MARKETBEAT
TAIPEI
GRADE A OFFICE Q3 2025

CUSHMAN & WAKEFIELD 戴德梁行

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
6.6% Vacancy Rate	▼	▲
856,400 Stock, ping	▲	▲
2,830 Average Rent (NTD/PING/MO)	▲	▲

ECONOMIC INDICATORS Q2 2025

	2025 Q1	12-Month Forecast
8.0% GDP Growth	5.5%	▼
3.1% Service Sector GDP Growth	2.5%	N/A
1.7% CPI Growth	2.2%	▲
3.4% Unemployment Rate (June)	3.4%	N/A

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

ROBUST LEASING ACTIVITY SUSTAINS LOW VACANCY LEVELS

The Taipei Grade A office market welcomed the entry of the Kindom Group Minquan Building in Q3 2025, adding approximately 8,900 pings of new supply. Approximately 25% of the new space is reserved for self-use by Kindom Development Co., Ltd., with the remainder available for lease.

Quarterly net absorption surpassed 11,000 pings in Q3, supported by same-district relocations, with Japanese corporates active in the Western submarket and tenants in the Xinyi submarket largely staying in place.

In the Dunbei/Minsheng submarket, vacancy rose by 2.6 percentage points on new supply, while Western and Xinyi submarkets vacancy fell by 2.4 and 1.4 points respectively, in turn bringing the overall citywide vacancy rate slightly down in Q3 to record 6.6%.

NEW SUPPLY PROMPTS SLIGHT LIFT IN AVERAGE RENTAL LEVELS

With quality new supply entering the market, the citywide overall Grade A office rental level moved up 0.7% from the prior quarter to record NT$2,830 per ping per month in Q3.

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

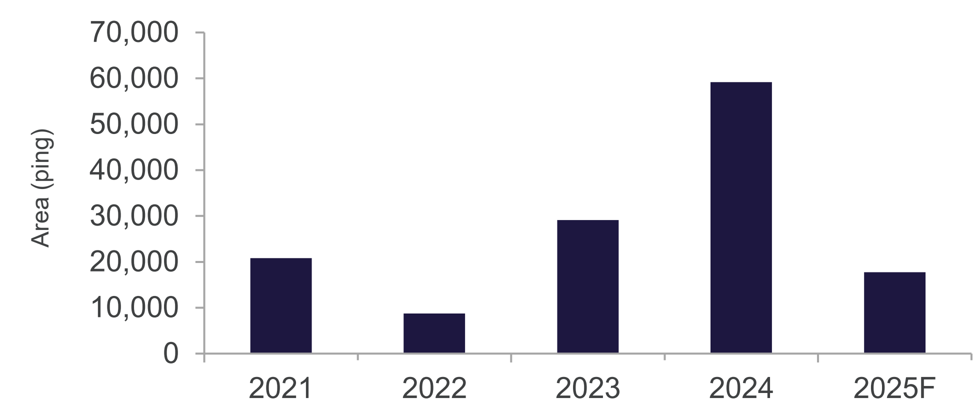
The Dunbei/Minsheng submarket recorded a notable 3.2% q-o-q rental level rise to NT$2,490 per ping per month, driven by the entry of the Kindom Group Minquan Building.

LANDLORDS ACT AHEAD OF FUTURE SUPPLY SURGE

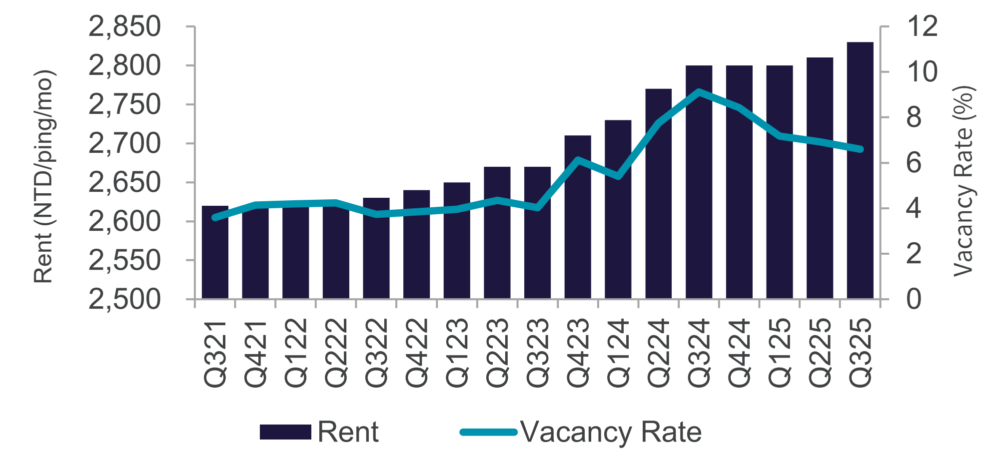
Ten new office building projects are currently scheduled for completion through the coming two years, adding approximately 167,800 pings of new supply and intensifying Taipei office market competition.

