

Knight Frank Asia Pacific Prime Office Rental Index Bangkok, followed by Kuala Lumpur, tops prime office rental growth in Q1 2015

28 May 2015, Malaysia – Knight Frank Asia Pacific, the independent global property consultancy, today launches the *Asia-Pacific Prime Office Rental Index* for Q1 2015. The index increased 1.3% in the first quarter of 2015, and now sits 5.3% above its pre-crisis (Q2 2008) peak.

Results for Q1 2015

- Rental growth was experienced in 13 of the 19 markets tracked, with three recording no rental movement and three recording rental declines
- Northeast Asian powerhouses – **Seoul** and **Tokyo** – show similar headline growth figures for Q1 2015, but have significantly differing market characteristics and drivers
- Although vacancy is tightening in many markets, the Asia-Pacific regional vacancy rate increased on the back of rising inventories in **Greater China's** tier-one cities
- Over the next 12 months, we expect rents in 14 cities out of the 19 tracked to either remain steady or increase, which is in line with our previous forecasts

Mr Nicholas Holt, Head of Research for Asia Pacific, says, “In **Tokyo**, the structure of traditional Japanese leases (which prevents significant rental hikes), has held back rental growth to only 1.9% in a very tight market with little vacancy.”

City	Submarket(s)	3-month % change (Q4 2014-Q1 2015)
Bangkok	CBD	3.8%
Kuala Lumpur	City Centre	3.6%
Hong Kong	Central	3.2%
Seoul	CBD	2.3%
Tokyo*	Central 3 Wards	1.9%
Mumbai	BKC	1.6%
Sydney	CBD	1.0%
Guangzhou	CBD	1.0%
Taipei	Downtown	0.9%
New Delhi	Connaught Place	0.9%
Bangalore	CBD	0.8%
Phnom Penh	City Centre	0.6%
Singapore	Raffles Place, Marina Bay	0.6%
Brisbane	CBD	0.0%
Melbourne	CBD	0.0%
Jakarta	CBD	0.0%
Shanghai	Puxi, Pudong	-0.5%
Beijing	Various	-0.5%
Perth	CBD	-1.8%

Source: Knight Frank Research / *Sanko Estate

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Tweeter cue:

- #Bangkok registered highest [#RentalGrowth](#) in Q1 2015 [#AsiaPacific](#) [#PrimeOffice](#) [#Rental](#) Index <http://bit.ly/OfficeRent15Q1>
- #Perth registered lowest [#RentalGrowth](#) in Q1 2015 [#AsiaPacific](#) [#PrimeOffice](#) [#Rental](#) Index <http://bit.ly/OfficeRent15Q1>
- [#AsiaPacific](#) regional [#vacancyrate](#) increased on the back of rising [#inventories](#) in [#GreaterChina](#) tier-one cities. Read: <http://bit.ly/OfficeRent15Q1>

To download the report, please visit:

<http://www.knightfrank.com/research/asia-pacific-prime-office-rental-index-q1-2015-2911.aspx>

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Notes to Editors

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