MARKETBEAT
TAIPEI
GRADE A OFFICE Q2 2025

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
6.9% Vacancy Rate	▼	▲
847,500 Stock, ping	▲	▲
2,810 Average Rent (NTD/PING/MO)	▲	▲

ECONOMIC INDICATORS Q1 2025

	2024 Q4	12-Month Forecast
5.5% GDP Growth	3.8%	▼
2.7% Service Sector GDP Growth	3.3%	N/A
2.2% CPI Growth	2.0%	▼
3.4% Unemployment Rate (Mar.)	3.3%	N/A

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

TENANTS OPTING FOR IN-SUBMARKET RELOCATIONS AND UPGRADES

The Taipei City office market remained generally stable in Q2 2025, with no new project completions in the quarter. Net absorption reached approximately 2,100 pings in Q2, with larger tenants primarily adopting same-district relocation strategies. Approximately 18,600 pings of new supply is scheduled for completion in 2H 2025, bringing total market stock to 866,100 pings.

The overall office market vacancy rate dropped by 0.3 percentage points q-o-q to record 6.9% in Q2. Notably, Nanjing-Songjiang submarket benefited from stable absorption of newly completed projects, with the district's vacancy rate dropping by 5.5 percentage points. Leasing activities included several large-scale transactions, chiefly driven by tenants upgrading from older office buildings within the same area.

AVERAGE RENTAL GROWTH REMAINS MODEST

Overall office market demand remained stable through the Q2 period. The average Grade A office space rental level in the quarter remained at NT$2,810 per ping per month, reflecting a slight rise of 0.4% from the previous quarter.

Within the key submarkets, Xinyi submarket commands the highest monthly rent at NT$3,480 per ping, followed by Western at NT$2,660 per ping.

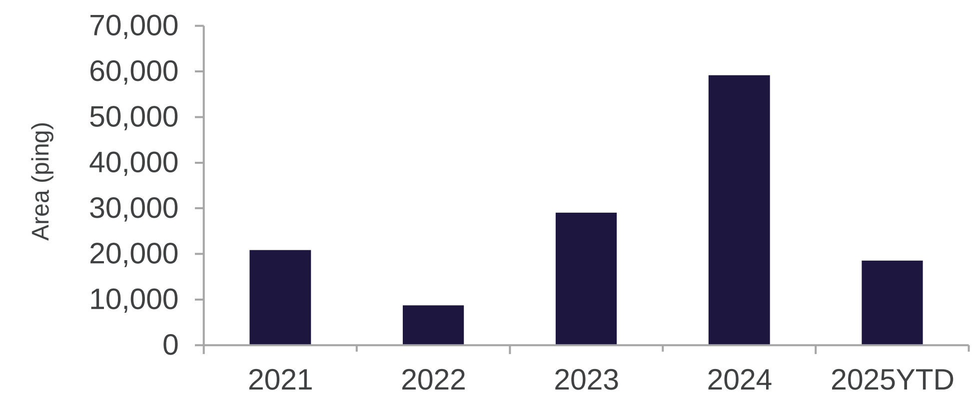
MARKET STRUCTURE CONTINUES TO ADJUST

Amid ongoing global economic uncertainty, corporate expansion strategies in Taiwan have turned more cautious, prompting a more measured approach to office leasing. Some tenants are extending negotiation periods and shifting away from planned relocations and towards lease renewals.

