



Q1 2010
二零一零年第一季度
SHANGHAI
PRIME OFFICES
上海甲级写字楼
Quarterly 季刊
Knight Frank 萊坊

HIGHLIGHTS

- Shanghai's market indicators continue to show signs of fast paced economic growth.
- The Shanghai Grade A office market did not see any new supply this quarter, with some projects postponing completion dates and further reducing the supply of new office space.
- During Q1, the Grade A office leasing market saw a 2.1 percentage point drop in vacancy rate from the previous quarter, resulting in a current rate of 12 percent. Banks and financial institutions remain the dominant tenants in Pudong's Lujiazui office buildings, with an increased presence of insurance companies. We also witnessed frequent tenancy movement on Nanjing West Road and Huaihai Middle Road in Puxi.
- Boosted by strong demand, the average rent of Grade A office space has increased 3.3 percent from the previous quarter to RMB 8.1 per square metre

per day. Jing'an continued to have the highest average rent for office space among the downtown districts.

- In the next quarter, Puxi is expecting four new major Grade A office projects to add more than 210,000 square metres of new supply to the total. We expect this new supply will cause an increase in the area's vacancy rates, while the city's Grade A office rental rates will remain stable for the rest of 2010.

焦点

- 上海的市场指标继续呈现经济快速增长的讯号。
- 本季度，部分项目将竣工时间延后导致写字楼楼面的供应量减少，上海甲级写字楼市场未见任何新供应。
- 第一季度，甲级写字楼租赁市场需求畅旺，空置率比上一季度下降2.1个百分点至百分之12。银行和金融机构仍构成浦东陆家嘴写字楼的主力租户，而保险公司的数量也有一定增加。在浦西，我们看到南京西路和淮海中路上的租赁活动较为活跃。
- 在旺盛需求的带动下，甲级写字楼的平均租金与上一季度相比，上涨百分之3.3至每天每平方米人民币8.1元。静安区在所有中心区域内继续录得租金最高。
- 下一季度，浦西预期将有四栋新的甲级写字楼竣工，为市场带来超过26万平方米的写字楼新供应，我们预计这些新供应将推高浦西的空置率，而全市甲级写字楼的租金将在2010年余下的时间内保持稳定。



Macroeconomic Indicators

Shanghai's economy stayed on its path of expansion this quarter, achieving a GDP of RMB 381.063 billion with a growth rate of 15 percent year-on-year. Fixed asset investments also stayed strong, reaching RMB 106.735 billion, 18.3 percent higher than in the same period of 2009. As a result of an active property market, investments in real estate reached RMB 42.091 billion, a 29.5 percent increase year-on-year, accounting for 39.4 percent of the fixed asset investment value. Foreign investment also maintained a steady increase. By the end of quarter one the city's utilized FDI reached USD 830 million, up 5.5 percent year-on-year.

Land Market

During Q1, the office land market experienced record high prices. Two major plots in the downtown Puxi area were sold in auction: the Bund 8-1 Plot and the Nanjing East Road 163 Plot, both located in Huangpu district. The Bund

8-1 plot delivers a gross floor area of 370,000 square metres, 70 percent of which is designated for office use. This plot was acquired by Zendai Property at a price of RMB 9.22 billion, which makes it the highest recorded total land price ever in Shanghai. The other plot, Nanjing East Road 163, was originally sold in 2007 to Nanjing Suning Development for RMB 4.4 billion but was returned to the government a year later. This February the plot was once again put on auction and this time it was jointly purchased by New Huangpu Group and Shanghai New World Group for RMB 3.41 billion, 22 percent less than the price it fetched about three years ago. The site includes 13,709 square metres in close proximity to metro line 2 and 10 stations and has been regarded as the most prime location in town in recent years.

