GREATER CHINA TOP OFFICE SUPPLY / DEMAND TRENDS

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GREATER CHINA RESEARCH

CONTENTS

2025 GREATER CHINA TOP OFFICE SUPPLY / DEMAND TRENDS

EXECUTIVE SUMMARY

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THE GENERAL MARKET

At the end of Q2 2025, the total Grade A office inventory in the core markets of the 20 major cities in Greater China we track totaled 72.1 million sq m. In the meantime, total premium core city office net absorption across the Greater China market for the H1 2025 period reached 0.76 million, a 5.5% y-o-y increase.

The Greater China 20 major cities average vacancy rate rose 1.7 percentage points y-o-y to 24.9%. Of the six major cities in the region — comprising the tier-1 city group, Hong Kong, and Taipei — Taipei registered the lowest vacancy rate at 7.9%. As for the tier-2 city group, Qingdao recorded the lowest vacancy rate at 24.7%.

Through the H1 2025 period, total premium core city office new supply expanded 8.3% y-o-y to 1.7 million sq m. Ahead, the volume of quality office supply in many cities in Greater China is expected to enter a peak period in H2 2025, with the tier-2 city group accounting for 64.1%.

Overall Grade A office space demand has not yet recovered, with rental levels and vacancy rates remaining under pressure in 2024 and through H1 2025. However, we anticipate that accumulating positive economic factors, including the state of the general economy, government policy, and individual city initiatives, may provide a lift to office demand ahead.

Beijing

Supply

New Grade A office supply in Beijing in 2024 reached 273,000 sq m, a 55% decrease compared with the full-year 2023, making it the lowest new supply level of the past decade. No new supply entered the Beijing office market in H1 2025, with total Grade A office stock unchanged at 13.68 million sq m for the first half of 2025.

Demand

From 2024 to H1 2025, softening rental levels, large leasing deals, and pre-leasing at new entrants boosted citywide net absorption to surpass the previous period performance, reaching 511,967 sq m, up 51.9% y-o-y. The overall office market vacancy rate trended down 1.8 percentage points from the Q4 2023 level to 16.87%.

Outlook

No new supply is scheduled to enter the Grade A office market in H2 2025. We expect the market to continue to digest existing stock, in turn further pulling down the overall vacancy rate. Landlords' room for rent concessions is approaching a limit, and the overall market is now in a bottoming-out phase. We expect overall office rents to stabilize by the end of 2025.

Shanghai

Supply

From 2024 to H1 2025, approximately 1.34 million sq m of high-quality office space launched in the Shanghai Grade A office market, with 56% of the area located in emerging districts.

Demand

Over the past six quarters, the Shanghai Grade A office market recorded average quarterly net absorption of 132,266 sq m. The professional services, retail & trade, and TMT sectors were active in leasing, accounting for the top three sectors for leased area. As at Q2 2025, the vacancy rate rose to 23.6%. In turn, the average monthly rental level fell 8.2% y-o-y to RMB 212.6 per sq m.

Outlook

From H2 2025 to 2027, Shanghai will see 2.58 million sq m of new supply enter the market, representing 14.6% of current stock, with emerging business districts becoming the main supply hubs. Additionally, favorable policy measures for both demand and supply are being implemented, accelerating innovation in strategic emerging industry fields such as integrated circuits, biomedicine, and AI, optimizing spatial layouts, and injecting new momentum into the office market.

Shenzhen

Supply

Shenzhen's Grade A office market welcomed 516,000 sq m of new supply from Q1 2024 through to Q2 2025, bringing citywide total stock to 8.60 million sq m. The new supply was distributed in Qianhai, Luohu and Futian.

Demand

Citywide net absorption for 2024 contracted 57.9% y-o-y to record 165,000 sq m. Citywide net absorption in H1 2025 expanded y-o-y but remained at the similarly low level for the same period in the past decade. The citywide overall vacancy rate has risen 1.7 percentage points since the end of 2023 to reach 27.8%. The Q2 2025 monthly average rental level dropped 14.1% from Q4 2023 to record RMB160.1 sq m.

Outlook

Approximately 1.2 million sq m of new supply is scheduled to enter the market in the H2 2025 period. The overall vacancy rate is expected to continue to rise, and rents will face downwards pressure in the short-term. With the ongoing development of AI, we anticipate that the Grade A office market will see incremental demand growth driven by the further emergence of high-quality technology sector firms.

Guangzhou

Supply

From the beginning of 2024 to the second quarter of 2025, new office projects totaling 441,713 sq m of space were completed. Citywide total stock then expanded to 6.94 million sq m. Delayed deliveries have reduced supply in 2024 compared to 2023, although accelerated construction in the Financial City district led to a resurgence of supply in the first half of 2025.

Demand

Compared to the end of 2023, the market has experienced a rise in lease inquiries. Occupiers continue to view renovation and fit-out expense incentives as key factors when looking to sign a new lease. Domestic enterprises remain the key drivers of transaction activity, with TMT, professional services, and finance firms, the top three sectors for leased area citywide.

Outlook

Ahead, 2.39 million sq m of new space is expected to enter the market by 2027. Headquarter-type properties will account for more than half of the new supply. Market demand continues to evolve, with vacancy rates and rental levels remaining under pressure amid fierce competition.

Chengdu

Supply

From 2024 through to H1 2025, Chengdu saw 287,554 sq m of new Grade A office space enter the market, expanding citywide total stock to 3.38 million sq m.

Demand

Grade A office net absorption reached 67,468 sq m for the 2024 to H1 2025 period. The TMT, professional services, and finance sectors accounted for 26.4%，19.6% and 16.8% of total leasing transaction volume by area, respectively. From the end of 2023, new supply combined with weakening leasing demand have now pushed up the citywide vacancy rate by 4.4 percentage points to reach 28.8%, while the average monthly rental level has dropped to RMB89.5 per sq m.

Outlook

Nearly 1.0 million sq m of new supply is expected to enter the market from H2 2025 to 2027. The supply influx, combined with tenants' cost reductions, is expected to elevate vacancy and exert downwards pressure on rents. Tenants are likely to seize further opportunities for upgrades, renewals, and consolidation.

Hong Kong

Supply

More than 194,000 sq m of new supply entered the market from 2024 through to H1 2025, with 44,900 sq m in H1 2025, distributed approximately equally in core and non-core areas. We forecast upcoming new supply to reach 264,300 sq m in H2 2025.

Demand

The average quarterly new leased area reached 84,900 sq m in the 2024 to H1 2025 period, 19% higher than the quarterly average for 2020–2023, with the finance sector primarily driving demand. Net absorption recorded 122,000 sq m for the 2024 to H1 2025 period, excluding pre-lease activities at new project developments.

Outlook

The recovery of the Hong Kong IPO market should help support market sentiment and downstream office demand, particularly from finance and professional services firms. However, the high availability and ample new supply pipeline, with occupiers still cost-conscious, dictates our forecast for overall office rents to drop by 7% to 9% through the full-year 2025.

Taipei

Supply

From 2024 through to the first half of 2025, the Taipei market welcomed seven new Grade A office properties contributing approximately 195,700 sq m of new supply — double the figure seen in 2023. This brought the city's total Grade A stock to 2.80 million sq m.

Demand

Net absorption for 2024 to H1 2025 reached approximately 161,400 sq m, primarily driven by the consolidation and relocation of self-use headquarters in the financial and insurance sectors. Multinational corporations accounted for around 80.9% of total leasing demand, up from 51.6% in 2023, indicating a higher proportion of foreign occupier activity during the period.

Outlook

Over the next three years, Taipei will add around 968,000 sq m of new Grade A supply. With major completions slated from mid-2025, competition will intensify. In response, some landlords are upgrading facilities and offering flexible lease terms, while developers may adjust timelines based on absorption trends.

CUSHMAN & WAKEFIELD
戴德梁行

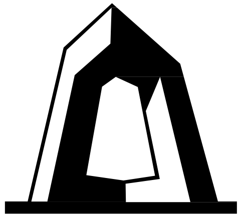
REPORT INTRODUCTION

This report focuses on the Grade A office market in the Greater China region and provides an understanding of the following:

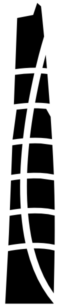
- The office supply/demand trends experienced in the region over the course of the past one and a half years;
- An outlook on office supply/demand in Greater China for the year ahead and beyond, and;
- Finally, an insight and outlook of the office supply/demand trends for each major city in the Greater China region.

The seven key city-level prime office markets the report covers are:

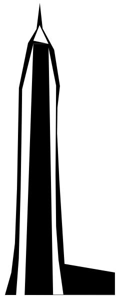
Beijing



Shanghai

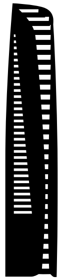


Shenzhen

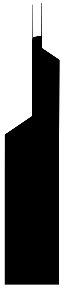


Guangzhou

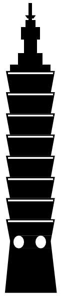
Chengdu



Hong Kong



Taipei



GRADE A OFFICE
- WHERE IT'S AT

At the end of Q2 2025, the total Grade A office inventory in the core markets of the 20 major cities in Greater China we track totaled 72.1 million sq m. During 2024 and H1 2025, influenced by limited demand, the Greater China Grade A office market faced several challenges. Total premium core city office net absorption across the Greater China market was at 1.33 million sq m in 2024, down sharply at 19.0% y-o-y. In H1 2025, net absorption reached 0.76 million, up 5.5% y-o-y. Lower leasing rental levels to secure greater leasing volume remains the key market trend.

The Greater China core markets average vacancy rate increased 1.7 percentage points y-o-y to 24.9% in Q2 2025. Among the six major cities in the region, Taipei registered the lowest vacancy rate at 7.9%. As for the tier-2 city group, Qingdao recorded the lowest vacancy rate at 24.7% among our tracked city markets in Greater China.

In Q2 2025, Hong Kong and Hangzhou registered the topmost core market rentals for their respective major city/tier-2 city group, at RMB580.5 per sq m per month (HKD58.9 per sq ft per month) and RMB126.5 per sq m per month, respectively. The Greater China core markets regional average rental level stood at RMB164.2 per sq m per month, down by 13.8% y-o-y (Table 1).

Table 1:
The supply/demand rundown for 20 city core area-level markets in Greater China (Q2 2025)

**Overall market data*
Source: Cushman & Wakefield Research

CORE MARKET DATA
GREATER CHINA OFFICE
Q2 2025

Markets	Stock (sq m)	Under Construction (sq m)	Absorption (q-o-q sq m)	Vacancy	Rent (Local Currency & USD)		Y-o-Y Change (Local Currency)
Beijing	8,687,528	911,800	-3,984	10.9%	257.6 RMB/sq m/mo	3.33 USD/sq ft/mo	-21.9%
Shanghai	9,020,515	1,212,478	6,228	18.4%	252.2 RMB/sq m/mo	3.26 USD/sq ft/mo	-6.2%
Guangzhou*	6,936,657	3,182,406	17,668	19.8%	123.5 RMB/sq m/mo	1.60 USD/sq ft/mo	-13.3%
Shenzhen	8,604,770	5,412,263	10,268	27.8%	160.1 RMB/sq m/mo	2.07 USD/sq ft/mo	-9.4%
Hong Kong	3,375,011	443,352	8,592	14.7%	58.9 HKD/sq ft/mo	7.51 USD/sq ft/mo	-6.5%
Taipei	1,271,899	297,521	-4,407	7.9%	3,484.0 TWD/ping/mo	3.67 USD/sq ft/mo	1.4%
Tianjin	2,679,803	648,091	-19,586	33.5%	74.5 RMB/sq m/mo	0.96 USD/sq ft/mo	-7.4%
Shenyang	1,321,075	120,582	9,633	31.5%	55.8 RMB/sq m/mo	0.72 USD/sq ft/mo	-10.3%
Dalian	1,049,108	207,948	3,391	26.1%	67.2 RMB/sq m/mo	0.87 USD/sq ft/mo	-9.5%
Qingdao	1,835,528	425,700	6,266	24.7%	99.8 RMB/sq m/mo	1.29 USD/sq ft/mo	-3.1%
Nanjing*	3,754,540	1,229,114	29,114	37.9%	95.5 RMB/sq m/mo	1.24 USD/sq ft/mo	-12.4%
Hangzhou	2,662,336	210,000	4,822	26.7%	126.5 RMB/sq m/mo	1.64 USD/sq ft/mo	-8.7%
Suzhou*	3,261,854	4,622,455	22,671	29.2%	73.0 RMB/sq m/mo	0.94 USD/sq ft/mo	-12.2%
Chongqing	2,042,082	516,011	1,282	29.0%	69.5 RMB/sq m/mo	0.90 USD/sq ft/mo	-6.9%
Chengdu	3,378,965	1,443,734	321	28.8%	89.5 RMB/sq m/mo	1.16 USD/sq ft/mo	-11.1%
Xi'an	2,157,383	905,060	42,164	28.3%	90.8 RMB/sq m/mo	1.17 USD/sq ft/mo	-5.0%
Wuhan*	3,311,017	1,366,209	38,705	37.3%	77.0 RMB/sq m/mo	1.00 USD/sq ft/mo	-11.2%
Changsha*	2,398,313	301,083	32,902	31.5%	74.6 RMB/sq m/mo	0.96 USD/sq ft/mo	-10.8%
Xiamen	1,356,500	849,720	7,190	33.0%	91.7 RMB/sq m/mo	1.19 USD/sq ft/mo	-3.4%
Nanning*	3,025,102	200,000	27,723	41.3%	50.4 RMB/sq m/mo	0.65 USD/sq ft/mo	-8.6%

*Overall market data

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GRADE A OFFICE - WHERE IT'LL BE

Supply Trends

Competition rising amid supply peak

Limited new leasing demand have seen rental levels and vacancy rates across the Greater China Grade A office core markets become pressured in recent years. As a result, many new projects have been postponed. In the coming two to three years, the market will face a peak in new supply. Approximately 11.4 million sq m of new supply is in the pipeline through 2025 and is expected to elevate the overall vacancy rate and place downward pressure on rental levels. (Figure 1).

