

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
28.3% Vacancy Rate	▼	▲
9.37M Stock, sqm	▲	▲
¥142.2 Rent (PSM/MO) <i>(Property of GRADE A)</i>	▼	▼

ECONOMIC INDICATORS

2026 1H	YOY Chg	12-Month Forecast
5.8% GDP Growth	▲	—
5.5% Tertiary Sector Growth	▼	—
0.8% CPI Growth	▲	—
-28.6% Real Estate Development & Investment Growth	▼	▲

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

NEW SUPPLY MODERATES AS EXISTING STOCK DRIVES LEASING

New Grade A supply slowed in Q3 amid intense competition and uncertainty over construction, leasing and project strategies. Just two projects entered in Q3, delivering 90,000 sq m of space and reflecting muted market confidence alongside landlords' more cautious approach. Existing properties reduced vacancy via competitive pricing, flexible lease terms, and beneficial mature business environments. Occupiers are taking opportunities to upgrade to Grade A spaces as the rental gap to other office products narrows. Relocations from non-Grade A buildings accounted for 26% of the citywide Grade A leasing area in Q3 and should remain a key source of incremental demand as rents continue to soften. CRE REITs are now providing core-city office assets with a standardized exit while pushing operators to attract higher-quality tenants. Demand has also been supported by headquarters offices returning to owner-occupied premises, consolidation relocations by branch offices and affiliates, and district efforts to turn address-only, incentive-driven registrations into genuine operational presences. Combined, these factors reduced the citywide Grade A office vacancy rate by 0.8 percentage points q-o-q to 28.3%. The monthly average rental level continued to soften, to RMB142.2 per sq m.

INDUSTRIAL UPGRADING RESHAPES LEASING DEMAND

The TMT sector remained the key demand driver in Q3, with a 37.4% share of total leased area. AI, semiconductor and consumer electronics firms generated more than 60% of the TMT leasing area, reflecting the city's industrial strengths and ongoing restructuring. Comparing first-three-quarter leasing totals for 2024-2026, the leasing area rose across TMT, professional services, retail and trade, and logistics and supply-chain services. This signals that softer rents and more flexible leasing terms continue to make Grade A offices attractive to occupiers, even amid the intense competition.

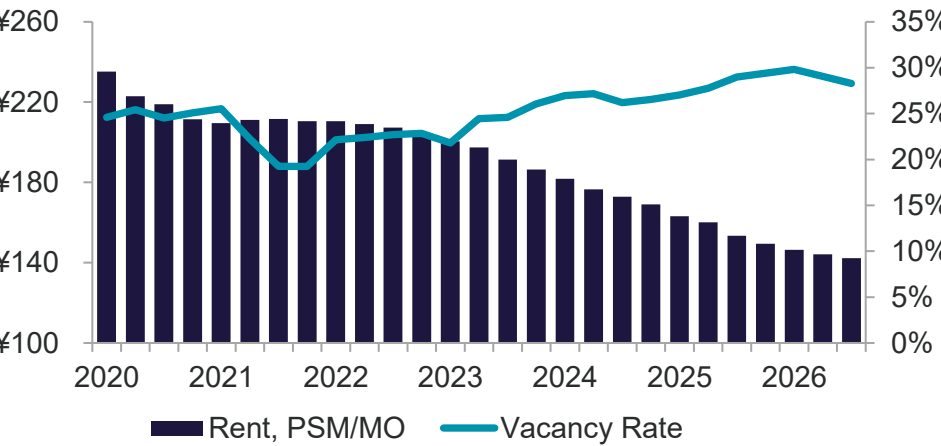
ADAPTIVE REUSE AND SECURITIZATION TO UNLOCK VALUE

Looking ahead, the supply pipeline remains substantial and intense competition within existing stock is set to remain. However, supply- and demand-side constraints may well constrain new Grade A deliveries in the near-term. Some projects are exploring adaptive reuse to enhance asset utilization and returns, while asset securitization is creating stronger incentives for enhanced asset management and operating performance.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY RATE & GRADE A RENT



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
Luohu	676,813	213,869	31.6%	320,634	¥109.11	US\$1.51	€1.32
Futian	3,638,107	774,936	21.3%	424,580	¥158.96	US\$2.20	€1.92
Nanshan	2,394,190	703,435	29.4%	1,845,364	¥153.09	US\$2.12	€1.85
Qianhai	2,156,968	792,312	36.7%	1,117,098	¥116.55	US\$1.61	€1.41
Bao'an	506,624	167,113	33.0%	220,978	¥128.33	US\$1.78	€1.55
SHENZHEN GRADE A TOTAL	9,372,702	2,651,665	28.3%	3,928,654	¥142.23	US\$1.97	€1.72

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 (2026.9.17)

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
Qianhai Exchange Square	Qianhai	DexForce	8,849	New Set up
China Construction Steel Structure Headquarters	Houhai	Qualcomm	3,300	Expansion
Shenzhen Qianhai Chow Tai Fook Finance Tower	Qianhai	Skyscanner	2,883	Relocation
Qianhai Horoy	Qianhai	CASETiFY	2,000	Relocation

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
Smoores Technology Tower	Bao'an Center	Smoores	64,200	2027
The Wumart Office Tower	Futian CBD	Wumart South Technology	49,820	2027
Hongfan Building	Bao'an Center	Hongqiao Investment Holdings	52,900	2028
Qianhai CIMC International Commerce Center West Tower	Qianhai	CIMC	65,303	2028
ZTE Headquarters Base Project	SZ Bay HQ Base	ZTE	121,540	2028

XIAODUAN ZHANG

Head of Research, South & Central China
503B-502B2, Tower2, Kerry Plaza, No.1 Zhongxinsi Road, Futian District | Shenzhen 518048 | China
xiaoduan.zhang@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In Greater China, a network of 23 offices serves local markets across the region. In 2025, the firm reported revenue of \$10.3 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. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.