

Active demand amidst heavy supply

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Shanghai's business park market was strong in the third quarter, reflected in the fast absorption at new projects completed in recent quarters. Eight new projects were completed during the quarter, pushing up the city's vacancy rate to 16.2%. The average rent remained buoyant, and new projects achieved rents above the market average of RMB 4.17 (US\$0.63) psm per day. The investment market was active, with one en-bloc sales transaction closed. Looking forward, Colliers expects the demand will remain strong at projects completed in recent quarters, and rents will continue to increase with improved infrastructure and building specifications.

Forecast at a glance



Demand

Leasing demand is robust and new metro lines will be a boon to some properties, particularly in Zhanjiang and Jinqiao. This should stimulate demand over the year 2018 to 2020 and onwards.



Supply

We expect three projects to be completed in Q4 2017, adding a total GFA of 210,000 sq m to the total stock. Supply should remain heavy in 2018 and 2019.



Vacancy rate

Colliers expects the vacancy rate will stay flat or edge down to around 16.0% by end-2017, and to around 14.5% by end-2019. Vacancy should decline steadily after 2019.

租赁需求活跃且供应充足

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第三季度，上海商务园区办公物业市场需求活跃，由近来若干季度内落成项目的快速吸纳可见一斑。季内，八个新项目的入市使得全市平均空置率上升至 16.2%。平均租金表现强劲，新项目高于市场平均水平的租金带动租金上涨至人民币 4.17 (0.63 美元) 每天每平方米。投资物业市场活跃，一宗整售交易于季内完成。展望未来，高力国际预期近若干季度内入市的项目需求将较为强劲，受专业的物管及具备更高建筑规格的物业所支撑，租金或将继续增长。

预测一览表



需求

租赁需求强劲，地铁线路开通将刺激沿线物业的需求，尤以张江及金桥物业为甚。此利好因素或将持续推动 2018 到 2020 年及之后的需求。



供应

2017 年第四季度，高力国际预测约 21 万平方米新增供应计划入市。2018 及 2019 年供应仍将保持充足。



空置率

高力国际预测至年底，空置率或将保持平稳或小幅下降至约 16.0%，至 2019 年底或将下降至 14.5%。2019 年之后或将逐年下降。



Rent

We expect that solid demand will support rental growth. We predict average annual rental growth of around 3% to 5% over 2018 to 2020.

Active demand from technology and finance sectors

Demand for Shanghai's business park property was strong during this quarter, with net absorption decreasing 17% QOQ, but increasing nearly 700% YOY to 210,000 sq m (2.26 million sq ft) in comparison to a weak figure in Q3 2016. Leasing enquires were focused on projects completed in recent quarters and leasing sentiment remained active, with a number of leases under negotiation. This was driven by new leases and relocation demand from technology and finance companies. Improved building quality and options for large spaces attracted existing tenants to consolidate their offices and upgrade to new facilities. By submarket, Zhangjiang achieved the largest net absorption among the nine submarkets, increasing 46.4% YOY to 94,000 sq m (1.01 million sq ft).

In addition, increased leasing transactions were seen in the central zone given the scheduled completion of the Metro Line 13 extension in 2018 and improved amenities. Major leasing transactions in Zhangjiang included: high-tech firms Huaqin's and Triquant's leases of 15,640 sq m and 1,600 sq m at Zhangjiang Innovation Park and Innov Star, respectively; and Pingan Insurance's lease of 2,500 sq m at EBA Campus. In Jinqiao, Wanda Finance pre-leased 48,000 sq m at Shanghai International Trade Centre (SITC); Huawei expanded by 7,600 sq m and a finance company leased 2,800 sq m at A-Reit and Pudong Central Headquarters Bay, respectively. In Zhangjiang and Linkong, new completions led the vacancy rate to increase by 3.4 and 2.4 percentage points QOQ to 25.5% and 9.0% respectively. Demand in Zhabei was strong during the quarter, and was primarily driven by large companies setting up their headquarters or R&D centres, with the vacancy rate declining by 8.6 percentage points to 9.7% as end of the third quarter. This was evidenced by Saleen and Beckhoff's separate leases of en bloc buildings in Shibeit Wit Park.



