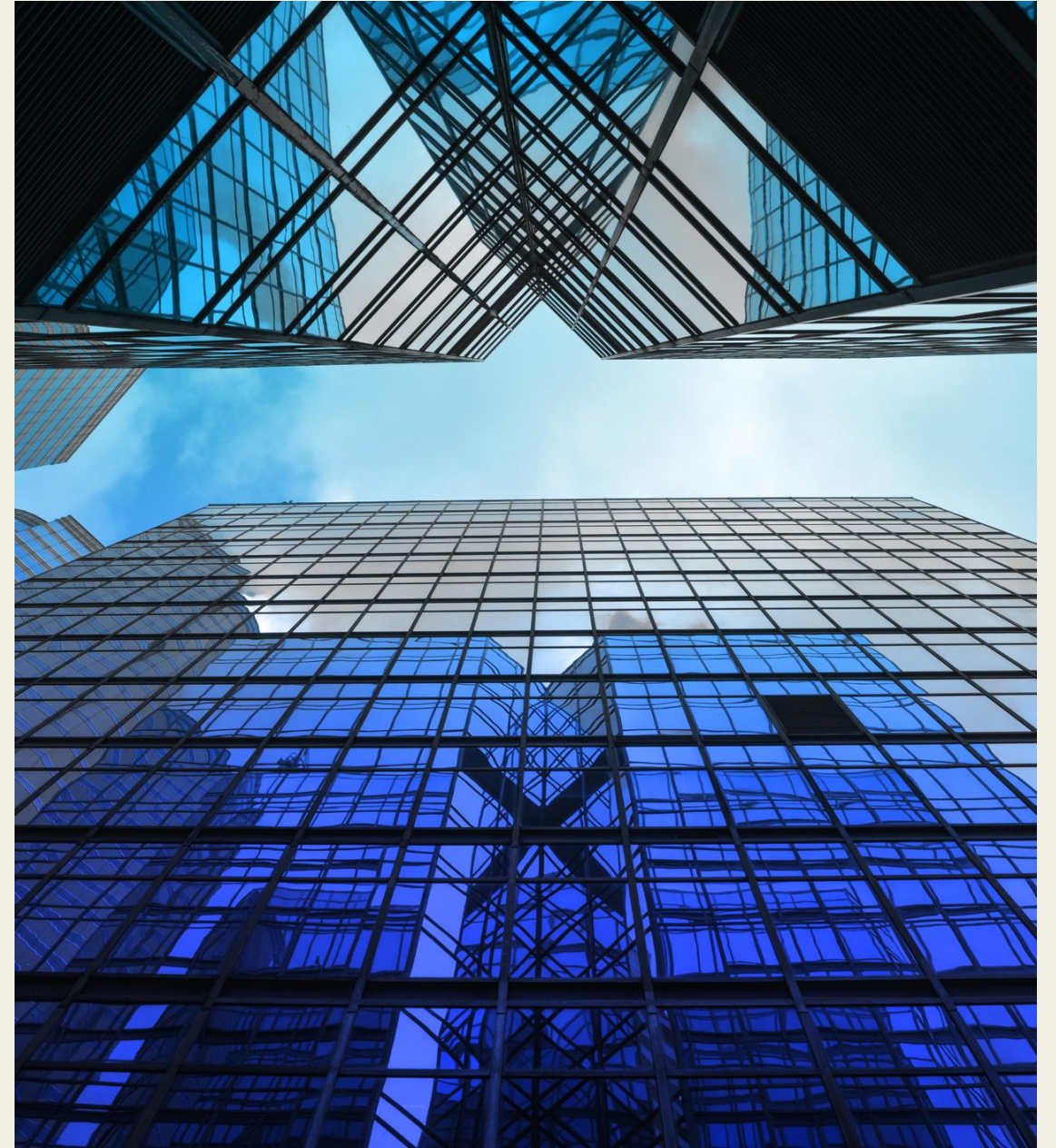

Office Highlights Q2 2026

Knight Frank Asia-Pacific

Your partners in property

knightfrank.com/research



Asia-Pacific Overview – Q2 2026

Summary

Rental growth remained resilient across the region, with prime rents increasing 0.6% quarter-on-quarter in Q2 2026. Bengaluru, Hong Kong and Tokyo led performance, with each recording double-digit year-on-year rental growth. Despite nearly 1.5 million sqm of new office completions during the quarter, vacancy rates remained broadly stable compared with Q1 2026

Prime rents in Hong Kong completed its turnaround to post the fastest year-on-year increase in the region. Leasing momentum strengthened in Central, supported by tightening availability of prime office space and recentralization demand.

Momentum is expected to remain sustained, spurred by broader capital inflows, capital market activity and overseas expansion of Chinese corporates. Gulf banks have also expanded operations in the territory, as they target better connectivity and growth opportunities in the Chinese mainland amid heightened geopolitical tensions in the Middle East.

Strong take-up by flex space operators in India, which accounted for over 30% of leasing volumes in Bengaluru, Delhi-NCR and Mumbai, have driven the sector ahead of financial firms in the region. The increasingly prevalent model blends long-term core leases with managed office and co-

working solutions for a more agile footprint.

However, tech firms continue to dominate leasing activity in the region. While renewal-led leasing remains a key market theme, AI-related occupiers are providing an additional source of demand for prime office spaces.

Anthropic opened its Seoul office during the quarter with plans for a Singapore presence in the works. Databricks is also quadrupling its office footprint on the island as it plans to increase its headcount by up to 50%. In addition to establishing Singapore as its Asia-Pacific hub recently, Open AI has also opened offices across the region.

As AI-related firms deepen and establish ecosystem partnerships in the region, they are expected to be an emerging source of office leasing demand, reinforcing broader occupier trends such as flight-to-quality relocations and expansion in prime office buildings.

With businesses navigating a more complex operating environment, renewals and carefully planned expansions are expected to remain prevalent. While a resurgence of geopolitical tensions in the Middle East is likely to reignite occupier caution in the near term, occupier strategies will also be defined by a combination of constrained supply and evolving requirements.

► 0.6%

QoQ change for Asia-Pacific Rental Index in Q2 2026

► Hong Kong

Recorded the highest YoY rental growth in Q2 2026

► 19 of 24

Tracked cities recorded stable or increasing rents QoQ in Q2 2026

► Firming

Expectations for 2026 office outlook

Occupiers are entering a new phase of decision-making as tightening supply makes securing the right space in the right location increasingly challenging. As development pipelines moderate and demand expands beyond traditional sectors to include rapidly growing AI and innovation ecosystems, competition for high-quality space will only intensify across the Asia-Pacific. With future supply becoming more uneven, organisations are extending their planning horizons and evaluating real estate requirements earlier, particularly where options for large-scale expansion may be limited. We are also seeing a greater emphasis on strategic flexibility through expansion options, phased commitments and pre-leasing arrangements. Increasingly, securing future expansion capacity in the next few years will become a critical competitive advantage.



Tim Armstrong

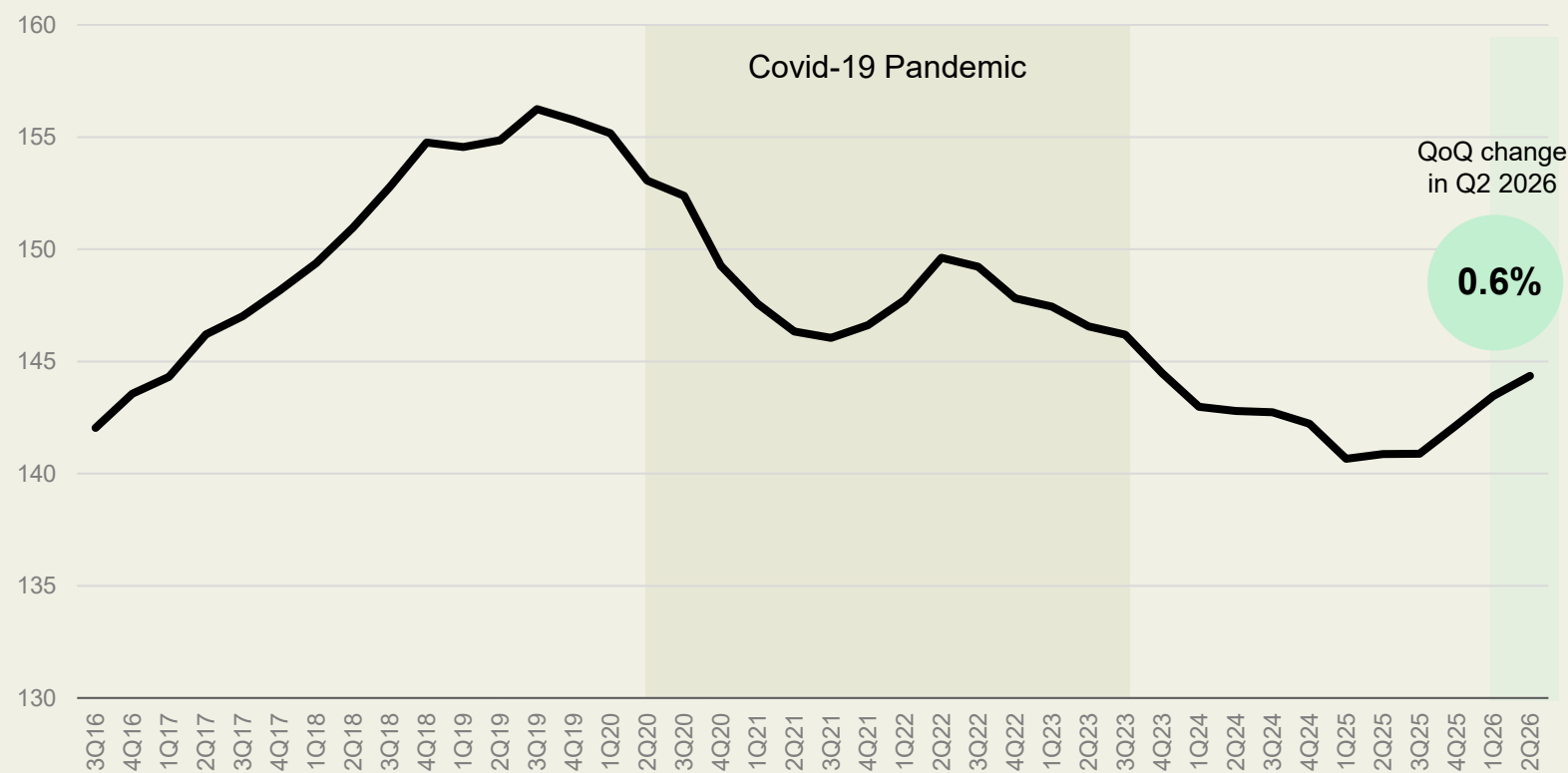
Global Head of Occupier Strategy and Solutions

APAC Prime Office Rental Index

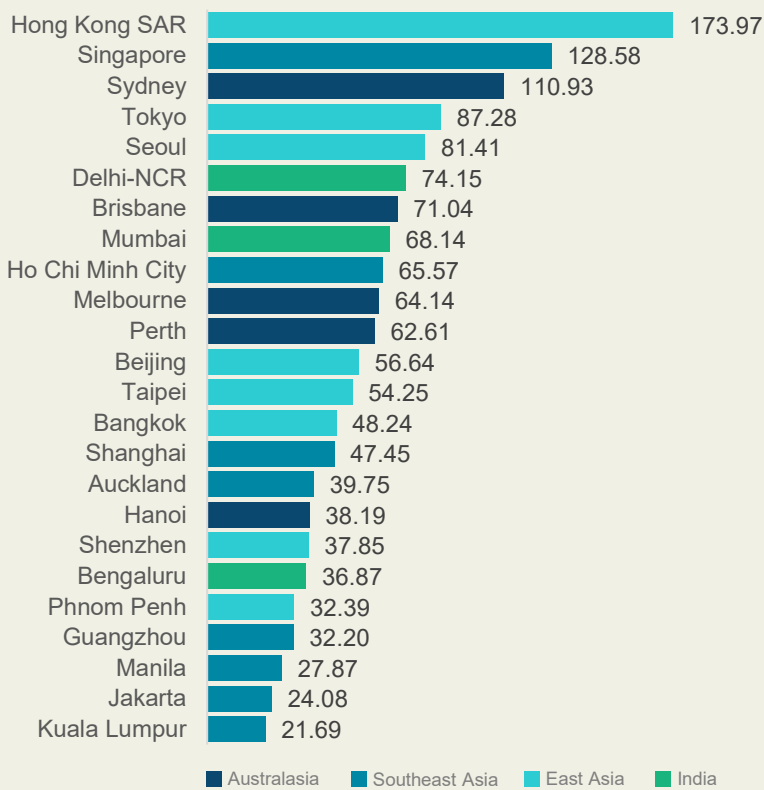


Prime rents in the region continued to increase

APAC Prime Office Rental Index – 10 Year Historical



Q2 2026 Occupancy Cost (US\$/sqft/year)

