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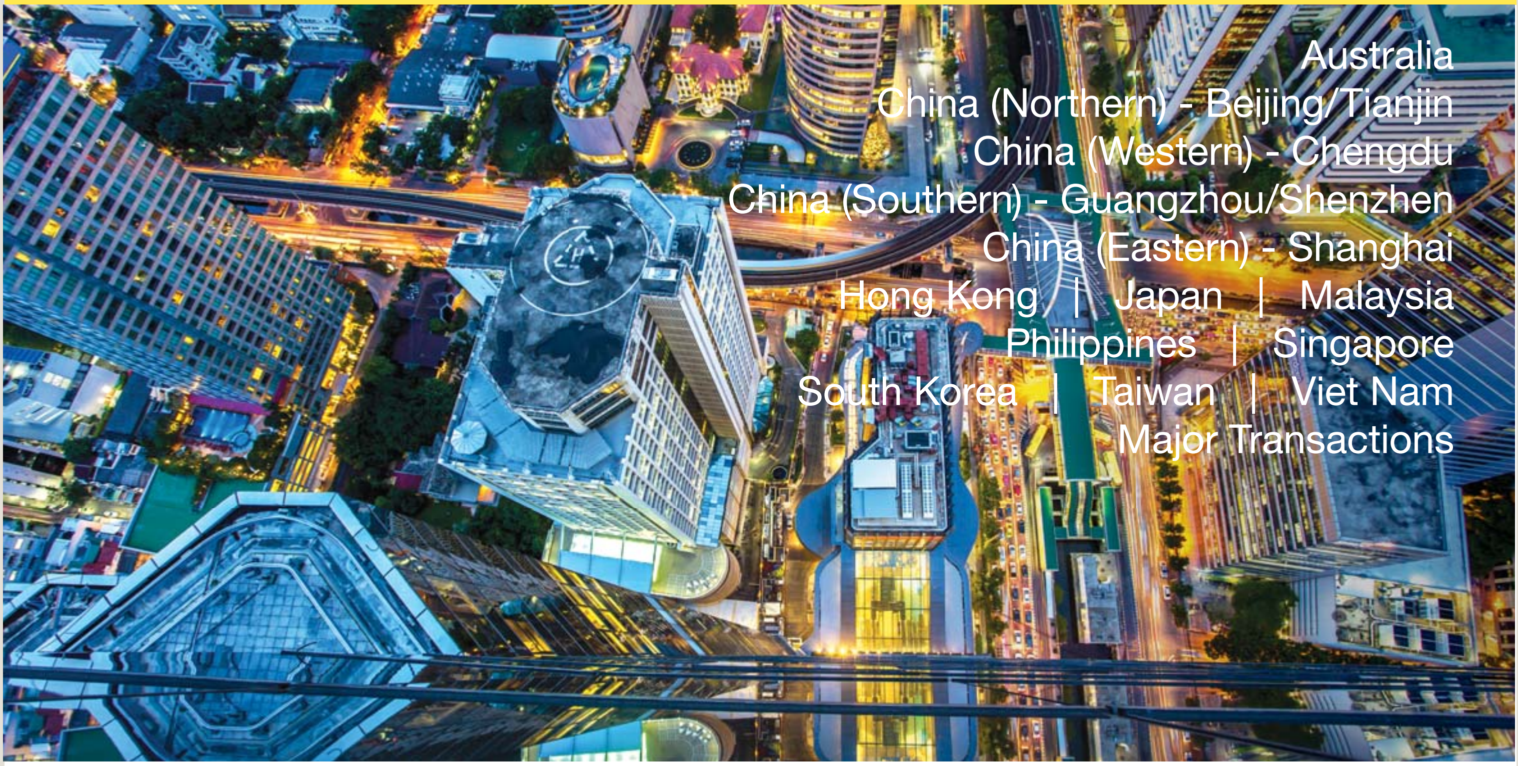
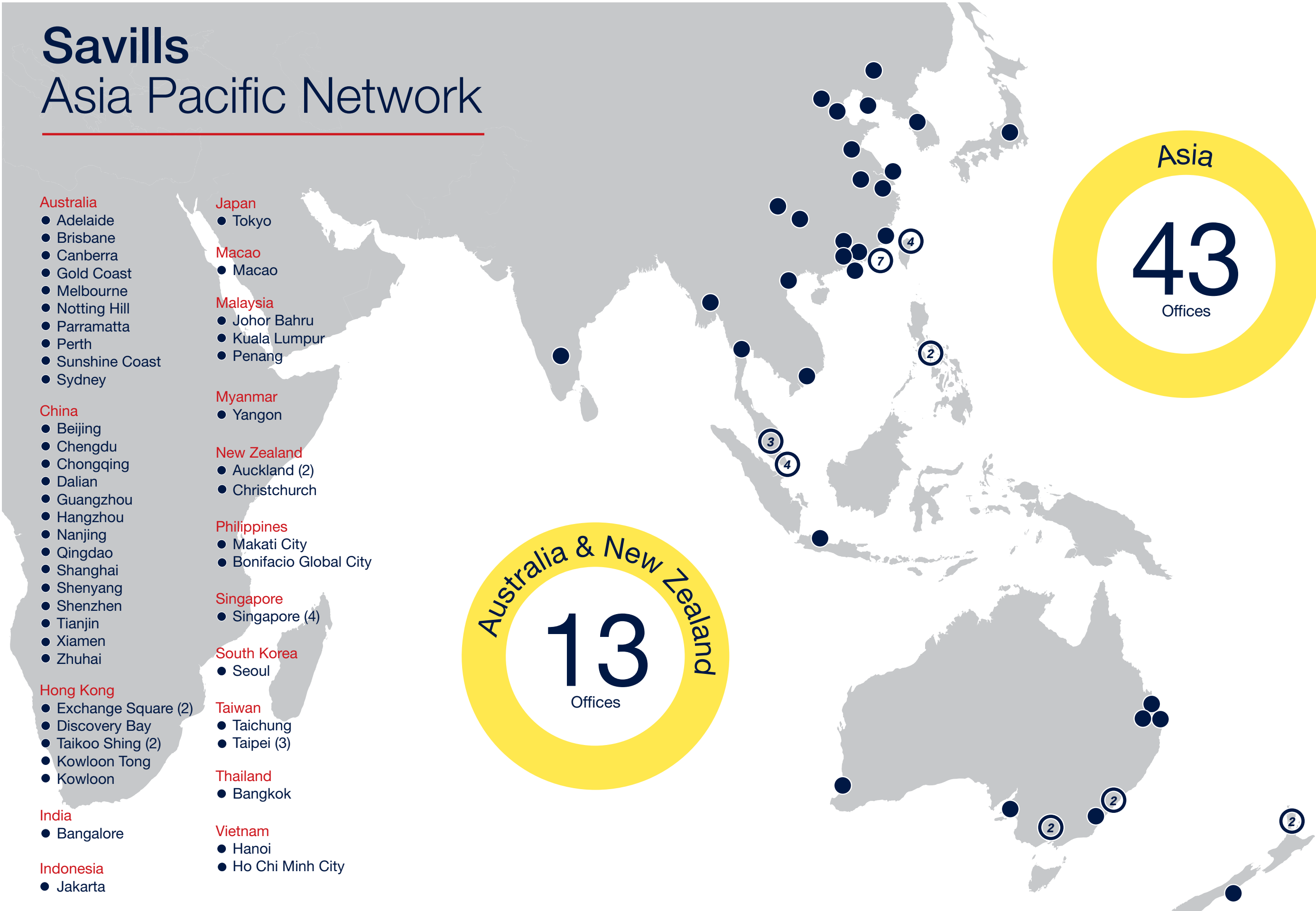


HIGHLIGHTS

The Japanese economy has started to show signs of recovery from the consumption tax hike of 1 April 2014, though with expected fluctuations due to the potential debt crisis in Europe. In general, however, real estate transactions volumes have remained strong so far this year, and further expansion of the market is expected. With over AU$28 billion of transactions in the past twelve months Australia's commercial property market continues to be a popular destination for both domestic and foreign capital. In Korea, the Bank of Korea lowered the benchmark interest rate to an historical low of 1.5% in June and more investment activity is expected in the second half. The investment market has started to heat up in China after a sluggish 2014 with a number of large deals near to closing, including large ticket items and prime assets along with distressed developer portfolio purchases. In Hong Kong, stock market volatility has introduced a note of uncertainty into the investment environment but it is still too early to identify any far reaching implications. In Singapore, big ticket commercial asset transactions will determine whether investment sales this year will perform substantially better than last year.

Simon Smith, Savills Research

An introduction to Savills



Source: Savills Research & Consultancy

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company, established in 1855, has a rich heritage with unrivalled growth. The company now has over 600 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

In Asia Pacific, Savills has 56 regional offices comprising over 22,000 staff.Asia Pacific markets include Australia, China, Hong Kong, Indonesia, Japan, Korea, Macau, Malaysia, New Zealand, Taiwan, Thailand, Singapore and Viet Nam, with associate office in the Philippines. Savills provides a comprehensive range of advisory and professional property services to developers, owners, tenants and investors. These include consultancy services, facilities management, space planning, corporate real estate services, property management, leasing, valuation and sales in all key segments of commercial, residential, industrial, retail, investment and hotel property.

A unique combination of sector knowledge and entrepreneurial flair gives clients access to real estate expertise of the highest calibre. We are regarded as an innovative-thinking organisation supported by excellent negotiating skills. Savills chooses to focus on a defined set of clients, offering a premium service to organisations and individuals with whom we share a common goal. Savills is synonymous with a high-quality service offering and a premium brand, taking a long-term view of real estate and investing in strategic relationships.

Contents

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Population growth has a large effect on both demand and pricing of residential property. Since 2002, Australia has been enjoying above average levels of population growth. As part of Federal Government policy to deal with the ageing of the population, Australia is undergoing the largest population growth of any country in the world and the largest in the history of the country. This trend has been underway since 2002 and continues today.

The variable home loan interest rate is undoubtedly one of the biggest factors affecting residential property capital values. The onset of the global financial crisis, an economic slowdown and lower demand for credit, has seen home loan interest rates break their cyclical lows to be around 5% currently. Total lending for housing in Australia has increased from AU$70 billion in 1991 to over AU$1,000 billion today.

