

Commercial Real Estate Market In Latin America - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 150 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Latin American commercial real estate market is expected to record a CAGR of over 4% during the forecast period 2022-2027.

Despite setbacks in 2020 and 2021 due to the COVID-19 pandemic, the commercial real estate industry in Latin America has a positive outlook for 2022. The industrial segment continues to perform well, despite some surprises and overly negative forecasts in the retail commercial real estate markets. Overall, the multi-family segment appears to have a huge opportunity.

The increased time to complete sales, unfavorable local economies, and a drop in sale price negatively affected the performance of Class A office sales in Latin America during the first half of 2021.

With the emergence of PropTech, the commercial real estate industry in Latin America is starting to take off. Mexico, Brazil, Chile, and Argentina are among the countries that have embraced disruptive technology in the real estate industry. In total, there are more than 350 PropTech companies in Latin America, with the majority of them based in Brazil.

Latin America Commercial Real Estate Market Trends

Recovery in Premium Office Segment Boosting Commercial Real Estate Market in Latin America

In Latin American cities with populations of less than two million people, there are signs of a recovery in the market for premium offices.

In 2021, in cities with populations under 2 million, such as Monterrey and Montevideo, the price per square foot on sales of prime

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

office space exceeded USD 280, indicating a severe lack of inventory. At the same time, leases for premium offices in those cities surpassed USD 1.68 per square foot, indicating that there is still room for more supply.

In June 2021, the WTC Prime Office Index Latam's expectations indicator was -19%. This confirmed that expectations had improved since December 2020, when they were -32%.

In the premium office market segment, innovation will be critical to success. In this regard, some of the new World Trade Centers are setting new benchmarks. WTC Montevideo (a building complex in Montevideo, Uruguay) recently completed the construction of a second tower in the city's free-trade zone. It was created as a niche player, focusing on service-exporting businesses. Coworking and startup spaces are also available in the building.

WTC Goiania (a business networking company in Brazil) was designed around a concept that will change the mix of living spaces, work, commerce, and social relationships in the most important city for Brazilian agribusiness. A hotel, offices, apartments, commercial areas (including a 2,635 sq. m. shopping mall), and meeting spaces, including a convention center, will be housed in the two towers.

Growth in Infrastructure Sector Driving the Market

Latin America offers a wide variety of infrastructure investment and development opportunities. Institutional investors will find more opportunities in certain parts of the region than in others.

Many regions around the world have had infrastructure gaps for years. The Global Infrastructure Hub estimates that by 2040, there will be a USD 15 trillion gap between projected investment and the amount required to provide adequate infrastructure.

According to the Inter-American Development Bank, the gap in Latin America is estimated to be 2.5% of GDP or about USD 150 billion per year. Sanitation, communication, logistics, housing, and energy have all accounted for a significant portion of this.

Brazil has established itself as the country with the best prospects right now. It announced the resumption of public auctions in the infrastructure sector, with six taking place in H1 2021. The concession of coastal highways (worth USD 556 million) and two commuter rail lines (worth USD 467 million) are the country's two largest projects.

Outside of Brazil, investors have also discovered opportunities. In 2021, CPPIB, along with IDEAL and the Ontario Teachers' Pension Plan, invested in toll roads in Mexico. It also invested in natural gas pipelines with TgP in Peru and toll roads with Grupo Costanera in Chile.

Investors have found a very mature infrastructure market in Chile, which is an OECD member, and it will not be difficult for them to attract capital.

Latin America Commercial Real Estate Market Competitor Analysis

The Latin American commercial real estate market is highly fragmented due to the presence of a vast number of players. Some of the major players in the Latin American commercial real estate market are Quality Inmobiliaria, Patio Group, Boston Andes Capital, Urbanizadora Paranoazinho, etc. Commercial real estate is changing for the better as a result of the rapid growth of new technologies. Brokers, property managers, developers, and tenants are updating themselves to increase productivity while saving money.

Additional Benefits:

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

1 INTRODUCTION

- 1.1 Study Deliverables
- 1.2 Study Assumptions
- 1.3 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS AND INSIGHTS

- 4.1 Market Overview
- 4.2 Market Dynamics
 - 4.2.1 Drivers
 - 4.2.2 Restraints
 - 4.2.3 Opportunities
- 4.3 Industry Attractiveness - Porter's Five Forces Analysis
- 4.4 Current Economic Scenario and Consumer Sentiment
- 4.5 Commercial Real Estate Buying Trends - Socioeconomic and Demographic Insights
- 4.6 Government Initiatives and Regulatory Aspects for the Commercial Real Estate Sector
- 4.7 Insights into Existing and Upcoming Projects
- 4.8 Insights into Interest Rate Regime for General Economy and Real Estate Lending
- 4.9 Insights into Rental Yields in the Commercial Real Estate Segment
- 4.10 Insights into Capital Market Penetration and REIT Presence in Commercial Real Estate
- 4.11 Insights into Public-private Partnerships in Commercial Real Estate
- 4.12 Insights into Real Estate Tech and Startups Active in the Real Estate Segment (Broking, Social Media, Facility Management, Property Management)
- 4.13 Impact of COVID-19 Pandemic on the Market

5 MARKET SEGMENTATION

- 5.1 By Type
 - 5.1.1 Office
 - 5.1.2 Retail
 - 5.1.3 Industrial
 - 5.1.4 Logistics
 - 5.1.5 Multi-family
 - 5.1.6 Hospitality
- 5.2 By Country
 - 5.2.1 Brazil
 - 5.2.2 Argentina
 - 5.2.3 Mexico
 - 5.2.4 Chile
 - 5.2.5 Colombia

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

5.2.6 Peru

5.2.7 Rest of Latin America

6 COMPETITIVE LANDSCAPE

6.1 Market Concentration

6.2 Company Profiles

6.2.1 Developers

6.2.1.1 Quality Inmobiliaria

6.2.1.2 Patio Group

6.2.1.3 Boston Andes Capital

6.2.1.4 Urbanizadora Paranoazinho

6.2.1.5 TRK Moveis

6.2.2 Real Estate Agencies

6.2.2.1 Colliers

6.2.2.2 Pulso Inmobiliario

6.2.2.3 JLL

6.2.2.4 CBRE

6.2.2.5 Grupoguia

6.2.2.6 Pilay Inmobiliaria

6.2.2.7 Rafael Angel Inmobiliaria

6.2.2.8 Century 21 Colombia

6.2.2.9 Redpiso

6.2.2.10 DNA Moveis

6.2.3 Other Companies (Startups, Associations, etc.)

6.2.3.1 Loft

6.2.3.2 Tadeu Santiago Real Estate

6.2.3.3 Kzas

6.2.3.4 RPI Inmobiliaria*

7 FUTURE OF THE MARKET AND ANALYST RECOMMENDATIONS

8 INVESTMENT ANALYSIS

8.1 Direct Investments

8.2 Indirect Investments

9 DISCLAIMER

10 APPENDIX

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Commercial Real Estate Market In Latin America - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 150 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-28"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

