

Sustained rental growth and low vacancy in H2 2018

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In Q2 2018 the Guangzhou Grade A office average rent increased by 1.5% QOQ while the vacancy rate dropped by 1.2 percentage points to 3.9%, due to smooth economic growth and no new supply. We expect steady rental growth and a low vacancy rate through the end of 2018 due to limited new supply over H2 2018. Between 2019 and 2022, new supply equivalent to 51% of existing stock should trigger a steady increase in the vacancy rate. However, a large proportion of the new supply will be owner-occupied and located in emerging office districts. We expect rent to continue growing in core areas, especially Pearl River New City (PRNC), the premier and largest submarket in Guangzhou. Hence, we believe rent should continue to increase moderately between 2019 and 2022. Since Pazhou will be the cluster of large technology enterprises and has kept its rental growth momentum, we suggest tenants who intend to move to Pazhou should try to enter the market soon.

Forecast at a glance



Demand

Over 62,000 sq m (667,300 sq ft) of net absorption was recorded despite absence of new supply, driving the Guangzhou Grade A office vacancy rate down to 3.9%. We expect demand to stay firm over the next five years due to steady economic growth and high-quality new supply.

2018 下半年租金持续增长，空置率保持低位

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2018 年第二季度广州市经济平稳增长且无新增供应，全市甲级写字楼租金水平持续上涨，空置率下降。全市平均租金环比增长 1.5%，空置率环比下降 1.2 个百分点至 3.9%。由于 2018 年下半年新增供应有限，预计截至 2018 年底，平均租金稳步增长，空置率保持在低位。从 2019 至 2022 年，相当于广州现有总存量 51% 的新增供应将刺激全市空置率从 2019 年开始持续上升，但大量新增供应为自用面积并位于新兴商务区。预计核心商务区，尤其是珠江新城的平均租金仍继续平稳上升。珠江新城现已发展成为全市总存量最大且租金最高的子市场，因此我们相信 2019 至 2022 年广州全市平均租金仍保持缓和增长。由于琶洲未来将成为大型科技公司聚集区且租金水平持续升温，有意向搬迁至琶洲的租户应看准时机，尽早入市。

预测一览表



需求

尽管季内无新增供应，2018 年第二季度广州甲级写字楼市场仍录得超过 6.2 万平方米净吸纳量，全市空置率降至 3.9%。得益于持续的经济增长与优质新增供应的陆续入市，预计未来五年写字楼需求将保持稳健。



Supply

No new supply was launched in Q2 2018 and we foresee about 0.48 million sq m (5.17 million sq ft) of new supply entering the market in H2 2018. We expect over 2.62 million sq m (28.2 million sq ft) of new supply, equivalent to 50.8% of existing stock of Grade A office, to be launched from 2019 to 2022.



供应

2018 年第二季度无新增供应推出市场，预计将有 48 万平方米新增供应在 2018 下半年度陆续推出。2019 至 2022 年将有超过 262 万平方米新增供应进入市场，约占全市甲级写字楼现有总体量的 50.8%。



Vacancy rate

The Guangzhou Grade A vacancy rate fell to 3.9% by the end of Q2 2018, a decline of 1.2 percentage points QOQ. For the rest of 2018, we expect vacancy to remain low due to limited supply. With the heavy new supply in 2019 and 2020, vacancy should pick up steadily and peak at 15.0% in 2020.



空置率

截至第二季度末，全市甲级写字楼整体空置率降至 3.9%，环比下降 1.2 个百分点。由于 2018 年下半年新增供应有限，预计全市空置率将保持在低位。但随着 2019 与 2020 年大量新增供应的推出，我们预计空置率将逐渐攀升并于 2020 年达到 15.0% 的峰值。



Rent

Grade A average rent grew by 1.5% QOQ, due to lack of new supply and limited leasable office space. The real estate, technology, and finance sectors accounted for 79% of new leased space in Q2 2018. We expect 6-8% YOY rental growth in 2018, but slower increases, about a 3% YOY increase for each year from 2019-2022.



租金

归因于无新增供应及有限的可租赁面积，全市甲级写字楼平均租金环比上升 1.5%。其中房地产业、科技业及金融业共占去约 79% 的租赁交易面积。预计 2018 年租金水平将实现 6-8% 的同比增长，但 2019 至 2022 年租金涨幅或将减缓至每年同比增长 3% 的水平。

All Submarkets Witnessed Rising Rents and Falling Vacancy Rates

Guangzhou's economy has kept its steady growth momentum in 2018. Total industrial production of enterprises with a revenue exceeding RMB20 million (USD3.1 million) and fixed asset investment grew by 5.7% and 7.9% YOY respectively for the first five months in 2018. Cargo throughput also increased, with port cargo showing an increase of 10.6% YOY, port container traffic increasing 9.5% YOY and airport cargo showing a YOY increase of 6.8%. These economic indicators reflected a steady economic growth and resulted in firm demand for office leasing in Q2 2018.¹

Guangzhou's rent increased by 1.5% QOQ to RMB177 per sqm per month. Net absorption was over 62,000 sq m (667,300 sq ft) and the vacancy rate dropped by 1.2 percentage points QOQ to 3.9%, the lowest for the last five years.