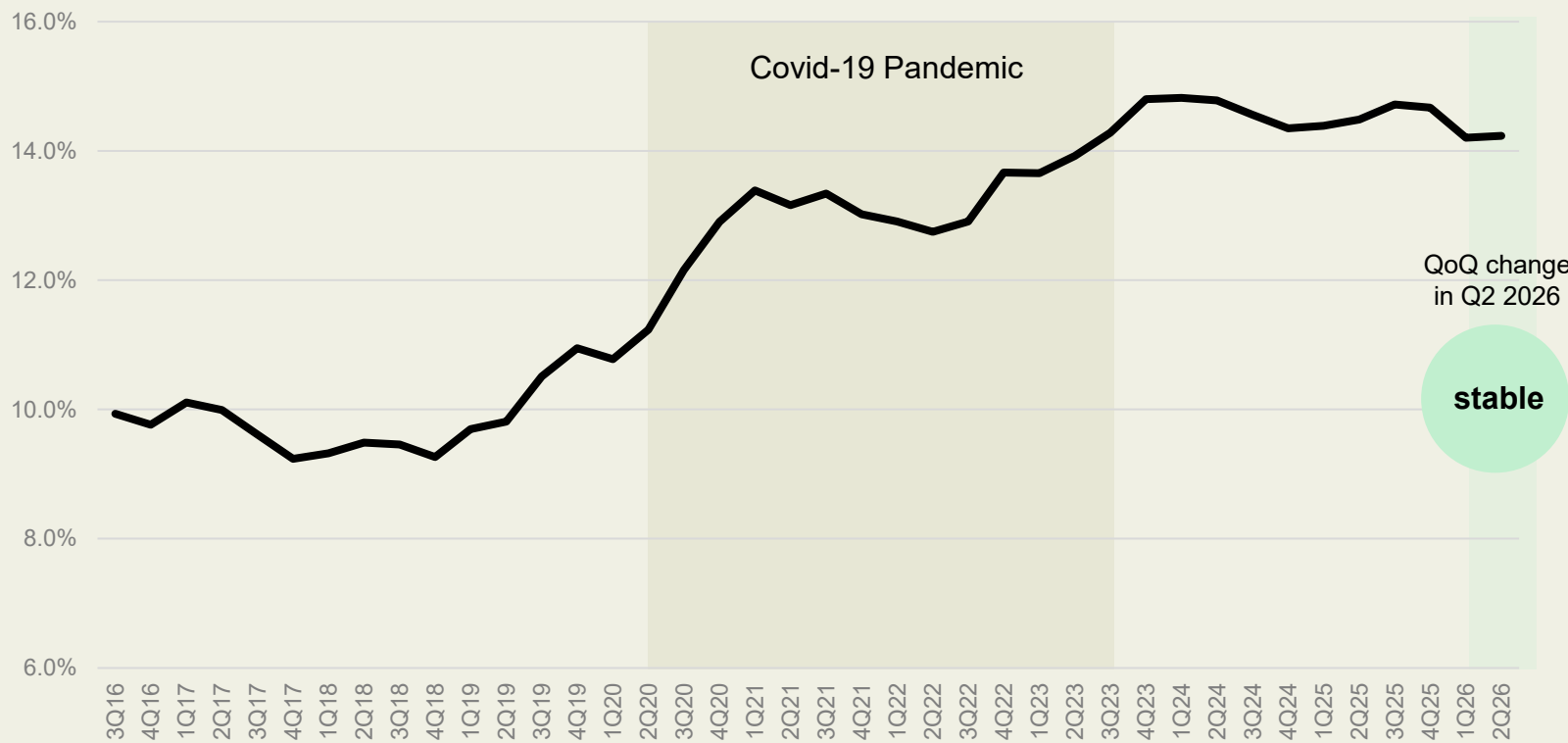


APAC Prime Office Vacancy Rate

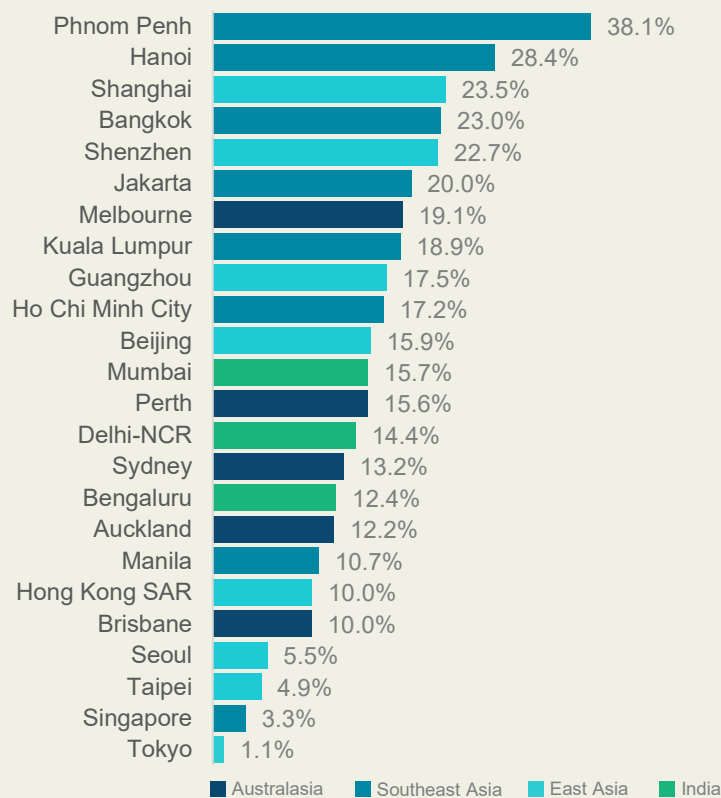


Robust occupier demand and landlord strategies capped vacancy rates

APAC Prime Office Vacancy Rate – 10 Year Historical



Q2 2026 Vacancy Rate

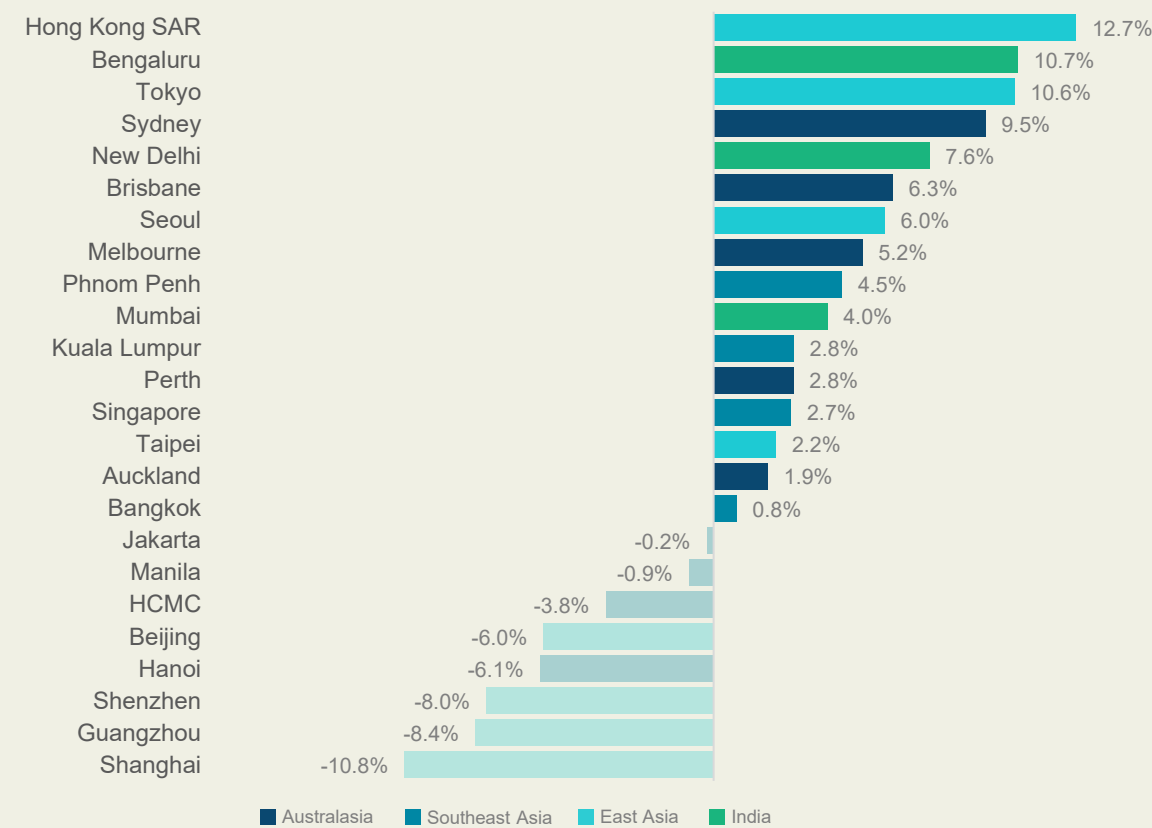


APAC Prime Rental Rate Growth – Q2 2026

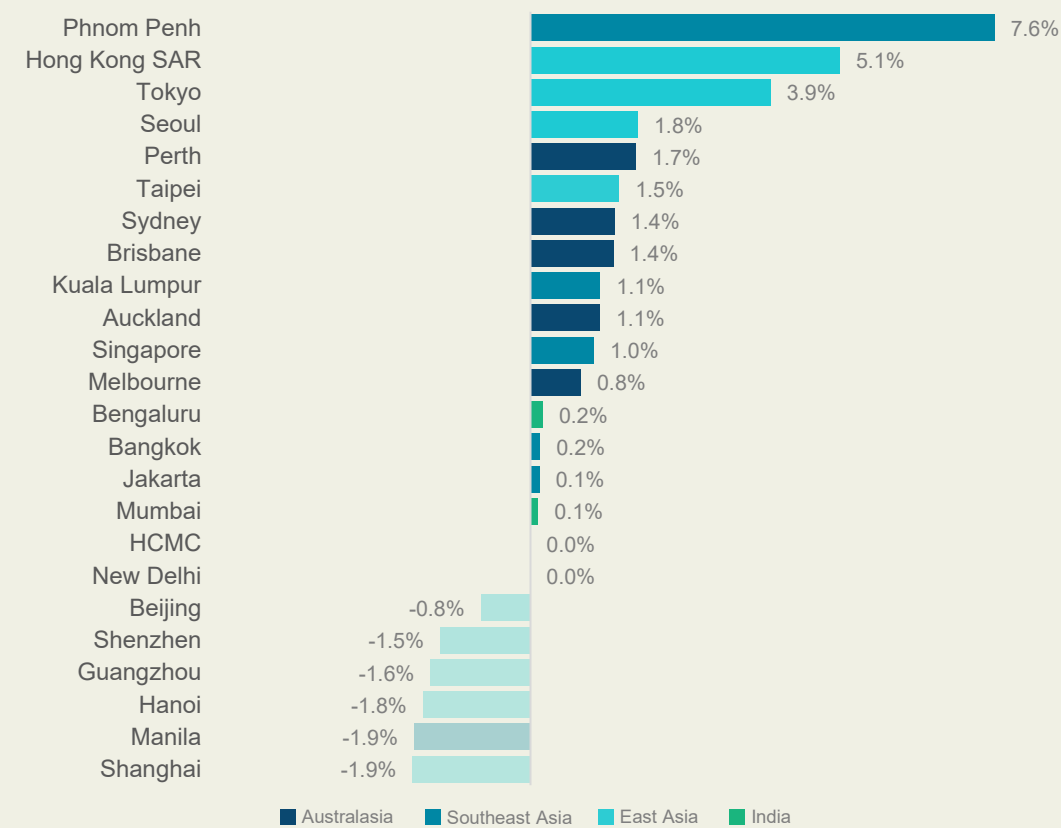


Prime rents in Hong Kong primed for further upside

Year-on-Year Change (%)



Quarter-on-Quarter Change (%)



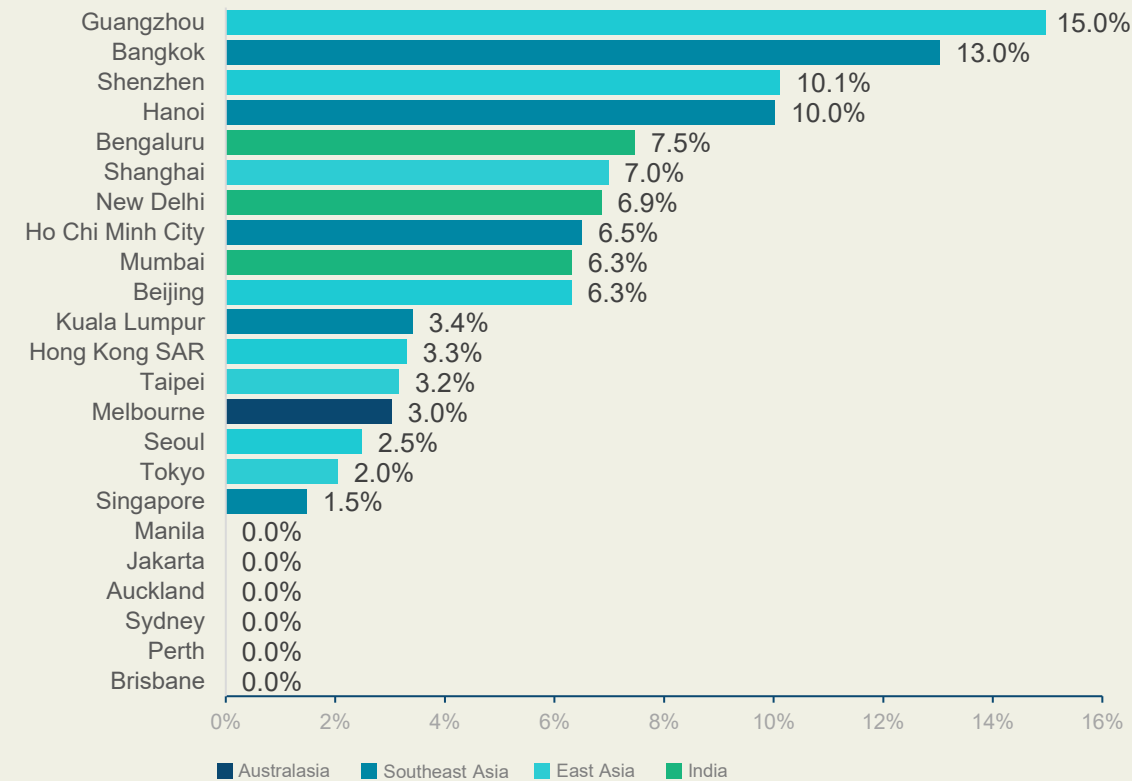
APAC Office Pipeline Supply



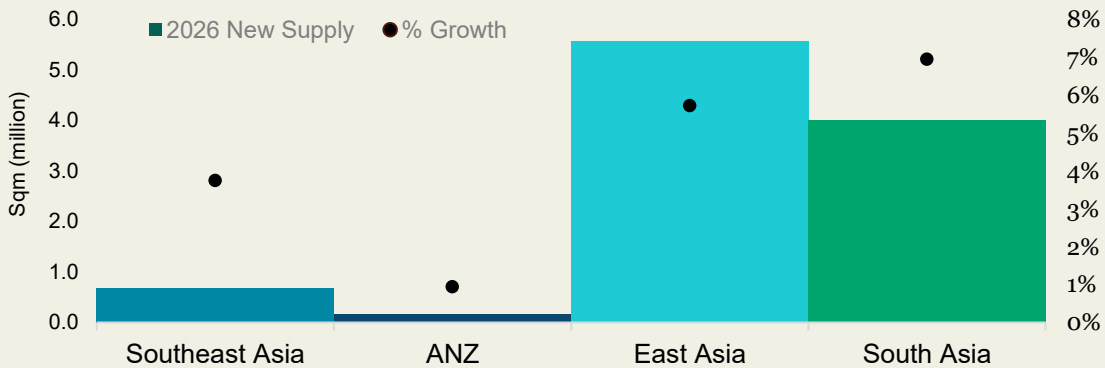
Supply drought looming for Australian markets

New Supply Growth in 2026

Proportion of 2026 Supply to 2025 Stock

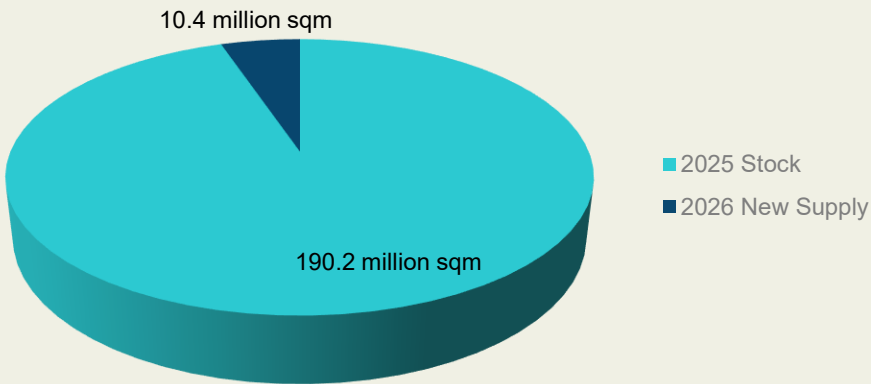


New Supply by Sub-Region



APAC Grade A Stock

Office inventory to rise 5.5% in 2026



APAC Office Snapshot – Q2 2026

12-Month Rental Outlook

▼ Decreasing

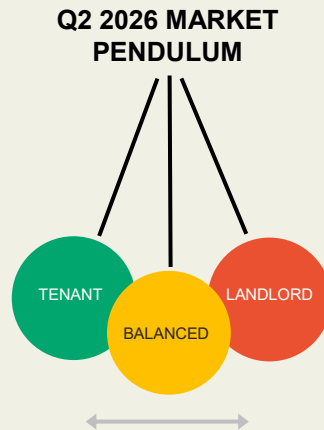
- Beijing
- Shanghai
- Guangzhou
- Shenzhen
- Hanoi
- Ho Chi Minh City

◀ Unchanged

- Auckland
- Manila
- Bangkok
- Phnom Penh
- Melbourne
- Seoul
- Singapore
- Taipei

▲ Increasing

- Brisbane
- Bengaluru
- Perth
- Tokyo
- Sydney
- Jakarta
- Mumbai
- Delhi-NCR
- Hong Kong SAR
- Kuala Lumpur



