

ASUNCION
RENTAL PROPERTY INVESTORS
REPORT 2026

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ETICO
PROPERTY MANAGERS

Dear Investor,

Asunción may be at a far more important stage of its property evolution than many first-time observers realise. While visible tower construction, patchy vacancy, and uneven pricing can make the market feel contradictory at first glance, those surface signals sit within a much longer and deeper urban growth story.

The city is working through a meaningful housing shortfall, according to Paraguay's Instituto Nacional de Estadística (INE). Based on studies using the 2022 National Population and Housing Census, the country's current total housing deficit is estimated at 1.12 million with 683,228 specifically in urban areas. Given that national backdrop, this report uses a 500,000-unit deficit scenario for Greater Asunción as a working model rather than an official estimate. The capital metro is the country's dominant urban concentration and one of the country's main magnets for migration, immigration, job opportunities, household formation, and densification.

This report is focusing mostly on apartment development because it is driving most of the growth and defining prices per square meter more so than housing. Using a simplified model based on:

- a 500,000-unit housing deficit, and
- around 288 plus projects approved per year from 2024,
- at an average project size of roughly 75 apartments,
- annual new supply would be about 21,600 plus units built per year.
- At that pace, the shortfall would theoretically take around 23 years to absorb.

If development approvals were to continue to increase by 10% per year, that timeline could shorten to roughly 17 years (maybe 13 years if substantial foreign capital and developers enter the city).

This is only a modelling tool, not a forecast. It assumes approved projects are completed, average project size stays broadly similar, and the housing shortfall does not keep growing with increasing international immigration. This model helps illustrate an important point though: Asunción's growth story may have a longer runway than many investors assume. If you buy in 2026, you are not buying at the peak of the property cycle – nowhere near it.

This report exists to help investors approach Asunción's property market with a more conscious understanding of both opportunity and risk. Too much property commentary is either overly promotional or too shallow to be genuinely useful. In a market like Asunción, where strong long-term demand can sit alongside pricing mismatch, under-regulation, uneven execution, and limited transparency, investors need more than sales language. They need a practical context, balanced analysis, and a framework for thinking clearly about what drives performance, where the risks sit, and which assumptions deserve closer scrutiny.

Many international investors new to the city arrive with assumptions that can quickly lead to disappointment when the reality on the ground turns out to be quite different. They may expect:

- cheaper prices,
- clearer regulation,
- more transparent and even pricing,
- easier comparisons between buildings,
- smoother management standards,
- access to inspectors for hire as a normal part of due diligence, or

- stronger alignment between what is advertised and what actually performs.

When those expectations meet local reality, disappointment can come quickly. Some investors become discouraged too early. Others walk away from the market entirely, not because there is no opportunity, but because the path to finding it looks messier or more pricey than they expected.

That would be a mistake in our opinion. Asunción still offers savvy investors the chance to build meaningful long-term wealth, and perhaps even generational wealth, over the decade ahead.

Asuncion's urbanisation is not a market that rewards casual assumptions, passive optimism, or superficial analysis. It rewards investors who are willing to look more closely, ask the right questions, and understand that broad demand growth does not remove the need for careful selection, rigorous due diligence, and practical local insight.

The aim of this report is therefore not to persuade you that every opportunity is good. It is to help you see more clearly where the risks truly lie, where assumptions most often go wrong, and where the real opportunity may still be quietly beckoning from beneath the noise.

This report is a work in progress. We intend to update it regularly as more information becomes available and the city moves through its 8-phase boom and bust property cycle.

How we gathered the intel for this report includes: Google search, the use of a targeted programmed Market Intelligence AI Agent, meeting with Paraguayan property investors, as well as meeting with developers, civil engineers, compliance officers, project managers and building managers. We visited government websites, survey and statistical websites, and census data.

Yours faithfully,
ETICO Property Managers



What's Driving Growth In Asuncion

Asunción is in its early stages of becoming a high-rise capital city that is actively approving construction projects to supply a current housing shortage that could last into the next decade.

Capital is paying closer attention to Asunción, because Paraguay sits at the intersection of several trends investors tend to notice early:

1. "Next-generation" workforce coming of age,
2. Expanding internal urban demand,
3. Relatively low taxation,
4. Growing international visibility, and
5. Rising new residency inflows.

Asunción is also attracting attention because some investors and relocators see Paraguay as a way to spread risk across different jurisdictions. For diversified investors, it's not just about chasing ROI or higher yields, it's also about parking and protecting capital.

Asunción's rental market is also active and growing, driven primarily by the next generation moving out of home, business travel, corporate relocations, residency inflows, and expat settlement rather than tourism. Paraguay's rental market in general is sizable but concentrated in the capital region. INE estimates:

- only 9% of the country's population rents (about 538,000 people),
- ~39% of residents in Asunción/Gran Asunción live in rented housing,

supporting a strong metropolitan renter base. These figures are likely to change as the country's largest demographic cohort reaches renting age, Asunción – particularly – continues to attract immigration, and the average cost of purchasing a house or apartment becomes increasingly out of reach for the average Paraguayan.

Asunción is likely to remain Paraguay's primary engine of internal migration over the next two decades, as it operates within a self-reinforcing urban growth cycle. Continued development in the capital region does more than expand the skyline; it generates employment across construction, property services, retail, hospitality, logistics, administration, and the broader service economy.

As economic opportunity becomes increasingly concentrated in Greater Asunción, the city is likely to continue attracting both local workers and temporarily relocating professionals, driving demand for housing and supporting further expansion in jobs, services, and development. This cycle, in turn, reinforces each stage of the process.

Demographics Driving Growth

Next Generation Workforce

The self-reinforcing cycle of continued urbanisation is one of the clearest reasons Asunción is likely to remain Paraguay's strongest engine of rental demand — and one of its most compelling long-term property investment stories. A major demographic force underpinning this dynamic is the country's next-generation workforce, now entering its prime years for employment, renting, and household formation.

Paraguay has a large youth population of roughly 1.5 million people aged 18–29, with around 64.3% living in urban areas, creating a steady pipeline of future renters and first-time independent households. This is why the next-generation workforce is not just a demographic trend, but a rental-demand driver already in motion.

As this cohort matures, that cycle is expected to accelerate significantly, adding fresh momentum to the capital's next phase of growth. In our view, this may be one of the key forces pushing Asunción out of the Expansion Phase it has experienced in the past few years, and into a more visible Boom Phase mid- to late-2026.

While some of this demand is already contributing to a housing shortage, the tighter squeeze is likely to build through the late 2020s and become more pronounced in the early 2030s — particularly between 2029 and 2035 — as the largest segment of this cohort moves into stable employment, partnership, and household formation.

With INE estimating an urban housing deficit of 683,228 dwellings — most of it concentrated in Asunción — developers appear to be responding by increasing supply in more compact, efficiency-driven formats. While early development attracted wealthier South American investors to the city, there is now a shift toward product designed around accessibility, urban convenience, lower ongoing costs, and rental practicality for this next generation of renters.

Corporate / Embassy Relocation

The second engine of rental demand, emerging alongside growth in local youth renters, is nationally and internationally mobile professionals linked to corporate relocation, diplomatic activity, trade, advisory work, and regional business expansion.



Unlike first-time local renters, this group tends to drive demand for furnished, medium-stay, and executive-style housing — particularly in the city's diplomatic and corporate corridors, including Villa Morra, Herrera, the Santa Teresa corridor in Ycuá Satí, and Las Lomas. Public market signals suggest this segment is already large enough to influence supply decisions.

Corporate Stays, a company that launched in Asunción in late 2025 with more than 150 furnished apartments for corporate travelers and relocating professionals, has indicated plans for continued expansion, reflecting growing confidence in the city's executive housing niche.

At the same time, expanding embassy and consular activity reinforces demand for well-located, professionally managed rental stock that meets the expectations of diplomatic, advisory, and internationally mobile tenants. Over time, this second demographic may become increasingly influential — not only because of its scale, but because it underpins a more premium layer of the market, where trust, presentation, furnishing standards, location, and management quality carry disproportionate weight.

The corporate and embassy-driven demand base may broaden further as the practical effects of the Status of Forces Agreement (SOFA) between Paraguay and the United States begin to take shape. This

agreement could introduce an additional rotating flow of temporary foreign personnel, contractors, advisers, and related professionals into the capital. This is discussed further in the *Future Growth Potential* section.

For property investors, the key implication is that Asunción's diplomatic and internationally oriented activity is already concentrated in the same eastern corridor where much of the city's premium furnished rental stock is located — especially in Ycuá Satí, Herrera, Las Lomas, and Villa Morra. These neighborhoods are therefore not only established lifestyle and executive zones; they are also among the areas best positioned to capture any further uplift in embassy-linked or internationally mobile rental demand stemming from SOFA and related drivers.

International Relocation

Foreign residency and relocation into Paraguay have accelerated sharply, bringing a steady inflow of newcomers — primarily into Asunción — who typically rent first while they settle. The Dirección Nacional de Migraciones reported a record 47,687 residency applications in 2025, with 40,600 residencies granted (29,976 temporary and 10,624 permanent), averaging roughly 3,383 approvals per month. In 2024, 28,464 residencies were granted (21,843 temporary and 6,621 permanent), highlighting strong year-over-year growth in new residents.

Demographically, the Instituto Nacional de Estadística (INE) reports 156,804 foreign-born residents living in Paraguay, with a slight male majority (51.6% men / 48.4% women). The largest origin groups are Argentina (65,035) and Brazil (52,031), followed by smaller cohorts from Spain, Venezuela, Germany, Uruguay, Chile, Peru, Bolivia, Europe, the United States and Canada. Not to forget a sprinkling of New Zealanders and Australians.



Migraciones' 2025 residency-grant data also shows that newly granted residencies are dominated by Brazil and Argentina, followed by Germany, Bolivia, Spain, Venezuela, the Netherlands, the United States, Russia, Italy, and France—reinforcing that inflows are primarily South American, with a growing European and North American component.

It is important to distinguish between the accumulated foreign-born population and current migration momentum. While Argentinians remain the largest foreign-born community in Paraguay, recent residency data shows that Brazil has become the dominant source of new inflows. In 2025, Paraguay granted 23,526 residencies to Brazilians compared with 4,366 to Argentinians.

One possible explanation is that Argentina's recent economic stabilization under Javier Milei may have reduced outward pressure at the margin, while Brazil's combination of scale, proximity, and ongoing political and economic uncertainty continues to make Paraguay attractive as a diversification — or "Plan B" — jurisdiction for a broader pool of Brazilians. This should not be interpreted as a single-cause explanation, but it illustrates an important point for investors: international political and economic dynamics do influence who comes to Paraguay, and how strongly each source market contributes to rental and residency demand over time.

Not all international demand in Paraguay comes from people intending to live in the country full-time. A meaningful subset consists of residency holders and internationally mobile individuals who return periodically to maintain legal status, preserve flexibility, or keep Paraguay available as part of a broader cross-border strategy. There is no official public data quantifying this segment on an annual basis.

Because temporary residency under Law 6984/22 now serves as the required first stage before permanent residency, this structure can help sustain recurring demand for short-term accommodation in Asunción. For property investors, that distinction is important: this group is less likely to drive immediate owner-occupier demand, but more likely to support recurring short- and medium-term stays — particularly in furnished apartments and executive-style rentals, including Airbnb-style accommodation.

Digital Nomads

A third layer of internationally mobile professionals comes from digital nomads who use Asunción as a testing ground or strategic short-stay base rather than as an immediate full-time destination. Many are drawn by Paraguay's relatively accessible residency pathway, low-tax reputation, and lower cost base, but prefer to experience the country first before deciding whether to deepen their commitment.

For property investors, that distinction is important. This group is far more likely to rent Airbnb-style or furnished medium-stay accommodation for one to three months than to sign conventional long-term leases or purchase property immediately. Their presence supports demand for flexible, well-presented studios and one-bedroom apartments that allow them to live, work, and relocate easily if needed.

This demographic is already being recognized by developers such as QUBO, which markets itself as Paraguay's first "aparta-office" concept. Its current product combines compact studio-style and one bedroom living with integrated workspaces, coworking amenities, and layouts clearly tailored to hybrid users and digital nomads rather than traditional long-term renters. This positioning — focused on monoambientes (studios), coworking, and business-oriented flexibility — suggests that some developers already see value in creating product specifically suited to short- and medium-stay live-work demand.

In practical terms, this demographic is unlikely to dominate the market by sheer volume, but it can still generate consistent occupancy for well-managed, furnished studios and one-bedroom Airbnbs. Pricing, however, is critical. When rents in Asunción begin to feel uncompetitive, many of these renters can easily shift to the beaches of Thailand, Vietnam, or other lower-cost hubs in Asia or Africa that are highly optimized for short-term stays.

For investors targeting this segment, the key point is simple: you are not only competing with local supply, but with global alternatives. This demographic is highly mobile, highly comparative, and quick to move when value drops. They are, after all, nomads.

Future Growth Potential

U.S. Attention

The Status of Forces Agreement (SOFA) between Paraguay and the United States was signed in Washington on December 15, 2025. Paraguay's Senate approved it on March 4, 2026, and the Chamber of Deputies approved it on March 10, 2026. At the time of writing this report, it's awaiting President Santiago Peña's signature to take effect.

The agreement creates a legal framework for the temporary presence of U.S. military and civilian personnel in Paraguay for training, joint exercises, humanitarian assistance, and disaster response. Paraguayan authorities have also linked the agreement to closer cooperation on transnational organized crime and terrorism, while stating that it does not authorize a permanent U.S. military base in the country.

In practical terms, this suggests likely arrivals seeking rental properties connected to the agreement are not a broad wave of long-term American settlers, but a narrower group such as military trainers, civilian defense personnel, advisers, logistics staff, contractors, diplomats, increased embassy staff, humanitarian-response personnel, NGOs, and officials linked to bilateral or multinational programs.