租金

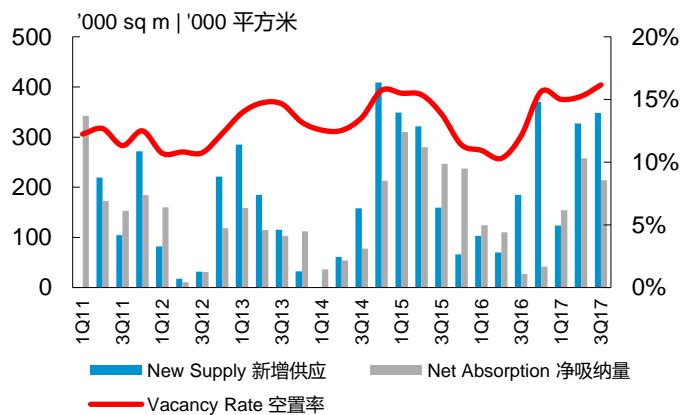
高力国际预计稳固的需求将支撑租金上涨。我们预测 2018 至 2020 年租金年涨幅约能实现 3-5%。

高科技及金融行业需求活跃

季内，租赁需求活跃，相较于 2016 年第三季度较低的吸纳水平，净吸纳量同比增长近 700%至 21 万平方米（226 万平方英尺），环比下降 17%。季内物业租赁情绪依然活跃，主要源于近来若干季度入市的项目，若干租赁交易正在洽谈中。新设及扩租需求主要来自高科技及金融行业。楼宇品质提升及大面积办公空间的可选择性吸引现有租户整合其办公场所，并升级迁至新物业。按子市场分析，张江录得最大净吸纳量，居九个子市场之首，同比增加 46.4%至 94,000 平方米（101 万平方英尺）。

此外，受益于地铁十三号线于 2018 年竣工的可见性及愈加完善的设施，张江中区的租赁交易显著增加。主要租赁交易包括：高科技公司华勤通讯及超群半导体分别与张江创新园及星创科技广场租赁 15,640 及 1,600 平方米；平安保险于光大安石科技园租赁 2,500 平方米。万达金融于金桥的东方万国租赁 48,000 平方米；华为于金桥万创中心扩租 7,600 平方米及某投资公司于锦绣申江新租 2,800 平方米。受新增供应影响，张江及临空的空置率分别环比上升 3.4 个百分点及 2.4 个百分点至约 25.5%及 9.0%。受益于若干大型企业于闸北子市场内设立区域总部及研发中心，截至第三季度，闸北子市场空置率下降 8.6 个百分点至 9.7%。赛麟及贝孚于市北智汇园的整栋租赁既为佐证。

Shanghai Business Park New Supply, Net Absorption and Vacancy Rate 上海商务园区新增供应、净吸纳量和空置率



Source: Colliers International Shanghai Research

数据来源：上海高力国际研究部

Largest single quarter supply over the year

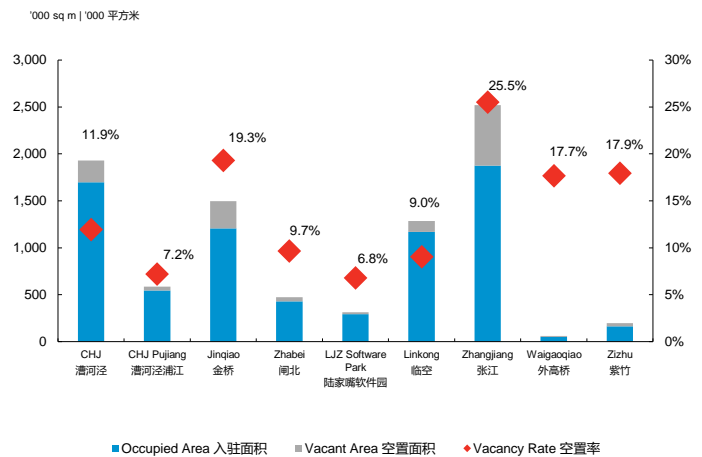
Eight new projects completed during the third quarter. As a result, the total stock of Shanghai's business park property market expanded by 4.1% QOQ or 15.2% YOY to approximately 8.86 million sq m (95.4 million sq ft).