APAC Rent Summary – Q2 2026



City	Submarket(s)	Units	Prime Net Headline Rent	YoY % Change	QoQ %Change	12-month Outlook	Vacancy
Brisbane	CBD	AUD/sqm/annum	895	6.3%	1.4%	↑	10.0%
Melbourne	CBD	AUD/sqm/annum	773	5.2%	0.8%	→	19.1%
Perth	CBD	AUD/sqm/annum	749	2.8%	1.7%	↑	15.6%
Sydney	CBD	AUD/sqm/annum	1,470	9.5%	1.4%	↑	13.2%
Auckland	CBD	NZD/sqm/annum	601	1.9%	1.1%	→	12.2%
Tokyo	Central 5 Wards	JPY/tsubo/month	44,468	10.6%	3.9%	↑	1.1%
Beijing	Various	CNY/sqm/month	219	-6.0%	-0.8%	↓	15.9%
Guangzhou	CBD	CNY/sqm/month	114	-8.4%	-1.6%	↓	17.5%
Shanghai	Puxi, Pudong	CNY/sqm/month	177	-10.8%	-1.9%	↓	23.5%
Shenzhen	CBD	CNY/sqm/month	140	-8.0%	-1.5%	↓	22.7%
Hong Kong SAR	Central	HKD/sqft/month	105.54	12.7%	5.1%	↑	10.0%
Taipei	Downtown	TWD/ping/month	3,352	2.2%	1.5%	→	4.9%
Seoul	CBD, GBD, YBD	KRW/sqm/month	46,437	6.0%	1.8%	→	5.5%
Bengaluru	CBD	INR/sqft/annum	1,960	10.7%	0.2%	↑	12.4%
Mumbai	BKC	INR/sqft/annum	4,030	4.0%	0.1%	↑	15.7%
Delhi-NCR	Connaught Place	INR/sqft/annum	4,428	7.6%	0.0%	→	14.4%
Phnom Penh	City Centre	USD/sqm/month	22.25	4.5%	7.6%	→	38.1%
Jakarta	CBD	IDR/sqm/month	329,244	-0.2%	0.1%	↑	20.0%
Kuala Lumpur	City Centre, Fringe	MYR/sqft/month	6.19	2.8%	1.1%	→	18.9%
Singapore	Raffles Place, Marina Bay	SGD/sqft/month	11.69	2.7%	1.0%	→	3.3%
Bangkok	CBD	THB/sqm/month	1,240	0.8%	0.2%	→	23.0%
Manila	Various	PHP/sqm/month	1,371	1.1%	0.0%	→	10.7%
Ho Chi Minh City	CBD, Thu Thiem, Saigon South	USD/sqm/mth	51.37	-3.8%	0.0%	↓	17.2%
Hanoi	CBD, Midtown, West, West Westlake	USD/sqm/mth	27.89	-6.1%	-1.8%	↓	28.4%

Selected Leasing Deals/Negotiations

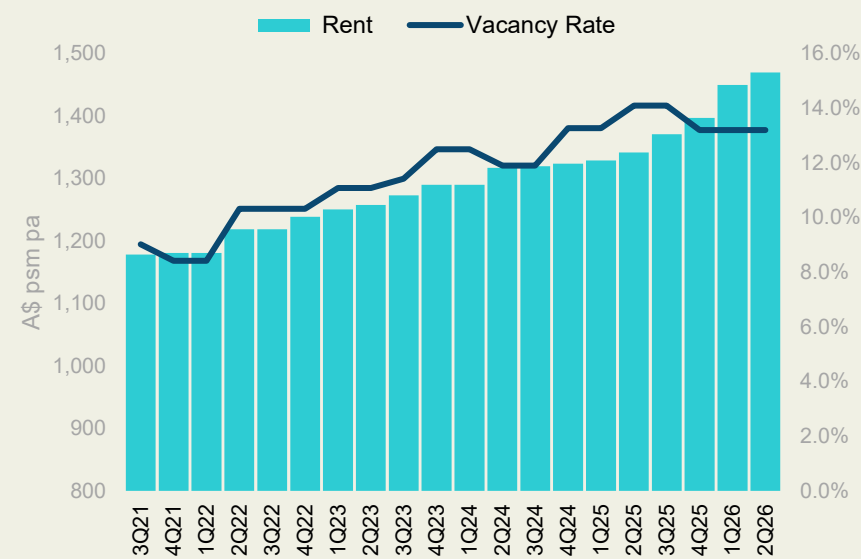
City	Tenant	Building Name	Submarket	Size (sqm)	Type
Beijing	Rank Computing	Sigma Building	Non-CBD	3,700	New Lease
	Huaxia Technology	China Life Financial Centre	CBD	3,300	New Lease
Bengaluru	Beckman Coulter	Sumadhura Capitol Tower	Non-CBD	22,486	New Lease
	Ernst & Young	Vaishnavi Union	Non-CBD	15,000	Expansion
	Apple	Embassy Zenith	Non-CBD	13,960	Expansion
Brisbane	CIMIC	12 Creek Street	CBD	8,010	Relocation
Delhi-NCR	Smartworks	Allicance Center	Non-CBD	44,600	Expansion
	STT	DLF Tech Park	Non-CBD	35,300	Expansion
Hong Kong	First Abu Dhabi Bank	Cheung Kong Center II	CBD	17,254	New Lease
	Mashreq Bank	Cheung Kong Center II	CBD	7,818	New Lease
Melbourne	Insignia Financial	8 Exhibition Street	CBD	8,400	New Lease
Mumbai	Bank of America	Cignus	Non-CBD	10,300	Expansion
	Meta	One BKC	Non-CBD	6,520	Expansion
Shanghai	Tencent	Lumina Shanghai Phase One	Non-CBD	15,000	Expansion
	Tullett Prebon SITICO	DBS Tower	CBD	5,200	Renewal
	Luxshare Precision	Lumina Shanghai Phase Two	Non-CBD	4,400	New Lease
Singapore	Allianz	Shaw Tower	CBD	7,250	Relocation
	Databricks	IOI Central Boulevard Towers	CBD	2,970	Relocation/Expansion
	Arcc Spaces	Bank of Singapore Centre	CBD	2,400	Relocation/Expansion
Sydney	AC3	477 Pitt Street	CBD	2,500	New Lease
Ho Chi Minh City	AIA	Saigon Centre II	CBD	3,000	Renewal
Kuala Lumpur	Maybank	Merdeka 118	CBD	60,400	Relocation



Australasia

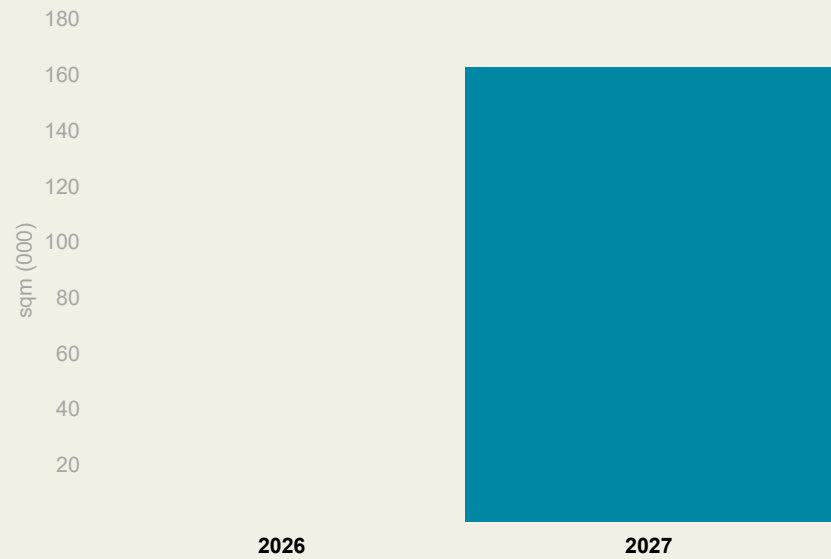
Prime net effective rent grew by an average of 1.4% quarter-on-quarter across Australia's office markets during the quarter. Quarterly rental growth was led by Perth, which is negotiating an unprecedented drought in supply. Although most Australian CBD markets will face limited premium office supply, Perth is particularly constrained as the city will have no meaningful new completions expected until after 2031. Average incentives in Australia increased marginally, driven by conditions in Melbourne, where three office developments are expected to complete by the end of 2026. Still, conditions in Melbourne are turning less tenant-friendly, supported by higher tenant expansion activity and continued rises in face rents. Limited contiguous space options for large occupiers and a dwindling supply pipeline are expected to tighten market conditions further. In Auckland, rents increased for a second consecutive quarter after remaining largely flat through 2024-5, reflecting an improvement in occupier sentiment.

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Pipeline Supply



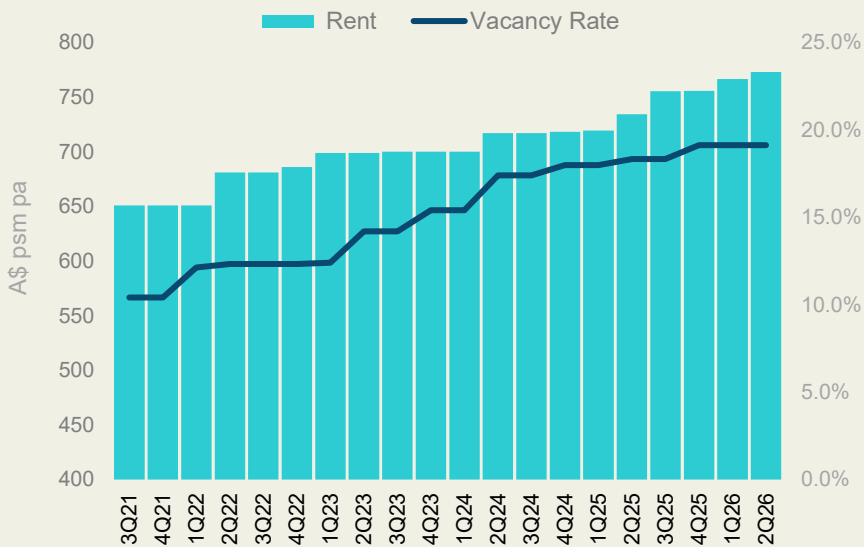
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (A\$ psm pa)	1,470	↑
Prime Vacancy	13.2%	→
Market Balance	Balanced	Balanced



For more information,
please contact:

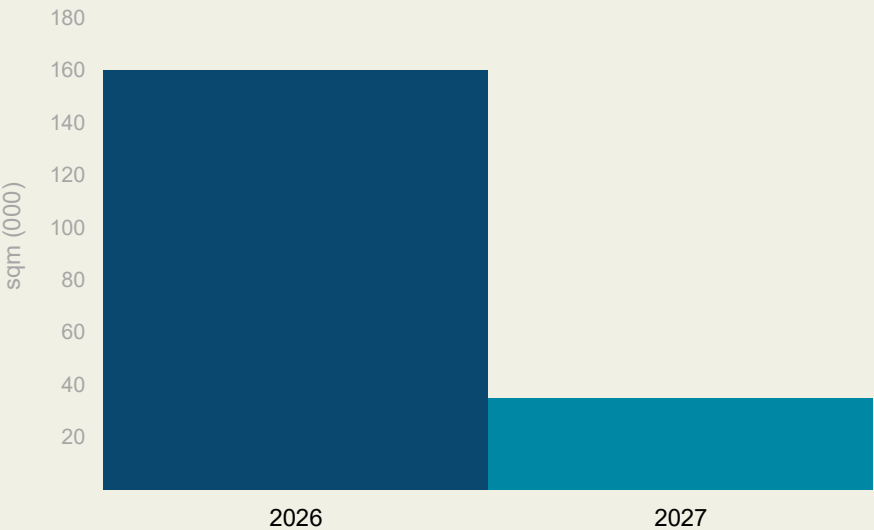
Katherine Moss
Partner, National Head of Tenant
Representation – Office
katherine.moss@au.knightfrank.com
+61 2 9036 6647

Rents and Vacancy

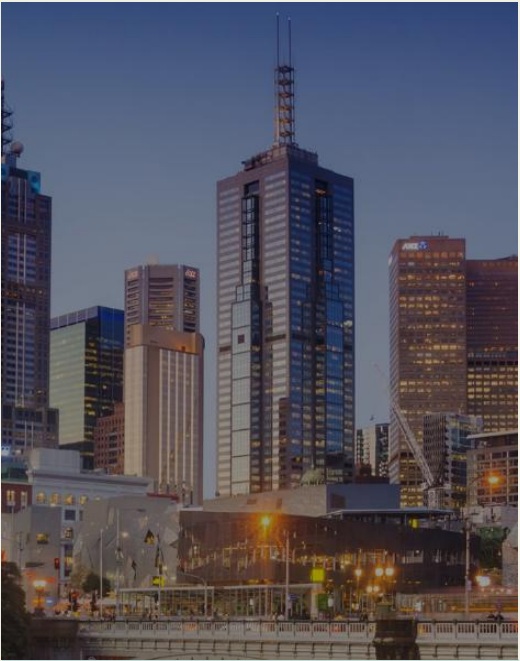


Economic Indicators		
	2025	2026F
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Pipeline Supply



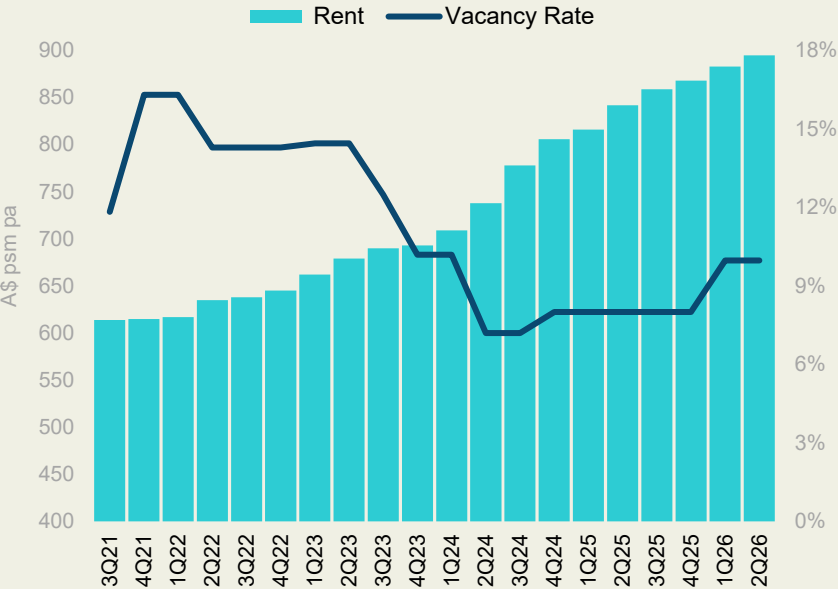
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (A\$ psm pa)	773	→
Vacancy	19.1%	→
Market Balance	Tenant	Tenant



For more information,
please contact:

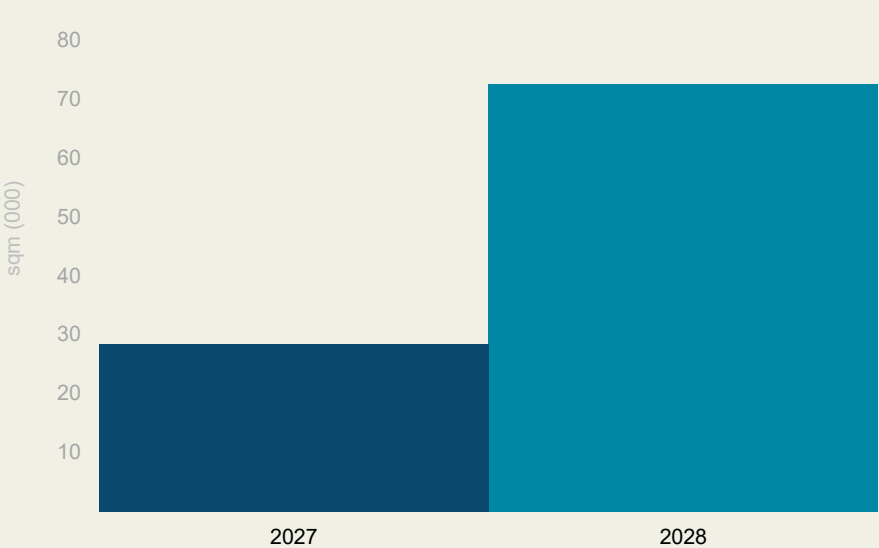
Craig Carr
Head of Tenant Representation –
Victoria
Craig.Carr@au.knightfrank.com
+61 447 463 778