In anticipation of this upcoming supply peak, some landlords are already adjusting leasing strategies, including extending lease terms and offering more flexible conditions, in order to secure existing and prospective tenants and mitigate future vacancy risks.

SUPPLY PIPELINE



RENT & VACANCY RATE



TAIPEI
GRADE A OFFICE
Q3 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	14.6%	63,900	2,660	US$2.49	€ 2.10
Nanjing/Songjiang	48,900	2.8%	7,500	2,430	US$2.27	€ 1.92
Dunbei/Minsheng	241,300	6.8%	44,000	2,490	US$2.33	€ 1.97
Dunnan	113,100	3.4%	27,400	2,560	US$2.39	€ 2.02
Xinyi	384,700	6.5%	25,000	3,480	US$3.26	€ 2.75
Taipei City	856,400	6.6%	167,800	2,830	US$2.65	€ 2.23

1 USD = 30.0444TWD; 1 EUR = 35.6027 TWD as of Sep. 17, 2025

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	PING	TYPE
Central Plaza	Western	MITSUI & CO.	770	Relocation
Central Plaza	Western	Nintendo	320	New Lease
Central Plaza	Western	Pixl Solutions	320	Relocation

(Area rounded to the nearest ten.)

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	PING	COMPLETION DATE
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
Taipei Twins C1	Western	Taipei Twins	39,000	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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MARKETBEAT
TAIPEI
Industrial-Office Q3 2025

MARKET FUNDAMENTALS

	12-Month Forecast
NT$1,540 Xihu Section rents (NTD/ Ping/ month)	
5.9% Xihu Section vacancy (vacancy rate in %)	

Source: Cushman & Wakefield Research

TAIWAN ECONOMIC INDICATORS Q2 2025

	Q1 2025	12-Month Forecast
8.0% GDP Growth	5.5%	
15.7% Secondary Sector Growth	9.4%	N/A
1.7% CPI Growth	2.2%	

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

NHTP RECORDS MODEST INCREASE IN VACANCY RATES

The vacancy rate in Xihu Section rose by 0.2 percentage points to record 5.9% in Q3 2025, marking a marginal increase from the previous quarter. Notable leasing activity included an information services company's commitment of approximately 110 pings at Darwin Technology Center, and a consumer electronics manufacturer's relocation of approximately 360 pings to Gamma Technology Center. The Wende Section saw a 0.6 percentage point rise in vacancy to reach 8.3%, while Jiuzong Section remained flat at 12.3%.

RENTS AND CAPITAL VALUES HOLD STEADY

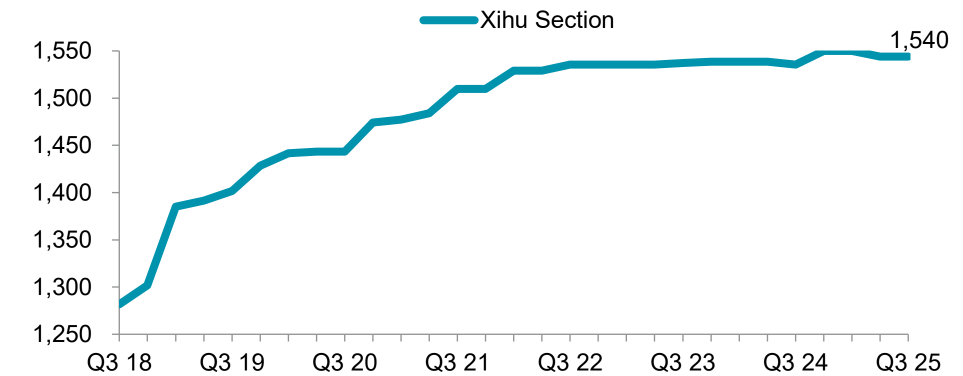
Rental levels held steady in Q3 across NHTP submarkets. The Xihu Section maintained a monthly rental level of NT$1,540 per ping, while the Wende and Jiuzong Sections recorded NT$1,100 and NT$1,010 per ping, respectively. Capital values also remained stable through the quarter, with Xihu Section ranging 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. This quarter's major transaction involved BankTaiwan Life Insurance acquiring the ground floor of Shi Ji Jing Mao Building, formerly a Bank of Taiwan branch, for NT$460 million.

