Asia Pacific Office Market Insights

February 2026

Contents

Positioned for momentum. Guided by strategy.

2026 is shaping up as a year of steady momentum for Asia Pacific's office markets. Across the region's key 11 markets, including Australia, Mainland China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, South Korea and Taiwan, demand and supply are largely moving in tandem, with occupiers re-engaging and competition beginning to sharpen, particularly in prime assets. As vacancy tightens in select locations, the focus is increasingly shifting to quality.

This outlook builds on the momentum that was maintained throughout 2025. India, Mainland China and Japan continued to set the pace, anchoring regional demand. In parallel, supply activity picked up across most markets, reshaping choice and reinforcing a more competitive landscape. Australia, New Zealand, Philippines and Singapore are poised for potential rental upticks, signaling broader re-engagement across the region.

What is clear is that occupiers are becoming more selective. Across Asia Pacific, there is a growing preference for high-quality, modern office spaces, as businesses align real estate decisions more closely with performance, resilience and business goals. As the market continues to rebalance, the next phase of the cycle will be defined less by volume and more by strategy.

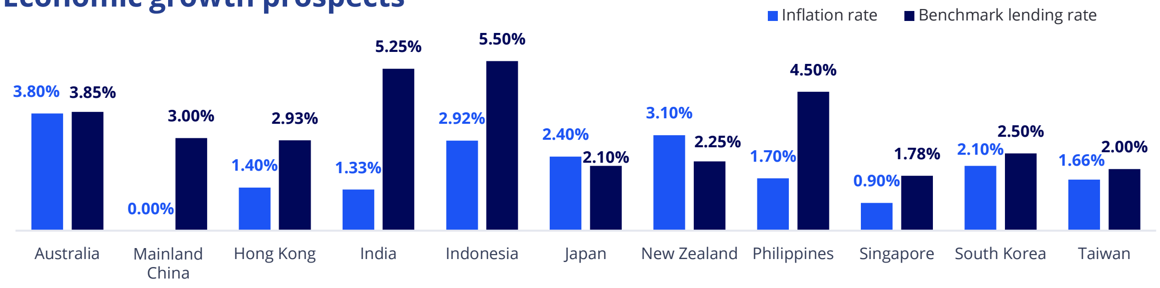
MIKE DAVIS
Managing Director, Occupier Services
Asia Pacific

"We are seeing occupier momentum across Asia Pacific holding firm. With competition increasing in prime assets and vacancy tightening in key markets, occupiers are becoming more deliberate and strategic about how, where and when they secure space."

Economic overview

- Although GDP growth across the key APAC markets is moderating amid ongoing trade frictions and weaker global demand, the region continues to outperform other major regions and supports global economic expansion.
- Inflation across the APAC region remains relatively muted or within target levels for most economies, driving consumption and domestic growth.
- After a period of extended rate cuts, most central banks are now expected to remain cautious, with limited room for further easing of monetary policy.
- Investor and business confidence is improving modestly, with firms anticipating growth and liquidity improvement in 2026, though geopolitical risks and trade uncertainties continue to temper optimism.

Economic growth prospects



Source: Industry, Colliers Note: Inflation rates shown reflect the most recent data available from individual countries' official statistical agencies as of Dec 2025. Benchmark lending rates indicate the latest policy rates as determined by the central banks of respective economies

Economic growth prospects

GDP Growth Rates across APAC Markets (2025 & 2026F)

Source: Oxford Economics | Real GDP growth YoY %

Office market update

- The APAC office market recorded robust demand in 2025, with total leasing activity across the 11 markets reaching 9.8 million sqm, an 11% YoY increase, supported by overall business confidence and occupier portfolio expansion.
- Although leasing volume was primarily concentrated in India, Mainland China and Japan, the growth in demand during 2025 was notably strong in markets such as the Philippines, New Zealand and Hong Kong. Meanwhile, markets such as South Korea, Taiwan and Indonesia recorded relatively muted activity.
- Office supply closely followed demand, registering a 19% annual growth. India, Mainland China and Singapore drove the bulk of supply additions, accounting for about 82% of the supply during the year.
- During H1 2026, demand and supply are expected to remain healthy, underpinned by strong occupier expansion and preference for high-quality, future-ready office spaces. Overall vacancy levels are likely to decline across most markets. This, combined with sustained interest in prime assets, is likely to drive average rentals upwards.