Supply and Demand

While demand has remained strong and there has been a consistent increase in

market activity, Shanghai's Grade A office market did not see any new supply in the downtown area this quarter. What we did see was a rise in popularity for Grade A office space in the Pudong Lujiazui area, which has benefitted from the campaign to position it as a "Financial Centre". According to statistics, over 132 companies have chosen Pudong to set up their regional headquarters. Recent trends show banks and other financial institutions remaining the dominant tenants of the Lujiazui area, but insurance companies are starting to become an increasing presence in the area. One of the "Big Four" accounting firms, PricewaterhouseCoopers, leased 5,400 square metres of office space in Lujiazui One Tower while Bank of Communications Schroder Fund leased 4,900 square metres of space in IFC II. Saleable offices in Lujiazui have also achieved promising sales results. Pujiang Twin Towers and Bank of East Asia Finance Tower both recorded whole-storey

宏观经济

本季度上海经济保持平稳增长, 生产总值实现人民币3,810.63亿元, 比去年同期增长百分之15。固定资产投资保持上涨趋势, 完成投资总额人民币1,067.35亿元, 较去年同期上涨百分之18.3。近期房地产市场表现活跃, 房地产开发投资实现人民币420.91亿元, 与去年同期相比增长百分之29.5, 占固定资产投资额的百分之39.4。外商投资同样也表现良好, 截止至第一季度, 实际利用外资金额为美金8.3亿元, 同比上涨百分之5.5。

土地市场

本季度, 写字楼土地市场再次录得价格新高。浦西市中心区域有两幅土地拍卖成交: 一幅是外滩8-1地块, 另外一幅是南京东路163地块, 这两幅土地均位于黄浦区。外滩8-1地块总建筑面积为37万平方米, 规划表明其中百分之70的面积须为商办楼宇。该地块被证大集团以人民币92.2亿元的价格取得, 刷新了上海土地市场的总价记录。另一地块——南京东路163号地块, 早在2007年曾以人民币44亿元的价格出让给南京苏宁集团, 但在一年后苏宁将土地退还给政府。今年2月, 该地块再次挂牌拍卖, 并由新黄浦集团和上海新世界集团以总价人民币34.1亿元的价格共同摘得, 与3年前的出让价格相比, 价格下跌百分之22。该地块占地13,709平方米, 毗邻地铁2号线和10号线, 被认为是近年来土地市场上位置最好的地块之一。

Table 1 表一
Shanghai Economic Indicators in Q1 2010
2010年第1季上海主要经济指标

Economic Indicator 经济指标	Figure (Jan-Dec) 数值(1-12月)	YoY Change (%) 同比增长 (%)
GDP 生产总值	RMB 381.063 billion 人民币3,810.63亿元	↑ 15%
Fixed Asset Investment 固定资产投资	RMB 106.735 billion 人民币1,067.35亿元	↑ 18.3%
Real Estate Investment 房地产投资	RMB 42.091 billion 人民币420.91亿元	↑ 29.5%
Utilized FDI 实际利用外资	US\$ 830 billion 美元8.3亿元	↑ 5.5%
Consumer Price Index (CPI) 居民消费价格指数	102.1(same period of previous year=100, 去年同期=100)	-

Source: Shanghai Statistics Bureau, Knight Frank Research
数据来源: 上海统计局, 莱坊研究部

供应与需求

本季度上海市中心无甲级写字楼新供应, 需求保持旺盛, 市场表现活跃。在浦东, 尽管过去陆家嘴巨大的甲级写字楼供应给该区域带来不小招商压力, 但在上海建设“国际金融中心”的大力推动下, 该区域的写字楼普遍受到企业欢迎。据统计, 至今已有超过132家跨国企业在浦东设立了区域总部。银行和金融机构仍构成该区域写字楼的主要租户, 同时保险公司的数量也在稳步增加。四大会计事务所之一普华永道在时代金融中心承租写字楼面积约5,400平方米, 交银施罗德基金则租下了国际金融中心二期4,900平方米的面积。此外, 陆家嘴甲级写字楼的销售情况在本

季度也表现乐观, 浦江双辉大厦与东亚银行金融大厦都录得数单整层成交, 中国太平洋保险公司更是在太平洋金融中心购下6层写字楼楼面。

在浦西, 甲级写字楼市场同样活跃, 南京西路与淮海路区域均现频繁租赁活动。位于南京西路的会德丰广场再次将竣工时间延迟到下一季度。本季度更为优惠的净租金推进了该项目的预租进程, 并由此拉高该物业的预出租率。尽管如此, 由于静安区将在未来几个季度内迎来可观新供应, 项目招商仍有压力。截止至第一季度, 上海主要商务区甲级写字楼空置率较上季度进一步下滑2.1个百分点至百分之12。

Q1 2010 二零一零年第一季度 SHANGHAI PRIME OFFICES 上海甲级写字楼

Quarterly 季刊

sales transactions this quarter, while China Pacific Insurance Company acquired six stories in Pacific Finance Tower.