LEGACY INDUSTRIAL OFFICES FACE RENTAL CHALLENGES

Industrial occupiers are now placing even greater emphasis on sustainability and energy efficient conditions when selecting locations, prompted by ESG trends and the desirability of energy efficiencies. Demand has become noticeably stronger for facilities with green building certifications and smart management systems. Most industrial office buildings in the NHTP were developed in the early 2000s. Constrained by aging infrastructure and the absence of certifications, these legacy properties are gradually losing competitiveness in attracting tenants. Looking ahead, older industrial offices with lower equipment standards or lacking green certifications are expected to face stronger competition from newer projects, and their rental levels may show signs of softening.

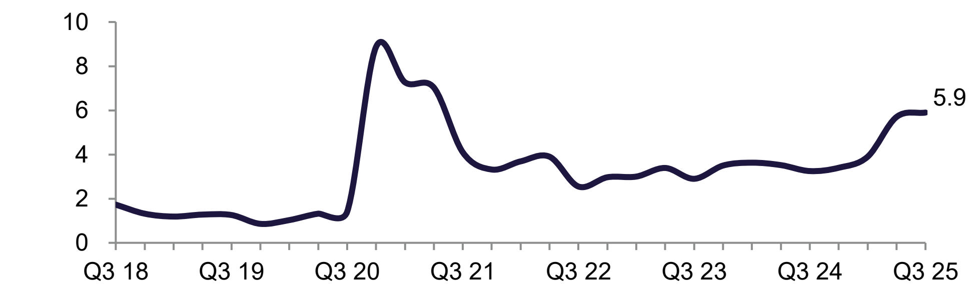
Rent Level in Xihu Section

Average Rents (NTD/ Ping/ month)



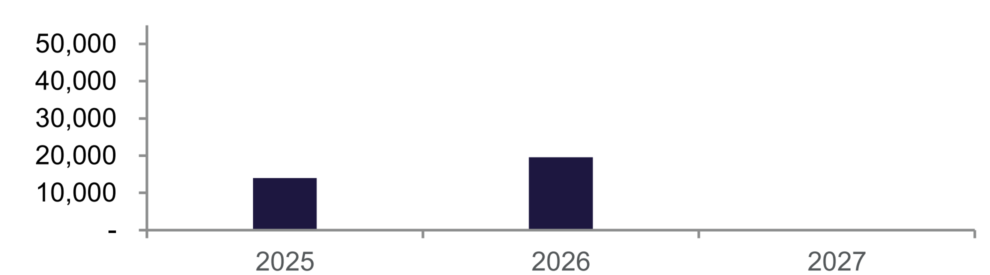
Vacancy Rate in Xihu Section (%)

Vacancy Rate (by %)



Future Supply

Area (Ping)



RENT LEVELS Q3 2025

	I/O RENT NTD/PING/MO	I/O RENT USD/SF/MO	I/O RENT EUR/SF/MO	Q-O-Q CHANGE
Xihu	1,540	1.44	1.22	0.0%
Wende	1,100	1.03	0.87	0.0%
Jiuzong	1,010	0.94	0.79	0.0%
NHTP AVERAGE	**1,220**	**1.14**	**0.96**	**0.0%**

Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Exchange Rate: 1 USD = 0.8439 EUR = 30.0444 TWD (as of Sep 17, 2025)

VACANCY RATE Q3 2025

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Xihu	3.3%	3.4%	3.9%	5.7%	5.9%
Wende	6.0%	5.5%	7.4%	7.7%	8.3%
Jiuzong	11.4%	12.8%	11.7%	12.3%	12.3%
NHTP AVERAGE	**5.7%**	**6.0%**	**7.0%**	**8.6%**	**8.8%**

