

12-Mo.
Forecast

¥72.4

Rent (PSM/MO)



0.4%

Rental Growth (QOQ)



18.1%

Vacancy Rate



Source: Cushman & Wakefield Research

WUXI ECONOMIC INDICATORS
Q3 2021Q2
202112-Mo.
Forecast

10.7%

GDP Growth

13.7%



9.1%

Tertiary Sector
Growth

11.8%



1.5%

CPI Growth

1.2%



17.8%

Real Estate Sector
Investment

24.1%

Source: Wuxi Statistics Bureau
The forecast is based on Oxford Economics

No New Projects Completed in Q4

The Wuxi office market saw no new supply launched in Q4 2021. During the whole of 2021, only one new project completed. The low volume of supply throughout the year helped stabilise the market, as absorption dropped the vacancy rate and rental rose slightly.

Leasing Demand Driven by Various Sectors

Registering 1,170 sq m for the quarter, citywide Grade A office net absorption returned to a normal level. Continuing the trend seen in the last quarter, the CBD submarket enjoyed the lion's share of leasing activity. The CBD was followed by the Taihu New City submarket in terms of the total registered absorption for the last quarter of the year. Subsequently, in the fourth quarter, the overall vacancy rate continued to fall, dropping by 1.2 percentage points to 18.1%.

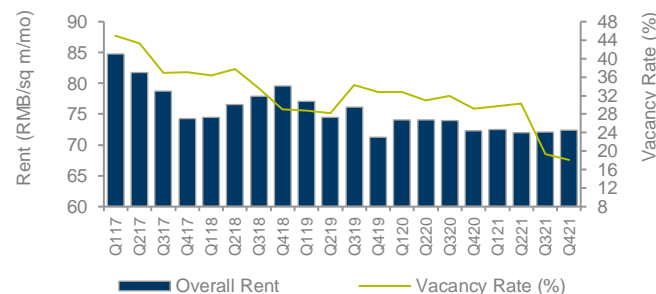
Leasing deals in Q4 stemmed from various sectors, including finance, professional services, real estate and trading, with the leasing area for most deals being smaller when compared with previous quarters. Moreover, sublessors were quite active in the market during the quarter.

Overall Rental Level Remained Generally Stable

Given the supply and demand levels, the citywide average rental level continued to witness an upward trend with a slight 0.4% increase q-o-q to reach RMB72.4 per sq m per month. For the CBD, Taihu and Lihu submarkets, the rental level remained relatively stable, whereas rents in Taihu New City saw a 2.3% rise to reach RMB68.1 per sq m per month.

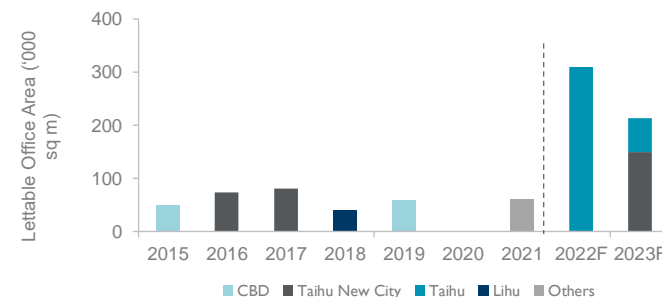
Ahead, the majority of Wuxi's future supply is scheduled to be launched in 2022 and 2023. The CBD submarket is expected to remain stable regarding market dynamics, with no new supply anticipated to be recorded in the next two years. However, the Binhu district and Taihu New City submarkets, with around 328,000 sq m of premium office supply, will become the main contributors to new office supply in Wuxi over the next two years. With the further development of these emerging markets, it is expected that these areas will draw more attention from investors and occupiers in the future.

GRADE A CBD OVERALL RENT & VACANCY RATE



Source: Cushman & Wakefield Research

GRADE A CBD NEW SUPPLY



Source: Cushman & Wakefield Research



SUBMARKET	INVENTORY (sq m)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (sq m)	GRADE A EFFECTIVE RENT		
				RMB/SQ M/MO	USD/SF/MO	EUR/SF/MO
CBD	224,759	12.1%	-	¥77.6	US\$1.13	€1.00
Taihu	225,900	36.0 %	374,000	¥69.5	US\$1.01	€0.90
Lihu	49,000	25.0%	-	¥73.0	US\$1.07	€0.95
Taihu New City	221,640	9.7%	150,000	¥68.1	US\$0.99	€0.88
WUXI GRADE A TOTAL	721,299	18.1%	524,000	¥72.4	US\$1.06	€0.94

Rental equals "Gross Transacted Face Rental"

1USD = 0.8876EUR = 6.3657CNY (2021.12.15)

KEY LEASING TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	SQ M	LEASE TYPE
Shanghai Center	Lihu	Gemdale Real Estate Company	874	New Setup
Shanghai Center	Lihu	Yikun Information Consulting Company	365	New Setup
Shanghai Center	Lihu	Luogen International Trading Company	469	New Setup

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	MAJOR TENANT	SQ M	COMPLETION DATE
Greenland Central Plaza	Taihu	-	268,800	2022
Helie Financial Port	Others	-	60,000	202

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