This dynamism is embodied in projects that go beyond offices and are envisioned as self-contained centers with commercial areas, housing, and hospitality—within the concept of the 15-minute city.

Carlos Ronderos
WTCA Latin America Director.

BUSINESS OUTLOOK
FROM TARIFFS TO IA

THE SPECIAL MODULE OF THE **WTCA PRIME OFFICE INDEX – LATAM** FOR JUNE 2025 EXPLORED CURRENT ISSUES SUCH AS ARTIFICIAL INTELLIGENCE (AI), THE IMPACT OF THE GLOBAL TARIFF WAR, AND REMOTE WORK.

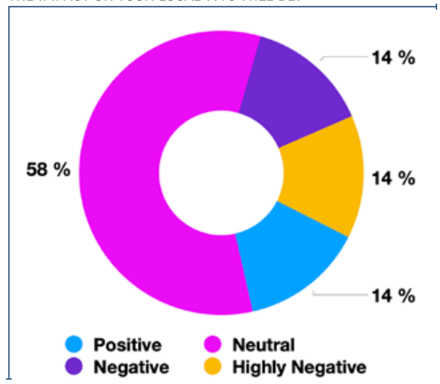
Despite the trade tensions sparked by the tariff policies of Donald Trump's administration—which could negatively affect the dynamism of regional foreign trade—most respondents surveyed by Latin Trade foresee a neutral impact on the activities of World Trade Centers (WTCs). Nearly two-thirds of those interviewed anticipate such neutrality. However, when averaging positive and negative responses, market players believe the net effect will be somewhat adverse.

Latin Trade also investigated the state of AI adoption among experts contributing to the WTCA PRIME OFFICE INDEX – LATAM. It is no secret that Latin America lags behind in this area, particularly compared to the U.S., Europe, and China. A study published in September 2024 by ECLAC indicated that Chile, Brazil, and Uruguay lead the region in AI adoption, followed—at a greater distance—by Argentina, Colombia, and Mexico. Specifically, within the Class A office space segment, more than two-thirds of respondents believe their level of AI adoption is comparable to the broader real estate industry, while 14% consider themselves at the forefront, and 23% perceive themselves as lagging behind.

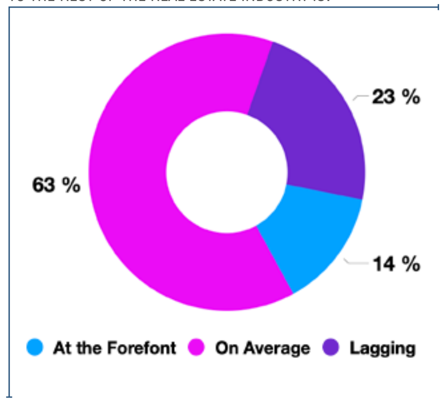
Finally, continuing its ongoing analysis of remote work trends from previous editions of the WTCA PRIME OFFICE INDEX – LATAM, Latin Trade found that a majority of respondents still expect a gradual reduction in remote work. Currently, 46% of those surveyed report working remotely two to three days per week, but this figure is anticipated to drop to 36% in the short term. Survey participants believe this ten-point difference will be replaced by a zero-day remote work policy.

What are the perceived benefits of a full return to the office? For 59% of respondents, the main advantage is increased productivity. However, one-third of those surveyed believe that a full return to the office comes at the cost of losing a key incentive for attracting talent. As such, it is expected that even if companies mandate a full return, this requirement may be offset by other benefits offering some degree of scheduling flexibility.

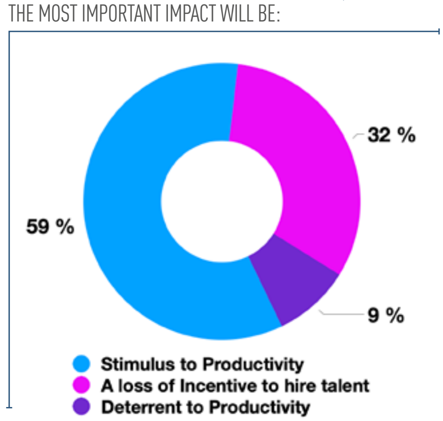
REGARDING THE TRADE WAR,
THE IMPACT ON YOUR LOCAL WTC WILL BE:



REGARDING AI, YOUR BUSSINESS COMPARED
TO THE REST OF THE REAL ESTATE INDUSTRY IS:



REGARDING THE RETURN TO OFFICE,
THE MOST IMPORTANT IMPACT WILL BE:



BRAZIL Y MEXICO

THE TWO GIANTS OF THE REGION *

RENDER OF WTC MAZATLAN PROYECT, MEXICO.

In terms of population and size, Mexico—with around 132 million inhabitants and an area of approximately 1,964,754 km^2—and Brazil—with a population of 216 million and an area of 8,517,767 km^2—are the countries with the most economic weight in Latin America. Together, they occupy slightly more than 51% of the region's territory (Brazil 41.5%, Mexico 9.6%) and house 52% of its population (Brazil 32.7%, Mexico 20%). While Brazil ranks as the tenth-largest economy in the world by GDP size, Mexico holds the fifteenth position.

It's no surprise, then, that out of the 55 licenses granted by the World Trade Centers Association in the region, 31 are located in these two countries (Brazil 13, Mexico 18), accounting for 56%. However, the WTC presence in these regional giants is only beginning to consolidate, with many projects still under construction. Examples include WTC Mazatlán in Mexico—a business complex set to become a reference point for the city—and WTC Uberlândia in Brazil, which is currently being built and will feature office space, a five-star hotel, and residential units. Similar developments are underway in other cities such as Sinop in Brazil and Nuevo Laredo in Mexico. CONTINUES

The vast urban development in both countries suggests strong future growth for WTC, especially considering that Brazil has 48 cities with over 500,000 inhabitants, while Mexico has 36. Since WTC is a symbol of internationalization, quality, and global recognition, it is reasonable to expect that major projects—not just office buildings, but mixed-use complexes and large industrial parks—will proudly carry the WTC name.

* Article written by the WTCA

RENDER OF WTC UBERLANDIA, BRAZIL.