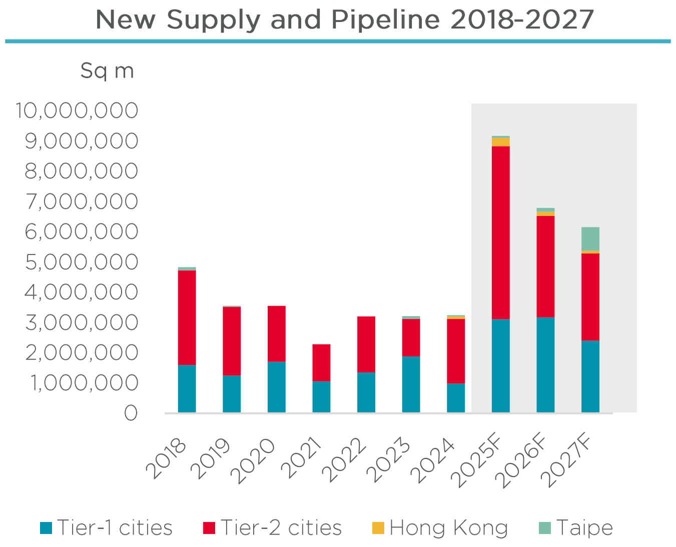
Figure 1: Key Data on Grade A Office in Greater China (H1 2018 - H1 2025)

Changes in Rent H1 2018-H1 2025

	Growth rate*	CAGR
Tier-1 cities	-37.0%	-6.4%
Tier-2 cities	-26.4%	-4.3%
Hong Kong*	-10.8%	-2.8%
Taipei	29.8%	3.8%

Changes in Vacancy Rate H1 2018-H1 2025

	Growth *
Tier-1 cities	12.1 pp
Tier-2 cities	5.1 pp
Hong Kong*	1.2 pp
Taipei	-3.6 pp

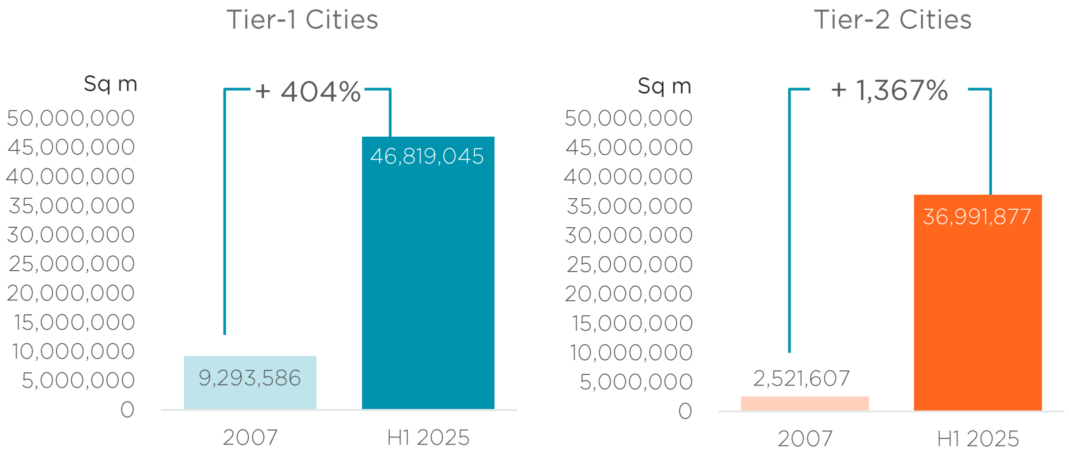


Source: Cushman & Wakefield Research
Note: Growth rates shown refer to cumulative growth; Hong Kong data covers the time period from H1 2021 to H1 2025.

Focus on space optimization oriented towards tenant experience

From 2007 to H1 2025, total Grade A office inventory in the core markets of tier-1 and tier-2 cities grew notably, with tier-2 city stock swelling from 2.52 million sq m to 36.99 million sq m, up 13.7 times. As stock inventory expands, the stimulating effect on leasing demand from falling rents is diminishing. Combined with changes in office use trends, it is crucial to optimize space and differentiate projects based on user needs, by incorporating elements such as social interaction, green design, and technology.

Figure 2: Changes in the inventory of Grade A office in the tier-1 and tier-2 cities (2007 VS H1 2025)



Source: Cushman & Wakefield Research

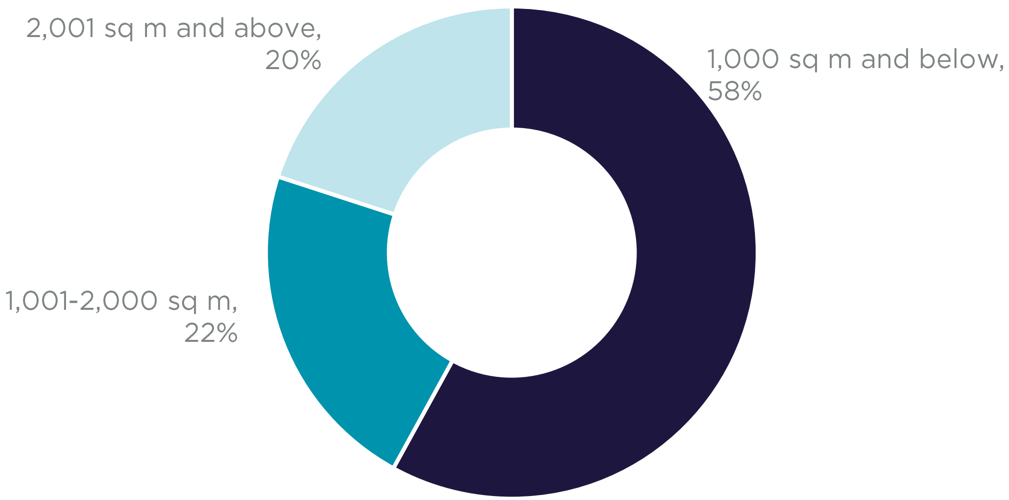
GRADE A OFFICE - WHERE IT'LL BE

Demand Trends

Changes in tenant space structure, trend towards overall market downsizing

Tenants focused even more on cost control in 2024 and H1 2025, leading to robust demand for smaller-area leasing transactions. The result was a greater prevalence of smaller-sized tenants, with consequently diminished tax capacity, leasing stability, and building management efficiency when compared to larger-sized tenants. City governments may support building owners, who can also proactively focus on tenant space planning and implement leasing strategies and upgrade works, to attract larger-scale tenants and boost tax capacity.

Figure 3: The tier-1 city group Grade A office lease transaction share by area size (2024 and H1 2025)

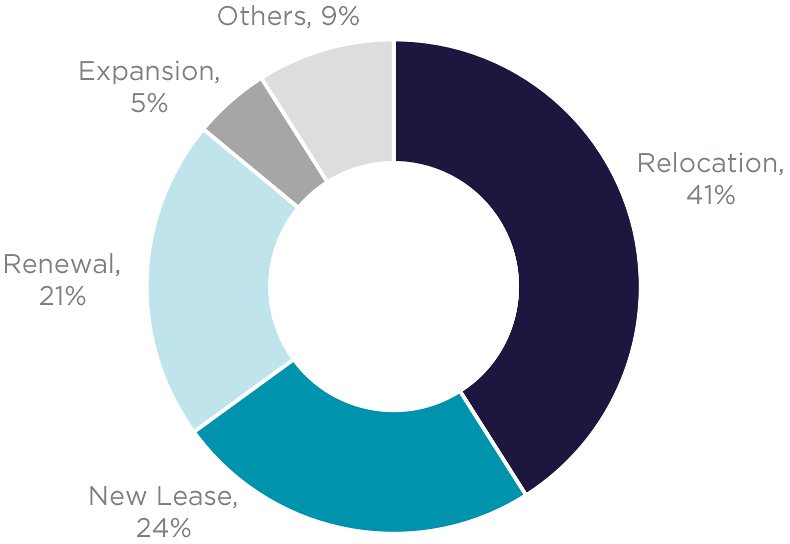


Source: Cushman & Wakefield Research

Relocation and consolidation demand growing

As overall average office rental levels continue to weaken, tenants are likely to seize further opportunities for office space upgrades, renewals and consolidation. Although relocation and upgrade demand has supported Grade A office net absorption, limited new leasing demand will elevate overall office building vacancy rates, especially in older properties. Hence, accelerating renovation of older buildings will be of prime importance.

Figure 4: Shanghai Grade A office lease transaction area size share by deal type (2024 and H1 2025)



Source: Cushman & Wakefield Research

THE SEVEN
CITY-LEVEL MARKETS

The seven major Greater China city-level prime office markets this report covers are:

- ✓ Beijing;
- ✓ Shanghai;
- ✓ Shenzhen;
- ✓ Guangzhou;
- ✓ Chengdu;
- ✓ Hong Kong, and
- ✓ Taipei.

These seven markets provide a broad cross-section of office supply and office occupier demand activity across the key gateway markets in the Greater China region.


GUANGZHOU


CHENGDU


HONG KONG


TAIPEI

TOP SUPPLY/DEMAND TRENDS FOR BEIJING

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Supply

The past one and a half years

The pace of new supply into the Beijing market slowed significantly from 2024 through to H1 2025. The full-year 2024 recorded a total of 273,000 sq m of new Grade A office supply, with 43.2% located in the five core submarkets and 56.8% in the emerging submarkets. The 2024 supply delivery was down 55% compared with the full-year 2023, making it the lowest new supply level of the past decade. No new supply entered the Beijing office market in H1 2025, with total Grade A office stock unchanged at 13.68 million sq m through the first half of 2025 (Figure 5).

A total of five new office buildings completed in 2024. In the core districts, two new entrants were located in Zhongguancun submarket, with the district accounting for 43.2% of the total new supply by area. The entry of new projects into the market has boosted leasing activity in Zhongguancun. As an example, nearly half of the available office space at the Dinghao DH3 II project was pre-leased by a TMT firm prior to delivery. One new project entrant in Li'ze Financial Business District accounted for 23.8% of the total new supply by area. The Tongzhou Canal Business District and OGV also welcomed one new project each, accounting for 20.5% and 12.5% of the total new supply by area, respectively (Figure 6).

King Region Center in Zhongguancun submarket is the largest project of those launched in 2024, attracting many leading companies. The property has become a benchmark in the district, attracting high-tech firms such as Huawei and Akrostar Technology and with Ant Group acquiring the entire East Tower (Table 2).

Figure 5:
Beijing Grade A office total supply – Core area / Suburban area breakdown (2023-H1 2025)
Source: Cushman & Wakefield Research

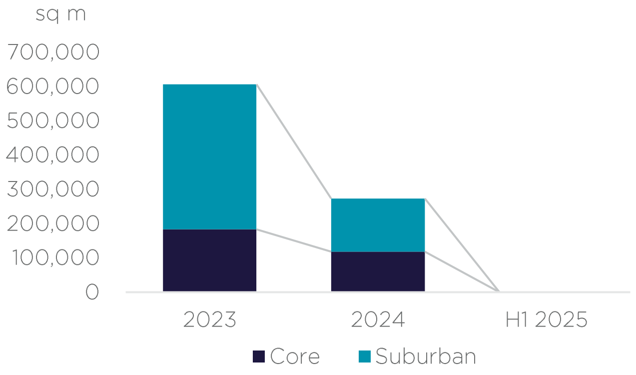


Figure 6:
Beijing Grade A office total supply – District by district breakdown (2024-H1 2025)
Source: Cushman & Wakefield Research

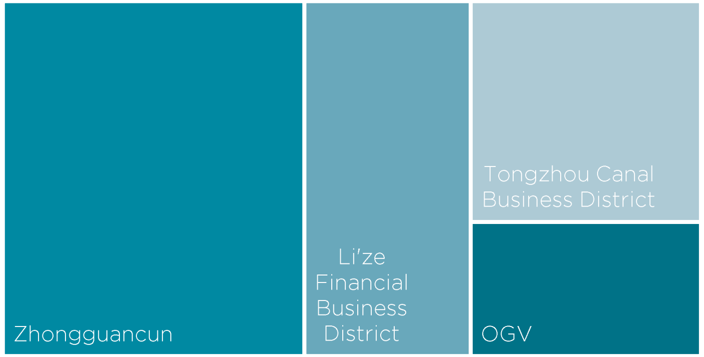


Table 2:
Beijing Grade A office – Largest completed projects (2024-H1 2025)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	King Region Center (West Tower)	Zhongguancun	67,000
2	Guo Jin Center	Li'ze	65,000
3	Dinghao DH3 II	Zhongguancun	51,000

Demand

The past one and a half years

Occupiers' cost reduction priorities coupled with landlords' motivation to trim rents to spur occupancy continued to pressure overall rental levels through the past 18 months. By H1 2025, the citywide average monthly rent had retreated by 25.5% from the Q4 2023 level to record RMB221.94 per sq m. From 2024 to H1 2025, softening rental levels, large leasing deals, and pre-leasing at new entrants boosted citywide net absorption to surpass the previous 2023 to H1 2024 period performance, reaching 511,967 sq m, up 51.9% y-o-y. The overall office vacancy rate trended down 1.8 percentage points from Q4 2023 to record 16.87%. Landlords offered further incentives to retain tenants from 2024 to H1 2025, with lease renewals accounting for 27.0% of transactions by area.

For new leases and relocations, the TMT industry claimed a 42.4% share of total transaction area, exceeding the second-ranked finance sector's 23.4% share by nearly 19 percentage points. In the context of the economic downturn and weakened performance across industries, the TMT sector has gained further prominence in the Beijing office market. In the finance sector, insurance and wealth management companies remained active. The professional services sector ranked third for total leased area at 14.5% of the total, supported by strong activity from law firms (Figure 8). Domestic enterprises remained the key market driver, accounting for approximately 90.0% of total leased area (Figure 7).

Figure 7:

Beijing Grade A office leasing transactions by area – MNC/ Domestic company breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

90.0% Domestic **10.0%** MNCs

Figure 8:

Beijing Grade A office leasing transactions by area – Industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

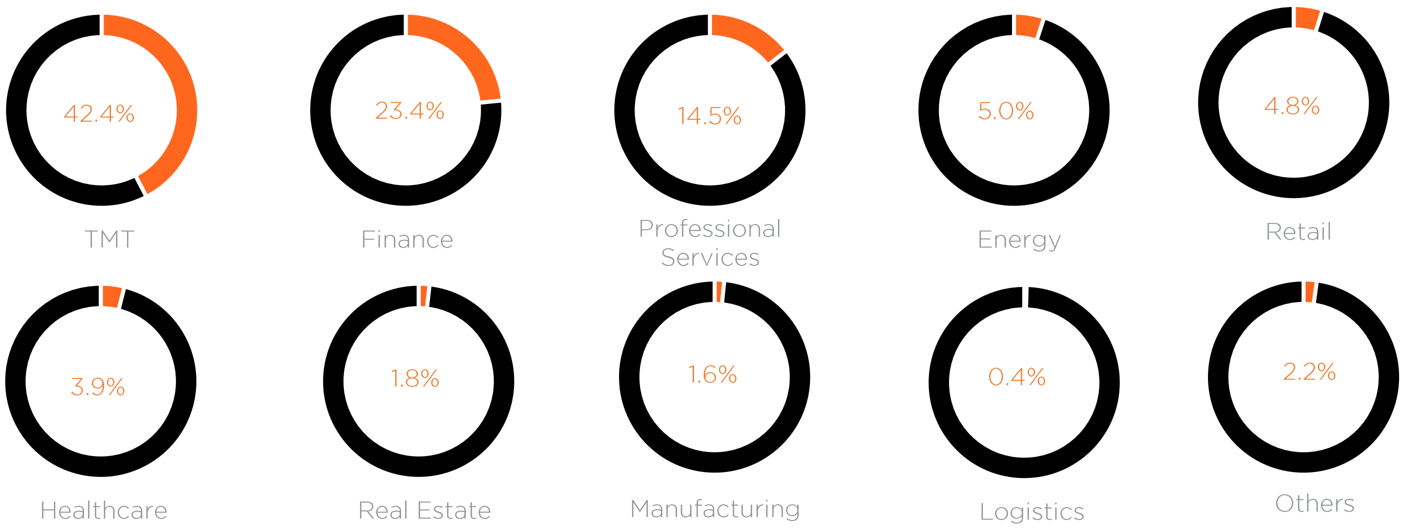
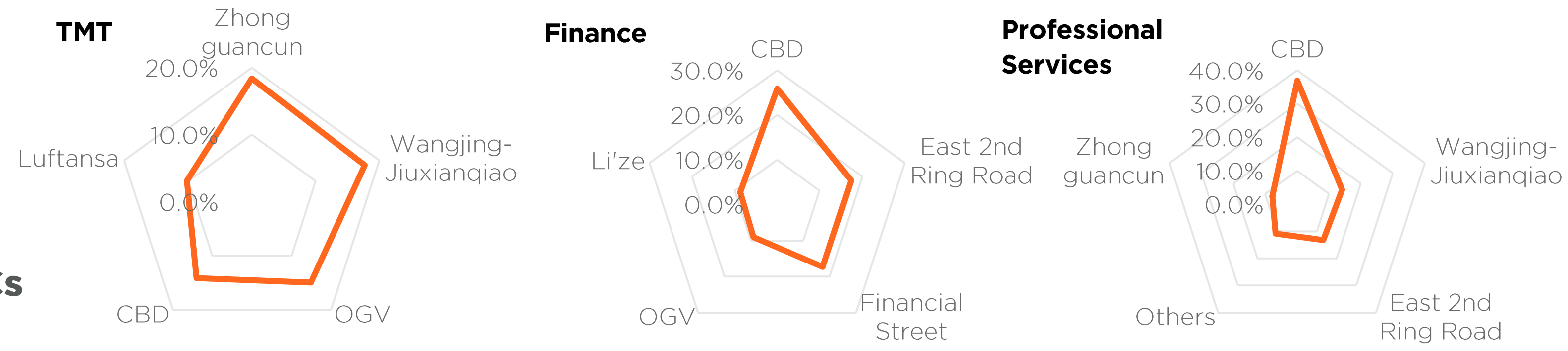


Figure 9:

Sectors– Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

No new supply is scheduled to enter the Beijing Grade A office market in H2 2025. The market will continue to digest existing stock, in turn further pulling the overall vacancy rate downwards. Ahead, 1.80 million sq m of new supply is scheduled to enter the market from 2026 to 2028, of which 70% will be in the CBD and Wangjing-Jiuxianqiao submarkets. The two submarkets will face a more significant increase in vacancy rates and greater leasing pressures into the future (Figure 10, Figure 11).