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SECTION	TENANT INDUSTRIAL CLASSIFICATION	PING	TYPE
Darwin Technology Center	Xihu	Information Service	110	New Lease
Gamma Technology Center	Xihu	Manufacture of consumer electronics	360	Relocation
Wallstreet Technology Headquarters	Xihu	Information Service	80	Expansion

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A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

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
RETAIL Q3 2025

MARKET FUNDAMENTALS

	12-Month Forecast
12,400 Average Rent (NTD/PING/MO)	–
6.0% Vacancy Rate	–

Source: Cushman & Wakefield

ECONOMIC INDICATORS Q2 2025 TAIWAN

	YOY Chg	12-Month Forecast
8.0% GDP Growth	▲	▼
1.7% CPI Growth	▼	▲
3.0% Cumulative Sales of General Merchandise	▲	N/A

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

RETAIL SALES MAINTAIN MODEST PACE AS ECONOMIC RISKS PERSIST

General merchandise retail sales rose by 3.0% y-o-y for the January to August 2025 period. Department stores increased by 0.6%, while convenience stores climbed by 4.3%. Supermarkets and hypermarkets recorded growth of 5.0% and 3.8%, respectively. Other general merchandise retailers saw a 1.7% rise. Although the economic outlook remains uncertain and outbound travel continues to dampen local consumption, overall spending momentum has held steady, with retail revenues showing moderate growth.

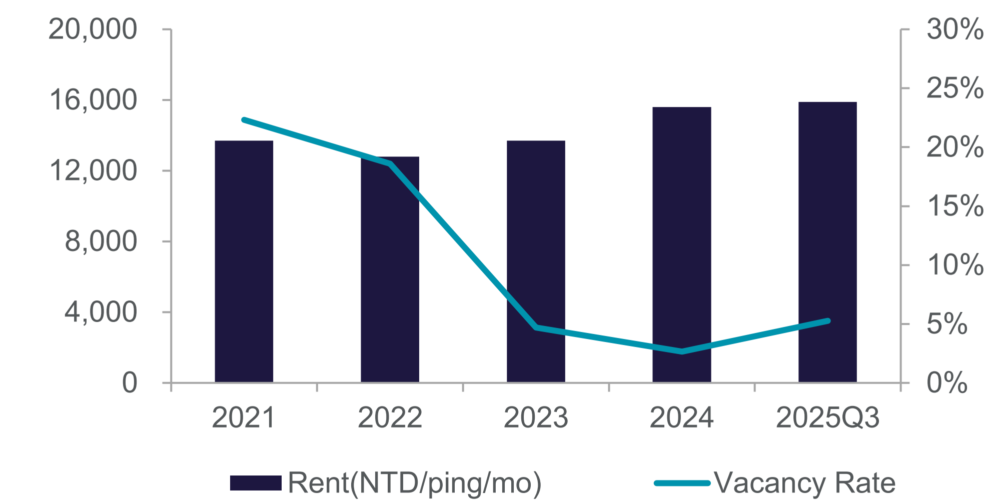
VACANCIES STABLE, ZHONGXIAO RECOVERY REMAINS UNCERTAIN

The vacancy rate in Zhongxiao district fell to 8.94% in Q3, returning to single digits, from the 10.06% recorded in Q2. However, the longer-term continuity of this downward trend remains somewhat uncertain. In Ximen district, strong tourism activity continued to support store occupancy. Some locations within the district experienced tenant turnover, resulting in a slight increase in the vacancy rate to 5.26%. The Zhongshan/Nanjing district saw a marginal fall in the vacancy rate to 4.03%, with steady commercial activity maintaining healthy occupancy levels.