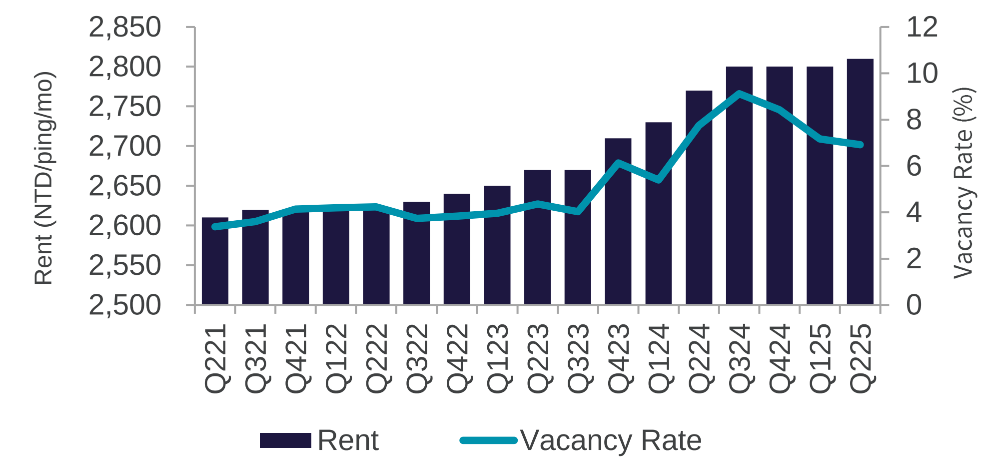
Nonetheless, leasing activity remains largely concentrated in newer buildings, reflecting sustained demand for upgraded office environments and talent-focused workplace strategies.

With additional supply gradually entering the market, some landlords of older properties are responding by enhancing competitiveness through building and system upgrades, as well as offering more flexible lease terms.

SUPPLY PIPELINE



RENT & VACANCY RATE



TAIPEI
GRADE A OFFICE
Q2 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (PING)	VACANCY RATE	UNDER CONSTRUCTION ~2027 (PING)	GRADE A RENT NTD/PING/MO	US$/SF/MO	EUR/SF/MO
Western	68,400	17.0%	114,200	2,660	US$2.53	€ 2.19
Nanjing/Songjiang	48,900	3.4%	7,500	2,430	US$2.31	€ 2.00
Dunbei/Minsheng	232,400	4.2%	53,800	2,410	US$2.29	€ 1.99
Dunnan	113,100	4.7%	27,400	2,560	US$2.43	€ 2.11
Xinyi	384,700	7.9%	90,000	3,480	US$3.31	€ 2.87
Taipei City	847,500	6.9%	292,900	2,810	US$2.67	€ 2.32

1 USD = 29.5565 TWD; 1 EUR = 34.0961 TWD as of June 16, 2025

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	PING	TYPE
Yuanta Songjiang Jinxing Building	Nanjing/Songjiang	TAIWAN MURATA ELECTRONICS	854	New Lease
Hung Tai Ctr.	Dunbei/Minsheng	Pasona Taiwan / MGR Consulting	496	New Lease
Yuanta Songjiang Jinxing Building	Nanjing/Songjiang	BASF TAIWAN	427	New Lease

(Area rounded to the nearest ten.)

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	PING	COMPLETION DATE
Kindom Songshan Minquan Building	Dunbei/Minsheng	Kindom Development	9,800	2025
Shin Kong Hangzhou North Building	Western	Shin Kong Life Insurance	8,800	2025
Yuanta Songjiang Yinxing Building	Nanjing/Songjiang	Yuanta Life Insurance	7,500	2026
Cathay Huanyu Building	Dunbei/Minsheng	Cathay Life Insurance	12,900	2026
TransGlobe Life Taipei Headquarters	Dunbei/Minsheng	TransGlobe Life Insurance	18,600	2026
Homax Landmark	Dunnan	Homax Development	17,100	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	Taipei Twin Towers	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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Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In Greater China, a network of 23 offices serves local markets across the region. In 2024, the firm reported revenue of $9.4 billion across its core services of Valuation, Consulting, Project & Development Services, Capital Markets, Project & Occupier Services, Industrial & Logistics, Retail, and others. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

MARKETBEAT
TAIPEI
Industrial-Office Q2 2025

MARKET FUNDAMENTALS

	12-Month Forecast
NT$1,544 Xihu Section rents (NTD/ Ping/ month)	–
5.7% Xihu Section vacancy (vacancy rate in %)	–

Source: Cushman & Wakefield Research

TAIWAN ECONOMIC INDICATORS Q1 2025

	Q4 2024	12-Month Forecast
5.5% GDP Growth	3.8%	▼
10.1% Secondary Sector Growth	6.0%	N/Aa
2.2% CPI Growth	2.0%	▼