The first likely impact would be on short-stay and medium-stay rental demand, not an immediate surge in residential property purchases. Temporary diplomatic, advisory, and contractor-related personnel usually support furnished rental demand first. Over time, however, repeated exposure to a city often creates a second-order effect: some visitors build familiarity, confidence, and local ties, and a portion eventually explore property ownership.

This is not an official forecast, but it is a reasonable market interpretation based on how internationally visible cities often evolve. We're not suggesting broad American buying activity in Asunción. However, it is a reasonable market interpretation of how international institutional attention can, over time, deepen both rental demand and investment interest.

For investors seeking to capitalize on this growth, it is important to recognize that individuals arriving under security, diplomatic, or advisory frameworks do not typically rent in the same way as price-sensitive households who look to rent directly from the owner. They tend to favour well-located, professionally managed, furnished apartments with reliable standards, good access, and low-friction onboarding.

Even if SOFA brings some additional American-linked activity into the market, regional immigration is still likely to remain the dominant force behind Paraguay's residency and rental growth for now. Official migration reporting for 2025 shows 40,600 residencies granted, including 23,526 to Brazilians, 4,366 to Argentines, and only 736 to U.S. citizens.

For this reason, investors should be careful not to overstate the potential scale of any American influx. While SOFA may strengthen demand within specific segments — particularly furnished, executive, and professionally managed rentals — the broader market continues to be shaped far more by regional inflows, especially from Brazil and Argentina, alongside internal migration and local household formation.

What it may do, however, is modestly reinforce demand for the best-located, best-managed, and internationally suitable apartments in Asunción's diplomatic and executive corridors, including Ycuá Satí (near Paseo La Galería), Las Lomas, and Villa Morra.

International Instability As A Future Demand Multiplier

It is possible that Paraguay's next major growth wave will be driven not only by domestic development, but also by rising global instability and economic pressure. As conditions continue to deteriorate across higher-cost, higher-compliance economies, the country could attract a new wave of economic and political migrants seeking a more flexible, lower-cost environment where food, utilities, property, and taxation still leave room to breathe.

At present, the majority of foreign residents in Paraguay — and the majority of new inflows — originate from within South America. However, this composition could shift over the coming years if external pressures intensify and mobility from higher-cost regions increases.

If housing affordability continues to constrain younger households across much of the West, and if geopolitical instability sustains pressure on energy and food prices, Paraguay may become increasingly attractive to a broader mix of individuals seeking affordability, flexibility, and a viable pathway to residency and long-term wealth creation.

Without sounding dramatic, Paraguay could increasingly attract a new wave of economic and political escape migrants as they seek distance from political or economic systems they no longer trust.That is already happening on a small scale. But if the immigration from the West flips the current numbers, while Asunción is already expanding, the city could experience a stronger-than-expected boom of rental property growth.

This is not a forecast, but a plausible upside scenario based on how periods of international instability have historically redirected both people and capital toward smaller, more adaptable jurisdictions.

Rental Property Investor Takeaway

Asunción is at a stage of urban development where investors can still capture the kind of capital growth that is far harder to find in already-developed global cities. Flippers who purchased an off-plan property a year ago in Asuncion, if they were lucky enough to sell once the building was completed, have enjoyed a 20-70% capital gain in the last year. The exact figure depends on which phase of the building cycle they purchased.

Looking at the live feed of developer spreadsheets and their projected price increases for the coming two years, property flippers entering the market right now stand to make similar capital gains in the next year. The city is still in the earlier stages of its evolution into a high-rise capital, with visible development acceleration at roughly 10% per year, layered demand growth, and rising international attention.

Live developer pricing indicates that, in the past six months alone, some off-plan units have increased by roughly 15% to 40%. Several developers are now lifting May pricing by around 10% in a single month, compared with the more typical monthly increase of approximately 3.33%. This level of repricing suggests a market beginning to behave more like one approaching the later stages of the Expansion phase and the early edge of the Boom phase within our 8-Phase Boom & Bust Cycle, which is explored in greater detail later in this report.

At the same time, the rental opportunity should not be overlooked. Asunción's rental market is still young, but it is growing into a much deeper and more important part of the city's property story. While only around 9% of Paraguay's population rents nationally, in Asunción and Greater Asunción the rental share is already estimated at roughly 39%, revealing a far stronger urban rental base than national figures alone suggest.

The key takeaway for rental property investors is that Asunción's rental market appears positioned for expansion as several demographic and mobility trends begin to converge:

1. Paraguay's largest demographic cohort is entering its prime renting and household-formation years,

2. Internal economic migration is likely to continue funneling younger workers toward Asunción,

3. International demand is becoming more layered, driven by residency seekers, corporate relocators, embassy-linked tenants, and digital nomads.

Taken together, these forces point to a rental market that may be approaching a more expansionary phase than is currently priced in by many investors. When combined with the existing housing shortfall, this suggests the potential for a growing renter base, increased competition for higher-quality units, and sustained upward pressure on rents in well-located properties.

For investors, the implication is straightforward: acquiring and holding rental property for 4+ years — particularly as the housing shortage intensifies — could result in gradually improving yields over time, potentially increasing by 1-2% annually, provided the asset is well-managed and maintains high occupancy.

Asunción still offers a rare combination: early-cycle capital growth today, with the potential for much stronger rental growth still to come.

The Risk of Eroding Paraguay's Appeal

That said, this upside scenario is not guaranteed. It depends in part on Paraguay's ability to preserve the very advantages that make it attractive in the first place. If the government—or an overreaching regulator—were to introduce restrictive or poorly designed policies that mimic the same tax, regulatory, or lifestyle pressures many migrants are trying to leave behind, the country could weaken its own appeal.

Internationally mobile capital and individuals follow advantage—they go "where they're treated best," in the words of Nomad Capitalist. If Paraguay protects its edge, the upside could be substantial. If that edge erodes, inflows can slow just as quickly as they began.

Erosion of advantage is not an inconceivable idea. The recent crypto-reporting changes have unsettled a portion of the internationally mobile audience that Paraguay has been attracting. In March 2026, Paraguay's tax authority, the DNIT, issued General Resolution No. 47/2026, establishing a requirement to report crypto-asset transactions where the total value exceeds USD 5,000 per year. Legal summaries indicate that the rule requires detailed transaction-level disclosure, creating a reporting burden that is being perceived as more invasive than the privacy standards typically applied to fiat-currency transactions.

Official communications frame the measure as part of a broader push for transparency and tax oversight in a fast-growing sector—particularly given that crypto assets are not currently taxed for individual holders in Paraguay. However, for some prospective migrants, crypto investors, and residency seekers, this may be interpreted as an early warning signal, even if the policy is presented domestically as tax administration rather than hostility to crypto itself.



In practical terms, a segment of the market may see wallet- or transaction-level reporting as the beginning of a slippery slope toward the same kind of compliance creep, surveillance, or regulatory burden they were hoping to leave behind when applying for tax residency in Paraguay.

International crypto investors can still structure holdings through offshore entities in jurisdictions such as Panama or Nevis and treat them as international income. In any case, crypto-focused residency seekers are only a small part of Paraguay's broader immigration story, and an even smaller part of the demographic forces driving growth in the country and in Asunción. Time will tell whether this change has any meaningful effect at all.

For investors, this underscores the importance of approaching the market with both optimism and discipline. The upside remains compelling: Asunción is still in the early stages of urbanisation, where well-acquired, well-positioned, and well-managed property can perform strongly. Many investors are already achieving attractive returns by aligning with the right buildings, tenant segments, and rental strategies.

If the broader cycle continues to unfold as expected, this phase may still have several years to run, supported primarily by internal demographics rather than external migration. Growth could extend through much of the coming decade. To better understand what this may mean for both opportunity and risk, it is useful to step back and view the market through the lens of the "8-Phase Boom & Bust Cycle," which many fast-growing real estate markets tend to follow.

The 8-Phase Boom & Bust Property Cycle

Property markets tend to move in cycles. Understanding that cycle does not eliminate risk, but it does give investors a better framework for decision-making. At ETICO, we view Asunción through the lens of an 8-phase property cycle often seen in fast-growing urban markets. The exact timing can vary and be subjective. No cycle plays out perfectly, but the broad pattern is useful because it helps focus investors on the right strategies and tactics at the right time.

We believe Asunción is showing evidence of the end of the Expansion phase and moving rapidly into the early Boom phase, with the stronger visible boom potentially becoming clearer in 2027–2028 if current demographic, migration, and development trends continue.

A boom phase is characterised by a period of rapid, unsustainable price appreciation, often driven by high demand and greed, low supply, and easy access to credit. While property prices have jumped considerably in the last 6 months, we were not quite at rapid price appreciation averaging 10% per quarter in strong growth segments. We're missing the easy access to credit part. Though we think that's all about to change, and developers releasing their May prices for off-plan buying are showing a dramatic increase in price. This is the first sign of rapid price acceleration we have seen.

The 8 Phases At A Glance

1. Recovery

In the Recovery phase, the market begins to stabilise after a weaker, flatter, or more uncertain period. Prices are relatively low, confidence remains limited, and only patient or well-informed investors are

actively engaged. Development activity is still restrained, liquidity is modest, and the broader market has not yet regained sustained momentum.

This phase is typically characterised by subdued pricing, limited new construction, weak overall sentiment, stronger relative performance from higher-quality assets, gradually shortening listing times, and the early return of selective buyers. Transactions begin to increase gradually, but the city is not yet widely perceived as a clear investment opportunity.

In our view, Asunción likely moved through a Recovery phase between approximately 2012 and 2015/16, when it remained largely under the international radar and before the current development cycle became more visible.

For investors, this phase typically offers early positioning opportunities, where patience can generate the strongest medium- to long-term returns ahead of broader market re-rating. The key risk is not incorrect timing, but failing to recognise the early stage of a new cycle and missing the opportunity to acquire assets at lower entry prices before the next growth phase begins.

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2. Early Growth

In the Early Growth phase, market confidence begins to improve. Demand strengthens, but conditions remain relatively balanced, under-recognised, and far from overheated. Higher-quality projects begin to emerge, rents and values start to rise gradually, and early movers begin to identify a more sustained growth trajectory.

This phase is usually characterised by modest price growth, improving transaction activity, better-quality developments entering the pipeline, and growing interest from smarter early investors. The city still does not feel crowded with capital, but the “green shoots” of expansion are becoming visible.

In our view, Asunción likely progressed through Early Growth between roughly 2016 and early 2020, when investor and expat interest began to increase, but before the current scale of construction and international attention became obvious. Covid interrupted what might otherwise have been a more typical continuation of this phase, but once that disruption passed, the city resumed a stronger development trajectory.

For investors, this is often a valuable stage to buy before the market becomes more widely recognised. The main risk is underestimating how much room for growth may still lie ahead.

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3. Expansion

In the Expansion phase of a property cycle, activity becomes more visible. More buildings are approved, more investors arrive, and the city begins to feel like it is clearly on the move. The Expansion phase is recognisable because construction starts appearing everywhere, foreign capital becomes more active, public discussion of opportunity widens, and international investors begin entering the market in a more visible way.

One of the clearest indicators that Asunción was transitioning from Early Growth into Expansion was the visible entry of foreign developers. While the trickle had already begun around 2017—when Chile’s

INARCO established operations in Paraguay—by early 2021, foreign-backed development was no longer the exception but rather part of the city's broader growth story. On that basis, we place Asunción's Expansion phase at roughly 2021 (post-Covid) through to the present, April 2026, and potentially triggered by Argentinian money flooding into the country.



By 2022, ABC Color was citing estimates that 7 out of 10 apartments sold in Paraguay were being bought by Argentines, and that roughly 35% of the projects entering the market over the prior 10 years were tied to Argentine investment. Then Argentina's inflation hit 211.4% in 2023 and 117.8% in 2024, which made a stable, lower-tax, dollar-linked market like Paraguay even more attractive.

The Expansion phase is often confused with a Boom phase because construction activity begins to accelerate. It is often the stage when speculative capital becomes more active, while longer-term investors begin positioning more selectively. Toward the end of Expansion, early signs of acceleration usually begin to appear, particularly through faster price increases and stronger urgency around off-plan stock.

Our current view is that Asunción is at the end of this Expansion phase and beginning to show some of the characteristics of transition into Boom. Developer guidance on upcoming off-plan price adjustments suggests that many projects expect around a 10% increase in May alone. In practical terms, that means waiting even a matter of weeks could result in paying materially more ($15,000 to $25,000) for the same unit under construction.

Over the period from 2024 into early 2026, price increases were broadly running at roughly 10% per quarter. A move toward 10% in a single month is a much stronger signal that pricing momentum may be accelerating into the next phase of the cycle. We're also seeing an acceleration in projects being approved for development as well.

4. Boom

In the Boom phase, momentum becomes more widely recognised. Prices, construction activity, and investor enthusiasm all accelerate. The city begins to attract broader attention, and stories of easy money become more common.

A Boom phase becomes more noticeable when investor interest rises rapidly alongside price growth that eventually starts to outpace the local market's ability to participate. There is usually more off-plan selling, more speculative behaviour, more liquidity, more credit, and more risk. Strong capital gains can occur in selected areas, and international developers often begin entering the city in greater numbers.

The reason we do not believe Asunción has fully been in a Boom phase until now is that, while prices have been rising steadily, they have remained broadly sustainable. Foreign investment has been present, but much of it has so far been concentrated within South America. Although developers have offered off-plan payment structures, credit conditions more broadly have not yet been as easy or as freely flowing as they often are in a more mature Boom phase. That is why our view is that Asunción may now be entering the early part of that phase as it moves into May 2026.



Asunción's development cycle is about to hit the gas pedal and could prove longer than a typical housing upturn.

Miami's inner-city boom offers one possible comparison: A long urban growth cycle that lasted roughly two decades, interrupted only briefly by recession before continuing under the weight of strong domestic and international demand.