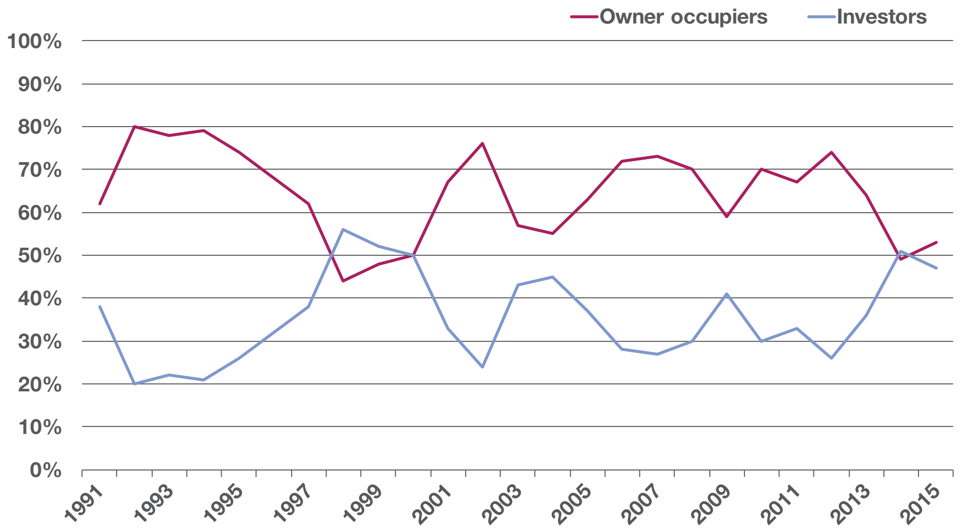
Not all lending is for owner-occupied housing; lending for investment also forms a substantial part of the lending market. There have been periods where lending to investors has exceeded loans to owner occupiers. The period from 1998 to 2001 is of particular note. That period caused a great deal of consternation with policy makers and politicians and resulted in a tightening of credit and of interest rates. Interestingly we are now back in an environment where lending to investors makes up 50% of all lending. There are a number of factors at work here including limits placed on superannuation contributions. Also of interest has been the introduction of macro-prudential lending controls introduced by the banks in concert with APRA and the Reserve Bank of Australia.

Nevertheless, demand exceeds supply for housing in both Melbourne and Sydney. The latest immigration numbers show both cities receiving around 60,000 people a year. Add to this number interstate migration as people return from the mines and seek jobs, as well as the natural population increase in each city, and we can see that demand for housing remains strong.

The price of housing is being influenced by a number of factors including wages, wealth, interest rates, housing loan terms, size of dwelling, tax and benefit treatment of housing and demographic factors. Many of these factors are contributing to a rise in prices for dwellings. Some of these factors may be regarded as reaching their peak which has led many commentators to forecast the end of the latest surge in prices. This may well prove to be the case; however, this does not lead us to believe there will be a fall in prices, rather a period of consolidation. A move to smaller dwellings would assist affordability (dwelling sizes have grown 40% over the past 20 years).

GRAPH 1

Melbourne residential - bank lending by type (% share), 1991–2015



Source: RBA, Savills Research

TABLE 1

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
310-322 Pitt Street	Sydney	AU$200.0 mil/US$154.0 mil	Propertylink JV Goldman Sachs JV Grosvenor Group Holdings	Office
201 Pacific Hwy	St. Leonards	AU$115.0 mil/US$88.6 mil	Abacus Property Group JV Goldman Sachs	Office
707 Anzac Parade	Maroubra	AU$137.0 mil/US$105.5 mil	Charter Hall	Retail
8 Central Avenue	Eveleigh	AU$220.0 mil/US$169.4 mil	Centuria Capital Ltd JV SEB Asset Management	Office
Capalaba Central Shopping Centre	Capalaba	AU$148.5 mil/US$114.4 mil	Shayher Property Group	Retail
K1 Office Tower	Brisbane	AU$130.0 mil/US$100.1 mil	Impact Investment Group	Office
Waterfront Place - Eagle Street Pier	Brisbane	AU$635.0 mil/US$489.0 mil	Dexus Group & Dexus Wholesale Fund	Office/retail
Myer Centre	Adelaide	AU$288.0 mil/US$221.8 mil	Starhill Global REIT	Retail

Source: Savills Research & Consultancy

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After a year-long slide, Beijing's housing market has begun to see signs of recovery. The launch of a series of stimulation policies in late 2014, followed by the loosening of home purchasing restrictions and cutting of interest rates this year, appears to be having a positive effect on the market, with both a spike in transaction volumes and prices witnessed in Q2/2015.

The impact of the new policies was evident with Q2/2015 posting a significant improvement in results; after three consecutive quarters of decline, the first-hand residential price index rose 2.1% quarter-on-quarter (QoQ). Reflecting returning confidence in the market, transaction volumes rose 24.7% QoQ to around 1.9 million sq m, bringing the year-to-date (YTD) volume to approximately 3.5 million sq m.

Meanwhile, developers are accelerating the launch of their high-end projects onto the market, looking to capitalise on the recent loosening of policies along with capturing the new-found wealth created by the surprising performance of the Chinese stock market over recent months.

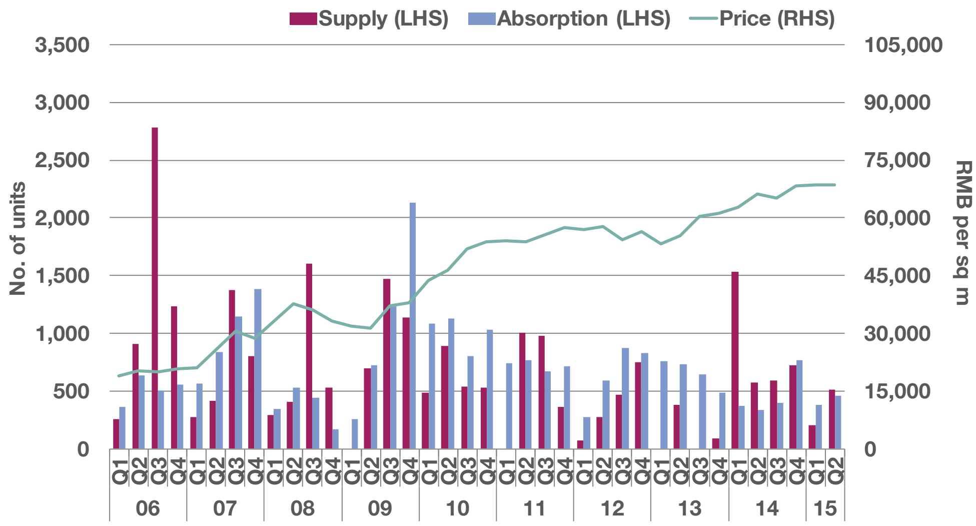
As a result, the Grade A apartment market saw three new projects enter the sales market in Q2/2015, contributing a total of 510 units to the market. Transaction volumes rose 21.7% QoQ and 35.7% year-on-year (YoY) to 460 units in the second quarter. Meanwhile, Grade A apartment prices remained relatively stable at RMB68,529 per sq m, representing a YoY growth of 3.6%. Reflecting strong demand from high net-worth individuals (HNWI), the highest transaction price of the quarter went to a unit at Wanliu Academy (万柳书院), achieving approximately RMB131,000 per sq m.

The high-end villa market welcomed a significant amount of new supply in Q2/2015, with nine projects entering the market offering a total of 729 units. The highest pre-sales price was over RMB200,000 per sq m. Absorption witnessed a slight increase, up 3.1% QoQ. With price sensitivity not a key concern for buyers in this market, prices continued to soar, up 12.1% QoQ and 14.2% YoY to an average of RMB56,189 per sq m.

The remaining half of 2015 is expected to see the high-end residential market welcome an influx of supply, largely backed by developers accelerating launch schedules to capitalise on the growing pool of HNWIs. The high cost of residential plots in the high-end residential market is also expected to see accommodation values continue to soar. Backed by heavy demand from HNWIs, it is also anticipated the high-end market will continue to move towards the era of averages of over RMB100,000 per sq m. Strong appetite is also expected to result in absorption rates mildly increasing over the short- to mid-term, largely as a result of the loosening of housing purchasing restrictions and new-found wealth from the recent performance of the stock market.

GRAPH 2

Beijing first-hand Grade A apartment market supply, absorption and price, Q1/2006–Q2/2015



Source: Savills Research & Consultancy

TABLE 2

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Daxing New Town North Plot	Daxing district	RMB970 mil/US$156.46 mil	Gelei Technology	Mixed-use
Panggezhuang Town Plot	Daxing distrcit	RMB2.41 bil/US$388.73 mil	Chuangfuchengzhan Investment, Tianhengzhiyuan Real Estate & Yongtongchang Real Estate	Mixed-use
Yongfeng Plot	Shangdi	RMB5.64 bil/US$909.73 mil	Langyuan Property	Residential
Lize Road	Fengtai district	RMB5.04 bil/US$812.95 mil	Pingxuan Investment	Commercial
Xiaotun West Road Shanty Town	Fengtai district	RMB4.86 bil/US$783.5 mil	Beijing Urban Construction Real Estate	Residential

Source: Savills Research & Consultancy

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Tianjin's land market showed signs of recovery in the second quarter (after a quiet first quarter), with both supply and transaction volumes rising. 51 land plots, totalling 2.16 million sq m, were launched onto the market in Q2/2015, up 72% QoQ; approximately 42% was concentrated in suburban areas.

33 land plots were transacted in Q2/2015, totalling 1.24 million sq m, with the majority located in the suburban and fringe locations. Transaction volumes for Q2/2015 stood at RMB13.43 billion, twice as much as last quarter, mainly due to the greater contribution from higher-priced land in the city centre.