Due to the limited quantity of vacant space, all submarkets witnessed rising rents and decreasing vacancy in Q2 2018. The vacancy rate in the Tianhe

各子市场租金上扬，空置率下降

2018 年广州市经济保持稳步增长的态势，1-5 月全市规模以上工业总产值与固定资产投资同比分别增长 5.7% 与 7.9%。全市港口货物吞吐量、港口集装箱吞吐量与机场货邮吞吐量均实现了 10.6%、9.5% 及 6.8% 的同比增长。上述经济指标反映了持续的经济增长，并造就了第二季度稳健的写字楼租赁需求。¹

广州甲级写字楼平均租金环比攀升 1.5% 至每月每平方米 177 元，净吸纳量超过 6.2 万平方米。全市空置率环比下降 1.2 个百分点至 3.9%，为近五年来的最低点。

由于可租赁面积有限，本季度内各子市场均录得租金上涨及空置率下降的状况。天河北体育中心空置率环比下降 1.6 个

¹ Source: Guangzhou Statistics Bureau

¹ 资料来源：广州市统计局

North-Sport Centre (TNSC) submarket dropped by 1.6 percentage points QOQ to 2.0%, the lowest among all submarkets. With a 2.3% QOQ increase to RMB139 per sq m per month (USD2.00 per sq ft per month), Pazhou recorded the fastest rental growth, showing continuous momentum as this emerging submarket in Guangzhou gradually takes shape. According to Guangzhou's land supply plan, the government will probably provide 11 more new office sites in the Pazhou submarket, supporting the government's ongoing ambition to develop Pazhou as the new cluster of the technology and innovation industry.

Vacancy Rate and Rent

Submarket	Rent (RMB/sq m/month)	QOQ Change (%)	Vacancy Rate (%)	QOQ Change (pp)
Pazhou	139	↑2.3	4.6	↓0.8
PRNC	194	↑1.2	4.3	↓1.2
TNSC	172	↑2.1	2.0	↓1.6
Yuexiu	131	↑1.1	2.2	↓0.6
Overall	177	↑1.5	3.9	↓1.2

Source: Colliers International

PRNC and Pazhou remained the most active leasing submarkets, accounting for 31% and 35% of new leased space respectively. The leasing market was led by the real estate sector, accounting for 37% of new leased space in Guangzhou's core areas. Technology accounted for the second largest proportion with 34% and the finance sector came in third, representing 12% of new leased office space.

The real estate sector accounted for three of the top five leasing transactions in Q2 2018, including: Tai De Bang occupying 13,300 sq m (143,100 sq ft) in Poly Midtown Plaza while Huafa Group and The Executive Centre took 3,700 sq m (39,800 sq ft) and 3,600 sq m (38,700 sq ft) respectively at CTF Finance Centre. The two additional transactions were Samsung, renewing their leasing contract of 4,500 sq m (48,400 sq ft) in Teem Tower, and Digital Guangdong, which occupied 5,800 sq m (62,400 sq ft) in Yeede Centre in Yuexiu.

百分点至 2.0%，为各子市场中最低水平。琶洲录得季内最快的租金上涨水平，环比上升 2.3%至每月每平方米 139 元，延续了广州新兴商务区的上升势头。根据广州市 2018 年土地供应计划，政府仍将在琶洲子市场出让 11 块写字楼用途地块，彰显了政府把琶洲建设成创新技术产业集聚区的持续雄心。