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

NHTP VACANCY RATE SEES SLIGHT INCREASE

The vacancy rate in Xihu Section increased by 1.8 percentage points to 5.7% in Q2 2025, reflecting a notable rise from the previous quarter. Key absorption activity in the quarter included an IT services company's lease of approximately 730 pings at NASA Technology Building, a real estate brokerage firm's take-up of 320 pings at Chonghong New Century, and an electronic components manufacturer's lease of 690 pings at KGI Xihu Building. In Wende Section the vacancy rate moved up by 0.3 percentage points to 7.7%, while the Jiuzong Section rose by 0.5 percentage points to 12.3%.

RENTS STAY FLAT, CAPITAL VALUES EDGE UP

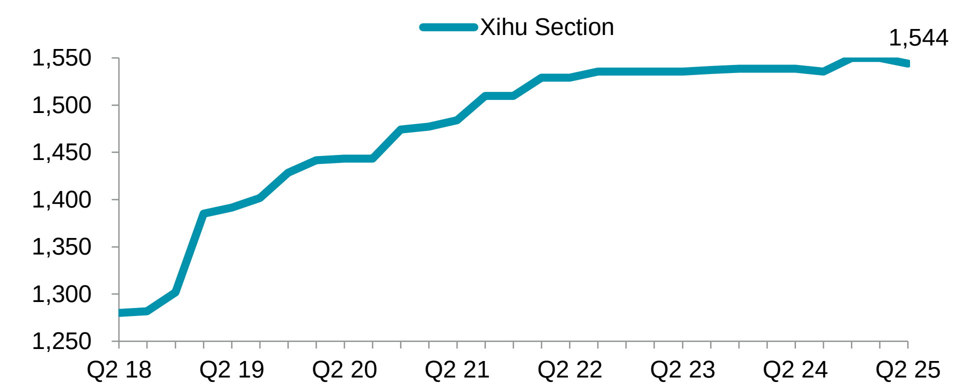
Rental levels remained stable in Q2. Average monthly rents were at NT$1,544 per ping in the Xihu Section, NT$1,100 per ping in the Wende Section, and NT$1,005 per ping in the Jiuzong Section. Capital values also held steady across all sections, with Xihu Section ranging from NT$640,000 to NT$900,000 per ping, Wende Section from NT$470,000 to NT$560,000, and Jiuzong Section from NT$440,000 to NT$540,000 per ping. The most notable market transaction in the quarter was Jun Wei International Trading's acquisition of the under-construction Kuo Yang Intercontinental Headquarters in the Jiuzong Section for NT$950 million. The average price was approximately NT$735,000 per ping, drawing strong market attention.

GAP IN BUILDING SPECIFICATIONS EXERTS PRESSURE ON RENTS

As industries increasingly demand upgraded features such as smart and green building systems, many of NHTP's older I/O buildings — developed in earlier phases — are finding it difficult to compete with newer facilities for tenants. These older properties are gradually losing tenant appeal, burdened by outdated infrastructure and a lack of sustainability certifications. As a result, such older premises with outdated infrastructure or lacking green building labels are expected to face rising competition from newer facilities and mounting pressure on rental rates.

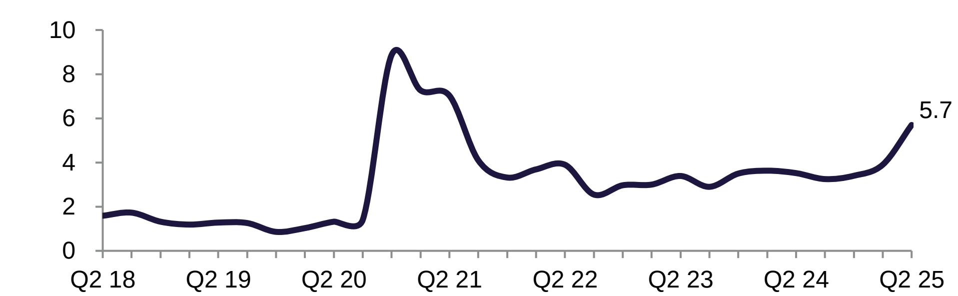
Rent Level in Xihu Section

Average Rents (NTD/ Ping/ month)



