MARKETBEAT
TAIPEI
GRADE A OFFICE Q2 2026

CUSHMAN & WAKEFIELD
戴 德 梁 行

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
7.2% Vacancy Rate	▼	▼
879,700 Stock, ping	▲	▲
2,860 Average Rent (NTD/PING/MO)	▲	▲

ECONOMIC INDICATORS Q1 2026

	2025 Q4	12-Month Forecast
14.6% GDP Growth	13.0%	▼
8.0% Service Sector GDP Growth	5.5%	N/A
1.2% CPI Growth	1.3%	▼
3.3% Unemployment Rate (MAR.)	3.3%	N/A

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

DEMAND RECOVERY DRIVES ABSORPTION

No new Grade A office supply was completed in Taipei City in Q2. Supported by corporate relocation and expansion demand, quarterly net absorption reached approximately 15,700 pings, the second-highest level in nearly two years. Leasing activity focused on new-generation office buildings, while some vacant space in Xinyi submarket was gradually filled, indicating a continued recovery in demand.

The citywide average vacancy rate fell to 7.2%, down 1.8 percentage points q-o-q. The Dunbei-Minsheng submarket saw the largest change, with vacancy declining by 4.5 percentage points, supported by steady absorption at new projects.

AVERAGE RENTS REMAIN STABLE

Overall rents remained stable, with the citywide average Grade A office rental level holding at NT$2,860 per ping per month. Xinyi remained the most expensive submarket at NT$3,490, followed by the Western submarket at NT$2,750. Despite rising supply, prime office buildings continued to show solid rental resilience, with no clear downward pressure on rents.

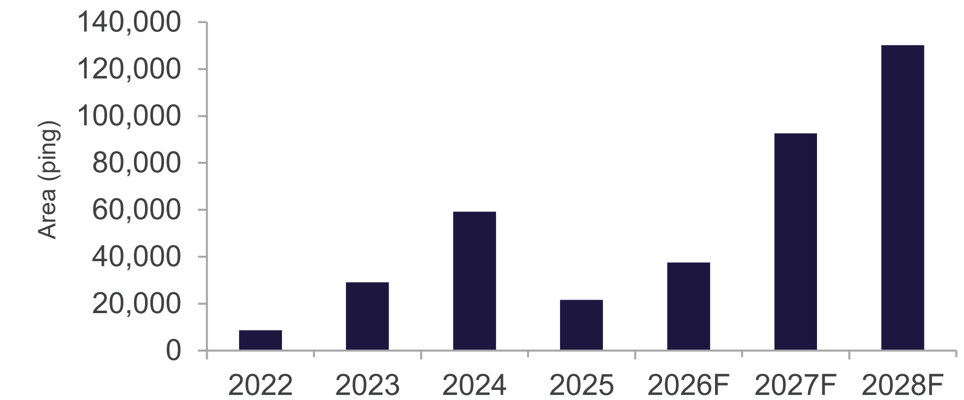
ABSORPTION OUTPERFORMS EXPECTATIONS

Looking ahead, approximately 27,000 pings of new Grade A office supply is scheduled in Q2, bringing total stock to over 900,000 pings. Major completions include the TransGlobe Life Taipei Headquarters and Cathay Jianguo Campus R&D Center.