空置率及平均租金

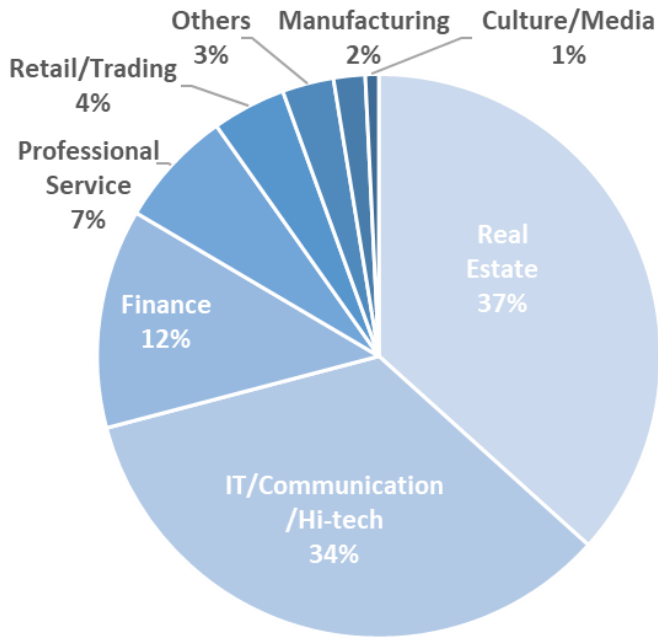
子市场	平均租金 (元/平方米/月)	环比变化 (%)	空置率 (%)	环比变化 (百分点)
琶洲	139	↑ 2.3	4.6	↓ 0.8
珠江新城	194	↑ 1.2	4.3	↓ 1.2
天河北体育中心	172	↑ 2.1	2.0	↓ 1.6
越秀	131	↑ 1.1	2.2	↓ 0.6
全市	177	↑ 1.5	3.9	↓ 1.2

数据来源：高力国际

珠江新城与琶洲仍是交易活动最活跃的子市场，分别占据本季度 31%与 35%的租赁交易面积。按产业类别划分，本季度租赁市场由房地产业、科技业及金融业主导，分别占全市核心区域租赁交易面积的 37%，34%及 12%。

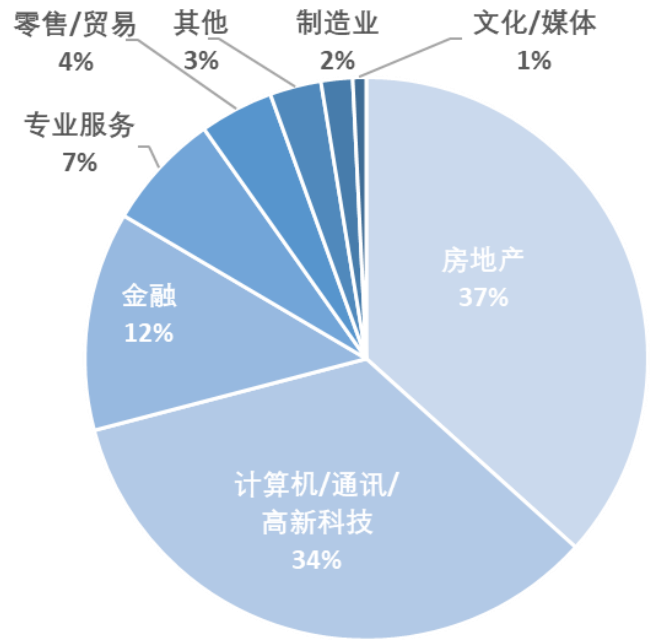
房地产业在本季度交易面积位于前五的租户中占三席：泰德邦于保利中悦广场租下 13,300 平方米，华发集团与德事商务中心分别于周大福金融中心租赁 3,700 平方米与 3,600 平方米。其余两项交易分别为：三星于粤海天河城大厦续租 4,500 平方米，数字广东于越秀的珠江颐德大厦承租 5,800 平方米。