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Pipeline Supply



*No supply expected in 2026

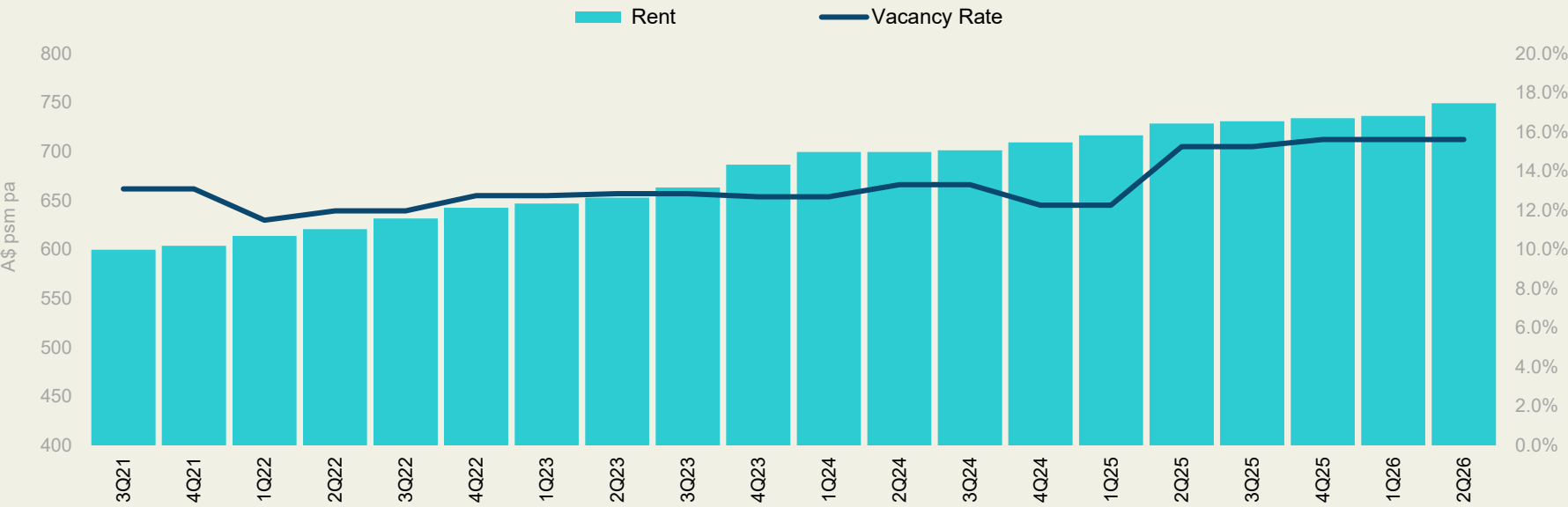
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (A\$ psm pa)	895	↑
Prime Vacancy	10.0%	↑
Market Balance	Landlord	Landlord



For more information,
please contact:

Jonathan Scott
Partner, Head of Tenant Representation
QLD
jonathan.scott@au.knightfrank.com
+61 7 3246 8836

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

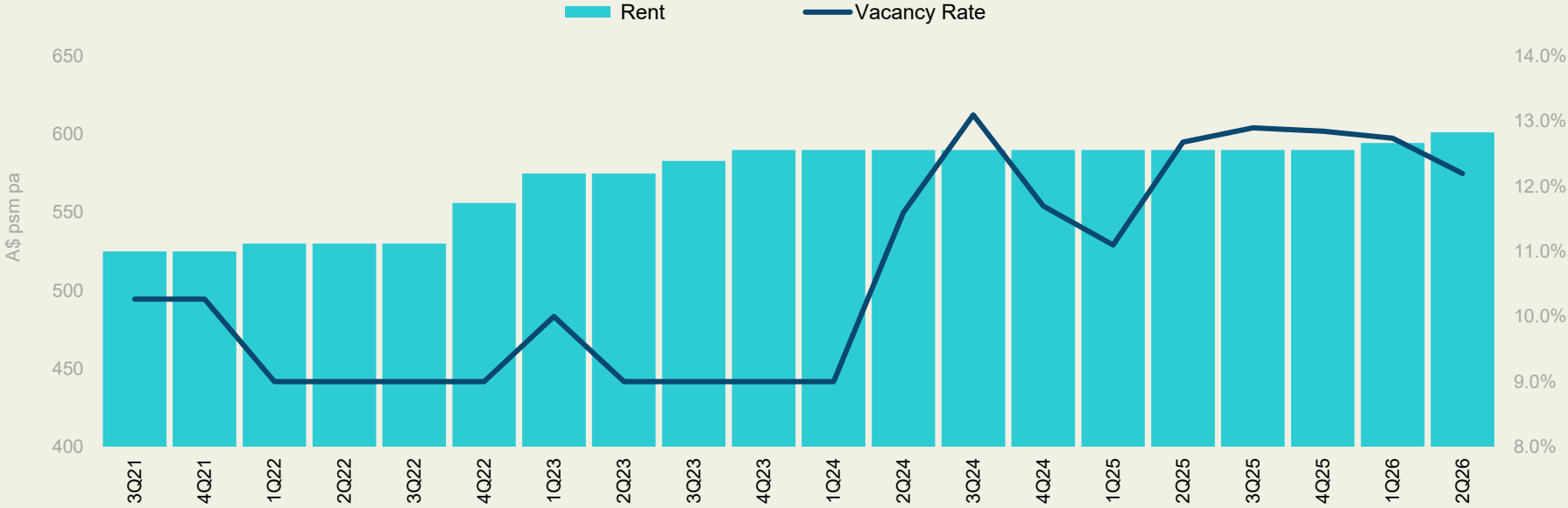
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (A\$ psm pa)	737	↑
Prime Vacancy	15.6%	→
Market Balance	Tenant	Tenant



For more information,
please contact:

Alyson Martinovitch
State Head of Tenant Representation -
WA
Alyson.Martinovitch@au.knightfrank.com
+61 459 696 098

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	0.5%	1.9%
Unemployment Rate	5.3%	5.4%
Inflation	2.8%	3.5%

Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (NZ\$ psm pa)	601	→
Prime Vacancy	12.2%	→
Market Balance	Balanced	Balanced



For more information,
please contact:

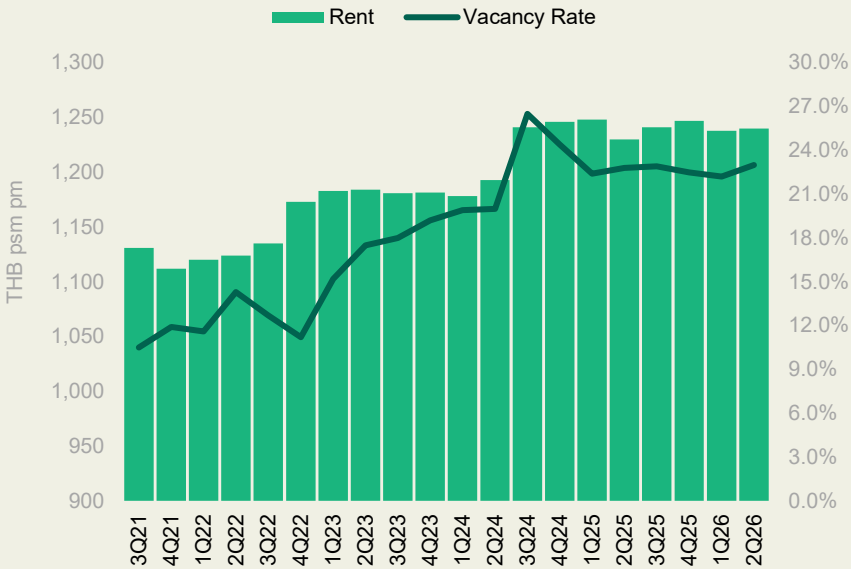
Steve Rendall
National and Head of Occupier Strategy
& Solutions
Steve.rendall@bayleys.co.nz
+64 27 521 2599



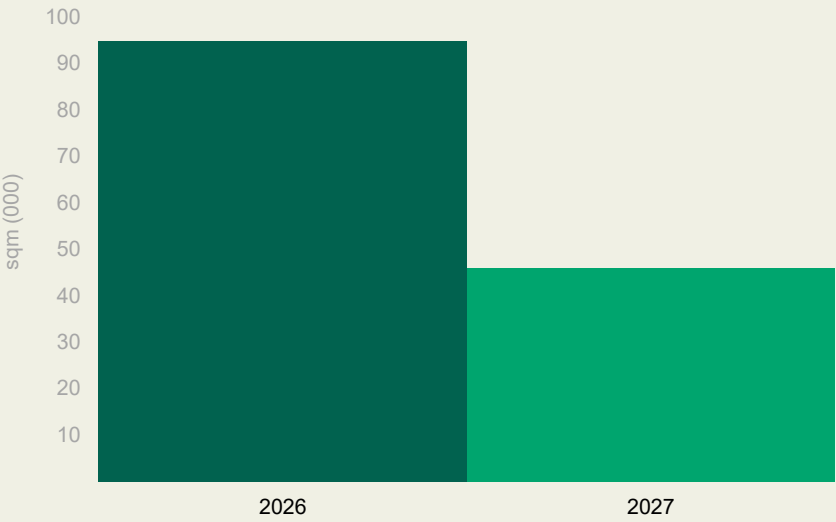
Southeast Asia

Rent growth across emerging Southeast Asia's office markets remained largely unchanged, edging up by just 0.2% quarter-on-quarter in Q2 2026. Performance was mostly weighed down by lacklustre demand in Hanoi. Prime rents in the Vietnamese capital fell 1.8% quarter-on-quarter, driving rental levels to five-year lows while vacancies spiked to over 28%, from 20.4% in the first quarter due to the delivery of IFC Westlake. In contrast, those in Kuala Lumpur continued to rise gradually, supported by improving demand for quality office space. While elevated vacancy levels continue to temper rental growth, rents have been trending steadily upward, indicating a slow but sustained market recovery. Beyond Southeast Asia's emerging markets, rents in Phnom Penh rose over 7% quarter-on-quarter, primarily driven by the completion of new prime supply. Meanwhile, Singapore's office market remained firm, with rents edging up by just 1%, primarily due to renewal-led demand amid cautious occupier sentiment as well as limited prime supply in the core business district.

Rents and Vacancy



Pipeline Supply



Economic Indicators		
	2025	2026F
GDP Growth	2.4%	2.3%
Unemployment Rate	0.8%	0.9%
Inflation	-0.1%	2.1%

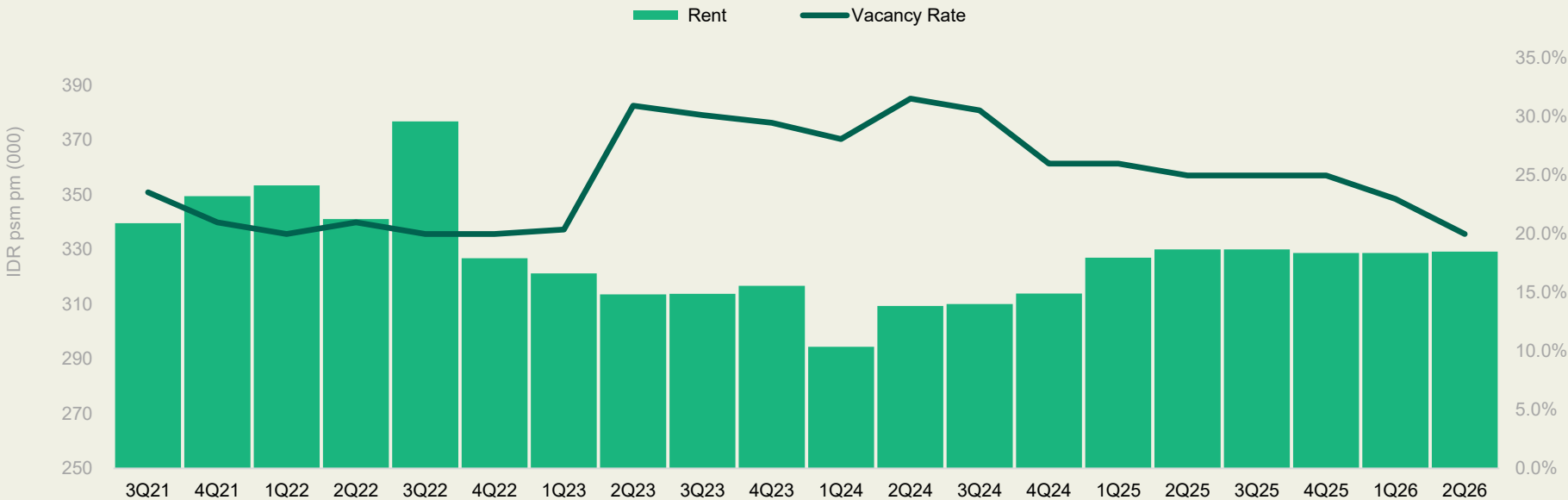
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (THB psm pm)	1,240	→
Prime Vacancy	23.0%	↓
Market Balance	Tenant	Tenant



For more information,
please contact:

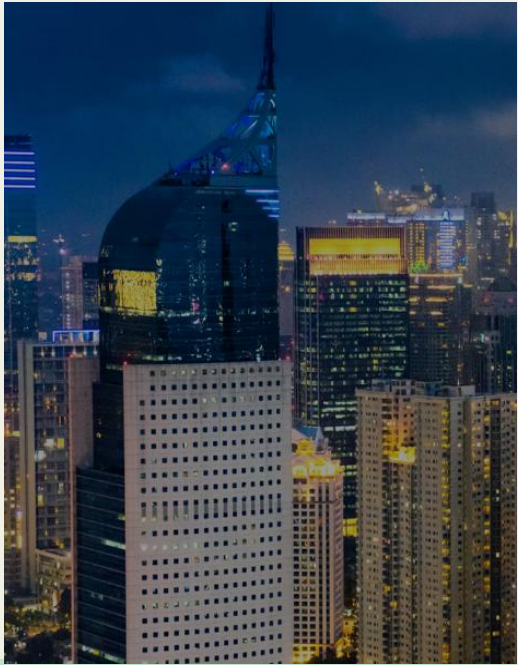
Panya Jenkitvathanaalert
Executive Director and Head of Office
Strategy & Solutions
panya.jenkitvathanaalert@th.knightfrank.com
+66 86 999 5557

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.1%	5.0%
Unemployment Rate	4.8%	4.8%
Inflation	1.9%	3.2%

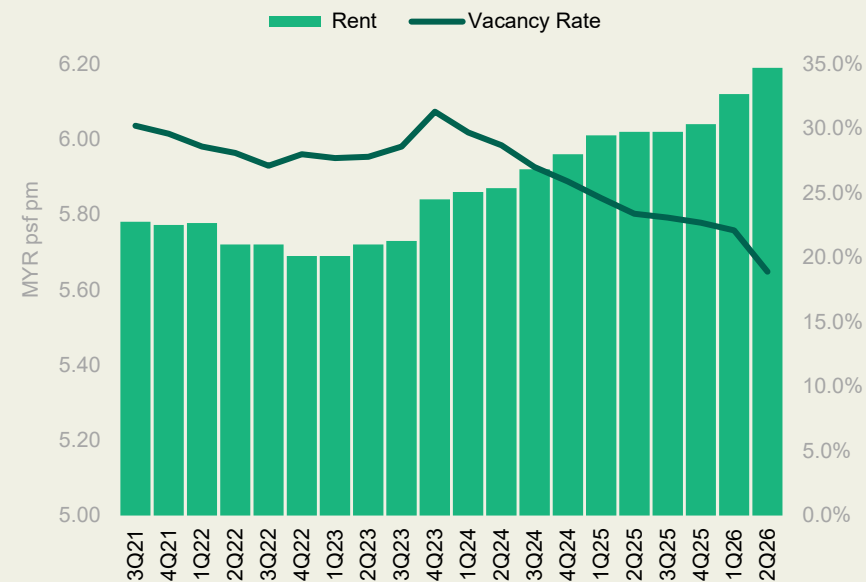
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (IDR psm pm)	329,244	↑
Prime Vacancy	20.0%	↓
Market Balance	Tenant	Tenant