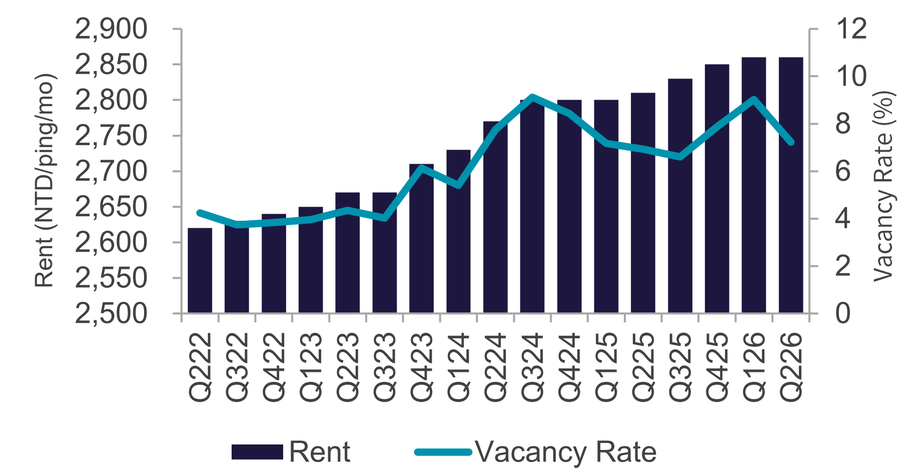
Recent leasing activity shows that large-scale demand remains driven by corporate relocations and upgrading. Tenants continue to favor new-generation buildings in core locations with ESG credentials and modern specifications.

Despite continued new supply, the market has shown stable absorption capacity over the past two years. With demand momentum continuing, 2026 is expected to record one of the strongest annual absorption levels in recent years, while vacancy should remain relatively stable.

SUPPLY PIPELINE



RENT & VACANCY RATE



Better never settles

TAIPEI

GRADE A OFFICE
Q2 2026

MARKET STATISTICS

SUBMARKET	INVENTORY (PING)	VACANCY RATE	UNDER CONSTRUCTION ~2028 (PING)	GRADE A RENT NTD/PING/MO	US$/SF/MO	EUR/SF/MO
Western	77,100	23.8%	103,400	2,750	US$2.45	€ 2.11
Nanjing/Songjiang	52,900	9.7%	9,400	2,530	US$2.25	€ 1.94
Dunbei/Minsheng	251,900	5.8%	55,800	2,550	US$2.28	€ 1.97
Dunnan	113,100	2.6%	27,400	2,560	US$2.28	€ 1.97
Xinyi	384,700	5.9%	53,900	3,480	US$3.11	€ 2.68
Taipei City	879,700	7.2%	249,900	2,860	US$2.55	€ 2.20

1 USD = 31.5454TWD; 1 EUR = 36.5771 TWD as of Jun. 15, 2026

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	PING	TYPE
Nan Shan Plaza	Xinyi	Zhang Zhong Qian Kun Internet Technology	890	Relocation
Nan Shan Plaza	Xinyi	BBPOS Technology/Apex Logistic International	880	Relocation
Kindom Group Minquan Building	Dunbei/Minsheng	Shinkong Insurance	1,670	New Lease
Kindom Group Minquan Building	Dunbei/Minsheng	Lululemon Athletica	560	Relocation

(Area rounded to the nearest ten.)

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	PING	COMPLETION DATE
TransGlobe Life Taipei Headquarters	Dunbei/Minsheng	TransGlobe Life Insurance	18,600	2026
NTPU Jian-Guo Campus Industrial R&D Center	Dunbei/Minsheng	Cathay Life Insurance	8,500	2026
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
Shin Kong Southeast Building	Nanjing/Songjiang	Shin Kong Life Insurance	9,400	2028
Nanshan A21	Xinyi	Nan Shan Life Insurance	28,900	2028
Taipei Twins D1	Western	Taipei Twins	48,300	2028
Honghui Taipei University Minsheng Campus BOT	Dunbei/Minsheng	Honhui Group	16,200	2028
Fubon Insurance Building	Dunnan	Fubon Insurance	10,300	2028

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MARKETBEAT
TAIPEI
Industrial-Office Q2 2026

MARKET FUNDAMENTALS

	12-Month Forecast
NT$1,540 Xihu Section rents (NTD/ Ping/ Month)	—
6.3% Xihu Section vacancy (vacancy rate in %)	—

Source: Cushman & Wakefield Research

TAIWAN ECONOMIC INDICATORS Q1 2026

	Q4 2025	12-Month Forecast
14.6% GDP Growth	13.0%	▼
22.7% Secondary Sector Growth	24.1%	N/A
1.2% CPI Growth	1.3%	▼