Regarding rental levels, landlords' current room for rent concessions is approaching a limit, and the overall market is now in a bottoming-out phase. With the fall in the rental level now narrowing, we expect office rents to stabilize by the end of 2025. Looking ahead to 2027-2028, demand for office space in Beijing is expected to pick up gradually as the economy and corporate efficiencies improve. Combined with limited new supply, we expect the rental level to then trend upwards.

Looking at industrial development, in the Beijing Government Work Report concluded in January, "Developing high-end, precision, and cutting-edge industries to create key drivers of new quality productive forces" was a stated key task. In turn, enterprises in the humanoid robotic, commercial aerospace, bio-manufacturing, new materials and future energy sectors are expected to become key players in the Beijing office leasing market. The city's district governments have also implemented various incentive measures such as financial support and tax incentives to eligible enterprises to reduce operational burdens. We can expect such a range of government initiatives to further aid the release of leasing demand in the Beijing office market.

Table 3:
Beijing Grade A office – Major projects to complete (2026-2028)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	Taikoo Place Beijing	Wangjing-Jiuxianqiao	160,000
2	Zhongyang Plaza	Li'ze	156,500
3	GLP/CICC/Hongkong Land (Z3)	CBD	120,000

Figure 10:
Beijing Grade A office total supply – Core area/ Suburban area breakdown (2026-2028)

Source: Cushman & Wakefield Research

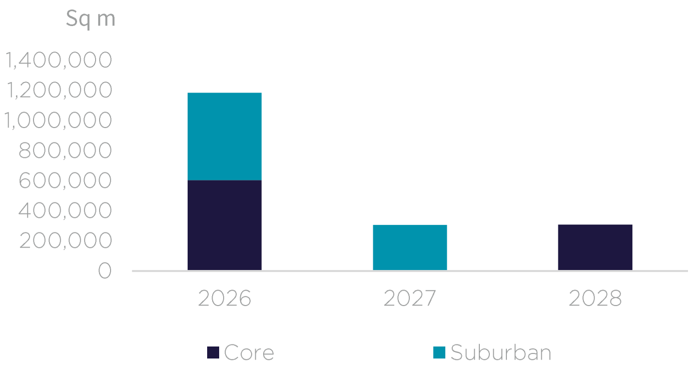
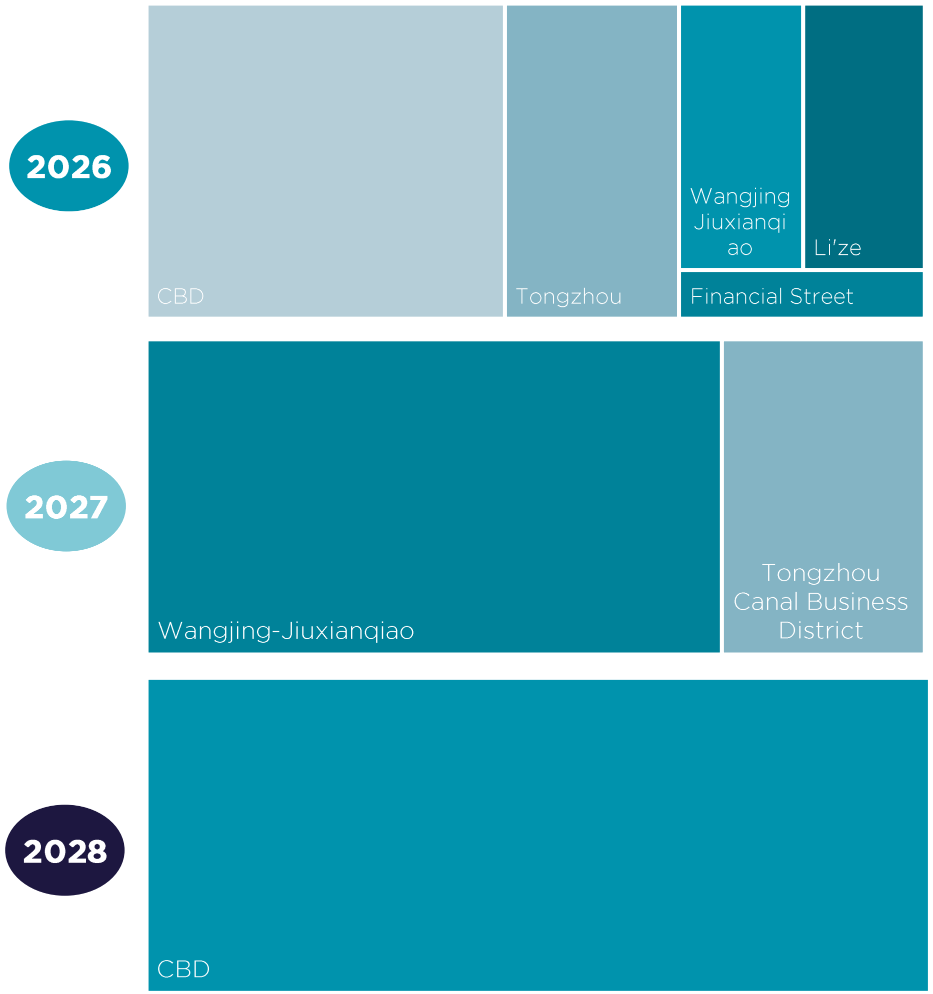


Figure 11:
Beijing Grade A office total supply – District by district breakdown (2026-2028)

Source: Cushman & Wakefield Research



Noted: No new supply is scheduled to enter the Beijing Grade A office market in 2025

TOP SUPPLY/DEMAND TRENDS FOR SHANGHAI

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Supply

The past one and a half years

New Grade A office building supply in Shanghai slowed somewhat in 2024, with 786,258 sq m of new space added throughout the year, accounting for approximately 49% of 2023's total (Figure 12). Of the 2024 total, 51% was located in core areas, with the CPIC Xintiandi Commercial Center T1, T2 in Huangpu adding more than 100,000 sq m .

In H1 2025, Shanghai saw a total of 550,653 sq m of new supply, up 43% y-o-y. New projects were distributed across multiple areas, with Huangpu, Fringe Xuhui, and Hongkou accounting for 17%, 16%, and 12% of the new space, respectively (Figure 13). As at Q2 2025, citywide Grade A office total stock reached 17.6 million sq m.

The continuous influx of high-quality office spaces, coupled with limited new demand, pushed the vacancy rate up to 23.6%. Core areas experienced a significant rise in vacancy, increasing by 3.2 percentage points to 18.4% since the end of 2023, while emerging submarkets remained relatively stable, with vacancy rates rising only 0.2 percentage points to 29.1%.

Declining average rental levels have spurred some tenants to actively upgrade or renegotiate leases, further increasing office market competition. In response, landlords have adjusted leasing strategies and offered greater flexibility in negotiations to retain or attract tenants. In Q2 2025, the average monthly Grade A office rent dropped 8.2% y-o-y to RMB212.6 per sq m.

Figure 12:
Shanghai Grade A office total supply – Core area/Suburban area breakdown (2023-H1 2025)

Source: Cushman & Wakefield Research

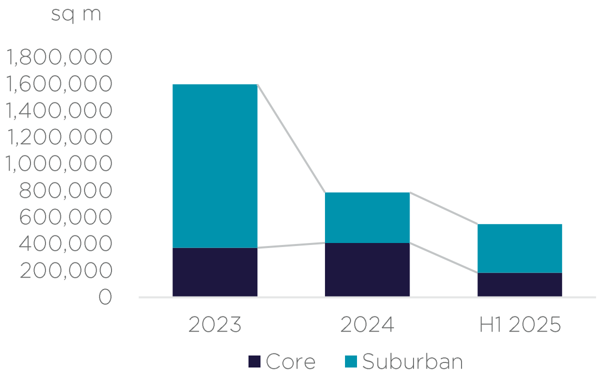


Figure 13:
Shanghai Grade A office total supply – Submarket breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

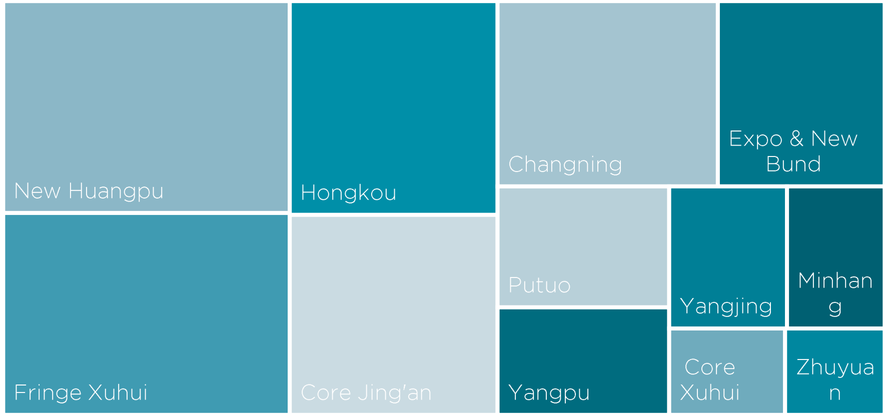


Table 4:
Shanghai Grade A office – Major completed projects (2024-H1 2025)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	CPIC Xintiandi Commercial Center T1, T2	Huangpu	162,772
2	Park Avenue Central	Core Jing'an	98,952
3	Apex Center	Expo & New Bund	97,216

Demand

The past one and a half years

The Shanghai Grade A office market recorded net absorption of 603,642 sq m in 2024, while H1 2025 achieved 189,955 sq m, declining by 46% from H1 2024. Emerging submarkets achieved 2.9 times the net absorption of core areas during the last six quarters, with active leasing areas including Zhenru and Changshou in Putuo, North Bund in Hongkou, Xuhui Binjiang in Xuhui, and Expo & New Bund in Pudong.

In response to international uncertainties including trade tariff adjustments, MNCs turned more cautious in terms of expanding office leasing footprints. However, as a preferred location for MNCs, Shanghai introduced a series of policies to attract foreign capital. Despite the dominance of domestic enterprises, MNCs' share of leased area expanded again in H1 2025 compared to 2024 (Figure 14).

By sector, the top five quality space demand drivers remained the professional services, retail & trade, TMT, finance, and manufacturing fields. (Figure 15). Professional services led in leased area, with law, advertising, and consulting firms maintaining activity. Some office space providers also expanded their footprints. The retail & trade sector demonstrated growth, with luxury goods and sports equipment companies performing well. TMT firms actively expanded into emerging districts and new projects. Benefiting from policies supporting the biopharmaceutical industry, domestic and international pharmaceutical companies engaged in relocation and consolidation, driving leasing transactions in the life sciences sector.

Figure 14:

Shanghai Grade A office leasing transactions by area – MNC/ Domestic company breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

59.7% | **Domestic** **40.3%** | **MNCs**

Figure 15:

Shanghai Grade A office share of leasing transactions by area – Industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

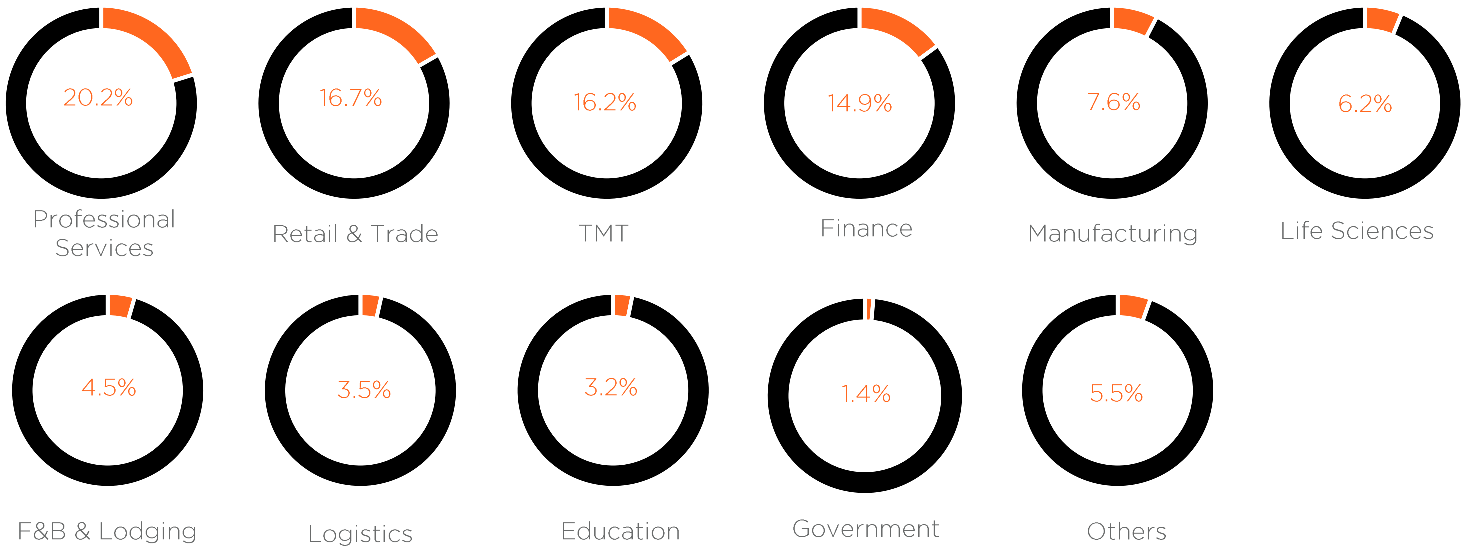
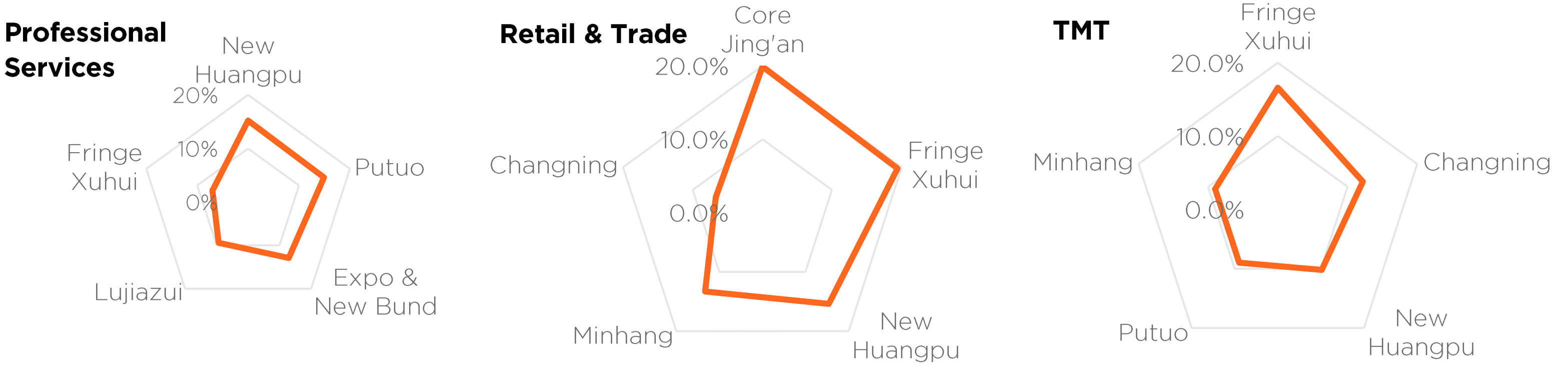


Figure 16:

Sectors – Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

From H2 2025 to 2027, Shanghai is scheduled to see 2.58 million sq m of new Grade A office space delivered into the market (Figure 17), representing 14.6% of the existing stock. Most of the new supply will be in emerging districts such as Fringe Xuhui, Century Park, Expo & New Bund, and Fringe, taking 21%, 13%, 11%, and 10% shares of the new supply, respectively (Figure 18). We expect landlords to adjust the pre-leasing and delivery schedules of projects based on market conditions.

