

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
23.4% Vacancy Rate	▼	▲
17.87M Stock, SQM	▲	▲
¥201.4 Rent (PSM/MO)	▼	▼

Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

Q3 2025	Q2 2025	12-Month Forecast
5.5% GDP Growth	5.1%	—
5.9% Tertiary Sector Growth	5.4%	—
0.0% CPI Growth	0.1%	▲
2.2% Real Estate Development & Investment Growth	3.8%	—

Source: Shanghai Bureau of Statistics, Moody's Analytics, Cushman & Wakefield Research

14 HIGH-QUALITY OFFICE PROJECTS ENTER IN 2025

Three new office projects were delivered to the market in Q4 2025, adding 176,300 sq m of space. The new entrants comprised Crystal Bridge in the Changning-Hongqiao area, and Parcel R Alibaba and Westbund Central B3 at Xuhui Riverside.

For the full year of 2025, a total of 14 Grade A office buildings were added to the citywide supply, with the new supply volume reaching 849,549 sq m. This figure is approximately flat compared to completed new supply in 2024.

PROFESSIONAL SERVICES, FINANCE, TMT SECTORS MOST ACTIVE

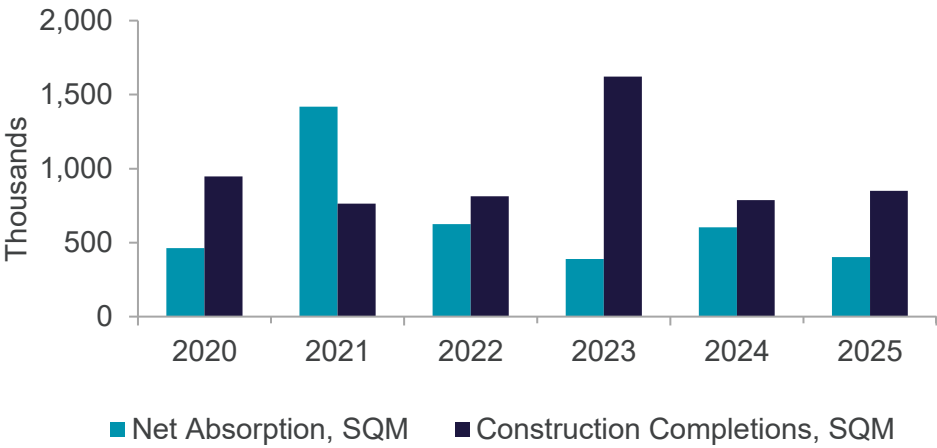
The office market saw 123,149 sq m of net absorption in Q4, up 38.8% q-o-q, although the full-year 2025 absorption figure fell 33.4% y-o-y to 401,816 sq m. Vacancy stood at 23.4% after database adjustments. The professional services, finance, and TMT sectors led Q4 quality office leasing. The professional services sector took 26.6% of leased area in the quarter, driven by law firm relocations and flexible workspace expansions. Finance firms, mainly in investment, securities, and insurance, followed with 17.2% of leased space, favouring core areas such as Lujiazui, and Xuhui. The TMT sector accounted for 15.6% of leased space, supporting Shanghai's GDP growth with the AI sub-category up 12.8%, IC manufacturing rising 11.3%, and new-generation IT industries by 10.9%.

Average rents fell 9.8% y-o-y to RMB201.4 per sq m per month in Q4 2025, with core areas down 8.8% to RMB238.8 per sq m per month and emerging districts down 10.1% to RMB158.9 per sq m per month.

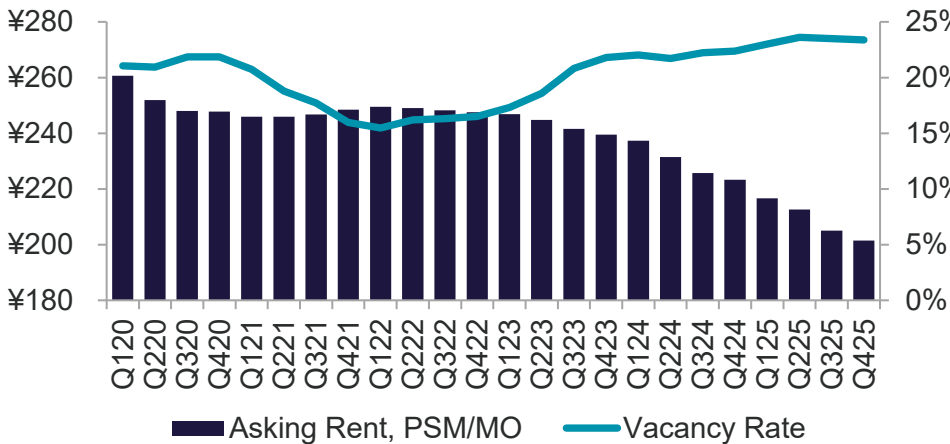
SUPPLY-DEMAND BALANCE ADJUSTMENT PERIOD TO CONTINUE

Thirteen new office projects are planned for launch in 2026, adding 1.2 million sq m of new supply, distributed evenly between core areas and emerging business districts. With continued new supply in the coming years, the market may face ongoing adjustments in occupancy and rental performance as it balances supply and demand.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	UNDER CNSTR (Q3 2025– 2028, SQM)	OVERALL AVG FACE RENT		
					RMB/SQM/MO	USD/SF/MO	EUR/SF/MO
Core Jing'an	1,467,591	279,930	19.1%	168,069	¥273.06	US\$3.60	€3.06
Huangpu	2,182,167	367,421	16.8%	404,880	¥226.80	US\$2.99	€2.54
Lujiazui	2,179,646	328,346	15.1%	164,055	¥287.87	US\$3.79	€3.23
Zhuyuan	1,119,128	200,871	17.9%	70,000	¥226.52	US\$2.98	€2.54
Core Xuhui	635,714	81,709	12.9%	206,283	¥247.48	US\$3.26	€2.78
Changning	1,455,940	356,736	24.5%	99,820	¥169.50	US\$2.23	€1.90
CBD TOTALS	9,040,186	1,615,013	17.9%	1,113,107	¥238.78	US\$3.15	€2.68
EMERGING TOTALS	8,753,911	2,520,669	28.8%	1,672,067	¥158.80	US\$2.09	€1.78
SHANGHAI TOTALS	17,873,097	4,179,681	23.4%	2,785,174	¥201.43	US\$2.65	€2.26

* Rental equals Gross Transacted Face Rental
1.00 USD = 0.85163697 EUR = 7.05225664 RMB (15.12.2025)
The database was adjusted.

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
Shanghai World Financial Centre	Lujiazui	Beijing Dentons Law Offices, LLP	10,000	Renewal
Foxconn Building	Lujiazui	Allianz Group	5,200	Renewal
AIA Financial Center	Hongkou	YKK	3,182	Relocation
Crystal Bridge	Changning	ANA	2,000	Relocation

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
China Resources Centre	Core Jing'an	China Resources	80,069	2025
K11 Atelier	Huangpu	New World Development	37,500	2026
Three ITC Tower B	Core Xuhui	Sun Hung Kai	206,283	2026
Westbund Central T4, T5, T6	Xuhui Riverside	Hongkong Land	204,807	2027

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