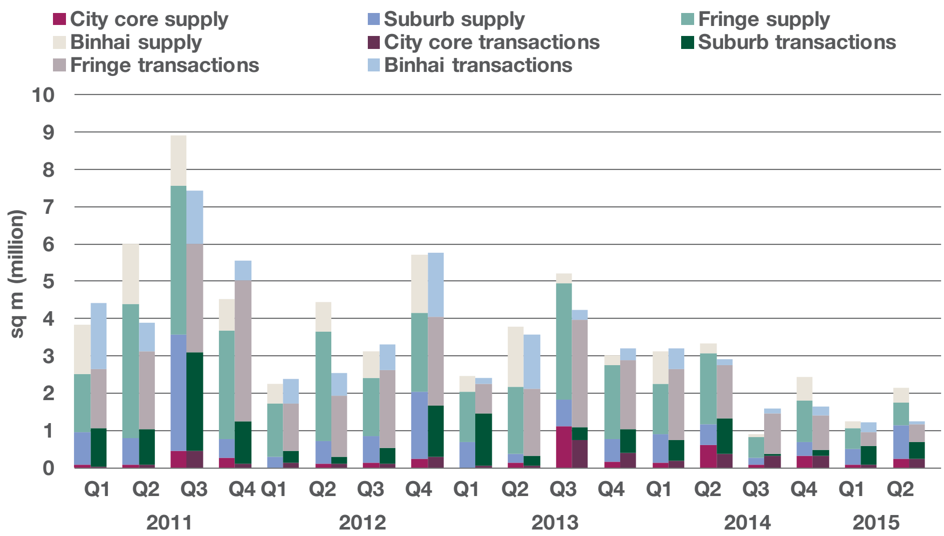
Tianjin Realty Development (Group) Co. Ltd. was especially active in the past month, acquiring six land plots (totalling 422,000 sq m) for a total consideration of RMB7.6 billion in the city centre. The well-known residential developer expanded its portfolio by purchasing two land plots in the Hebei district and three in the Hexi district, all zoned for residential use with supporting retail and education components.

Three residential-zoned plots located in the Binhai New Area CBD, covering 83,000 sq m, were acquired by Tianjin Binhai New Area Construction and Investment Group Co. Ltd. in Q2/2015 for a total consideration of RMB1.43 billion, with a premium of 86% over reserve price. The Binhai New Area CBD, located in the Tianjin Free Trade Zone and one of the most favoured destinations in Tianjin for renowned domestic and multinational companies, has attracted greater attention from both home buyers and investors. This can be attributed to favourable policies in effect in the FTZ, which is also expected to promote increased transactions in both the housing and land markets.

Tianjin is expected to accelerate real estate development in the city centre in the coming years, including Haihe Riverside, Jiefang Road and Meijiang in the Hexi district, Tiantuo neighbourhood in the Nankai district, and Jinbin Road in the Hedong district. Additionally, the government also encourages the bidding for, and acquisition of, land plots by joint ventures, while the requirement that the bidders inject 100% capital into the project company have been reduced, with the requirement now being 51%. Additionally, the payment of the land consideration now has been relaxed to within 6-12 months of land acquisition. It is hoped that these measures will give developers greater flexibility on new land plot acquisitions, while also spreading the risk and cost associated with new developments.

GRAPH 3

Land supply and transaction volumes, Q1/2011–Q2/2015



Source: Savills Research & Consultancy

TABLE 3

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Plot 2015-050 (JBT)	Hebei district	RMB1.37 bil/US220.7 mil	Tianjin Realty Development Group Co. Ltd	Mixed-use
Plot 2015-060 (JXT)	Hexi district	RMB1.25 bil/US$201.4 mil	Tianjin Real Estate Investment Co. Ltd	Mixed-use
Plot 2015-057 (JXZ)	Hexi district	RMB2.22 bil/US$357.6 mil	Tianjin Real Estate Dingxin Co. Ltd	Mixed-use
Plot 2015-04/05/06 (JBZ)	Binhai New Area	RMB1.43 bil/US$230.4 mil	Tianjin Binhai New Area Construction and Investment Group Co. Ltd	Mixed-use

Source: Savills Research & Consultancy

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By the end of 2015, Grade A office stock is expected to reach 2.89 million sq m. As a result, vacancy rates are likely to increase and the supply will continue to exceed demand. Amid fierce competition, the focus is not only on facilities but also value-added services.

On 13 May 2015, the Chengdu China Overseas Commercial Real Estate Company held an opening ceremony for the COLI International Center. In order to compete within the market, the project includes a "cloud business centre".

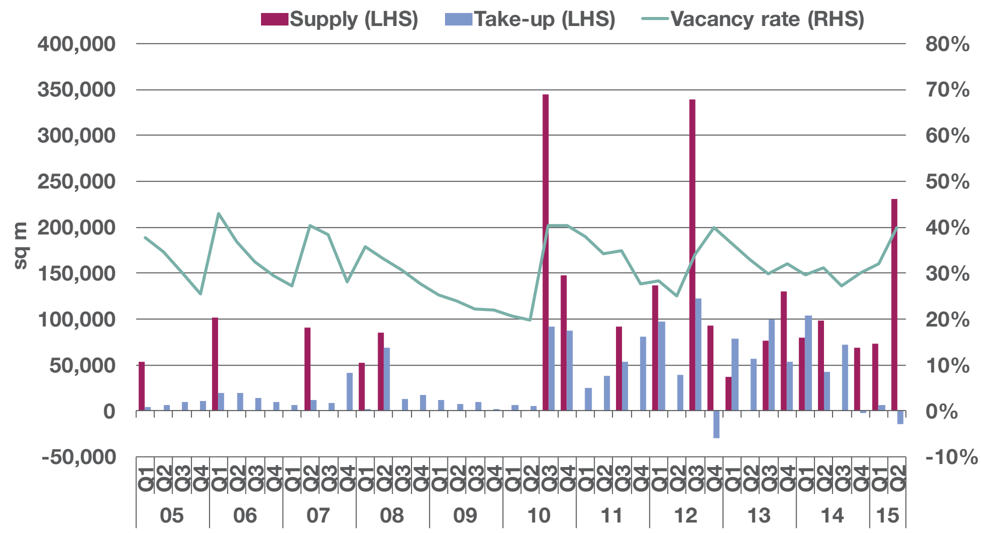
The cloud business centre is an integrated online platform provided within the COLI International Centre, aiming to integrate offline resources with an online platform. The platform is divided into two parts: "Enterprises Manager" and "White-collar Life". "White-collar Life" includes personal services, such as online delivery and car services, as well as added benefits for tenants of the centre ranging from meal discounts to personal financing assistance. "Enterprises Manager" caters more to business needs and includes basic online concierge services such as online payments and priority reservations, as well as benefits such as group discount purchasing and consultancy services. Companies co-operating with China Overseas include South Beauty, Audi and InterContinental Hotels and Resorts.

China Overseas also aims to combine government-related services into its cloud business centre. The company will not only pool its resources from the real estate market to provide one-stop services, but also negotiate with the government to provide more beneficial policies for their tenants. By doing this, the company aims to provide higher quality services for both established companies and start-ups alike. The Global Service Plan has also been created through the integration of services from companies across China, such as hotels and restaurants, to provide value-added services to tenants.

China Overseas commercial real estate is a leader in the upgrade and transformation of the office market and other well-known developers, such as Greenland Group, are also integrating online service platforms. Value-added service systems with the internet as the medium are being more accepted by traditional developers; however intelligent platforms need developers with a wide variety of resources.

GRAPH 4

Grade A office supply, take-up and vacancy rates, Q1/2005–Q2/2015



Source: Savills Research & Consultancy

TABLE 4

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Plot CH06	Chenghua district	RMB1.78 bil/US$286 mil	Beijing Capital Land	Mixed-use
Plot JN05	Jinniu district	RMB1.17 mil/US$188 mil	The Beijing Urban Construction Chengdu Real Estate Co. Ltd	Mixed-use
Plot SLG-(21)	Shuangliu county	RMB224 mil/US$36 mil	Dalian Wanda Commercial Properties Co. Ltd	Mixed-use

Source: Savills Research & Consultancy

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A new e-commerce industrial park is expected to be built in the Pazhou district, an area located to the south-west of Guangzhou, in an effort to attract an increasing number of e-commerce companies to the area. According to the local government's plan, the park is expected to span 2.1 sq km with eighteen land plots housing office headquarter buildings.

On 28 May, ten of the 18 land plots were released onto the market by the Guangzhou land resources and urban planning committee. The ten released plots sold for a total consideration of RMB9.7 billion with an accommodation value between RMB13,000 and RMB18,000. At least 70% of the office space of each plot is required to be self-use, while the rest can be sold or held for leasing purposes. The companies involved in the land auction were required to meet certain criteria to participate, namely either being on China's Fortune 500 list or have earned revenue upwards of RMB10 billion in 2014.

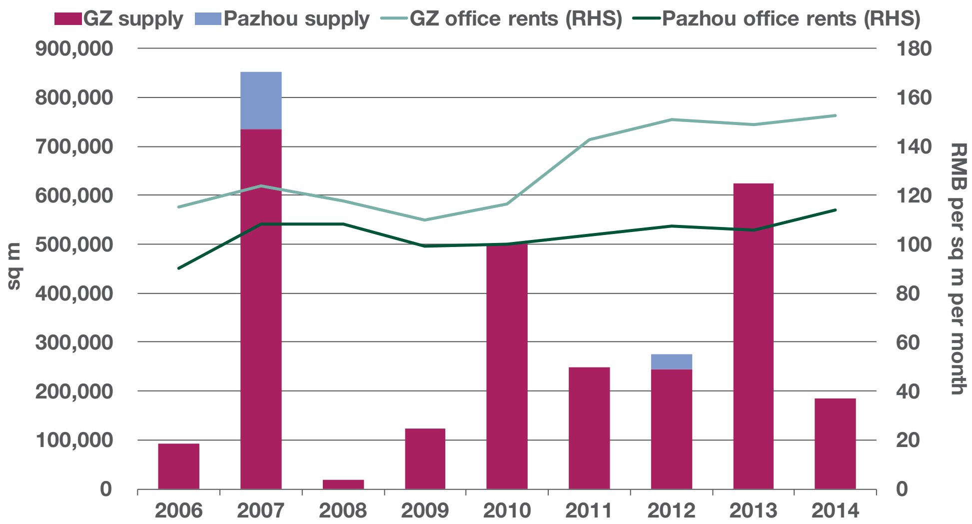
Additionally, six of the ten land plots were assigned directly for e-commerce companies. Only a small number of leading companies in the field are expected to qualify for the bidding round, namely Tencent, Alibaba Group and Suning Commerce Group. The local government recently claimed that top e-commerce and internet companies, such Alibaba and Vipshop, were showing great interest in the park and may be looking to establish their China headquarters or southern China offices in the e-commerce park.

However, the auction of a land plot located nearby the e-commerce industrial park in 2010 was eventually suspended due to a lack of response resulting from the strict requirements. Despite this, the government shows significant determination to focus on internet-related industries such as companies specialising in big data, Internet of Things and 3D printing. However, due to the fast growth of e-commerce and internet industries during recent years, the government may achieve satisfactory results at the land auction, while strict requirements may lead to lower transaction prices.