For more information, please contact:

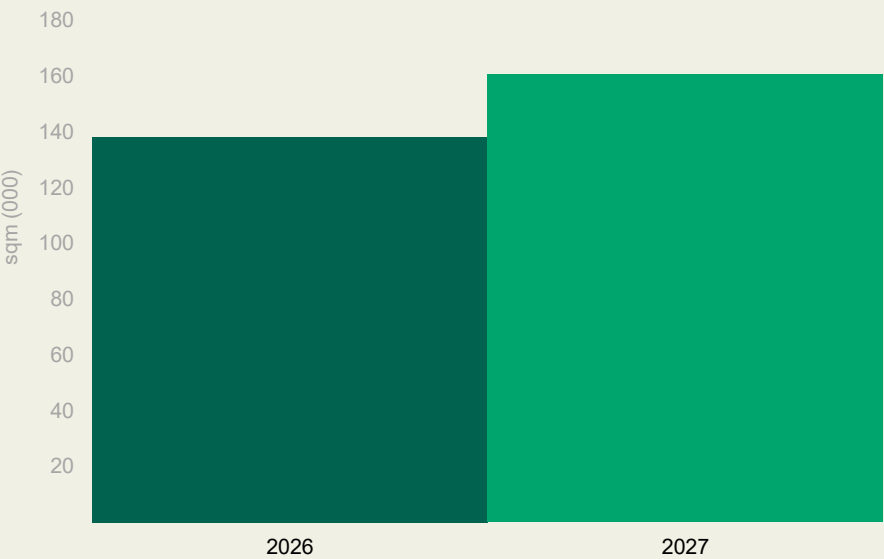
Rina Martianti
Associate Director, Occupier Strategy and Solutions, Indonesia
rina.martianti@id.knightfrank.com
+62 81398967313

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.2%	4.0% - 5.0%
Unemployment Rate	3.0%	2.9%
Inflation	1.4%	1.5% - 2.5%

Pipeline Supply



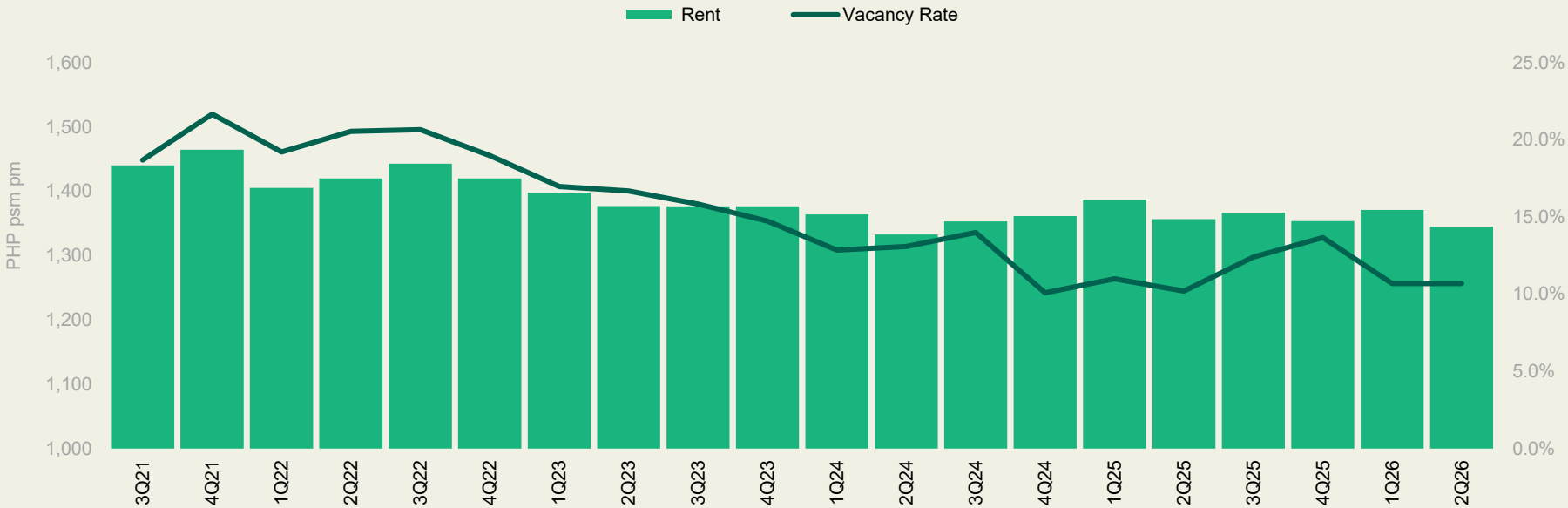
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (MYR psf pm)	6.19	↑
Prime Vacancy	18.9%	→
Market Balance	Balanced	Balanced



For more information,
please contact:

Young Khean Teh
Senior Executive Director, Office Strategy
and Solutions, Malaysia
youngkhean.teh@my.knightfrank.com
+603 2289 9688

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	4.5%	4.1%
Unemployment Rate	4.2%	4.5%
Inflation	1.6%	4.8%

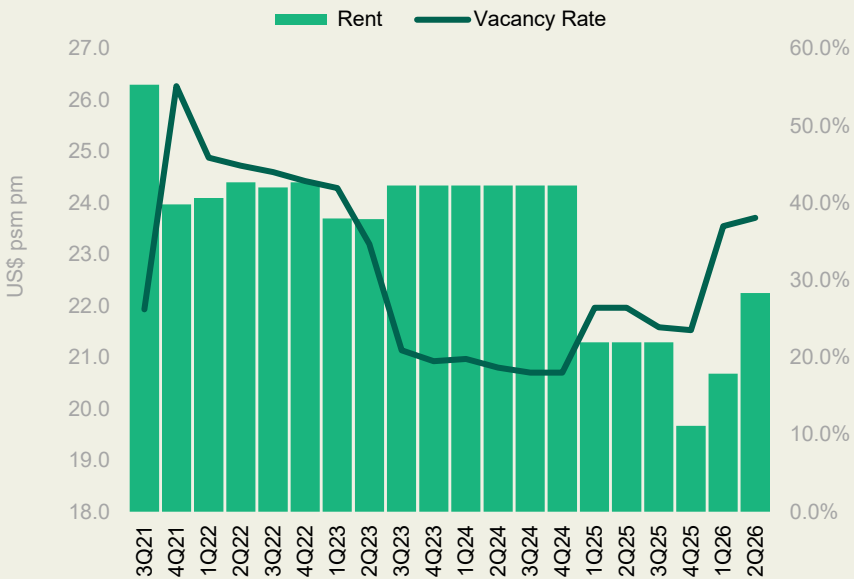
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (PHP psm pm)	1,345	→
Prime Vacancy	10.7%	↑
Market Balance	Tenant	Tenant



For more information,
please contact:

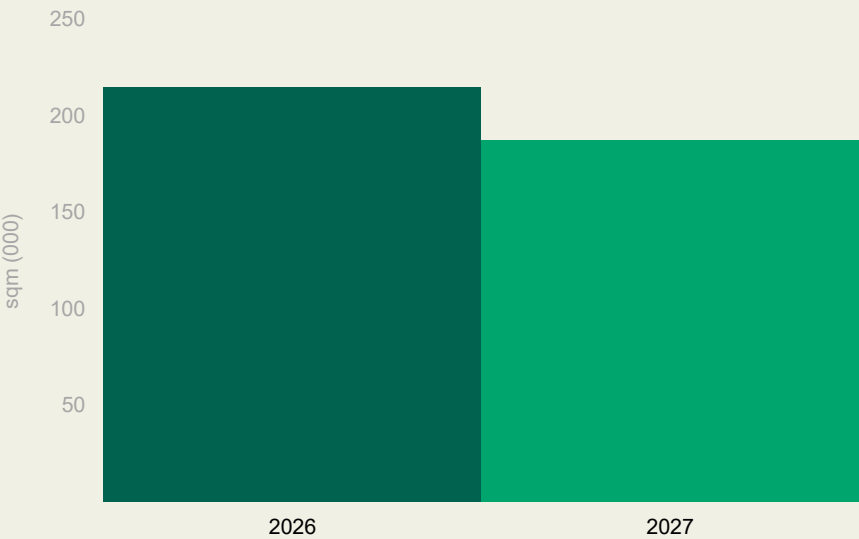
Morgan McGilvray
Senior Director, Occupier Strategy
and Solutions, Philippines
morgan.mcgilvray@santos.knightfrank.ph
+632 7752 2580

Rents and Vacancy

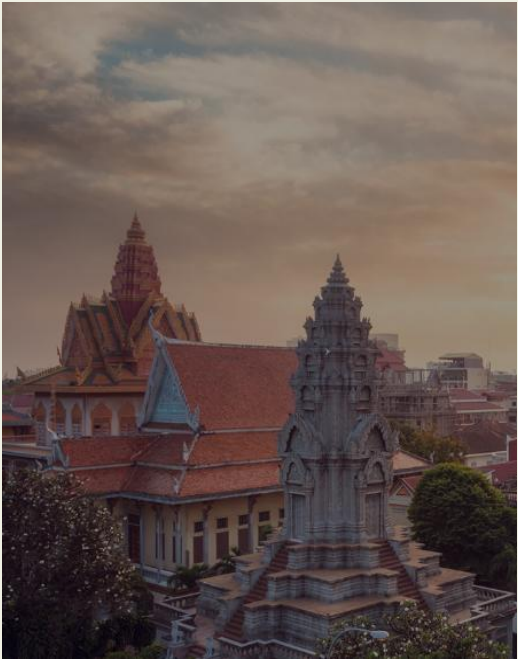


Economic Indicators		
	2025	2026F
GDP Growth	5.8%	4.0%
Unemployment Rate	NA	NA
Inflation	2.1%	3.0%

Pipeline Supply (All Grades)



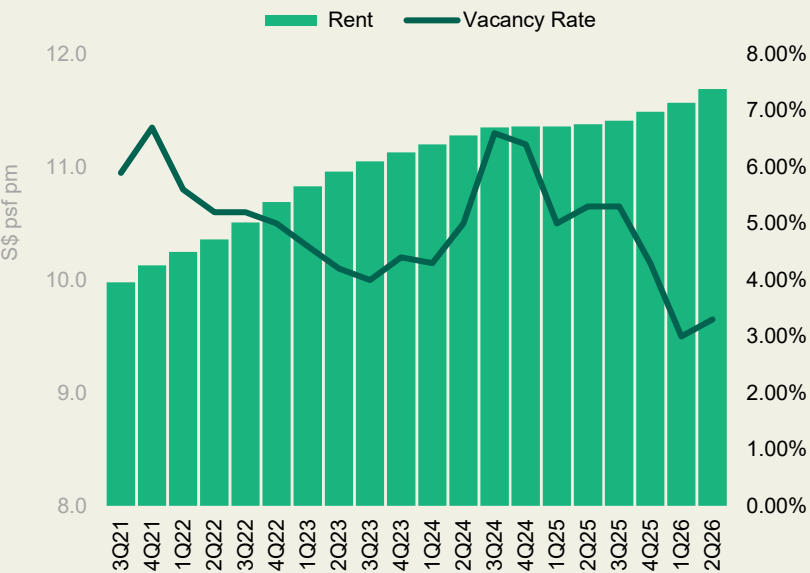
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (US\$ psm pm)	22.25	→
Prime Vacancy	38.1%	→
Market Balance	Tenant	Tenant



For more information,
please contact:

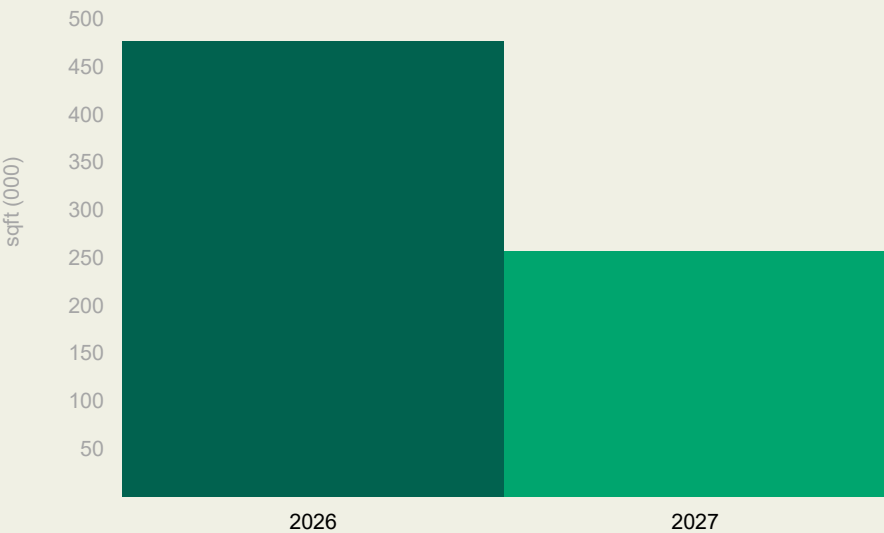
Ross Wheble
Country Head, Cambodia
ross.wheble@kh.knightfrank.com
+855 (0) 23 966 878

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.0%	3.9%
Unemployment Rate	2.0%	2.0%
Inflation	0.9%	1.9%

Pipeline Supply



Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (S\$ psf pm)	11.69	→
Prime Vacancy	3.3%	↓
Market Balance	Landlord	Landlord

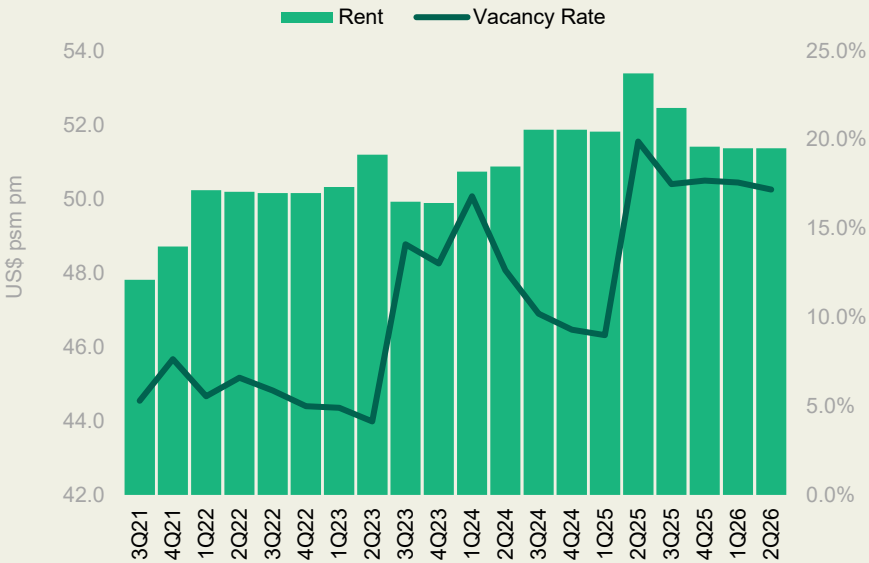


For more information,
please contact:

Tridiana Ong
Head, Occupier Strategy and Solutions,
Singapore
tridiana.ong@sg.knightfrank.com
+65 6228 6886

