



MARKET FUNDAMENTALS YOY 12-Month **Forecast** 29.0% Vacancy Rate 8.88M Stock, sqm ¥153.4 Rent (PSM/MO) (Property of GRADE A) **ECONOMIC INDICATORS** 2025 12-Month YOY 1H Chg **Forecast GDP** Growth 6.1% **Tertiary Sector Growth** 0.1% **CPI** Growth

Sources: Shenzhen Statistic Bureau, Moody's Analytics, Cushman & Wakefield Research

-15.1%

Development & Investment Growth

Real Estate

GRADE A OFFICE ABSORPTION REBOUNDS ON SUBSTANTIAL SUPPLY

Citywide total Grade A office stock expanded to 8.9 million sqm at the end of Q3 2025 as new projects entered use. The new supply is concentrated in the Qianhai submarket, further enhancing the district's business attraction. However, the new supply has exacerbated the supply-demand imbalance, pushing the citywide overall vacancy rate up 1.2 percentage points q-o-q to record 29.0%. The Q3 monthly average rental level dropped by 4.2% q-o-q and 11.2% y-o-y to RMB153.4 per sq m. Driven by softer rents and new supply, quarterly net absorption in Q3 reached 92,000 sq m, setting a new quarterly high since 2024.

Landlords are actively exploring diversified approaches to enhance their properties' appeal to tenants. Some owners have also established strategic partnerships with professional office space operators, where the two parties share risks and profits, strengthening resilience on both sides.

SPECIALIST TECH COMPANIES ENTER GRADE A OFFICES

The TMT, finance, professional services, and retail & trade sectors were the top drivers of Grade A demand in the first three quarters of 2025. In the TMT industry, cross-border e-commerce platforms, educational software, video games, Al chips, and autonomous driving firms demonstrated relatively strong performance in Q3. Amid attractive rents and renewed business expansion, some niche tech companies are now entering Grade A offices, further enriching the tenant structure.

The professional services sector's leased area expanded in Q3 from the prior two quarters, supported by greater sub-lease operator activity. Demand in the financial sector also showed some recovery following a period of relative sluggishness. The hotel, specialist tea beverage, circular economy, and logistics, sectors also recorded large-area leasing transactions in Q3.

LANDLORDS SET TO EXPLORE OPERATIONAL INNOVATION

Ahead, substantial new pipeline supply will further intensify pressures in the Shenzhen Grade A office market. The challenge of enhancing properties' appeal to tenants while also establishing robust operational safeguards is one that owners and operators will need to address. Against this backdrop, we expect to see more innovative exploration and practices in the field of office property operations to emerge in the future.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY RATE & GRADE A RENT





MARKET STATISTICS

SUBMARKET	INVENTORY (SQ M)	VACANT (SQ M)	VACANCY RATE	FUTURE SUPPLY TILL 2027 (SQ M)	GRADE A FACE RENT		
					RMB/SQ M/MO	US\$/SF/MO	EUR/SF/MO
Luohu	676,813	247,252	36.5%	180,200	¥124.94	US\$1.63	€1.38
Futian	3,567,697	739,634	20.7%	182,230	¥169.14	US\$2.21	€1.87
Nanshan	2,263,310	649,299	28.7%	2,070,951	¥163.79	US\$2.14	€1.81
Qianhai	1,953,103	827,709	42.4%	1,137,592	¥124.04	US\$1.62	€1.37
Bao'an	418,280	108,861	26.0%	341,410	¥146.50	US\$1.92	€1.62
SHENZHEN GRADE A TOTAL	8,879,203	2,572,756	29.0%	3,912,383	¥153.42	US\$2.01	€1.69

Face Rent is calculated based on gross floor area and assuming a letting of mid floors for a typical three-year lease term with VAT.

Exchange Rate: 1 USD = 7.1057203 RMB= 0.84387995 Euros (2025.9.17)

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
China Venture Tower	Qianhai	Codemao	9,800	Relocation
Qianhai Horoy	Qianhai	Molly Tea	3,000	Relocation
Hengchang Technology Building	Qianhai	Minovate	3,000	Relocation
China Venture Tower	Qianhai	Qianfeng Zhizhen (Shenzhen) Technology	2,000	New Set up

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
China Merchants Bank Global Headquarters Building	SZ Bay HQ Base	China Merchants Bank	254,400	2026
The Wumart Office Tower	Futian CBD	Wumart South Technology	49,800	2026
Hongfan Building	Bao'an Center	Hongqiao Investment Holdings	52,900	2026
ZTE Headquarters Base Project	SZ Bay HQ Base	ZTE	121,500	2027
Smoore Technology Tower	Bao'an Center	Smoore	64,200	2027

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