Five of the eight projects were located in Zhangjiang: Wisdom Industrial Park, Research Park, Fintech Park, Hai Tun Wan Phase I, and Shanda Creative Box (Bloc 3/4/5/6), adding an effective GFA of 230,000 sq m (2.47 million sq ft) to the market. In Caohejing, Shanghai Business Park Phase III-5 and China Fortune Properties Horizon Phase II (plot B) were handed over during the quarter, adding a GFA of around 78,000 sq m to the leasing market. Linkong received the launch of Kingboard Centre with a leasable area of 40,000 sq m.

Rental remains buoyant

By the end of 3Q17, the average rent of Shanghai's business park property market increased by 1.0% QOQ or 6.3% YOY to RMB 4.17 psm per day. Rental growth was supported by the above average rent in new completions and buoyant rentals at projects completed in the last 12 months. By submarket, rental growth in

Shanghai Business Park Occupied Area, Vacant Area and Vacancy Rate 上海商务园区入驻面积、空置面积及空置率



Source: Colliers International Shanghai Research

数据来源：上海高力国际研究部

年度最大单季供应量

2017年第三季度，八个新项目于季内入市。因此，上海商务园区物业市场总存量环比增长4.1%或同比增长15.2%，至约886万平方米（9,540万平方英尺）。

八个新项目中五个均位于张江：华鑫张江智慧产业公园、研创园、投创园、海豚湾一期及盛大源创谷（3/4/5/6）号楼，为市场增加有效建筑面积23万平方米（247万平方英尺）。漕河泾子市场内，科技绿洲三期五及华鑫天地二期B地块于季内交付，为该子市场增加78,000平方米租赁面积。临空于季内迎来建滔中心，为该子市场增加4万可租赁面积。

租金保持强劲

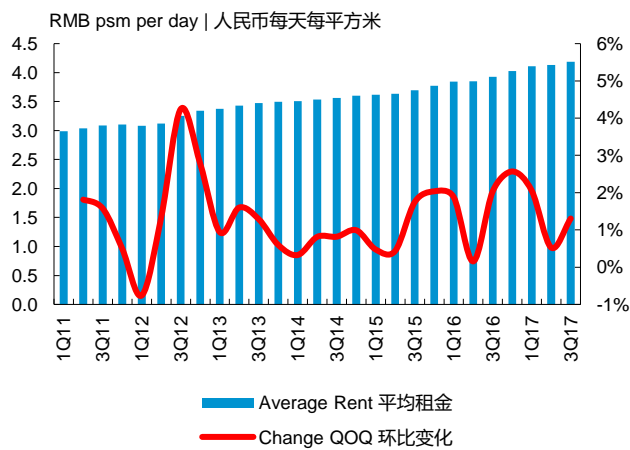
截至2017年第三季度，上海商务园区市场平均租金环比增长1.0%或同比增长6.3%至人民币4.17每天每平方米。租金上涨主要受新项目高于市场平均水平租金及近一年内入市项目强劲的租金表现所推动。按子市场分析，入驻率的提升及预期地铁开通推动金桥及漕河泾浦江租金环比分别

Jinqiao and Caohejing Pujiang outpaced that in other submarkets on a quarterly basis, up by 4.3% and 4.1% QOQ to RMB3.37 and 2.33 psm per day respectively, reflecting improved occupancy rates and the scheduled completion of metro networks. In Caohejing, rent increased 0.7% QOQ or 7.4% YOY amidst solid demand. In Zhangjiang, new projects slightly pushed down the average rent, but the rental performance of existing projects remained stable.

上涨 4.2%及 4.1%至约人民币 3.37 及 2.33 每天每平方米，该增幅超越其他子市场。在漕河泾子市场内，受稳固需求所支撑，租金环比上升 0.7%或 7.4%。新项目租金小幅拉低张江子市场平均租金，现有项目租金保持稳定。