Stock
203.4 Mn Sqm

Vacancy
15.0%

Demand
▲ H22025 5.3Mn sqm 14%
▲ 2025 9.8Mn sqm 11%

Supply
▲ H22025 4.8Mn sqm 7%
▲ 2025 9.6Mn sqm 19%

Outlook H1 2026
▲ Supply ▲ Demand
▼ Vacancy ▲ Rentals

Office Investments
▲ H2 2025 US$ 30.2 Bn 27%
▲ 2025 US$ 58.6 Bn 21%

Source: Industry, Colliers Note: : The above figures include aggregate data from 11 markets across Asia Pacific. Data pertains to Grade A office buildings. YoY- Year on Year, Arrows indicate % change compared to the same period last year, H2 2025 includes data for the Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. Office investment data comprises of 9 markets, excluding Indonesia and the Philippines.

Demand Supply Ratio (DSR)
2025 APAC Markets

Source: Colliers Note: DSR is the ratio of net demand to net supply for 2025. A ratio greater than 1 reflects demand outpacing supply and vice versa. The former broadly indicates the direction of the market, leaning towards landlords during the period under review and vice versa NA- Not applicable since net supply for the 2025 was 0 for Indonesia.*

Key takeaways

Philippines, New Zealand and Hong Kong gain leasing momentum

Philippines, **New Zealand** and **Hong Kong** registered significant leasing momentum with each recording multifold rise in leasing demand during 2025.

In absolute terms, **India**, **Mainland China** and **Japan** continued to anchor the regional demand, collectively accounting for about 90% of the total 9.8 million sqm office demand during 2025.

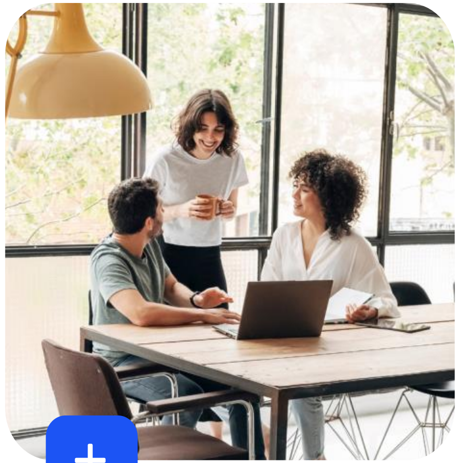
Eight out of 11 markets register annual rise in supply

Eight out of the 11 markets saw an increase in supply during 2025, leading to a 19% YoY increase at 9.6 million sqm across the top 11 APAC markets. **India** alone accounted for about half of the supply followed by **Mainland China** with 21% share.

Demand and supply to continue to gain traction in H1 2026

Office demand and supply across most APAC markets are expected to remain firm during H1 2026 supported by strong space uptake in key markets. Vacancy levels are anticipated to decline in most markets with demand expected to remain strong.

Additionally, high-performing markets with positive demand, limited supply and declining vacancy across submarkets in 2025, such as **Australia, India, New Zealand, Philippines and Singapore,** are likely to witness an uptick in rental values.



Institutional investments in office segment rose 21% YoY

Institutional investments across nine markets, being Australia, China, Hong Kong, India, Japan, New Zealand, Singapore, South Korea and Taiwan, rose 21% to USD$58.6bn during 2025. **South Korea** and **Japan** collectively accounted for 57% of the overall investments in the segment, while **India** saw the highest rise in investments on an annual basis with a 94% rise during the year.

+ APAC Office markets

OFFICE MARKET UPDATE

Australia

Closing out of the supply cycle signals vacancy relief ahead

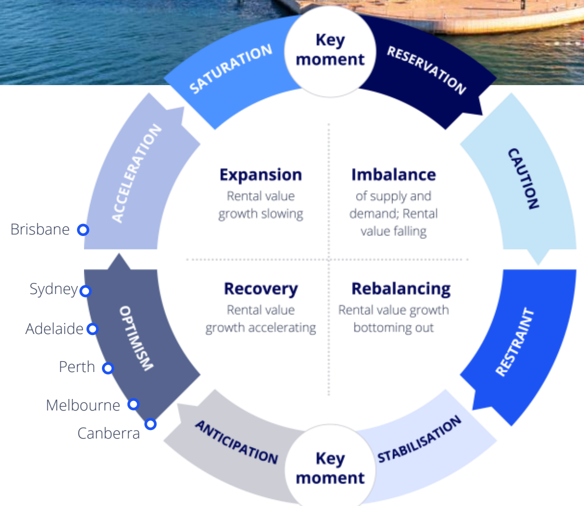
Key Insights (2025)

- New supply for 2025 reached 420,000sqm, 24% below the 10-year annual average. This will ease to 50% in 2026 signaling an end to the current supply cycle.
- Supply has continued to impact vacancy, but underlying net demand remains positive for prime grade.
- Driven by low availability in higher end space, Prime-grade CBD net effective rental growth has reached a five-year high, delivering its strongest result since Q4 2019 at 6.0%.