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

XIHU SECTION VACANCY RISES, JIUZONG ABSORBS SPACE

Vacancy in Xihu Section increased by 1.5 percentage points q-o-q to record 6.3% in Q2 2026, mainly due to the Shin Kong Life Minghu Building returning to the leasing market. The property was previously fully occupied by NVIDIA and was released into the market this quarter following the tenant's relocation. Vacancy in Wende Section remained at 8.6%, with major absorption driven by a new lease of approximately 410 pings by a financial services tenant. Vacancy in Jiuzong Section declined by 0.4 percentage points to 18.2%, supported by approximately 1,040 pings of absorption by a printing and manufacturing tenant.

XIHU SECTION RENT EDGES UP, CAPITAL VALUES REMAIN STABLE

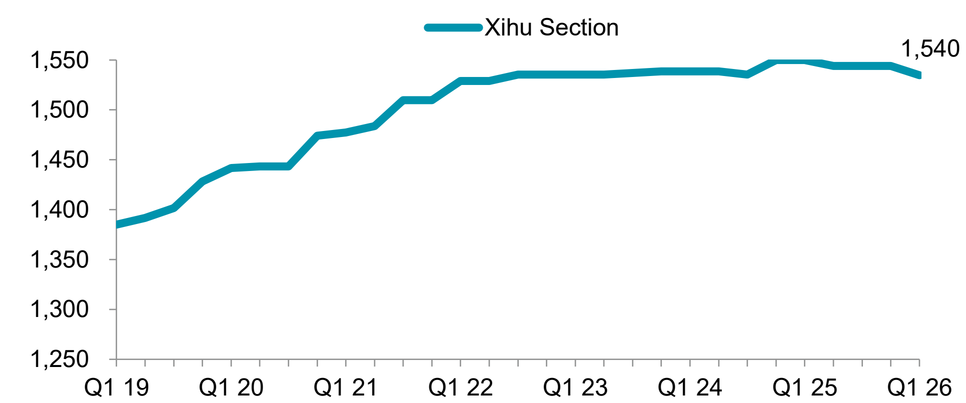
In terms of rents, Xihu Section saw a slight increase q-o-q to record NT$1,540 per ping per month in Q2. Rents in the other sections remained unchanged, at NT$1,090 per ping per month in Wende Section and NT$1,030 per ping per month in Jiuzong Section. Capital values remained stable across all sections, ranging from NT$640,000 to NT$900,000 per ping in Xihu Section, NT$470,000 to NT$560,000 per ping in Wende Section, and NT$440,000 to NT$750,000 per ping in Jiuzong Section.

RENTS DIVERGE, LOCATION CRITERIA BROADENS

As new supply continues to upgrade, performance among Neihu industrial-office buildings has become increasingly divided. Older buildings with weaker specifications are seeing greater room for rental negotiation, while newer buildings with modern specifications and more comprehensive facilities continue to support stable rents. Overall, Neihu remains well-positioned, supported by its mature industry cluster and established supply chain ecosystem. Despite the rise of emerging office clusters such as Nangang and Beitou-Shilin Technology Park, corporate demand has yet to show a clear outward shift. However, as location criteria become more diverse, some tenant demand has expanded search areas to newer industrial-office buildings near MRT stations in Sanchong, Xinzhuang, and Banqiao.