DREAM PLAZA LAUNCHES AS BRANDS EXPAND STREETFRONT PRESENCE

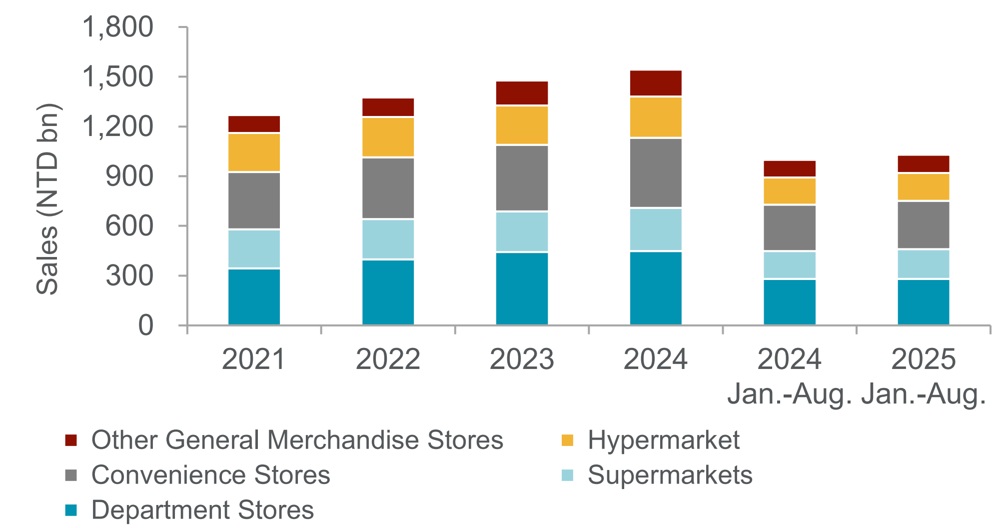
The Dream Plaza project in Xinyi district officially opened in July 2025, adding new retail supply and attracting market attention. Major brands continued to expand into high-visibility street locations, adopting flagship stores and short-term pop-ups to enhance exposure and test consumer response. A notable recent opening was Abercrombie & Fitch's Taipei flagship on Zhongxiao East Road. These market developments highlight the important role of street-level retail in brand marketing and consumer engagement, with streetfront expansion and department store access serving complementary roles within broader marketing and distribution strategies.

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 NTD/ PING/ MO	RETAIL RANGE USD/ SF/ MO	RETAIL RANGE EURO/ SF/ MO	12- MONTH OUTLOOK
Zhongxiao	8.94%	8,000~11,000	7.5~10.3	6.3~8.8	▬
Zhongshan/Nanjing	4.03%	7,200~12,300	6.7~11.5	5.7~9.6	▬
Ximen	5.26%	9,600~16,000	9.0~15.0	7.6~12.6	▬

**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 = 0.8439EUR = 30.0444NTD (as of Sep 17, 2025)

SIGNIFICANT OPENINGS IN Q3 2025

RETAIL HUB	LOCATION	TENENT	SIZE (PING)
Zhongxiao	Sec. 4, Zhongxiao E. Rd.	Abercrombie & Fitch	92
Zhongshan/Nanjing	Sec. 1, Nanjing E. Rd.	9090	26
Ximen	Wuchang St.	6M Spicy Braised Dishes	13
Ximen	Chengdu Rd.	V-TEX	27

SIGNIFICANT RETAIL PROJECTS - UNDER CONSTRUCTION/DECORATION

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

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MARKETBEAT
TAIWAN
CAPITAL MARKETS Q3 2025

CUSHMAN & WAKEFIELD 戴德梁行

MARKET FUNDAMENTALS

	YoY Chg
111.0B YTD Investment Volume (NTD)	**-5.4%**
34.5B Q3 Investment Volume (NTD)	**-41.8%**
49 Q3 Deals	**-14.0%**

Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

Q2 2025	YOY Chg	12-Month Forecast
8.0% GDP growth	▲	▼
1.7% CPI growth	▼	▲
3.3% Prime Leading Loan Rate	▲	N/A

Source: Ministry of the Interior, Moody's Analytics

AI SUPPLY CHAIN EXPANSION DRIVES STEADY REAL ESTATE DEMAND

Taiwan's commercial real estate transaction volume in Q3 2025 totaled NT$34.5 billion. The most valuable transaction was ASE Technology Holding's acquisition of a production facility in the Southern Taiwan Science Park (Kaohsiung) from WIN Semiconductors for NT$6.5 billion, aimed at expanding advanced packaging capacity. The second was Fubon Life Insurance's NT$2.8 billion purchase of the New CB Party Taipei flagship property, via a sale-and-leaseback structure with the existing operator. The third-largest deal was Taiwan Fire & Marine Insurance's NT$2.0 billion acquisition of an office building in Datong Dist., Taipei City from Senluo Investment. Overall, rising demand for AI and other emerging technologies is driving supply chain players to expand capacity and increase capital spending, in turn sustaining steady demand for industrial real estate.