As well as the Pazhou e-commerce industrial park, Guangzhou is planning a further nine e-commerce industrial zones in other areas such as Baie Tan area in the Liwan district and in Huangpu district. While Pazhou will serve as a base for headquarters, the Huangpu district will be more focused towards the logistics side of the business, having already welcomed Amazon's south China distribution centre in 2014. The Baie Tan area is currently still in the planning stages, but is also expected to target e-commerce companies.

GRAPH 5

Pazhou Grade A office market, 2006–2014



Source: CRIC, Savills Research & Consultancy

TABLE 5

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Tian Sheng Ming Yuan	Tianhe district	RMB384 mil/US$61.9 mil	Hsin Chong Construction Group	Retail
Aite City	Luogang	RMB2.5 bil/US$395 mil	Yuexiu Property	Residential
Guangzhou 2015-0429	Tianhe district	RMB4.4 bil/US$712.9 mil	Cindare Property	Mixed-use
Guangzhou YH-A3-0 plot	Huangpu district	RMB2.3 bil/US$366.1 mil	Vanke Group	Residential
Guangzhou YH-K1-3 plot	Huangpu district	RMB347 mil/US$55.9 mil	Guangzhou Fengshi Real Estate	Residential
Guangzhou YH-K2-1 plot	Huangpu district	RMB284 mil/US$45.8 mil	Guangzhou Fengshi Real Estate	Residential

Source: Savills Research & Consultancy

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Over the last year China's real estate investment growth has begun to slow, prompting the government and central bank to release a series of stimulus plans in September 2014. Consequently, Shenzhen became the first of 70 major cities monitored for signs of recovery on the residential market.

Many of the new stimulus steps took effect this year with February seeing the central bank cut base interest rates further and ease lending restrictions. In March 2015, one of the most important policies was put into effect. Informally known as the "330 policy", it stipulated decreases to mortgage down payments for existing Shenzhen homeowners from 60% to 40%, as well as a waive of the sales tax for second-hand properties if the seller has owned it for more than two years. Supply and demand both witnessed an upward trend after the "330 policy" took effect.

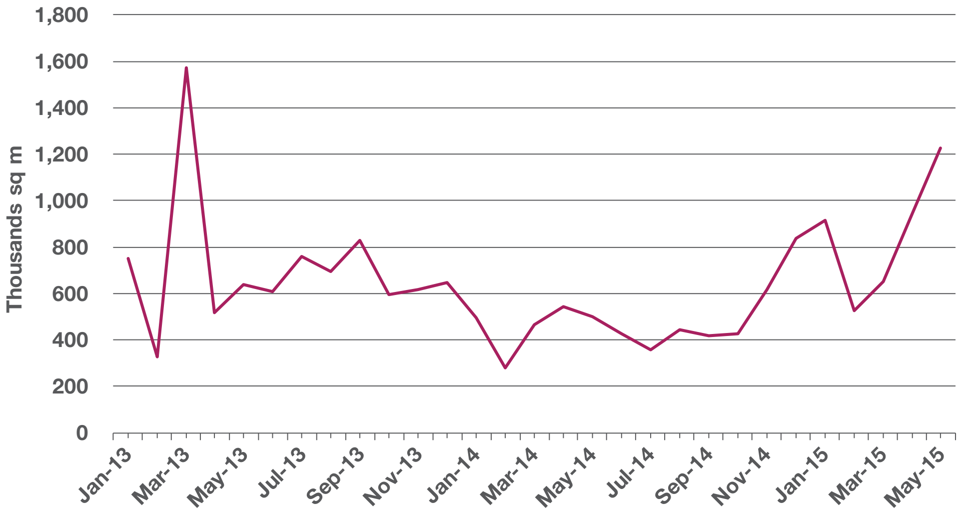
According to the National Bureau of Statistics, from March to May 2015 both monthly residential transaction volumes rose 3.4% and new residential space completion declined 11.2%. Compared with last years data, residential transaction volumes have increased 7.7% YoY in April and 16.4% YoY in May. Clearly the "330 policy", in conjunction with other stimulus plans, has provided a boost of activity on the market and has reduced vacant space. In Shenzhen, the current ratio of total residential vacant space over monthly transaction volume is only 1:7-9 in central areas, which is very good compared with the national average of 1:15.

As a result of the '330 policy', the number of second-hand housing transactions rose from 7,588 units in March to 14,298 units in May, 2015. City-wide second-hand housing price remained relatively stable at around RMB16,000 per sq m. However, in central districts, average second-hand housing transaction prices rose more than 10% very soon after the policy was implemented.

Shenzhen's residential market has continued to heat up in recent months and, with the launch of the Qianhai/Houhai Free Trade Zone and Shenzhen-Hong Kong stock exchange connection, has seen a pick-up in interest from investors. This trend is expected to continue as more buyers return to the market and Shenzhen's residential market continues to see signs of recovery.

GRAPH 6

Shenzhen second-hand housing transaction area, Jan 2013–May 2015



Source: Shenzhen Statistics Bureau, Savills Research & Consultancy

TABLE 6

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Shenzhen 2014-29	Luohu Area	RMB888 mil/US$143 mil	China Oversea Real Estate Group Co Ltd	Residential
Shenzhen 2014-27	FTZ, Qianhai	RMB3.8 bil/US$600 mil	Kerry Properties	Commercial
Henggang Street	Henggang district	RMB21.4 mil/US$3.4 mil	Shenyang Public Utility	Development site
Shenzhen 2015-2	Futian district	RMB45.8 mil/US$7.4 mil	Shenzhen Shenzhongrun Investment Holding Co Ltd JV Shenzhen Qianhai Junlin Financing Lease Co Ltd	Commercial
Wanji Medicine Industrial Park	Nanshan district	RMB900 mil/US$145 mil	Glory Land Ltd	Industrial office

Source: Savills Research & Consultancy

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What a difference a year makes. Just twelve months ago it would have been hard to find a positive story about the residential property sector; volumes were falling across the board, values were soft and land sales were declining as developers were tightening their belts and foregoing new purchases. Then, towards the end of 2014, things started to change. Interest rates were lowered – as were bank reserve requirement ratios – and the stock market started to take off. Then a pick-up in residential transaction volumes in a small number of the leading cities was seen, followed by some of the second-tier cities during the beginning of 2015.

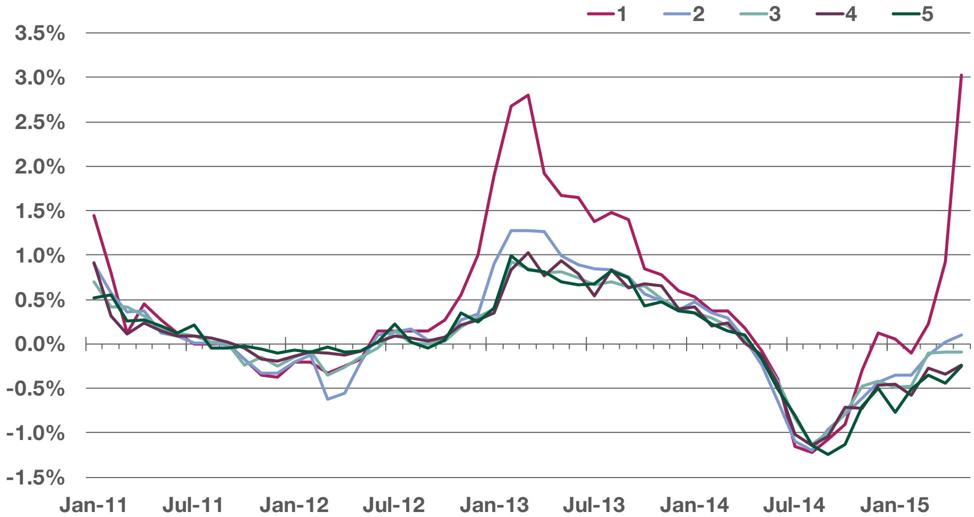
The pick-up in transaction activity and a lack of investment in new starts has started to address some of the mismatch in supply and demand in key cities. Unsold inventory levels have reversed their upward ascent witnessed over the previous two years and developers are curtailing price discounts. According to the National Bureau of Statistics, the first city to record a month-on-month (MoM) increase in residential prices was Shenzhen in December 2014; by May 2015 a further 19 cities had joined Shenzhen in recording MoM price growth.

What is truly remarkable though is the speed and extent at which leading cities have seen a turnaround in their fortunes. In May, China's first-tier cities recorded an average growth of 3.03% MoM, the equivalent of an annualised rate of 43%. While this was largely the result of Shenzhen recording 6.7% MoM growth, the change in sentiment and price outlook remains extraordinary.

First-tier cities have always outperformed the rest of the market, but the current contrast is more striking than normal. In first-tier cities the cost of relocation, land costs and the more conservative release of land have all limited new supply coming onto the market. Job creation and liveability attract individuals from around the country, while increased wealth, upgrading demand and capital preservation all stimulate demand. First-tier cities, such as Shanghai, are also some of the largest metropolitan areas in China. While massive investment in infrastructure has opened up more suburban areas to development of commuter areas, the want of high-net-worth individuals and younger generations, especially singles and couples, to live downtown has placed significant upward pressure on property values.

GRAPH 7

70 cities MoM first hand residential price movement, Jan 2011–May 2015



Source: National Bureau of Statistics, Savills Research & Consultancy

TABLE 7

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Four Seasons Hotel and Apartment	Pudong	RMB2.8 bil/US$458 mil	Wing Tat Development Ltd	Hotel
GC Tower	Pudong	RMB2.2 bil/US$354 mil	Ping'an Real Estate	Office
Sandhill Plaza	Pudong	RMB1.8 bil/US$296 mil	Mapletree Greater China Commercial Trust	Office
Baolong Building	Huangpu	RMB900 mil/US$145 mil	AEW	Office
Artyzen Hotel	Minhang	RMB700 mil/US$113 mil	Shun Tak	Hotel

Source: Savills Research & Consultancy

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Capital values made some minor headway across most sectors in the second quarter, with the exception of prime street shops which recorded a 2.5% decline. Luxury apartments in particular posted a spectacular performance as values increased by 6.2% on the back of buoyant stock markets in both Hong Kong and mainland China. We doubt this rate of growth will be repeated in the second half, however, given recent uncertainties. The industrial market, and warehouses in particular, managed to hold on to price gains but after a long bull run, it may be time to see some slowing of price growth.