The office market remains in a deep adjustment and structural reshaping phase, with favorable policies supporting both supply and demand. On the supply side, the *Shanghai Action Plan for Promoting the Upgrade and Improvement of Commercial Buildings (2024-2027)* guides and advances building upgrades, with five major business districts — Hongqiao, Caohejing, Wujiaochang, DabaiShu, and Zhenru — pioneering pilot programs and establishing implementation plans. On the demand side, policies such as attracting foreign investment, supporting private enterprise development, and assisting listed companies in M&A activities, are steadily advancing. Shanghai's key tasks in 2025 also include cultivating new quality productive forces and promoting industrial transformation and upgrading, focusing on high-end industrialization. Strategic emerging industries such as integrated circuits, biomedicine, and AI will accelerate innovation-driven development, optimize spatial layouts, and inject new momentum into the office market.

Table 5:
Shanghai Grade A office – Major projects to complete (H2 2025-2027)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)	Completion Year
1	China Resources Centre	Core Jing'an	80,069	2025
2	Three ITC Tower B	Core Xuhui	206,283	2026
3	Westbund Central T4, T5, T6	Fringe Xuhui	204,807	2027

Figure 17:
Shanghai Grade A office total supply – Core area/Suburban area breakdown (H2 2025-2027)
Source: Cushman & Wakefield Research

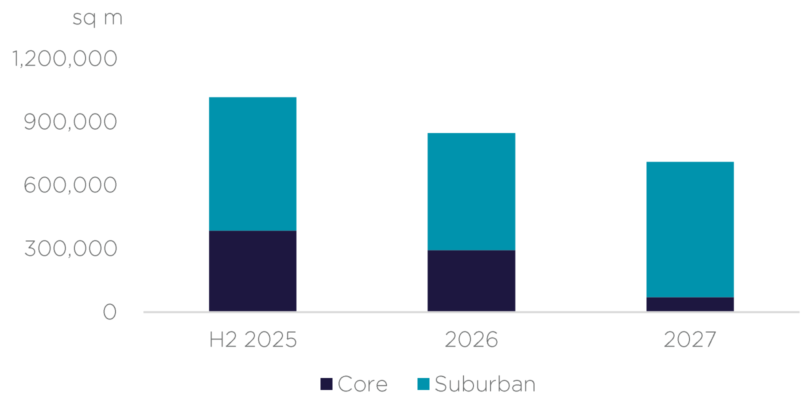
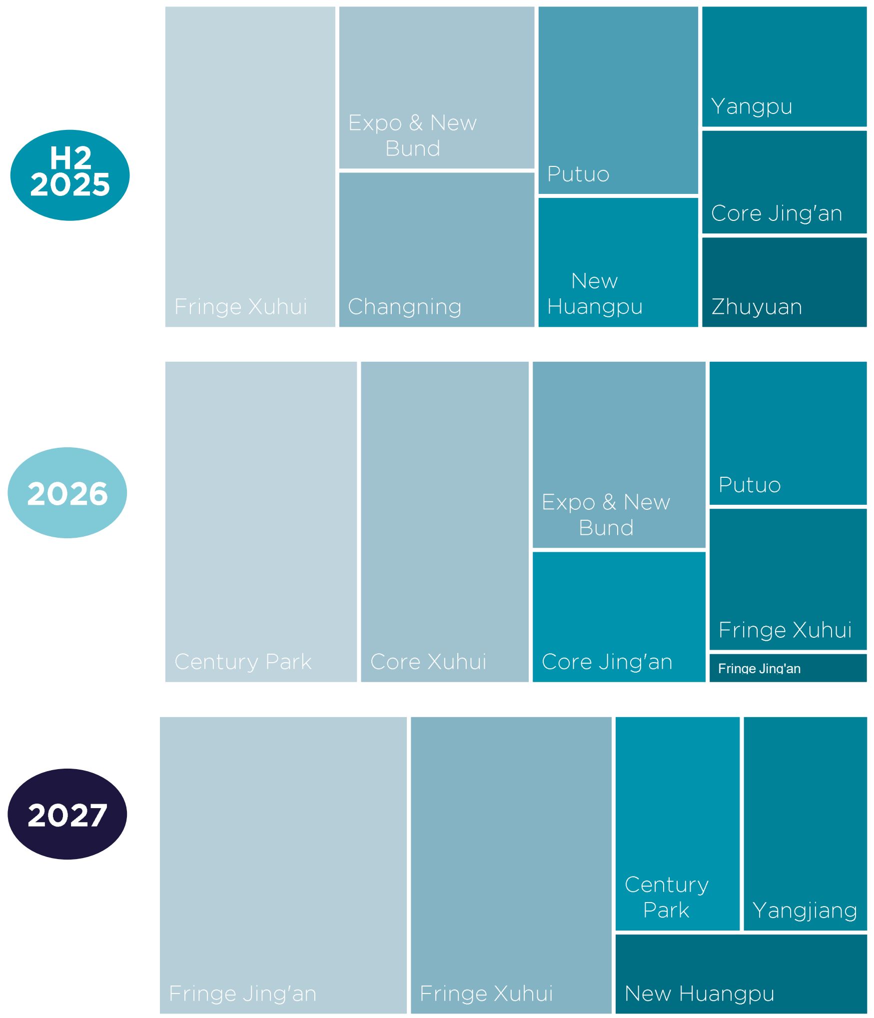


Figure 18:
Shanghai Grade A office total supply – Submarket by submarket breakdown (H2 2025-2027)
Source: Cushman & Wakefield Research



TOP SUPPLY/DEMAND TRENDS FOR SHENZHEN

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Supply

The past one and a half years

Shenzhen's Grade A office market welcomed 516,000 sq m of new supply from Q1 2024 to Q2 2025, representing 61% of the new supply entering in 2023 (Figure 19). This indicates that Shenzhen's Grade A office building supply pace has slowed significantly. Landlords' cautious outlook for the future, and the challenges they face in securing tenants, are key reasons as to why the market entries of many completed projects have been delayed.

Global uncertainties, combined with structural pressures on the domestic economy, exerted negative impacts on office leasing demand through 2024. Citywide net absorption for the year dropped 57.9% y-o-y to record 165,000 sq m. Although citywide net absorption in H1 2025 climbed y-o-y, the half-year net absorption performance of 68,000 sq m remained at the similarly low level for the same period in the past decade. Pipeline supply, government-supported quality office space at competitive rates, and firms relocating into newly completed headquarters buildings, are also together diverting market demand to create further pressure. The citywide overall vacancy rate has climbed 1.7 percentage points since the end of 2023 to reach 27.8%, while the Q2 2025 monthly average rental level dropped 14.1% from Q4 2023 to record RMB160.1 sq m.

Figure 19:
Shenzhen Grade A office total supply (2023-H1 2025)
Source: Cushman & Wakefield Research

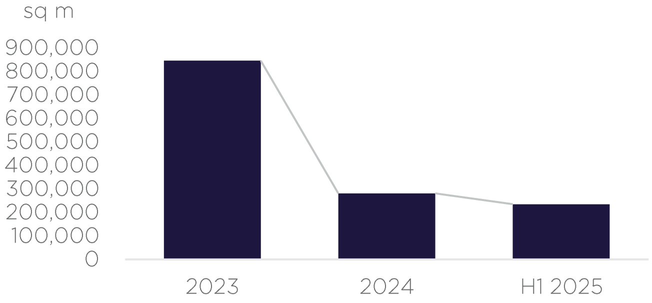


Figure 20:
Shenzhen Grade A office total supply – District by district breakdown (2024-H1 2025)
Source: Cushman & Wakefield Research

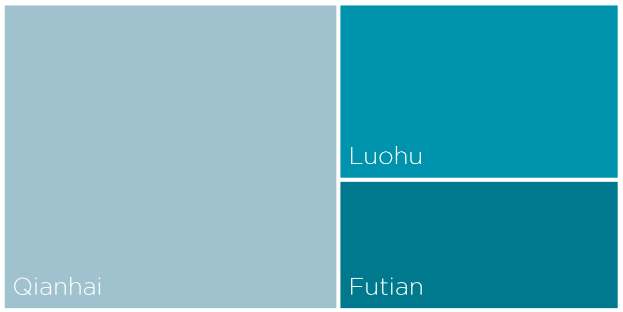


Table 6:
Shenzhen Grade A office – Largest completed projects (2024-H1 2025)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	Chengjian Yunqi Building	Luohu	135,000
2	China Venture Tower	Qianhai	118,595
3	CITIC International Tower	Futian	100,000

Demand

The past one and a half years

By sector, the TMT, finance, and professional services industries were the primary sources of office leasing demand through Q1 2024 and Q2 2025 (Figure 22). Benefiting from advances in AI and e-commerce platforms, the TMT sector's share of total leased transaction area expanded. The professional services sector's share remained relatively stable, whereas financial enterprises' leasing activity weakened. Notably, cross-border trade has created opportunities for e-commerce merchants, international logistics, and supply chain management enterprises, boosting the retail & trade and transportation & logistics sectors' share of total leased space.

The Qianhai Guiwan district claimed the largest share of leasing demand from the TMT sector. The Futian CBD submarket remained the top choice for financial and professional services enterprises, although its market share declined compared to 2023, reflecting a gradual diversion of demand from these two sectors into other districts (Figure 23).

Domestic enterprises' market share of leased area climbed by 2.0 percentage points from 2023 to reach 85.1%, whereas MNCs' market share fell to 14.9% (Figure 21).

Figure 21:

Shenzhen Grade A office leasing transactions by area – MNC/ Domestic company breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

85.1% | **Domestic** **14.9%** | **MNCs**

Figure 22:

Shenzhen Grade A office share of leasing transactions by area – Industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

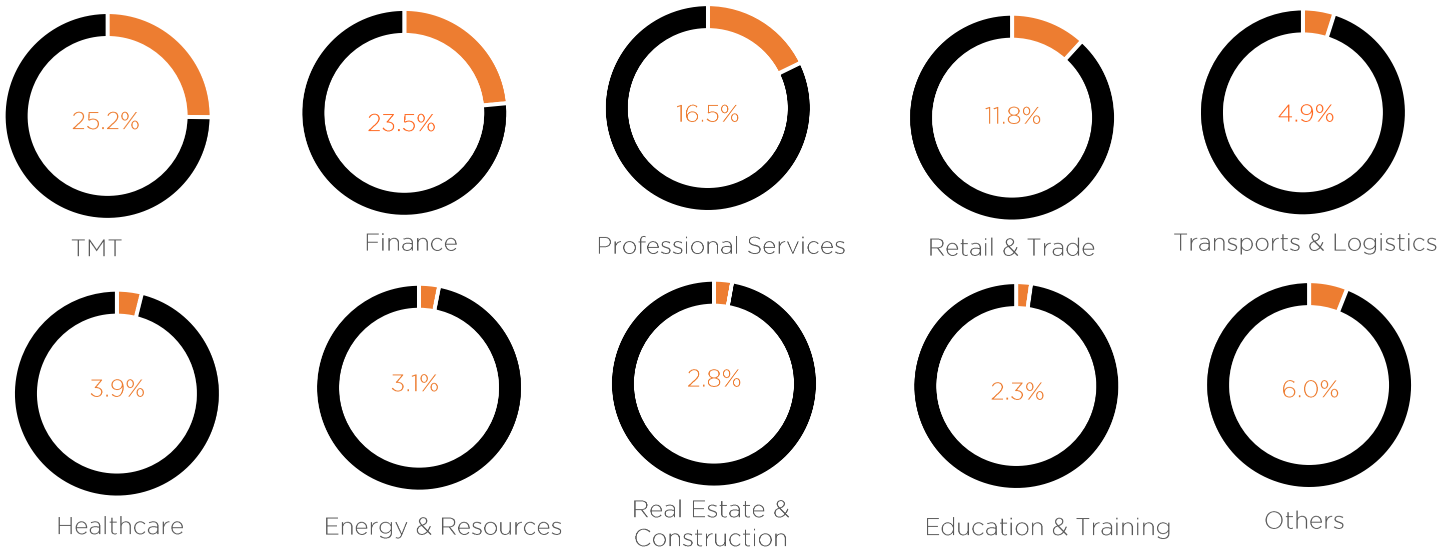
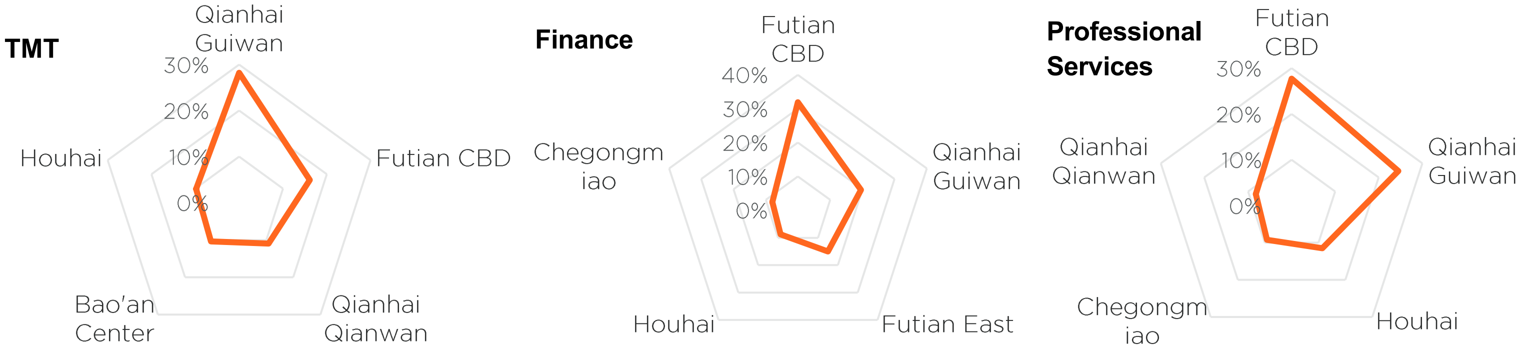


Figure 23:

Sectors– Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

Approximately 1.2 million sq m of new supply is scheduled to enter the market in the H2 2025 period. Nearly 80% of the new supply scheduled for H2 2025 is concentrated in Nanshan District. Within Nanshan, Qianhai will account for 47.4% of the new supply, Shenzhen Bay Super HQ Base 17.1%, and Houhai 14.6% (Figure 25).