Rental and vacancy trends across key markets (Year end 2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Adelaide	▼ 15.5%	▲ US $31.3
Brisbane	▲ 11.8%	▲ US $53.9
Canberra	▲ 10.2%	▲ US $27.0
Melbourne	▲ 19.0%	▲ US $46.6
Perth	▲ 16.9%	▲ US $40.6
Sydney	▲ 13.8%	▲ US $70.8

Arrows indicate YoY change. Average prime net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects prime local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▼ Supply	▲ Demand
▼ Vacancy	▲ Rentals

GDP

▲ 2025 1.9%
▲ 2026F 2.4%

Stock
12.7Mn sqm

Vacancy
14.5%

Demand

▲ H2 2025 0.16 Mn sqm
▲ 2025 0.25Mn sqm

Supply

▲ H2 2025 0.21Mn sqm
▲ 2025 0.42Mn sqm

Office Investments

H2 2025 US$ 3.4Bn 52% ▲
2025 US$ 5.1Bn -12.4% ▼

Note: Above figures include prime grade across CBD office markets tracked by PCA (Sydney, Melbourne, Brisbane, Adelaide, Perth, Canberra,). Total Market All grades H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to the same period last year.

OFFICE MARKET UPDATE

Mainland China

Demand weakened, supply pressure pushed up vacancy rate

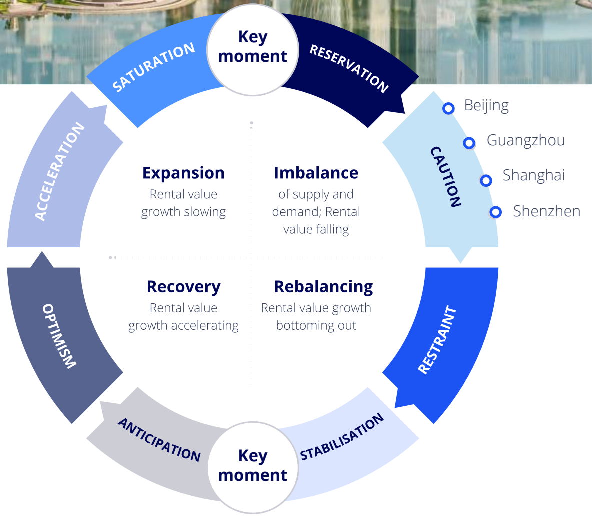
Key Insights (2025)

- In 2025, the mainland China market maintained positive net absorption, but total net absorption has decreased compared to 2024. Meanwhile, supply saw an uptick, leading to a 1.5pps YOY rise in the year-end vacancy rate to 22.2% against the end of 2024.
- The vacancy rates of the four cities all stood at elevated levels. Coupled with the absence of a notable rebound on the demand side, market rental rates continued to trend downward.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Beijing	▼ 19.2%	▼ US $37.1
Guangzhou	▲ 20.6%	▼ US $20.3
Shanghai	▲ 21.9%	▼ US $27.2
Shenzhen	▲ 27.9%	▼ US $22.9

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲ Supply ▲ Demand
▲ Vacancy ▼ Rentals

GDP
— 2025 5.0%
▼ 2026F 4.7%

Stock 49.3Mn sqm

Vacancy 22.2%

Demand
▲ H2 2025 0.78Mn sqm
▼ 2025 1.26Mn sqm

Supply
▲ H2 2025 1.10Mn sqm
▲ 2025 1.99Mn sqm

Office Investments
H2 2025 US$ 2.97Bn -22% ▼
2025 US$ 7.56Bn -7% ▼

Note: Above figures include aggregate data from 4 markets across Mainland China - Beijing, Guangzhou, Shanghai and Shenzhen. H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to the same period last year