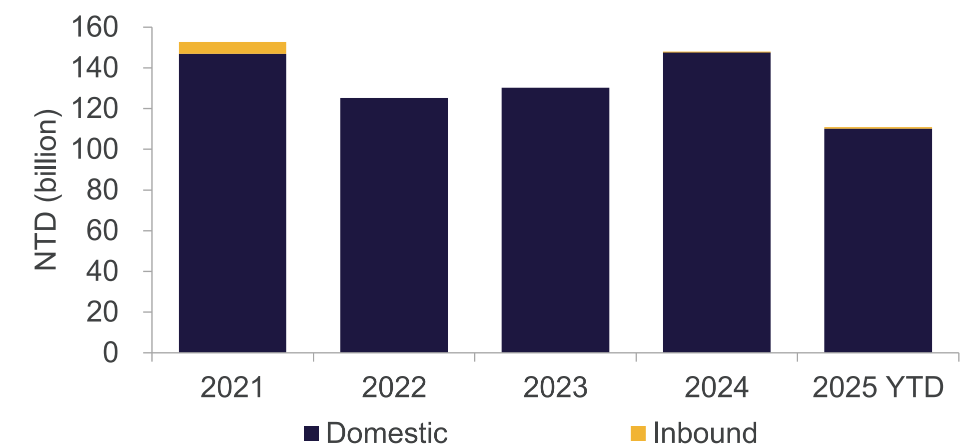
DEVELOPER FINANCING REMAINS TIGHT, LAND DEALS REMAIN SUBDUED

Land market transaction volume totaled NT$36.3 billion in Q3 2025. The largest deal was Delta Electronics' NT$6.95 billion acquisition of an aging industrial plant and land in Guanyin Dist., Taoyuan City, from Federal Corp., for future production and R&D use. Secondly, Bo-Yuan Construction Corp. acquired residential land in Xitun Dist., Taichung City, for NT$4.0 billion. The third-ranked deal was Xiangyang Realty Co., Ltd.'s acquisition of a residential-zoned site in Nangang Dist., Taipei City, for NT$3.32 billion. Continued credit tightening by Taiwan's Central Bank has limited developers' access to financing and led to cautious end-user sentiment, dragging down overall market activity and keeping land transactions at a low level.

CAUTIOUS INVESTMENT AMID GEOPOLITICAL AND ECONOMIC VOLATILITY

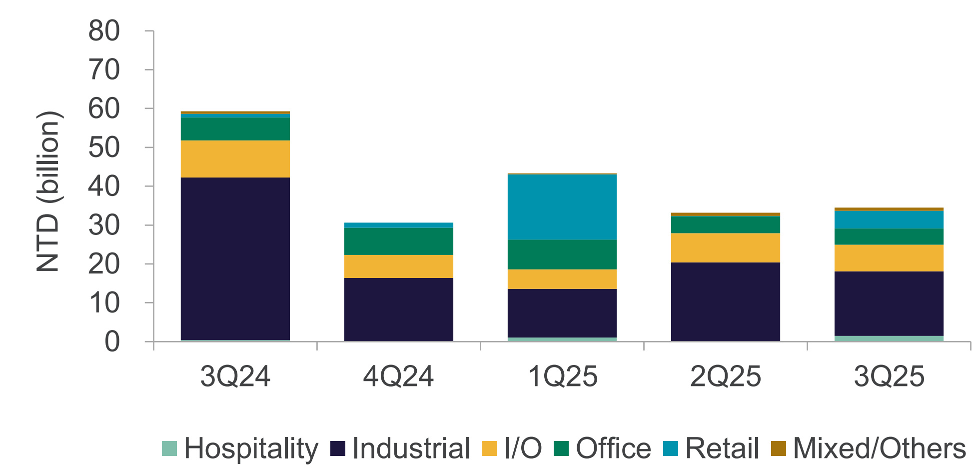
Frequent shifts in U.S. trade policy, heightened tariff barriers, diverging monetary strategies among major central banks, geopolitical tensions, and climate-related disruptions, are combining to create external uncertainty, prompting investors to maintain a cautious approach. Regardless, the rapid ascent of AI and other emerging technologies is sustaining real estate demand. In contrast, traditional industries — strained by global overcapacity and tariff challenges — are under growing pressure to optimize assets, leading to a steady release of factory facilities and land into the market. In this dual-track market environment, high-quality industrial assets are expected to remain the focal point of transaction activity.

