

Knight Frank Asia-Pacific Prime Office Rental Index Q3 2018

Rental growth slows amidst rising trade tensions

26 November 2018, Singapore – Knight Frank, the independent global property consultancy, today launched its **Asia-Pacific Prime Office Rental Index for Q3 2018**. The index increased by 2.3% quarter-on-quarter and 6.4% year-on-year in the third quarter of 2018.

Results for Q3 2018

- The index showed slower growth, as office occupiers delayed significant real estate decisions amidst rising US-China trade tensions
- 18 out of the 20 cities tracked report stable or increased rental growth
- Rental growth in Sydney and Melbourne continues to be among the strongest in the region, recording further increases during the quarter to be up 14% and 7% over the past year respectively
- **Tokyo** recorded the highest increase this quarter at 5.6% on the back of strong occupier demand and limited supply

Ben Burston, Partner, Head of Research and Consulting, Australia, says, “Buoyant employment growth and subdued development activity continues to drive rental uplift in Sydney and Melbourne, which have recorded some of the strongest growth in the region over the past year. The level of supply scheduled to deliver in 2019 simply will not redress the imbalance, and this will continue to drive rents and motivate tenants to pursue densification strategies or consider emerging fringe markets where expansion can be more easily achieved.”

Asia-Pacific Prime Office Rents

City	Submarket(s)	3-month % change (Q2 2018 - Q3 2018)	Forecast next 12 months
Brisbane	CBD	0.7%	Increase
Melbourne	CBD	2.6%	Increase
Perth	CBD	0.2%	Same
Sydney	CBD	2.5%	Increase
Tokyo*	Central 5 Wards	5.6%	Same
Beijing	Various	0.7%	Increase
Guangzhou	CBD	0.3%	Increase
Shanghai	Puxi, Pudong	0.0%	Decrease
Hong Kong	Central	2.7%	Increase
Taipei	Downtown	0.0%	Increase
Seoul	CBD, GBD, YBD	-0.7%	Same
Bengaluru	CBD	0.4%	Increase
Mumbai	BKC	3.9%	Increase
NCR	Connaught Place	0.0%	Same
Phnom Penh	City Centre	0.1%	Same
Jakarta	CBD	0.0%	Same
Kuala Lumpur	City Centre	-0.2%	Decrease
Singapore	Raffles Place, Marina Bay	1.1%	Increase
Bangkok	CBD	0.0%	Increase

Manila	Various	0.8%	Decrease
--------	---------	------	----------

Source: Knight Frank Research / *Sanko Estate

END

To download the report, please click [here](#).

For further information, please contact:

Rebecca Sands, Director, PR & Communications, Australia

Rebecca.Sands@au.knightfrank.com +61 416 119 858

Notes to Editors

Knight Frank LLP is the leading independent global property consultancy. Headquartered in London, Knight Frank has more than 15,000 people operating from 418 offices across 60 markets. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. For further information about the Company, please visit www.knightfrank.com.