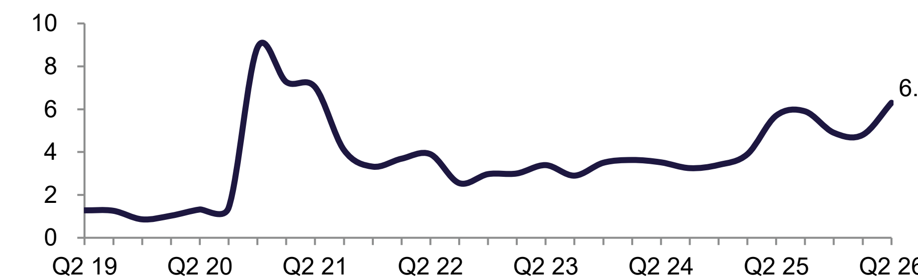
Rent Level in Xihu Section

Average Rents (NTD/ Ping/ month)



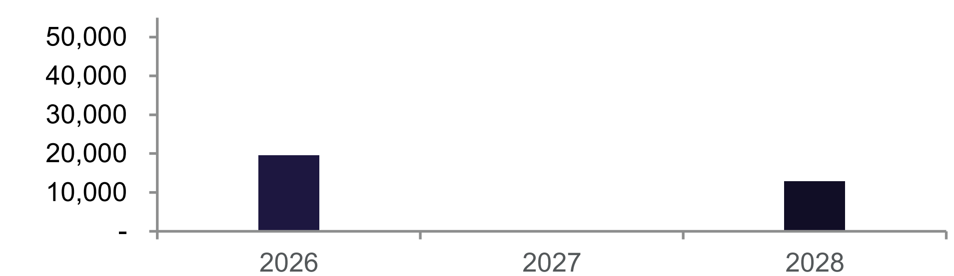
Vacancy Rate in Xihu Section (%)

Vacancy Rate (by %)



Future Supply

Area (Ping)



TAIPEI
INDUSTRIAL-OFFICE Q2 2026

RENT LEVELS Q2 2026

	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	1.37	1.18	0.7%
Wende	1,090	0.97	0.84	0.0%
Jiuzong	1,030	0.92	0.79	0.0%
NHTP AVERAGE	**1,220**	**1.09**	**0.94**	**0.0%**

Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Exchange Rate: 1 USD = 0.8624 EUR = 31.5454 TWD (as of Jun 15, 2026)

VACANCY RATE Q2 2026

	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Xihu	5.7%	5.9%	4.9%	4.8%	6.3%
Wende	7.7%	8.3%	9.0%	8.6%	8.6%
Jiuzong	12.3%	12.3%	12.4%	18.6%	18.2%
NHTP AVERAGE	**8.6%**	**8.8%**	**8.8%**	**10.7%**	**11.1%**

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SECTION	TENANT INDUSTRIAL CLASSIFICATION	PING	TYPE
Asia Plaza (Building A)	Wende	Financial Service	410	New Lease
Asia Plaza (Building C)	Wende	Electronics Manufacturing	340	New Lease
Kuo Yang Intercontinental Headquarters	Jiuzong	Printing Manufacturing	1,040	Relocation

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MARKETBEAT
TAIPEI
RETAIL Q2 2026

MARKET FUNDAMENTALS

	12-Month Forecast
12,300 Average Rent (NTD/PING/MO)	–
5.9% Vacancy Rate	–

Source: Cushman & Wakefield

ECONOMIC INDICATORS Q1 2026 TAIWAN

	YOY Chg	12-Month Forecast
14.6% GDP Growth	▲	▼
1.2% CPI Growth	▼	▼
5.8% Cumulative Sales of General Merchandise	▲	N/A

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

HOLIDAY DEMAND AND EVENTS SUPPORT RETAIL MOMENTUM

General merchandise retail sales rose by 5.8% y-o-y in the January to May 2026 period. Department store sales grew by 8.3%, while convenience stores recorded a 5.3% increase. Supermarkets and hypermarkets posted growth of 2.0% and 6.4%, respectively. Other general merchandise retailer sales were up by 5.7%. The Qingming Festival and Mother's Day promotions supported retail demand through Q2, while the FIFA 2026 World Cup, which kicked off in June, is expected to boost dining and related spending.