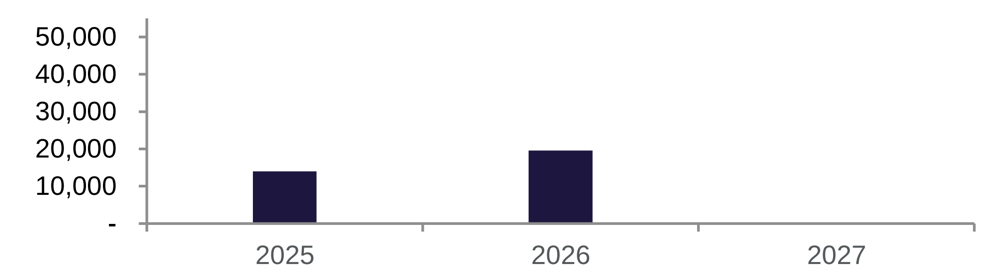
Vacancy Rate in Xihu Section (%)

Vacancy Rate (by %)



Future Supply

Area (Ping)



RENT LEVELS Q2 2025

	I/O RENT			Q-O-Q CHANGE
	NTD/PING/MO	USD/SF/MO	EUR/SF/MO	
Xihu	1,544	1.47	1.27	-0.4%
Wende	1,100	1.05	0.91	0.0%
Jiuzong	1,005	0.96	0.83	0.5%
NHTP AVERAGE	**1,220**	**1.2**	**1.0**	**0.0%**

Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Exchange Rate: 1USD = 0.8669EUR = 29.5565NTD (as of Jun 16, 2025)

VACANCY RATE Q2 2025

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Xihu	3.5%	3.3%	3.4%	3.9%	5.7%
Wende	6.3%	6.0%	5.5%	7.4%	7.7%
Jiuzong	11.7%	11.4%	12.8%	11.7%	12.3%
NHTP AVERAGE	**6.0%**	**5.7%**	**6.0%**	**7.0%**	**8.6%**

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SECTION	TENANT INDUSTRIAL CLASSIFICATION	PING	TYPE
NASA Technology Building	Xihu	IT services	730	Expansion
Chonghong New Century	Xihu	real estate brokerage	320	Expansion
KGI Xihu Building	Xihu	electronic components manufacturer	690	Relocation

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MARKETBEAT
TAIPEI
RETAIL Q2 2025

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MARKET FUNDAMENTALS

	12-Month Forecast
12,400 Average Rent (NTD/PING/MO)	–
6.3% Vacancy Rate	–

Source: Cushman & Wakefield

ECONOMIC INDICATORS Q1 2025 TAIWAN

	YOY Chg	12-Month Forecast
5.5% GDP Growth	▲	▼
2.2% CPI Growth	▲	▼
3.7% Cumulative Sales of General Merchandise	▲	N/A

Source: Directorate-General of Budget, Accounting and Statistics, Moody's Analytics

MODEST RETAIL SALES GROWTH AMID GLOBAL UNCERTAINTY

General merchandise retail sales rose by 3.7% y-o-y for the January to May 2025 period. Supermarkets and hypermarkets recorded steady growth of 6.7% and 5.5%, respectively, while convenience store sales increased by 4.6%. Department stores faced pressure from outbound spending and softer demand for high-value goods amid economic uncertainty, resulting in flat growth. Other general merchandise retailers saw a 2.2% sales increase. Overall, retail sales maintained a moderate upward trend.

