

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
22.4% Vacancy Rate		

7.5M  

Stock, sqm

¥108.4
Rent (PSM/MO)
(Property of GRADE A)

ECONOMIC INDICATORS

2026 Q1-Q2	YOY Chg	12-Month Forecast
5.8%		
GDP Growth		

5.9%  
Tertiary Sector Growth

1.2%  
CPI Growth

-5.3  

Real Estate
Development &
Investment Growth

SUPPLY SLOWS, EXISTING STOCK ABSORPTION CONTINUES

No new supply entered Guangzhou's Grade A office market in Q3 2026, with some project deliveries postponed. With limited new demand widely anticipated, landlords continued cutting rents. The citywide average rental level fell 3.1% q-o-q to RMB108.4 per sq m per month. Narrowing rent gaps across properties also accelerated occupier upgrades and relocations. In the first three quarters of 2026, citywide net absorption totaled 221,012 sq m, up 53.7% y-o-y, of which Q3 contributed 20,127 sq m.

The citywide vacancy rate moved down 0.3 percentage points q-o-q to 22.4%, although submarket performance diverged — vacancy rates in Pazhou, Yuexiu, and the International Financial City fell by 0.6, 1.1, and 3.2 percentage points, respectively, while vacancy in Zhujiang New Town and the Sports Center continued rising.

CROSS-BORDER BUSINESS UNLOCKS NEW DEMAND

The trade & retail, professional services, and TMT sectors were the top three sources of demand for lease transactions in Q3, accounting for 27.5%, 20.1%, and 18.1% of total leased area, respectively. Pazhou benefited from its policy advantages and industry clustering effects, attracting trade & retail tenants including lifestyle and infant clothing brand YeeHoO, and cross-border e-commerce firm Crazysales. Law firms stepped up leasing activity, while companies in the low-altitude economy and medical big data services also closed deals. Firms providing digital services for Chinese enterprises' overseas expansion remained active.

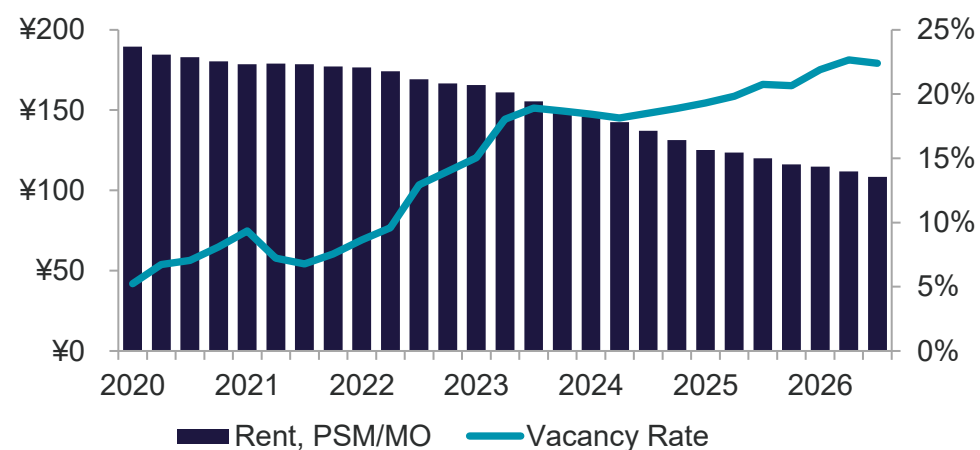
ENHANCED OPERATIONAL FACILITIES TO BECOME KEY

Ahead, an additional 112,600 sq m of supply is scheduled within 2026, with citywide total stock expected to approach 10 million sq m by 2030. Given cautious demand, some landlords have slowed project launches to ease absorption pressure, while others are partnering with coworking operators to broaden tenant bases via differentiated offerings. Going forward, traditional industry transformation and tech-sector growth will be the two main demand drivers. Landlords' abilities to align with industrial policies and to enhance business amenities will shape a project's appeal to target tenants.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY RATE & GRADE A RENT



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

MARKET STATISTICS

SUBMARKET	INVENTORY (SQ M)	VACANT (SQ M)	VACANCY RATE	FUTURE SUPPLY TILL 2028 (SQ M)	GRADE A FACE RENT		
					RMB/SQ M/MO	US\$/SF/MO	EUR/SF/MO
Tianhe Sports Center	963,132	182,438	18.9%	0	¥114.8	US\$1.59	€ 1.39
Zhujiang New Town	3,289,426	718,024	21.8%	0	¥122.0	US\$1.69	€ 1.47
Yuexiu	450,426	58,324	12.9%	0	¥98.1	US\$1.36	€ 1.19
Pazhou	2,169,815	433,775	20.0%	650,026	¥94.7	US\$1.31	€ 1.15
International Financial City (Start-up Area)	615,431	284,218	46.2%	1,030,340	¥81.3	US\$1.13	€ 0.98
GUANGZHOU GRADE A TOTAL	7,488,231	1,676,778	22.4%	1,680,366	¥108.4	US\$1.50	€ 1.31

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 = 6.70749216 RMB= 0.87274908 Euros (2026.09.17)

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
Pazhou Center	Pazhou	YeeHoO	3,500	Relocation
GAL Tower	Pazhou	X Transfer	2,500	Expansion
Fortune Tower	International Financial City	Dingshi	2,000	Relocation

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
Guangzhou Chamber of Commerce Tower	Pazhou	Guangzhou Industrial and Commercial Alliance Investment Co., Ltd. et al.	157,590	2027
MINISO Headquarters	Pazhou	MINISO	103,897	2027
GICC	Pazhou	Southern Publisher & Media	103,700	2027

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