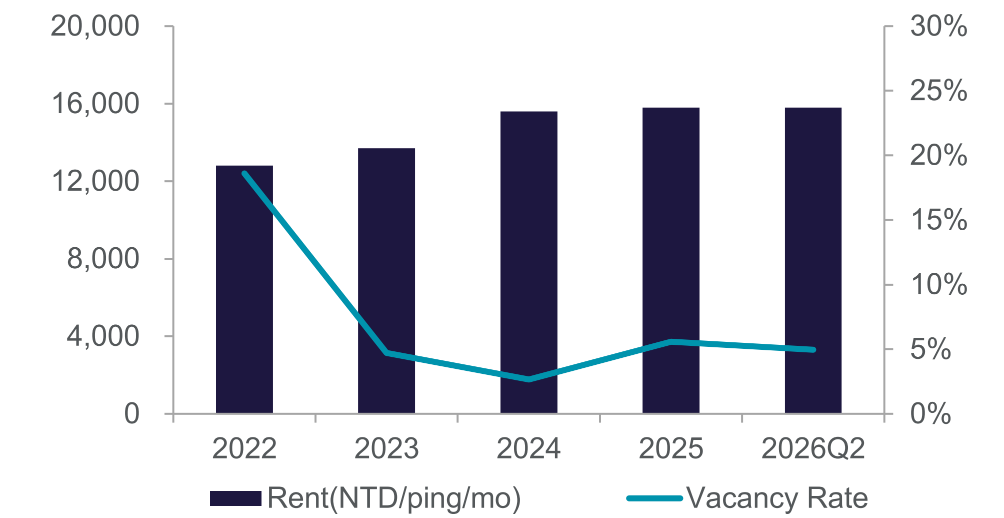
VACANCY RATES SHOW MINOR SHIFTS, MARKET REMAINS STABLE

The Zhongxiao district vacancy rate rose slightly from 8.29% to 8.84% in Q2, mainly due to some tenant move-outs. In Ximen district, tenant turnover continued, with the vacancy rate edging down from 5.28% to 4.96%. Overall commercial activity in the district remained robust, supported by younger consumer and tourist footfall. The vacancy rate in Zhongshan/Nanjing district moved up modestly from 4.03% to 4.70%, with limited tenant movement and stable commercial activity. Overall, vacancy rates across the key retail districts showed only minor changes, and market performance remained steady.

PRIME STREET STORES REMAIN IN FOCUS FOR BRANDS

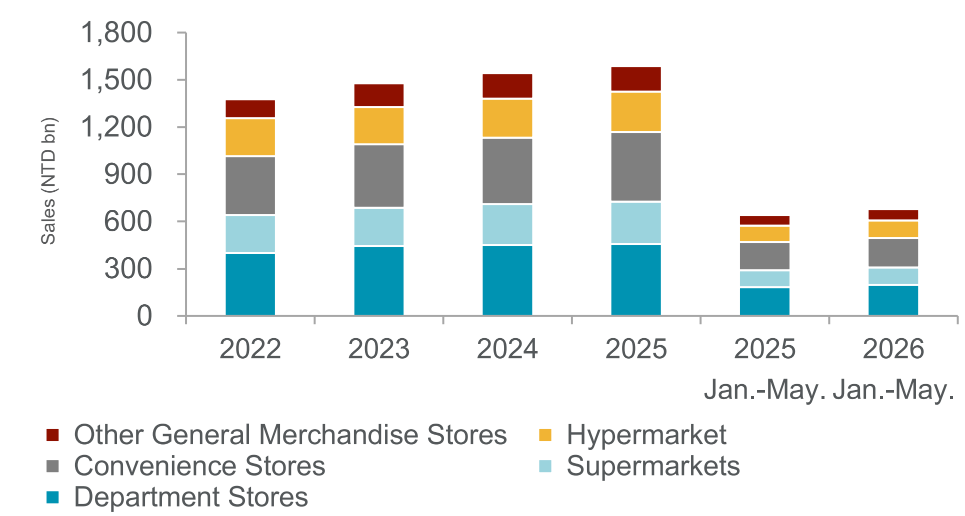
Retailer interest in prime retail districts remained active in Q2, even as notable brands such as Jordan and Dr. Martens closed some street-level stores in the quarter. With physical retail spaces increasingly serving both sales and brand-building purposes, core retail areas remain key for brand visibility, consumer engagement, and market presence. Retailers are now also looking beyond rental levels when evaluating street-level locations, with lease length, renewal terms, fit-out costs, and landlord cooperation becoming key considerations. Stores with high visibility, strong foot traffic, and workable lease terms therefore remain the most attractive in the market.