Across 55 countries, the IMF found that a typical housing upturn lasts around 16 quarters, or roughly four years, while also noting that upturns can last much longer depending on local conditions. In cities undergoing intensified urbanisation, the cycle can extend well beyond the average. Asunción may prove to be one of those cases.

Demographic trends and the current housing shortfall suggest a demand backdrop that could support growth for many years as supply gradually catches up. On that basis, we believe Asunción's Boom phase could resemble Miami's by lasting longer than a typical boom, even if it is interrupted along the way by a period of cooling or recession. Even so, disciplined investors should remain careful not to become overly optimistic or overly leveraged. Boom phases can generate impressive gains, but they also plant the seeds of the next correction for those carrying too much debt.

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5. Peak Euphoria

In the Peak Euphoria phase, confidence becomes excessive. The market no longer feels merely strong; it begins to feel unstoppable and out of control. Prices keep rising to the point of unsustainability, weaker stock still sells, and buyers start paying less attention to underlying value and more attention to the simple fact that the market appears to be moving higher. Aggressive pricing, speculative buying, and unrealistic assumptions around resale and rental performance become more common.

Peak Euphoria is usually recognisable by a "you can't lose" mentality. Weak projects still find buyers, due diligence becomes lighter, and the belief takes hold that demand will absorb almost anything brought to market. This is often the point at which pricing becomes most disconnected from local accessibility and fundamentals.

We do not believe Asunción is anywhere near this stage yet. Developers we have spoken with do not believe the market is close to it either.

Miami provides a useful example of how long urban growth stories can unfold. The City's broader urban boom did not rise in one smooth, uninterrupted line. It experienced a clear speculative peak, was reset by the Global Financial Crisis, and later produced a second euphoria-style crest over a much longer development cycle. In that sense, major urban growth stories can contain more than one euphoric peak when a correction interrupts momentum before the broader trend resumes. In much the same way you see a double top before a reversal in both the stocmarket and crypto market.

We think Asunción may eventually experience two distinct euphoria-style peaks, potentially interrupted by an economic downturn — and possibly even a third if the broader boom extends well into the 2040s. The years we are watching most closely come from observation of economic cycles and combination of the 7-year Jewish Shemitah rhythm, and the longer 18-year property cycle. On that basis 2026 is the end of an 18-year cycle, which would point toward a end of the next 18 year cycle at 2044. Peak Euphoria would begin to happen 5 years prior to that.



(More on the timing of these cycles in the Correction phase).

We may see something closer to a smaller euphoric crest around late 2028 to 2029, followed by a modest pullback or pause, before the broader boom resumes. That said, Asunción is facing a housing shortfall that may continue for at least 17 years even without external immigration, driven simply by next-generation domestic demand.

For that reason, any slowdown may prove temporary rather than structural. The main value of noting these timing windows is not to predict a crash with certainty, but to remind investors to think more carefully about speculation as those periods approach.

For investors, Peak Euphoria is the stage to become more defensive and highly selective. It is often wise to take some profits where appropriate, reduce exposure to weaker stock, and prioritise cash flow, resilience, and quality over excitement. The main risk is buying too late, at inflated prices, while assuming demand will continue absorbing everything indefinitely.

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6. Oversupply / Stress

In the Oversupply / Stress phase, too much stock begins entering the market relative to real demand and realistic pricing. Price growth slows as values move too far ahead of what the market can sustainably absorb. Vacancy begins rising in weaker segments, and the first visible cracks start to appear. On the surface, the market may still look active, but underneath, not all buildings, corridors, or price points are performing equally well.

This phase becomes more recognisable when vacancy rises in specific areas, listings take longer to move, price reductions become more common, and rental absorption weakens. Owners anchored to unrealistic pricing expectations usually struggle most, especially where too many similar units are competing for the same narrow tenant pool.

In Asunción, we believe some early warning signs of future overpriced oversupply are already visible in selected premium sub-segments. The full consequences may not be felt for years, but the foundations can already be laid during the Boom phase if pricing continues to outrun renter reality and too much similar stock is delivered into the same segments. Whether a broader oversupply phase emerges in the mid-2030s or later into the 2040s will depend largely on how far and how fast the Boom phase accelerates.

If approved plans continue growing at roughly 10% per year, one of the earliest years in which a more meaningful oversupply phase could emerge is around 2043. That timing is notable because it would also align with a Shemitah 7 year financial cycle and the timing window of the next 18-year property-cycle correction.

This is exactly why ETICO places so much emphasis on positioning, portfolio balance, pricing realism, and management quality. As investors move toward this stage, the priority becomes tightening operations, strengthening tenant retention, and responding early to warning signs without becoming overly reactive. In some cases, weaker assets may need to be repositioned before pressure intensifies. The main risks in this phase are vacancy, income underperformance, and being trapped in the wrong building, the wrong segment, or the wrong price band when the pool of renters becomes narrower.

The full consequences may not be felt for years, but the foundations for future oversupply can be laid long before the market visibly turns.

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7. Correction

In the Correction phase, prices flatten or begin to fall, and the market stops rewarding poor decisions. Demand does not disappear, but speculative excess starts to unwind. Weak owners, overleveraged buyers, and those who relied too heavily on hype rather than fundamentals are usually the first to come under pressure.

A Correction is often recognisable when resale prices soften in weaker stock, motivated sellers begin to appear, rents ease in oversupplied segments, and highly leveraged owners become increasingly vulnerable. Liquidity can also become more uneven, with stronger assets holding up better while weaker ones struggle to move at all.

As noted in the Peak Euphoria section, we also watch broader cycle markers alongside market fundamentals, including the 7-year Shemitah rhythm and the longer 18-year property cycle. This does not mean every 7-year cycle produces a crash or major correction. However, enough notable financial disruptions have occurred in or around Shemitah years for the pattern to be worth watching alongside broader credit, demographic, economic, and property-market signals. 7 year Shemitah years often cited as examples of corrections include:

- 1929 — the Wall Street crash that ushered in the Great Depression era
- 1973–1974 — the oil shock, recession, and major bear market
- 1980 — another U.S. recession, reflecting the inflation and tightening stresses of that period
- 1987 — Black Monday, when the Dow fell 22.6% in a single day
- 2000–2001 — the dot-com bust and recession
- 2007–2009 — the Global Financial Crisis, the most severe downturn since the Great Depression
- 2015 — a sharp bout of global market volatility, which some cycle watchers still flag as part of the broader 7-year pattern

Rather than treat this as a standalone predictor, we see it as one framework among several. The next Shemitah runs from September 20, 2028 to September 9, 2029, which also happens to align with the potential 4-year crypto bear-cycle window.

Late 2028 to 2029, 2035 to 2036, and 2042 to 2044 stand out as cycle markers worth watching. In particular, 2028 to 2029 and 2035 to 2036 may align with smaller euphoric peaks followed by temporary cooling phases, rather than the final top of the cycle. If Asunción follows a Miami-style 20-year development path, the period most likely to lead into a true Oversupply phase may be 2042 to 2044, especially if development growth accelerates beyond 10% per annum and the housing shortfall closes faster than our longer-range models suggest.

For disciplined investors, a Correction can also create opportunity. This is often the phase to buy selectively from weakness, look for underpriced or distressed assets, and improve portfolio quality. At the same time, investors with fundamentally strong property should avoid panic selling simply because sentiment has turned. The main risks here are forced selling, poor liquidity, and realising too late that an asset was only ever supported by boom-phase enthusiasm.

8. Reset / Renewal

In the Reset / Renewal phase, the excesses of the previous cycle begin to wash out and the market gradually stabilises. Speculation fades, weaker stock reprices, and better opportunities begin to re-emerge for patient buyers. This is often the stage where disciplined capital starts quietly positioning again, even while broader sentiment is still cautious.

The phase becomes recognisable when poorer-quality stock has already repriced, speculative behaviour has faded, and quality assets begin to stand out more clearly on value rather than hype. Patient capital starts to re-enter, not because excitement has returned, but because fundamentals are beginning to make sense again.

For Asunción, this phase would most likely come after any future Correction and could create the next major buying window for investors who have remained liquid, patient, and clear-headed through the earlier stages of the cycle. The main risk is missing the reset altogether because sentiment still feels negative, or waiting too long once value has already begun returning.

What This Means for Investors

The main takeaway is simple: The city is entering a powerful stage of its cycle, driven by internal demographics. The immigration growth story is just an added bonus. The runway toward the correction may be a decade or two off into the future, with potential blips on the radar along the way. This is exactly when discipline matters most.

In the earlier phases, almost any decent purchase can look clever in hindsight. In the stronger growth phases, the gap widens between:

- well-bought and poorly bought assets
- well-managed and badly managed properties
- realistic pricing and fantasy pricing
- stock with real tenant fit and stock that only looked good in a brochure

This is why investors should not just ask whether Asunción is rising. They should ask:

- Which phase are we entering?
- Which assets suit that phase?
- Which neighborhoods will absorb demand best?
- Which buildings are built for occupancy, not just marketing?
- How do I position myself before the crowd becomes too obvious?

That is where the real edge is.

Finding Opportunities in a Fragmented Market

With dwelling prices having risen significantly through the Expansion phase — and likely to accelerate further as the market moves toward the Boom phase — it becomes increasingly important to understand Asunción's fragmentation so you can identify the genuine opportunities that still remain for strong capital growth.



One of the biggest mistakes investors make in Asunción is treating the apartment market as though it were one simple, flat market. It is not. Just as different demographic groups are driving growth, different unofficial tiers of buildings and pricing have emerged to serve them.

Some projects are clearly aimed at premium expat, executive, and furnished-rental demand, as well as wealthier South American buyers looking to park capital in real estate.

You'll find some buildings specifically target mid tier families and the prices reflect that. Other buildings are better suited to local professionals, younger households, couples, or more value-conscious long-term renters. While others are better suited for first time renters and digital nomads.

That means a building should never be judged by finish level, neighborhood or asking price alone. It should be assessed by the demographic it is designed for, the rent that demographic can realistically sustain, and the building's ability to perform over time through occupancy, retention, and manageable operating friction.

You cannot judge a building by developer or contractor reputation alone. Many developers build across multiple demographic tiers in order to capture more of the market, so the same developer who delivers a top-tier project may also deliver a mid-tier one. That means reputation, while useful, is not enough on its own. Investors need to focus on the demographic the building is designed to serve, the construction company hired, and the calibre of the contractors involved. The difficulty, of course, is that this information is not available in any clear, centralised public registry.

That matters even more because the pressure is on both municipalities to approve projects and developers to complete them as the housing shortage is expected to intensify from 2027 onward. In that environment, some developers may use less experienced construction companies or contractors than they have on other projects. There is also the risk of corners being cut if a project falls behind schedule due to weather, material shortages, weak project management, labour issues, or other unforeseen problems.

Because there is no simple, trusted, citywide scorecard telling you which buildings are engineered well, which developers consistently deliver, which towers age badly, or which projects cut corners, investing needs to be navigated more consciously. You will need to do that research on the ground yourself, as best as you can, or work with a property company that does that for you.

Whether you work with property locators who do strong research like Grupo ETICO or not, it's wise to learn and understand

1. How the unofficial tiering system works for buildings;
2. How neighbourhoods are developing unevenly, and
3. How the actual approval process works.

Understanding Unofficial Building Tiers in Asunción

Because of the varying demographics and their tolerated price points that Asunción's developers are catering too, the apartment market now appears to operate in several unofficial layers, tiers or classes.

A few developers may talk in terms of buildings being Classe A, B, B+ and C. Or Tier 1, Tier 2, Tier 3. But if you ask someone else in the industry what Classe or Tier the building is, you might be met with blank steers. Again, there is no central system of classification and no standard within the industry.

Centralisation does not usually emerge during the Expansion or Boom phase of a developing city. It tends to come later, when regulators finally step in to correct the disorder created by weak standards and unclear regulation in the early stages. This is not unique to Paraguay. It is a pattern seen in governments all around the world: they are more often reactive than forward-thinking, fast-moving, or proactive.

Although all buildings are meant to comply with code, developers tend to differentiate projects less through basic structural intent and more through market positioning, construction quality, materials, finishes, amenities, and overall presentation. This has helped create an unofficial tiering of buildings shaped not only by what buyers and renters immediately see and experience, but also, in some cases, by the quality of what sits beneath the surface. Higher-end towers, for example, may use stronger concrete mixes, better materials, and higher construction standards overall, which can contribute meaningfully to the long-term quality and durability of the structure.

From our conversations with developers, and from visiting apartments on behalf of clients looking to rent or buy, we see a clear pattern of tiering in Asunción's newer apartment market.

Class A

Class A, or Tier 1, buildings are aimed at the upper end of the market: wealthier corporate Paraguans in finance, banking, building construction, governement, diplomats, expats, senior corporate or embassy staff, and affluent foreign buyers parking capital in real estate.

In this tier, you typically find higher-grade construction materials - specifically concrete mixes, finishings, larger swimming pools, children's communal areas, event rooms, co-working spaces, well-equipped gyms with better-quality equipment, and sometimes meeting or conference rooms. Some also include resident lounges with large televisions or small cinema rooms, along with indoor and outdoor quinchos.

We would reserve a Class A+ category for a small number of standout buildings, such as those developed by Inarco, which are built to embassy-grade expectations and have been inspected by both the British and United States embassies for housing diplomats and senior embassy staff.

Class B

Class B, or Tier 2, is what we would unofficially describe as the middle-market category, and it appears to be where a significant portion of developer activity is focused. In this tier, finishes are typically more cost-conscious, though still perfectly attractive and functional. Buildings may still offer amenities such

as a smaller gym, swimming pool, co-working space, and quincho, but they are less likely to include the broader lifestyle extras found in higher-tier projects, such as multiple event rooms or more expansive communal areas. Floor plans may also be smaller in square metres. Some apartments may not have balconies.