Substantial pipeline supply and limited demand will present challenges to ease the supply-demand imbalance. Moreover, the headquarters buildings of companies such as Xiaomi, Tencent, and Vivo have been or will soon be brought into use, undoubtedly bringing existing properties under greater pressure. The overall office market vacancy rate is forecast to continue to rise, with the average rental level maintaining a downwards trend in the short-term. The growing challenges of attracting new tenants means that retaining existing clients will be vital for landlords. We anticipate that landlords will continue to demonstrate further flexibility in providing favorable leasing terms and expanded services in the near- to mid-term future.

Some positive market factors are emerging, notably leasing demand driven by emerging industries such as computing power services, advanced computing, embodied intelligence, and AI applications. With the development of AI, we anticipate that the Grade A office market will see incremental demand growth driven by the further emergence of high-quality technology sector firms.

Table 7:
Shenzhen Grade A office – Major projects to complete (H2 2025-2027)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)	Completion Year
1	CEC Shenzhen Bay HQ	Shenzhen Bay Super HQ Base	128,875	2025
2	Shenzhen Metro (Qianhai Times) project	Qianhai	169,350	2026
3	Shenzhen Bay Super HQ Base Tower C	Shenzhen Bay Super HQ Base	292,000	2027

Figure 24:
Shenzhen Grade A office total supply (H2 2025-2027)

Source: Cushman & Wakefield Research

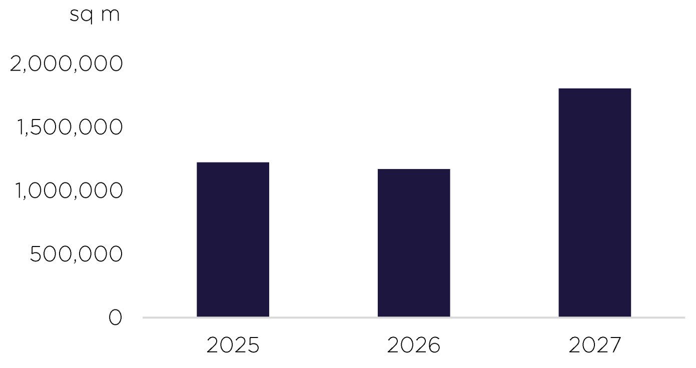
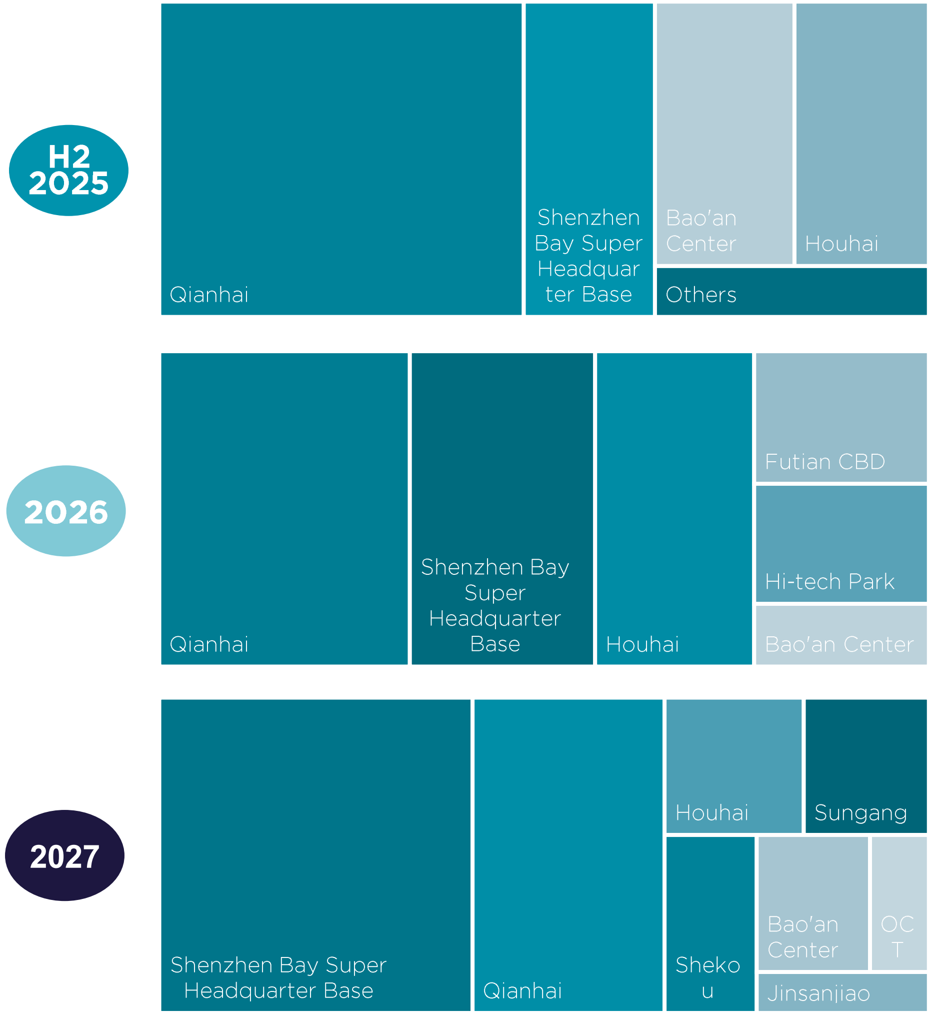


Figure 25:
Shenzhen Grade A office total supply – District by district breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research



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Supply

The past one and a half years

Citywide new office supply recorded 172,659 sq m for the full-year 2024, down 62.5% y-o-y (Figure 26). Delayed deliveries of some projects impacted the pace of new supply. However, construction of the Financial City accelerated into 2025. Four properties located in the district have entered the market, driving a 55.8% y-o-y increase in the new supply volume to record 269,054 sq m for the first half of 2025. (Figure 26). City total stock then climbed to 6.94 million sq m.

The Pazhou submarket accounted for 100% of new supply entering the market in 2024. However, in the H1 2025 period the Financial City district emerged as the mainstay of new supply. Several institutions announced plans to move their headquarters to the district in 2025, and Financial City is set to win further attention from the market as its office infrastructure and environment develops.

Against the backdrop of oversupply, office landlords have continued to adjust their price expectations. In Q2 2025, the citywide average rent dropped to RMB123.5 per sq m per month, a 17.5% decrease since the end of 2023. However, the severity of the rental level decline showed signs of easing in the second quarter of 2025. Nevertheless, tenants will still have the upper hand in negotiations as the market remains under leasing pressure.

Figure 26:
Guangzhou Grade A office total supply (2023-H1 2025)

Source: Cushman & Wakefield Research

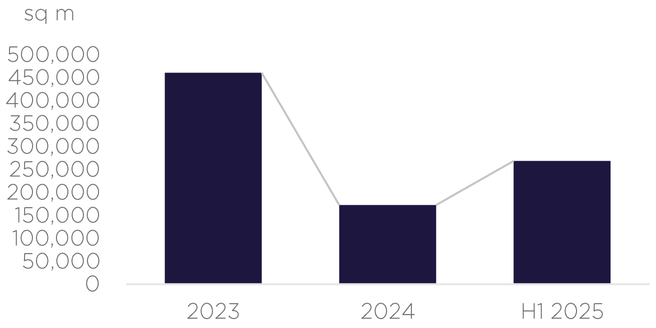


Figure 27:
Guangzhou Grade A office total supply – District by district breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

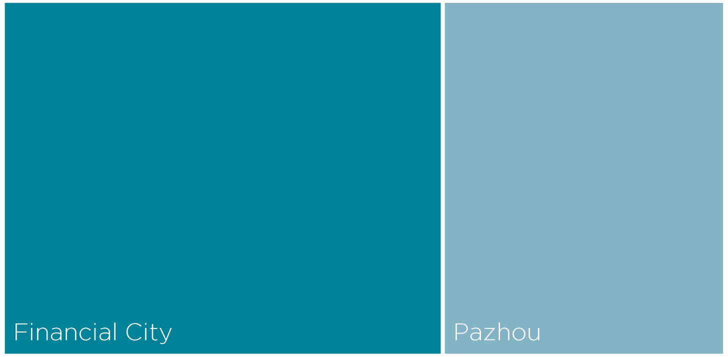


Table 8:
Guangzhou Grade A office – Largest completed projects (2024-H1 2025)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	Hanyin Plaza	Financial City	100,000
2	Guangzhou International Shipping Tower	Pazhou	69,775
3	Fortune Tower	Financial City	62,000

Demand

The past one and a half years

The Guangzhou Grade A office market experienced a rise in leasing inquiries through 2024 when compared with 2023. Citywide net absorption for the full-year 20204 increased by 40.2% y-o-y to record 126,931 sq m. As well, net absorption for the first half of 2025 exceeded the full-year 2024 total, reaching 152,330 sq m.

Relocations driven by cost control continue to dominate market demand. Interest from tenants in office space renovation projects continues to rise. In response, most landlords have expressed a willingness to offer more flexible business terms. Additionally, companies that are still expanding their footprint are generating demand for upgrades, spurred by the rental level correction.

Domestic firms were the dominant driver of transaction activity from the beginning of 2024 through to the first half of 2025. The top three industries were the TMT, professional services, and finance sectors (Figure 29). By location, the TMT industry focuses on Pazhou, while the professional services and finance sectors prefer Zhujiang New Town (Figure 30).

Figure 28:

Guangzhou Grade A office leasing transactions by area – MNC/ Domestic company breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

86.7% **Domestic** **13.3%** **MNCs**

Figure 29:

Guangzhou Grade A office share of leasing transactions by area – Industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

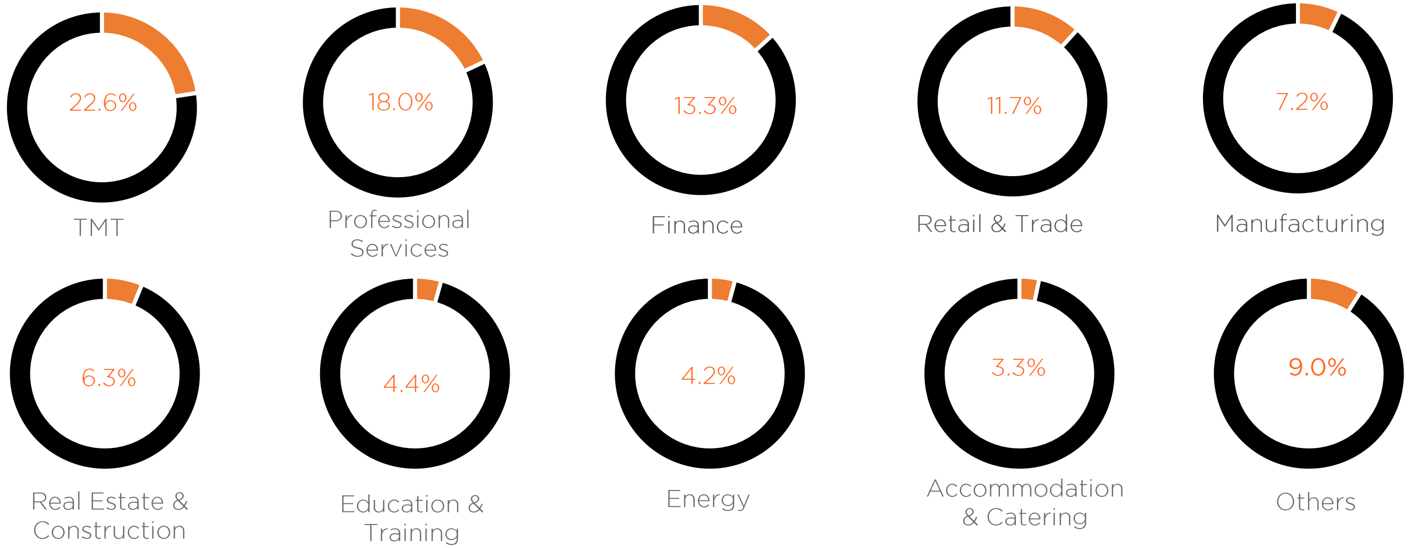
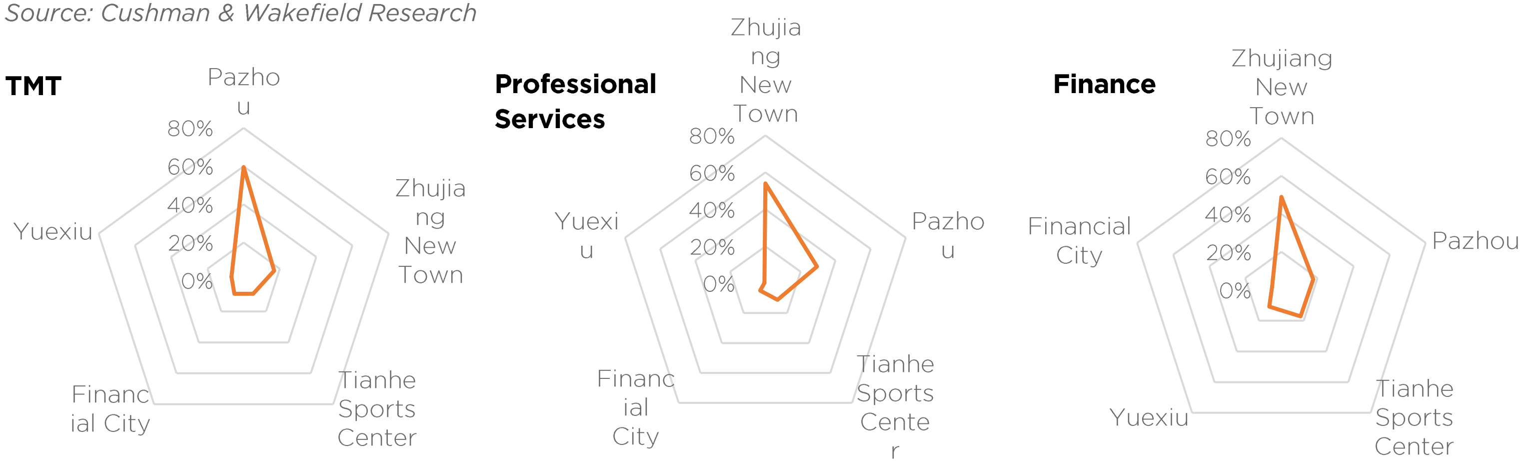


Figure 30:

Sectors – Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

An additional 2.39 million sq m of new Grade A office space is expected to enter the Guangzhou market by 2027 (Figure 31), representing 34.5% of the existing stock. Citywide total stock will then reach 9.33 million sq m. The Financial City and Pazhou submarkets will be the focus of incoming supply, with both districts taking growing market shares. Geographically, the city's Grade A office market will continue to extend eastward.

