



COMMONWEALTH
PARTNERSHIP

IQ KNOWLEDGE BASE / OFFICE

IQ KB 2Q2023 TASHKENT



Commissioning of new facilities

- The commissioning dates of office facilities, planned for delivery in 2023, were postponed to the later dates. This was due to several factors: firstly, newly appeared complications in commissioning procedures, and secondly, incorrect planning of construction completion dates.
- Increasing demand for high-quality offices from the tenants' side will be met by the supply on the market. On the other hand, lower-quality projects will need to undergo redevelopment to maintain interest in their buildings.

Rate trends

- The dynamics of rental rates for Class B and B+ offices stabilized, with a 1% growth rate. Due to the increase in supply of class A and A+, we do not expect further growth until the end of 2023.
- The dynamics of rental rates for class A and A+ offices is positive, with growth of 4.3%. We expect that in Q3 the number of contracts signed for this class will increase.
- The current level of rates for A and A+ class projects is not indicative, as of this moment only Triliant has been commissioned, the reverse dynamics is possible in the next quarter.

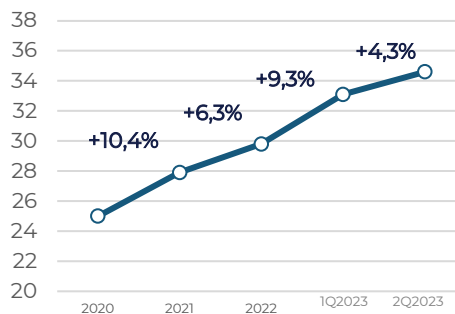
Vacancy trends

- In this quarter our company registered an increased demand for premises where constructions are already completed, which is confirmed by a decrease in vacancy rate in this sector of the market.
- Despite extremely low vacancy in B and B+ class business centers, the overall vacancy across all classes is 6.7%. Due to the commissioning of the large volume in Q3 and Q4, the market may change from the landlord's to tenant's one.
- The projected vacancy rate is formed on the basis of expected: commissioning of facilities and absorption of space. Class A and A+ vacancy will start to decrease in Q2-Q3 of 2024.

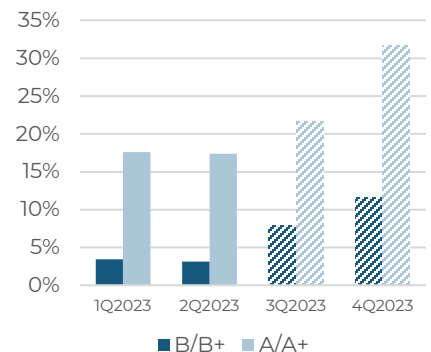
Prognosis of supply dynamics, thousand sq. m.



Rate dynamics for A/A+ class office spaces



Vacancy rate prognosis, %



2Q2023	Vacancy, %	Rent rate, \$
Class A/A+	17,41%	\$34,6
Class B/B+	3,18%	\$21,8