We would reserve a Class B+ category for buildings that stand out within this middle tier, whether through a larger gym, better outdoor areas, more generous floor plans, additional amenities, or more updated finishes. These buildings sit above the standard middle-market offering, while still not quite reaching the full amenity depth or prestige positioning of a Class A project.

Class C

Class C, or Tier 3, tends to consist of smaller-square-footage buildings aimed at first-time renters, one of the largest housing-demand demographics in Asunción, as well as digital nomads and mid-range Airbnb demand from remote and hybrid workers. These buildings are typically characterised by simpler, functional finishes and a more limited amenity package. They may include a small co-working space, but balconies, swimming pools, and gyms are less consistent and may be absent altogether.

Classe C+ would simply be more amenities.

If there were to be a minus classification like A-, B- or C- it would be for older buildings that have the same square footage as the letter class and amenities, it's just older. Or a relatively newer building of only 4 years that has not been well maintained.

When Pricing Becomes Perilous

Having established this unofficial classification system, the market becomes more perilous for investors. Some owners price opportunistically rather than rationally. A Classe B or Classe C apartment may be listed at Classe A pricing simply because a neighbouring A or A+ building is asking, or achieving, those figures. This kind of pricing distortion usually does not begin at the developer level, where pricing is typically more disciplined. It tends to appear at the private resale level, where sellers are often trying to maximise their flip profit.

This issue can be particularly pronounced in stronger corridors such as Las Lomas, where demand is higher and some owners appear less willing to negotiate because they believe the location gives them pricing power regardless of the actual quality or positioning of their unit. In practice, this can leave apartments sitting empty or unsold for long periods. We have seen listings remain stagnant for four months to well over a year simply because the owner refused to adjust expectations.

The motivation behind this varies. Sometimes it appears to be greed. Sometimes it is poor market judgment, aspirational pricing, or an owner who has fixed a target capital gain in mind and is indifferent to how long it takes to get there. In other cases, an owner may already have made strong profits flipping several apartments in the same building, so the final unit can be held without urgency, sometimes even as part of a broader tax strategy.

A Fragmented Market Creates Opportunity

If the building classes and tiers were not enough to add complexity, there is another important layer created a fragmented real estate market as opposed to a flat market that most investors will be familiar with.:

Two important features of this fragmented market are:

1. Uneven Development Across Neighbourhoods
2. Tiering Within The Same Building

Together, these dynamics create a market far more layered than many international investors expect. Grasping this multi-faceted, multi-tiered structure matters, because without it, it is easy to misread the market.

- You may assume prices are uniformly inflated and decide not to invest at all.
- You may think the best neighbourhoods are already out of reach and start looking further out unnecessarily.
- Or you may overpay for a heavily marketed property while overlooking leftover gems sitting quietly below market value in premium locations waiting for you.

Don't assume that buying offplan represents the best return on your investment. In a fragmented market there are other opportunity for high returns. Let's unpack what this means in practice.

1 - Uneven Development Across Neighbourhoods

If you have invested in property in Europe, the United States, Canada, South Africa, Australia, or New Zealand, you may be used to pricing and housing quality being more clearly divided along neighbourhood or suburban lines and class. Working-class and upper-class housing are often separated geographically, unless a suburb is in the process of gentrifying. In those markets, choosing the right suburb often gives you a reasonably predictable range of pricing, quality, and tenant profile.

You cannot bring that mindset directly to Asunción.

Just as apartment buildings are experiencing uneven absorption, neighbourhoods are experiencing uneven development. You can find Classe A through to Classe C- apartments within the same broad areas, including places like Las Lomas, Las Mercedes, Santísima Trinidad, and Luque. On the surface, developers appear to be providing housing for multiple demographics in the market within the same suburbs, creating more of a melting pot than the class-based geographic separation many western investors are used to.

For example: The Santa Teresa Corridor in Ycua Sati is filled with luxury, higher quality, higher priced buildings both off-plan and built. Yet you can still find reasonably priced buildings in Ycua Sati.

The upside is that investors can still find attractive opportunities in their preferred neighbourhoods without having to abandon location altogether. This gives buyers more room to niche down according to budget, rental strategy, and target tenant.

2 - Tiering Within the Same Building

The layering does not stop at the neighbourhood level. In many developments, there is also a form of tiering within the building itself.

Developers of stronger projects across multiple classes often sell the first 70–75% of a building relatively quickly. As this early stock is absorbed, prices on the final 25% can rise just as quickly. But that remaining stock can also take longer to move, especially as new investors shift their attention to other newer projects buying off-plan often with lower entry prices if they are buying with financing.

Once a building is completed and sold out, another pattern often appears: Flippers. These are buyers who purchased off plan and list their apartments immediately upon completion in order to capture the capital gain generated during construction. Sometimes they may even flip before the building is completed. In some cases, these resale prices can still sit below true market value because the seller's pricing is based on their own capital gain target, rather than strict market value.

Because many newer investors are still drawn to off-plan opportunities with lower starting entry points, these flipped resale units can sit on the market for a long time - up to a year in some instances or longer. That can create wriggle room for negotiation, unless the owner falls into the same opportunistic category described earlier and simply does not care how long the property takes to sell.

This is especially important for flippers. In a market where new investors are still strongly drawn to off-plan projects, completed resale stock can be harder to move than many expect. Buyers often prefer the newest launch, the lower entry price, and the flexibility of staged developer payments over buying from a private seller at a higher resale price. That can leave flippers waiting longer to exit, even in a market that is otherwise rising.

While this creates risk for flippers, it can create opportunity for buyers with a different objective. Those looking for a family home or a rental property may find that slower-moving resale stock offers more room for negotiation, immediate usability, and in some cases better value and higher returns than the newest off-plan release.

The Fortaleza Lottery Model

Some developers, such as Fortaleza, have introduced a different type of pathway into apartment ownership through a lottery-style off-plan model. In this system, buyers do not purchase a specific apartment upfront. Instead, they pay into a long-term structure savings plan and take possession of an apartment in the building when their name comes up through the adjudication process (monthly lottery).

Illustrative Example Only

The figures below are simplified and should be treated as a rough illustration, not a precise financial model or guaranteed outcome. Actual results will depend on many variables, including the exact Fortaleza contract terms, remaining payment obligations, adjudication timing, resale restrictions, taxes, transfer costs, selling costs, market conditions, and how long it takes to secure a buyer. The purpose of this example is simply to show how this type of system can work for people with lower starting capital but strong monthly cashflow.

Let's say the investor contributes US$3,000 per month. After 12 months, they have paid in US$36,000. If they are adjudicated in month 12 and flip the apartment immediately, the numbers could look something like this:

Paid in: $36,000
Sale price: $150,000
Less remaining contractual obligation: $70,000
Less selling costs: $8,000
Net proceeds: $72,000

From that:

- Original cash invested: $36,000
- Net proceeds received: $72,000
- **Net profit: $36,000**
- Return on invested cash: 100%

This typ of investment allows you to get the capital gain of flipping in a fast growing market without the larger outlay of capital. Again, this is only a crude example to illustrate the mechanics and it comes with the risk that it may take months of you continuing to pay your $3,000 if it does not sell right away. It does not mean every investor will achieve this result either. It simply demonstrates how early adjudication can create a strong upside scenario for someone who may not have a large lump sum upfront, but does have reliable monthly cashflow.

Here is the catch: The opportunity can look very attractive on paper, but these types of apartments do not always sell quickly. They can stay on the market for many months, or even a year, while the owner continues making their monthly payments. If you choose not to rent the place while you wait for a buyer, you have money going out earning you nothing but future potential capital gain.

Buyers are constantly being pulled toward the newest buildings, the newest marketing campaigns, and the newest payment plans. In a market driven by fresh launches, the “leftover” resale stock can easily lose momentum.

The Leftover Apartment Market

The leftover apartment market can create some of the best opportunities for rental property investors and home buyers, rather than flippers. These units may have been left behind in the sales cycle, but not in underlying rental value. In a market driven by new launches, some of the strongest rental opportunities may be the apartments others have already overlooked.



For example, owners who need to exit their investment early may become motivated sellers. Their units are no longer the shiny new launch stock, and for that reason they can become part of what we would call the leftover apartment market.

These are apartments left behind by the marketing of new development cycle, not necessarily because of their investment quality. Because they are no longer the newest product in the market, they may be overlooked by retail buyers.

Therefore they can be priced more competitively by owners who need liquidity.

Across Asunción, many completed units have sat empty for months. Some leftover apartments are resale apartments that never moved. Others are developer-held units from projects that were not fully sold off-plan. In some cases, developers place tenants into these unsold apartments to generate interim income while continuing to market them for sale. These apartments can be great deals because they come with an immediate income since they have rental contracts already.

All of these situations can create opportunities to buy at below-market prices, or to negotiate sellers down below market value. In some cases, these apartments may already be quietly priced below the broader market simply because they have been sitting too long.

Once an apartment falls out of the fresh-launch spotlight, it often becomes easier to negotiate. The newest towers attract the attention, but not always the best value. Older launch stock, slow-moving resale units, and unsold developer inventory can all create openings for rental property investors who are patient, informed, and price-sensitive.

Price Per Square Meter by Neighborhood

Why Asunción's Pricing Is More Fragmented Than It First Appears

One of the biggest mistakes investors can make in Asunción is assuming that price per square meter works neatly by neighborhood, as it often does in flatter, more mature property markets. It does not. Remember, Asunción's market is fragmented and multi-layered, and that fragmentation is reflected clearly in pricing. Price differences are driven not just by location, but by the type of building being delivered, the demographic it is designed to attract, and the pricing ambitions of the developer or seller.

That fragmentation shows up clearly in the numbers. Within the same barrio, you can find older stock, mid-market buildings, premium towers, investor-focused compact units, and more lifestyle-driven family product sitting side by side, often at very different square-meter rates.

This matters because an investor can easily end up paying more for a building that is not truly superior, but simply priced higher because of stronger marketing, newer presentation, or the seller's aspirations rather than its real market value for that segment. Just as easily, an investor may wrongly dismiss higher-end barrios as unaffordable, missing under-market-value opportunities sitting quietly within them.

In the price per square meter by neighbourhood chart on the next page, review it as a directional pricing guide, not as a rigid valuation table. It shows the indicative asking-price range per square meter across a selection of Asunción neighborhoods, ordered from the highest to lowest. It is not 100% accurate because development is happening so fast, and prices beginning to escalate public figures are not keeping up with the growth. In reality we've seen lower prices and higher prices per square meter, but they are usually exceptions to the norm.

This chart is intended to help you narrow your focus, compare neighbourhoods more intelligently, and judge where any property you are considering sits within the local price-per-square-metre range. If a property is priced toward the top of that range, you should expect a better-quality build, stronger finishes, and a more premium overall standard. If it does not offer those things, it may be overpriced, and better opportunities may exist elsewhere.

Rank	Neighbourhood	Lower Band USD/m²	Upper Band USD/m²
1	**Santa Teresa Corridor**	1,800	4,000+
2	**Las Lomas**	1,450	2,850
3	**Villa Morra**	1,250	2,400
4	**Ycuá Satí**	1,350	2,300
5	**Las Mercedes**	1,300	2,150
6	**San Cristóbal**	1,450	2,150
7	**Herrera**	1,450	2,150
8	**Mburucuyá**	1,650	2,100
9	**Recoleta**	1,430	2,000
10	**Molas López**	1,250	2,000

From our on-the-ground experience as property locators, the lowest price-per-square-metre examples have steadily been rising. For example, in March 2026 in Las Mercedes, you could still find square metre prices as low as $600–$750. Now, $1,300 is becoming a more realistic benchmark low for newer stock. That points to a market beginning to show clearer signs of price acceleration, driven by new development activity and a growing concentration of more upmarket projects.

Examples like this are appearing right across the city. Increasingly, you are fortunate to find genuinely lower square-metre pricing in almost any suburb, especially in newer buildings or better-positioned locations.

The real value of the chart, then, is not in treating it as a final valuation tool, but as a guide to where pricing fragmentation is strongest, where bargain hunting may still exist, and where closer due diligence is needed before assuming that a higher square-meter rate automatically means a better investment.

Now that we have established how to read this multi-faceted, multi-layered real estate market, and where some of the best rental property opportunities may lie, the next question becomes: who can you trust, and which developers deserve your attention?

You need to understand the environment developers and construction companies are operating in. Even the best developers with stellar reputations are building within a market that remains relatively unregulated in key areas.

You also need to understand how development plans are approved, what those approvals actually mean, and where the real gaps in oversight begin, so you can judge whether a building is likely to protect its long-term profitability and hold up well over time.

Beyond Location: Construction Quality, Safety

Asunción is still a young apartment-tower underregulated market, in the early stages of evolving into a more established high-rise city. You could say we're in the Wild Wild West where speculators have arrived before the town Sheriff has deputies and well establish rules. This means when it comes to the building of towers over 7 floors in particular, you need to be mindful that local developers, construction companies, contractors and local workers, don't have the same experience as Ineternational developers, construction companies, engineers, contract workers and labourers who operate in regulated markets.



As with any city beginning its development into a high rise city, Government is slow to regulate. It's the Wild Wild West phase, which means self reliance, market research, and local relationship building are going to be the key. Finding the better quality investments both in terms of yield and whether or not you can realise capital gain in a building that holds up over time, will require you to do some leg work. Or work with a local agent that does that for you rather than just lists properties for sale.

Don't let that put you off because the Wild Wild West phase is where the most money is made. Paraguay does have building codes. Building to code means …

- complying not only with approved architectural and structural plans,
- zoning, land-use rules,
- fire-prevention requirements,
- professional registration, filing obligations, and
- any specialist approvals required for the project.

In other words, developers must submit plans that are formally "up to code" before construction is authorised.