More than half of expected future supply will be headquarters-type properties by 2027, with the implementation of such new projects attracting associated enterprises. We anticipate the formation of regional industrial clusters to accelerate, while deeper industry integration will enhance tenant stability in the market.

Diversified market supply continues to refine tenants' demand for office space. Apart from costs, intelligent facilities, spatial design, brand image and green features are receiving growing attention. Enterprises with sustained business growth require office spaces meeting their specific needs, and it will be crucial for landlords to identify and match tenant needs. Some landlords are expected to continue attracting quality tenants by offering rent-free periods, offering renovation subsidies and other hidden incentives. Strong market competition will exert sustained downwards pressure on the overall rental level, with overall vacancy likely also to remain at an elevated rate in the short-term.

Table 9:
Guangzhou Grade A office – Major projects to complete (H2 2025-2027)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)	Completion Year
1	MINISO Headquarters	Pazhou	103,879	2026
2	Guangzhou Cultural Center	Pazhou	103,700	2026
3	Sunpina Headquarters	Financial Town	56,247	2027

Figure 31:
Guangzhou Grade A office total supply (H2 2025-2027)

Source: Cushman & Wakefield Research

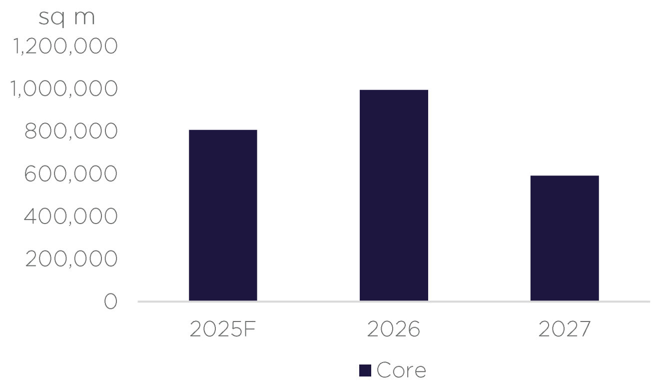
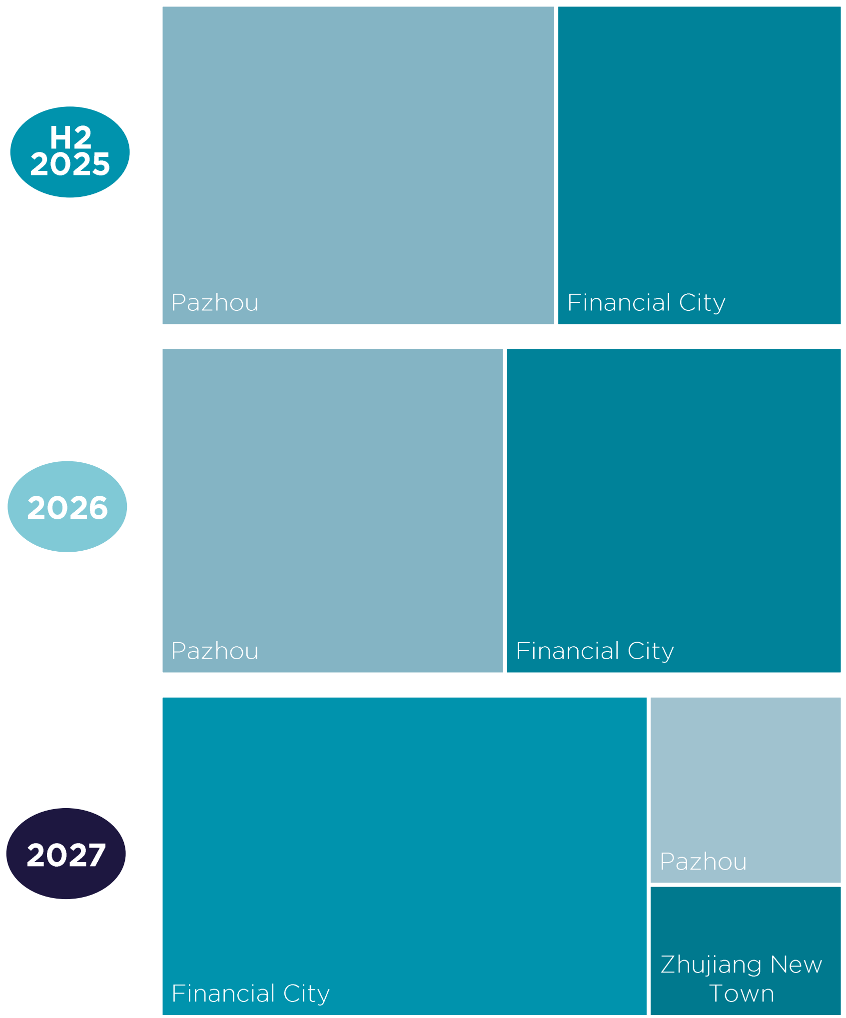


Figure 32:
Guangzhou Grade A office total supply – District by district breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research



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Supply

The past one and a half years

Chengdu's Grade A office market welcomed 287,554 sq m of new supply in the 2024 to H1 2025 period, expanding citywide total stock to 3.38 million sq m. Approximately 44.5% of the incoming space was located in the Tianfu New District Business Center submarket (Figure 34).

The recent new supply influx, combined with limited new demand, pushed the overall average vacancy rate up 4.7 percentage points y-o-y to record 28.8% at the end of Q2 2025.

Landlords continued to adopt aggressive leasing strategies and value-added services to drive occupancy and reduce operational pressures in the period. In turn, the citywide average monthly rental level fell 11.1% y-o-y to record RMB89.5 per sq m at the end of Q2 2025.

Figure 33:
Chengdu Grade A office total supply (2023-H1 2025)

Source: Cushman & Wakefield Research

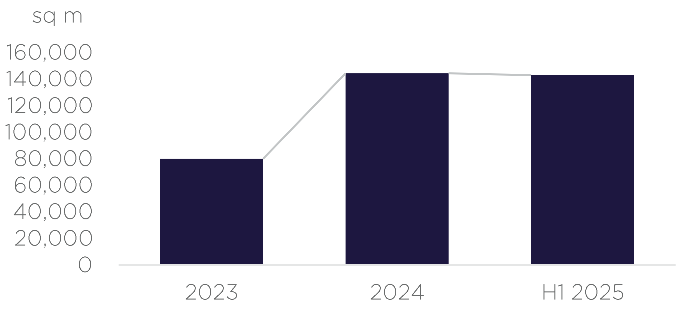


Figure 34:
Chengdu Grade A office total supply – District by district breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

Table 10:
Chengdu Grade A office – Largest completed projects (2024-H1 2025)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	Jiaozi Financial Center T2	Financial City	93,000
2	Shudao Innovation Center T1	Tianfu New District Business Center	78,000
3	Tahotai Center	Tianfu New District Business Center	50,000

Demand

The past one and a half years

Weaker new demand combined with office area downsizing and lease terminations constrained citywide net absorption to 67,468 sq m for 2024 to H1 2025. The Tianfu New District Business Center submarket accounted for the largest share of net absorption at 67%, chiefly due to entry of new supply.

The lower average rental level is providing opportunities for startups or small and medium-size enterprises to upgrade or relocate. By industry, the TMT, professional services and finance sectors were the top drivers of Grade A office market demand, taking 26.4%, 19.6%, and 16.8% shares of total leased area, respectively, in the 2024 to H1 2025 period.

Occupiers continue to be conservative with leasing strategies and cost control. Demand from small- and medium-size area transactions was most active. Transactions at less than 500 sq m represented 48.8% of total Grade A office leased area, while those from 500 sq m to 1,000 sq m accounted for 29.1%.

Domestic enterprises continued to dominate the market in the 2024 to H1 2025 period, taking a 94.8% share of leased area. MNCs tenants were more cautious in the face of international uncertainties, accounting for just 5.2% of leased area.

Figure 35:
Chengdu Grade A office leasing transactions by area – MNC/ Domestic company breakdown (2024-H1 2025)
Source: Cushman & Wakefield Research

94.8% | **Domestic** **5.2%** | **MNCs**

Figure 36:
Chengdu Grade A office share of leasing transactions by area – Industry sector split (2024-H1 2025)
Source: Cushman & Wakefield Research

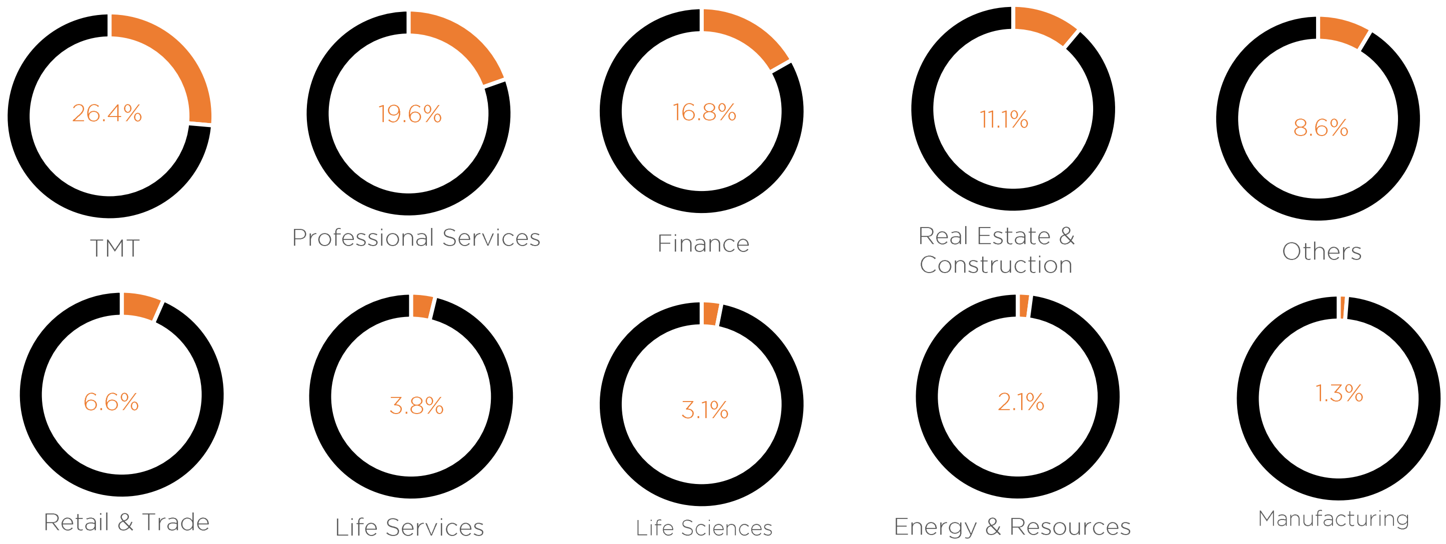
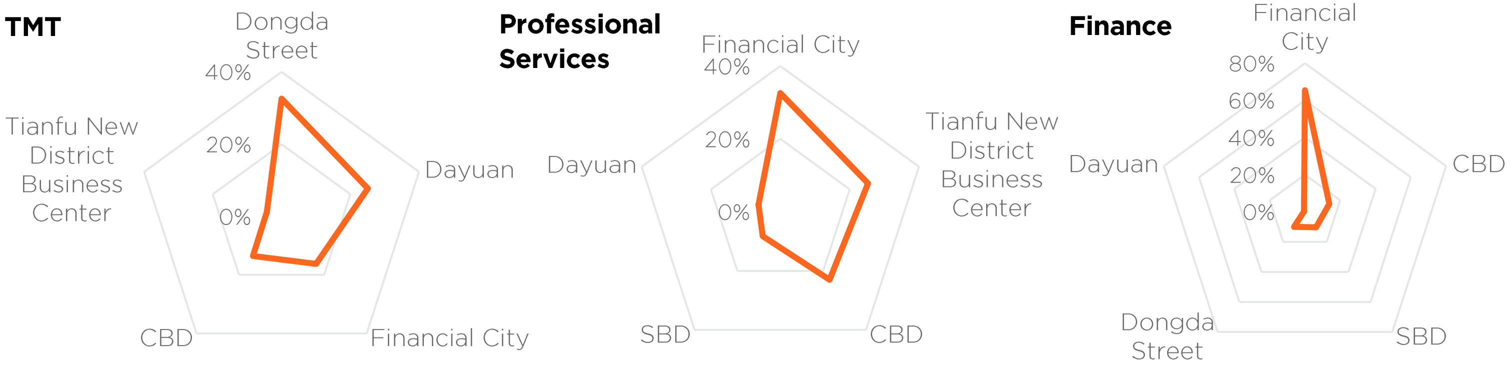


Figure 37:
Sectors – Location preference by leasing transaction area (2024-H1 2025)
Source: Cushman & Wakefield Research



Outlook

A large volume of new supply is expected to enter the Chengdu office market in the coming period, as landlords have delayed project completions in response to the weak demand environment of recent years. Nearly 1.0 million sq m of new Grade A supply is expected to enter from H2 2025 to 2027, expanding citywide total stock to 4.35 million sq m. The H2 2025 period will see the lion's share of the new supply due in the coming three years.

The supply influx will intensify competition in the city's office market. Combined with occupiers' cost reductions and improved efficiencies, we can expect downwards pressure on rental levels and a rising overall vacancy rate. In the short term, tenants are likely to seize further opportunities for office space upgrades, renewals and consolidation.

In response to the weaker Chengdu office market environment, and in addition to trimming rents, landlords will continue to focus on improving tenant services and offering custom fit-outs. Lifestyle service offerings have also become more prevalent in the Grade A office market in 2025, with landlords repurposing vacant office space into commercial facilities such as hotels, reception areas, and high-end gyms, in turn generating new demand to boost overall Grade A office space destocking.