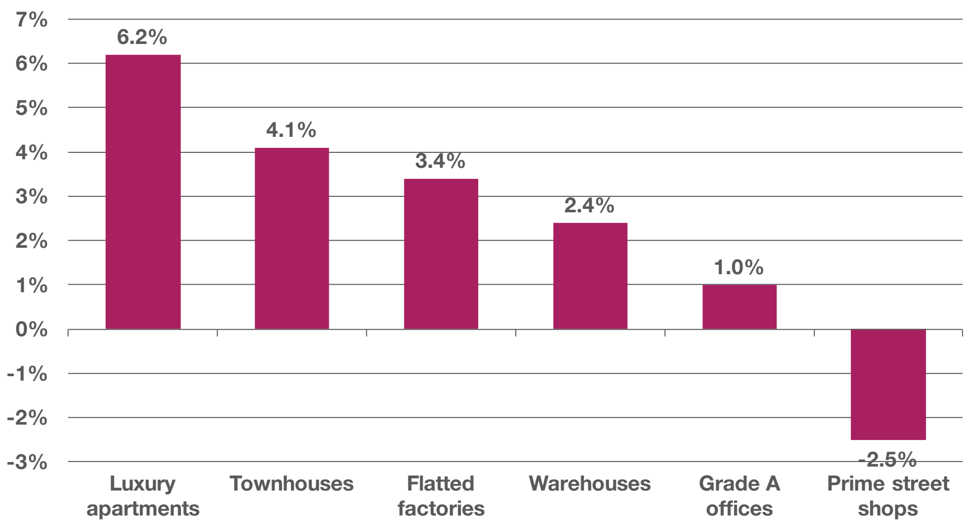
Rents overall also showed modest growth during the second quarter with Grade A office rents outperforming, pushed upward by demand from financial services firms as a result of the Stock Connect schemes. As vacancy rates rose in the warehouse market, rents drifted and we expect further weakness over the second half. Logistics has been hit by the slowdown in the retail market where prime street shop rents dipped by 5.5%. We remain moderately bullish on shopping mall rents, however. The expanding office market took the luxury apartment along with it and budgets of HK$100,000 to HK$150,000 per month were again active. Rents rose by 3.2% over the second quarter.

Early indications of volumes in the second quarter suggest that activity levels were low even though the stock market volatility only began towards the end of Q2. It was only the last two weeks in June which saw moderate selling pressure on the mainland bourses, with little impact on Hong Kong's property markets, while early July saw more rapid adjustments in equities with possible ramifications for real estate here, depending on how long the uncertainty lasts. A look at HK$500 million plus deals during the second quarter reveals a focus on residential, industrial and office assets. A broader look at deals above HK$100 million saw overall volume (108 deals) remain stable when compared with the first quarter (107 transactions), but there was a marked increase in residential transactions (from 39 deals in Q1 to 56 deals in Q2) at the expensive of office, retail and industrial.

Looking ahead, hotels/tourism and retail/logistics may be expected to see some short term weakness as mainland per capita spending drops off and visitor growth numbers moderate. Anti-corruption measures as well as the recent stock market turbulence can be expected to continue to have an impact into the second half of the year as PRC equity valuations remain questionable. We are more positive on the outlook for offices and residential where limited supply and a fresh wave of demand related to the new Stock Connect schemes seems to have reinvigorated these two sectors.

GRAPH 8

Savills price growth comparison, Q2/2015 vs Q1/2015



Source: Savills Research & Consultancy

TABLE 8

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
19 units and carparks in The Oasis	The Peak	HK$1,825 mil/US$235 mil	CSI Properties	Residential
Wilson Logistics Centre	Kwai Chung	HK$933 mil/US$120 mil	The Mother Superior of the Soeurs de Saint Paul de Chartres (Hong Kong)	Industrial
Gold Peak Building	Kwai Chung	HK$780 mil/US$101 mil	An investment fund	Industrial
Ovest	Sheung Wan	HK$750 mil/US$97 mil	TBC	Office
17/F, Worldwide House	Central	HK$509 mil/US$66 mil	Circle Property	Office

Source: Savills Research & Consultancy

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The Japanese economy expanded by 1.0% from the previous quarter (an annualised rate of 3.9%), in Q2/2015, largely backed by an increase in corporate investments. Tankan, released on 1 July, also showed positive sentiment among firms, particularly large corporates.

Looking ahead, however, the economy should be viewed with caution. Industrial production dropped by 2.2% on the month in May. Consumer prices (excluding fresh food) rose just 0.1% in the same month, highlighting how far off the Bank of Japan (BOJ) is from achieving its 2% inflation goal, whilst raising further expectations of more stimulus packages later this year. Furthermore, Japanese stocks fell and the yen spiked after the Greek government imposed capital controls in late June.

The IPO of Samty Residential (sponsored by the Samty Group) on 30 June added further liquidity to the J-REIT market. Samty Residential focuses on residential properties in a large number of regional cities. The total number of listed J-REITs is now 52.

The 10-year Japanese Government Bond (JGB10) yield tilted up throughout Q2/2015, and hit as high as 0.524% on 10 June, after hitting below 0.3% on 24 April. Currently, the JGB10 yield is floating at sub-0.5% levels. The pace of BOJ purchasing of J-REITs slowed from JPY27.6 trillion in Q1/2015 to JPY20.9 trillion in Q2/2015, but in line with the annual purchasing plan of JPY90 trillion. The TSE J-REIT Index dropped to 1,803.13 on 30 June, the lowest since the beginning of 2015.

However, with close to 90 single-asset and portfolio acquisitions, the value of transactions by J-REITs totalled over JPY425 billion in Q2/2015. Office property transactions increased significantly (+36% QoQ) whilst residential asset transactions remained steady (+0.3% QoQ). In comparison with the previous quarter, the transaction values and volumes were slightly lower, but expanded geographically into regional cities, not just concentrated in central locations.

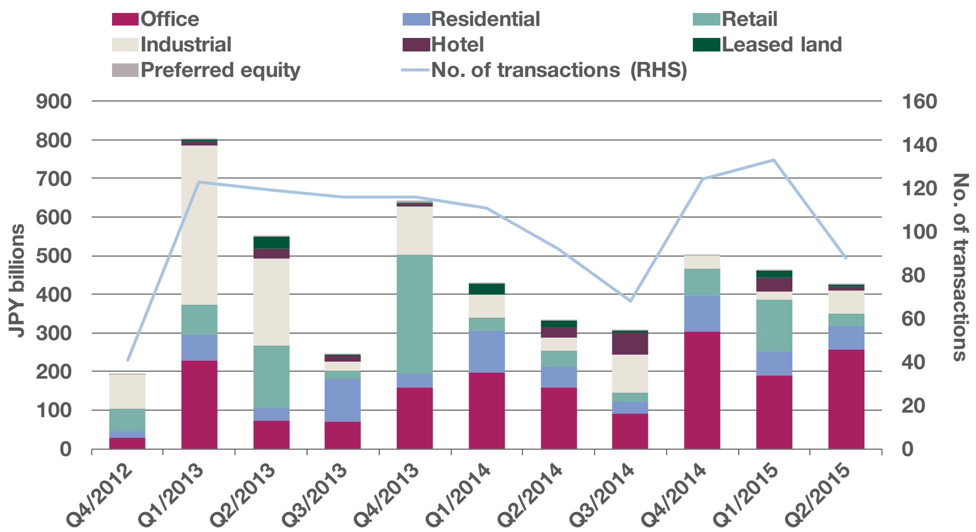
Vacancy rates* fell further to mid-3% levels in Q2/2015 for Tokyo Central Five Ward Grade A Office space, and mid-2% for large-scale Grade B office buildings. In particular, the vacancy rate for Grade A offices in the Chiyoda Ward stood at 1.46%; for Grade B offices in Shibuya the figure fell as low as 1.05%. Cap rates continued to show a downward trend, heading towards cyclical lows. Supported by aggressive demand, rent* for both Grade A and B office space also showed positive growth of 6.1% and 7.6%, respectively.

Turning to the residential sector, occupancy rates* of J-REIT properties continue to be well above 95% in centrally-located areas. Equally important, rents in Tokyo's 23 wards rose by 1.1% YoY in Q2/2015, a marginal growth of 0.1% over the preceding quarter.

* Preliminary data

GRAPH 9

J-REIT property acquisitions by sector, Q4/2012–Q2/2015



Source: Savills Research & Consultancy

TABLE 9

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Akasaka Garden City (70% co-ownership)	Akasaka, Minato Ward, Tokyo	JPY41.0 bil/US$320 mil (estimated)	Sekisui House	Office
Honmachi Garden City (sectional ownership)	Honmachi, Chuo Ward, Osaka City	JPY38.6 bil/US$310 mil	Sekisui House REIT	Office
River Gate	Nihonbashi-Hakozakicho, Chuo Ward, Tokyo	JPY28.0 bil/US$230 mil	Daiwa Office Investment (J-REIT)	Office
Cross Place Hamamatsucho	Shinbakoen, Minato Ward, Tokyo	JPY18.5 bil/US$150 mil	Tokyu Land	Office
Glass City Shibuya	Nanpeidaicho, Shibuya Ward, Tokyo	JPY16.0 bil/US$130.0 mil	Daiwa Office Investment (J-REIT)	Office

Source: Savills Research & Consultancy

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Local developers actively acquired development land in Q2/2015 despite global and local economic uncertainties. This review quarter was an active period, with a total of 29 transactions recording a total transaction value of RM5.26 billion. Seven significant land transactions (above RM100 million each) with a total transaction value of RM2.188 billion was observed, i.e. a couple each in Kuala Lumpur city centre, Selangor, and Penang, as well as one in Johor Bahru.

The 1.89-acre German embassy land in Kuala Lumpur city centre was sold via tender to Malaysian Resources Corporation in April 2015 for a sum of RM259.16 million. A 4.18-acre plot of land in Sungai Besi (close to the Tun Razak Exchange) was sold to Meda Inc for RM180.00 million. Both these sites have potential for mixed use development.

In Selangor, Sime Darby sold a 50% share of 331.27 acres of township development land in Ampar Tenang to SunSuria for RM173.40 million. Sunway also clinched 17 acres of prime land in Kelana Jaya for RM286.00 million.

Penang is also gaining more attention, with IJM Land picking up 32.76 acres at RM402.80 million to expand its existing The Light Waterfront development; and Eco World Development buying 299.64 acres of development land in Batu Kawan for RM730.93 million. This Eco World Development acquisition also includes a joint transaction to purchase a 30+30-year lease on 150 acres of land for RM65.34 million for development into an international standard golf course adjacent to the earlier mentioned site.

In Johor, Iskandar Waterfront City acquired 67.5 acres of freehold land in Pulai for RM156.00 million with plans to undertake mixed development on the site.