The developer then hires a construction company to build the project in line with the plans approved by the municipality. A *certificado de inspección final de obras* is required by Asunción's Dirección de Obras

Particulares before a building can be opened for occupancy. That process also includes a fire-safety check carried out through the municipality's fire-prevention authority under the Ejecutivo Municipal.

What matters for investors, however, is understanding what that final inspection does and does not appear to mean. Based on the public framework reviewed, and conversations we've had with foreign civil engineers who have worked in more regulated markets, the final inspection appears to function primarily as a compliance check against the approved project and applicable municipal requirements, rather than as evidence of an independent, full-scale structural stress test at completion.

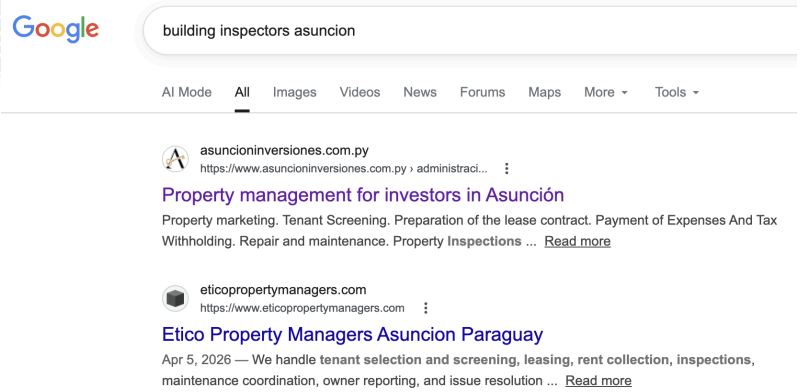
The system clearly assigns responsibility to the named professionals and constructor, and it provides for municipal authorisation and inspection. But neither the public materials reviewed nor our conversations with civil engineers clearly indicate that the final inspection includes the kind of broad structural stress-testing some foreign buyers might assume takes place before occupation.

In a fast-growing market where there is pressure to keep housing supply moving to meet the overwhelming shortfall in dwellings, investors should not assume every project is being examined with the depth they might expect in more tightly regulated jurisdictions. Some things may be missed, some may be passed through too quickly, and much of the practical responsibility still rests with the developer, the construction company, and the technical professionals effectively overseeing the delivery of their own project. Municipal approval should not be confused with full protection from construction risk.

Due diligence at the construction level becomes even more important in the expansion phase of a boom-and-bust cycle, when new independent developers and builders start appearing everywhere to take advantage of rising demand. Some will be excellent. Some will not. If you are attracted to a project from a newer or lesser-known developer because the price looks good, then it becomes even more important to verify whether the builder and technical team have successfully delivered similar projects before.

Due diligence is made harder by the fact that the development of the city is still young, and there are no companies or individuals specialising in independent building inspections that we could find.

Go ahead and Google "Building Inspectors Asuncion" and you find our Property Managerment company, Ethico Property Managers at number 2. At number 4 on Google's list is an instagram post of real estate agents showing potential clients a construction site. Then all the way down the list at the bottom is an Inspection company for trade coming in by the river.



When you Google **"Inspectores de Edificios Asunción,"** the picture is not much better. The top result is an electrical inspection company, and nothing else on page one suggests there is a robust market of independent building inspectors able to carry out the kind of surveys buyers commonly hire in more developed markets. In practice, the **Dirección de Obras Particulares** appears to remain the main authority checking compliance with approved plans.

Don't let that put you off.

On a much more positive note, there are some big developers and construction companies that we found as an example, with stellar reputations and experience with large projects from apartment towers to stadiums. There are standout companies operating producing good quality buildings here.

In a fast-moving market, the cheaper deal is not always the smarter investment. The real question is whether the building is likely to preserve its quality, tenant appeal, and long-term profitability once the launch excitement has faded. You the investor might need to get creative in hiring someone to do the checking on that since there's not robust inspection or survey market here.

One thing has become very clear to us through our direct conversations with developers: some take construction quality and reputation far more seriously than others. Even in a market with lighter regulation, there are standout developers and construction companies that genuinely care about building well, protecting their name, and maintaining long-term credibility. These are the firms that understand poor execution can do far more than damage one project. It can trigger disputes, expose them to legal claims, and harm the reputation they rely on both locally and internationally.

Top Developers

A complete and exhaustive list of every apartment or real estate developer in Asunción does not exist in any single public source. There is no official registry or government database that lists them all in one place. The market also has over 400 agencies and many small or boutique developers that don't have a significant online presence.

At ETICO, we have compiled a shortlist of developers we consider among the stronger performers across a range of factors, including reputation, recommendations from industry insiders, investor experience, online research, and insights from our Market Intelligence AI Agent. It is not a complete list. As this report remains a work in progress, we will continue expanding and refining that database and sharing updated findings with clients as new research is added.

ETHICO's TOP Personal Picks

The below favorites are our top picks because of the higher standards they adhered to, their ability to create teams with top talent, top contractors and construction companies. In the absence of any building inspection for occupancy that actually stress tests structure, companies that operate at a level of international standard when they don't need to, have made our top 5.

1 - Inarco

Top of our list is Inarco, a Chilean company founded in 1983 and operating in Paraguay, Chile, and Peru. They have been in Paraguay since 2017. What makes Inarco stand out is its positioning around international-standard build quality and credibility. The company builds to embassy standards, with inspections by relevevant British and United States embassy personnel. They are the only company in Asuncion that we are aware of, that do that.

That is a meaningful differentiator in a market where buyers often feel there is limited independent inspection of construction quality and post-delivery oversight. At this writing of this report, we have not found evidence that other Asunción developers publicly market themselves as embassy-certified.

Inarco is also the oldest and most experienced company on our list. Beyond the embassy quality, security and safety angle, what we like is the strength of its corporate governance. The company publicly states a code of ethics, quality and safety policies, a supplier code, and even a formal

complaints channel. To us, that signals a business that takes its brand, standards, and accountability seriously.

Its current projects in Asunción include Garay 530, which is built and sold out, Magallanes, currently in development with expected occupancy in December 2026, and Herrera, now in development with projected delivery in April 2028.

Magallanes in particular, represents the greatest opportunity to capital gain the city has to offer because it's one block (two walking blocks) the tallets commercial Skyscraper in Paraguay - Sudameris Plaza. Commissioned by Sudameris Bank, the tower will serve as the bank's headquarters, with Sudameris occupying the first six floors as well as the top two floors, while the intervening levels will be used as commercial office space.

For long-term rental property investors, proximity to a major corporate anchor of this kind can be highly valuable. Properties within walking distance are likely to benefit from stronger renter demand from professionals seeking convenience and easy access to work. Over time, that same locational advantage may also support capital growth. With no other new developments currently in the area, the opportunity appears relatively unique. If you're interested in view this, or any of our other listings please book a call here.

Prices are set to rise 10% on these plans, and other plans across the city end of April. If buying off-plan at $15,000 to $25,000 more is not to your liking book your call right now.

https://calendly.com/nicolagrace/asuncion-property-strategy-call

2 - Eydisa

Eydisa is a Paraguan company founded in 2007. We regard their standard on engineering and construction positively because it's where they put a lot of care and attention to getting the construction team right, often drawing on international companies to help out where the expertise is not available in Paraguay. They have to because their projects tend to be more complicated than a standard tower apartment block and therefore naturally attract the higher quality engineers.

Full disclosure here, we are invested in properties in this project. But it's precisely because of the reasons mentioned below, we became investors.

Eydisa have a strong reputation for high standard quality builds. They are strong on engineering coordination so their teams are highly qualified and experienced

Their completed projects in Asuncion are commercial towers Park Plaza, SkyPark 1, 2 & 3 and the residential building Cruze del Chaco. Eydisa are behind the Marena lifestyle project in Luque that has the large Lagoon. They developed a similar project in San Bernadino called Bali.

They are less focused on small investor units or a pure Airbnb, and more focused on families and professionals desiring lifestyle environments.

If lifestyle is what you want we can introduce you directly. Book a call here.

3 - Altius Group

A Uruguayan company founded in 2008, Altius Group ranks number three on our list because it is probably one of the next safest “international-grade” options in Paraguay at present, after Inarco and alongside Eydisa. They are positioned in the Premium Real Estate Market in Ausuncion and because of that their buildings appear closer to the standards international investors are typically more comfortable with.

Altius also seems to operate with a more institutional development model than many of its peers, with stronger capital backing, a more robust corporate structure, and clearer reporting and governance standards. Projects such as More Mariscal, More del Sol, More Plaza, and Nostrum suggest a developer with a strong pipeline and clear investor appeal.

Our main caution with Altius is that it is newer in Paraguay than some of the more established local names, and certain projects appear priced aggressively as their “More” brand of buildings suggests. That means individual deal selection still matters.
We can introduce you to their stock if you’re interested, though we would exercise caution here simply because they are priced higher than other alternatives. Book your call here.

4 - Kraken In Association With Alves Ribeiro

Kraken S.A., in association with Alves Ribeiro & JCA developed the block building project Gómez de Castro in Villa Morra. Founded in 1941, Alves Ribeiro brings the weight of a long-established Portuguese construction group whose broader track record includes major works such as Lisbon’s Estádio José Alvalade, the MAAT museum, and airport infrastructure projects.

While the 52 apartment building, Gómez de Castro, is a more boutique, single-project-style opportunity in Villa Morra rather than part of a large local pipeline, that can work in the investor’s favour. For rental property investors and flippers, it may offer one of the better opportunities for leftover apartment bargain hunting in a strong neighbourhood, particularly where motivated sellers are prepared to soften on price.

We have found that our investor clients like to look for defining differences in their choices. Something another building or apartment may not offer. Gomez has a private large internal outdoor community are with swimming pool and two large lawns, and quincho which is rare if it exits at Villa Mora.

One of the main things we like about this project is that the Project Manager was also the Civil Engineer for Paseo La Galería. That matters because it suggests the construction and contracting process was guided by experience on a more complex project. Combined with the broader execution history of Alves Ribeiro, it points to a team-selection process with stronger judgment behind it. In a city where much of the development cycle is still relatively young, that is meaningful. It suggests this was not simply a green team learning on the job, as can sometimes be the case with newer entrants or more ambitious tower projects.

We have the list of 1, 2 and 3 bedroom units for sale, many of then have tenants who don’t want to leave. So some of the apartments come with existing income. That could be attractive for those investors wanting immediate Paraguan income.

Book a call here to discuss the returns and organize a viewing.

5 - CIVIS — especially Civis Mariscal

CIVIS is not boutique in the strict sense anymore, as it now presents itself as having more than 14 projects developed, 8 delivered, and 6 under construction. That said, some of its projects, particularly Civis Mariscal, do compete in a similar urban, design-conscious, amenity-led lane to Gómez de Castro.

Civis Mariscal is an 8-floor, 52-unit building in Recoleta, which places it in a similar scale and lifestyle category to Gómez de Castro. Our Market Intelligence AI Agent ranked the top five developers as Petra Urbana, Altius Group, CIVIS, Natania, and Eydisa, with CIVIS coming in as a strong top-three pick largely because of the value-and-reliability space its projects tend to occupy.

We see CIVIS as appealing for foreign buyers, passive-income investors, and those prioritising usability as an investment product. Its projects tend to emphasise smart layouts and home automation, which can support leasing performance when pricing is kept realistic.

Top Picks From Our Market Intelligence AI Agent

1 - Petra Urbana

Founded in 2016 they have the clearest visible delivery record in Paraguay and a good reputation, therefore lower execution risk than some smaller developers. The many projects they have completed and in development show strong capital backing and ability to finish a project.

For our AI Agent, Petra stands out because it combines track record, prime urban locations, and a product type that is easy to explain to investors and easier to rent in the upper-mid and premium segments. Their portfolio is concentrated in known demand corridors like Villa Morra, Recoleta, Santa Teresa, Herrera and Molas López, which matters more than branding alone for occupancy.

Petra Icon is in development due September 2026. Petra Imperiale is in development for December 2029. Petra's developed and completed projects include Petra Tower, Life Recoleta, Life Mariscal, Spirit De Gaulle, Spirit Bruselas, Spirit Villa Morra, Spirit Mariscal, Residencias Surubi'i, Life Santa Teresa, Forvm Molas López, Life Quesada, Life de Gaulle, Ágora Villamorra, Forvm Herrera, Life Bruselas, Life Villamorra, Life Herrera, and Life Botánico.

For ETICO however, we are more cautious so Petra did not make it on our list of top 5. Maybe we would put it at 6. The main reason being it's only 10 years experienced, yet is developing some of the tallest most ambitious towers in Ausuncion. The towers are also going up really fast.

We're not saying they are cutting cornors to finish on time, but it does mean you need to pay closer attention to the construction company, civil engineer and what tower experience they have. Just because one Petra tower is excellent doesn't mean a rushed Petra tower will have the same standard.

While we think some Petra stock may be excellent for investor resale and furnished rentals, it's less differentiated if a client wants boutique character or stronger scarcity value like say what Gomez de Castro offers. That means the property-by-property rent and resale positioning still matters.

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2 - Altius Group

Altius was also a top pick for us at number 4. For our AI Agent it places it at 2 because it scores highly on structure, capital backing, mixed-use thinking, and product appeal to professionals and young families.

3 - Civis

As we discussed above, we ranked Civis at number 5 mostly because, in an under regulated market the certification value of Inarco, and experience of the other picks in international markets have greater safety value for us as investors. However for our AI Agent, Civis comes in at number three because they have a good local reputation on delivery and quality.

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4 - Natania

Launched in 1986 in Argentina and backed by Grupo ECIPSA, which was founded in 1977, Natania sits in our AI Agent's top five because it is big enough, established enough, and experienced enough to feel less fragile than many of the younger, less experienced tower developers. For investors, that can help reduce execution and delivery risk.