Shanghai Business Park Average Rent and Change QOQ

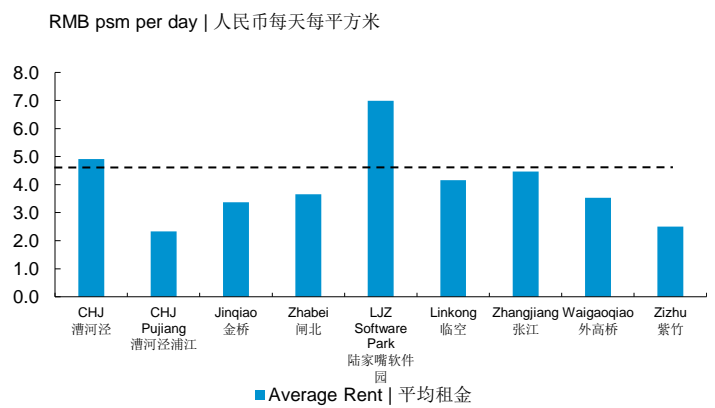
上海商务园区平均租金及环比变化



Source: Colliers International Shanghai Research
数据来源：上海高力国际研究部

Shanghai Business Park Rent by Submarket

上海商务园区子市场租金



Source: Colliers International Shanghai Research
数据来源：上海高力国际研究部

One en bloc sales transaction announced

Shanghai's business park investment market was active in the third quarter, with one en bloc sales transaction closed. Investment sentiment from both end-users and institutional investors remained strong. Foreign funds, domestic institutions and RMB funds were actively sourcing income-producing targets. Jinqiao, Zhangjiang, Caohejing continued to be desirable destinations. In July, Ascendas sold Lotus Centre in Zhangjiang to ZJHJ for a total consideration of RMB1.08 billion.

一宗整首交易于季内公布

季内，上海商务园区物业投资市场情绪保持活跃，一宗整售交易完成。终端用户及机构投资者的投资情绪依然高涨。外资基金、内资机构投资者、及人民币基金仍旧以投资附带收益资产展现出浓厚兴趣。金桥、张江及漕河泾仍为投资者所青睐的区域。7月份，腾飞以总价人民币 10.8 亿元将位于张江莲花研创广场售予张江火炬。

Major expansion in Zhangjiang

The increasingly convenient metro connectivity is expected to continue in 2017 and 2018, when Line 13 Phase 3, Line 9 Phase 3 are completed, connecting Zhangjiang and Jinqiao, respectively. We expect that the positive market fundamentals and the improvement in business atmosphere in these submarkets will stimulate demand for nearby properties. In August, Shanghai's municipal government approved the "Construction Plan of Zhangjiang Science City". The plan mentioned the importance of Zhangjiang high-tech park as part of a national strategy to build Zhangjiang Comprehensive National Scientific Center, encouraging the integrated development of the city and industries. The upgrades of the amenities including infrastructure and the planned residential houses near business parks will benefit both landlords and tenants in the long term.

Forecasts for next few years

In the remaining quarter of 2017, approximately 210,000 sq m (2.26 million sq ft) of new supply is scheduled to be completed. Some projects have already achieved strong pre-leasing rates. Colliers expects the vacancy rate will be near the current level of 16% by the end of 2017, given the healthy absorption level and the nature of new supply.

Colliers forecasts the rental growth will remain stable, hovering around 3 to 5% per annum over 2018 to 2020, as the building quality and management become even more sophisticated. Given the strong demand and positive economic fundamentals, we expect that the absorption of new space will remain strong, and that the overall vacancy rate will gradually decrease over 2018 and 2020. Limited new supply in 2020 should support this outlook.

张江持续扩张

愈加便捷的地铁交通有望于 2017 及 2018 持续，地铁 13 号线及 9 号线三期将分别连通张江及金桥。高力国际预测此利好因素及商务氛围的改善将进一步刺激周边项目需求。八月份，上海市政府批复“张江科学城建设规划”。该规划强调了张江高科技园区建造成为国家级科学城的重要性，鼓励产城融合。业主及租户将长期受益于包括基础设施在内愈加完善的配套及商务园区周边住宅的规划。

未来五年展望

在 2017 年剩余季度内，约 21 万方（226 万平方英尺）新项目计划于年底前竣工。若干项目已实现较高预租率。高力国际预测至年底前，健康的吸纳量和新项目的性质或将使得空置率保持于现有水平。

高力国际预测 2018 至 2020 年租金年均增长将保持于 3-5%，建筑规格及管理的愈发完善将支持租金增长。受活跃的需求及利好的经济基本面所支撑，我们预计新项目的吸纳水平将保持强劲，2018 至 2020 年，平均空置率或将稳步下降。2020 年，极为有限的供应将支撑此趋势。

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