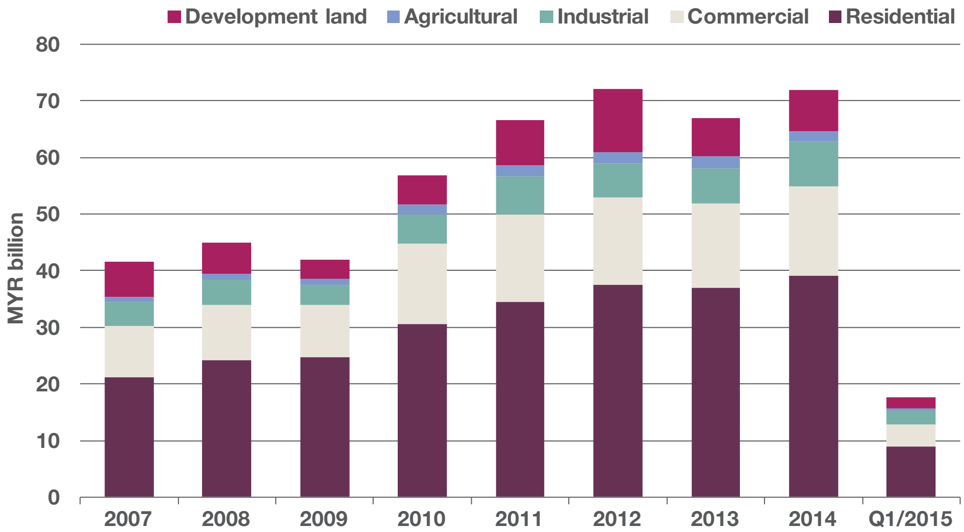
The property investment market was also active in Q2/2015 with six major transactions. The DoubleTree by Hilton Hotel KL was sold to Singapore-based Royal Group Holdings for a purchase consideration of RM388.00 million or RM700,000 per key in early April 2015. Two Mydin hypermalls were sold during the review quarter i.e. Penang Mydin Mall in Seberang Perai Tengah, Penang for RM250.00 million to AmFirst REIT and Mydin Wholesale Hypermall in Seremban 2, Negeri Sembilan for RM240.00 million to Pelaburan Hartanah Nasional.

Three office blocks were transacted i.e. Integra Tower in Kuala Lumpur, 22 out of 45 storeys within the stratified Block N in Empire City @ Damansara, Selangor, and The Imperia in Puteri Harbour, Nusajaya, Johor. The Integra Tower was sold by Blackrock Inc. to Retirement Fund Incorporated (KWAP) for RM1.065 billion while the stratified office parcels in Block N of Empire City @ Damansara were acquired for RM155.35 million by MY E.G. Services as its future headquarters. The Imperia was sold for RM130.00 million to UEM Sunrise.

Despite the challenging global market, local developers and Malaysian institutions were still focused on the acquisition of quality land bank and assets in 1H/2015. We believe the acquisition activities will continue to keep the market momentum going in 2H/2015.

GRAPH 10

Total values of property transactions per subsector in Greater Kuala Lumpur, 2007–Q1/2015



Source: NAPIC
* In this chart, Greater Kuala Lumpur consists of the State of the Selangor and the Federal Territories of Kuala Lumpur and Putrajaya.

TABLE 10

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Integra Tower	Jalan Tun Razak, Kuala Lumpur	RM1.065 bil/US$281.34 mil	The Retirement Fund Inc (KWAP)	Office
299.64-acre development land	Batu Kawan, Penang	RM730.93 mil/US$193.09 mil	Eco World Development Group Bhd	Mxied-use
32.76-acre development land	Penang Island	RM402.80 mil/US$106.41 mil	IJM Land Bhd	Mixed-use
DoubleTre by Hilton Hotel	Jalan Tun Razak, Kuala Lumpur	RM388.00 mil/US$102.50 mil	Royal Group Holdings	Hotel
17-acre development land	Kelana Jaya, Selangor	RM286.00 mil/US$75.55 mil	Sunway Berhad	Mixed-use

Source: Company announcements, Savills Research & Consultancy

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The second quarter of 2015 turned out to be a record-high quarter in terms of transaction volumes in the Philippines. Mainly driven by large-scale land deals, the Q2/2015 volume is estimated at US$505 million. But, despite the quarter being extremely busy, annual volumes are still showing relatively low figures compared to other countries in the Asia Pacific region.

Most of the transaction activity took place in Cebu, the second largest metropolitan city in the country. The local city government auctioned off two properties on reclaimed land in South Road Properties. The consortium between property developers Ayala Land and SM Prime won the bidding of the 26.3-hectare property with a winning bid of Php10 billion (US$221.4 million). This transaction recorded the largest single ticket the country has seen since late 2013. In the same auction, Filinvest also won a 19.2-hectare parcel of South Road Properties, sold for Php6.7 billion (US$148.2 million). These deals will certainly influence the dynamics of Cebu's real estate market as the South Road Properties complex will account for significant real estate activity in the future, transforming the reclaimed land into a mixed-use central business district.

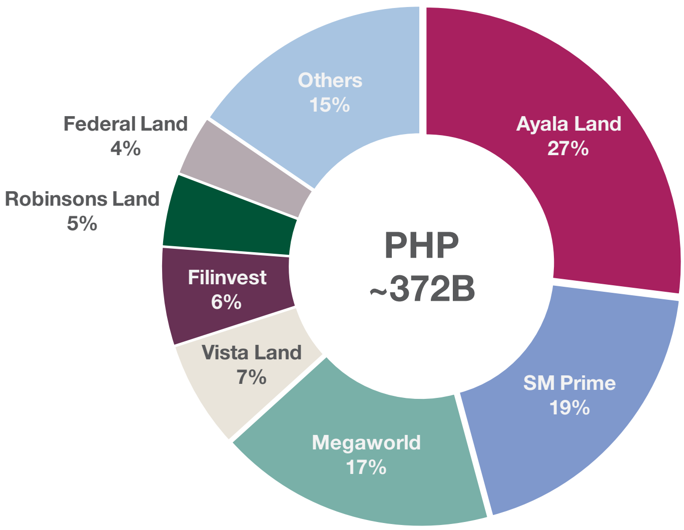
As the country undergoes a rapid growth period, these deals illustrate that developers and investors are also interested in other cities aside from Metro Manila, which traditionally has been the center of property markets in the country. Supported by the sound macroeconomic environment and the booming outsourcing industry, the pressure on real estate has grown substantially, forcing greater development activity to take place outside the capital.

These deals also demonstrate the current market trend very well: local developers are consolidating big parcels of land to build self-sustaining, master planned townships. However, this phenomenon also brings some growing pains which are typical for emerging cities. The poor level of infrastructure and connectivity—aspects which are crucial in building multiple CBDs within cities—remains as the main obstacle to the sustainability of this city growth model. Needless to say, this highlights the importance of the local city government's active participation in city planning.

Overall, the long term outlook for the Philippine real estate market remains highly positive. The economy is expected to accelerate towards the end of the year from the 5.2% growth recorded in Q1/2015 with forecasts of 6.0-7.0% per annum over the next few years, laying down a favorable foundation for the property market.

GRAPH 11

Estimated capital expenditure by listed developers, 2015



Source: KMC MAG Group, Savills Research & Consultancy

TABLE 11

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
EDSA Guadalupe Property	Makati City	PHP1.6 bil/US$35.4 mil	SM Prime	Development site
Cebu SRP	Cebu	PHP6.7 bil/US$148.2 mil	Filinvest Land	Development site
Cebu SRP	Cebu	PHP10.0 bil/US$221.4 mil	SM Prime JV Ayala Land	Development site
Hyundai Balintawak	Quezon City	PHP1.2 bil/US$27.6 mil	N/A	Development site
Aegis Building Cebu	Cebu	N/A	Ayala Land	Office
Cape San Vicente	San Vicentre, Palawan	N/A	Century Properties	Development site
EDSA Cubao Property	Cubao	PHP366.0 mil/US$8.2 mil	8990 Holdings	Development site

Source: KMC MAG Group, Savills Research & Consultancy

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S$5.69 billion worth of investment transactions was recorded in Q2/2015, up 56.7% (from S$3.63 billion) in the preceding quarter.

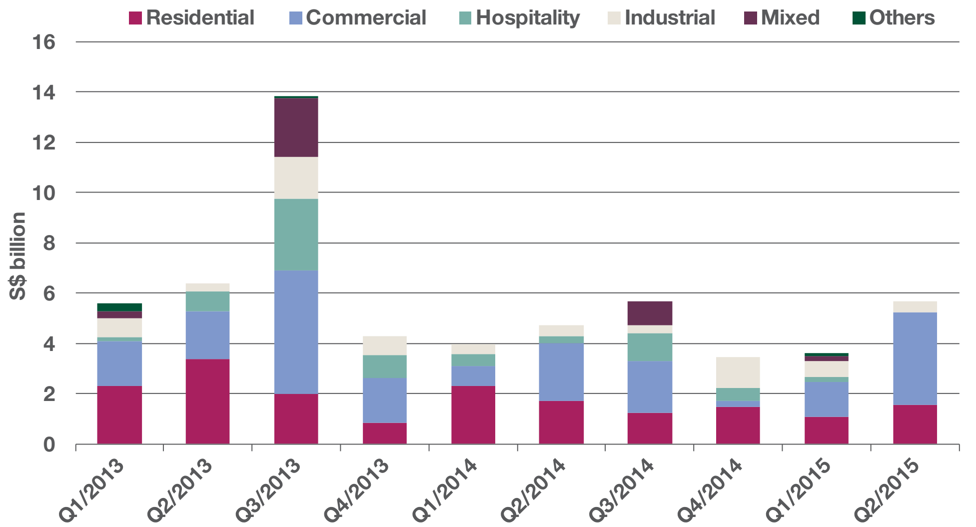
With over 41 transactions recorded, in value terms the private sector saw a QoQ growth of 11.9% to around S$2.94 billion (51.7% of the market share). Nevertheless, in terms of transaction volumes, the reviewed quarter could be considered relatively subdued. For the residential sector, individual purchasers generally adopted a wait-and-see approach, either looking out for bargain deals, or waiting for prices to drop further or for some cooling measures to be removed. For the industrial and commercial sectors, worries of the upcoming supply glut alongside the already high prices and lower yields are deferring investment decisions. However, with a few large-ticket deals concluded in the quarter, this sector managed to eke out positive growth in transaction value. These transactions include: the acquisition of One Raffles Place by OUE Commercial REIT, assumed consummated at the minimum value of S$1,29 billion (S$2,382 per sq ft of NLA) for a 61.16% stake; Suntec Reit's sale of Park Mall at S$411.8 million (S$1,541 per sq ft of NLA); and CapitaLand's divestment of its 30.0% stake in the PWC building for S$201.9 million (S$1,892 per sq ft of NLA), including debts.