In Asunción, Natania currently appears to have two projects in its pipeline: Natania 85 on Molas López and Natania 86 on Santísima Trinidad. Based on Natania's own published materials, Natania 86 is in active development, while Natania 85 appears to have been launched earlier, though we have not yet independently verified final delivery at writing of this report. Its other current Paraguay project, Natania 90, is in Luque rather than Asunción central.

In our view, Natania has more of a mass-market than premium appeal, and may therefore suit mid-tier investors better than those targeting executive rentals or top-end expat positioning. Because of the locations of its current projects, it is likely to have less Airbnb-style appeal and stronger relevance for long-term renting. Its main reason for being in our AI Agent's top five is the depth and breadth of experience Natania brings to a young high-rise city still in development, like Asunción.

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5 - Eydisa

We ranked Eydisa as our number two pick because of its strong engineering focus and experience with more complex projects, a point our AI Agent also broadly supports. Our AI Agent placed Eydisa at number five, largely because its projects are not centred on the kind of smaller, easy-to-rent investor stock typically found in prime expat corridors. On that basis, the assumption is that Eydisa may be a weaker option for apartment investors.

We do not fully agree with that conclusion. Based on our intelligence gathering on the ground, including conversations with members of the development and marketing team, our own investment in Marena in Luque, and a better understanding of the buyer demographics and nationalities behind the project, we believe Eydisa's developments may have stronger Airbnb and long-term rental appeal than first appears. One reason is that a large portion of investors are expected to live in the building themselves, which could create relative scarcity within what is already a highly attractive lifestyle development.

In the case of Marena, the lagoon is a particularly important differentiator. In a country with no natural beach culture on the coast, that kind of amenity can carry strong appeal for both local and international short-stay demand during the hotter months, while also supporting longer-term lifestyle-driven rental interest.

ETICO
PROPERTY MANAGERS

Are Other Developers & Buildings Worth Your Investment?

Asunción now has an estimated 400+ developers, along with hundreds of apartment buildings either delivered, under construction, or entering the pipeline. We cannot realistically cover every developer or every project in one report. That is exactly why this shortlist matters. The developers highlighted here are, in our view, the standout names and projects deserving closer attention for the reasons outlined above, particularly for buyers more comfortable with a stronger international-standard feel.

Beyond these developers, there are also other worthwhile buildings with leftover stock that can offer strong value for the right buyer, particularly where location, quality, and pricing are more aligned than the wider market first suggests.

In practical terms, the right building is the one where four things line up: tenant fit, location fit, pricing realism, and execution quality. A polished tower in a strong corridor can still underperform if too many similar units are competing for the same narrow renter pool. Equally, an older or less glamorous building can outperform if it offers better value, lower friction, and a more resilient tenant base. In a market like Asunción, where supply is rising but absorption is uneven, success comes less from buying what looks impressive and more from buying what is likely to stay occupied.

That is why ETICO's view is that stable occupancy is often a stronger wealth strategy than chasing the highest advertised rent. The right building in Asunción is rarely chosen by brochure alone. It is chosen by…

1. understanding the layer of the market it sits in,
2. the demographic it is built to serve,
3. the quality of the developer and delivery team,
4. the credibility of its approval and compliance pathway, and
5. the realism of its rent and occupancy potential.

At ETICO, when we act as a property locator for investors, we do not begin with the building. We begin with the brief. We look at what you are trying to achieve, whether that is living in the property, flipping it, renting it long term, using it for Airbnb, or holding it as part of a broader wealth strategy.



From there, we narrow the search, identify the strongest-fit options, prepare a short list with a data sheet for each building, and then either inspect on your behalf if you are overseas or accompany you in person if you are in the country.

We also do not believe in assessing a property in isolation. A purchase in Asunción should be considered in the context of your wider portfolio, both in Paraguay and internationally. Where does this asset sit within your overall wealth strategy? What level of risk makes sense for you, and what level does not? Does the property add balance, income, long-term upside, lifestyle utility, or geographic diversification? We help investors think through those questions so the purchase works as part of a bigger picture, not just as a one-off transaction.

Because we are also property managers, we have a live view of the rental market that goes well beyond online listings. We hear daily from tenants and relocators about what they need, what they are prepared

to pay, what locations they prefer, and where demand is strongest or softening. That gives us a practical edge when helping investors identify which buildings are more likely to perform, which price points are realistic, and where the better opportunities may sit.

Trying to locate property yourself in a market like Asunción can be done, but it is time-consuming, fragmented, and easy to get wrong. It takes time to sort through misleading listings, understand which developers are worth your attention, compare buildings fairly, build relationships, and separate genuine value from polished marketing. If you do not speak the language well, that adds another layer of complexity, misunderstanding, and room for error.

All of that time has a cost. So does missed negotiation leverage, weak local intelligence, and walking into a building or deal without the right context. Working with a team that already has relationships on the ground, ongoing research, and live rental-market insight can save you considerable time, reduce avoidable mistakes, and help you move with more clarity and confidence.

If you are considering buying in Asunción and would like help narrowing the field to the right buildings for your goals, book an appointment with ETICO. We help investors cut through the noise, assess the real opportunities, and make smarter property decisions with better local intelligence behind them.

You can book a call with us via What's app or going straight to our booking calendar.

>> Whats App https://wa.me/message/WTNXAPE6WFCNI1

>> Booking Calendar https://calendly.com/nicolagrace/asuncion-property-strategy-call

Construction Companies

The municipality places significant responsibility on the construction company and the relevant technical professionals to ensure the building is delivered in accordance with code and in line with the approved plans.

We asked a prominent Civil Engineer of the Paseo La Galeria shopping mall, which construction companies he would work for or trust. This was his list:

1. AGB
2. Tecinci
3. CCI
4. Gomez Abernti
5. Tecnoedil

It is important to note that this is not an exhaustive list of construction companies operating in Asunción, nor should it be read as a definitive ranking of every reputable builder in the market. There are likely other construction firms not mentioned here that are also capable, experienced, and producing quality work.

At the time of writing, we have not independently vetted every company on this list in a formal technical sense, nor have we completed a project-by-project engineering review. We are not engineers or technical writers. This section is intended as a practical starting point for further investor research, not as a final endorsement or guarantee.

We have included these names because, at some point, it became more important to get useful information into investors' hands than to wait for perfect completeness in a market that is moving quickly. With price increases of around 10% expected in May across parts of the off-plan market, delaying publication until every possible builder and project had been fully assessed risked making the broader report less useful in the current window. In that sense, this list should be treated as part of a wider due diligence process — a guide to where further attention may be warranted, rather than the last word on construction quality in Asunción.

Why Timing Matters Just As Much As the Building

Timing matters just as much as the building and developer you choose because in a city like Asunción, where roughly 280 to 288 developments were approved in 2024 alone, new stock keeps coming and pricing keeps ratcheting upward.

Buying Off-Plan

Off-plan pricing usually rises in stages as apartments sell. The launch floor price is often the cheapest it will ever be. As developers hit sales quotas, prices move up. In stronger projects, those increases can happen every month or two, and over a quarter they may add up to roughly 10%.

That means timing matters. If you delay too long, even by a matter of weeks, you may end up paying materially more for the same unit. To complicate matters further, these price cycles do not always follow the normal calendar quarter. They may run from the month the project began selling, not from the start of the year.

Many buyers assume that if they miss the early stage of one project, they can simply wait for the next launch and buy at a cheaper ground-floor price there. In practice, that is not always how it works. When buildings sell well off-plan and their floor prices rise quickly, they help reset the benchmark for future launches. Each successful project gives the next developer a stronger base from which to price.

> If one studio begins at US$37,000, the next comparable project may launch at US$47,000 to US$50,000, not because it is dramatically better, but because the market has already been repriced upward by the speed and pricing success of earlier launches. Waiting for the next new project can therefore mean paying tomorrow's higher floor price rather than securing today's better entry point.

At first glance, buying at the beginning of a project may seem like the obvious strategy if your goal is maximum capital gain. Often, that is true. But it comes with trade-offs. The project may not finish on time, your capital may sit tied up for an extended period, and there is a clear gap between cash outlay and return.

If your strategy is mainly capital appreciation, buying early in the cycle may suit you well. But if your strategy is mainly income, the picture changes. A property still under construction produces no immediate rent, carries timing risk, and delays your cash flow. In those cases, paying more for something that is close to occupancy, or already income-producing, may make better financial sense once the numbers are properly compared.

That is why waiting for the next launch is not automatically a smart strategy, and buying as early as possible is not automatically the best one either. The smarter move is to understand where the building

sits in its sales cycle, what your actual use case is, and whether the fundamentals already justify acting before the next increase.

ETICO's view is that timing should be treated as part of due diligence. A strong building bought at the right point in its sales cycle can give you a better entry price, more upside, and more room for rental profitability over time.

Case Study: Buying Early Off-Plan vs Buying Built Renting Immediately

Let's use a simple example of a **studio apartment that can rent for US$650 per month** once ready.

Scenario 1: Buying early off-plan

You buy at the beginning of a new project for **US$50,000 cash**.

The upside is that if the building sells well off-plan and the project's pricing rises steadily during construction, that same studio may be worth **US$65,000** by completion.

That gives you a paper capital gain of: US$65,000 - US$50,000 = US$15,000 capital gain or 30% on the original purchase price.

If construction takes **24 months**, your capital is tied up during that time and the apartment is not yet producing rental income. Even if the project finishes on time, you have had two years with no rent coming in.

If you rented the studio at US$650 per month, that means: US$650 x 24 months = US$15,600 in gross rent is lost.

While you may have gained **US$15,000 in capital appreciation**, you also had a long period where your money was not producing income. That assumes the project finishes on time. If there are delays, the gap between capital outlay and return becomes even longer.

If you bought off-plan with financing, do the math on your numbers because you may be paying 10%-30% more for the property over the length of the payment plan. That percentage eats away your capital gain.

Scenario 2: Buying now at a higher price, but renting immediately

- Now let's say you buy a comparable completed or near-completed studio for US$65,000.
- You pay US$15,000 more than the early off-plan buyer, but you can start renting it almost immediately.
- At US$650 per month, that produces US$15,600 in gross rent over the 24 months the off-plan buyer would have earned nothing, effectively putting you US$600 ahead.
- If you were able to rent it at US$700 per month, your gross rent over 24 months would be US$16,800, putting you US$1,800 ahead.

These are gross figures, so in practice expenses and taxes would reduce the difference. Never-the-less by buying existing stock, or about to be completed apartments, you're reducing idle-capital risk.

The point remains: If you buy something ready to occupy, or close to occupancy, the rental income earned during the years the off-plan purchase is still being built, can offset much of the higher purchase price. **In other words, buying very early off-plan does not automatically put you ahead on capital gain.** If your goal is income, paying more for a property you can rent immediately may produce the stronger real-world result over 5 years.

The right choice depends on your use case, investment strategy, budget, and your current portfolio or future portfolio goals. This is why timing should never be looked at in isolation. It has to be matched to your actual goal.

The smarter question is not just:

"What is the cheapest entry price?"

It is:

"Which entry point best supports the way I want this asset to build wealth?"

To Airbnb or Not to Airbnb

"To Airbnb, or not to Airbnb — that is the question.
Whether it is nobler, in the investor's mind,
To suffer the slings and arrows of vacancy and churn,
Or else to anchor, calm, in longer term,
And end the monthly drama.
To lease, to rest — No gaps.
Less fuss, no late-night check-ins,
The unknown, and the endless WhatsApp texts,
To chase the promise.
If fortune smiles on us — 'tis greatly to be wish'd.
Get rich, gain wealth.
What upside may be lost — ah, there's the rub."

That Hamlet inspired soliloquy describes the modern property investor's dilemma in 2026 worldwide, not just in Asuncion. With many Airbnb hosts around the world reporting diminishing returns, the real question is whether Asuncion's current growth story creates a genuine business case for short-term rental investment — or whether the smarter move is still long-term leasing.

Asunción is not a classic mass-tourism destination, so the Airbnb business case here is different from cities such as Cartagena, Medellín, Denang, or Bali. Demand exists, but much of it is practical rather than holiday-driven. Short-term renters are more likely to be corporate stays, Paraguayans visiting the capital, people relocating, and foreigners coming in to complete residency or legal processes.

In a major tourist city, the short-term rental case can look obvious. There is steady visitor demand, familiar seasonality, and a constant stream of travellers looking for accommodation. Asunción clearly has a functioning short-term rental market, but it is not powered by endless leisure tourism.

AirDNA's public overview suggests Asunción's short-term rental market is dominated by smaller units. It also suggests that a large share of those listings are available for substantial parts of the year, meaning vacant and not earning revenue. That is why rental property investors need to ask after vacancy, cleaning, utilities, management, and furnishing costs, does Airbnb actually outperform a well-placed long-term rental by enough to justify the extra work, volatility, and gap risk?

Depending on the data source and how "active listings" are defined, Asunción appears to have roughly 1,280 to several thousand short-term rental listings. According to AirROI's Asuncion Market Report January 2026 89.1% of the listings are entire apartments as opposed to a room in an apartment shared with the owner or a house.

AirDNA's current data for Asunción is based on examining 3,681 short-term rentals currently listed in the greater city area in 2025. They reported:

1. Average Daily Rate: $50.6
2. Average Occupancy Rate: 58%.
3. Average Annual Revenue: $10,713 GROSS

AirROI's Asuncion Market Report 2026 Figures

1. Average Daily Rate: $49
2. Average Occupancy Rate: 48%.
3. Average Annual Revenue: $7,046 GROSS
   (Before 20% management fee, expenses, taxes, rates, utilities, mortgage, maintenance and furnishings replacement)

Now of course you may charge more per night for your place. There are listings at $75 per night. That doesn't mean they have higher occupancy. Airbnb encourages you to lower the rate if it's not rented out several days before the weekend.

The difference between AirROI's 2026 data and AirDNA's 2025 data is worth considering. The occupancy rate has come down from 58% to 48% in a year where people entering the country for residency applications increased by 63.5%. This softening in demand may have something to do with more expats coming in using Airbnb as a strategy to find a longer term rental taking the listing off the market.