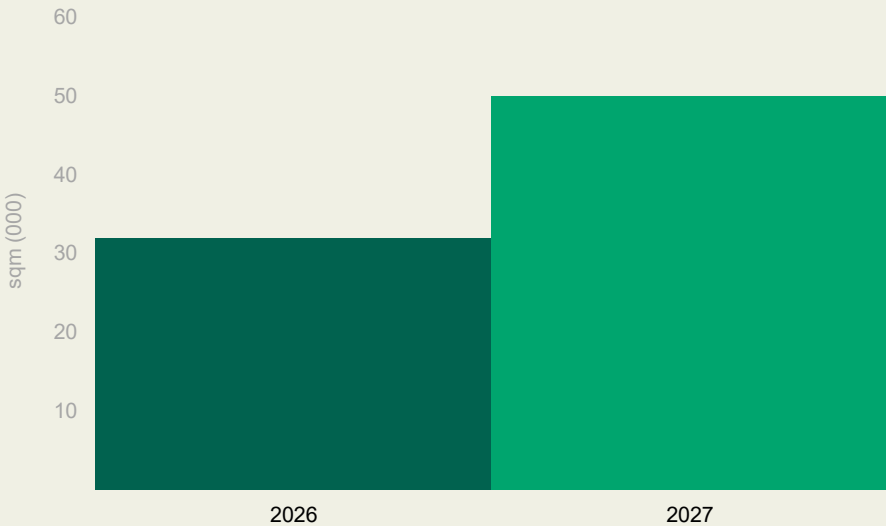
Ho Chi Minh City

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	8.0%	6.7%
Unemployment Rate	NA	NA
Inflation	3.3%	4.5%

Pipeline Supply



*No supply expected in 2027

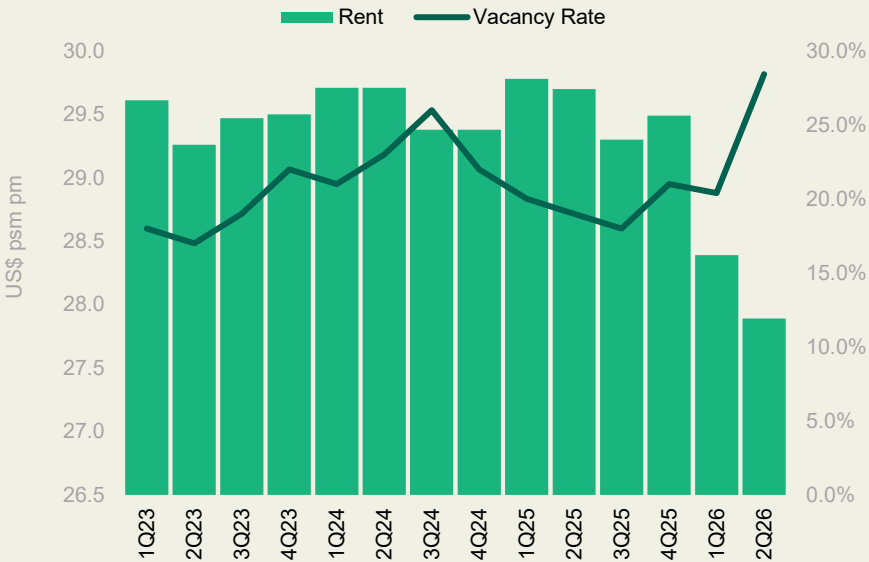
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (US\$ psm pm)	51.37	↓
Prime Vacancy	17.2%	↓
Market Balance	Tenant	Tenant



For more information,
please contact:

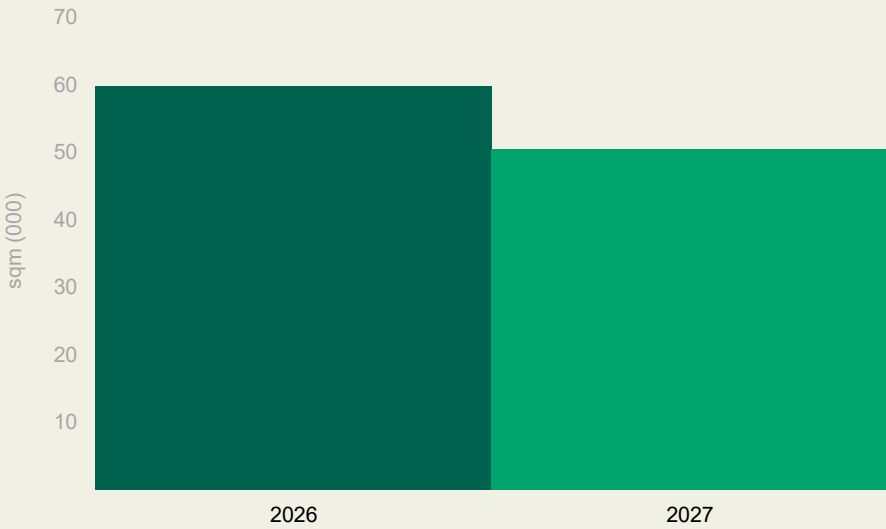
Leo Nguyen
Senior Director, Occupier Strategy &
Solutions
Leo.nguyen@knightfrank.com
+84 905 79 87 88

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	8.0%	6.7%
Unemployment Rate	NA	NA
Inflation	3.3%	4.5%

Pipeline Supply



*No supply expected in 2027

Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (US\$ psm pm)	27.89	↓
Prime Vacancy	28.4%	↑
Market Balance	Tenant	Tenant



For more information,
please contact:

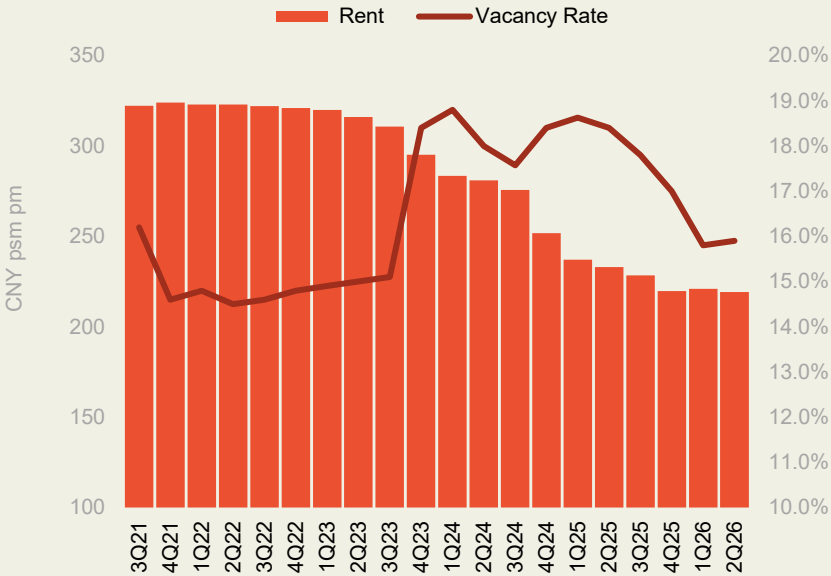
Leo Nguyen
Senior Director, Occupier Strategy &
Solutions
Leo.nguyen@knightfrank.com
+84 905 79 87 88



East Asia

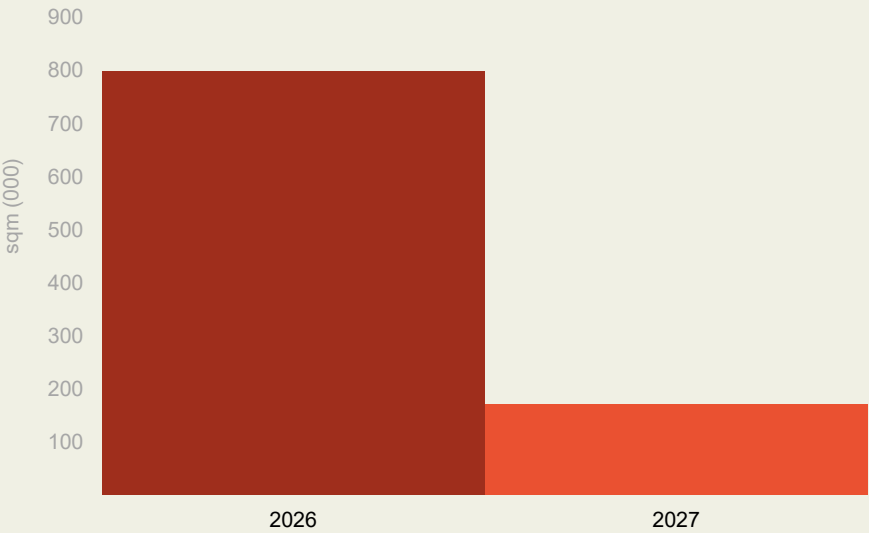
Beijing and Shanghai's office markets are showing early signs of stabilization as improving occupier demand and moderating supply help ease downward pressure on rents. Demand is being supported by technology-led sectors with occupiers taking advantage of favourable rental conditions to upgrade or expand. Overall vacancies fell across Chinese mainland cities, with those in Guangzhou and Shanghai recording strong absorption. However, these continued to be accompanied by sustained rental drops as well as tenant incentives to preserve occupancies. Leasing activity in Guangzhou were observed to be dominated by relocations, as landlords competed for the same tenant pool. Sustained new supply in the city's CBD-fringe markets are also compelling landlords in the prime districts to quote rents closer to emerging submarkets. Occupier demand in both Tokyo and Seoul remains robust, supported by corporate expansion, office upgrades and consolidation activity. Limited prime availability in both markets are prompting occupiers to commit earlier, resulting in strong pre-leasing activity.

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Pipeline Supply



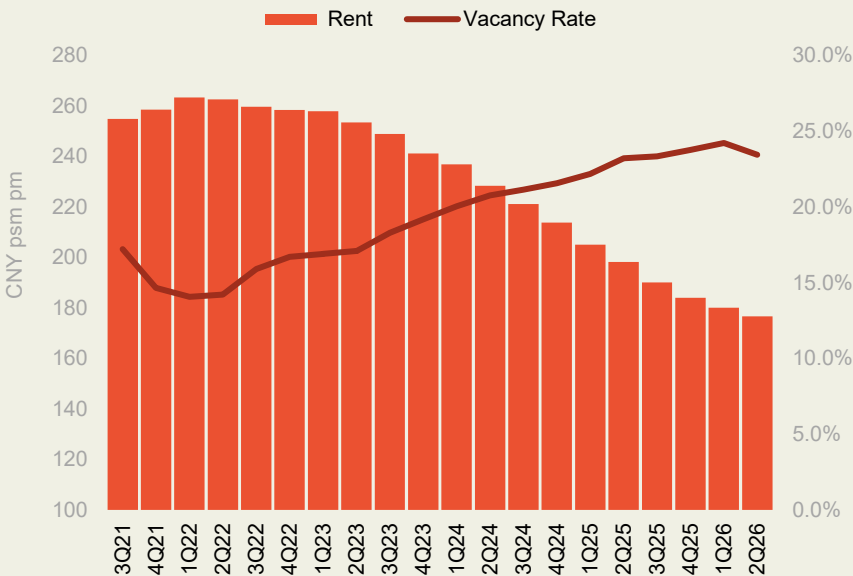
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (CNY psm pm)	219	↓
Prime Vacancy	15.9%	↑
Market Balance	Tenant	Tenant



For more information,
please contact:

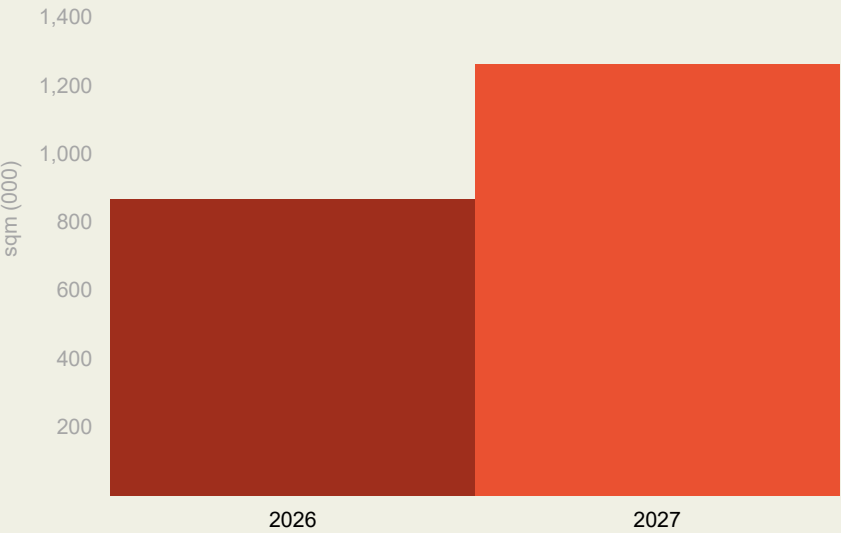
Charles Yan
General Manager, Office Strategy and
Solutions, Beijing
charles.yan@cn.knightfrank.com
+86 139 1111 1607

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Pipeline Supply



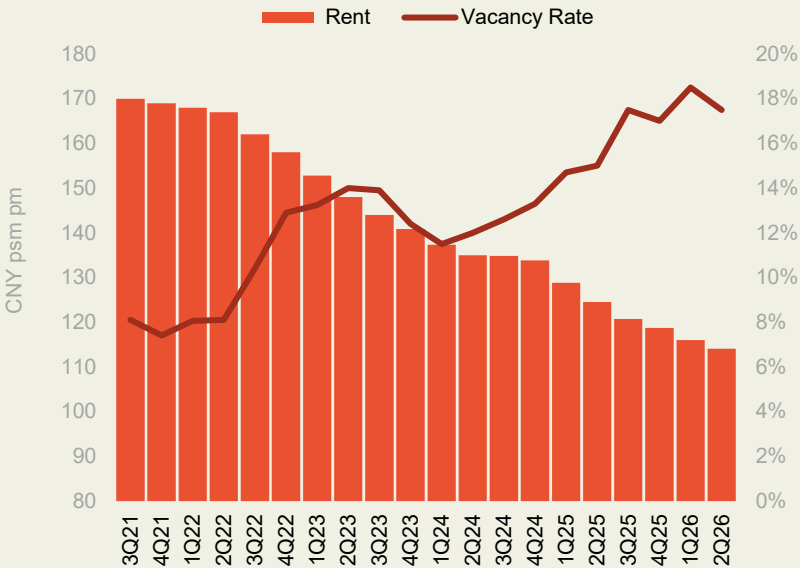
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (CNY psm pm)	177	↓
Prime Vacancy	23.5%	↑
Market Balance	Tenant	Tenant



For more information,
please contact:

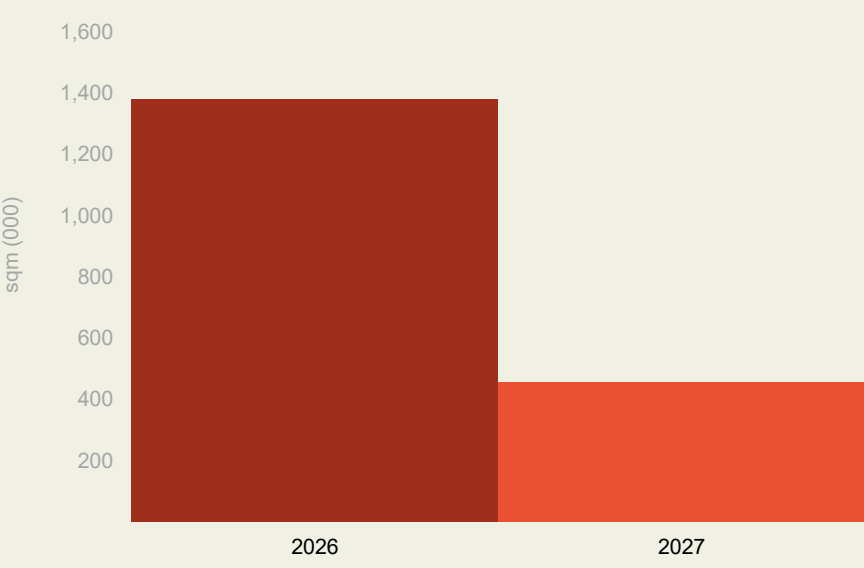
Virginia Huang
Managing Director, North and East China
Virginia.huang@cn.knightfrank.com
+86 21 6032 1719