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	8.84%	8,000~11,000	7.1~9.8	6.1~8.6	▬
Zhongshan/Nanjing	4.70%	7,200~12,300	6.4~11.0	5.5~9.4	▬
Ximen	4.96%	9,600~16,000	8.6~14.3	7.4~12.3	▬

**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 = 0.8624EUR = 31.5454NTD (as of Jun 15, 2026)

SIGNIFICANT OPENINGS IN Q2 2026

RETAIL HUB	LOCATION	TENENT	SIZE (PING)
Zhongxiao	Sec. 4, Zhongxiao E. Rd.	TOWER WATCH	24
Zhongshan/Nanjing	Sec. 2, Zhongshan N. Rd.	KERAIA	22
Ximen	Sec. 2, Wuchang St.	Shu Shin Bou	18
Ximen	Chengdu Rd.	POYA	330

SIGNIFICANT RETAIL PROJECTS - UNDER CONSTRUCTION/DECORATION

PROJECT	LOCATION	EXPECTED OPENING YEAR	GFA (PING)
Far Eastern Garden City	Xinyi District, Taipei City	2026	42,000
Taipei Twins	Zhongzheng District, Taipei City	2029	49,000
Far Eastern Baoqing	Zhongzheng District, Taipei City	2029	14,000
SKY PARK	Nangang District, Taipei City	2030	30,000

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MARKET FUNDAMENTALS

	YoY Chg
158.8B YTD Investment Volume (NT$)	**126.1%**
58.6B Q2 Investment Volume (NT$)	**117.7%**
52 Q2 Deals	**73.3%**

Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

Q1 2026	YOY Chg	12-Month Forecast
14.6% GDP growth	▲	▼
1.2% CPI growth	▼	▼
3.3% Prime Leading Loan Rate	▼	N/A

Source: Ministry of the Interior, Moody's Analytics

AI AND SEMICONDUCTOR DEMAND DRIVES H1 DEALS TO RECORD HIGH

Commercial real estate transaction volume reached NT$58.6 billion in Q2 2026, down from NT$100.2 billion in Q1, mainly due to the high base from Micron's NT$52.84 billion acquisition of the Tongluo fab in Miaoli. Excluding this landmark deal, Q2 volume was higher than Q1, indicating robust market momentum. The top three transactions were driven by owner-occupier demand, with the two largest for manufacturing facilities in the Southern Taiwan Science Park, reflecting continued demand from semiconductor and OSAT companies for high-specification, ready-to-use facilities. Nanshan Life Insurance's NT$3.56 billion acquisition of the E Sky Empire Office tower in Kaohsiung ranked third and will serve as its southern Taiwan office hub.

First-half 2026 transaction volume reached NT$158.8 billion, exceeding the full-year 2025 total and marking a record high for the 1H period. Industrial property accounted for approximately 82% of total volume, remaining the key growth driver amid AI, semiconductor and high-tech manufacturing expansion.