Table 11:
Chengdu Grade A office – Major projects to complete (H2 2025-2027)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	East Hope Center (Phase 2)	Financial City	100,000
2	Jiaozi Financial Center T3	Financial City	110,000
3	ICC（T1)	Dongda Street	93,000

Figure 38:
Chengdu Grade A office total supply (H2 2025-2027)

Source: Cushman & Wakefield Research

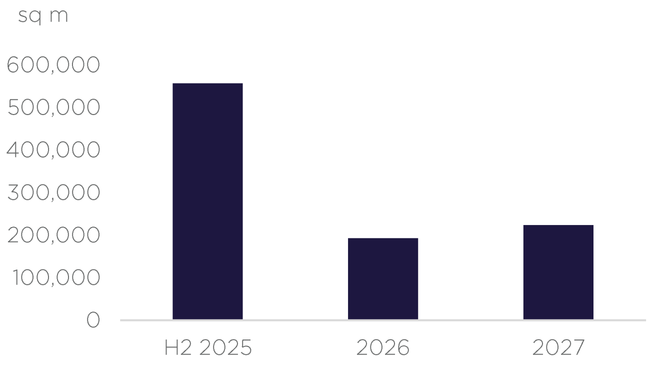
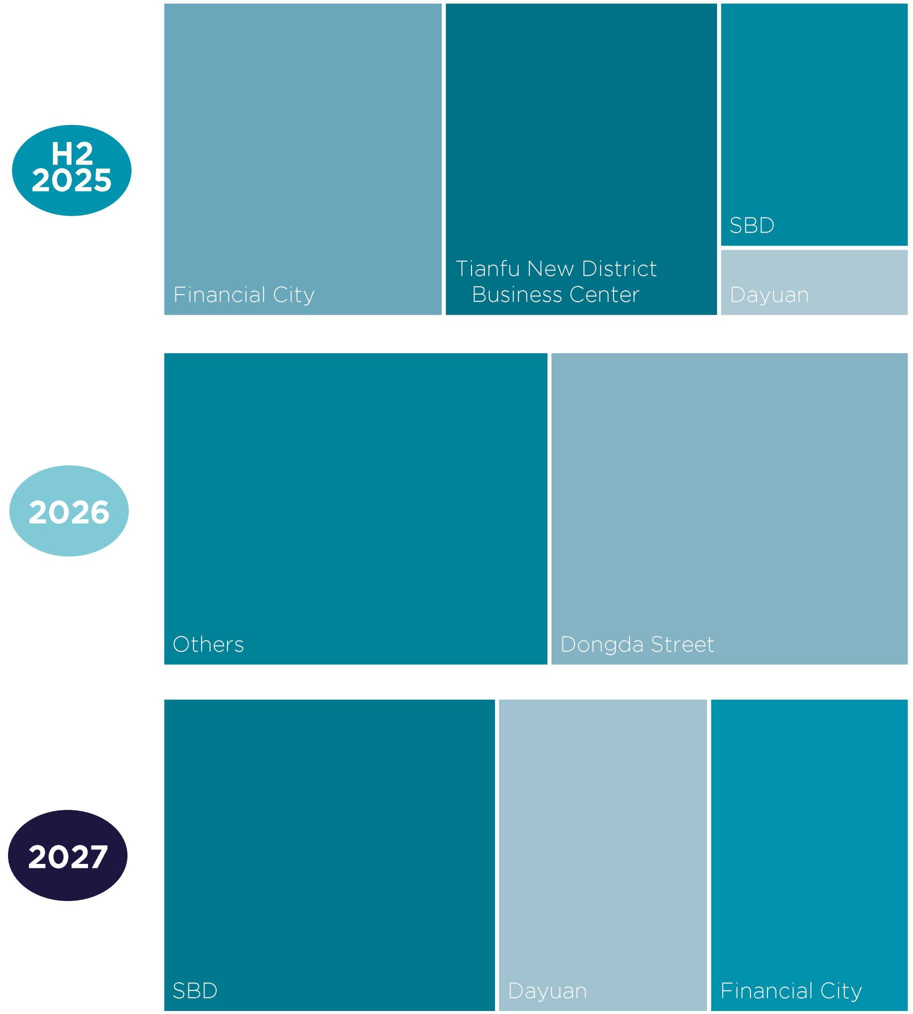


Figure 39:
Chengdu Grade A office total supply – District by district breakdown (H2 2025-2027)
Source: Cushman & Wakefield Research



TOP SUPPLY/DEMAND TRENDS FOR HONG KONG

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Supply

The past one and a half years

The Hong Kong Grade A office market saw a total of more than 194,000 sq m of new supply come to the market in the 2024 to H1 2025 period (Figure 40). Core districts and non-core districts each claimed approximately half of the incoming new stock, but the Greater Central submarket was the major source of new supply, accounting for 81,289 sq m or a 42% share to become the market hot-spot (Figure 41).

Three new projects entered the Greater Central area in the 2024 to H1 2025 period. These included The Henderson, at 39,000 sq m and developed by Henderson; and Cheung Kong Center II, at 30,200 sq m and developed by CK Asset Holdings.

Citywide Grade A office space total stock stood at 6.6 million sq m at the end of H1 2025.

Figure 40:
Hong Kong Grade A office total supply – Core area/Non-core area breakdown (2023-H1 2025)

Source: Cushman & Wakefield Research

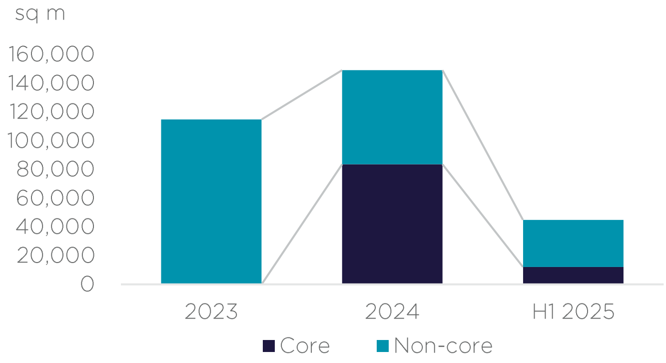


Figure 41:
Hong Kong Grade A office total supply – District by district breakdown (2024-H1 2025)

Source: Cushman & Wakefield Research

Table 12:
Hong Kong Grade A office – Largest completed projects (2024-H1 2025)

	Building Name	Submarket	Office NFA (sq m)
1	The Henderson	Greater Central	39,000
2	THE CENDAS	Kowloon East	32,800
3	Cheung Kong Center II	Greater Central	30,200

Source: Cushman & Wakefield Research

Demand

The past one and a half years

The Hong Kong Grade A office market experienced accelerated leasing momentum in the recent period, particularly in 2025, underpinned by relocation and expansion activities from the finance sector. The average quarterly new lease area for the 2024 to H1 2025 period was 84,900 sq m, up 19% from the quarterly average for 2020 to 2023.

Several big-ticket transactions have been recorded, including Jane Street's Q2 2025 pre-commitment to more than 19,200 sq m at Site 3 of the Central Harbourfront project, under construction and scheduled for completion in 2027. Consequently, the finance sector took a 46% share of total new lease transaction area for 2024 to H1 2025.

The citywide overall office availability rate remained largely stable at 19.3% in Q2 2025. Total net absorption recorded 122,000 sq m for the 2024 to H1 2025 period, excluding pre-lease activities at new development projects.

Figure 42:

Hong Kong Grade A office share of leasing transactions by area – company origin split (2024-H1 2025)

Source: Cushman & Wakefield Research

31.2% HK

16.8% Chinese Mainland

51.9% MNCs

Figure 43:

Hong Kong Grade A office share of leasing transactions by area – industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

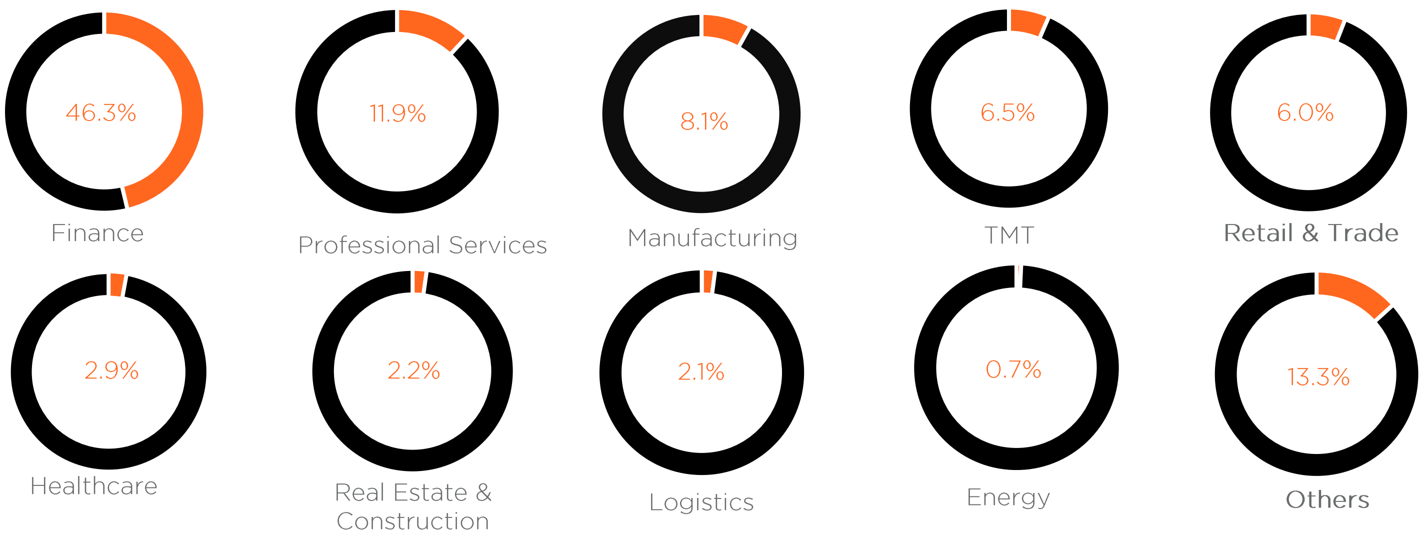
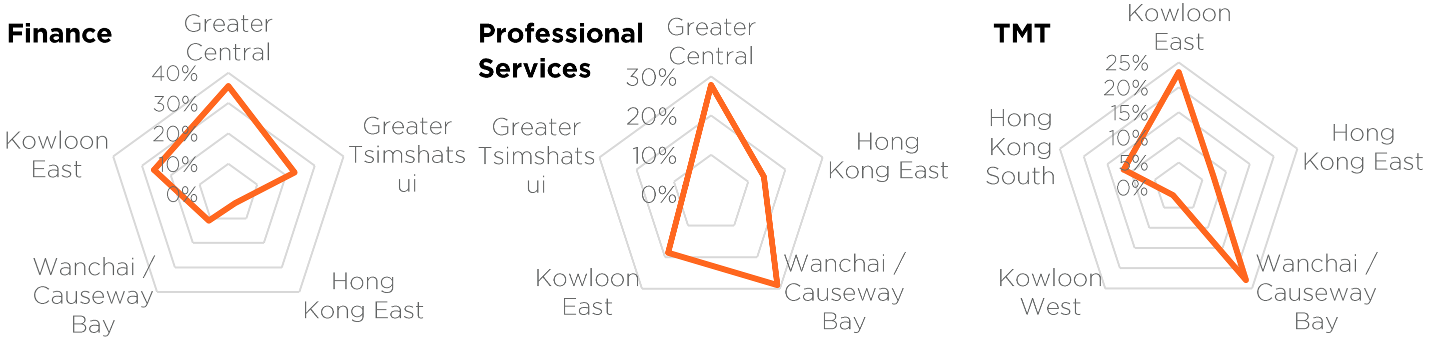


Figure 44:

Sectors – Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

Looking ahead, there were signs of recovery in Hong Kong's initial public offering (IPO) market in H1 2025, with the Hong Kong Stock Exchange ranked first globally for funds raised through IPO activities (HK$107 billion in H1 2025) for the first time since 2019. With further Chinese mainland stocks expected in the pipeline, we expect the IPO resurgence to help support office market sentiment and downstream leasing demand, such as in the finance sector and professional services sectors.

Despite the improving market sentiment, we expect the supply boom and high availability to still weigh on rental level performance in the coming quarters. Consequently, we forecast the overall Grade A office rental level to decline by 7% to 9% through 2025.

Amid the current highly competitive office landscape, we advise landlords to offer rental incentives, and to work closely with occupiers to create unique and value-driven work environments, as the key to presenting attractive options.

Table 13:
Hong Kong Grade A office – Major projects to complete (H2 2025-2027)

Source: Cushman & Wakefield Research

	Building Name	Submarket	NFA (sq m)	Handover
1	International Gateway Centre	Greater Tsimshatsui	196,200	2025
2	Lee Garden Eight	Wanchai / Causeway Bay	69,700	2026
3	Artist Square Towers	Greater Tsimshatsui	43,700	2027

Figure 45:
Hong Kong Grade A office total supply – Core area/Non-core area breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research

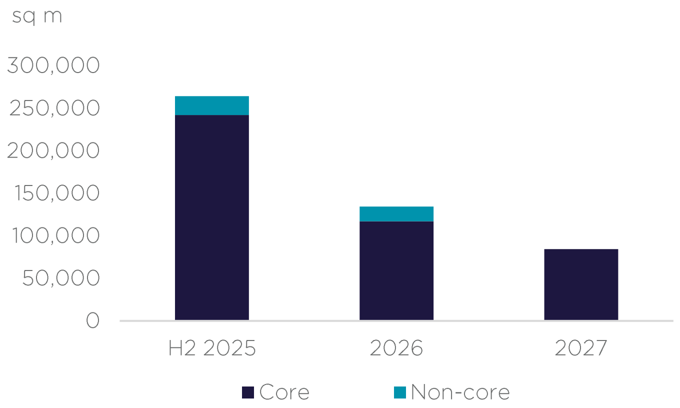
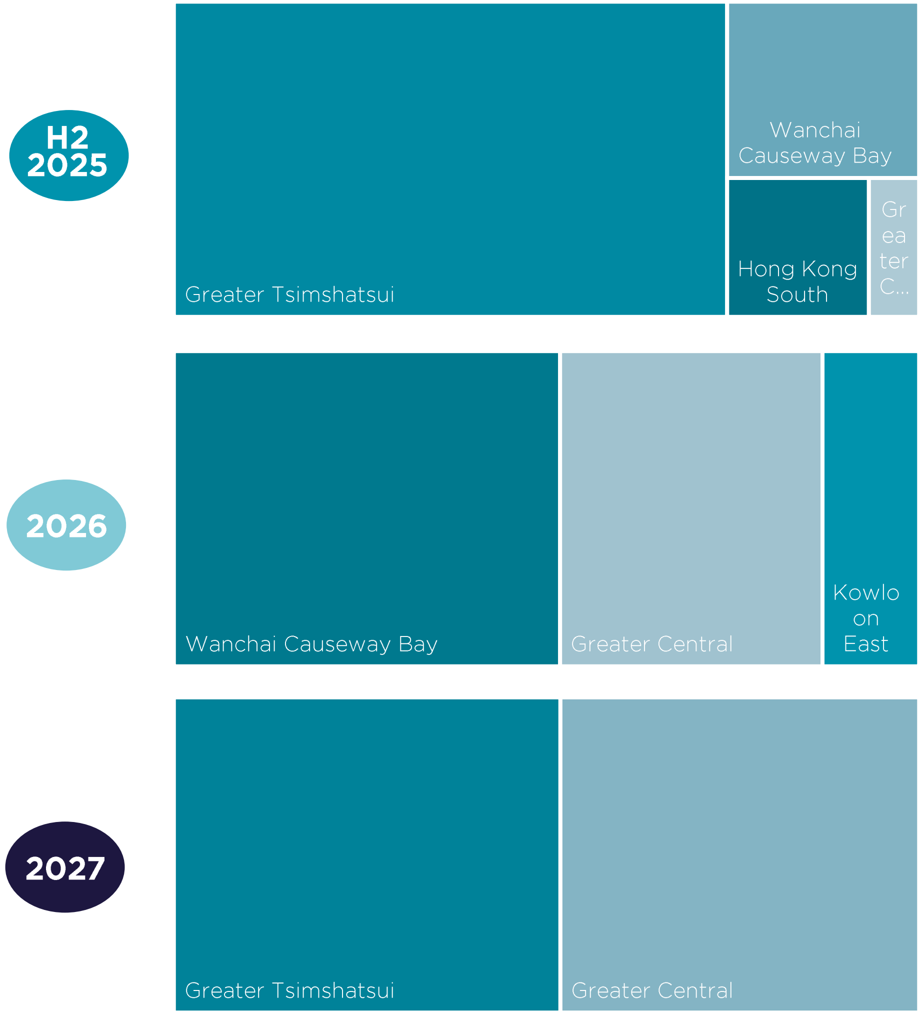


Figure 46:
Hong Kong Grade A office total supply – District by district breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research



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Supply

The past one and a half years

Taipei's office market saw a significant rise in new supply from 2024 through to H1 2025, with the completion of seven new Grade A office buildings, comprising the SCSB Headquarters, Central Plaza, Cathay Songjiang Building, Yuanta Songjiang Jinxing Building, Dunnan Commercial Building, Farglory Dome, and Yuanta Bank's headquarters. The new entrants added 195,700 sq m of new space to the market — more than double the 96,200 sq m completed in 2023 (Figure 47, Table 14, and Figure 48).