An emerging pattern in the Asunción rental property market is for international arrivals to rent an Airbnb first, then negotiate a longer-term lease directly with the owner or manager once they decide to stay. That suggests many owners ultimately see greater value in converting short-stay interest into longer-term tenancy when the right renter appears.

Interesting to note that 43.2% of Asuncion's Airbnb listings have a 30+ day minimum stay according to AirDNA current data. That figure matters because it suggests a meaningful slice of the market is already leaning toward longer furnished stays, rather than short term stays relying on high volume traffic.
That said, this pattern also creates opportunity for a well-managed Airbnb. As some listings leave the platform and move into longer-term leases, room can open up for new short-term stock to perform well. There are reports of professionally managed Airbnb properties achieving 70% to 80% occupancy, but those are not the median. If a unit performs closer to 80% occupancy, it may outperform long-term rent, provided it is well managed and not hit by excessive wear, damage, or higher-than-normal maintenance costs.

We heard from a developer showing us realistic Airbnb figures that anyone claiming 80% occupancy is lying. The average sits around 73% for well managed apartments and 50% for ower managed or badly managed airbnb listings. Having said that, performance of an Airbnb has a lot to do with whether or not it's in the main corridor of demand in Las Lomas or Villa Mora.

Reported long-term gross yield is roughly 5.5%−7.5% as a citywide benchmark level. In reality if you get a great price for your apartment you can raise that yield to 8-14%. For airbnb you can reasonably expect 6-12.9% yield from reports we've seen, which is not significantly higher than long term rentals for the extra time and effort you put in.

At ETICO, we believe Airbnb has its place within a well-diversified portfolio. But going all in on a handful of short-term rental properties, at a time when the city is facing a housing shortage and renters are clearly calling for more long-term stock, may not be the most sensible move.

Having said that, timing matters. Coming into 2030 when an influx of developers, their families and FIFA staff will be flocking to the city in preparation for the FIFA world cup opening ceremony and first game, it might make sense to have a few Airbnb's in your portfolio to take advantage of the excessive rate hike as the Games open in June 2030.

Paraguay is expected to host one centenary match, not a full run of tournament fixtures. That means any Airbnb upside is likely to be short-lived and concentrated around the event, rather than sustained over several weeks. For investors, this creates both an opportunity to capitalize on a few weeks or rate hikes, but also there is a clear caution.

Nightly rates may rise sharply during the event window, but that does not necessarily justify buying or holding Airbnb stock on the assumption of strong ongoing short-term demand. Once the match and related celebrations are over, demand may normalize quickly, and owners could face either lower Airbnb occupancy or the need to reposition units into the long-term rental market.

The main risk is not the World Cup itself, but overestimating what one match will do for annual returns. If too many owners furnish units for short-term stays at the same time, oversupply could weaken occupancy and pricing after the event. ETICO's own market view already suggests that parts of Asunción's premium rental segment can struggle when pricing is too ambitious or too many similar units compete for the same tenant pool.

There is also an operational risk. Football fans can create more wear, more complaints, higher cleaning costs, and occasional damage. In those cases, part of the rate spike can be lost through repairs, downtime, and extra management effort.

ETICO View: The 2030 World Cup should be treated as a possible short-term revenue boost for already well-positioned properties, not as a reliable basis for speculative Airbnb investment. The safest assets will be those that still appeal to long-term renters, relocators, or furnished mid-term tenants once the event demand has passed.

Remember, higher event-period rates can also increase guest-behaviour risk and property damage. When guests are paying premium short-stay prices, expectations of privilege may rise, particularly with group bookings. For that reason, investors should…

- be cautious about overpricing,
- apply clear house rules,
- use an appropriate security deposit, and
- screening process where platform rules allow.

Sample Data For ROI on Airbnb + 1, 2 & 3 Bed Rentals

As one developer told us anyone claiming they are consistently achieving 80% occupancy in this market is probably not telling the full truth. That is exactly why you need to do your own math. Realtor, owner, and developer spreadsheets can be useful for showing how a deal is being presented, but they should never be accepted as fact. In every spreadsheet we reviewed, we found inconsistencies, overly optimistic assumptions, or costs that were understated or left out entirely.

Whether the issue is occupancy, nightly rate, vacancy, management fees, furnishing, taxes, maintenance, or utilities, even small distortions can make a weak deal look stronger than it really is. Treat every spreadsheet as a sales document first, and an investment tool second. Run your own numbers using more conservative assumptions before deciding whether the yield is truly there. See Sample Data Below.

Example 1 - Airbnb

INVERSION	**88,000.00**	**Retorno**	**12.18%**
		Tipologia	DPTO Monoambiente - 40M2
Detalle	***Importe Mensual***	***Importe Anual***	***Descripcion***
Importe Alquiler	1,100.00	13,200.00	(Importe del alquiler por 12 meses)
Expensas	90.00	1,080.00	(expensas por 12 meses)
Impuestos	140.00	140.00	(Impuestos anuales)
Comision AirbnB 3%	33.00	660.00	IVA Residencias
Otros Gastos Mensuales	50.00	600.00	(Gastos mensuales por 12 meses)
Total		10,720.00	
Obs. Los valores son aproximados y en base a alquiler temporal con ocupación del 80%, Alquiler por noche Usd 50			

Errors: If the nightly rate is US$50, then US$13,200/year implies 72.3% occupancy. If the Airbnb fee is $33 per month then the annual is $396. If the annual fee is $660 then the monthly fee is $55.

What is also not reflected on here are yearly replacement of linens, towels, glassware, china etc which is usual with a high occupancy Airbnb. Management fees, Taxes, Rates, IVA not included. We reworked the figures to what is more realistic and you'll see below it makes a difference to both your net income and yield percentage.

Example 2 - Airbnb

FLATS DEL SOL

Furnished Studio Apartment -

DIY Management

With Smart Parking

Assumes you're charging extra for cleaning

Unit Type	**Area (m2)**	**Price**
Studio	40	$88,000.00

Investment	
Price	$88,000.00
Furnishing	
Total Investment	**$88,000.00**

Other Expenses*		
Condo Fees	$90.00	$1,080.00
Other Expenses	$50.00	$600.00
Airbnb Fees 3%	$33.00	$396.00
Property Management 12.5% Anr		
Municipality Property Tax 1%		$240.00
Tasas especial (rates)		$240.00
Total Expenses		**$2,556.00**

*Average, not exact.

Short-Term Rental Airbnb	
Nightly Rate	$50.00
Ocupancy Rate	73%
Days	22
Income Monthly	$1,100.00
Yearly Total	$13,200.00
Total Expenses	$2,556.00
Income Tax	$532.20
Net Income	$10,111.80
% of Profit	**11.49%**

Long-Term Rental $700		
Unit Investment		$88,000.00
Furnishing		$0.00
Total Investment		**$88,000.00**
Monthly Rent		$700.00
Yearly Rent		$8,400.00
Other Expenses*		
Condo Fees	$90.00	$1,080.00
Taxes (Mun. Prop + Rates)		$480.00
Property Management 10% Annu		$840.00
Total Expenses		$2,400.00
Income Tax		$300.00
Net Income		$5,700.00
Profit		**6.48%**

Long-Term Rental $750		
Unit Investment		$88,000.00
Furnishing		
Total Investment		**$88,000.00**
Monthly Rent		$750.00
Yearly Rent		$9,000.00
Other Expenses*		
Condo Fees	$90.00	$1,080.00
Taxes (Mun. Prop + Rates)		$480.00
Property Management 10% Annu		$900.00
Total Expenses		$2,460.00
Income Tax		$327.00
Net Income		$6,213.00
Profit		**7.06%**

Longer Term Rental v Airbnb

Rental yields in Asunción vary almost as widely as apartment prices themselves. Much depends on the demographic the building was designed to serve, the neighbourhood, the level of demand, and, importantly, the rents being achieved by buildings nearby.

One important point for investors to understand is that the yield you achieve in year one is unlikely to be the same yield you achieve in years two, three, and beyond. Just as property prices have been rising, rents have also been increasing, often in the range of 5% to 10% per year, and in some neighbourhoods even higher. Part of that is being driven by ongoing supply pressure, and part by the influence of new luxury stock resetting rental expectations in surrounding areas.

In practical terms, this means that in a city where rents are still rising, your income yield can improve over time. By year two and year three, higher rents can lift your return on the same initial capital outlay. At the same time, as rental income progressively offsets more of your original investment, the effective return on your capital strenghtens further.

This is one reason investors should be careful not to judge an Asunción rental property only by its first-year yield. In a market where rents are still moving upward, the longer-term income story can look materially stronger than the entry-year numbers suggest. Because Asunción is not yet a major Airbnb-driven city, a well-placed property with a strong long-term tenant may, over a five-year period, produce a steadier and ultimately stronger yield than a short-term rental strategy once vacancy, turnover, furnishing, utilities, and management friction are taken into account.

Case Study Of 5 Year Return Increase

The example below shows how your yield and income could increase each year of the property boom cycle if rents keep rising at the same levels as the past year. The case study is based on a real property currently available through us that comes with an existing tenant who wishes to stay.

In practical terms, that means immediate income, no furniture outlay, and no need to find a new renter — only the lease, management and ownership transfer need to be handled. The current management fees are 12%. If you transfer management to ETICO it would be reduced to 10% (9% if you have 3 or more properties with us).

This Case Study on the next page assumes..

North Villa Mora

- Purchase price 1 Large Bedrooom : $101,495
- 60 Square meters @ $1,683 (Under market value for class of building)
- Starting monthly rent: $786
- Annual rent growth: 10% over 5 years.
- Monthly expenses do not include taxes (The difference would be 1-1.5%)

Version A — $130 monthly expenses

Year	Monthly Rent	Annual Gross Rent	Annual Expenses	Net Rent	Gross Yield	Net Yield
1	$786.00	$9,432.00	$1,560.00	$7,872.00	9.29%	7.76%
2	$864.60	$10,375.20	$1,560.00	$8,815.20	10.22%	8.69%
3	$951.06	$11,412.72	$1,560.00	$9,852.72	11.24%	9.71%
4	$1,046.17	$12,554.04	$1,560.00	$10,994.0	12.37%	10.83%
5	$1,150.79	$13,809.48	$1,560.00	$12,249.4	13.61%	12.07%

Version B — Higher expenses ast 20% total income

Year	Monthly Rent	Annual Gross Rent	Expenses (20%)	Net Rent	Gross Yield	Net Yield
1	$786.00	$9,432.00	$1,886.40	$7,545.60	9.29%	7.43%
2	$864.60	$10,375.20	$2,075.04	$8,300.16	10.22%	8.18%
3	$951.06	$11,412.72	$2,282.54	$9,130.18	11.24%	9.00%
4	$1,046.17	$12,554.04	$2,510.81	$10,043.2	12.37%	9.90%
5	$1,150.79	$13,809.48	$2,761.90	$11,047.5	13.61%	10.88%

While Airbnb in Asunción may occasionally outperform, a more realistic range appears to be roughly 8% at the lower end and up to 11% at the stronger end, depending on occupancy, pricing, and management

quality. That means by year five, a well-chosen long-term rental with rising rents may produce a similar overall return, but with far less operational stress, risk and deterioration of your asset.

Long-term leasing also reduces exposure to rogue short-stay guests, constant turnover, and the heavier wear and tear that can quietly erode both the condition of the apartment and its eventual resale value. In that sense, the long-term strategy may offer not only steadier income, but a calmer and more protective path to wealth preservation.

Airbnb in Asunción can still offer upside in selected cases. It is possible that short-term rental demand could strengthen heading into 2027, particularly if international arrivals continue to rise. In that scenario, stronger operators may see occupancy improve. For some investors, it may therefore make sense to hold one Airbnb within a broader portfolio of long-term rentals so they can benefit from any upside if it emerges.

However, we would be cautious about building a full-scale Airbnb business across multiple properties until the market shows more convincing strength. With average occupancy is sitting around 50% in 2025 and 48% in 2026, the trend is moving the wrong way rather than the right way. At this stage, long-term rentals may still offer the steadier and more protective path, while Airbnb remains a more selective opportunity than a market-wide strategy.

DIY v Outsourcing

Now you've chosen your rental property or properties well, do you "Do it Yourself" (DIY) or outsource management to a professional company? How much does it cost to have a professional manager take care of your property versus doing it yourself? And should you do it yourself?

In Asunción, published property management fees for long-term rentals are quoted from 8% to 12%, with 12% being the norm, and lower percentage reserved for landlords with several apartments as part of a rental property portfolio or an entire building.

By comparison, short-term rental or Airbnb-style management is typically priced above long-term management because it is far more operationally intensive. The medium range is between 15%-20% of gross revenue. We have seen some building managers quote 12% however this comes with the addes risk of inproper inspection and dubious cleaning.

In our on-the-ground view of the Asunción market, the real issue is not only what property managers charge, but what standard of execution sits behind the fee. At ETICO, we are in properties almost daily, and one recurring pattern we have observed is that some units managed through building administrators or informal management structures appear to be under-serviced relative to the fees being charged.

A common example is being told a property has been cleaned and prepared for viewing, only to arrive and find no visible evidence of proper cleaning or that a cleaner has showed up at all. This is not an isolated impression. It appears often enough to suggest a wider gap between what owners may believe is being delivered and the standard actually being maintained on the ground. In some instances we've been told the cleaner has been paid for the service, they clearly did not perform.

As a landlord this matters from a commercial perspective because cleaning, presentation, and readiness are not minor details. They affect lettability, guest satisfaction, review quality, tenant confidence, and the perceived professionalism of the entire management relationship.