In Puxi, the Grade A office leasing market was also active with increased tenant movement in Nanjing West Road area and Huaihai Road area. Wheelock Square on Nanjing West Road further postponed its completion date until Q2. A more favorable net rental rate this quarter has led to considerable improvement in the property's pre-lease rate. Nevertheless, Jing'an district properties are still expecting a lot of pressure on the marketing front due to abundant new supply in the coming quarters. The quarter ended with a Grade A office (in major CBD areas) vacancy rate of 12 percent, a drop of 2.1 percentage point from the previous quarter.

Rents and Prices

Robust demand has caused an increase in Shanghai Grade A office rental rates for the first time since the financial crisis of late 2008. Rental rates reached RMB 8.1 per square metre per day this quarter, up 3.3 percent from last quarter. Even after this increase, rates are still more than 20 percent below the peak in 2008. Jing'an

租金与售价

旺盛的需求致使上海甲级写字楼的租金自2008年金融危机后第一次出现上涨。本季度，平均租金达到每天每平方米人民币8.1元，比上一季度上涨百分之3.3。尽管租金已经有所增长，但是与2008年的高峰期相比还是有百分之20的跌幅。各大商务区中静安的租金水平仍为各区最高。

在产权销售市场，一手写字楼成交量环比上涨百分之18至132,651平方米。上海主要区域产权写字楼的平均价格达到每平方米人民币39,600元，在销量上涨的支持之下，售价环比上升百分之11.5。

投资市场

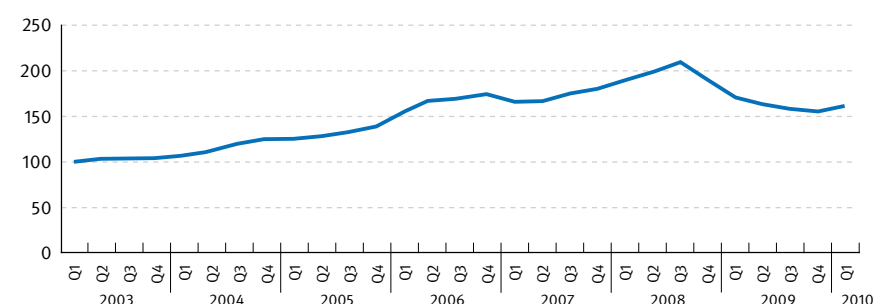
本季度，上海写字楼整购市场录得数宗成交。位于卢湾区太仓路的新茂大厦被CSI以人民币23.8亿的总价从SEB Immobilien手中购得，成交单价约为每平方米人民币55,000元，按目前租金水平来看，毛投资回报率约为百分之6.6。新茂大厦在上海的房地产整购市场上一直是比较知名的项目。2005年1月，来自新加坡的房地产开发商凯德置地首次将新茂大厦以9,800万美元出售给澳大利亚地产基金麦格理。收购后，麦格理对新茂大厦重新包装，将其英文名字改为Platinum Plaza。2006年12月，德国SEB Immobilien以2.5亿美元的价格收购了新茂大厦。不料，3年后，该项目又被转手于CSI。

continued to be the district with the highest average rental rates in the downtown area this quarter.

In the strata-title sales sector, the office transaction volume in urban districts has increased 18 percent from last quarter's

volume to 132,651 square metres. The average price of Shanghai strata-title offices in urban areas reached RMB 39,600 per square metre, increasing a significant 11.5 percent from last quarter.