OFFICE MARKET UPDATE

Hong Kong

Diminishing supply pipeline to underpin a sustained vacancy recovery

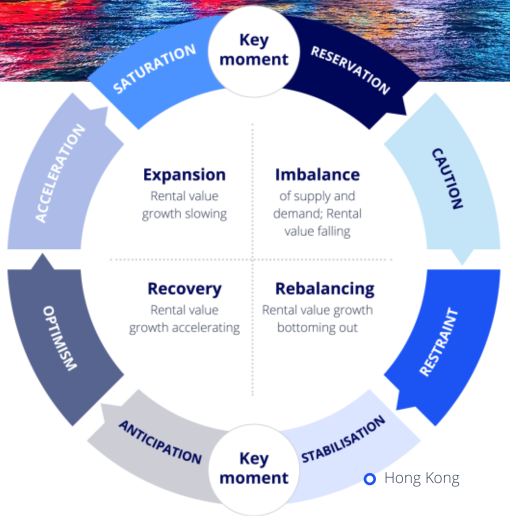
Key Insights (2025)

- Office market sentiment improved notably during H2 2025. After a subdued first half, a buoyant stock market and increased IPO activity helped restore momentum, prompting financial and professional services firms to expand their office footprints.
- Annual net take-up reached 0.16 million sqm, marking the highest level since 2018 and approximately four times the 2023–24 average.
- Rents moderated in H2 2025. Although, Grade A office rents fell 5.8% for the full year, the pace of decline slowed significantly in the second half.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Hong Kong	▲ 17.5%	▼ US $73.8

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

- ▼ Supply
- — Demand
- — Vacancy
- ▼ Rentals

GDP

- ▲ 2025: 3.4%
- ▼ 2026F: 2.7%

Stock: 7.9Mn sqm

Vacancy: 17.5%

Demand

- ▲ H2 2025: 0.15Mn sqm
- ▲ 2025: 0.16Mn sqm

Supply

- ▲ H2 2025: 0.21Mn sqm
- ▲ 2025: 0.25Mn sqm

Office Investments

- H2 2025: US$ 1.93Bn ▲ 71%
- 2025: US$ 3.10Bn ▲ 70%

Note: Above figures include aggregate data from Hong Kong city only. H2 2025 includes data for Jul- Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. YoY- Year on Year, Arrows indicate % change compared to the same period last year

OFFICE MARKET UPDATE

India

Growing demand pushes India's office market to new highs in 2025

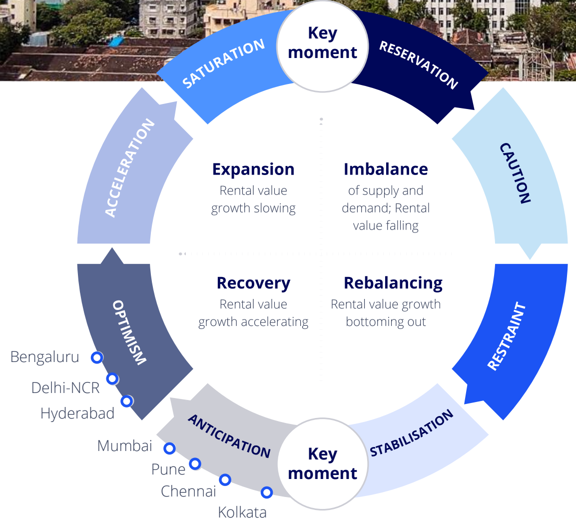
Key Insights (2025)

- India's office market continued to scale up in 2025, with Grade A office leasing across the top seven cities touching 6.64 million sq m, an 8% YoY growth.
- With demand outpacing supply in 2025, overall vacancy levels fell by 50 basis points annually, while average rentals strengthened by up to 15% YoY across major cities.
- Leasing momentum is expected to stay strong in H1 2026, driven by GCC growth and changing occupier strategies, supported by evolving priorities around quality, tech and sustainability.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Bengaluru	▲ 15.5%	▲ US $12.0
Chennai	▼ 14.6%	▲ US $9.4
Delhi-NCR	▼ 15.9%	▲ US $14.5
Hyderabad	▲ 24.2%	▲ US $10.6
Kolkata	▲ 16.0%	▲ US $7.3
Mumbai	▼ 7.9%	▲ US $20.7
Pune	▲ 22.3%	▲ US $10.2

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲	Supply	—	Demand
▼	Vacancy	▲	Rentals