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Pipeline Supply



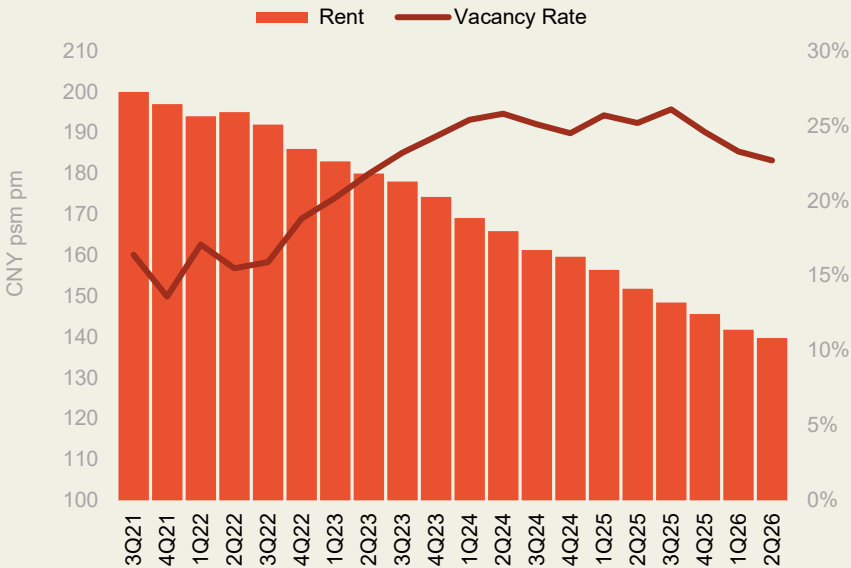
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (CNY psm pm)	114	↓
Prime Vacancy	17.5%	↑
Market Balance	Tenant	Tenant



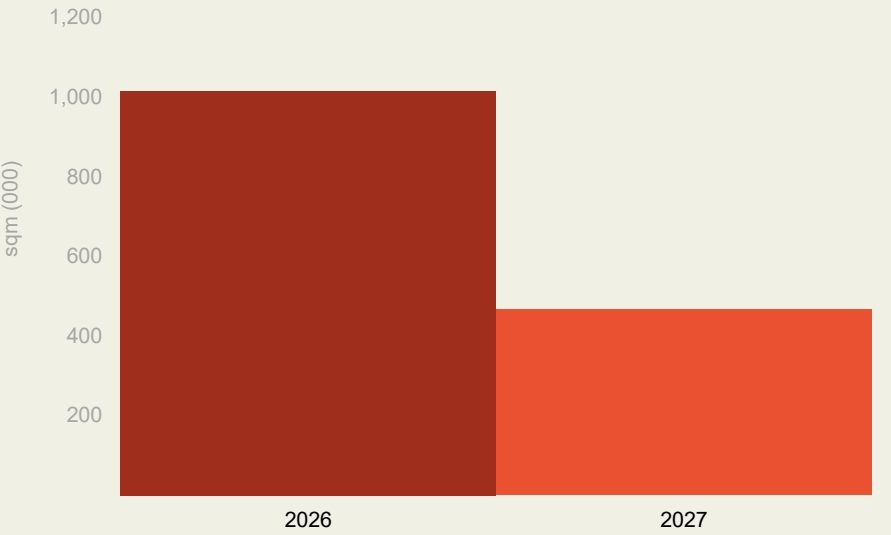
For more information,
please contact:

Aaron Huang
Head of Office Strategy & Solutions,
Guangzhou
Aaron.huang@cn.knightfrank.com
+86 166 5801 0718

Rents and Vacancy



Pipeline Supply



Economic Indicators		
	2025	2026F
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (CNY psm pm)	140	↓
Prime Vacancy	22.7%	↑
Market Balance	Tenant	Tenant

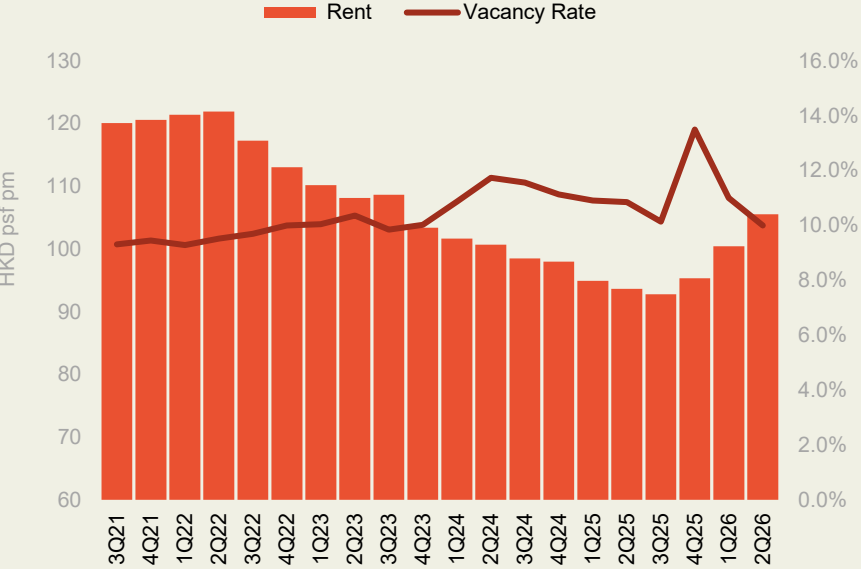


For more information,
please contact:

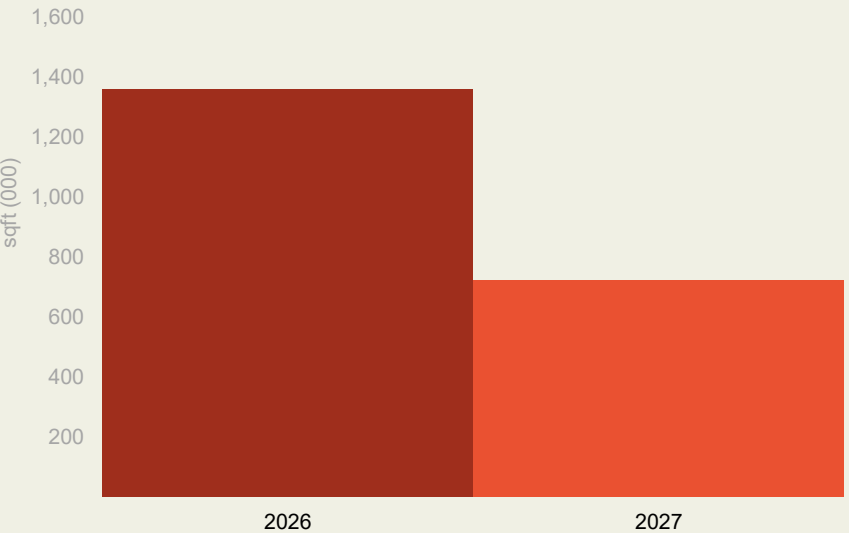
Ken Kan
Managing Director, Head of Office
Strategy and Solutions, Shenzhen
Ken.kan@cn.knightfrank.com
+86 755 6661 3141

Hong Kong SAR

Rents and Vacancy



Pipeline Supply



Economic Indicators		
	2025	2026F
GDP Growth	3.5%	4.5%
Unemployment Rate	3.6%	3.7%
Inflation	1.4%	1.8%

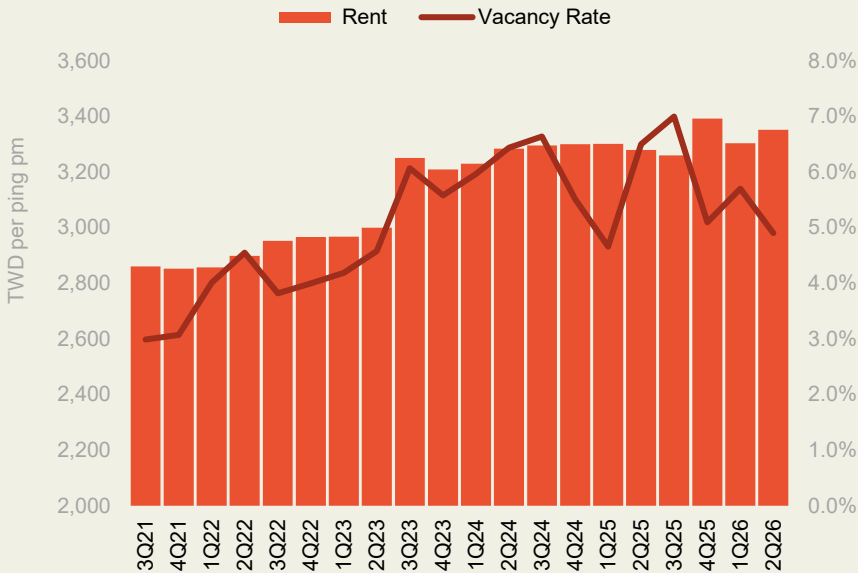
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (HK\$ psf pm)	106	↑
Prime Vacancy	10.0%	→
Market Balance	Balanced	Balanced



For more information,
please contact:

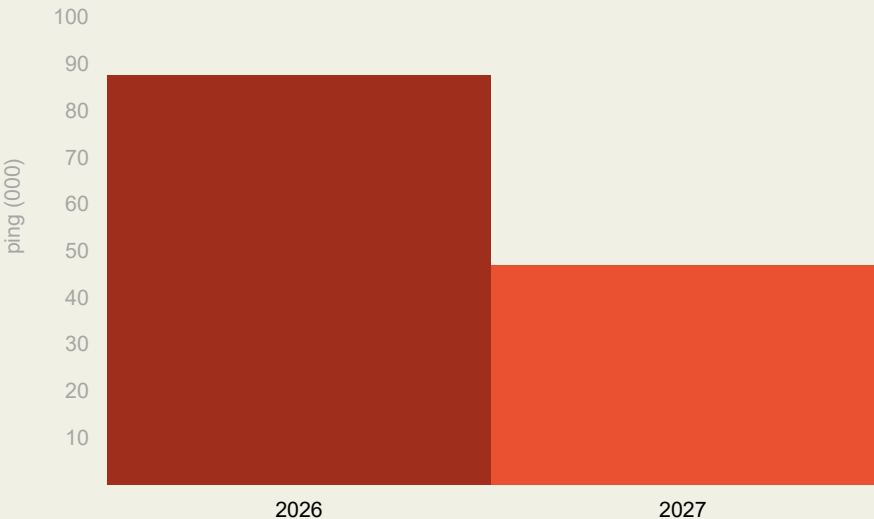
Wendy Lau
Executive Director, Head of Hong Kong
Office Strategy & Solutions
Wendy.lau@hk.knightfrank.com
+852 2846 4988

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	8.7%	8.2%
Unemployment Rate	3.3%	3.4%
Inflation	1.7%	1.7%

Pipeline Supply



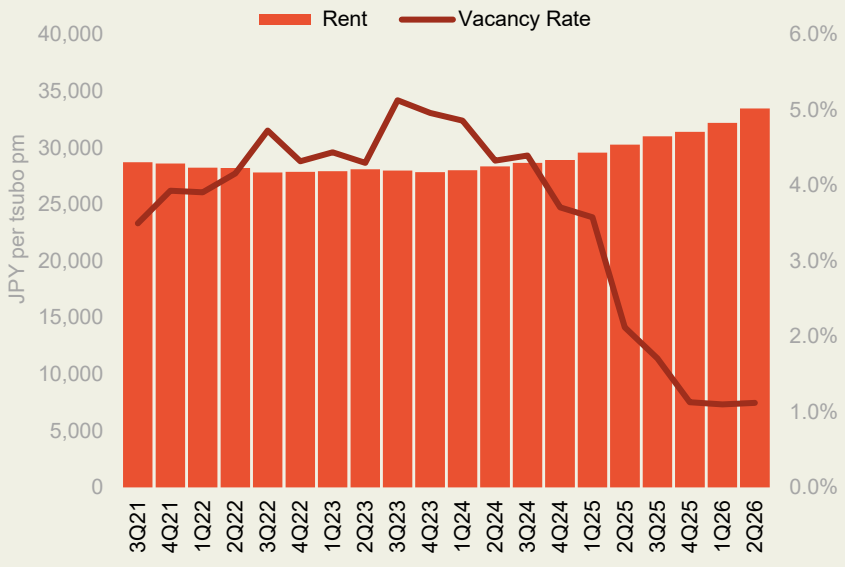
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (TW\$ per ping pm)	3,352	→
Prime Vacancy	4.9%	→
Market Balance	Balanced	Tenant



For more information,
please contact:

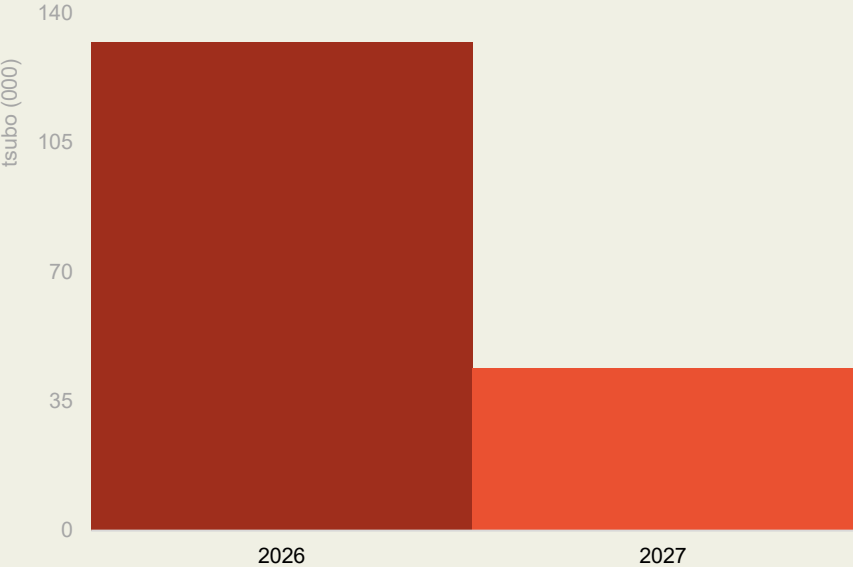
Jessica Lu
Head, Office Strategy and Solutions,
Taiwan
jessica.lu@repro.knightfrank.com
+886 2 8729 8776

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	1.1%	0.6%
Unemployment Rate	2.5%	2.5%
Inflation	3.2%	2.1%

Pipeline Supply



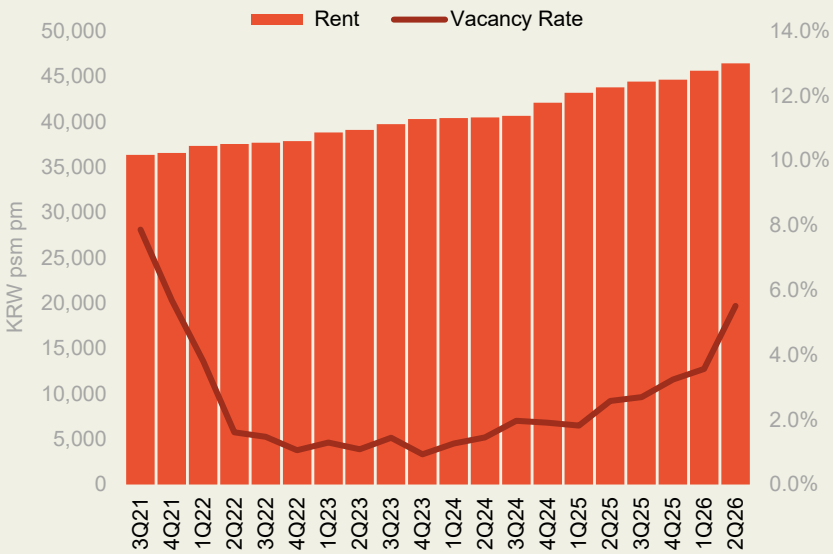
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (JPY psm pa)	33,468	↑
Prime Vacancy	1.1%	→
Market Balance	Landlord	Landlord