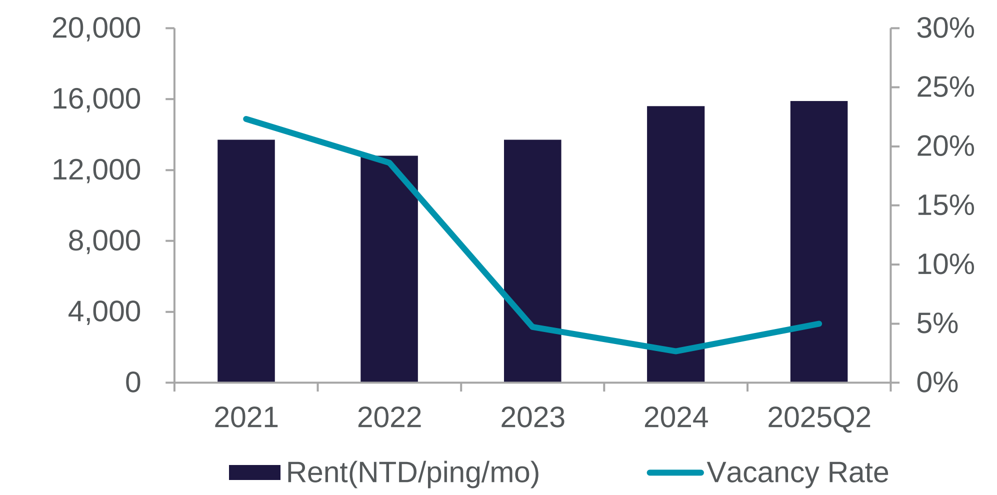
SLIGHT VACANCY SHIFTS AS ZHONGSHAN AND XIMEN REMAIN STEADY

The Zhongxiao district vacancy rate moved back up to 10.06% in Q2, following its drop to 8.94% in Q1. While events at the Taipei Dome continue to draw crowds, the longer-term positive impact on surrounding storefronts remains to be seen. Ximen district maintained a low vacancy rate of 4.99%, supported by strong commercial activity. Despite high rents prompting some tenant turnover, prime units were quickly absorbed. The Zhongshan/Nanjing district benefited from consistent pedestrian traffic from nearby linear parks, with vacancy moving down to 4.73%, demonstrating general market stability.

MICRO-UNITS AND WALKABILITY AS KEY COMPETITIVE STRATEGIES

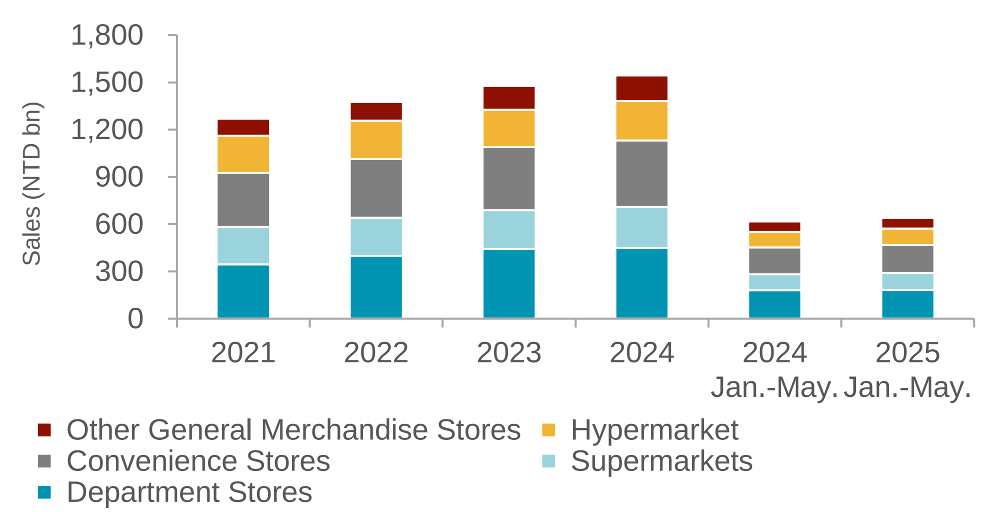
Despite economic uncertainty and outbound spending, overall Taipei retail demand has remained steady. Large malls, such as LaLaport Nangang, continue to attract crowds with grand openings, diverse retail offerings, and comfortable shopping environments. In response, street-level retail is shifting toward smaller units, more flexible leasing strategies, and improved walkability — including pedestrian zones and linear parks — to enhance the shopping experience and stay competitive in a challenging retail landscape.