GDP

▲ 2025 7.7% ▼ 2026F 6.7%

Stock 78.7 Mn sqm

Vacancy 16.2%

Demand

▲ H2 2025 3.51 Mn sqm ▲ 2025 6.64 Mn sqm

Supply

▲ H2 2025 2.94 Mn sqm ▲ 2025 5.24 Mn sqm

Office Investments

H2 2025 US$ 3.8Bn >100% ▲ 2025 US$ 4.5Bn 94% ▲

Note: Above figures include aggregate Grade A data from 7 markets across India- Bengaluru, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai and Pune. H2 2025 includes data for the Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to same period last year

OFFICE MARKET UPDATE

Indonesia

Strengthening demand reinforces landlords' confidence in rental strategies

Key Insights (2025)

- Demand has stabilised, driven primarily by relocation activity into Grade A buildings offering competitive rental packages.
- The flight-to-quality trend remains strong, with multinational occupiers showing a clear preference for green-certified buildings equipped with advanced facilities.
- Location is becoming an increasingly critical demand driver, particularly for buildings with close proximity to mass rapid transit stations.
- Technology and Energy (including Mining, Oil & Gas) have emerged as the most active occupier groups in the current market.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Jakarta	▼ 22.9%	▲ US $14.3

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.

Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲ Supply	▲ Demand
▼ Vacancy	▲ Rentals

GDP

2025	2026F
— 5.1%	▲ 5.3%

Stock	Vacancy
5.3 Mn sqm	22.9%

Demand

H2 2025	2025
▲ 0.024 Mn sqm	▼ 0.066 Mn sqm

Supply

H2 2025	2025
▼ 0 Mn sqm	▼ 0 Mn sqm

Office Investments

H2 2025	2025
N/A	N/A

Note: Above figures include aggregate data from the CBD area of Jakarta only. H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to the same period last year

OFFICE MARKET UPDATE

Japan

Tight market conditions expected to persist

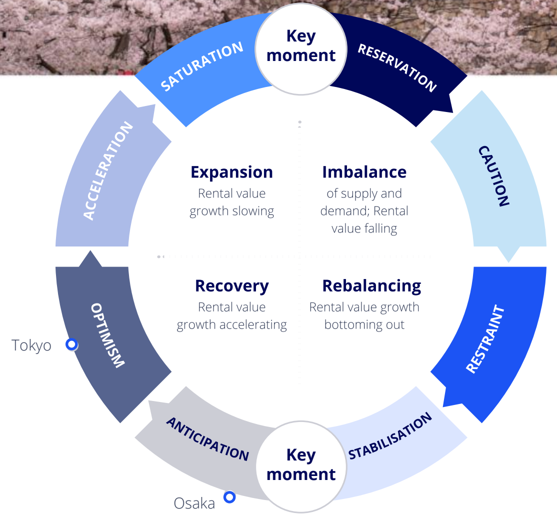
Key Insights (2025)

- Intensifying competition for talent acquisition is driving strong demand for prime, high-grade offices in major cities, pushing Tokyo's vacancy rate towards historic lows.
- Rising construction costs have curtailed new supply in regional cities, whilst Tokyo's higher rental levels continue to support development viability with large-scale projects expected through at least 2029.
- With existing Tokyo stock largely absorbed, relocations are now heading for under-construction buildings, accelerating pre-commitment activity for projects completing from 2026 onwards and sustaining tight market conditions.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Tokyo	▼ 1.3%	▲ US $70.85
Osaka	▼ 2.9%	▲ US $37.27

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲ Supply   ▲ Demand
▼ Vacancy   ▲ Rentals

GDP
▲ 2025 1.2%   ▼ 2026F 0.7%

Stock
29.1Mn sqm

Vacancy
1.7%

Demand
▼ H2 2025 0.4Mn sqm   ▲ 2025 0.9Mn sqm

Supply
▼ H2 2025 0.1Mn sqm   ▼ 2025 0.5Mn sqm

Office Investments
H2 2025 US$ 5.3Bn 23% ▲   2025 US$ 14.1Bn 16% ▲

Note: Above figures include aggregate data from 2 markets across Japan, Osaka and Tokyo CBDs. H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to the same period last year