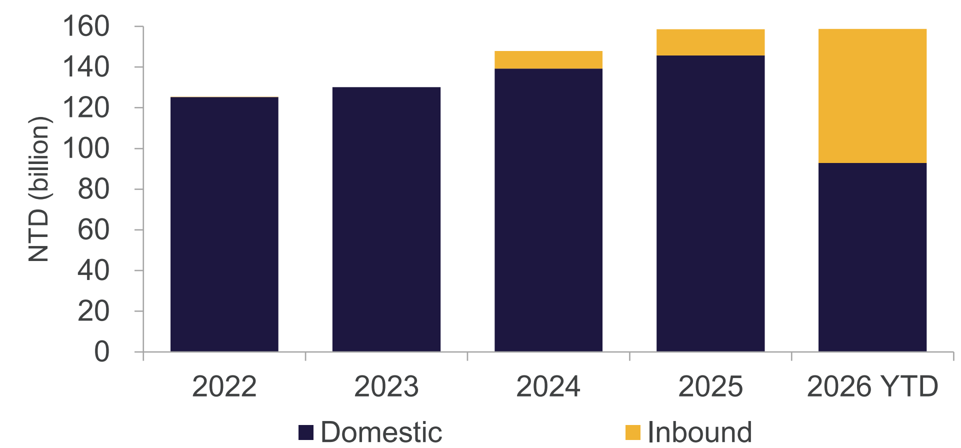
LAND MARKET SLOWS AS DEVELOPERS TURN CAUTIOUS

Land transaction volume reached NT$24.8 billion in Q2 2026, down 48% from Q1 and below the Q2 levels of the past two years. The decline was chiefly due to the high base of Q1, which included NVIDIA's Beitou Shilin Technology Park superficies right acquisition and several large industrial land deals. Amid credit controls and slower residential sales absorption, developers turned cautious in land acquisitions. The top three transactions totaled NT$9.37 billion, around 38% of Q2 volume, with assets spanning commercial, residential and industrial land.

MARKET SENTIMENT STABILIZES, BUT DEMAND REMAINS UNPROVEN

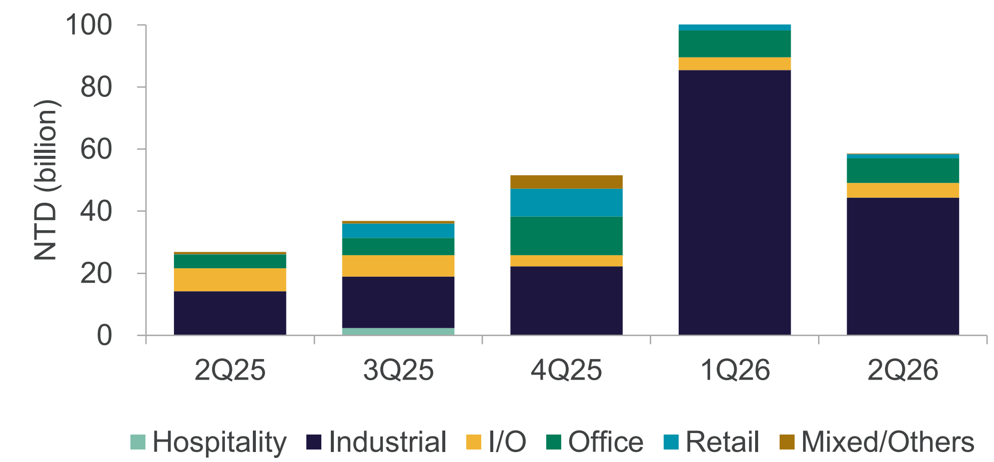
Central bank data shows that construction loan balances have stayed at around NT$3.4 trillion over the past year, indicating that residential development has shifted from rapid expansion toward inventory digestion and risk control. Compared with concerns over further credit tightening in late 2025, the central bank maintained its existing policy stance in Q2 and responded constructively to market concerns. Taiwan's stock market strengthened in Q2, supported by AI and technology-sector momentum, improving market liquidity and prompting some profit-taking capital to refocus on real estate. However, the credit environment has yet to loosen meaningfully. Land transactions and construction loans indicate the market has not shown clear expansion signs, suggesting that sentiment still needs to be supported by stronger transaction momentum.