RENT / VACANCY RATE IN XIMEN



Source: Cushman & Wakefield

CUMULATIVE SALES OF GENERAL MERCHANDISE



Source: Directorate-General of Budget, Accounting and Statistics

MARKET STATISTICS

RETAIL HUB	VACANCY RATE	RETAIL RANGE			12- MONTH OUTLOOK
		NTD/ PING/ MO	USD/ SF/ MO	EURO/ SF/ MO	
Zhongxiao	10.06%	8,000~11,000	7.6~10.5	6.6~9.2	▬
Zhongshan/Nanjing	4.73%	7,200~12,300	6.8~11.7	5.9~10.1	▬
Ximen	4.99%	9,600~16,000	9.1~15.2	7.9~13.2	▬

**Only high street store in prime retail hubs are taken into account. All data is based on gross floor area unless otherwise specified. Rentals are exclusive of management fees or other expenses.*
Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Currency Exchange Rate: 1USD = 0.8669EUR = 29.5565NTD (as of Jun 16, 2025)

SIGNIFICANT OPENINGS IN Q2 2025

RETAIL HUB	LOCATION	TENENT	SIZE (PING)
Zhongxiao	Sec. 4, Zhongxiao E. Rd.	CHI YUAN TEA	15
Zhongshan/Nanjing	Sec. 1, Nanjing E. Rd.	GOLD PIG	95
Zhongshan/Nanjing	Nanjing W. Rd.	BRAND OFF	80
Ximen	Chengdu Rd.	JUELIN	16
Ximen	Hanzhong St.	COSMED	40

SIGNIFICANT RETAIL PROJECTS - UNDER CONSTRUCTION/DECORATION

PROJECT	LOCATION	EXPECTED OPENING YEAR	GFA (PING)
Dream Plaza	Xinyi District, Taipei City	2025	7,500
Far Eastern Garden City	Xinyi District, Taipei City	2026	42,000

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MARKET FUNDAMENTALS

	YoY Chg
74.6B YTD Investment Volume (NTD)	**28.7%**
31.3B Q2 Investment Volume (NTD)	**-7.9%**
28 Q2 Deals	**-50.0%**

Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

Q1 2025	YOY Chg	12-Month Forecast
5.5% GDP growth	▼	▼
2.2% CPI growth	▼	▼
3.3% Prime Leading Loan Rate	▲	N/A

Source: Ministry of the Interior, Moody's Analytics

CAPITAL ACTIVITY HOLDS STEADY, END-USERS LEAD DEMAND

Taiwan's commercial real estate transaction volume totaled NT$31.31 billion in Q2 2025. The largest deal was Global View Co., Ltd.'s NT$6.24 billion acquisition of a modern logistics facility in Yangmei Dist., Taoyuan City, from Success Leo Company Limited. Pegatron Corporation's NT$5.64 billion purchase of an industrial property in Taoyuan Dist., Taoyuan City from HTC Corporation was the second-largest deal, followed by Pegatron's NT$2.81 billion sale of its Xindian Dist., New Taipei City asset in New Taipei City to Kuo Hung Real Estate Development Co., Ltd. Despite external headwinds from global economic and geopolitical uncertainties, Taiwan's industrial fundamentals have remained resilient. The momentum of AI-related developments has seen demand from end-users continue to support the market, helping to sustain steady transaction activity