OFFICE MARKET UPDATE

New Zealand

A thriving market set for multi-year growth and expansion

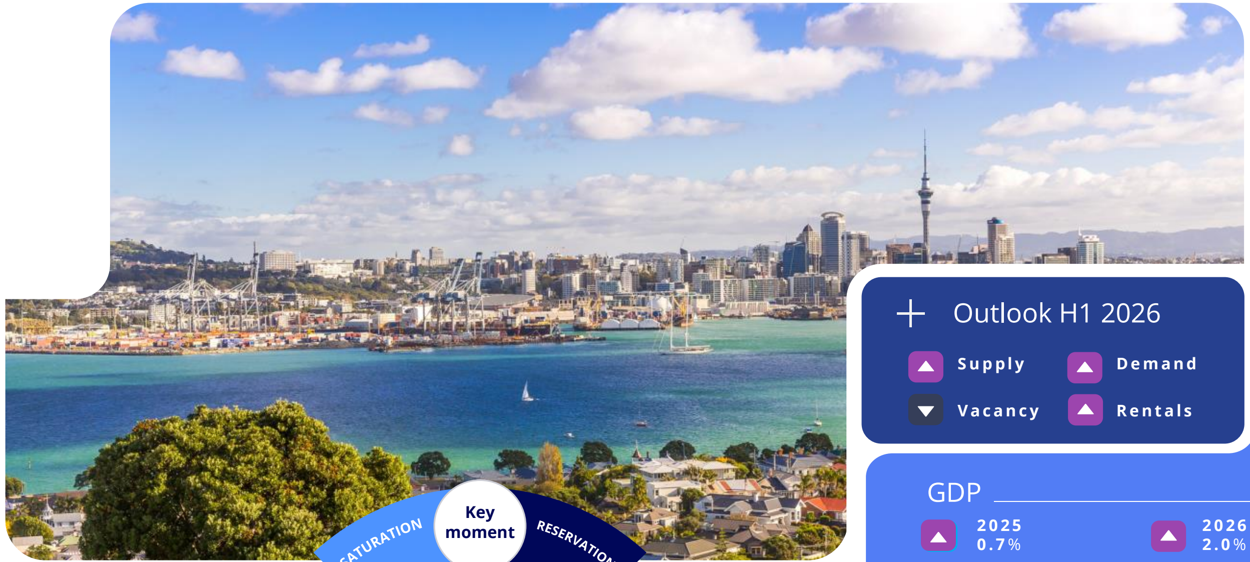
Key Insights (2025)

- Interest rates are low and stable, supporting economic expansion and boosting market activity. Investors and developers are confident about the outlook, with transactions increasing and a number of significant developments beginning in the year ahead.
- Tenant demand has favoured prime properties for many years. In Auckland, disruptions due to the construction of New Zealand's first underground train network are easing. The City Rail Link (CRL) will open in 2026 and cause a shift in demand patterns across the city.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Auckland	▲ 8.5%	▲ US $31.5
Wellington	▲ 7.5%	▲ US $30.2

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for prime properties, the YoY movement reflects local market trends. Vacancy rates are for prime grades only.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲ Supply ▲ Demand
▼ Vacancy ▲ Rentals

GDP

▲ 2025 0.7% ▲ 2026F 2.0%

Stock 1.2Mn sqm

Vacancy 8.1%

Demand

▼ H2 2025 0.06Mn sqm ▲ 2025 0.10Mn sqm

Supply

▲ H2 2025 0.07Mn sqm ▲ 2025 0.11Mn sqm

Office Investments

H2 2025 US$ 0.2571 Bn 70.3% ▲ | 2025 US$ 0.344 Bn 25% ▲

Note: Above figures include aggregate data from CBD areas of 2 markets across New Zealand, Auckland and Wellington. H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025 YoY- Year on Year, Arrows indicate % change compared to the same period last year.

OFFICE MARKET UPDATE

Philippines

Improving fundamentals point to a market in recovery

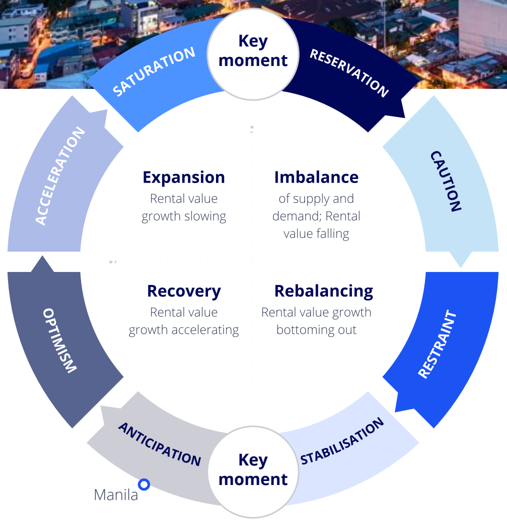
Key Insights (2025)