INVESTMENT VOLUME BY CAPITAL SOURCE



Source: Cushman & Wakefield Research

INVESTMENT VOLUME BY SECTOR

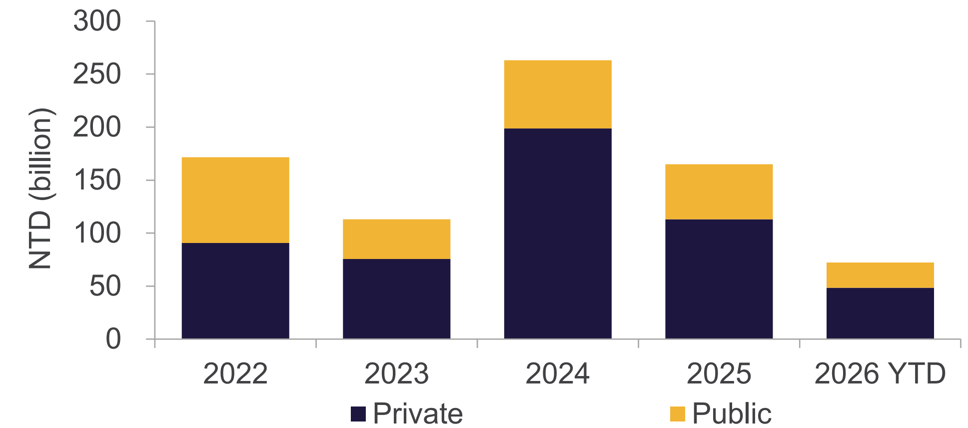


Source: Cushman & Wakefield Research

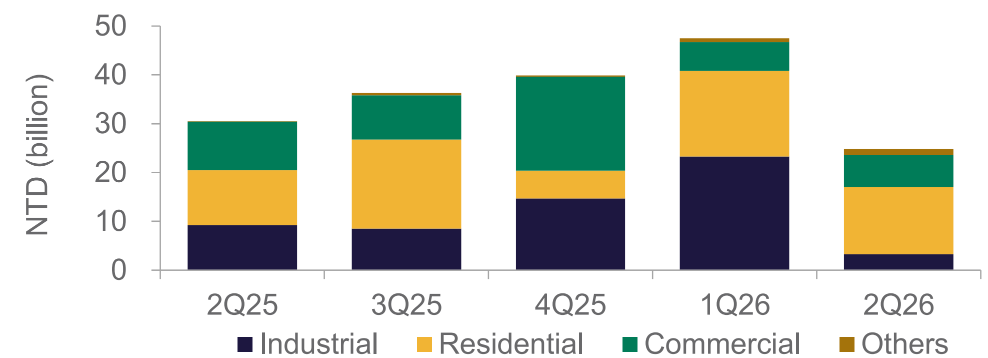
SIGNIFICANT SALES

PROPERTY	LOCATION	SECTOR	PRICE (NT$ BN)	VENDOR	PURCHASER	DEAL TYPE
Factory in Southern Taiwan Science Park	Xinshi Dist., Tainan City	Industrial	14.85	Innolux Corporation	Advanced Semiconductor Engineering, Inc.	Owner occupied
Factory in Southern Taiwan Science Park	Shanhua Dist., Tainan City	Industrial	10.80	Hannstar Display Corp., Jing Jin Technology Co., Ltd.	Siliconware Precision Industries Co., Ltd.	Owner occupied
E Sky Empire Office Tower	Gushan Dist., Kaohsiung City	Office	3.56	E Sky Land International Co., Ltd.	Nan Shan Life Insurance Company, Ltd.	Owner occupied
Factory in Zhunan Township, Miaoli County	Zhunan Township, Miaoli County	Industrial	2.80	Taiwan Mask Corp.	Siliconware Precision Industries Co., Ltd.	Owner occupied
Huaku Vision Park	Beitou Dist., Taipei City	I-O Building	2.42	Huaku Development Co., Ltd.	ASRock Inc.	Owner occupied

Land Transactions Volume by Supply Source



Land Transactions Volume by Land Use



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