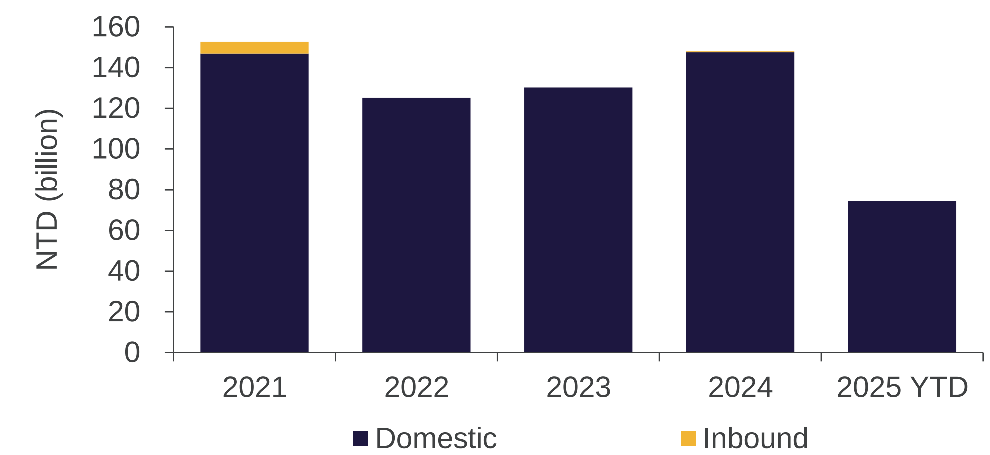
TIGHT CREDIT POLICY SUSTAINS, DEVELOPERS STAY CAUTIOUS

Taiwan's land market transaction volume reached NT$29.84 billion in Q2 2025, down 23.6% y-o-y. The largest deal was Feng Hsin Steel Co., Ltd.'s NT$3.26 billion purchase of industrial land in Changhua Coastal Industrial Park. Bo-Yuan Construction Corp. followed with a NT$3.21 billion acquisition of commercial land in Xitun Dist., Taichung City from a private seller. The third-largest transaction was Mayer Steel Pipe Corp.'s NT$2.24 billion purchase of residential land in Zhonghe Dist., New Taipei City. With the central bank maintaining tight credit controls and global macro uncertainty persisting, housing demand has shifted back to end-users. Developers have adopted a more cautious stance, slowing land acquisition and capital deployment.

CAUTIOUS MARKET SENTIMENT SHIFTS FOCUS TOWARDS CORE ASSETS

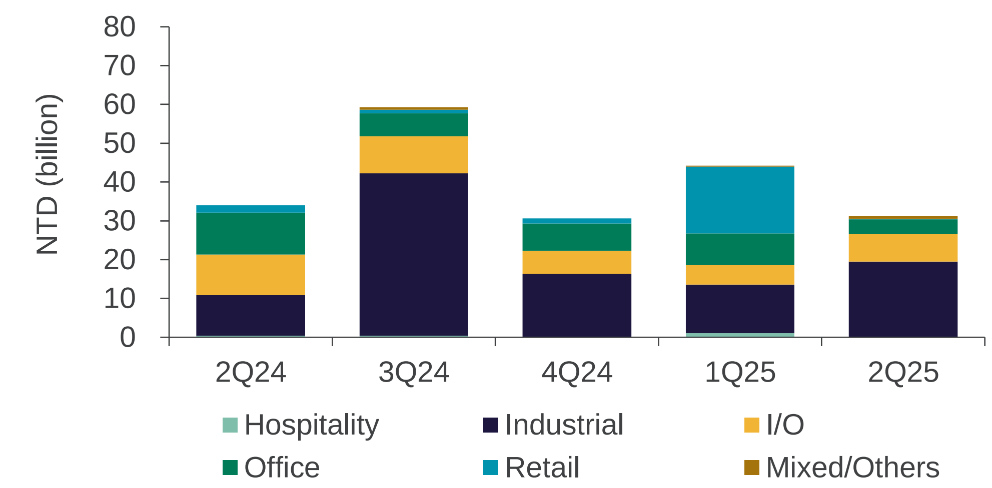
Global economic slowdown, geopolitical instability, and uncertainty over interest rate trends continue to weigh on investor sentiment. The market remains cautious, with end-user demand providing stable support for core transactions, while investment-driven activity remains subdued. In the land sector, capital constraints and slower presales have led to a period of consolidation. Looking ahead, the second half of the year is expected to present a dual-track scenario of steady demand in the industrial sector combined with a cooling land market. Investor focus will likely concentrate on assets with solid industrial fundamentals and clear development potential.