INVESTMENT VOLUME BY CAPITAL SOURCE



Source: Cushman & Wakefield Research

INVESTMENT VOLUME BY SECTOR

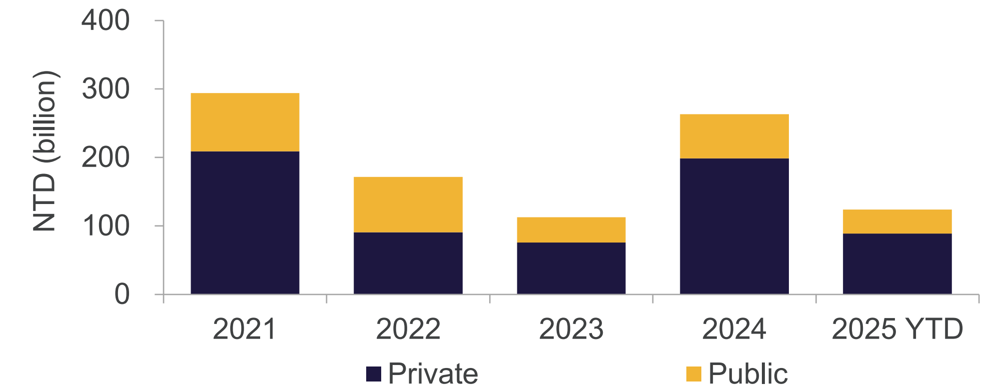


Source: Cushman & Wakefield Research

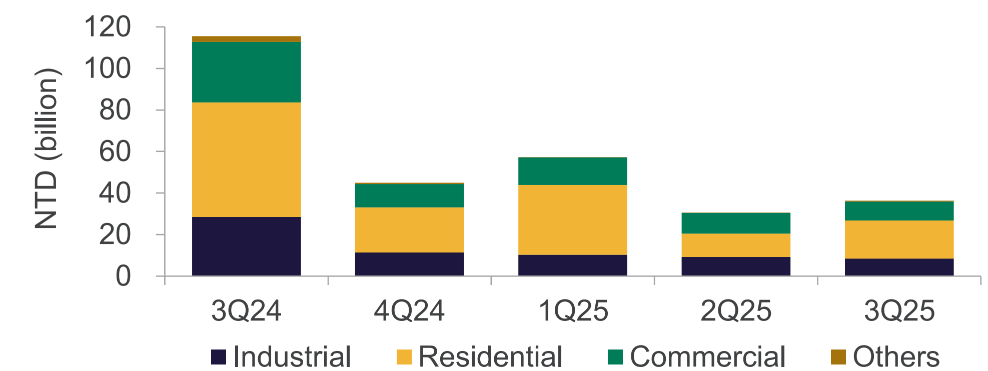
SIGNIFICANT SALES

PROPERTY	LOCATION	SECTOR	PRICE (NTD BN)	VENDOR	PURCHASER	DEAL TYPE
Factory in Southern Taiwan Science Park	Luzhu Dist., Kaohsiung City	Industrial	6.50	WIN Semiconductors Corp.	Advanced Semiconductor Engineering, Inc	Self-used
New CB Party Taipei Flagship	Datong Dist., Taipei City	Retail	2.80	Xing Ju Dian First Co., Ltd. & Kai Yang Investment Co., Ltd.	Fubon Life Insurance Co., Ltd.	Investment
Office in Datong Dist., Taipei City	Datong Dist., Taipei City	Office	2.00	Senluo Investment Co., Ltd.	Taiwan Fire & Marine Insurance Co., Ltd.	Self-used
Huaku Vision Park	Beitou Dist., Taipei City	I-O Building	1.77	Huaku Development Co., Ltd.	Galaxy Software Services Corp.	Self-used
Factory in Zhongli Dist., Taoyuan City	Zhongli Dist., Taoyuan City	Industrial	1.60	CMC Magnetics Corporation	Gold Circuit Electronics Ltd.	Self-used

Land Transactions Volume by Supply Source



Land Transactions Volume by Land Use



Source: Cushman & Wakefield Research

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