In Airbnb reviews in Asunción, complaints about inadequate cleaning appear repeatedly, which suggests that this is not only a back-end operational issue but also a visible market weakness affecting guest

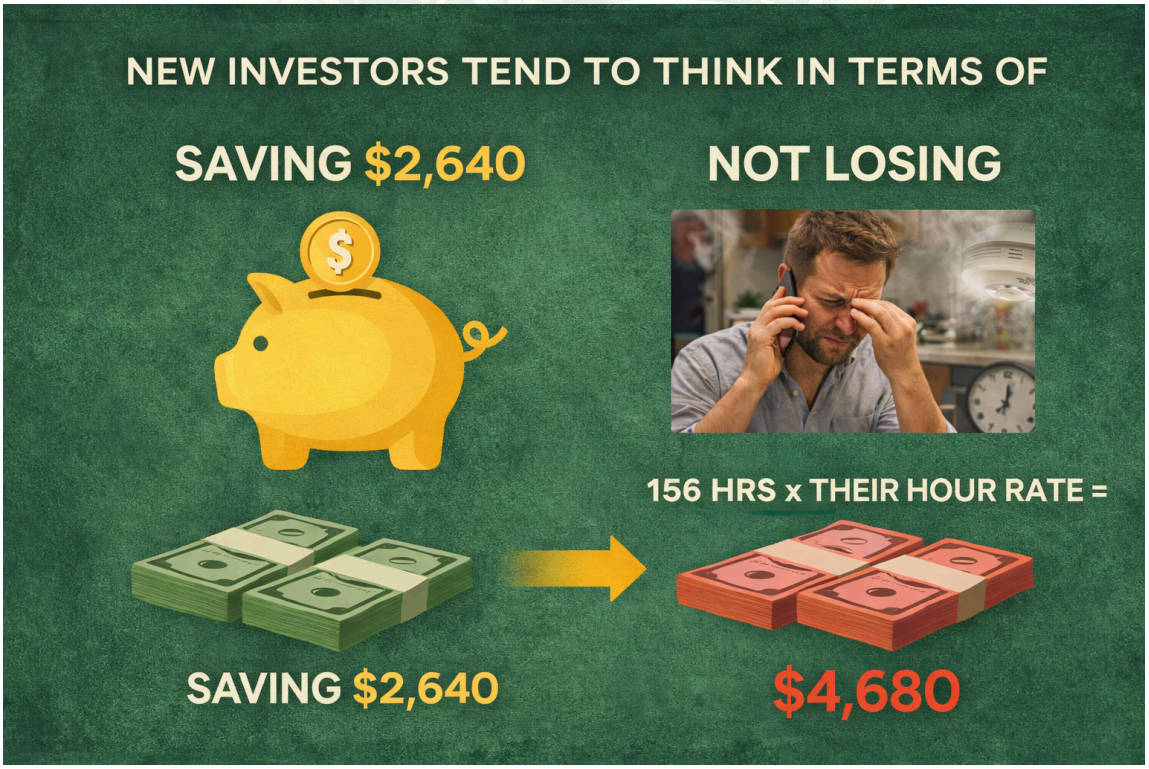
experience and property reputation. One pattern that seems to occur is that cleaning is claimed, but the finished result does not meet a standard that would reasonably be expected for a guest arrival or a professional viewing. Explanations such as “standards are different here” may be used to dismiss the issue, but from an owner’s perspective the real concern is whether the service paid for was actually delivered and whether the manager is genuinely inspecting, verifying, and standing behind the service being billed so that it strengthens rentability while also protecting the long-term value of the asset.

Many investors assume self-management is more profitable because it avoids the management fee. In reality, the gain is often smaller than expected. Our figures suggest that with a good manager charging fairly, the difference in annual yield may be only around **0.5% to 2%** by year end depending on how proactive they are in marketing and monitoring occupancy levels.

That small gap matters because self-management is not free. It takes time, attention, and ongoing problem-solving across tenant communication, repairs, inspections, payments, vacancies, and occasional disputes or emergencies. For overseas owners, or anyone without solid local systems, that workload can quickly become inefficient.

Language also matters. In Asunción, even with a growing international community, property management still usually involves dealing with Spanish-speaking contractors, building staff, administrators, tenants, and service processes. For many international investors, that friction alone makes professional management worthwhile.

For higher-earning investors, the real question is not just whether they can save the fee, but whether managing the property themselves is the best use of their time. In many cases, it is more valuable to stay focused on higher-return work and leave day-to-day management to a competent specialist.



That said, outsourcing is only worth it if the manager is competent, responsive, transparent, and fairly priced. A poor manager can quietly erode returns through weak tenant selection, slow communication, inflated maintenance charges, poor reporting, and avoidable vacancy. One of the most common frustrations among absentee owners is paying a management fee while wondering what, exactly, the manager is doing beyond collecting rent.

A good manager, by contrast, earns their fee by protecting occupancy, improving day-to-day execution, reducing owner stress, and helping preserve the value of the asset over time.

DIY Management Pros	DIY Management Cons
No direct fees, more control, direct oversight, and potentially suitable for hands-on local owners who speak Spanish fluently.	Time-heavy, stressful, operationally distracting, harder to scale, and more vulnerable to mistakes if systems are weak. Important details could get lost in translation.
Professional Management Pros	**Professional Management Cons**
Saves time, reduces stress, improves execution, supports better tenant handling, and may protect occupancy and asset quality.	Adds a fee, requires trust, and only works well if the manager is genuinely competent and transparent.

For most serious investors, especially those who value their time highly or live overseas, the small difference in yield may not justify the additional work and stress of self-management.

The Opportunity From ETICO's Viewpoint

Let's recap.

Asunción's property market is supported by a meaningful underlying housing deficit. Even under an optimistic supply-growth scenario, that imbalance could theoretically take many more years to absorb. If development activity were to keep rising at roughly 10% per year, the shortfall could still stretch out for around 17+ more years mirroring Miami's urban development that spanned 20 years.

That does not mean every project will succeed, nor that all apartments will rise equally in value or rental performance. It does suggest the city may still have a long runway ahead, with structural demand likely to prove stronger and more durable than many prospective investors assume, and far less fragile than a typical short speculative boom.

That demand is not coming from one source alone. It is being driven primarily by internal migration, younger household formation and business growth activity that is highly unlikely to change. The growth is further supported by increasing residency inflows primarily from South America, and growing Western international interest in Paraguay as a low tax Plan B, cheaper place to live, invest, and establish a foothold.

ETICO's view is that Asunción's current property cycle may still be in its earlier chapters poised to enter the Boom Phase as credit becomes easier to access and prices start rising more rapidly. That is a view point held by developers who believe we're no where near a peak with many years to come of consistent growth.

While we believe there is an opportunity for every level of investor to create generational wealth over the coming 5-10 years,. Asunción remains a market under-regulated because it's in the early phase of becoming a skyscraper city. Due diligence is not an optional extra. Investors need to look carefully at the developer, the builder, the management structure, the quality signals, the legal paperwork, speed of construction, and the realism of the pricing. A good suburb and a new tower are not enough on their own to signal capital growth or high yields from rentals.

The same discipline applies to rental strategy. The city can support both long-term rentals and short-to-medium stay furnished accommodation, but not every unit is equally suited to both. Airbnb can work, especially in the right location with the right presentation and management, but it comes with more volatility, more operating friction, and greater wear on the asset which could effect the value of the property when you go to resell. For many investors, long-term rental remains the steadier foundation, while short-stay works best as a selective strategy rather than a default assumption.

From a unit-type perspective, the stronger rental logic currently appears to sit with well-positioned 1-bedroom apartments and scarcer 3-bedroom family-oriented stock. The 2-bedroom segment, while popular on paper, appears more vulnerable to oversupply and pricing competition, making it easier to buy into a crowded middle where performance is less distinctive unless the property is particularly well chosen.

Asunción may offer a genuine long-term property opportunity, but it is not a market for passive optimism. It rewards investors who think clearly, buy selectively, verify carefully, and manage for real occupancy rather than hopeful projections.

The investors most likely to win here will not be the ones who simply buy into the boom. They will be the ones who understand where the demand is real, where the risks are hidden, and how to position an asset so it performs through the boom and bust property cycle in a fragmented and fractured property market, not just at the peak of enthusiasm.

Our final thoughts on assessing the risks have to do with assessing Asuncions stabalisation and growth beyond the Boom phase. Questions remain unanswered as to whether or not the prices will become so high, flippers who sell to late have no buyers. Will we end up with an oversupply or will supply continue to underperform demand? Will the city become so price prohibitive rent wise, the expat community who have choices, choose the beaches of Thailand, the Phillipenes or Vietnam as a better investment.

At ETICO, we encourage investors to spend time with local investors and research-led companies like ours before committing to a strategy in Asunción. In particular, careful thought should be given to exit timing. It is called an 8-phase boom-and-bust cycle for a reason. Investors who become overly enthusiastic in the boom phase can leave themselves exposed in the correction phase if they have not planned their pivot or exit well. Our view is that Asunción should remain relatively strong from a rental perspective, but flippers need to watch closely for the point at which pricing begins to outrun fundamentals and buyer depth starts to thin. If you would value grounded local insight on strategy, timing, and property selection, we invite you to book a call with ETICO.

Here is our booking link: https://calendly.com/nicolagrace/asuncion-property-strategy-call

Local Intelligence. Better Choices. Stronger Outcomes.

Reading about Asunción's property market is one thing. Navigating it well is another.

The market can offer real opportunity, but it can also be fragmented, uneven, and difficult to read from the outside. Buildings are not equal. Developers are not equal. Rental strategies are not equal. In a city where pricing, quality, and occupancy can vary sharply from one building to the next, the difference between a smart purchase and a disappointing one often comes down to local intelligence, due diligence, and execution.



That is where **ETICO Property Managers** comes in.

We help investors, owners, and internationally minded buyers make more informed property decisions in Asunción with greater clarity, stronger on-the-ground insight, and more practical support. We are not here to push stock. We are here to help you buy, position, and manage property more intelligently in a market that rewards discernment along sound investment principles, not guesswork or hopium.

Work with ETICO for:

- **Property Locator Services**
  Access to our data sheets, building research, rental logic, and best-fit opportunities for your goals, as well as first choice of our private listings and preferential listings from Developers we have relationships with.

- **Property Management**
  Competitive fees, better reporting, stronger communication, practical oversight, and an occupancy-first management philosophy.

Property Locator Services

For investors who want better buying decisions, not just more listings

Finding the right property in Asunción takes more than scrolling portals or relying on sales language. It requires knowing how the market is layered, which buildings are better suited to your goals, where pricing is realistic, and where hidden risks may sit beneath polished marketing.

ETICO's **Property Locator Service** is designed for investors who want to narrow the field intelligently.

We begin with helping you shape your strategy and create a brief for us to work from. Are you buying to flip for fast capital gain? Or for long-term rental yield, Airbnb potential, executive furnished rental, family demand, capital preservation, lifestyle use, or a more niche investment thesis? From there, we help identify the buildings and opportunities that fit your strategy best.

This saves investors time, reduces noise, and helps avoid costly mistakes in a market where good opportunities can be missed just as easily as bad ones can be bought.

For overseas buyers especially, this can mean the difference between arriving informed and arriving exposed.

We invite you to book a call with ETICO.

Here is our booking link: https://calendly.com/nicolagrace/asuncion-property-strategy-call

Property Management

Competitive fees. Higher standards. Stronger oversight. Better market research and reporting.

Owning the right property is only part of the equation. Managing it well is what protects performance over time.

ETICO offers ethical, occupancy-focused property management for owners who want more than passive rent collection. Our approach is built around fair and thoughtful tenant handling and practical oversight designed to protect both the property and the income it generates.

Too many owners end up paying management fees while wondering what their manager is actually doing beyond collecting rent. ETICO was built as an alternative to that experience.

We focus on:

- Better tenant fit
- Realistic rent positioning
- Occupancy protection
- Clear owner visibility
- Pro-active maintenance coordination to protect your asset
- Responsive communication
- Stronger day-to-day execution
- Property performance reporting
- Preparing data for taxes
- Market research reports to help with pivoting strategy and decision making
- Practical oversight that helps preserve the asset over time

We also help owners think more clearly about how a property is positioned within the rental market, where it may be vulnerable, and how to improve its performance through better strategy and better management.

We can also help furnish your apartments with speed and care, helping you get them rental-ready while minimising downtime to your income. This service is available as an optional extra and is billed separately from our property management fee. We work from a trusted local database of furniture suppliers across low, mid, and high-end budgets.

We invite you to book a call with ETICO.

Here is our booking link: https://calendly.com/nicolagrace/asuncion-property-strategy-call

Just The Beginning

The next step is getting the right help behind your decision

If this report has helped you see Asunción more clearly, the next step is to work with a team that can help you apply that insight in practice.

>>> Book a Call With ETICO

If you are serious about investing in Asunción, don't rely on guesswork alone. Work with a team that understands the difference between what is being marketed, what is being built, and what is likely to perform.

ETICO Property Managers
"Where better property decisions begin."

Ways You Can Stay In Touch

ETICO Whats App
https://wa.me/message/WTNXAPE6WFCNI1

Asuncion Real Estate Whats App Group
https://chat.whatsapp.com/EAzdkzb3NlyHQ6faXt4IDF

Facebook Page
https://www.facebook.com/people/ETICO-Property-Managers-Asuncion/61582745525344/

Living In Asuncion Facebook Group
https://www.facebook.com/groups/livinginasuncion

Instagram
https://www.instagram.com/livinginasuncion/

Blog
https://livinginasuncion.com/

Official Website
https://www.eticopropertymanagers.com/

References & Sources

We compiled the data to form our research and opinions for this blog post, and subsequent report and presentation in the following way.

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2. Online Research Municipality and Government websites,
3. Developer and Construction websites,
4. News sites, as well as
5. Statistic, census and survey data.

6. Speaking directly to developers, construction project managers, building owners, civil engineers, architects, compliance agents, realtors, local investors s well as international investors, building managers and administrators.

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PROPERTY MANAGERS