Shanghai Grade A Office Rental Index, Q1/2003 to Q1/2010
上海甲级写字楼租金指数，2003年第1季度至2010年第1季度
Q1 2003=100



Source: Knight Frank Research
数据来源：莱坊研究部

Table 2 表二
Prime Office Market Indicators, Q1 2010
甲级写字楼主要市场指标，2010年第1季度

District 区域	Rent (RMB/sqm/day) 租金 (人民币/平方米/天)	% Change QoQ 环比	Vacancy Rate 空置率	% Change QoQ 环比
Huangpu 黄浦	7.4	↓ 1.4	11%	↓ 1.1%
Jing'an 静安	9.6	↑ 9.4	10%	↓ 3.7%
Luwan 卢湾	8.4	↑ 0.3	7%	↑ 0.5%
Pudong 浦东	7.4	↓ 3.9	21%	↑ 5.8%
Xuhui 徐汇	8.9	↑ 1.2	8%	↑ 1.3%
Changning 长宁	6.1	↓ 7.8	14%	↓ 6.3%

Source: Knight Frank Research
数据来源：莱坊研究部

过往，外资基金倾向于购买烂尾物业或者在建工程，并且在持有3至5年后再次出售。但过去5年中，新茂大厦的频繁转手和其他一些交易案例则表明情势在变，整购市场上出现了新趋势。现在，考虑到成熟物业的前景比较明朗，风险也已降至最低，外资基金更喜欢购买成熟物业，而持有物业的时间也越来越短。高腾大厦就是另外一个在短期内被频繁转手的物业案例。高腾大厦位于黄浦区福州路，在过去5年内已被转手两次，而目前又意欲再度整栋出售。外资的频繁转手与中国政府政策的不确定性有关。外资认为投资中国市场最大的风险性可能来自政策变动，未来市场的不确定性使他们缩短投资期限，只要回报合

理就愿意出手物业。而这种短期炒卖行为势必在一定程度上成为推高房价的因素之一。

未来展望

与过去大部分新供应集中在浦东的情况不同，2010年，浦东浦西的新供应量基本持平。浦西将迎来另一个供应高峰，静安和黄浦都将有新项目落成，分别为会德丰广场（静安）、华敏帝豪（静安）和恒基155项目（黄浦），这三个项目将为浦西区域带来超过21万平方米的新供应。由于大量新供应入市，我们可预见下季度浦西甲级写字楼的空置率将会上涨，但整体租金将保持稳定。



Investment market

Several major deals were concluded in the Shanghai Grade A office investment market this quarter. In Luwan district, CSI, from SEB Immobilien, acquired Platinum Plaza (formally known as Xinmao Tower) at a total price of RMB 2.38 billion, suggesting a unit price of RMB 55,000 per square metre with an estimated gross yield rate of 6.6 percent. Platinum Plaza has been a relatively famous project in Shanghai's office investment market due to the frequency at which it has changed hands. In January 2005, Singaporean real estate developer Capitaland first sold Xinmao Tower to Australian fund Macquarie at a total price of USD 98 million. After repackaging the project and changing the English name to Platinum Plaza, Macquarie sold to German SEB Immobilien at a total price of USD 250 million in December 2006. Three years later, Platinum Plaza was again offered for sale in the en-bloc sales market and finally sold to CSI this year.

Until recently, foreign funds tended to acquire distressed projects or projects that were under construction for favorable prices, and would usually hold the property for three to five years before offloading it. In the past five years things have changed and the frequent change of hands of Platinum Plaza and other transaction cases have indicated a new trend in the en-bloc investment sector. Foreign funds now tend to prefer mature projects with much shorter investment terms as they aim for better future return prospect and minimum risk. Cross Tower is another property that has undergone many transactions in a short period of time. Located on Fuzhou Road in Huangpu district, Cross Tower has changed hands twice in the past five years and is currently being offered again for en-bloc sales. This situation is partly due to regulatory uncertainty in China. Foreign funds think most of the investment risk in Mainland China comes from policy changes and therefore are more willing to sell projects once they get a satisfactory price. We believe this kind of short-term investment will become another price-driving factor in the Shanghai commercial property market.