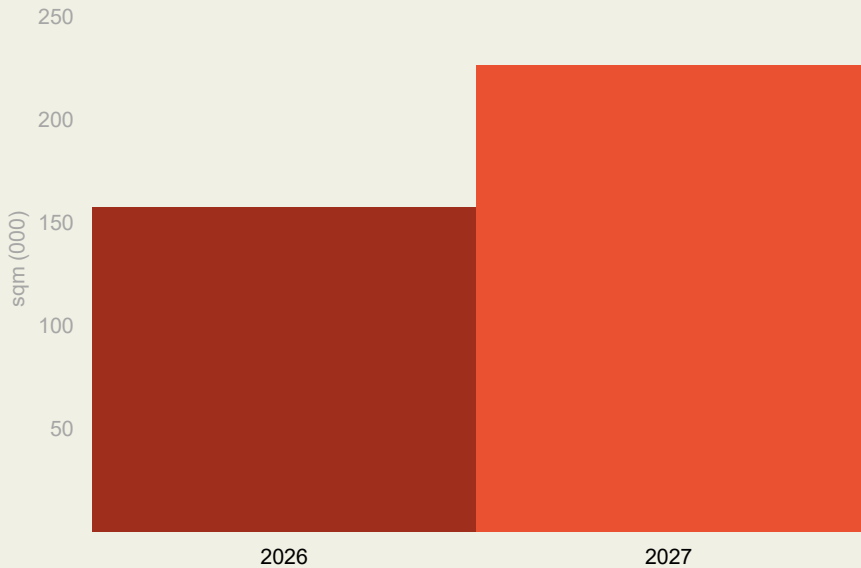
For more information,
please contact:

Tim Armstrong
Global Head of Occupier Strategy
and Solutions
tim.armstrong@asia.knightfrank.com
+65 6429 3531

Rents and Vacancy



Pipeline Supply



Economic Indicators		
	2025	2026F
GDP Growth	1.0%	2.9%
Unemployment Rate	2.8%	2.8%
Inflation	2.1%	2.8%

Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (KRW psm pm)	46,437	→
Prime Vacancy	5.5%	↑
Market Balance	Landlord	Balanced



For more information,
please contact:

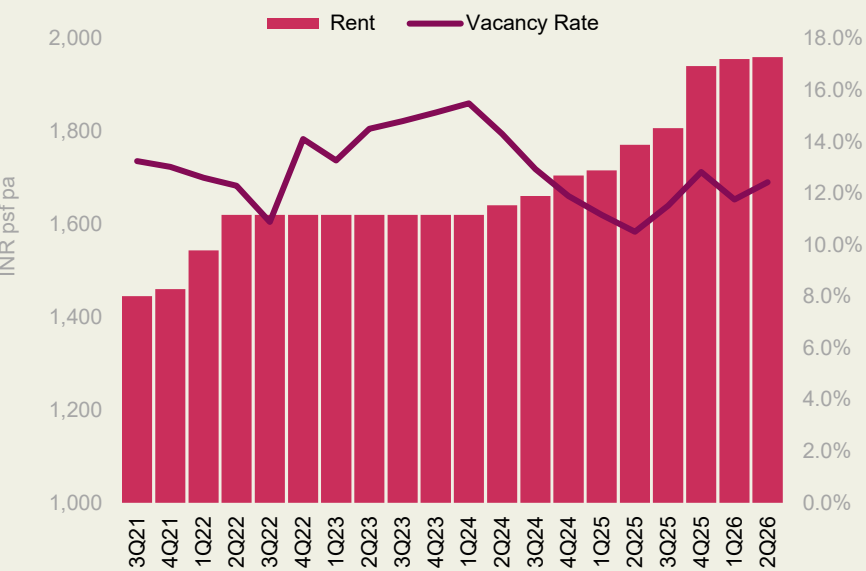
David Lee
Director, Global Portfolio Solutions/
Project Management, Korea
david.lee@kr.knightfrank.com
+82 2 2175 3988



India

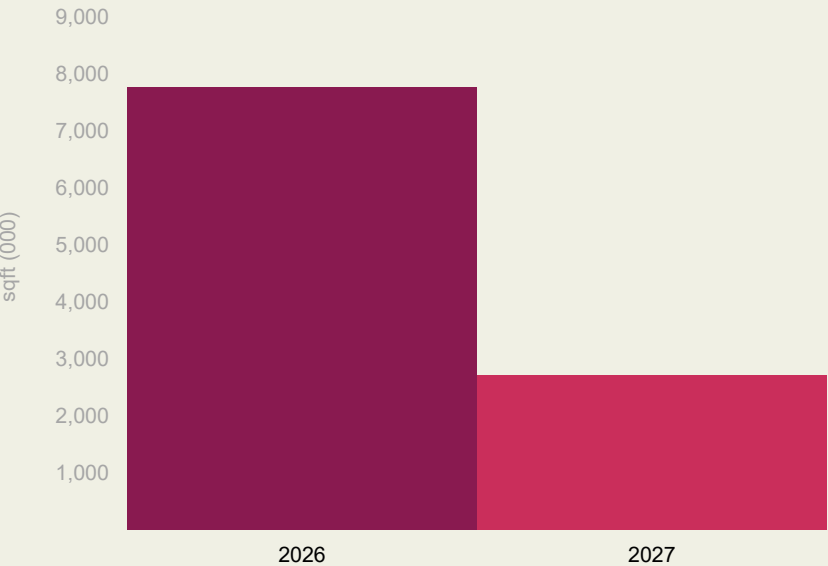
Leasing volumes during the quarter reached 9.8 million sqft across the Bengaluru, Mumbai and Delhi-NCR markets. Although these were down by over 20% year-on-year, this was mainly due to the high base set in 2025. On the whole, despite over 7 million sqft of space delivering, vacancies has remained largely stable which underscored the strength of demand. As a consequence, rents remained largely unchanged from Q1 2026. While GCCs continued to dominate leasing activity, flex-space operators have emerged as a key demand driver with the sector benefitting from a structural shift in how large occupiers approach their portfolio strategy, particularly as firms navigate uncertain headcount forecasts driven by AI integration. While geopolitical uncertainties as well as AI-driven workplace transformation are likely to influence occupier decision-making in the near term, it is unlikely to significantly alter the long-term growth trajectory of India's office market, which remain supported by the country's talent base and increasingly strategic role within global corporate operations.

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Pipeline Supply



Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (INR psf pa)	1,960	↑
Vacancy	12.4%	→
Market Balance	Landlord	Balanced

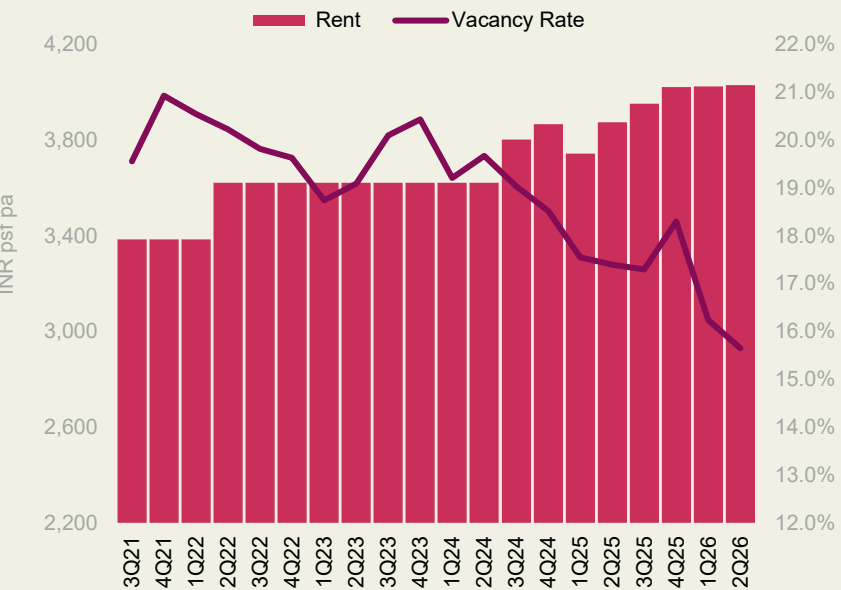


For more information,
please contact:

Rahil Gibran
Executive Director, Head of Occupier
Strategy and Solutions, Bengaluru
rahil.gibran@in.knightfrank.com
+91 80 6818 5674

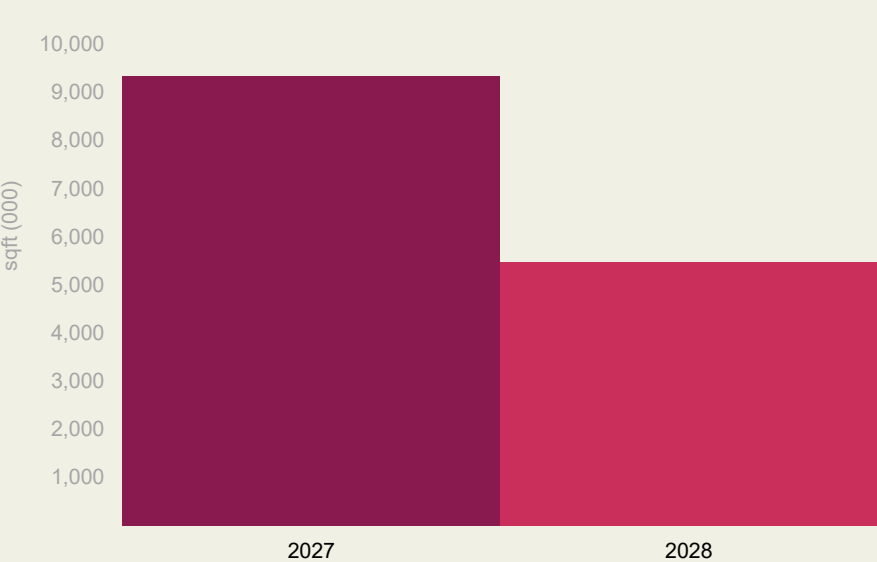
Mumbai Metropolitan Region (MMR)

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Pipeline Supply



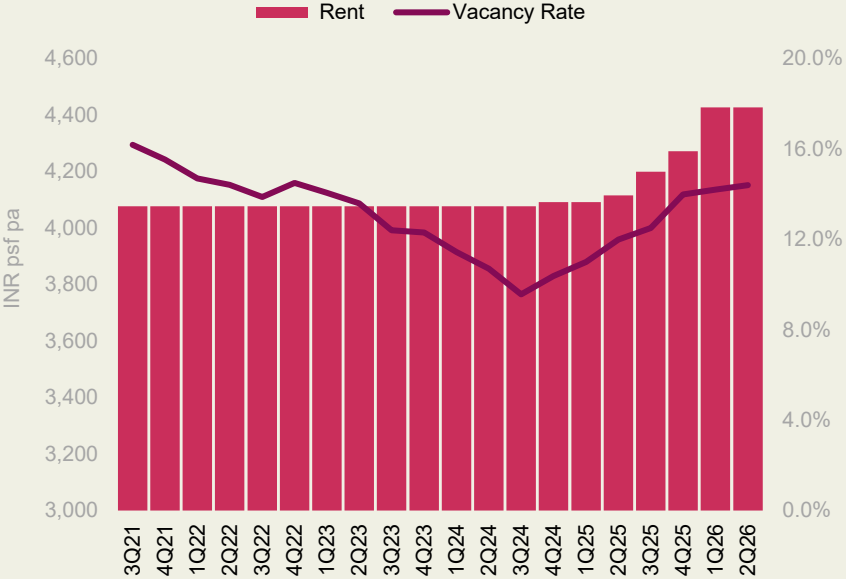
Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (INR psf pa)	4,030	↑
Vacancy	15.7%	→
Market Balance	Landlord	Balanced



For more information,
please contact:

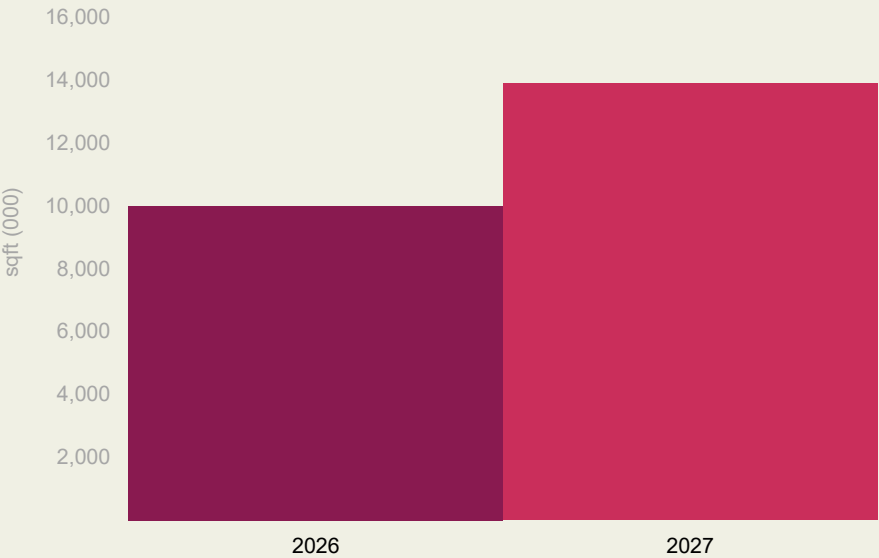
Kaushik Shah
National Director, Occupier Strategy and
Solutions
kaushik.shah@in.knightfrank.com
+91 22 6745 0256

Rents and Vacancy



Economic Indicators		
	2025	2026F
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Pipeline Supply



Real Estate Indicators		
	Q2 2026	12mth Forecast
Prime Rent (INR psf pa)	4,428	→
Vacancy	14.4%	→
Market Balance	Landlord	Balanced



For more information,
please contact:

Viral Desai
Sr. Executive Director – Occupier
Strategy and Solutions
viral.desai@in.knightfrank.com
+91 80 4073 2600

Our Global Presence



600⁺ OFFICES
50⁺ TERRITORIES
21,500⁺ PEOPLE
1 GLOBAL TEAM

Your partners in property
Independent & debt free
With over 125 years of experience



Our mission at Knight Frank is to connect people and property, perfectly.

SUBSCRIBE to updates and reports delivered to your inbox

SIGN UP ONLINE

The Asia Pacific Occupier Strategy and Solutions team facilitates this for our clients, offering a broad suite of consulting and transactional services that deliver domestic and multi-market occupiers with the information and advice they require. The integration of these services enables us to understand the critical success factors for your business.

Whether you are looking for or currently occupy industrial space, office space or retail space, Knight Frank has experienced teams that are dedicated to advising you, the occupier. Our bespoke commercial agency leasing team ensures we have the optimum expertise for each project. Our relationship with occupiers also ensures we speak to the decision makers who determine occupational strategy.

We are locally expert, and yet globally connected. Our multi-market clients are managed centrally from our hubs across Asia-Pacific, from Singapore, Australia, Hong Kong and India, where we devise strategies to empower clients to attain their desired goals.

For further information on the report, please contact:



Tim Armstrong

Global Head of Occupier
Strategy & Solutions
tim.armstrong@asia.knightfrank.com
+65 9737 9991



Geraldine Xiao

Director, Occupier Strategy & Solutions
Asia-Pacific
geraldine.xiao@asia.knightfrank.com
+65 9191 9560



Christine Li

Head of Research
Asia-Pacific
christine.li@asia.knightfrank.com
+65 8511 3758



© Knight Frank LLP 2025. This document has been provided for general information only and must not be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this document, Knight Frank LLP does not owe a duty of care to any person in respect of the contents of this document, and does not accept any responsibility or liability whatsoever for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. The content of this document does not necessarily represent the views of Knight Frank LLP in relation to any particular properties or projects. This document must not be amended in any way, whether to change its content, to remove this notice or any Knight Frank LLP insignia, or otherwise. Reproduction of this document in whole or in part is not permitted without the prior written approval of Knight Frank LLP to the form and content within which it appears.

Your partners in property

knightfrank.com/research