

### MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<b>9.1%</b> Vacancy Rate	▲	▬
<b>835,700</b> Stock, ping	▲	▲
<b>2,800</b> Average Rent (NTD/PING/MO)	▲	▬

### ECONOMIC INDICATORS Q2 2024

	2024 Q1	12-Month Forecast
<b>5.1%</b> GDP Growth	6.6%	▼
<b>5.4%</b> Service Sector GDP Growth	6.4%	N/A
<b>2.2%</b> CPI Growth	2.3%	▼
<b>3.4%</b> Unemployment Rate (June)	3.4%	N/A

Note: Growth figure is y-o-y growth  
Source: Ministry of the Interior, Moody's Analytics

### NEW PROJECT ENTRANTS PROMPT VACANCY RATE RISE

The Taipei Grade A office market welcomed two new project completions in Q3 2024, adding a combined 17,100 pings of new space. The first new entrant, the Dunnan Commercial Building in the Dunnan submarket, is partially owner-occupied. The second, the Farglory Dome in the Xinyi submarket, is fully for lease.

The new supply in the quarter prompted the overall vacancy rate to rise 1.4 percentage points to record 9.1%. However, vacancy rates in the Nanjing/Songjiang and Dunbei/Minsheng submarkets fell by 0.9 and 0.6 percentage points, respectively. Ahead, additional new supply of nearly 300,000 pings is expected by 2027, taking total market stock to more than 1 million pings.

### OVERALL RENTAL LEVEL DEMONSTRATES MODERATE GROWTH

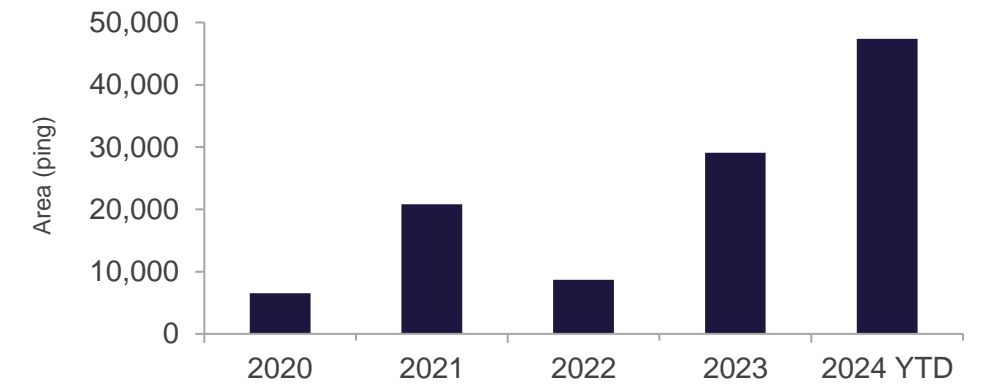
The quality new project entrants in the quarter, combined with rent increases at older properties, pushed the overall average Grade A rental level up by 1.1% q-o-q to stand at NT\$2,800 per ping per month.

Within the submarkets, Xinyi submarket commands the highest rent at NT\$3,460 per ping per month, followed by Western at NT\$2,620 per ping per month.

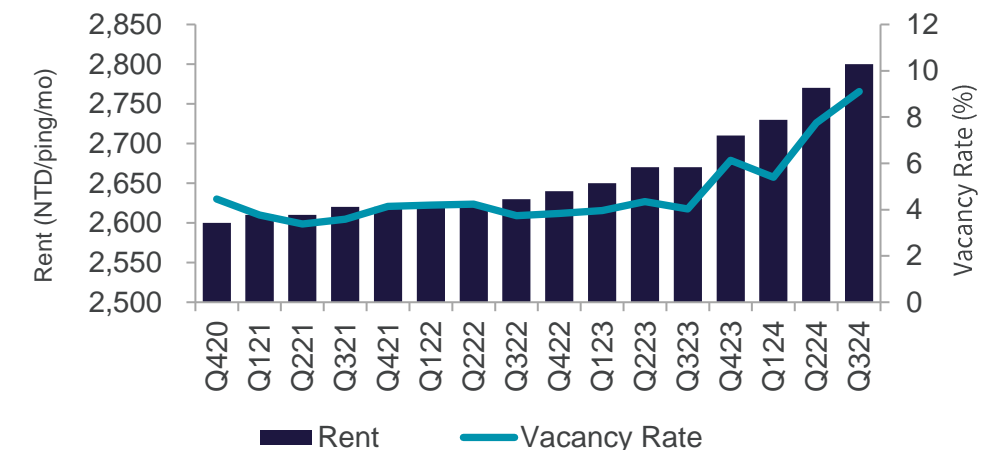
### RISING MANAGEMENT COSTS CHALLENGE LANDLORDS

As inflation and wages continue to rise, landlords are increasingly facing higher property management costs and consequently are considering raising management fees. However, existing tenants often resist such adjustments. As a result, some landlords are opting to include management fees in the rent, or to adopt an actual-cost reimbursement approach to cover expenses.

### SUPPLY PIPELINE



### RENT & VACANCY RATE



MARKET STATISTICS

SUBMARKET	INVENTORY (PING)	VACANCY RATE	UNDER CONSTRUCTION ~2027 (PING)	NTD/PING/MO	GRADE A RENT	
					US\$/SF/MO	EUR/SF/MO
Western	69,300	20.7%	105,400	2,620	US\$2.29	€ 2.07
Nanjing/Songjiang	48,900	16.1%	7,500	2,420	US\$2.12	€ 1.92
Dunbei/Minsheng	232,400	4.9%	53,800	2,410	US\$2.11	€ 1.91
Dunnan	99,600	4.1%	39,600	2,550	US\$2.23	€ 2.02
Xinyi	385,500	9.9%	90,000	3,460	US\$3.03	€ 2.74
<b>Taipei City</b>	<b>835,700</b>	<b>9.1%</b>	<b>296,300</b>	<b>2,800</b>	<b>US\$2.45</b>	<b>€ 2.22</b>

1 USD = 32.0980 TWD; 1 EUR = 35.5080 TWD as of September 9, 2024

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	PING	TYPE
Yuanta Songjiang Jinxing Building	Nanjing/Songjiang	Eisai	430	New Lease

(Area rounded to the nearest ten.)

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	PING	COMPLETION DATE
Yuanta Bank's Headquarters	Dunnan	Yuanta Bank	13,700	2024
Kindom Songshan Minquan Building	Dunbei/Minsheng	Kindom Development	9,800	2025
Cathay Huanyu Building	Dunbei/Minsheng	Cathay Life Insurance	12,900	2025
Yuanta Songjiang Yinxing Building	Nanjing/Songjiang	Yuanta Life Insurance	7,500	2025
TransGlobe Life Taipei Headquarters	Dunbei/Minsheng	TransGlobe Life Insurance	18,600	2026
Homax Landmark	Dunnan	Homax Development	15,600	2027
Fubon Insurance Building	Dunnan	Fubon Insurance	10,300	2027
Tatung Building	Dunbei/Minsheng	Yuanta Financial Holding / Chang Hwa Commercial Bank / China Life Insurance	12,500	2027
Core Pacific Plaza	Xinyi	Core Pacific Development	65,000	2027
Taipei Twin Towers	Western	Honhui Group	89,300	2027
Hiyes International Building	Western	Hi-yes Group	16,100	2027
Nanshan A26	Xinyi	Nan Shan Life Insurance	25,000	2027

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