Outlook

Unlike previous years in which the vast majority of new supply has been clustered in Pudong, 2010 will be a year where Puxi and Pudong see abundant new supply in similar proportions. Puxi will experience another peak of new office supply in Jing'an and Huangpu, all of which expect the completion of new projects in the

Table 3 表三

Selected Office Leasing Transactions, Q1 2010

写字楼租赁成交举例，2010年第1季度

District 区域	Building 项目	Floor 楼层	Area (sqm) 面积 (平方米)	Rent (RMB/sqm/day) 租金 (人民币/平方米/天)
Pudong 浦东	Aurora Plaza 震旦大厦	Low Zone 低区	1,248.87	7.5
Luwan 卢湾	The Centre 世纪商贸广场	Low Zone 低区	1,479.21	7.0
Xuhui 徐汇	The Exchange SOHO SOHO东海广场	High Zone 高区	250	7.7
Pudong 浦东	IFC 国金中心	Low Zone 低区	264	8.0
Pudong 浦东	Mirae Asset Tower 未来资产大厦	High Zone 高区	361	8.5

Source: Knight Frank Research
数据来源：莱坊研究部

Table 4 表四

Selected Office Sales Transactions, Q1 2010

写字楼市场主要买卖成交，2010年第1季度

District 区域	Building 项目	Unit 单元	Area (sqm) 面积 (平方米)	Price (RMB/sqm) 成交价格 (人民币/平方米)
Luwan 卢湾	Platinum Plaza 新茂大厦	En-bloc 整栋	43,374	55,000
Huangpu 黄浦	Asia Mansion 亚洲大厦	14/F 14层	104.5	39,679
Jing'an 静安	Haiyin International Tower 海银国际大厦	15/F 15层	406.78	42,430
Pudong 浦东	Bank of East Asia Finance Tower 高宝金融大厦	36/F 36层	1,222.57	59,992
Xuhui 徐汇	Huixin International Tower 汇鑫国际大厦	18/F 18层	501.74	35,432
Changning 长宁	Hongqiao Yindu 虹桥银都	5/F 5层	213.80	35,000

Source: Knight Frank Research
数据来源：莱坊研究部

first half of 2010. Wheelock Square and Huamin Imperial Tower in Jing'an district and Henderson 155 Project in Huangpu district will all reach completion during 2010, adding more than 210,000 square metres to Puxi's stock. As a result, we expect an upward trend in vacancy rates and predict rental rates will remain stable in the next quarter in response to the massive quantities of supply.

RESEARCH



Americas

Bermuda
Brazil
Canada
Caribbean
Chile
USA

Australasia

Australia
New Zealand

Europe

Belgium
Czech Republic
France
Germany
Hungary
Ireland
Italy
Monaco
Poland
Portugal
Romania
Russia
Spain
The Netherlands
UK
Ukraine

Africa

Botswana
Kenya
Malawi
Nigeria
South Africa
Tanzania
Uganda
Zambia
Zimbabwe

Asia

Bahrain
Cambodia
China
Hong Kong
India
Indonesia
Macau
Malaysia
Singapore
Thailand

Shanghai research contacts

Regina Yang

Head of Research & Consultancy
+86 21 6445 9968
regina.yang@cn.knightfrank.com

Joy Huang

Analyst, Research & Consultancy
+86 21 6445 9968
joy.huang@cn.knightfrank.com

Other research contacts

Greater China

Xavier Wong

Director, Head of Research
+852 2846 4819
xavier.wong@hk.knightfrank.com

Beijing

Paul Lin

Head of Research & Consultancy
+86 10 8518 5758
paul.lin@cn.knightfrank.com

General enquiries

East & Central China

Andrew Slevin

Executive Director
+86 21 6445 9968
andrew.slevin@cn.knightfrank.com

North China

Mark Sullivan

General Manager
+86 10 8518 5758
mark.sullivan@cn.knightfrank.com

South China

Alex Ng

Executive Director
+852 2846 9596
alex.ng@hk.knightfrank.com

Knight Frank Research provides strategic advice, consultancy services and forecasting to a wide range of clients worldwide, including developers and investors, as well as financial and corporate institutions. All recognise the need for the provision of expert independent advice, customised to their specific needs.

Our worldwide research reports are also available at KnightFrank.com.cn

© Knight Frank 2010

This report is published for general information only. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no legal responsibility can be accepted by Knight Frank Research or Knight Frank for any loss or damage resultant from the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank in relation to particular properties or projects. Reproduction of this report in whole or in part is allowed with proper reference to Knight Frank Research.



Newmark
Knight Frank
Global