New completions were evenly distributed across major submarkets, helping to revitalize Taipei's older urban areas. The Western submarket recorded the highest share of new supply, with the SCSB Headquarters and Central Plaza contributing more than 71,400 sq m, or 36% of total new supply. The Dunnan submarket followed, with 59,400 sq m from the Dunnan Commercial Building and Yuanta Bank's Headquarters totaling 30% of new supply, while the Xinyi submarket added 39,300 sq m at Farglory Dome for a 20% share of new supply.

As at Q2 2025, the overall office market vacancy rate dropped to 6.9%, down 0.8 percentage points y-o-y from 7.7%, indicating steady absorption. The citywide average monthly rental level stood at NT$850.9 per sq m in Q2 2025, reflecting y-o-y growth of 1.6% from NT$837.6 per sq m in Q2 2024.

Figure 47:
Taipei Grade A office total supply – Core area /Suburban area breakdown (2023-H1 2025)
Source: Cushman & Wakefield Research

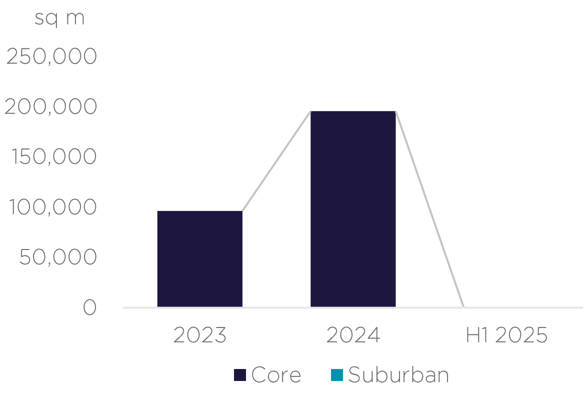


Figure 48:
Taipei Grade A office total supply – District by district breakdown (2024-H1 2025)
Source: Cushman & Wakefield Research

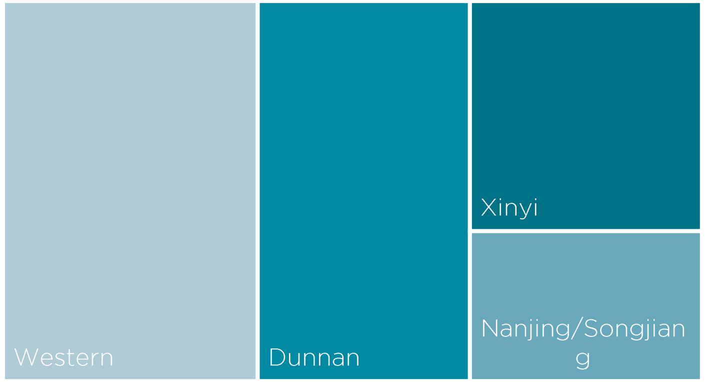


Table 14:
Taipei Grade A office – Largest completed projects (2024-H1 2025)
Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)
1	Central Plaza	Western	46,800
2	Yuanta Bank's Headquarters	Dunnan	43,700
3	Farglory Dome	Xinyi	39,300

Demand

The past one and a half years

From 2024 through mid-2025, Taipei's office market recorded net absorption of approximately 161,400 sq m, the highest annual level of the past five years. This growth was primarily driven by consolidation and relocation of self-use headquarters by financial and insurance institutions.

Multinational corporations accounted for 80.9% of leasing demand in the period, a significant increase of 29.3 percentage points from 2023 (Figure 49). This sharp rise reflected a growing trend among large MNCs to upgrade their office spaces and enhance their corporate images.

By sector, leasing demand was led by the TMT, retail, and manufacturing industries, which together accounted for 66.6% of total activity; at 27.5%, 27.4%, and 11.7% respectively (Figure 50). In addition to market leasing, the financial and insurance sector remained active in optimizing self-use space through headquarters reconstruction or relocation.

Transactions from the top sectors were broadly distributed across major submarkets. TMT sector tenants favored Nanjing/Songjiang and Xinyi, retail firms preferred the Dunbei/Minsheng area, and manufacturing enterprises gravitated to the Western submarket (Figure 51).

Figure 49:

Taipei Grade A office take-up by area – MNC/ Domestic company breakdown (2024-H1 2025)

19.1% | **Domestic**

80.9% | **MNCs**

Source: Cushman & Wakefield Research

Figure 50:

Taipei Grade A office share of leasing transactions by area – Industry sector split (2024-H1 2025)

Source: Cushman & Wakefield Research

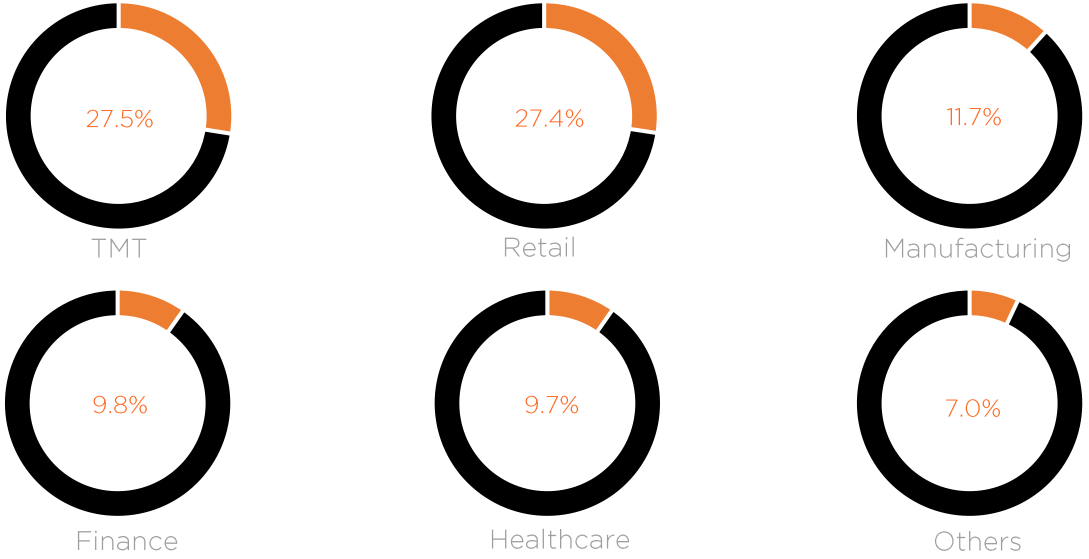
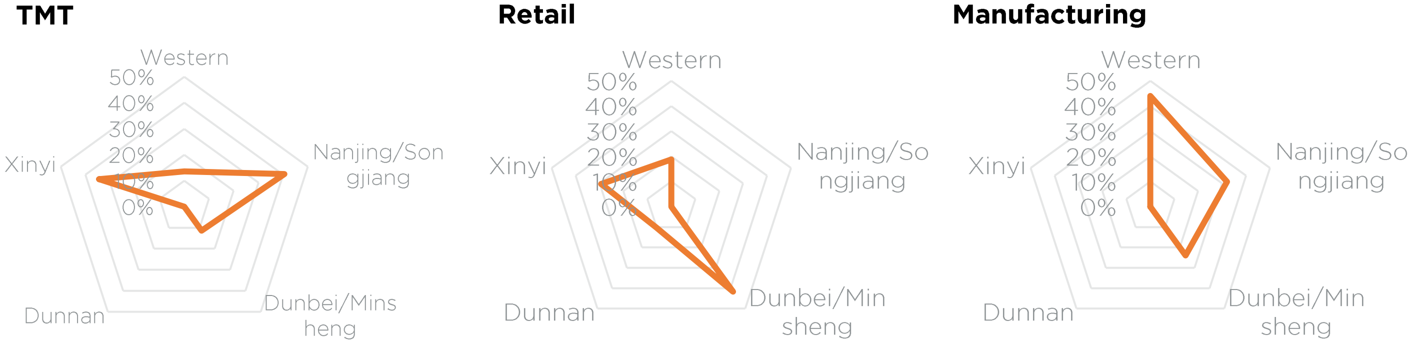


Figure 51:

Sectors– Location preference by leasing transaction area (2024-H1 2025)

Source: Cushman & Wakefield Research



Outlook

The Taipei office market is expected to add approximately 968,000 sq m of new Grade A office supply from H2 2025 through to 2027, equivalent to 35% of existing stock (Figure 52). The Western submarket will contribute the largest share at 39%, followed by Xinyi at 31%, Dunbei/Minsheng at 18%, Dunnan at 9%, and Nanjing/Songjiang at 3% (Figure 53). By the end of 2027, total Grade A stock is projected to reach 3.77 million sq m.

Twelve new Grade A office buildings are expected to complete over the next three years, comprising three corporate headquarters properties and nine projects offering space for lease (Table 15). In response to rising competition from incoming supply, some landlords of aging buildings have begun upgrading facilities and offering more flexible lease terms. Developers may also consider adjusting completion timelines in accordance with market absorption trends to mitigate pressure from the concentrated new supply.

Beyond ongoing structural adjustments, continued economic uncertainties have prompted many companies to adopt more cautious expansion strategies, potentially slowing space planning and leasing decisions, particularly among multinational firms. Some tenants are extending negotiation timelines or shifting from planned relocations to lease renewals.

As substantial new supply is expected to enter the market from the second half of 2025 onward, competitive pressures are likely to intensify. Against this backdrop of cautious expansion, the market may gradually shift from being landlord-favorable to more tenant-advantaged.

Table 15:
Taipei Grade A office – Major projects to complete (H2 2025-2027)

Source: Cushman & Wakefield Research

	Building Name	Submarket	Office GFA (sq m)	Handover
1	TransGlobe Life Taipei Headquarters	Dunbei/ Minsheng	61,500	2026
2	Homax Landmark	Dunnan	56,500	2027
3	Core Pacific Plaza	Xinyi	214,900	2027
4	Taipei Twin Towers	Western	295,200	2027
5	Nanshan A26	Xinyi	82,600	2027

Figure 52:
Taipei Grade A office total supply – Core area/ Suburban area breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research

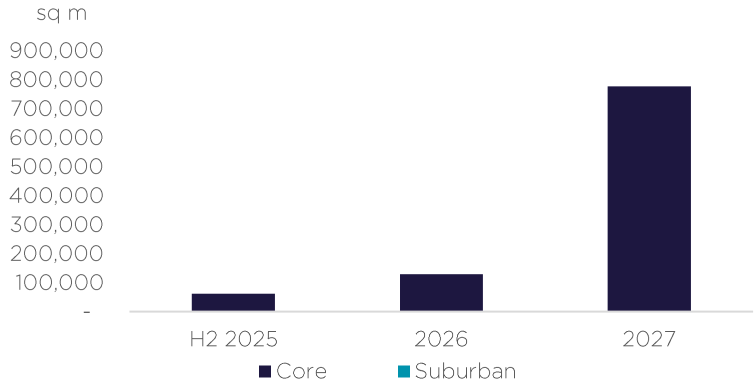
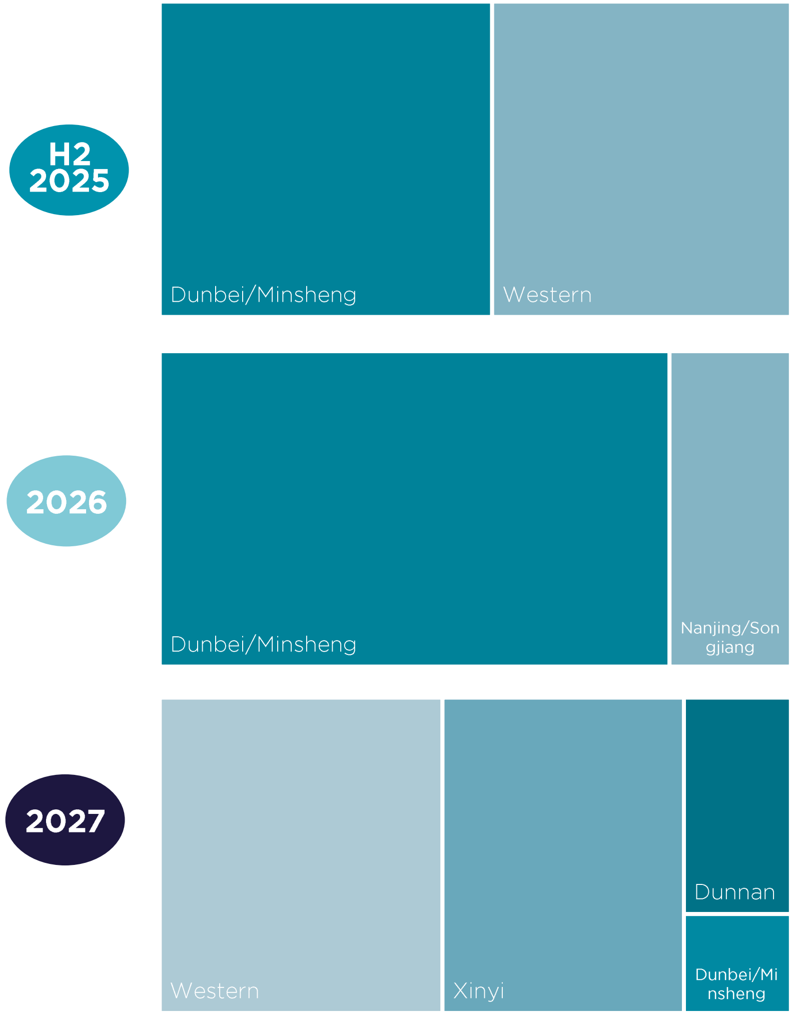


Figure 53:
Taipei Grade A office total supply – District by district breakdown (H2 2025-2027)

Source: Cushman & Wakefield Research



KEY TAKEAWAYS

- At the end of Q2 2025, total Grade A office inventory in the core markets of the 20 major cities in Greater China we track totaled 72.1 million sq m. Premium core city office net absorption across the Greater China market for H1 2025 totaled 0.76 million sq m, growing by 5.5%% y-o-y.

- The Greater China core markets average rent stood at RMB164.2 per sq m per month, down by 13.8% y-o-y. Monthly average rents in key markets were at :
  Tier-1 Cities: RMB202.9 per sq m   Tier-2 Cities: RMB82.1 per sq m
  Hong Kong: RMB580.5 per sq m   Taipei: RMB256.2 per sq m

- The large volume of new supply, combined with softer leasing demand, pushed the overall Greater China core markets vacancy rate up 1.7 percentage points y-o-y to reach 24.9% at the end of Q2 2025. Key market vacancy rates stood at:
  Tier-1 Cities: 19.2%   Tier-2 Cities: 32.1%   Hong Kong: 14.7%   Taipei: 7.9%

- From 2024 to H1 2025, total Grade A office supply in the core markets of the 20 major cities in Greater China reached 4.9 million sq m. In H2 2025, a high volume of quality office supply is expected in many Greater China markets, exerting renewed pressures on existing properties.

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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.

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