- Vacancy improved YOY, driven by sustained transaction activity from traditional and outsourcing firms.
- About 0.25 million sqm of new office space was completed in 2025. In 2026, we expect the same level of new supply to come in Metro Manila.
- Rents marginally increased YOY due to improved office transactions and sizeable take-up across major business districts. In 2026, we project rents in primary CBDs to see modest growth as vacancies in these locations enter single-digit territory.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Manila	▼ 22.7%	◄► US $11.7

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for Grade A only.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

▲ Supply	▲ Demand
▼ Vacancy	▲ Rentals

GDP

2025	2026F
▲ 4.5%	▲ 5.4%

Stock 5.4Mn sqm

Vacancy 22.7%

Demand

H2 2025	2025
▲ 0.19Mn sqm	▲ 0.31Mn sqm

Supply

H2 2025	2025
▲ 0.11Mn sqm	▲ 0.25Mn sqm

Office Investments

H2 2025	2025
N/A	N/A

Note: Above figures include aggregate data from Metro Manila only
H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. YoY- Year on Year, Arrows indicate % change compared to the same period last year

OFFICE MARKET UPDATE

Singapore

Rental growth momentum to persist on limited supply and strong fundamentals

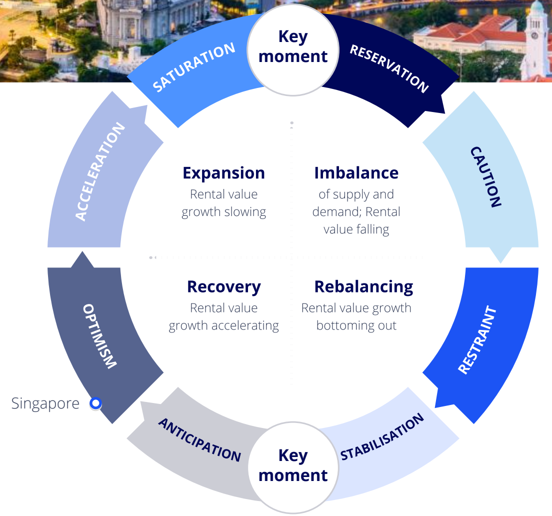
Key Insights (2025)

- Core CBD Premium and Grade A rents rose 1.2% YoY to S$11.82 per sq ft.
- Vacancy tightened to 4%, with net absorption around 70,000sqm in 2025, reflecting strong take-up.
- Office investments increased by 59% to US$3.4billion supported by two large transactions – a 33% stake of MBFC Tower 3 and a 55% stake of CapitaSpring.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Singapore	▼ 4.0%	▲ US $99

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

Supply — | Demand ▼
Vacancy ▼ | Rentals ▲

GDP
▲ 2025 4.7% | ▼ 2026F 4.5

Stock 1.9 Mn sqm | **Vacancy** 4.0%

Demand
▼ H2 2025 0.02Mn sqm | — 2025 0.07Mn sqm

Supply
▼ H2 2025 0.00Mn sqm | ▲ 2025 0.65Mn sqm

Office Investments
H2 2025 US$ 2.1Bn 141% ▲ | 2025 US$ 3.4Bn 59% ▲

Note: Above figures include data from Singapore city only. H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. YoY- Year on Year, arrows indicate % change compared to the same period last year.

OFFICE MARKET UPDATE

South Korea

Grade A office demand remains strong along with considerable supply infusion

Key Insights (2025)

- The vacancy rate increased in the second half of 2025 as more tenants relocated to the outskirts of Seoul amid an absence of new supply.
- However, this vacancy is expected to be absorbed soon, supported by strong demand for Grade A assets.
- In 2026, a slight uptick in the vacancy rate is likely due to the significant volume of new supply scheduled for completion in the CBD.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Seoul	▲ 3.3%	▲ US $54.51

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.

Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

- ▲ Supply
- — Demand
- ▲ Vacancy
- ▲ Rentals

GDP

▼ 2025 0.9% | ▲ 2026F 2.0%

Stock

9.2Mn sqm

Vacancy

3.3%

Demand

▲ H2 2025 0.017Mn sqm | ▲ 2025 0.012Mn sqm

Supply

▼ H2 2025 0.0Mn sqm | ▼ 2025 0.11Mn sqm

Office Investments

H2 2025 US$ 9.6Bn ▼ 0.1% | 2025 US$ 19.4Bn ▲ 23.7%

Note: Above figures include aggregate data from CBD, GBD and YBD areas of Seoul H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. YoY- Year on Year, Arrows indicate % change compared to the same period last year

Taiwan

Maintaining rental momentum amid a mild increase in vacancy

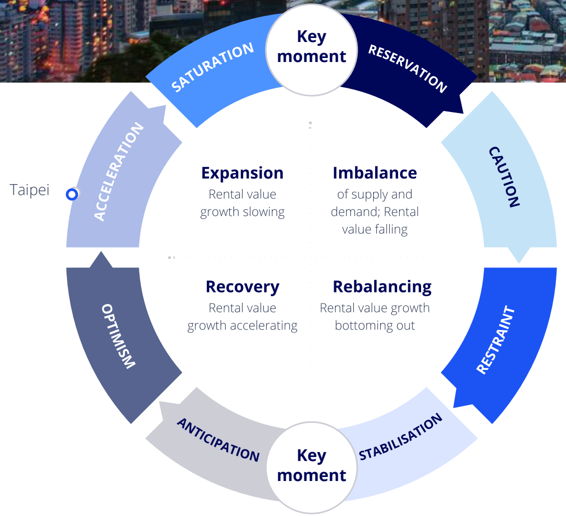
Key Insights (2025)

- Total supply continues to increase with 0.12mn sqm new supply released in 2025, vacancy rates have risen slightly.
- Leasing momentum remains primarily driven by the technology sector, accounting for 67% of the new leases.
- 2025 set the stage for increased supply addition, with vacancy rates beginning a gradual climb. More new supply will come starting in 2026, we expect the market absorption will face pressure, and rental growth is expected to moderate.

Rental and vacancy trends across key markets (2025)

Cities	Total vacancy rate (%)	Average rent (US $/sqm/month)
Taipei	▲ 9.7%	▲ US $26.8

Arrows indicate YoY change. Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes. While rental values are presented in USD for standardisation, the YoY movement reflects local market trends. Vacancy rates are for all grades.



Office markets: Rental property cycle 2025

Source: Colliers | Propertycycle represents stage office market in respective city

Outlook H1 2026

- ▲ Supply
- — Demand
- ▲ Vacancy
- ▲ Rentals

GDP
- ▲ 2025: 7.3%
- ▼ 2026F: 3.6%

Stock: 2.69Mn sqm

Vacancy: 9.7%

Demand
- ▲ H2 2025: 0.02Mn sqm
- ▼ 2025: 0.04Mn sqm

Supply
- ▲ H2 2025: 0.09Mn sqm
- ▲ 2025: 0.12Mn sqm

Office Investments
- H2 2025: US$ 0.8Bn 403% ▲
- 2025: US$ 1.0Bn 1% ▲

Note: Above figures include data from Taipei city only
H2 2025 includes data for Jul-Dec 2025 period. 2025 numbers include data for Jan-Dec 2025. YoY- Year on Year, Arrows indicate % change compared to the same period last year

Methodology

This report provides an overview of key office markets across 11 countries in the APAC region, focusing on the performance of Grade A and prime assets in major cities.

The market assessment is based on a combination of quantitative and qualitative parameters. On the quantitative front, the key metrics include demand (absorption), supply, rentals and vacancy rates. This is overlayed with a qualitative outlook for the upcoming quarter, including an indicative direction of the rental movement (represented in the form of a rental property clock). These parameters are aggregated to provide a comprehensive assessment of the APAC office market, along with an indicative outlook at the regional level.

Stock: Refers to the total existing inventory of Grade A office space.

Demand: Measured as the net absorption of Grade A office spaces within the reporting quarter. This metric captures the incremental space occupied, accounting for both new take-up and the net effect of relocations and exits. Notably, it excludes lease renewals, pre-commitments and deals that are only in the letter of Intent stage to ensure accuracy in reflecting active space utilisation.

Supply: Pertains to the net supply during the quarter across the Grade A market.

Vacancy rate: Pertains to the share of Grade A office space that is available for lease.

Rentals: Average net face rents are in USD per sqm per month for warm shell offices and do not include common area maintenance (CAM) or taxes.

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Colliers

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