Market Share of Leased Area by Industry



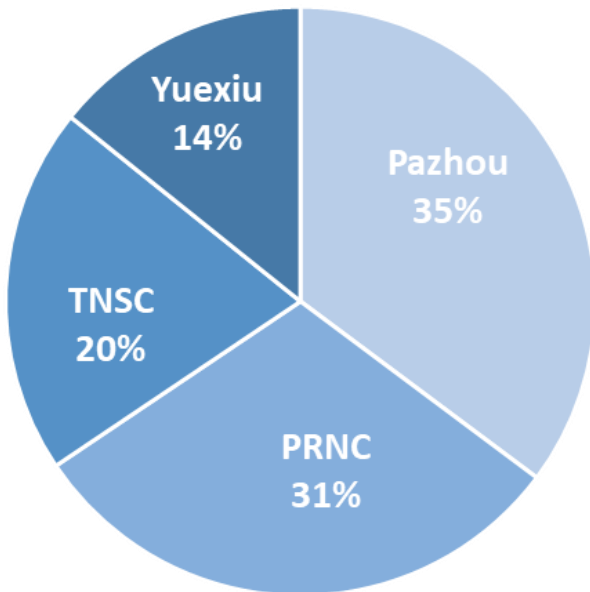
Source: Colliers International

行业交易面积市场份额



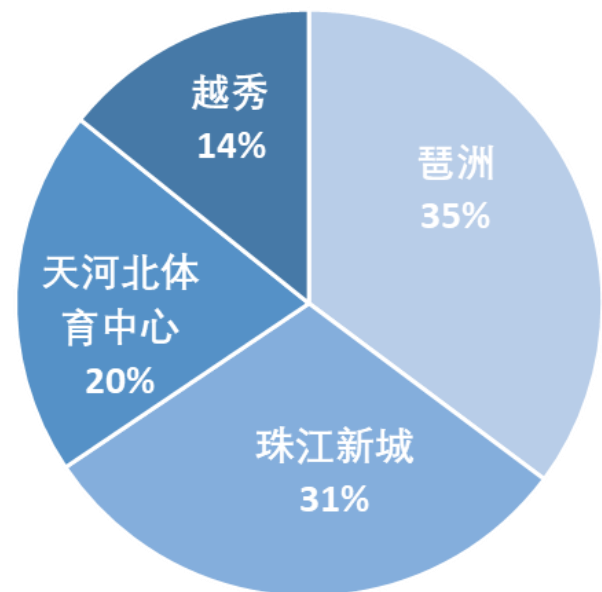
数据来源：高力国际

Market Share of Leased Area by Submarket



Source: Colliers International

子市场交易面积市场份额



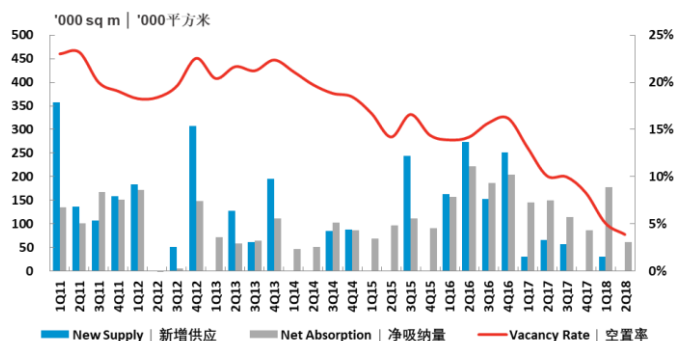
数据来源：高力国际

Major Leasing Transactions in Q2 2018

MAJOR LEASING TRANSACTIONS		
PROPERTY	TENANT	SIZE (SQ FT)
Poly Midtown Plaza	Tai De Bang	143,100
Yeede Centre	Digital Guangdong	62,400
Teem Tower	Samsung	48,400
CTF Finance Centre	Huafa Group	39,800
CTF Finance Centre	The Executive Centre	38,700

Source: Colliers International

New Supply, Net Absorption and Vacancy Rate 新增供应、净吸纳量及空置率



Source: Colliers International

数据来源：高力国际

Heavy New Supply in Pazhou and Continuous Rental Growth in PRNC from 2019 to 2022

Benefiting from firm economic growth and heavy new supply for the next five years, we expect the Guangzhou Grade A office market to be more active. About 0.48 million sq m (5.17 million sq ft) of new supply should enter the market in H2 2018. Given the currently low vacancy rate and limited new supply for the rest of the year, we estimate full year rent growth of 6-8% with an 8% vacancy rate at the end of 2018.

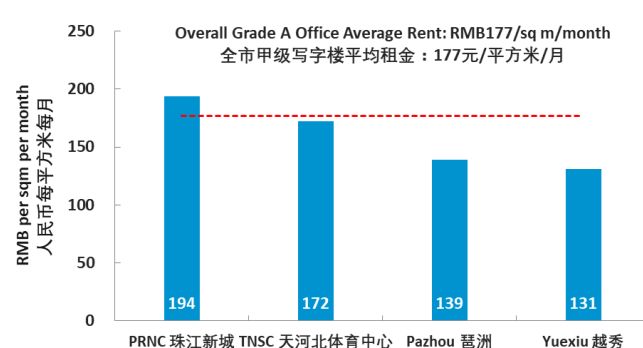
Between 2019 and 2022, we predict that over 2.62 million sq m (28.2 million sq ft) of new supply will enter the market while the vacancy rate should peak at 15.0% in 2020, before falling steadily in later years. Despite the large volume of new supply in Pazhou, a large proportion of this new supply will be owner-occupied as company headquarters for innovation and technology companies, such as Tencent, Alibaba and Vipshop. Given that less than half of the new supply should be available for lease,

2018 年第二季度主要租赁交易

主要租赁交易		
项目	租户	面积 (平方米 SQ M)
保利中悦广场	泰德邦	13,300
珠江颐德大厦	数字广东	5,800
粤海天河城大厦	三星	4,500
周大福金融中心	华发集团	3,700
周大福金融中心	德事商务中心	3,600