INVESTMENT VOLUME BY CAPITAL SOURCE



Source: Cushman & Wakefield Research

INVESTMENT VOLUME BY SECTOR



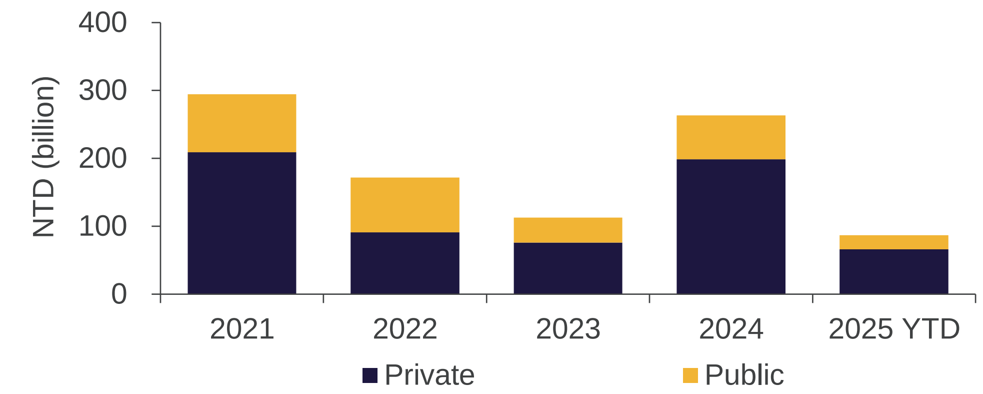
Source: Cushman & Wakefield Research

Better never settles

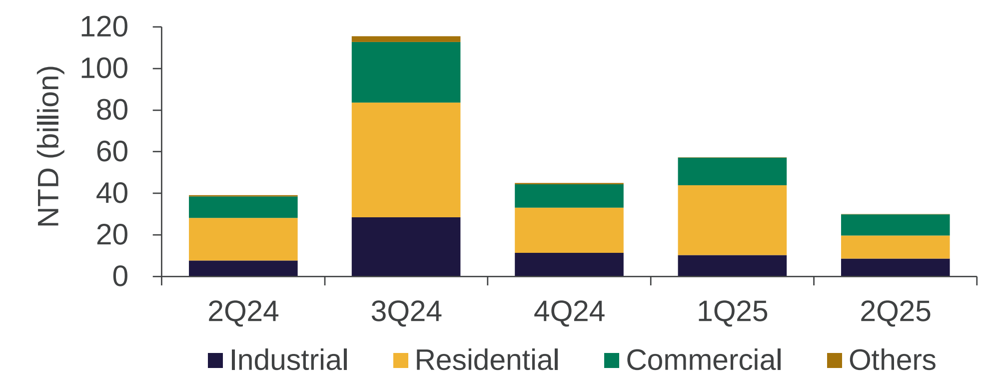
SIGNIFICANT SALES

PROPERTY	LOCATION	SECTOR	PRICE (NTD BN)	VENDOR	PURCHASER	DEAL TYPE
Logistics Facility in Yangmei Dist., Taoyuan City	Yangmei Dist., Taoyuan City	Industrial	6.24	Success Leo Company Limited	Global View Co., Ltd.	Self-used
Factory in Taoyuan Dist., Taoyuan City	Taoyuan Dist., Taoyuan City	Industrial	5.64	HTC Corporation	Pegatron Corporation	Self-used
Factory in Xindian Dist., New Taipei City	Xindian Dist., New Taipei City	Industrial	2.81	Pegatron Corporation	Kuo Hung Real Estate Development Co., Ltd.	Investment
Factory in Daya Dist., Taichung City	Daya Dist., Taichung City	Industrial	2.10	Taiwan Green Point Enterprises Co., Ltd.	Universal Textile Co., Ltd.	Self-used
V-Park Building	Neihu Dist., Taipei City	Office	1.79	Homax Development Corp.	Good Finance Securities Co., Ltd.	Self-used

Land Transactions Volume by Supply Source



Land Transactions Volume by Land Use



Source: Cushman & Wakefield Research

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