

XIHU SECTION

12-Mo. Forecast

1,540
Average Rent (NTD/PING/MO)

0.1%
Rent Growth Rate (QOQ)

3.5%
Vacancy Rate

Source: Cushman & Wakefield Research

NHTP Vacancy Rate Rises Modestly

Partial lease terminations seen in Q4 led to new vacancies opening in Xihu, Wende, and Jiuzong Sections. Xihu Section experienced a 0.6 percentage point rise in vacancy q-o-q to reach 3.5%, Wende Section edged up 0.1 percentage point q-o-q to record 6.4%, and Jiuzong Section saw a 0.2 percentage point rise in vacancy to 12.2%.

Rental Levels and Capital Values Remain Steady

Overall rental levels remained stable in Q4. The average rent in Xihu Section was at NT\$1,540 per ping per month. Average rent in Wende Section was at NT\$1,100 per ping per month, and in Jiuzong Section was at NT\$1,000 per ping per month. Capital values also showed a stable pattern, with Xihu Section averaging around NT\$620,000-760,000 per ping, Wende Section at NT\$470,000-550,000 per ping, and Jiuzong Section at NT\$440,000-530,000 per ping. The significant market transaction in the quarter was the whole-building acquisition by Shuttle Inc. of a pre-sale industrial office property in Tanmei Section for NT\$2.35 billion, with an average price of approximately NT\$720,000 per ping.

TAIWAN ECONOMIC INDICATORS Q3 2023

2.3%
GDP Growth

Q2 2023: **1.4%** (12-Mo. Forecast)

-4.9%
Secondary Sector Growth

Q2 2023: **-9.0%** (12-Mo. Forecast: N/A)

2.5%
CPI Growth

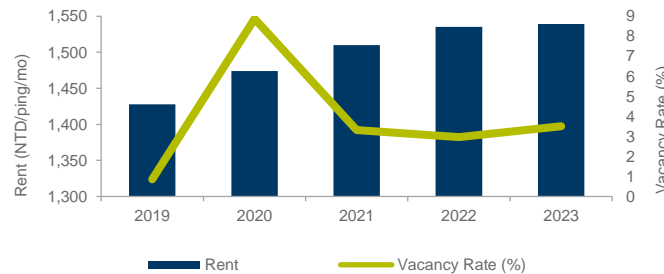
Q2 2023: **2.0%** (12-Mo. Forecast)

Note: Growth figure is y-o-y growth
Source: Directorate-General of Budget, Accounting and Statistics, Moody's Analytics

Life Insurance Sector Investment Slows, Manufacturing Industries Focus on Self-Use Properties

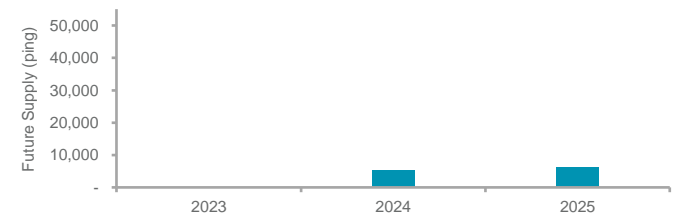
In a year of diminishing pandemic concerns, life insurance companies have slowed their investment pace due to inflation and the high interest rate environment. However, the many semiconductor and systems businesses located within NHTP are expected to benefit from the rising trend of AI development work. Anticipating ongoing transitions and strategic adjustments, these manufacturing sectors are increasingly acquiring pre-sale whole-building properties for self-use, while we can expect to see rental levels to remain flat.

RENT & VACANCY RATE (XIHU SECTION)



Source: Cushman & Wakefield Research

FUTURE SUPPLY



Source: Cushman & Wakefield Research

SECTION	VACANCY RATE	UNDER CONSTRUCTION (PING)	I/O RENT		
			NTD/PING/MO	USD/SF/MO	EUR/SF/MO
Xihu	3.5%	5,400	1,540	US\$1.38	€ 1.26
Wende	6.4%	-	1,100	US\$0.99	€ 0.90
Jiuzong	12.2%	6,200	1,000	US\$0.90	€ 0.82

1 USD = 31.2889TWD; 1 EUR= 34.3734TWD as of Dec. 15, 2023

KEY LEASING TRANSACTIONS Q4 2023

PROPERTY	SECTION	TENANT INDUSTRIAL CLASSIFICATION	PING	LEASE TYPE
NASA Technology Building	Xihu	IT Software	420	Expansion
Wallstreet Technology Headquarters	Xihu	Other Consultancy	130	Expansion
Washington Technology Center	Wende	IT Software	300	Expansion
Loyal Chemical Building	Wende	IT Software	200	Expansion
Lian Hong Technology Building	Jiuzong	Manufacture of Furniture	330	New Lease

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SECTION	MAJOR TENANT	PING	COMPLETION DATE
CREM Building	Xihu	-	5,400	2024
Hong Pu International Trade Building 2.0	Jiuzong	-	6,200	2025

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