数据来源：高力国际

Rent by Submarket 子市场租金



Source: Colliers International

数据来源：高力国际

2019 至 2022 年琶洲大量新增供应，珠江新城租金水平持续增长

得益于稳健的经济增长与未来五年的大量新增供应，我们预计未来广州甲级写字楼租赁市场将更加活跃。预计约 48 万平方米新增供应将在下半年推出市场。基于第二季度的低空置率与下半年有限的新增体量，我们预测 2018 年全市租金将实现 6-8% 的同比增长，年末全市空置率将维持在 8% 的水平。

预计 2019 至 2022 年共超过 262 万平方米新增供应进入市场，全市空置率或于 2020 年达到 15.0% 的峰值并逐渐回落。尽管 2019 至 2022 年大量新增供应集中于琶洲子市场，但大部分体量将被用作创新技术产业企业总部，如腾讯、阿里巴巴及唯品会。鉴于超过一半新增体量为自用面积，我们相信琶洲未来五年租金水平仍保持缓和增长。

另一方面，占据全市甲级写字楼 61.5% 总体量的珠江新城已成为全市租金最高的子市场。珠江新城仅有约 47 万平方米

we expect Pazhou to see moderate rental growth in the next five years.

PRNC, the current CBD, accounts for 61.5% of total office stock in Guangzhou. Future new supply should only amount to 472,800 sq m (5.09 million sq ft) between 2019 and 2022, representing a moderate increase of 14.7%. We believe rents in PRNC will keep growing steadily for the next five years, leading to a steady growth in Guangzhou's overall rent.

South China Snapshot

At the end of Q2 2018, the average Grade A rent was RMB245 (USD38.00) per sq m per month, an increase of 3.5 percent QOQ and 6.3 percent YOY. Luohu saw its rent rise by 1.6% QOQ, reaching RMB228 (USD35.20) per sq m per month in Q2 2018. The average rent in Futian increased 2.9 percent QOQ and 4.3% YOY to RMB281 (USD43.40) per sq m per month. Supported by heavy demand due to the technology sector's quick expansion, Nanshan saw its average rent rise 8.2% QOQ and 16.7% YOY to RMB204 (USD31.70) per sq m per month. A lack of convenient transport infrastructure has limited Qianhai's appeal to potential tenants, and the district's rent has dropped by 2.9% QOQ to RMB149 (USD23.00) per month per sq m. However, we expect rents in Qianhai to increase more rapidly when the major metro line starts operation in 2020.

We expect new quality office stock to push rents up further in H2 2018, with a full year increase of 8%. Considering the heavy new supply in the next two years, notably in Qianhai, we estimate the vacancy rate to rise significantly to 29% by 2019. However, over this time rents in Nanshan, Futian and Luohu districts should remain stable. The overall office rent should return to growth in 2020 as Qianhai should benefit from the completion of key infrastructure. Considering the moderate future supply in the Futian CBD, especially compared to Qianhai, tenants with larger space demands should enter the market soon.

新增供应于 2019 至 2022 年推出，仅占该子市场现有体量的 14.7%。我们相信珠江新城租金水平未来五年将保持平稳的增长态势，从而带动全市租金水平的缓和增长。

华南动态

截至 2018 年第二季度末，深圳市甲级写字楼市场的平均租金为每月每平方米 245 元，环比增长 3.5%，同比增长 6.3%。分区看，罗湖区 2018 年第二季度录得租金每月每平方米 228 元，环比增长 1.6%；福田区的平均租金同上季度比增长 2.9%，较去年同比攀升 4.3%至每月每平方米 281 元。南山区的甲级写字楼的平均租金，受科技公司快速扩张的需求支撑，环比增长 8.2%，同比增长 16.7%至每月每平方米 204 元。另一方面，前海因基础设施的未完善，目前对租户吸引力较为有限，其租金为每月每平方米 149 元，同上季度比下跌 2.9%。然而，前海租金走低的情势或在 2020 年主要地铁线路投入使用后有所改观。

我们预计新入市的高品质楼宇将在 2018 年下半年进一步推动租金上涨，实现年度同比增长 8%。而由于未来两年将有持续大量新增供应入市，尤其是前海，我们预测空置率将于 2019 年攀升至 29%。然而，南山、罗湖和福田的租金或将保持稳定。到 2020 年，受益于前海的重点基建项目的完成，深圳写字楼租金将重新拾起增势。由于未来新增供应趋于稳定，对福田核心商业区有大面积需求的租户应尽早入市。

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