The remaining 48.3% of Q2's total investment value, S$2.75 billion, was from the sale of three residential sites, three industrial sites and one commercial site under the GLS programme. Compared with the previous quarter, the public sector's investment value surged 174.8%. This is attributable mainly to two transactions: one is the government land sale of the mixed commercial site at Paya Lebar/Sims Avenue, whose top bid reached S$1.67 billion; and a residential site at Dundee Road in Queenstown, which fetched a top bid of S$483.2 million. With the government reducing the number of sites under the Confirmed List, developers are still actively bidding for GLS sites in order to replenish their depleting land banks, as seen from the high number of bids received for each tender of three residential sites awarded in Q2/2015.

Generally, bid prices stayed realistic, with more cautious bidding due to the weak market. However, the latest residential site at Dundee Road in Queenstown received a top bid of S$483.2 million or S$871 psf ppr from HY Realty, a unit of Chinese developer Hao Yuan Investment Pte Ltd. The high bid price may suggest the developer's aggressiveness in vying for limited land supply.

GRAPH 12

Investment sales transaction volumes by property type, Q1/2013–Q2/2015



Source: Savills Research & Consultancy

TABLE 12

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Government land	Paya Lebar Road/ Sims Avenue	S$1.67 bil/US$1.24 bil	Roma Central Pte Ltd, Milano Centre Pte Ltd and Verona Central Pte Ltd	Commercial
One Raffles Place (61.16% stake)	Raffles Place	S$1.29 bil/US$952.51 mil	OUE Commercial REIT (OUE C-REIT)	Commercial
Government land	Dundee Road	S$483.2 mil/US$357.86 mil	HY Realty Pte Ltd	Residential
Park Mall	Penang Road	S$411.8 mil/US$304.98 mil	Park Mall Pte Ltd	Commercial
Government land	Lorong 6 Toa Payoh/Lorong 4 Toa Payoh	S$345.9 mil/US$256.19 mil	Evia Real Estate (7) Pte Ltd, Maxdin Pte Ltd and Gamuda Berhad	Residential

Source: Savills Research & Consultancy

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In order to boost the economy, the Bank of Korea lowered the benchmark interest rate by 25 basis points (bps) to an historical low of 1.5% in June 2015. However, the average yield of the five-year government bond remained in the 2% range in Q2. As such, the prime office cap rate is expected to stay in the low-5% range.

In Q2/2015, only two prime office buildings in the CBD (Ferrum Tower and Tower8) were transacted. An array of transactions was concentrated in Q4/2014 as the tax cut granted to properties acquired through indirect investment was revoked at year end. As a result, the total transaction volumes were similar to figures posted in Q1 through Q3. However, with the abundant liquidity in the market, sustained by the record-low interest rate, office buildings, which are stable investment targets, still attract considerable interest from investors.

Ferrum Tower, Dongkuk Steel's HQ, was sold to Samsung Life Insurance for KRW420.0 billion, as the steel company strived to improve its financial structure. The building fetched KRW24.90 million per pyeong (3.3058 sq m), the highest-ever sale price for a prime office building. Completed in 2010, Ferrum Tower is located in a core area of the CBD and has a sub-10% vacancy rate.

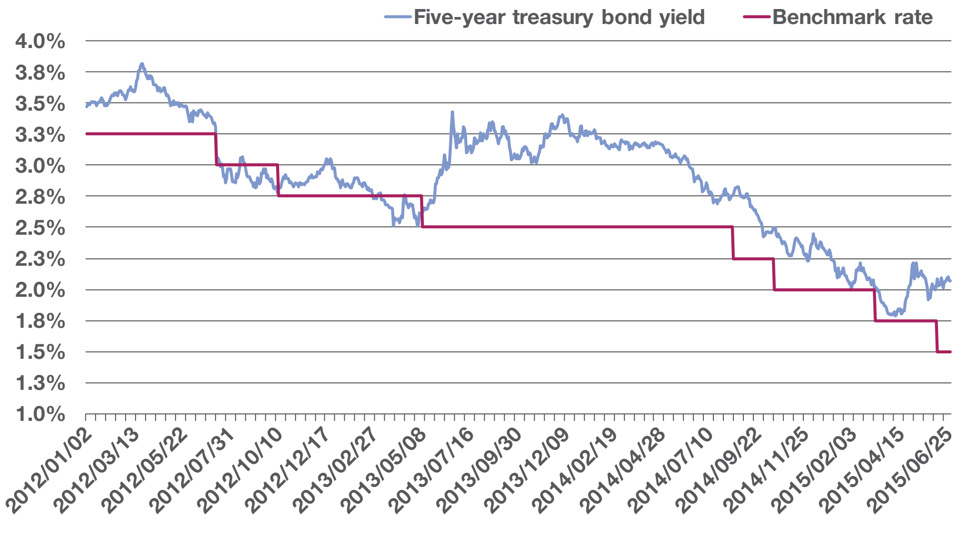
Tower8, developed as part of an urban redevelopment project, was forward-sold to a German-oriented fund. The building transaction was concluded in Q2/2015, following completion, with the transaction amount totalling KRW324.6 billion.

With a finite number of blue-chip properties, and the expected rate of return sliding in the office market, investors are diversifying into real estate sectors beyond offices. As for the retail market, D-Cube City, which was developed and operated by Daesung Industrial Corporation, was sold to JR AMC for KRW265.0 billion. The major investors were GIC and the Canada Pension Plan Investment Board (CPPIB).

Recently, domestic investors have actively participated in the logistics market, which used to be dominated by foreign investors. In 2015, the logistics centre of Coupang, Gyeongbu Logistics Center and Gimpo TJ Logistics Center, were acquired by domestic investors. With the increased interest of domestic investors in the logistics market, the transaction price per unit for logistics is on the rise and the cap rate, which was in the 8 to 9% range, has declined to 7~8%.

GRAPH 13

Five-year national bond and benchmark interest rate trends, Jan 2012–Jul 2015



Source: Savills Research & Consultancy

TABLE 13

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Ferrum Tower	CBD	KRW420.0 bil/US$382.6 mil	Samsung Life Insurance	Office
Tower8	CBD	KRW324.6 bil/US$295.7 mil	C8 GmbH & Co. KG.	Office
D-Cube Department Store	Others	KRW265.0 bil/US$241.4 mil	JR AMC	Office
Coupang	Others	KRW140.0 bil/US$127.5 mil	Coupang	Office
Gimpo TJ Logistics	Others	KRW62.0 bil/US$56.5 mil	JR AMC	Logistics

Source: Savills Research & Consultancy

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The final version of the new capital gains tax was eventually passed by the Legislative Yuan at the beginning of June, and will be effective from 1st January 2016. However, both prices and volumes in the property market have already been affected. Total transaction volume of commercial property this quarter remained low and decreased by 69% YoY to NT$9.1 billion. In the first half of 2015, the total volume only reached NT$21.2 billion, less than a quarter of annual volumes in 2014. The top five transactions in Q2/2015 were factory and industrial office investments, by the traditional manufacturing and technology industries aiming to make plant expansions.

Market activity in land transactions was relatively stable in Q2/2015, with a total transaction value of NT$33.6 billion. This was backed by public departments who released plenty of development land lots for public tender, accounting for 40% of land transactions this quarter. Purchasers' targets shifted to second- or third-tier cities due to the relatively stable residential demand there, with land transactions in Taipei and New Taipei City only accounting for 9% of the total.

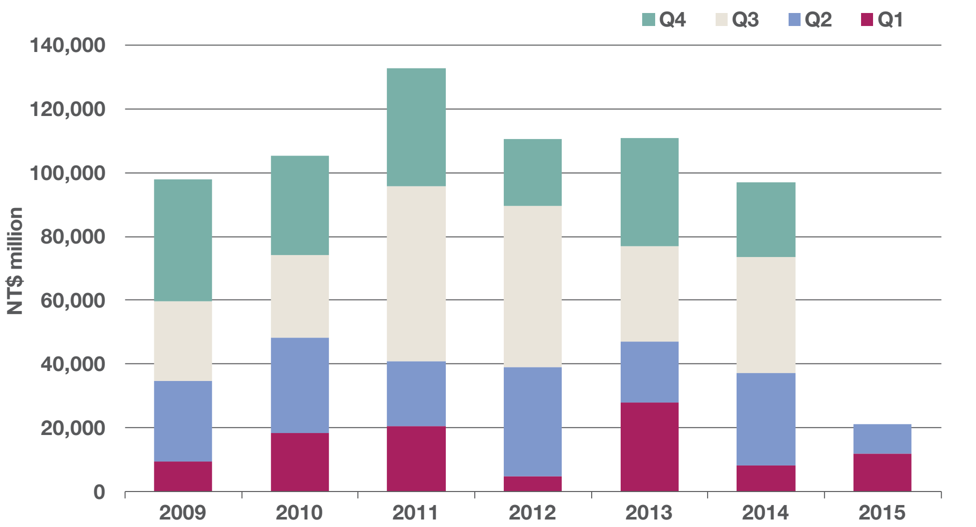
Acquisitions of income-generating property languished, with large-sized office investments accounting for less than 5% of total transaction values – their usual contribution being more than 30%. With a lack of supply in the past being the cause of such a drop, this cycle is witnessing a loss of confidence among buyers driving the decrease in market activity.

There are several factors at work. Firstly, the determination of the government to cool down the property market remains unchanged, resulting in a pessimistic outlook for the sector. Secondly, the downward pressure on prices currently ranges between 5% and 10%; this does not fit with the expectations of buyers who are looking for large price corrections to compensate for the future risk they have to take account of. Finally, the credit limitation policy, coupled with the rising holding cost, makes net yields less attractive.

The newly- imposed capital gains tax rule will have a more comprehensive influence on both individuals and corporations. Effective from 2016, capital gains generated from property will face an extra tax levy. For individuals, it will range between 15% and 45%, depending on the length of the holding period. Furthermore, the tax rate for foreigners or overseas companies will be much higher, between 35% and 45%. These new regulations will make the Taiwan property market less attractive for investors, especially overseas buyers. The lack of momentum is expected to exert downward pressure on prices from the second half of 2015.

GRAPH 14

Commercial real estate transaction volumes, 2009–Q2/2015



Source: Savills Research & Consultancy

TABLE 14

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
Factory in Hsinchu County	Hukou Township, Hsinchu County	NT$1.27 bil/US$42 mil	Chipbond Technology Corporation	Factory
ProMos Hsinchu Office Building	Hsinchu City	NT$570 mil/US$19 mil	Epistar Corporation	Industrial office
K22 & K23 Building in Nantze Export Processing Zone	Nanzi district, Kaohsiung City	NT$2.47 bil/US$82 mil	ASE Kaohsiung	Industrial office

Source: Savills Research & Consultancy

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In the second quarter of 2015, foreign capital into Vietnam continued its upward trend, reflecting the increasing interest of foreign investors. One of the most significant deals was the portfolio acquisition by Gaw Capital Partners, a Hong Kong-based private equity firm from Indochina Land Holdings 2, for a total of US$106 million. The transaction involved multiple asset classes in different cities, including Indochina Plaza Hanoi, Hyatt Regency Da Nang, and development projects in Da Nang and Ho Chi Minh City. The Malaysian-based property developer Gamuda Land acquired the remaining stake in the Celadon City project in Ho Chi Minh City from the local partners Sacomreal and Thanh Thanh Cong for VND1.4 trillion (approximately US$64.1 million). In June, Adventus Holdings' subsidiary, Crimson Star Development, acquired 100% commercial benefits of the VRG Riverview Apartments for approximately US$43.6 million.

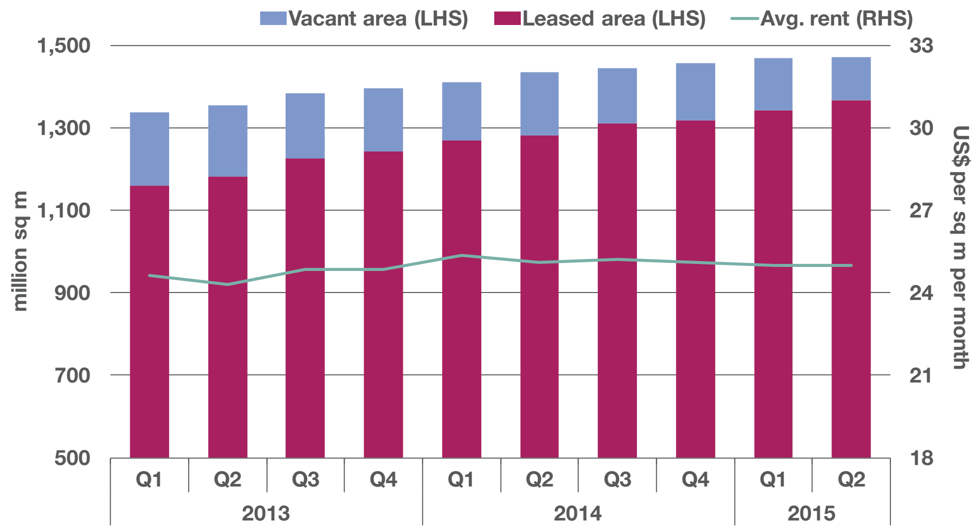
Local property developers also continued to acquire assets aggressively. In May, real estate developer Dat Xanh acquired full ownership of the Century 21 Office & Apartment Development Project from Century 21 JSC for VND135 billion (approximately US$6.2 million). Dat Xanh also obtained the rights to develop the Tan Kieng residential project through the acquisition of Loc Phuoc Thinh JSC for VND243 billion (approximately US$11.1 million).

It is apparent that there is a gradual transition of bargaining power from purchasers to vendors, with multiple regional investors now keen to enter the market in order to capitalise on improving investor sentiment.

The growing attraction of Vietnam's real estate market was backed by its steady recovery and stable macroeconomic indicators. GDP growth has consistently trended upward, recorded at 6.44% in the second quarter, whilst the inflation rate has stabilised at a low level. Interest rates have been adjusted downward since the beginning of the year. In the first half of 2015, FDI disbursement reached US$6.3 billion, a YoY increase of 9.6%. Given favourable conditions and supportive government policies, capital markets are anticipated to gain further momentum and Savills expects transaction volumes to remain high throughout 2015.

GRAPH 15

HCMC office market performance, Q1/2011–Q2/2015



Source: Savills Research & Consultancy

TABLE 15

Major investment transactions, Apr–Jun 2015

Property	Location	Price	Buyer	Usage
A portfolio including Indochina Plaza Hanoi, Hyatt Regency Da Nang and two development projects in Da Nang and HCMC	Ho Chi Minh City, Ha Noi, DaNang	VND2.3 tri/US$106.0 mil	Gaw Capital	Mixed-use
Celadon City	Ho Chi Minh City	VND1,400.0 bil/US$64.1 mil	Gamuda Land	Residential
VRG Riverview Apartments	Ho Chi Minh City	VND951.8 mil/US$43.6 mil	Adventus & Khua Kian Keong	Residential
Tan Kieng residential project	Ho Chi Minh City	VND243.0 bil/US$11.1 mil	Dat Xanh	Residential
Century 21 office & apartment development project	Ho Chi Minh City	VND135.0 bil/US$6.2 mil	Dat Xanh	Mixed-use

Source: RCA, Press releases

Major transactions Q2 2015

Australia

Waterfront Place - Eagle Street Pier
Brisbane
AU$635.0M/US$489.0M
in June

707 Anzac Parade
Maroubra
AU$137.0M/US$105.5M
in April

Capalaba Central Shopping Centre
Capalaba
AU$148.5M/US$114.4M
in March

Myer Centre
Adelaide
AU$288.0M/US$221.8M
in May

201 Pacific Hwy
St. Leonards
AU$115.0M/US$88.6M
in June

8 Central Avenue
Eveleigh
AU$220.0M/US$169.4M
in April

1 King Street
Brisbane
AU$130.0M/US$100.1M
in June

310-322 Pitt Street
Sydney
AU$200.0M/US$154.0M
in June

Beijing

Crosspoint Shopping Center
Xicheng district
RMB500.0M/US$80.5M
in April

Wangxin Plaza
Shangdi Area
RMB470.M/US$75.7M
in June

Guangzhou/Shenzhen

◀ **One Excellence**
Nanshan district, Shenzhen
RMB660.0M/US$106.3M
in May

▼ **Zhengshun Plaza**
Luohu districtk, Shenzhen
in June

Wanji Medicine Industrial Park ▲
Science and Technology Park,
Nanshan district, Shenzhen
RMB900.0M/US$145.0M
in June

Tian Sheng Ming Yuan ▲
Gangding, Tianhe district,
Guangzhou
RMB384.0M/US$61.9M
in April

Shanghai

▲ **Artyzen Hotel, MixC**
Minhang
RMB700M/US$113M
in April

▲ **Baolong Building**
Huangpu
RMB900M/US$145M
in June

◀ **GC Tower**
Pudong
RMB2.2B/US$354M
in June

Sandhill Plaza ▶
Pudong
RMB1.8B/US$296M
in June

▲ **Four Seasons Hotel and Apartment**
Pudong
RMB2.8B/US$458M
in May

Hong Kong

◄ **Gold Peak Building**
Kwai Chung
HK$780M/US$101M
in April

Po Wing Building ▼
Causeway Bay
HK$850M/US$110M
in May

23 Po Shan Road ►
Mid-Levels
HK$1.176B/US$152M
in May

◄ **Wilson Logistics Centre**
Kwai Chung
HK$933M/US$120M
in April

391 Wanchai Road ►
Wanchai
HK$850M/US$110M
in May

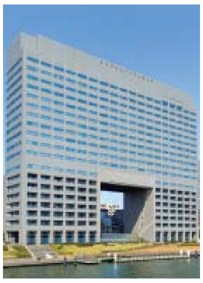
Oasia (19 units and 33 carparks) ▼
The Peak
HK$1.825B/US$235M
in June

▼ **Kowloon Commercial Centre - Tower B (28/F-29/F)**
Kwai Chung
HK$515M/US$66M
in May

◄ **Worldwide House (17/F)**
Central
HK$509M/US$66M
in June

Ovest ▲
Sheung Wan
HK$750M/US$97M
in June

Japan



◄ **River Gate**
Nihonbashi-Hakozakicho,
Chuo Ward, Tokyo
JPY28.0B/US$230.0M
in June

Honmachi Garden City
(Sectional ownership) ►
Honmachi, Chuo Ward, Osaka City
JPY38.6/US$310.0M
in May

Akasaka Garden City
(70% co-ownership) ▼
Akasaka, Minato Ward, Tokyo
JPY41.0B/US$320.0M (estimated)
in May

◄ **Cross Place Hamamatsucho**
Shibakoen, Minato Ward, Tokyo
JPY18.5B/US$150.0M
in April

◄ **Glass City Shibuya**
Nanpeidaicho, Shibuya Ward,
Tokyo
JPY16.0B/US$130.0M
in May

Singapore

▼ **One Raffles Place (61.16% stake)**
1 Raffles Place
S$1.29B/US$952.51M
in June

Park Mall ▼
9 Penang Road
S$411.8M/US$304.98M
in June

Bungalow, 35 Ridout Road ▲
35 Ridout Road
S$91.7M/US$67.92M
in May

▲ **Forte**
29 New Industrial Road
S$66.0M/US$48.88M
in June

▼ **StarHub Green**
67 Ubi Avenue 1
S$260.0M/US$192.57M
in June

PWC Building (30% stake) ▲
8 Cross Street
S$201.9M/US$149.53M
in June

South Korea

◀ **Ferrum Tower**
CBD
KRW420.0B/US$382.6M
in April

Tower8 ▶
CBD
KRW324.6B/US$295.7M
in May

Gimpo TJ Logistics ▼
Gyeonggi-do
KRW62.0B/US$56.5M
in July

◀ **D-Cube Department Stores**
Others (Guro-gu)
KRW265.0B/US$241.4M
in May

Coupang DC ▶
Gyeonggi-do
KRW140.0B/US$127.5M
in April

Taiwan

◀ **CANDO Factory**
Hukou Township, Hsinchu County
NT$1.27B/US$42.0M
in May

◀ **ProMos Hsinchu Office Building**
Hsinchu City
NT$570.0M/US$19.0M
in May

▲ **K22 & K23 Building in Nantze Export Processing Zone**
Nanzi district, Kaohsiung City
NT$2.47B/US$82.0M
in June

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